

To the Audit Committee
Grand Chapter of California, Order of the Eastern Star and
Endowment Fund of the Grand Chapter of California,
Order of the Eastern Star and
To the Board of Trustees
Eastern Star Homes of California

INDEPENDENT AUDITORS' REPORT

We have audited the liquid reserve requirements in the accompanying continuing care reserve reports (the "Reports") of Eastern Star Homes of California (the "Home", a nonprofit organization) as of September 30, 2020.

Management's Responsibility for the Reports

Management is responsible for the preparation and fair presentation of these Reports in accordance with the report preparation provision of California Health and Safety Code Section 1792; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of Reports that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the Reports based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Reports are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Reports. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Reports, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Reports 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Reports.

The accompanying Reports were prepared for the purpose of complying with California Health and Safety Code Section 1792 and are not intended to be a complete presentation of the assets, liabilities, revenues and expenses of the Grand Chapter of California, Order of the Eastern Star or the Endowment Fund of the Grand Chapter of California, Order of the Eastern Star or the Home.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Reports referred to above present fairly, in all material respects, the liquid reserve requirements of the Home as of September 30, 2020, in accordance with the report preparation provision of California Health and Safety Code Section 1792.

Restriction on Use

These Reports are intended solely for the information of the Audit Committee, Finance Committee, Home Board of Trustees, and management of the Grand Chapter of California, Order of the Eastern Star, the Home and the California Department of Social Services and are not intended to be, and should not be, used by anyone other than these specified parties. However, these Reports are a matter of public record and their distribution is not limited.

January 28, 2021
St. Louis, Missouri

Mueller Probst LC

Certified Public Accountants

FORM 1-1
RESIDENT POPULATION

<u>Line</u>	Continuing Care Residents	<u>TOTAL</u>
[1]	Number at beginning of fiscal year	31
[2]	Number at end of fiscal year	25
[3]	Total Lines 1 and 2	56
[4]	Multiply Line 3 by ".50" and enter result on Line 5.	x .50
[5]	Mean number of continuing care residents	28
All Residents		
[6]	Number at beginning of fiscal year	41
[7]	Number at end of fiscal year	39
[8]	Total Lines 6 and 7	80
[9]	Multiply Line 8 by ".50" and enter result on Line 10.	x .50
[10]	Mean number of <i>all</i> residents	40
[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).	0.70

FORM 1-2
ANNUAL PROVIDER FEE

<u>Line</u>	<u>TOTAL</u>
[1] Total Operating Expenses (including depreciation and debt service - interest only)	\$3,828,710
[a] Depreciation	\$348,948
[b] Debt Service (Interest Only)	\$0
[2] Subtotal (add Line 1a and 1b)	\$348,948
[3] Subtract Line 2 from Line 1 and enter result.	\$3,479,762
[4] Percentage allocated to continuing care residents (Form 1-1, Line 11)	70%
[5] Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4)	\$2,435,833
[6] Total Amount Due (multiply Line 5 by .001)	x .001 \$2,436

PROVIDER: Grand Chapter of California, Order of the Eastern Star
COMMUNITY: Senior Living Community for the Eastern Star

NON-PROFIT ORGANIZATION COMMON POLICY DECLARATIONS



Corporate Office
945 E. Paces Ferry Rd.
Suite 1800
Atlanta, GA 30326

COMPANY SYMBOL | POLICY PREFIX & NUMBER | RENEWAL OF
 N | PP688810 | NPP683258

●THIS IS A CLAIMS MADE AND REPORTED POLICY. PLEASE READ IT CAREFULLY.●

THIS POLICY IS ISSUED BY: RSUI Indemnity Company (hereinafter referred to as the Insurer)

ITEM 1. INSURED ORGANIZATION'S NAME AND MAILING ADDRESS | PRODUCER'S NAME AND ADDRESS
EASTERN STAR HOMES OF CALIFORNIA, INC.
16850 EAST BASTANCHURY ROAD
YORBA LINDA, CA 92886

IN CONSIDERATION OF THE PAYMENT OF THE PREMIUM, IN RELIANCE UPON THE STATEMENTS HEREIN OR ATTACHED HERETO, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, THE INSURER AGREES TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

ITEM 2. POLICY PERIOD:

FROM 9/1/2020 TO 9/1/2021 12:01 AM Standard Time at the Insured's address as stated herein

ITEM 3. COVERAGE SECTIONS APPLICABLE TO POLICY:

	Purchased	Shared Limit	Separate Limit
A. Directors and Officers Liability Insurance	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/>	<input type="checkbox"/>
B. Employment Practices Liability Insurance	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/>	<input type="checkbox"/>
1) Third Party Liability Coverage	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
C. Fiduciary Liability Insurance	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/>	<input type="checkbox"/>

ITEM 4. LIMIT OF LIABILITY:

\$ 3,000,000 Aggregate Limit of Liability for All **Coverage Sections**

ITEM 5. PREMIUM:

\$ 19,730.00 Total Policy Premium for All Coverage Sections

ITEM 6. POLICY FORM AND ENDORSEMENTS MADE A PART OF THIS POLICY AT THE TIME OF ISSUE:

SEE SCHEDULE OF ENDORSEMENTS – RSG 210077 0118

THESE DECLARATIONS TOGETHER WITH THE COMPLETED, SIGNED AND DATED APPLICATION, POLICY FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

Countersigned: _____

September 30, 2020
DATE

AUTHORIZED REPRESENTATIVE

**NON-PROFIT ORGANIZATION DIRECTORS AND OFFICERS
LIABILITY DECLARATIONS**



Corporate Office
945 E. Paces Ferry Rd.
Suite 1800
Atlanta, GA 30326

COMPANY SYMBOL N	POLICY PREFIX & NUMBER PP688810
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●THIS IS A CLAIMS MADE AND REPORTED POLICY. PLEASE READ IT CAREFULLY.●

THIS POLICY IS ISSUED BY: RSUI Indemnity Company (hereinafter referred to as the Insurer)

ITEM 1. INSURED ORGANIZATION'S NAME

EASTERN STAR HOMES OF CALIFORNIA, INC.

ITEM 2. LIMIT OF LIABILITY:

A. Directors and Officers Limit of Liability \$ 3,000,000
B. Additional Side-A Limit of Liability \$ Not Applicable

ITEM 3. RETENTION:

A. Directors and Officers Liability Retentions
1) Insuring Agreement A \$ 0
2) Insuring Agreement B \$ 25,000
3) Insuring Agreement C \$ 25,000

ITEM 4. PRIOR AND/OR PENDING LITIGATION DATE:

Directors and Officers Prior and/or Pending Litigation Date: 09/01/2005

THESE DECLARATIONS TOGETHER WITH THE COMPLETED, SIGNED AND DATED APPLICATION, POLICY FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

Countersigned: _____

September 30, 2020
DATE

AUTHORIZED REPRESENTATIVE

**NON-PROFIT ORGANIZATION EMPLOYMENT PRACTICES
LIABILITY DECLARATIONS**



Corporate Office
945 E. Paces Ferry Rd.
Suite 1800
Atlanta, GA 30326

COMPANY SYMBOL N	POLICY PREFIX & NUMBER PP688810
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●THIS IS A CLAIMS MADE AND REPORTED POLICY. PLEASE READ IT CAREFULLY.●

THIS POLICY IS ISSUED BY: RSUI Indemnity Company (hereinafter referred to as the Insurer)

ITEM 1. INSURED ORGANIZATION'S NAME

EASTERN STAR HOMES OF CALIFORNIA, INC.

ITEM 2. LIMIT OF LIABILITY:

- A. Employment Practices Limit of Liability \$ 3,000,000
(Including Third Party Liability, if purchased)
- B. Workplace Violence Expenses Sublimit \$ Not Applicable

ITEM 3. RETENTION:

- A. Employment Practices Liability Retentions
 - 1) Employment Practices Liability \$ 25,000
 - 2) Third Party Liability Coverage \$ 35,000

ITEM 4. PRIOR AND/OR PENDING LITIGATION DATE:

Employment Practices Prior and/or Pending Litigation Date: 09/01/2005

THESE DECLARATIONS TOGETHER WITH THE COMPLETED, SIGNED AND DATED APPLICATION, POLICY FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

Countersigned: _____

September 30, 2020

DATE

AUTHORIZED REPRESENTATIVE



Home Office: One Nationwide Plaza CA SURPLUS LINES TAX: \$1,672.50
 Columbus, Ohio 43215 CA STAMPING FEE: \$111.50
 Administrative Office: INSPECTION FEE: \$750.00

8877 North Gainey Center Drive • Scottsdale, Arizona 85258
 1-800-423-7675
 A STOCK COMPANY

SENIOR CARE LIABILITY DECLARATIONS

PLEASE REVIEW THE POLICY CAREFULLY.

NOTICE: EXCEPT AS MAY BE OTHERWISE PROVIDED HEREIN, THIS IS A CLAIMS MADE AND REPORTED POLICY. THE COVERAGE OF THIS POLICY IS LIMITED TO LIABILITY FOR COVERED ACTS COMMITTED SUBSEQUENT TO THE RETROACTIVE DATE, IF APPLICABLE, FOR WHICH CLAIMS ARE FIRST MADE AGAINST YOU WHILE THE POLICY IS IN FORCE AND WHICH ARE REPORTED TO US IN ACCORDANCE WITH THE TERMS OF THE POLICY.

Policy Number: SHS0000272

Item 1. First Named Insured and Mailing Address: <u>Eastern Star Homes of CA dba Senior Living</u> <u>Community for the Eastern Star</u> <u>16850 Bastanchury Road</u> <u>Yorba Linda, CA 92886</u>	Broker Name and Mailing Address: <u>CRC Group - Denver</u> <u>6200 South Syracuse Way, Suite 100</u> <u>Greenwood Village, CO 80111</u>
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Additional Named Insureds: Eastern Star Professional Plaza (covered for GL only)

Form of Business: CORPORATION

Item 2. Policy Period: From: **(a)** 10/01/2019 to **(b)** 10/01/2020

12:01 A.M. standard time at the address shown in **Item 1.** above.

Item 3. Aggregate Limit of Liability all Insured Locations: \$ _____

Item 4.

Coverage	Each Claim Limit	Aggregate Limit	Deductible/ Self-Insured Retention	Policy Basis (Per Claim/ Occurrence)	Retroactive Date
A. Professional Liability	\$1,000,000	\$3,000,000	\$25,000		10/01/2019
Sub-Limits					
I. Damage to Resident Property	\$2,500	\$10,000			
II. SuperBug Clean Up	\$25,000	\$25,000	\$5,000		
III. Evacuation Expense	\$50,000	\$50,000			
IV. HIPAA Coverage		\$25,000			
V. Crisis Costs		\$25,000			
B. General Liability					
Per Claim/Occurrence	\$1,000,000	\$3,000,000	\$25,000		10/01/2019
Products-Completed Operations Aggregate		\$3,000,000			
Damage to Premises Rented by You		\$1,000,000			
Personal and Advertising Injury Liability		\$1,000,000			

Medical Expense		\$10,000			
C. Employee Benefits Liability	\$1,000,000	\$3,000,000	\$1,000		10/01/2019
D. Stop Gap Liability	Not Covered	Not Covered			
E. Hired and Non-Owned Auto	Included	Included			
F. Liquor Liability Each Claim Limit is deleted and replaced by Each Common Cause Limit:	Not Covered	Not Covered			

Item 5. Premium

Policy Premium: \$55,000.00
TRIA Premium:
Amount Due:

Item 6. Extended Reporting Period Premium:

To be determined at time of purchase

Item 7. Claim Notices:

Nationwide Management Liability & Specialty
Attention: Claims Manager
7 World Trade Center, 37th Floor
250 Greenwich Street
New York, NY 10007-0033

Item 8. All Other Notices:

Nationwide Management Liability & Specialty
Attention: Claims Manager
7 World Trade Center, 37th Floor
250 Greenwich Street
New York, NY 10007-0033
Telephone: (800) 423-7675
E-mail: mlsreportaloss@nationwide.com

Item 9. Insured Locations:

Location# 1 / Building# 1: 16850 Bastanchury Road; Yorba Linda, CA 92886
Location# 2 / Buildings# 1-4: 16960 Bastanchury Road; Yorba Linda, CA 92886 (covered for GL only)

Item 10. Schedule of Forms and Endorsements Made a Part of this Policy:

UTS-COVPG 1-16 Cover Page
SHS-P-1 6-17 PROFESSIONAL LIABILITY CLAIMS MADE
SHS-P-2 6-17 COMMERCIAL GENERAL LIABILITY COVERAGE FORM - CLAIMS MADE
SHS-1 6-17 COMMON CONDITIONS
SHS-2 6-17 SENIOR CARE ENHANCEMENT ENDORSEMENT
SHS-5 6-17 ADDITIONAL INSURED | BLANKET ADDITIONAL INSURED ENDORSEMENT
SHS-7 6-17 MINIMUM EARNED PREMIUM ENDORSEMENT
SHS-8 6-17 EMPLOYEE BENEFITS LIABILITY COVERAGE
SHS-9 6-17 HIRED & NON-OWNED AUTO LIABILITY CLAIMS MADE
SHS-14 6-17 GL EXCLUSION SERVICES FURNISHED BY HEALTH CARE PROVIDERS
SHS-15 6-17 FUNGI/BACTERIA EXCLUSION
SHS-16 6-17 ABUSE/MOLESTATION EXCLUSION GL ONLY
SHS-17 6-17 CONTRACTUAL LIABILITY LIMITATION
SHS-29 6-17 EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM (REJECT)
SHS-32 6-17 EXCLUSION OF CERTIFIED ACTS OF TERRORISM (REJECT)
SHS-6 6-17 SELF-INSURED RETENTION LIABILITY INSURANCE ENDORSEMENT
D-2(01/17) CALIFORNIA NOTICE

Also review endorsements attached or deleted subsequently to determine complete policy.

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

Long-Term Debt Obligation	(a) Date Incurred	(b) Principal Paid During Fiscal Year	(c) Interest Paid During Fiscal Year	(d) Credit Enhancement Premiums Paid in Fiscal Year	(e) Total Paid (columns (b) + (c) + (d))
1					\$0
2					\$0
3					\$0
4					\$0
5					\$0
6					\$0
7					\$0
8					\$0
TOTAL:			\$0	\$0	\$0

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

NOTE: For column (b), do not include voluntary payments made to pay down principal.

PROVIDER: Grand Chapter of California, Order of the Eastern Star

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


	(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
2					\$0
3					\$0
4					\$0
5					\$0
6					\$0
7					\$0
8					\$0
TOTAL:		\$0	\$0	0	\$0

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

NOTE: For column (b), do not include voluntary payments made to pay down principal.

PROVIDER: Grand Chapter of California, Order of the Eastern Star

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

Line		TOTAL
1	Total from Form 5-1 bottom of Column (e)	\$0
2	Total from Form 5-2 bottom of Column (e)	\$0
3	Facility leasehold or rental payment paid by provider during fiscal year (including related payments such as lease insurance)	
4	TOTAL AMOUNT REQUIRED FOR LONG-TERM DEBT RESERVE:	\$0

PROVIDER: Grand Chapter of California, Order of the Eastern Star

FORM 5-4
CALCULATION OF NET OPERATING EXPENSES

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		<u>\$3,828,710</u>
2	Deductions:		
a.	Interest paid on long-term debt (see instructions)	<u>\$0</u>	
b.	Credit enhancement premiums paid for long-term debt (see instructions)	<u>\$0</u>	
c.	Depreciation	<u>\$348,948</u>	
d.	Amortization	<u>\$4,557</u>	
e.	Revenues received during the fiscal year for services to persons who did not have a continuing care contract	<u>\$703,118</u>	
f.	Extraordinary expenses approved by the Department	<u>\$0</u>	
3	Total Deductions		<u>\$1,056,623</u>
4	Net Operating Expenses		<u>\$2,772,087</u>
5	Divide Line 4 by 365 and enter the result.		<u>\$7,595</u>
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.		<u><u>\$569,625</u></u>

PROVIDER: Grand Chapter of California, Order of the Eastern Star

COMMUNITY: Senior Living Community for the Eastern Star

DSS - Net Operating Exp - Part of Form 5-4
Detailed explanation of the deductions

<u>Line:</u>		<u>Additional Comments</u>
Revenues received during the fiscal year for services to persons who did not have a		
2e: continuing care contract	\$544,518	Private Pay residents pay a basic care rate, plus a level of care rate to cover costs of the services provided.
	\$148,700	Private Pay Memory Care residents pay a basic care rate, plus a level of care rate to cover costs of the services provided.
	\$8,900	Respite Care based on a per diem rate, at the appropriate level of care provided
	<u>\$1,000</u>	Transportation Fees received for personal requests
	<u>\$703,118</u>	

**FORM 5-5
ANNUAL RESERVE CERTIFICATION**

Provider Name: Grand Chapter of California, Order of the Eastern Star
 Fiscal Year Ended: 30-Sep-20

We have reviewed our debt service reserve and operating expense reserve requirements as of, and for the period ended 30-Sep-20 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	\$0
[2] Operating Expense Reserve Amount	\$569,625
[3] Total Liquid Reserve Amount:	\$569,625

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

	<u>Amount</u> (market value at end of quarter)	
<u>Qualifying Asset Description</u>	<u>Debt Service Reserve</u>	<u>Operating Reserve</u>
[4] Cash and Cash Equivalents		\$209,634
[5] Investment Securities		\$17,217,997
[6] Equity Securities		
[7] Unused/Available Lines of Credit		
[8] Unused/Available Letters of Credit		
[9] Debt Service Reserve		(not applicable)
[10] Other:		
(describe qualifying asset)		
Total Amount of Qualifying Assets Listed for Reserve Obligation: [11]	\$0 [12]	\$17,427,631
Reserve Obligation Amount: [13]	\$0 [14]	\$569,625
Surplus/(Deficiency): [15]	\$0 [16]	\$16,858,006

Signature:

(Authorized Representative)

Date:

Grand Secretary
(Title)

DSS - Reserve Report - Part of Form 5-5
Description of Reserves under SB 1212

Total Qualifying Assets as Filed:

Cash and Cash Equivalents	209,634
Investment Securities	<u>\$17,217,997</u>
Total Qualifying Assets as Filed	\$17,427,631

Additional Comments

Total cash in the Eastern Star Homes of California financial statements.

Investments are held in the Endowment fund of the Grand Chapter of California, Order of the Eastern Star, but exclude any permanently restricted amounts.

Reservations and Designations:

Liquid Reserve Obligation per Form 5-5, line 3	<u>\$569,625</u>
Remaining Liquid Reserves	<u>\$16,858,006</u>

All qualifying assets, less liquid reserve obligation are unreserved and undesignated, and are available to support Eastern Star Homes of California.

Per Capita Cost of Operations

Operating Expenses (Form 5-4, line 1)	3,828,710
Mean # of all Residents (Form 1-1, line 10)	<u>40</u>
Per Capita Cost of Operations	<u>\$95,718</u>

**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 OPENED: _____ # OF ACRES: _____ SINGLE STORY MULTI-STORY OTHER: _____
 MILES TO SHOPPING CTR: _____
 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					
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/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: _____

	2017	2018	2019	2020
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 ORIGATION	DATE OF MATURITY	AMORTIZATION PERIOD

FINANCIAL RATIOS (see next page for ratio formulas)

2017 CCAC Medians
50th Percentile
(optional)

	2018	2019	2020
DEBT TO ASSET RATIO			
OPERATING RATIO			
DEBT SERVICE COVERAGE RATIO			
DAYS CASH ON HAND RATIO			

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: > _____
> _____
> _____

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.

FORM 7-1
REPORT ON CCRC MONTHLY CARE FEES

- | | RESIDENTIAL
LIVING | ASSISTED
LIVING | 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) | | | |
| <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: _____
(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. Date of Notice: _____ Method of Notice: _____ | | | |
| <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. Date of Meeting: _____ | | | |
| <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. Date of Notice: _____ | | | |
| <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. Date of Posting: _____ Location of Posting: _____ | | | |
| [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 <u>PART 7 REPORT ON CCRC MONTHLY CARE FEE</u> in the Annual Report Instruction booklet for further instructions. | | | |

PROVIDER: _____
COMMUNITY: _____

KEY INDICATORS REPORT

Eastern Star Homes of California

Date Prepared: 1/27/2021

Chief Executive Officer Signature

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

	2016	2017	2018	2019	2020	Projected 2021	Forecast				Preferred Trend Indicator
	2022	2023	2024	2025							
OPERATIONAL STATISTICS											
1. Average Annual Occupancy by Site (%)	63.28%	60.94%	66.12%	71.93%	77.19%	85.09%	94.74%	100.00%	100.00%	100.00%	N/A
MARGIN (PROFITABILITY) INDICATORS											
2. Net Operating Margin (%)	16.58%	13.66%	11.65%	1.26%	4.60%	4.72%	4.84%	4.96%	5.08%	5.20%	↑
3. Net Operating Margin - Adjusted (%)	16.58%	13.66%	11.65%	1.26%	4.60%	4.72%	4.84%	4.96%	5.08%	5.20%	↑
LIQUIDITY INDICATORS											
4. Unrestricted Cash and Investments (\$000)	\$13,525	\$17,415	\$17,933	\$17,631	\$17,914	\$17,964	\$18,064	\$18,264	\$18,514	\$18,764	↑
5. Days Cash on Hand (Unrestricted)	1,326	1,809	1,856	1,872	1,902	1,907	1,918	1,939	1,965	2,155	↑
CAPITAL STRUCTURE INDICATORS											
6. Deferred Revenue from Entrance Fees (\$000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7. Net Annual E/F proceeds (\$000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
8. Unrestricted Net Assets (\$000)	-\$7,294	-\$7,086	-\$7,345	-\$7,909	-\$8,261	-\$8,236	-\$8,136	-\$7,886	-\$7,636	-\$7,386	N/A
9. Annual Capital Asset Expenditure (\$000)	\$29	\$142	\$45	\$45	\$45	\$50	\$50	\$50	\$50	\$51	N/A
10. Annual Debt Service Coverage Revenue Basis (x)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	↑
11. Annual Debt Service Coverage (x)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	↑
12. Annual Debt Service/Revenue (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	↓
13. Average Annual Effective Interest Rate (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	↓
14. Unrestricted Cash & Investments/ Long-Term Debt (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	↑
15. Average Age of Facility (years)	16.90	18.61	19.90	21.38	21.13	20.63	20.13	19.63	19.13	18.63	↓