

ANNUAL REPORT CHECKLIST

PROVIDER(S): Fountainview at Eisenberg Village LLC and Los Angeles Jewish Home for the Aging

CCRC(S): Fountainview at Eisenberg Village

PROVIDER CONTACT PERSON: Robin Ray

TELEPHONE NO.: (818) 774-3396

EMAIL: Robin.Ray@jha.org



A complete annual report must consist of 3 copies of all of the following:

- Annual Report Checklist.
- Annual Provider Fee in the amount of: \$ 7,408
 - If applicable, late fee in the amount of: \$ _____
- Certification by the provider's **Chief Executive Officer** that:
 - The reports are correct to the best of his/her knowledge.
 - Each continuing care contract form in use or offered to new residents has been approved by the Department.
 - The provider is maintaining the required *liquid* reserves and, *when applicable*, the required refund reserve.
- Evidence of the provider's fidelity bond, as required by H&SC section 1789.8.
- Provider's audited financial statements, with an accompanying certified public accountant's opinion thereon.
- Provider's audited reserve reports (prepared on Department forms), with an accompanying certified public accountant's opinion thereon. (NOTE: Form 5-5 must be signed and have the required disclosures attached (H&SC section 1790(a)(2) and (3)).
- "Continuing Care Retirement Community Disclosure Statement" for **each** community.
- Form 7-1, "Report on CCRC Monthly Service Fees" for **each** community.
- Form 9-1, "Calculation of Refund Reserve Amount", *if applicable*.
- Key Indicators Report (signed by CEO or CFO (or by the authorized person who signed the provider's annual report)). The KIR may be submitted along with the annual report, but is not required until 30 days later.

FORM 1-1
RESIDENT POPULATION

<u>Line</u>	Continuing Care Residents	<u>TOTAL</u>
[1]	Number at beginning of fiscal year	102
[2]	Number at end of fiscal year	108
[3]	Total Lines 1 and 2	210
[4]	Multiply Line 3 by ".50" and enter result on Line 5.	x .50
[5]	Mean number of continuing care residents	105
All Residents		
[6]	Number at beginning of fiscal year	102
[7]	Number at end of fiscal year	108
[8]	Total Lines 6 and 7	210
[9]	Multiply Line 8 by ".50" and enter result on Line 10.	x .50
[10]	Mean number of <i>all</i> residents	105
[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).	1.00

FORM 1-2
ANNUAL PROVIDER FEE

<u>Line</u>	<u>TOTAL</u>
[1] Total Operating Expenses (including depreciation and debt service - interest only)	\$7,431,331
[a] Depreciation	\$23,701
[b] Debt Service (Interest Only)	
[2] Subtotal (add Line 1a and 1b)	\$23,701
[3] Subtract Line 2 from Line 1 and enter result.	\$7,407,630
[4] Percentage allocated to continuing care residents (Form 1-1, Line 11)	100%
[5] Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4)	\$7,407,630
[6] Total Amount Due (multiply Line 5 by .001)	x .001 \$7,408

PROVIDER FOUNTAINVIEW AT EISENBERG VILLAGE LLC
COMMUNITY FOUNTAINVIEW AT EISENBERG VILLAGE LLC



7150 Tampa Avenue, Reseda, CA 91335
Tel: 818.774.3000 | Fax: 818.774.3020
www.lajhealth.org

December 18, 2024

Ms. Kim Johnson
State of California
Health and Human Services Agency
Department of Social Services
Continuing Care Contracts Branch
744 P Street
Sacramento, CA 95814

Dear Ms. Johnson,

This letter is to certify that our annual report for Fountainview at Eisenberg Village, LLC and any amendments to the annual report are correct to the best of my knowledge. Each continuing care contract form in use or offered to new residents has been approved by the Department of Social Services. As of August 31, 2024, Fountainview at Eisenberg Village, LLC exceeds the required services.

Sincerely,

Dale Surowitz
CEO and President

Policy No. SAA 4292874 09 00

CRIME PROTECTION POLICY DECLARATIONS

Item 1. NAMED INSURED AND ADDRESS:

Los Angeles Jewish Home for the
Aging
7150 Tampa Ave
Reseda, CA 91335

Item 2. POLICY PERIOD:

12:01 A.M. Standard Time at the
address of the Named Insured
shown at left
From 05/01/2024 To 05/01/2025

Insurance is afforded by:

Great American Insurance Company

(a capital stock corporation, hereinafter called the Company)

Item 3. INSURING AGREEMENTS, LIMITS OF INSURANCE AND DEDUCTIBLES

Insuring Agreement	Limit of Insurance Per Occurrence	Deductible Amount Per Occurrence
1. Employee Dishonesty	\$ 5,000,000	\$ 50,000
2. Forgery or Alteration	\$ 5,000,000	\$ 50,000
3. Inside the Premises	\$ 5,000,000	\$ 50,000
4. Outside the Premises	\$ 5,000,000	\$ 50,000
5. Computer Hacking	\$ 5,000,000	\$ 50,000
6. Money Orders and Counterfeit Paper Cash	\$ 5,000,000	\$ 50,000
7. Loss of Clients' Property	\$ 5,000,000	\$ 50,000
8. Funds Transfer Fraud	\$ 5,000,000	\$ 50,000
9. Fraudulently Induced Transfer	\$ 250,000	\$ 50,000
10. ERISA Fraud or Dishonesty	\$ 500,000	\$ 0

If added by Endorsement, Insuring Agreement(s):

If "Not Covered" is inserted above opposite any specified Insuring Agreement, or if no amount is inserted, such Insuring Agreement and any other reference thereto in this Policy shall be deemed to be deleted.

Item 4. ENDORSEMENTS FORMING PART OF THIS POLICY WHEN ISSUED

See Form IL8801

Item 5. CANCELLATION OF PRIOR INSURANCE

By acceptance of this Policy you give us notice cancelling prior policy Nos.

SAA 4292874 08



Report of Independent Auditors and Consolidated Financial
Statements with Supplementary Information

Los Angeles Jewish Home for the Aging

August 31, 2024 and 2023

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Report of Independent Auditors

The Board of Directors
Los Angeles Jewish Home for the Aging

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Los Angeles Jewish Home for the Aging, which comprise the consolidated statements of financial position as of August 31, 2024 and 2023, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Los Angeles Jewish Home for the Aging as of August 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Los Angeles Jewish Home for the Aging and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated 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 consolidated 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 consolidated 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 Los Angeles Jewish Home for the Aging'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Los Angeles Jewish Home for the Aging's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the 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 information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.



Los Angeles, California
December 18, 2024

Consolidated Financial Statements

Los Angeles Jewish Home for the Aging
Consolidated Statements of Financial Position (In Thousands)
August 31, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 28,223	\$ 30,750
Assets limited as to use, required for payment of current liabilities (Note 7)	4,901	6,160
Short-term investments (Notes 5 and 6)	12,434	-
Accounts receivable (Note 2)	13,788	13,434
Current portion of contributions receivable, net (Note 8)	5,503	5,676
Prepaid and other current assets	1,930	2,397
Assets classified as held for sale (Note 3)	137,814	-
Total current assets	204,593	58,417
ASSETS LIMITED TO USE, net of current portion (Note 7)	6,128	4,435
INVESTMENTS (Notes 5 and 6)	8,143	13,559
CONTRIBUTIONS RECEIVABLE, net of current portion (Note 8)	10,673	11,731
ASSETS HELD IN TRUST FOR RESIDENTS (Note 9)	459	537
PROPERTY, PLANT, AND EQUIPMENT, net (Note 10)	126,676	275,103
OPERATING LEASE RIGHT-OF-USE ASSETS (Note 16)	6,187	6,490
OTHER ASSETS	763	1,142
Total assets	\$ 363,622	\$ 371,414
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 15,334	\$ 14,712
Accrued interest expense	883	1,051
Accrued compensation and related liabilities	8,979	8,231
Accrued workers' compensation	2,301	2,079
Due to third-party payers	1,982	931
Refundable advance fees payable (Note 13)	12,946	15,100
Current portion of annuity obligations	226	224
Operating lease liability, current portion (Note 16)	898	722
Current portion of long-term debt (Note 12)	6,495	6,400
Liabilities classified as held for sale (Note 3)	138,357	-
Total current liabilities	188,401	49,450
REFUNDABLE ADVANCE FEES LIABILITY (Note 14)	51,549	186,475
DEFERRED REVENUE FROM ADVANCE FEES (Note 10)	13,365	12,447
ACCRUED COMPENSATION AND RELATED LIABILITIES, net of current portion (Note 15)	378	378
ACCRUED WORKERS' COMPENSATION, net of current portion (Note 15)	6,601	6,601
ANNUITY OBLIGATIONS, net of current portion	1,257	1,368
ASSET RETIREMENT OBLIGATION (Note 15)	633	591
RESIDENT FUNDS (Note 9)	459	537
OPERATING LEASE LIABILITY, net of current portion (Note 16)	6,112	6,678
LINES OF CREDIT (Note 12)	6,725	7,899
LONG-TERM DEBT, net of current portion (Note 12)	79,118	84,811
Total liabilities	354,598	357,235
NET ASSETS (DEFICIT)		
Without donor restrictions	(35,335)	(31,310)
With donor restrictions (Note 17)	44,359	45,489
Total net assets	9,024	14,179
COMMITMENTS AND CONTINGENCIES (Note 15)		
Total liabilities and net assets	\$ 363,622	\$ 371,414

See accompanying notes.

Los Angeles Jewish Home for the Aging
Consolidated Statement of Activities (In Thousands)
Year Ended August 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS, AND OTHER SUPPORT			
In-residence revenue	\$ 100,826	\$ -	\$ 100,826
Community based services revenue	46,402	-	46,402
Amortization of deferred revenue from advance fees	3,930	-	3,930
Contributions	12,845	761	13,606
Investment income (Note 5)	2,890	151	3,041
Other revenue	1,327	-	1,327
Net assets released from restriction – used for operations	2,398	(2,398)	-
Change in value of split-interest agreements	-	356	356
	<u>170,618</u>	<u>(1,130)</u>	<u>169,488</u>
EXPENSES			
Nursing	44,134	-	44,134
Plant operations, housekeeping, and laundry	19,081	-	19,081
Dietary	19,704	-	19,704
Ancillary	6,695	-	6,695
Social services	5,718	-	5,718
Outside medical services	11,644	-	11,644
Medical services	2,517	-	2,517
Personal care services	4,632	-	4,632
General and administrative	32,421	-	32,421
Depreciation and amortization	12,349	-	12,349
Debt financing costs	3,792	-	3,792
Employee-related insurance	2,888	-	2,888
Fundraising	3,703	-	3,703
Marketing	2,047	-	2,047
Insurance and taxes	3,151	-	3,151
Other	167	-	167
	<u>174,643</u>	<u>-</u>	<u>174,643</u>
Revenue less than expenses	<u>(4,025)</u>	<u>(1,130)</u>	<u>(5,155)</u>
Change in net asset (deficit)	(4,025)	(1,130)	(5,155)
NET ASSETS (DEFICIT) at beginning of year	<u>(31,310)</u>	<u>45,489</u>	<u>14,179</u>
NET ASSETS (DEFICIT) at end of year	<u>\$ (35,335)</u>	<u>\$ 44,359</u>	<u>\$ 9,024</u>

See accompanying notes.

Los Angeles Jewish Home for the Aging
Consolidated Statement of Activities (In Thousands)
Year Ended August 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS, AND OTHER SUPPORT			
In-residence revenue	\$ 96,344	\$ -	\$ 96,344
Community based services revenue	43,022	-	43,022
Amortization of deferred revenue from advance fees	3,913	-	3,913
Contributions	20,992	(67)	20,925
Investment income (Note 5)	1,560	93	1,653
Grant revenue (Note 4)	4,107	-	4,107
Other revenue	1,055	-	1,055
Net assets released from restriction – used for operations	1,656	(1,656)	-
Change in value of split-interest agreements	-	117	117
	<u>172,649</u>	<u>(1,513)</u>	<u>171,136</u>
Total revenue, gains, and other support			
EXPENSES			
Nursing	44,214	-	44,214
Plant operations, housekeeping, and laundry	18,503	-	18,503
Dietary	19,407	-	19,407
Ancillary	6,827	-	6,827
Social services	5,848	-	5,848
Outside medical services	11,610	-	11,610
Medical services	2,694	-	2,694
Personal care services	3,822	-	3,822
General and administrative	31,125	-	31,125
Depreciation and amortization	11,597	-	11,597
Debt financing costs	3,754	-	3,754
Employee-related insurance	2,506	-	2,506
Fundraising	2,559	-	2,559
Marketing	1,613	-	1,613
Insurance and taxes	2,706	-	2,706
Other	1,049	-	1,049
	<u>169,834</u>	<u>-</u>	<u>169,834</u>
Total expenses			
Revenue in excess of (less than) expenses	<u>2,815</u>	<u>(1,513)</u>	<u>1,302</u>
Change in net assets (deficit)	2,815	(1,513)	1,302
NET ASSETS (DEFICIT) at beginning of year	<u>(34,125)</u>	<u>47,002</u>	<u>12,877</u>
NET ASSETS (DEFICIT) at end of year	<u>\$ (31,310)</u>	<u>\$ 45,489</u>	<u>\$ 14,179</u>

See accompanying notes.

Los Angeles Jewish Home for the Aging
Consolidated Statements of Cash Flows (In Thousands)
Years Ended August 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from residents and third-party payers	\$ 147,533	\$ 136,274
Proceeds from advance fees received	30,712	23,314
Other receipts from operations	1,327	5,161
Unrestricted contributions received	14,591	21,477
Unrestricted investment income received	1,757	1,216
Cash paid to suppliers and employees	(156,024)	(153,935)
Cash paid for interest on long-term debt	(4,652)	(4,387)
	<u>35,244</u>	<u>29,120</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(1,737)	(7,156)
Proceeds from sale of investments	12	70
Purchase of investments	(5,745)	(551)
	<u>(7,470)</u>	<u>(7,637)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances on lines of credit	39,779	38,061
Repayments of lines of credit	(40,953)	(38,712)
Principal payments on long-term debt	(4,905)	(4,740)
Payment of refundable advance fees	(24,223)	(16,499)
Payment of obligation for Skilled Nursing Facility care	(56)	(31)
Proceeds from restricted and conditional contributions and investment income	491	380
	<u>(29,867)</u>	<u>(21,541)</u>
Net decrease in cash and cash equivalents and restricted cash	(2,093)	(58)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS, beginning of year	<u>41,345</u>	<u>41,403</u>
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS, end of year	<u>\$ 39,252</u>	<u>\$ 41,345</u>

See accompanying notes.

Los Angeles Jewish Home for the Aging
Consolidated Statements of Cash Flows (In Thousands)
Years Ended August 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets (deficit)	\$ (5,155)	\$ 1,302
Adjustments to reconcile change in net assets (deficit) to net cash provided by operating activities		
Advance refundable fees received	25,697	15,733
Advance non-refundable fees received	5,015	2,414
Depreciation and amortization	12,349	11,597
Accretion of asset retirement obligation	-	13
Amortization of bond issuance costs	410	429
Amortization of deferred revenues from advance fees	(3,930)	(3,913)
Amortization of bond premium	(1,103)	(1,173)
Loss on disposal of property and equipment	14	-
Net realized and unrealized gains on investments	(1,285)	(437)
(Increase) decrease in operating assets		
Accounts receivable	(354)	1,148
Prepaid and other current assets	(15,416)	927
Contributions receivable	738	602
Other assets	379	(28)
Operating lease right-of-use assets	303	639
Increase (decrease) in operating liabilities		
Accounts payable, accrued expenses, and accrued compensation	17,199	512
Accrued interest expense	(167)	85
Due to third-party payers	1,051	100
Operating lease liabilities	(390)	(663)
Annuity obligations	(111)	(167)
	<u>\$ 35,244</u>	<u>\$ 29,120</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Accrued capital expenditures	\$ 955	\$ 1,513
Assets and liabilities classified as held for sale	<u>\$ (543)</u>	<u>\$ -</u>

See accompanying notes.

Los Angeles Jewish Home for the Aging Notes to Consolidated Financial Statements

Note 1 – Organization

Los Angeles Jewish Home for the Aging (LAJH), a tax exempt corporation located in Reseda, California, was founded in 1912 and organized in 1979 to operate three separate tax-exempt corporations – Eisenberg Village of the Los Angeles Jewish Home for the Aging (“Eisenberg Village”), licensed to operate 271 residential (board and care) beds and 166 skilled nursing beds; Grancell Village of the Los Angeles Jewish Home for the Aging (“Grancell Village”), licensed to operate 105 skilled nursing beds and an acute psychiatric hospital consisting of 10 acute beds and supplemental service of 239 distinct part skilled nursing beds; and JHA Geriatric Services, Inc., established to provide outpatient services to the residents of Eisenberg and Grancell Villages and seniors in the surrounding community.

In 2006, LAJH established Fountainview at Eisenberg Village LLC for the purpose of operating a continuing care retirement community known as Fountainview at Eisenberg Village. Fountainview at Eisenberg Village opened in February 2010 and has 108 apartments licensed for 216 residents.

In 2008, LAJH opened the Annenberg School of Nursing. The school offers training programs for licensed vocational nurses, certified nursing assistants, and home health aides.

In 2009, LAJH created Brandman Centers for Senior Care, Inc. (BCSC) for the purpose of operating Program of All-Inclusive Care for the Elderly (PACE) sites in the Los Angeles area. BCSC opened the first PACE site on February 1, 2013, at Grancell Village. On November 1, 2023, LAJH expanded the program, opening a second BCSC PACE site on the west side of Los Angeles (Brandman Centers for Senior Care (PACE) West Los Angeles).

In 2009, LAJH created JHA West 16, LLC (“JHA West 16”), a limited liability company. JHA West 16 purchased land in September 2012 in Playa Vista, California, for the construction of a continuing care retirement community; Fountainview at Gonda Westside on the Gonda Healthy Aging Center campus opened in February 2017 and has 175 apartments licensed for 216 residents. On October 1, 2024, Gonda at Westside was sold to Senior Resource Group, LLC. Refer to Note 3 and 22 for further information.

LAJH is the sole corporate member of Eisenberg Village, Grancell Village, the Annenberg School of Nursing, BCSC, JHA West 16, the Brandman Health Plan, and the Foundation. LAJH is not the sole corporate member of JHA Geriatric Services, Inc., but elects all of the members of its Board of Directors. Eisenberg Village of the Los Angeles Jewish Home for the Aging is the sole member of Fountainview at Eisenberg Village LLC.

In July 2013, LAJH formed Los Angeles Jewish Home, IPA (IPA), a for-profit professional corporation, for the purpose of operating an independent physician’s association in the surrounding community. The IPA became active in November 2017. LAJH has elected to consolidate the IPA because it owns an option to purchase the IPA and employs the sole shareholder of the IPA on a full-time basis.

In November 2019, LAJH organized the Brandman Health Plan to operate a managed medical health plan. In July 2020, the Brandman Health Plan received a Knox-Keene license to operate a chronic condition special needs plan (C-SNP) and began enrolling participants in October 2020 for coverage starting January 1, 2021. During the fiscal year ending August 31, 2022, LAJH decided to close the plan and February 2022 was the last month of coverage provided to plan members.

Los Angeles Jewish Home for the Aging

Notes to Consolidated Financial Statements

Note 2 – Summary of Significant Accounting Policies

Basis of presentation – The consolidated financial statements include the accounts of the related organizations described above. All significant intercompany accounts and transactions have been eliminated.

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The accrual basis of accounting recognizes revenues in the accounting period in which revenues are earned regardless of when cash is received and recognizes expenses in the accounting period in which expenses are incurred regardless of when cash is disbursed. Based on the existence of absence of donor-imposed restrictions, LAJH classifies resources into two categories: without donor restrictions and with donor restrictions.

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of LAJH. These net assets may be used at the discretion of LAJH's management and board of directors.

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

Expiration of donor-imposed restrictions – Net assets are released from restrictions by incurring expenses satisfying the restricted purposes and by occurrence of events specified by the donors, including the passage of time. Donor restrictions on long-lived assets or cash to construct or acquire long-lived assets are considered to have expired when the assets are placed into service or expenditures exceed the amount of the gift.

Use of estimates – The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions include the valuation allowances for accounts and contributions receivable; liabilities for self-insured workers' compensation and unemployment risks; and valuation of split-interest agreements. Actual results could differ from those estimates.

Cash and cash equivalents – Investments with original maturities of three months or less are considered to be cash equivalents. At August 31, 2024 and 2023, cash equivalents are comprised of money market funds.

Los Angeles Jewish Home for the Aging Notes to Consolidated Financial Statements

The following table provides a reconciliation of cash and cash equivalents and restricted cash equivalents reported within the accompanying consolidated statement of financial position to the accompanying consolidated statements of cash flows at August 31, 2024 and 2023 (in thousands):

	2024	2023
Cash and cash equivalents	\$ 28,223	\$ 30,750
Restricted cash and cash equivalents, included in assets limited as to use (Note 6)	11,029	10,595
Cash and cash equivalents and restricted cash and cash equivalents as reported in statements of cash flows	\$ 39,252	\$ 41,345

Assets limited as to use – Assets limited as to use include contributions received that are restricted by the donor to investment in property and equipment or a specific program and funds held by the trustee under debt agreements for payment of debt service and are classified as available for sale. Assets limited as to use that are available for the payment of current liabilities are classified as current assets.

Investments – LAJH records investments in equity securities with readily determinable fair values and all investments in debt securities at fair value. Realized and unrealized gains and losses are included in the consolidated statements of activities as unrestricted unless the income or loss is restricted by donor or California state law (Note 18). Interest income that is restricted by the donor or law is recorded as an increase in net assets with donor restrictions.

Deferred costs – Deferred costs at August 31, 2024 and 2023, include debt issuance costs incurred in connection with the issuance of California Statewide Communities Development Authority (the Authority) Insured Health Facility Revenue Bonds (Los Angeles Jewish Home for the Aging), issued in August 2019, September 2019, and October 2020.

The costs for the financing are being amortized over the terms of the financing agreement using the effective interest rate method. Such costs are presented as a component of long-term debt in accordance with Accounting Standards Codification (ASC) Topic 835. Amortization expense for debt issuance costs is included as a component of interest expense.

Property and equipment – Property and equipment are stated at cost at the date of purchase or fair market value at the date of donation. Expenditures for maintenance and repairs are charged to expense. Improvements and major renewals are capitalized. The cost and related accumulated depreciation of properties sold or otherwise disposed of are removed from the accounts and any gains or losses on disposition are included in operating gains or losses. Interest cost incurred during the period of construction of capital assets is capitalized as a component of the cost of constructing those assets, net of investment income on unspent proceeds of tax-exempt borrowings restricted for use in construction.

Depreciation is computed using the straight-line method over estimated useful lives as follows:

Land improvements	12–30 years
Buildings and improvements	10–40 years
Equipment	2–10 years

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Impairment of long-lived assets is recognized whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Measurement of the amount of impairment may be based on market values of similar assets or estimates of future discounted cash flows resulting from use and ultimate disposition of the assets.

Assets and liabilities held for sale – Management classifies assets and liabilities as held for sale when it determined that they meet the applicable criteria under ASC Topic 205-20, *Discontinued Operations*.

Revenue (less than) in excess of expenses – The consolidated statements of activities include revenue (less than) in excess of expenses. Changes in unrestricted net assets, which are excluded from revenue (less than) in excess of expenses, include net assets released from restriction used for capital expenditures.

Revenue Recognition

In-residence services revenue is comprised of revenue received from LAJH's skilled nursing, residential care, acute, and upscale independent living facilities.

Community based services revenue is earned through LAJH's lines of business serving residents and members of the community. The specific lines of business include hospice, the clinic, and home health, which are part of JHA Geriatrics. They also include the BCSC PACE program, the Annenberg School of Nursing, and the IPA.

In-residence and community-based services revenues are reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

A significant portion of in-residence and community-based services revenue is derived from residents covered under the California Medi-Cal and federal Medicare programs. These programs are highly regulated and are subject to state and federal budgetary and other constraints. Medi-Cal programs represented 64% and 65% of net accounts receivable at August 31, 2024 and 2023, respectively. Medicare programs represented 13% of net accounts receivable at August 31, 2024 and 2023, respectively. Revenue from these programs represented 74% of in-residence and community-based services revenue for the years ended August 31, 2024 and 2023.

LAJH has provided for the difference between established charges for services provided to residents and the estimated amounts realizable under the reimbursement principles of the programs in order to determine net patient service revenue. While LAJH's cash flow could be adversely affected by periodic government program funding delays or shortfalls, management does not believe there is any significant credit risk associated with these government programs.

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LAJH is reimbursed by Medicare prospectively according to resident care classifications, with each class assigned a fixed reimbursement rate. In July 2012, the State of California passed the Coordinated Care Initiative. Effective July 2014, the initiative requires that beneficiaries who qualify for both Medicare and Medi-Cal (dual eligible beneficiaries) must enroll in a Medi-Cal managed care plan to receive their Medi-Cal benefits. At August 31, 2024 and 2023, approximately 86% and 84%, respectively, of LAJH's Medi-Cal residents are dual eligible. LAJH is reimbursed by Medi-Cal and the Medi-Cal managed care plans at a fixed daily rate, which does not vary with the acuity level of the resident. The reimbursement is the same amount for traditional and managed care residents; however, payment time frames are longer for Medi-Cal managed care.

Revenue under third-party payer agreements is subject to audit and retroactive adjustment by third-party payers. Provisions for estimated third-party payer settlements are provided in the period the related services are rendered. Differences between the estimated amounts accrued at interim and final settlements are reported in operations in the year of settlement. LAJH's cost reports have been audited by the fiscal intermediary through August 31, 2023.

The composition of in-residence and community-based services revenue by primary payor for the years ended August 31 is as follows (in thousands):

	August 31, 2024		
	In-Residence	Community- Based Services	Total
Medi-Cal	\$ 53,995	\$ 26,526	\$ 80,521
Medicare	10,161	17,869	28,030
Private	26,727	2,007	28,734
Other third-party payors	9,943	-	9,943
	\$ 100,826	\$ 46,402	\$ 147,228
	August 31, 2023		
	In-Residence	Community- Based Services	Total
Medi-Cal	\$ 53,515	\$ 23,139	\$ 76,654
Medicare	9,032	17,152	26,184
Private	25,113	2,731	27,844
Other third-party payors	8,684	-	8,684
	\$ 96,344	\$ 43,022	\$ 139,366

Accounts receivable at September 1, 2022, was approximately \$8,852,000.

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Contributions – Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, net of any estimated allowance. Unconditional promises to give that are expected to be received in future years are recorded at the present value of estimated future payments. Conditional promises to give are not recorded until the conditions are met.

LAJH provides many services to its residents that are not reimbursed by government programs or residents. LAJH is able to operate in such a manner because the community at large supports the need and the cost for such services. Therefore, LAJH includes unrestricted contributions received as a component of unrestricted revenue and support.

Contributions are reported as restricted support if they are received with donor stipulations limiting the use of the donated assets. When a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restriction. However, if the restriction is fulfilled in the same time period in which the contribution is received, LAJH reports the support as unrestricted.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

Split-interest agreements – LAJH enters into split-interest agreements with donors who make gifts to LAJH and require periodic payments for the remainder of their life. LAJH has recorded amounts receivable and amounts held by LAJH in trust under split-interest agreements of approximately \$293,000 and \$3,056,000, respectively, at August 31, 2024 and \$473,000 and \$2,797,000, respectively, at August 31, 2023. The amounts held in trust are included in investments in the consolidated statements of financial position. The rate of return to the donor is stated in the agreement and currently ranges from 4.5% to 9.0% of the fair value of the trust assets at the inception of the trust. LAJH has recorded a liability equal to the present value of the amounts expected to be paid to the donors calculated at a rate applicable to the year in which the agreement is initially recorded. The difference between the assets held in trust and the present value of the annuity obligation is reported as an increase/decrease in net assets with donor restrictions as stipulated by the donor.

Claims payable – BCSC contracts with various providers, including physicians and hospitals, to provide certain health care products and services to enrolled Medi-Cal and Medicare beneficiaries. The cost of the health care products and services provided or contracted for is accrued by means of an estimate of the cost of services that have been incurred but not yet reported (IBNR). The estimate for IBNR is based on projections of hospital and other costs using historical studies of claims paid. Estimates are monitored and reviewed and, as settlements are made or estimates adjusted, differences are reflected in current operations. Such estimates are subject to the impact of changes in the regulatory environment and economic conditions. Approximately \$4,052,000 and \$3,400,000 of claims payable have been recorded at August 31, 2024 and 2023, respectively, and have been included in accounts payable and accrued expenses on the accompanying consolidated statements of financial position.

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Concentrations of credit risk – Financial instruments that potentially subject LAJH to concentrations of credit risk consist primarily of investments and accounts receivable. The investment portfolio is managed within the guidelines established by the Board of Directors, which, as a matter of policy, limit the amounts that may be invested in any one issuer. A significant portion of LAJH's accounts receivable is concentrated in government programs in which LAJH does not believe there is any undue credit risk. LAJH has cash balances in financial institutions that are in excess of FDIC limits. Management monitors the financial condition of these institutions on an ongoing basis and does not believe significant credit risk exists at this time.

Income taxes – With the exception of the IPA, LAJH is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code and is generally not subject to federal or state income taxes. However, LAJH is subject to income taxes on any net income that is derived from a trade or business, regularly carried on, and not in furtherance of the purposes for which it was granted exemption. No income tax provision has been recorded as the net income, if any, from any unrelated trade or business, in the opinion of management, is not material to the consolidated financial statements taken as a whole. LAJH recognizes the tax benefit from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no uncertain tax positions at August 31, 2024 or 2023.

Asset retirement obligation – LAJH accounts for asset retirement obligations (AROs) in accordance with ASC 410 and accrues for cost related to legal obligations to perform certain activities in connection with retirement, disposal, and abandonment of assets. LAJH has identified asbestos abatement as a retirement obligation. Asbestos abatement is estimated based upon historical removal cost per square foot applied to assets identified requiring asbestos abatement.

Obligation to provide future services – LAJH annually calculates the present value of the net cost of future services and the use of facilities to be provided to current residents of Fountainview and compares that amount with the balance of deferred revenue from advance fees. If the present value of the net cost of future services and the use of facilities exceeds the deferred revenue from advance fees, a liability is recorded (obligation to provide future services and the use of facilities) with the corresponding charge to income. At August 31, 2024 and 2023, no liability was recorded as the deferred revenue from advance fees exceeds the present value of the net cost of future services and the use of facilities.

Advance fees – The Residence and Care Agreements between LAJH and the residents of Fountainview at Eisenberg Village and Gonda Westside provide for the payment of an advance fee. 80%–90% of the advance fee is refundable to the resident upon re-occupancy of the unit and is recorded as a refundable advance fees liability. 10%–20% of the advance fee is nonrefundable and is amortized to income using the straight-line method over the remaining life expectancy of the resident. The life expectancy of each resident is updated annually, based on annuity tables. The amount is recorded as deferred revenue from advance fees.

Going concern – In connection with the preparation of the consolidated financial statements for the year ended August 31, 2024, management conducted an evaluation as to whether there were conditions and events, considered in the aggregate, which raised substantial doubt as to LAJH's ability to continue as a going concern within one year after the date the consolidated financial statements were issued.

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Note 3 – Assets and Liabilities Held for Sale

On October 31, 2023, LAJH (Seller) entered into a Purchase and Sale Agreement (PSA) with a third party (Buyer) to purchase the property for JHA West 16, LLC, subject to certain conditions. The Company amended the PSA on January 31, 2024 to extend the expiration of the Due Diligence Period to March 1, 2024 from January 31, 2024. The Company entered into a second amendment on March 1, 2024 which modified the purchase price, established an additional deposit amount and acknowledged that the amendment served as the Buyer's approval notice and intent to proceed, with the deposit effectively being nonrefundable to the Buyer. The Transaction was delayed due to various Seller and Buyer due diligence procedures as well as regulatory approvals and notifications required.

At August 31, 2024, LAJH intends to complete in early fiscal year 2025 the sale of certain assets and liabilities for Fountainview at Gonda Westside continuing care retirement community. At August 31, 2024, the net carrying amount of the assets and liabilities to be sold was a net liability of approximately (\$543,000). LAJH has incurred transaction costs of approximately \$211,000 for the fiscal year ended August 31, 2024.

The assets attributed to the land and buildings, and the liabilities attributed to the refundable fees and deposits, which at August 31, 2024 are expected to sell within twelve months, have been classified as a disposal group held for sale and are presented separately in the consolidated statement of financial position at August 31, 2024.

The anticipated proceeds of the disposal are expected to exceed the carrying amount of the relevant assets and liabilities, accordingly, no impairment loss has been recognized on the held for sale classification. The major classes of assets and liabilities comprising the disposal group classified as held for sale are as follows (in thousands):

Land	\$	16,871
Building and improvements		149,473
Equipment		<u>2,047</u>
		168,391
Less: accumulated depreciation and amortization		<u>(30,577)</u>
Total assets classified as held for sale		<u>137,814</u>
Refundable fees		137,847
Deposits		<u>510</u>
Total liabilities classified as held for sale		<u>138,357</u>
Total assets and liabilities classified as held for sale, net	\$	<u><u>(543)</u></u>

The impact of the assets and liabilities held for sale on the consolidated statements of activities for the years ended August 31, 2024 and 2023 (in thousands) is as follows:

	<u>2024</u>	<u>2023</u>
Change in net deficit	<u>\$ (2,182)</u>	<u>\$ (3,054)</u>

Los Angeles Jewish Home for the Aging

Notes to Consolidated Financial Statements

Note 4 – Grant Revenue

On March 27, 2021, the United States Congress passed the Coronavirus Aid, Relief, and Economic Securities (CARES) Act which included provisions for the Employee Retention Tax Credit (ERTC). The Home received approximately \$0, and \$4,054,000 from the ERTC, during the years ended August 31, 2024 and 2023, respectively. The ERTC is a refundable tax credit for businesses that continued to pay employees while either shut down due to COVID-19 pandemic or had significant declines in gross receipts from March 13, 2020 to December 31, 2021. Management evaluated the terms and conditions related to the ERTC and concluded the Home had substantially met all conditions of eligibility for the ERTC.

Note 5 – Investments

Investments, stated at fair value, consisted of the following at August 31, 2024 and 2023 (in thousands):

	2024	2023
Fixed income securities, U.S. government	\$ 5,560	\$ 219
Fixed income securities, U.S. Corporate	5,255	5,221
Domestic marketable equity securities	9,746	8,100
State of Israeli bonds	16	19
Total investments	20,577	13,559
Less: short-term investments	(12,434)	-
Noncurrent investments	\$ 8,143	\$ 13,559

Investment income (loss) consisted of the following for the years ended August 31, 2024 and 2023 (in thousands):

	2024	2023
Without donor restriction		
Interest and dividend income	\$ 1,672	\$ 1,191
Unrealized gain	1,285	437
With donor restriction		
Interest and dividend income	151	93
External investment expense	(66)	(68)
	\$ 3,042	\$ 1,653

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LAJH is required to file an Annual Reserve Report with the Department of Social Services, Continuing Care Contracts Branch in accordance with the requirements of 1790(a)(3) of the California Health & Safety Code. Such requirements include the demonstration that LAJH and Fountainview at Eisenberg Village, and JHA at Gonda Westside, as co-providers, have sufficient liquid reserves to meet the needs of the Fountainview at Eisenberg Village and Gonda Westside continuing care retirement communities by providing a source of funds to fund debt service and to otherwise meet its obligations as they become due in periods of reduced entrance or monthly fee revenue. At August 31, 2024, the amount of qualifying assets available to fund such reserves are approximately \$18,463,000 and \$20,691,000, respectively. At August 31, 2023, the amount of qualifying assets available to fund such reserves are approximately \$17,665,000 and \$17,377,000, respectively.

Note 6 – Fair Value Measurement of Financial Instruments

LAJH records its investments in accordance with ASC 820, *Fair Value Measurements and Disclosures*. ASC 820 defines fair value as the amount that would be received upon sale of an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The authoritative guidance establishes a fair value hierarchy which prioritizes the types of inputs to valuation techniques that companies may use to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1). The next highest priority is given to inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2). The lowest priority is given to unobservable inputs in which there is little or no market data available and which require the reporting entity to develop its own assumptions (Level 3).

The carrying amounts of LAJH's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities, approximate fair value because of their generally short maturities. The carrying amount of long-term debt approximates fair value as the interest rates approximate market rates.

All of LAJH's investments accounted for at fair value are considered to be Level 1 with the exception of approximately \$16,000 and \$19,000 of State of Israel bonds at August 31, 2024 and 2023, respectively. State of Israel bonds are considered to be Level 2 and their carrying amount approximates fair value at August 31, 2024 and 2023. Estimated fair values for the State of Israel bonds are based on discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer.

Los Angeles Jewish Home for the Aging

Notes to Consolidated Financial Statements

Note 7 – Assets Limited as to Use

Assets limited as to use are limited to the following purposes at August 31, 2024 and 2023 (in thousands):

	2024	2023
Held by trustee under indenture agreement for project and debt service funds	\$ 9,232	\$ 8,832
Contributions received restricted to programs and investment in property and equipment	1,797	1,763
	11,029	10,595
Less: amounts required to pay for current liabilities	(4,901)	(6,160)
	\$ 6,128	\$ 4,435

At August 31, 2024 and 2023, assets limited to use consisted of cash and cash equivalents.

Note 8 – Contributions Receivable

Included in contributions receivable are the following unconditional promises to give at August 31, 2024 and 2023 (in thousands):

	2024	2023
Unconditional promises to give before unamortized discount and allowance for uncollectibles	\$ 18,149	\$ 19,548
Less: allowance for uncollectibles	(1,140)	(1,264)
	17,009	18,284
Less: unamortized discount	(833)	(877)
	16,176	17,407
Less: amounts classified as current	(5,503)	(5,676)
	10,673	11,731
Noncurrent contributions receivable	\$ 10,673	\$ 11,731
Amounts due in		
Less than one year	\$ 5,503	\$ 5,676
One to five years	9,951	10,942
Greater than five years	1,555	1,666
	\$ 17,009	\$ 18,284

Contributions receivable have been discounted at rates ranging from 1.13% to 4.40% for the years ended August 31, 2024 and 2023.

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Notes to Consolidated Financial Statements

Note 9 – Assets Held in Trust for Residents

Residents can deposit personal-use funds into trust accounts maintained by LAJH. These funds are maintained strictly for use by the residents for their personal expenses, including monthly charges for personal and nursing care at agreed-upon rates. If a resident leaves LAJH, the balance remaining in the fund is returned.

As these funds do not represent assets of LAJH, a corresponding trust account liability, amounting to approximately \$459,000 and \$537,000 at August 31, 2024 and 2023, respectively, is included in the accompanying consolidated statements of financial position.

Note 10 – Property and Equipment

Property and equipment, net is comprised of the following at August 31, 2024 and 2023 (in thousands):

	2024	2023
Land and improvements	\$ 7,614	\$ 24,485
Buildings and improvements	198,331	337,103
Equipment	35,532	37,220
	241,477	398,808
Less: accumulated depreciation	(128,991)	(147,219)
	112,486	251,589
Construction in progress	14,190	23,514
Net property and equipment	\$ 126,676	\$ 275,103

Note 11 – Deferred Revenue from Advance Fee

A summary of the deferred revenue from advance fees for the years ended August 31 is as follows:

	2024	2023
Balance, beginning of year	\$ 12,447	\$ 11,313
New fees received	3,136	2,415
Amortization	(2,218)	(1,281)
Balance, end of year	\$ 13,365	\$ 12,447

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Note 12 – Long-Term Debt and Lines of Credit

Long-term debt – Long-term debt is comprised of the following at August 31, 2024 and 2023:

	2024	2023
	(in thousands)	
California Statewide Communities Development Authority Insured Health Facility Revenue Bonds (Los Angeles Jewish Home for the Aging) Series 2020A (Insured), principal due in varying annual installments ranging from \$1,200,000 to \$2,185,000 due August 1, 2044, interest due semiannually at fixed rates ranging from 2.05% – 3.70%. (2.05% and 3.70% at August 31, 2024 and 2023, respectively).	\$ 32,725	\$ 33,970
Health Facility Refunding Revenue Bonds (Los Angeles Jewish Home for the Aging) Series 2019A, principal due in varying annual installments ranging from \$775,000 to \$990,000 through November 15, 2037, interest due semiannually at fixed rates ranging from 4.00% – 5.00% (4.00% and 5.00% at August 31, 2024 and 2023, respectively), including unamortized premium of \$1,584,300 and \$1,800,000 at August 31, 2024 and 2023, respectively.	12,684	13,651
California Statewide Communities Development Authority Insured Health Facility Refunding Revenue Bonds (Los Angeles Jewish Home for the Aging) Series 2019B, principal due in varying annual installments ranging from \$2,910,000 to \$4,760,000 through November 15, 2033, interest due semiannually at fixed rates ranging from 4.00% - 5.00% (4.00% and 5.00% at August 31, 2024 and 2023, respectively), including unamortized premium of \$4,737,000 and \$5,624,000 at August 31, 2024 and 2023, respectively.	43,332	47,128
	88,741	94,749
Less: unamortized deferred financing costs, long term	(2,742)	(3,145)
Less: unamortized deferred financing costs, short term	(386)	(393)
Less: current maturities	(6,109)	(6,007)
	\$ 79,504	\$ 85,204

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Principal payments on long-term debt, including mandatory sinking fund payments, and excluding unamortized premiums of approximately \$6,321,000 (\$1,029,000 of which is included in current portion of long-term debt) at August 31, 2024, for future fiscal years are as follows (in thousands):

2025	\$	5,080
2026		5,255
2027		5,445
2028		5,630
2029		5,835
Thereafter		55,175
	\$	82,420

On December 17, 2003, LAJH issued \$80,000,000 of fixed-rate Authority Insured Health Facility Revenue Bonds (2003 Bonds). The proceeds of the 2003 Bonds were utilized to (a) refinance the construction of a 96-bed skilled nursing facility, (b) finance the cost of a 10-bed acute psychiatric hospital with a supplemental service of 239 skilled nursing beds, (c) fund debt service costs, (d) fund interest costs, and (e) pay certain costs of issuance of the Bonds. On December 20, 2013, LAJH issued \$71,155,000 of fixed-rate Authority Insured Health Facility Refunding Revenue Bonds (2013 Bonds). The proceeds of the 2013 Bonds were utilized to (a) refund the outstanding Series 2003 bonds, (b) fund debt service costs, (c) pay the premium on a contract of insurance for the bonds, and (d) pay certain costs of issuance of the Bonds.

On February 14, 2008, LAJH issued \$59,595,000 of fixed-rate Authority Insured Health Facility Revenue Bonds (2008 Bonds). The proceeds of the 2008 Bonds were utilized to (a) finance the cost of a continuing care retirement facility on the Eisenberg campus, (b) fund debt service costs, (c) fund interest costs, and (d) pay certain costs of issuance of the Bonds.

On August 8, 2019, LAJH issued \$13,785,000 of fixed-rate Authority Insured Health Facility Revenue Bonds (2019A Bonds) to refinance the 2008 Bonds. The bonds are payable in varying annual installments ranging from \$750,000 to \$990,000 through November 15, 2037, at fixed rates of 4.00% and 5.00%, payable annually on the 15th day of November.

The 2013 Bond Indenture Agreement created Parity Debt that amended the 2008 Bond Regulatory Agreement. The 2014 Bond Indenture Agreement created Parity Debt that amended the 2013 Bond Regulatory Agreement. Under the terms of the 2014 Agreement, the 2013 Bonds and 2008 Bonds (the "Bonds") are collectively collateralized by a security interest in certain real property (land) and the buildings, improvements, fixtures, and equipment located, installed, or affixed to the land.

The 2013 Bonds were offered privately and purchased by a publicly traded bank holding company. The Bonds were payable in varying annual installments ranging from \$2,700,000 to \$5,010,000 through November 15, 2033, at a fixed rate of 3.86%, payable semiannually on the 15th day of each May and November. On September 26, 2019, LAJH issued \$49,730,000 of fixed-rate Authority Insured Health Facility Revenue Bonds (2019B Bonds) to refinance the 2013 Bonds. The 2019B Bonds are payable in varying annual installments ranging from \$2,910,000 to \$4,760,000 through November 15, 2033, at fixed rates of 4% and 5%, payable annually on the 15th day of November.

Los Angeles Jewish Home for the Aging Notes to Consolidated Financial Statements

On October 15, 2020, LAJH issued \$37,275,000 of insured taxable fixed-rate Authority Insured Health Facility Revenue Bonds. The 2020A proceeds of the 2020A Bonds were used to pay off the 2014 Bonds. The 2020A Bonds are payable in varying annual installments ranging from \$1,220,000 to \$2,185,000 through November 15, 2037, at fixed rates of 2.05% and 3.70%, payable annually on the first day of August.

The terms of the Indenture Agreement include certain financial covenants requiring LAJH to maintain net income available for debt service of 1.25 times aggregate debt service, a current ratio of 1.5, and one hundred (100) days cash on hand at August 31, 2024, as defined in the Indenture Agreement. At August 31, 2024, LAJH was in violation of the current ratio and days cash on hand covenants and received a waiver from the financial institution.

Lines of credit – LAJH has three lines of credit with the same bank. Outstanding balances on the lines of credit were as follows at August 31, 2024 and 2023:

	2024	2023
	(in thousands)	
\$4,750,000 line of credit due August 1, 2026, interest due monthly at 2.50%, or prime less 0.50% (8.00% at August 31, 2024 and 8.00% at August 31, 2023) with a minimum rate of 2.50%, insured by the Cal-Mortgage Loan Insurance Program.	\$ 1,462	\$ 3,133
\$2,400,000 line of credit due March 1, 2026, interest due monthly at prime (7.50% at August 31, 2024 and 7.50% at August 31, 2023), secured by \$2,500,000 of money market funds and securities.	2,400	2,400
\$2,900,000 line of credit due September 1, 2026, interest due monthly at prime (8.50% at August 31, 2024 and 8.50% at August 31, 2023), secured by eight residential homes.	2,863	2,366
	\$ 6,725	\$ 7,899

Note 13 – Refundable Advance Fees Payable

Advance fee amounts due to residents who have terminated their contract with Fountainview at Eisenberg Village and Fountainview at Gonda Westside are recorded as refundable advance fees and totaled approximately \$12,946,000 and \$15,100,000 at August 31, 2024 and 2023, respectively. For Fountainview at Gonda Westside approximately \$5,579,000 was classified as held for sale at August 31, 2024.

Los Angeles Jewish Home for the Aging Notes to Consolidated Financial Statements

Note 14 – Refundable Advance Fees Liability

The 80%–90% refundable portion of advance fees paid by residents of Fountainview at Eisenberg Village and Fountainview at Gonda Westside is recorded as refundable advance fees liability in the consolidated statements of financial position. At August 31, 2024 and 2023, refundable advance fees liability totaled approximately \$49,562,000 and \$180,723,000, respectively. Based on the past five years, actual refunds have averaged approximately \$15,166,000 per year, funded by advance fees received from new residents. For Fountainview at Gonda Westside was approximately \$132,268,000 was classified as held for sale at August 31, 2024.

Note 15 – Commitments and Contingencies

Self-insurance claims liability – LAJH is self-insured for workers' compensation insurance and unemployment insurance. LAJH is covered by a supplemental policy for excess workers' compensation coverage that pays all statutory benefits in excess of a retention limit of \$750,000. LAJH is insured for employer's workers' compensation liability in the amount of \$50,000,000. Management believes that LAJH has provided adequate reserves at August 31, 2024 and 2023, for its obligations resulting from claims, including losses incurred but not reported.

Amounts accrued, included in accrued compensation and related liabilities in the consolidated statements of financial position, were as follows at August 31, 2024 and 2023 (in thousands):

	2024	2023
Total workers' compensation liability	\$ 8,902	\$ 8,680
Less: amounts classified as current	(2,301)	(2,079)
Noncurrent workers' compensation liability	\$ 6,601	\$ 6,601

LAJH participates in the California Self-Insurers' Security Fund Alternative Composite Deposit in order to satisfy security deposit requirements for workers' compensation obligations.

Malpractice insurance – LAJH maintains a claims-based professional malpractice insurance policy limited to \$10,000,000 per incident, with a \$20,000,000 aggregate limit. Management believes that this coverage is adequate for its operations.

Asset retirement obligations – LAJH has AROs arising from regulatory requirements to perform certain asset retirement activities at the time that certain buildings are disposed of. The liability was initially measured at fair value and subsequently is adjusted for accretion expense and changes in the amount or timing of the estimated cash flows. The corresponding asset retirement costs are capitalized as part of the carrying amount of the related long-lived asset and depreciated over the asset's useful life. Accretion expense amounted to approximately \$42,000 and \$13,000 in 2024 and 2023, respectively. At August 31, 2024 and 2023, LAJH's AROs totaled approximately \$633,000 and \$591,000, respectively.

Los Angeles Jewish Home for the Aging

Notes to Consolidated Financial Statements

Note 16 – Leases

At August 31, 2024, LAJH has three non-cancelable operating leases for rented office spaces. Two expire in September 2026. LAJH also leases commercial space for a PACE site in West Los Angeles, which expires in June 2032. Quantitative disclosures related to LAJH's operating leases are as follows at August 31, 2024 and 2023 (in thousands):

	2024	2023
Operating leases right-of-use assets		
Operating lease assets	\$ 9,188	\$ 9,377
Accumulated amortization	(3,001)	(2,887)
Total	\$ 6,187	\$ 6,490
Other information		
Cash paid for amounts included in the measurement of lease liabilities – operating cash flows from operating leases	\$ 1,080	\$ 1,097
Weighted-average remaining lease term (in years)	7.82	8.82
Weighted-average discount rate	3.32%	3.34%

The following consists of the minimum lease liabilities in future fiscal years at August 31, 2024 (in thousands):

Fiscal Years Ending,	
2025	\$ 1,117
2026	1,148
2027	941
2028	939
2029	957
Thereafter	2,834
Total	7,936
Less: amount representing interest	926
Total operating lease liabilities	7,010
Current portion of operating lease liabilities	898
Operating lease liabilities, net of current portion	\$ 6,112

Los Angeles Jewish Home for the Aging Notes to Consolidated Financial Statements

Note 17 – Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes at August 31, 2024 and 2023 (in thousands):

	2024	2023
Amounts to be received in future periods, available to fund construction projects or support the operation of LAJH's buildings	\$ 26,633	\$ 27,708
Investments in perpetuity, including earnings available to support operations in accordance with LAJH's spending policy	13,946	13,933
Amounts to be received in future periods, available to support operations	2,376	2,565
Operation of a licensed vocational nursing school and nursing scholarships for students	761	632
Endowment earnings to be used to support the Skirball Director of Spiritual Life Program	467	467
Special projects for residents	165	173
Pace Program	11	11
	\$ 44,359	\$ 45,489

Note 18 – Endowments

The Board of Directors has interpreted the California Prudent Management of Institutional Funds Act (CPMIFA) as requiring the preservation of the fair value of the original gift at the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, LAJH classifies as net assets with donor restrictions (a) the original values

of gifts donated to the permanent endowment, (b) the original values of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is also classified in net assets with donor restrictions until those amounts are appropriated for expenditure by LAJH in a manner consistent with the standard of prudence prescribed by CPMIFA.

Los Angeles Jewish Home for the Aging Notes to Consolidated Financial Statements

In accordance with CPMIFA, LAJH considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- a. The duration and preservation of the fund
- b. The purposes of LAJH and the donor-restricted endowment fund
- c. General economic conditions
- d. The possible effect of inflation and deflation
- e. The expected total return from income and the appreciation of investments
- f. Other resources of LAJH

At August 31, 2024 and 2023, the fair value of the endowments exceeded the original gifts amounts.

Endowment net assets composition by type of fund at August 31, 2024, is as follows (in thousands):

	Without Donor Restriction	With Donor Restriction	Total
Donor-restricted endowment funds	\$ -	\$ 14,913	\$ 14,913
	<u>\$ -</u>	<u>\$ 14,913</u>	<u>\$ 14,913</u>

Changes in endowment net assets for the fiscal year ended August 31, 2024, are as follows (in thousands):

	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, beginning of year	\$ -	\$ 14,900	\$ 14,900
Investment returns			
Investment income	-	90	90
Net realized and unrealized gains on investments	-	5	5
Total investment return	-	95	95
Appropriation of endowment net assets for expenditure	-	(82)	(82)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 14,913</u>	<u>\$ 14,913</u>

Los Angeles Jewish Home for the Aging Notes to Consolidated Financial Statements

Endowment net asset composition by type of fund at August 31, 2023, is as follows (in thousands):

	Without Donor Restriction	With Donor Restriction	Total
Donor-restricted endowment funds	\$ -	\$ 14,900	\$ 14,900
	<u>\$ -</u>	<u>\$ 14,900</u>	<u>\$ 14,900</u>

Changes in endowment net assets for the fiscal year ended August 31, 2023, are as follows (in thousands):

	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, beginning of year	\$ -	\$ 14,896	\$ 14,896
Investment returns			
Investment income	-	70	70
Net realized and unrealized losses on investments	-	(3)	(3)
Total investment return	-	67	67
Appropriation of endowment net assets for expenditure	-	(63)	(63)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 14,900</u>	<u>\$ 14,900</u>

Note 19 – Employee Retirement Plan

LAJH has a 403(b) retirement accumulation plan in which all employees who have completed 90 days of service and meet certain criteria, as defined, are eligible to participate. The plan provides for employer contributions up to 3% of gross pay after one year of service to the extent permitted by law. Participants are 100% vested in their own and employer contributions at all times. Contributions are invested in flexible premium deferred annuity contracts.

Upon the normal retirement age of 65, participants may elect a lump-sum distribution or an annuity distribution. The annuity distribution options include: a life annuity, which provides payments for the life of the participant; a guaranteed life annuity, which provides for guaranteed payments over 120, 180, or 240 months; a cash refund annuity, which provides monthly payments to the participant, and upon the participant's death, the cash value of the contract is paid to the participants' beneficiary; and the joint and survivor annuity, which provides an annuity for the lifetime of a beneficiary as well as the participant.

LAJH serves as administrator of the plan. Total contributions to the plan were approximately \$1,229,000 and \$1,216,000 during the years ended August 31, 2024 and 2023, respectively.

Los Angeles Jewish Home for the Aging

Notes to Consolidated Financial Statements

Note 20 – Functional Expenses

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

Expenses related to providing these services for 2024 are as follows (in thousands):

	Program Services	Support Services		Total
		General and Administrative	Fundraising	
Salaries and benefits	\$ 86,199	\$ 8,589	\$ 1,952	\$ 96,740
Purchased goods and services	48,725	948	1,413	51,086
Professional fees	1,812	2,765	274	4,851
Depreciation and amortization	12,349	-	-	12,349
Debt financing costs	3,792	-	-	3,792
Other	5,456	305	64	5,825
	<u>\$ 158,333</u>	<u>\$ 12,607</u>	<u>\$ 3,703</u>	<u>\$ 174,643</u>

Expenses related to providing these services for 2023 are as follows (in thousands):

	Program Services	Support Services		Total
		General and Administrative	Fundraising	
Salaries and benefits	\$ 87,225	\$ 8,328	\$ 1,318	\$ 96,871
Purchased goods and services	45,569	655	911	47,135
Professional fees	1,835	2,070	240	4,145
Depreciation and amortization	11,597	-	-	11,597
Debt financing costs	3,754	-	-	3,754
Other	5,885	358	89	6,332
	<u>\$ 155,865</u>	<u>\$ 11,411</u>	<u>\$ 2,558</u>	<u>\$ 169,834</u>

Los Angeles Jewish Home for the Aging

Notes to Consolidated Financial Statements

Note 21 – Liquidity and Availability

LAJH structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As part of its liquidity management, LAJH invests cash in excess of its operating, capital expenditure, and debt service requirements in various investments according to its investment policy.

LAJH's financial assets available to meet general expenditures within one year of August 31, 2024, comprise the following (in thousands):

Cash and cash equivalents	\$ 28,223
Investments	20,577
Accounts receivable, net	<u>13,788</u>
	<u>\$ 62,588</u>

Assets limited by donor are available upon completion of specific projects or their intended purposes. Net assets released from restrictions and used for operations were \$2,398,000 and \$1,656,000 for the years ended August 31, 2024 and 2023, respectively. There were no net assets released from restrictions and used for capital projects for the years ended August 31, 2024 and 2023, respectively.

Assets limited by Trustee under bond indenture required for current liabilities are drawn upon for semi-annual and annual scheduled principal and interest payment on bond issue series \$8,227,000. As noted in Note 12, LAJH has \$10,050,000 of secured lines of credit which can be drawn upon in the event of a liquidity need. The funds borrowed at August 31, 2024 and 2023, were \$6,725,000 and \$7,899,000, respectively.

Note 22 – Subsequent Events

Subsequent events are events or transactions that occur after the consolidated statement of financial position date but before the consolidated financial statements are issued. LAJH recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the consolidated statement of financial position, including the estimates inherent in the process of preparing the consolidated financial statements. At August 31, 2024, LAJH was in violation of the current ratio and days cash on hand covenants and received a waiver from the financial institution.

As disclosed in Note 3, at August 31, 2024, LAJH had classified certain assets as held for sale, including land and buildings, and the liabilities attributed to the refundable fees and deposits. The following events occurred subsequent to year-end:

On October 1, 2024, LAJH completed the sale of assets and liabilities Fountainview at Gonda Westside continuing care retirement community and received approximately \$81,000,000 in proceeds. The net carrying amount of the assets and liabilities at the date of sale was approximately (\$423,000), and selling expenses incurred totaled approximately \$7,695,000, resulting in a gain of approximately \$84,061,000.

Los Angeles Jewish Home for the Aging

Notes to Consolidated Financial Statements

On October 3, 2024, the Series 2020A Bonds were defeased in conjunction with the sale of Fountainview at Gonda Westside. The Series 2020A Bonds had a balance of approximately \$32,725,000 on the consolidated statement of financial position as of August 31, 2024. The bonds defeasance resulted in a gain of approximately \$237,000.

Management evaluated subsequent events through December 18, 2024, which is the date the consolidated financial statements were issued and concluded that there were no additional events or transactions that need to be disclosed.

Supplementary Information

Los Angeles Jewish Home for the Aging
Consolidating Schedule – Statement of Financial Position Information (In Thousands)
August 31, 2024

	Los Angeles Jewish Home for the Aging	Fountainview at Eisenberg Village, LLC	Fountainview at Gonda Westside	Brandman Centers for Senior Care	Brandman Health Plan	Other Consolidating Organizations	Eliminations	Total
ASSETS								
CURRENT ASSETS								
Cash and cash equivalents	\$ 1,040	\$ 7,940	\$ 12,751	\$ 5,530	\$ 512	\$ 450	\$ -	\$ 28,223
Assets limited as to use, required for payment of current liabilities	4,901	-	-	-	-	-	-	4,901
Short-term investments	7,697	-	1,024	3,713	-	-	-	12,434
Accounts receivable, net	18	(38)	42	4,311	-	9,455	-	13,788
Current portion of contributions receivable	5,503	-	-	-	-	-	-	5,503
Prepaid and other current assets	7,602	4,134	26,108	21,364	1,301	22,674	(81,253)	1,930
Assets classified as held for sale	-	-	137,814	-	-	-	-	137,814
Total current assets	26,761	12,036	177,739	34,918	1,813	32,579	(81,253)	204,593
ASSETS LIMITED AS TO USE, net of current portion	6,128	-	-	-	-	-	-	6,128
INVESTMENTS	6,793	(12)	-	862	-	500	-	8,143
CONTRIBUTIONS RECEIVABLE, net of current portion	10,673	-	-	-	-	-	-	10,673
ASSETS HELD IN TRUST FOR RESIDENTS	-	-	-	-	-	459	-	459
PROPERTY, PLANT, AND EQUIPMENT, net	10,797	114	-	8,764	-	107,001	-	126,676
OPERATING LEASE RIGHT-OF-USE ASSETS	133	-	-	5,666	-	388	-	6,187
OTHER ASSETS	443	4	-	-	-	316	-	763
Total assets	<u>\$ 61,728</u>	<u>\$ 12,142</u>	<u>\$ 177,739</u>	<u>\$ 50,210</u>	<u>\$ 1,813</u>	<u>\$ 141,243</u>	<u>\$ (81,253)</u>	<u>\$ 363,622</u>

See report of independent auditors.

Los Angeles Jewish Home for the Aging
Consolidating Schedule – Statement of Financial Position Information (In Thousands)
August 31, 2024

	Los Angeles Jewish Home for the Aging	Fountainview at Eisenberg Village, LLC	Fountainview at Gonda Westside	Brandman Centers for Senior Care	Brandman Health Plan	Other Consolidating Organizations	Eliminations	Total
LIABILITIES AND NET ASSETS (DEFICIT)								
CURRENT LIABILITIES								
Accounts payable and accrued expenses	\$ 56,222	\$ 4,568	\$ 1,459	\$ 11,066	\$ 1,528	\$ 21,744	\$ (81,253)	\$ 15,334
Accrued interest expense	655	158	70	-	-	-	-	883
Accrued compensation and related liabilities	2,028	318	558	742	-	5,333	-	8,979
Accrued workers' compensation	2,301	-	-	-	-	-	-	2,301
Due to third-party payers	-	-	-	711	-	1,271	-	1,982
Refundable advance fees payable	-	7,367	5,579	-	-	-	-	12,946
Current portion of annuity obligations	226	-	-	-	-	-	-	226
Operating lease liability, current portion	61	-	-	685	-	152	-	898
Current portion of long-term debt	6,495	-	-	-	-	-	-	6,495
Liabilities classified as held for sale	-	-	138,357	-	-	-	-	138,357
Total current liabilities	67,988	12,411	146,023	13,204	1,528	28,500	(81,253)	188,401
REFUNDABLE ADVANCE FEES LIABILITY	-	43,344	8,205	-	-	-	-	51,549
DEFERRED REVENUE FROM ADVANCE FEES	-	2,806	10,559	-	-	-	-	13,365
ACCRUED COMPENSATION AND RELATED LIABILITIES, net of current portion	378	-	-	-	-	-	-	378
ACCRUED WORKERS' COMPENSATION, net of current portion	6,601	-	-	-	-	-	-	6,601
ANNUITY OBLIGATIONS, net of current portion	1,257	-	-	-	-	-	-	1,257
ASSET RETIREMENT OBLIGATION	-	-	-	-	-	633	-	633
RESIDENT FUNDS	-	-	-	-	-	459	-	459
OPERATING LEASE LIABILITY, net of current portion	80	-	-	5,853	-	179	-	6,112
LINES OF CREDIT	6,725	-	-	-	-	-	-	6,725
LONG-TERM DEBT, net of current portion	79,118	-	-	-	-	-	-	79,118
Total liabilities	162,147	58,561	164,787	19,057	1,528	29,771	(81,253)	354,598
NET ASSETS (DEFICIT)								
Without donor restriction	(144,017)	(46,419)	12,952	31,153	285	110,711	-	(35,335)
With donor restriction	43,598	-	-	-	-	761	-	44,359
Total net assets (deficit)	(100,419)	(46,419)	12,952	31,153	285	111,472	-	9,024
Total liabilities and net assets (deficit)	\$ 61,728	\$ 12,142	\$ 177,739	\$ 50,210	\$ 1,813	\$ 141,243	\$ (81,253)	\$ 363,622

See report of independent auditors.

Los Angeles Jewish Home for the Aging
Consolidating Schedule – Statement of Activities Information (In Thousands)
For the Year Ended August 31, 2024

	Los Angeles Jewish Home for the Aging	Fountainview at Eisenberg Village, LLC	Fountainview at Gonda Westside	Brandman Centers for Senior Care	Brandman Health Plan	Other Consolidating Organizations	Eliminations	Total
REVENUE, GAINS, AND OTHER SUPPORT								
In-residence revenue	\$ -	\$ 6,203	\$ 14,615	\$ -	\$ -	\$ 82,836	\$ (2,828)	\$ 100,826
Community based services revenue	-	-	-	38,538	-	12,362	(4,498)	46,402
Amortization of deferred revenue from advance fees	-	713	3,217	-	-	-	-	3,930
Contributions	13,416	-	-	-	-	190	-	13,606
Investment income, net	2,064	238	338	385	-	16	-	3,041
Other revenue	6,295	122	476	122	(14)	1,877	(7,551)	1,327
Change in value of split-interest agreements	356	-	-	-	-	-	-	356
Total revenue, gains, and other support	22,131	7,276	18,646	39,045	(14)	97,281	(14,877)	169,488
EXPENSES								
Nursing	-	265	2,466	2,407	-	38,996	-	44,134
Plant operations, housekeeping, and laundry	873	1,914	3,801	1,781	-	11,636	(924)	19,081
Dietary	-	2,756	5,304	558	-	11,320	(234)	19,704
Ancillary	-	-	-	-	3	10,489	(3,797)	6,695
Social services	-	150	740	796	-	4,032	-	5,718
Outside medical services	-	-	-	12,942	-	1,919	(3,217)	11,644
Medical services	-	-	-	1,016	-	1,501	-	2,517
Personal care services	-	-	-	4,766	-	-	(134)	4,632
General and administrative	17,296	1,445	2,853	8,545	21	8,832	(6,571)	32,421
Depreciation and amortization	2,225	24	4,155	798	-	5,147	-	12,349
Debt financing costs	3,166	411	215	-	-	-	-	3,792
Employee-related insurance	333	207	228	190	-	1,930	-	2,888
Fundraising	3,703	-	-	-	-	-	-	3,703
Marketing	705	170	285	678	-	209	-	2,047
Insurance and taxes	368	90	782	533	-	1,378	-	3,151
Other	99	(1)	(1)	(20)	-	90	-	167
Total expenses	28,768	7,431	20,828	34,990	24	97,479	(14,877)	174,643
Revenue in excess of (less than) expenses	(6,637)	(155)	(2,182)	4,055	(38)	(198)	-	(5,155)
FUNDING FROM (TO) RELATED ORGANIZATIONS	6,489	(545)	(2,423)	621	39	(4,181)	-	-
Change in net assets (deficit)	(148)	(700)	(4,605)	4,676	1	(4,379)	-	(5,155)
NET ASSETS (DEFICIT) AT BEGINNING OF YEAR	(100,271)	(45,719)	17,557	26,477	284	115,851	-	14,179
NET ASSETS (DEFICIT) AT END OF YEAR	\$ (100,419)	\$ (46,419)	\$ 12,952	\$ 31,153	\$ 285	\$ 111,472	\$ -	\$ 9,024

See report of independent auditors.

Los Angeles Jewish Home for the Aging
Consolidating Schedule – Statement of Cash Flows Information (In Thousands)
For the Year Ended August 31, 2024

	Los Angeles Jewish Home for the Aging	Fountainview at Eisenberg Village, LLC	Fountainview at Gonda Westside	Brandman Centers for Senior Care	Brandman Health Plan	Other Consolidating Organizations	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES								
Cash received from residents and third-party payers	\$ (55)	\$ 6,226	\$ 14,662	\$ 37,143	\$ -	\$ 96,882	\$ (7,325)	\$ 147,533
Proceeds from advance fees received	-	7,436	23,276	-	-	-	-	30,712
Other receipts from operations	6,295	122	476	122	(14)	1,878	(7,552)	1,327
Unrestricted contributions received	14,401	-	-	-	-	190	-	14,591
Unrestricted investment income received	779	238	338	385	-	17	-	1,757
Cash paid to suppliers and employees	(17,750)	(3,949)	(16,384)	(37,297)	(1,326)	(94,195)	14,877	(156,024)
Cash paid for interest on long-term debt	(3,902)	(579)	(171)	-	-	-	-	(4,652)
Net cash (used in) provided by operating activities	(232)	9,494	22,197	353	(1,340)	4,772	-	35,244
CASH FLOWS FROM INVESTING ACTIVITIES								
Capital expenditures	(306)	-	(120)	(935)	-	(376)	-	(1,737)
Proceeds from sale of investments	-	12	-	-	-	-	-	12
Purchase of trading investments	(146)	-	(1,024)	(4,575)	-	-	-	(5,745)
Net cash provided by (used in) investing activities	(452)	12	(1,144)	(5,510)	-	(376)	-	(7,470)
CASH FLOWS FROM FINANCING ACTIVITIES								
Funding from (to) related organizations	6,491	(544)	(2,422)	641	39	(4,205)	-	-
Advances on lines of credit	39,779	-	-	-	-	-	-	39,779
Repayments of lines of credit	(40,953)	-	-	-	-	-	-	(40,953)
Principal payments on long-term debt	(4,905)	-	-	-	-	-	-	(4,905)
Payment of refundable advance fees and investment income	-	(6,501)	(17,722)	-	-	-	-	(24,223)
	-	24	(80)	-	-	-	-	(56)
Proceeds from restricted and conditional contributions	491	-	-	-	-	-	-	491
Net cash provided by (used in) financing activities	903	(7,021)	(20,224)	641	39	(4,205)	-	(29,867)
Net increase (decrease) in cash and cash equivalents	219	2,485	829	(4,516)	(1,301)	191	-	(2,093)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS, beginning of year								
	11,850	5,455	11,922	10,046	1,813	259	-	41,345
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS, end of year								
	\$ 12,069	\$ 7,940	\$ 12,751	\$ 5,530	\$ 512	\$ 450	\$ -	\$ 39,252

See report of independent auditors.

Los Angeles Jewish Home for the Aging
Consolidating Schedule – Statement of Cash Flows Information (In Thousands)
For the Year Ended August 31, 2024

	Los Angeles Jewish Home for the Aging	Fountainview at Eisenberg Village, LLC	Fountainview at Gonda Westside	Brandman Centers for Senior Care	Brandman Health Plan	Other Consolidating Organizations	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES								
Change in net assets (deficit)	(6,637)	(155)	(2,182)	4,055	(38)	(198)	-	(5,155)
Adjustments to reconcile change in net assets (deficit) to net cash provided by (used in) operating activities								
Advance refundable fees received	-	6,057	19,640	-	-	-	-	25,697
Advance non-refundable fees received	-	1,378	3,637	-	-	-	-	5,015
Depreciation and amortization	2,225	24	4,155	799	-	5,146	-	12,349
Amortization of bond issuance costs	410	-	-	-	-	-	-	410
Amortization of deferred revenue from advance fees	-	(713)	(3,217)	-	-	-	-	(3,930)
Amortization of bond premium	(1,103)	-	-	-	-	-	-	(1,103)
Net realized and unrealized gains on investments	(1,285)	-	-	-	-	-	-	(1,285)
Loss on disposal of property and equipment	-	-	-	-	14	-	-	14
(Increase) decrease in operating assets								
Accounts receivable	-	23	48	(1,270)	-	845	-	(354)
Prepaid and other current assets	(1,351)	428	140	(6,663)	(1,301)	(6,669)	-	(15,416)
Contributions receivable	738	-	-	-	-	-	-	738
Other assets	380	(1)	-	-	-	-	-	379
Operating lease right-of-use assets	57	-	-	614	-	(368)	-	303
Increase (decrease) in operating liabilities								
Accounts payable, accrued expenses, and accrued compensation	6,543	2,621	(68)	2,966	(15)	5,152	-	17,199
Accrued interest expense	(43)	(168)	44	-	-	-	-	(167)
Fountainview deposits	-	-	-	-	-	-	-	-
Due to third-party payers	-	-	-	497	-	554	-	1,051
Operating lease liabilities	(55)	-	-	(645)	-	310	-	(390)
Annuity obligations	(111)	-	-	-	-	-	-	(111)
Net cash provided by (used in) operating activities	<u>\$ (232)</u>	<u>\$ 9,494</u>	<u>\$ 22,197</u>	<u>\$ 353</u>	<u>\$ (1,340)</u>	<u>\$ 4,772</u>	<u>\$ -</u>	<u>\$ 35,244</u>

See report of independent auditors.



Report of Independent Auditors and
Continuing Care Liquid Reserve Schedules

Fountainview at Eisenberg Village, LLC

August 31, 2024

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Report of Independent Auditors

The Members of the Board of Directors
Los Angeles Jewish Home for the Aging

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Fountainview at Eisenberg Village, LLC, which comprise the continuing care liquid reserve schedules Form 5-1 through Form 5-5, as of and for the year ended August 31, 2024.

In our opinion, the financial statements referred to above present fairly, in all material respects, the continuing care reserves of Fountainview at Eisenberg Village, LLC as of and for the year ended August 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 Fountainview at Eisenberg Village, LLC, 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 Fountainview at Eisenberg Village, LLC, 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 the 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Fountainview at Eisenberg Village, LLC'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 Fountainview at Eisenberg Village, LLC'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 Schedules 5-1, Reconciliation of Principal and Interest Paid; 5-3, Reconciliation of Rental Payments; and 5-5, Reconciliation of Qualifying Assets of Debt Service Reserves, 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 the auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Restriction on Use

This report is intended solely for the information and use of the Board of Directors and management of Fountainview at Eisenberg Village, LLC, 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 “annual report”). The other information comprises 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

Los Angeles, California
December 18, 2024

Continuing Care Liquid Reserve Schedules

Fountainview at Eisenberg Village, LLC
Form 5-1, Long-Term Debt Incurred in a Prior Fiscal Year
For the Year Ended August 31, 2024

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

Long-Term Debt Obligation	(a) Date Incurred	(b) Principal Paid During Fiscal Year	(c) Interest Paid During Fiscal Year	(d) Credit Enhancement Premiums Paid in Fiscal Year	(e) Total Paid (columns (b) + (c) + (d))
1	08/08/19	\$750,000	\$517,396		\$1,267,396
2	09/26/19	\$2,910,000	\$1,745,089		\$4,655,089
3	10/15/20	\$1,245,000	\$1,028,102		\$2,273,102
4					\$0
5					\$0
6					\$0
7					\$0
8					\$0
TOTAL:			\$3,290,587	\$0	\$8,195,587

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

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

PROVIDER: FOUNTAINVIEW AT EISENBERG VILLAGE, LLC

Fountainview at Eisenberg Village, LLC
Form 5-2, Long-Term Debt Incurred During Fiscal Year
For the Year Ended August 31, 2024

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

Long-Term Debt Obligation	(a) Date Incurred	(b) Total Interest Paid During Fiscal Year	(c) Amount of Most Recent Payment on the Debt	(d) Number of Payments over next 12 months	(e) 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: FOUNTAINVIEW AT EISENBERG VILLAGE, LLC

Fountainview at Eisenberg Village, LLC
Form 5-3, Calculation of Long-Term Debt Reserve Amount
For the Year Ended August 31, 2024

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

Line		TOTAL
1	Total from Form 5-1 bottom of Column (e)	\$8,195,587
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)	\$507,732
4	TOTAL AMOUNT REQUIRED FOR LONG-TERM DEBT RESERVE:	\$8,703,319

PROVIDER: FOUNTAINVIEW AT EISENBERG VILLAGE, LLC

Fountainview at Eisenberg Village, LLC
Form 5-4, Calculation of Net Operating Expenses
For the Year Ended August 31, 2024

FORM 5-4
CALCULATION OF NET OPERATING EXPENSES

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		\$7,431,331
2	Deductions:		
a.	Interest paid on long-term debt (see instructions)	\$0	
b.	Credit enhancement premiums paid for long-term debt (see instructions)	\$0	
c.	Depreciation	\$23,701	
d.	Amortization	\$0	
e.	Revenues received during the fiscal year for services to persons who did not have a continuing care contract	\$0	
f.	Extraordinary expenses approved by the Department	\$0	
3	Total Deductions		\$23,701
4	Net Operating Expenses		\$7,407,630
5	Divide Line 4 by 365 and enter the result.		\$20,295
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.		\$1,522,116

PROVIDER: FOUNTAINVIEW AT EISENBERG VILLAGE, LLC

COMMUNITY: FOUNTAINVIEW AT EISENBERG VILLAGE, LLC

Fountainview at Eisenberg Village, LLC
Form 5-5, Annual Reserve Certification
For the Year Ended August 31, 2024

FORM 5-5
ANNUAL RESERVE CERTIFICATION

Provider Name: FOUNTAINVIEW AT EISENBERG VILLAGE, LLC
Fiscal Year Ended: 8/31/2024

We have reviewed our debt service reserve and operating expense reserve requirements as of, and for the period ended 31-Aug-24 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	\$8,703,319
[2] Operating Expense Reserve Amount	\$1,522,116
[3] Total Liquid Reserve Amount:	\$10,225,435

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

<u>Qualifying Asset Description</u>	<u>Amount</u> (market value at end of quarter)	
	<u>Debt Service Reserve</u>	<u>Operating Reserve</u>
[4] Cash and Cash Equivalents		\$7,939,859
[5] Investment Securities		
[6] Equity Securities		
[7] Unused/Available Lines of Credit		
[8] Unused/Available Letters of Credit		
[9] Debt Service Reserve	\$9,231,533	(not applicable)
[10] Other: <div style="border: 1px solid black; height: 15px; width: 100%; margin: 2px 0;"></div> (describe qualifying asset)		
Total Amount of Qualifying Assets Listed for Reserve Obligation: [11]	\$9,231,533 [12]	\$7,939,859
Reserve Obligation Amount: [13]	\$8,703,319 [14]	\$1,522,116
Surplus/(Deficiency): [15]	\$528,214 [16]	\$6,417,743

Signature: _____

(Authorized Representative)

Controller

(Title)

Date: 12/20/24

Fountainview at Eisenberg Village, LLC
Notes to Continuing Care Liquid Reserve Schedules
For the Year Ended August 31, 2024

Note 1 – General

Fountainview at Eisenberg Village, LLC (Fountainview) and Fountainview at Eisenberg Village, LLC (“Fountainview”) are co-providers of the Fountainview continuing care retirement community, which opened in February 2010. The information included in this Annual Reserve Report has been supplied for the co-providers, with the exception of Form 5-4 calculation of net operating expenses, which is based on the financial results of Fountainview.

Supplementary Information

Fountainview at Eisenberg Village, LLC
Attachment I to Form 5-1, Reconciliation of Principal and Interest Paid
State of California – Department of Social Services
For the Year Ended August 31, 2024 (In Thousands)

	Los Angeles Jewish Home for the Aging	Fountainview at Eisenberg Village	Total Co- Providers
PRINCIPAL PAID DURING FISCAL YEAR			
Principal paid during fiscal year per consolidating statement of cash flows	\$ 4,905	\$ -	\$ 4,905
Total principal paid during fiscal year for long-term debt included on Form 5-1	\$ 4,905	\$ -	\$ 4,905
INTEREST PAID DURING FISCAL YEAR			
Cash paid for interest per consolidating statement of cash flows net of amounts capitalized	\$ 4,652	\$ -	\$ 4,652
Less interest paid on other debt	(1,361)	-	(1,361)
Cash paid for interest during fiscal year related to long-term debt included on Form 5-1	\$ 3,291	\$ -	\$ 3,291

Fountainview at Eisenberg Village, LLC
Attachment II to Form 5-3, Reconciliation of Rental Payments
State of California – Department of Social Services
For the Year Ended August 31, 2024 (In Thousands)

	Fountainview at Eisenberg Village
GENERAL AND ADMINISTRATIVE EXPENSE	
Rental payments	\$ 508
Other	937
Total general and administrative expense per consolidating statement of activities	<u>\$ 1,445</u>

Fountainview at Eisenberg Village, LLC
Attachment III to Form 5-5, Reconciliation of Qualifying Assets for
Debt Service Reserve
State of California – Department of Social Services
For the Year Ended August 31, 2024 (In Thousands)

	<u>Los Angeles Jewish Home for the Aging</u>
QUALIFYING ASSETS FOR DEBT SERVICE RESERVE	
Assets limited as to use per consolidating statement of financial position	\$ 11,029
Less funds restricted by donor for programs and investment in property and equipment	<u>(1,797)</u>
 Total qualifying assets for debt service reserve included on Form 5-5	 <u><u>\$ 9,232</u></u>

**FOUNTAINVIEW
 SUPPLEMENTARY FORM 5-5 DESCRIPTION OF RESERVES
 AND PER CAPITA COST OF OPERATIONS**

RESERVES

<u>Financial Statements</u>	<u>Amount</u>	<u>Qualifying Asset Description (Form 5-5)</u>
Cash and Cash Equivalents	\$ 7,939,859	Cash and Cash Equivalents
Assets Limited to Current Use	4,900,726	
Assets Limited to Use -non current	<u>6,128,078</u>	
	11,028,804	
Less: Non-bond related	<u>(1,797,271)</u>	
	9,231,533	Debt Service Reserve

(All Assets Limited to Use are comprised of bond investments)

PER CAPITA COST OF OPERATIONS

Per Capital Annual Cost of Operations (excluding depreciation)	\$ 70,549.00
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CONTINUING CARE RETIREMENT COMMUNITY DISCLOSURE STATEMENT

Date Prepared: _____

Facility Name: Fountainview at Eisenberg Village

Address: 6440 Wilbur Ave

Zip Code: 91335

Phone: 818-654-5531

Provider Name:

Fountainview at Eisenberg Village

Facility Operator: Eisenberg Village of the Los Angeles Jewish Health

Religious Affiliation: Jewish

Year Opened: 2010 # of Acres: _____ Miles to Shopping Center: .50 Miles to Hospital: 2.62

 Single Story Multi-Story Other: _____
Number of Units: 108

Residential Living	Number of Units	Health Care	Number of Units
Apartments – Studio:	<u>0</u>	Assisted Living:	_____
Apartments – 1 Bdrm:	<u>43</u>	Skilled Nursing:	_____
Apartments – 2 Bdrm:	<u>65</u>	Special Care:	_____
Cottages/Houses:	<u>0</u>	Description:	_____

RLU Occupancy (%) at Year End: 83%

Type of Ownership: Not for Profit
 For Profit

Accredited? Yes By: _____
 No

Form of Contact: Continuing Care Life Care Entrance Fee Fee for Service
 (Check all that apply) Assignment of Assets Equity Membership Rental

Refund Provisions: Refundable 90% 50%
 (Check all that apply) Repayable 75% Other: 80%

Range of Entrance Fees: \$ 400,000 - \$ 860,000
Long-Term Care Insurance Required? Yes No

Health Care Benefits Included in Contract: 10 days of nursing care per year at no cost
Entry Requirements: Min Age: 60 Prior Profession: _____ Other: _____

Resident Representative(s) to, and Resident Members on, the Board:

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

Included in the Board is Albert Wilen, resident and voting member.

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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Housekeeping (<u>4</u> Times/ Month at \$_____ each)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Billiard Room	<input type="checkbox"/>	<input type="checkbox"/>			
Bowling Green	<input type="checkbox"/>	<input type="checkbox"/>	Meals (<u>1</u> /Day)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Card Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Special Diets Available	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Chapel	<input type="checkbox"/>	<input type="checkbox"/>			
Coffee Shop	<input checked="" type="checkbox"/>	<input type="checkbox"/>	24-Hour Emergency Response	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Craft Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Activities Program	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Exercise Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	All Utilities Except Phone	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Golf Course Access	<input type="checkbox"/>	<input type="checkbox"/>	Apartment Maintenance	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Library	<input type="checkbox"/>	<input type="checkbox"/>	Cable TV	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Putting Green	<input type="checkbox"/>	<input type="checkbox"/>	Linens Furnished	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Shuffleboard	<input type="checkbox"/>	<input type="checkbox"/>	Linens Laundered	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Spa	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Medication Management	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Swimming Pool – Indoor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Nursing/Wellness Clinic	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Swimming Pool – Outdoor	<input type="checkbox"/>	<input type="checkbox"/>	Personal Home Care	<input type="checkbox"/>	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>	<input type="checkbox"/>	Transportation – Personal	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workshop	<input type="checkbox"/>	<input type="checkbox"/>	Transportation – Prearranged	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other: <u>Art room</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other: _____	<input type="checkbox"/>	<input type="checkbox"/>

Provider Name: Fountainview at Eisenberg Village

Affiliated CCRCs	Location (city, state)	Phone (with area code)
Fountainview at Gonda Westside	Playa Vista, CA	424-216-7788

Multi-Level Retirement Communities	Location (city, state)	Phone (with area code)

Free-Standing Skilled Nursing	Location (city, state)	Phone (with area code)
Eisenberg Village of the Los Ang	Reseda, CA	818-774-3000
Grancell Village of the Los Ang	Reseda, CA	818-774-3000

Subsidized Senior Housing	Location (city, state)	Phone (with area code)

NOTE: Please indicate if the facility is a life care facility.

Provider Name: Fountainview at Eisenberg Village

Income and Expenses [Year]	2021	2022	2023	2024
Income from Ongoing Operations				
Operating Income (Excluding amortization of entrance fee income)	21,316,986	24,444,719	33,801,935	28,694,216
Less Operating Expenses (Excluding depreciation, amortization, and interest)	26,041,918	30,607,134	31,384,052	33,640,882
Net Income From Operations	(4,724,932)	(9,162,415)	2,417,883	(4,946,666)
Less Interest Expense	5,934,084	4,449,711	3,636,376	3,573,920
Plus Contributions				
Plus Non-Operating Income (Expenses) (Excluding extraordinary items)				
Net Income (Loss) Before Entrance Fees, Depreciation And Amortization	(10,659,016)	(13,612,126)	(1,218,493)	(1,372,746)
Net Cash Flow From Entrance Fees (Total Deposits Less Refunds)	(824,058)	(126,705)	(1,049,078)	697,944

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)*

Financial Ratios [Year]	CCAC Medians 50th Percentile (optional)	2022	2023	2024
Debt to Asset Ratio		1.35	1.26	1.08
Operating Ratio		1.43	0.93	1.18
Debt Service Coverage Ratio		(1.13)	.17	(0.55)
Days Cash On Hand Ratio		129	101	93

Provider Name: Fountainview at Eisenberg Village

Historical Monthly Service Fees (Average Fee and Change Percentage)

Residence/Service [Year]	2021	%	2022	%	2023	%	2024	%
Studio								
One Bedroom	4,130	5%	4,345	5%	5,000	5%	5,445	6%
Two 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

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

Days Cash On Hand Ratio

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

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.

FORM 7-1
REPORT ON CCRC MONTHLY CARE FEES

	<u>RESIDENTIAL LIVING</u>	<u>ASSISTED LIVING</u>	<u>SKILLED NURSING</u>
[1] Monthly Care Fees at beginning of reporting period: (indicate range, if applicable)	\$3,990 - \$8,065		
[2] Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)	5%		

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: 12/8/2023
(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:** 11/8/2023 **Method of Notice:** Letter
- 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:** 11/8/2023
- 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 provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases. **Date of Notice:** 10/25/2023
- 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:** 10/25/2023 **Location of Posting:** Front Desk

[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 **PART 7 REPORT ON CCRC MONTHLY CARE FEE** in the **Annual Report Instruction** booklet for further instructions.

PROVIDER: Fountainview at Eisenberg Village and Los Angeles Jewish Home for the Aging
COMMUNITY: Fountainview at Eisenberg Village

**Fountainview at Eisenberg Village
Form 7-1 Attachment
Monthly Care Fee Increase**

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

Dollar Amounts in Thousands

Line	Fiscal Years	2022	2023	2024
1	F/Y 2022 Operating Expenses ¹	(6,792)		
2	F/Y 2023 Operating Expenses ² (Adjustments if any, Explained Below)		(6,116)	
3	Projected F/Y 2024 Results of Operations (Adjustments ³ Explained Below)			(7,572)
4	F/Y 2024 Anticipated MCF Revenue ² Based on Current and Projected Occupancy and Other ⁴ without a MCFI			6,829
5	Projected F/Y 2024 (Net) Operating Results ² without a MCFI (Line 3 plus Line 4)			(743)
6	Projected F/Y 2024 Anticipated Revenue Based on Current and Projected Occupancy and Other ⁴ with MCFI 5%			7,189
7	Grand Total - Projected FY 2024 Net Operating Activity After 5% MCFI (Line 3 plus Line 6)			(383)

Monthly Care Fee Increase: 6%

Adjustments Explained:

- 1 Enter to the total operating expenses from the independent audit of the Statement of Operations
- 2 Internal Accounting and Budget Records does not include entrance fees
- 3 "Adjustments" can include but not limited to reserves
- 4 "Other" can include but not limited to Contributions and Ancillary

FOUNTAINVIEW AT EISENBERG VILLAGE

FORM 7-1 - Increase in Monthly Fees Supplement

Rate increases are based on the projected operating performance for the upcoming fiscal year as determined by the budget process with the goal of cover operating expenses and also contributing to the related debt service. All debt related to the building the facility is recorded at the corporate entity.

The budget process is a six month process that begins in March and uses the actual first six months of the year annualized as a baseline. Adjustments are then made for any expected increases based on input from vendors, industry news, historical trends, planned changes in operations, and key economic indicators.

We assumed wages would increase approximately 3% due to annual merit rate increases, coupled with another \$87K related to the State mandated minimum wage increase effectiveSupplies, maintenance, housekeeping, activities and other Supplies, maintenance, housekeeping, activities and other expense increased 2%-4% based on input from our suppliers, experience and changes in planned operations.

Total expenses for fiscal year 2023 and 2022 were \$6,028,783 and \$6,543,654 respectively.

The increase of 6% in monthly service fees were implemented to help the facility cover its expenses and contribute to debt service.

KEY INDICATORS REPORT

FOUNTAINVIEW AT EISENBERG VILLAGE



Chief Executive Officer Signature

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

OPERATIONAL STATISTICS

1. Average Annual Occupancy by Site (%)
0.00%

MARGIN (PROFITABILITY) INDICATORS

2. Net Operating Margin (%)

3. Net Operating Margin - Adjusted (%)

LIQUIDITY INDICATORS

4. Unrestricted Cash and Investments (\$000)

5. Days Cash on Hand (Unrestricted)

CAPITAL STRUCTURE INDICATORS

6. Deferred Revenue from Entrance Fees (\$000)

7. Net Annual Entrance Fee proceeds (\$000)

8. Unrestricted Net Assets (\$000)

9. Annual Capital Asset Expenditure (\$000)

10. Annual Debt Service Coverage
Revenue Basis (x)

11. Annual Debt Service Coverage (x)

12. Annual Debt Service/Revenue (%)

13. Average Annual Effective Interest Rate (%)

14. Unrestricted Cash & Investments/
Long-Term Debt (%)

15. Average Age of Facility (years)

	Actual	Actual	Actual	Actual	Actual	Projected	Forecast	Forecast	Forecast	Forecast	Preferred Trend Indicator
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
1. Average Annual Occupancy by Site (%) 0.00%	98%	94%	86%	81%	83%	87%	92%	94%	96%	98%	N/A
2. Net Operating Margin (%)	-9.38%	-7.26%	-16.45%	-1.81%	-17.12%	-15.44%	-16.48%	-15.20%	-13.71%	-12.34%	↑
3. Net Operating Margin - Adjusted (%)	55.78%	-31.50%	-0.15%	-23.62%	-5.48%	2.06%	1.00%	1.59%	2.37%	3.17%	↓
4. Unrestricted Cash and Investments (\$000)	\$8,737	\$7,177	\$7,570	\$5,455	\$7,940	\$7,980	\$8,350	\$8,500	\$8,550	\$8,690	↑
5. Days Cash on Hand (Unrestricted)	463	407	424	332	391	361	364	356	345	338	↑
6. Deferred Revenue from Entrance Fees (\$000)	\$1,534	\$1,970	\$1,875	\$2,140	\$2,857	\$2,300	\$2,400	\$2,600	\$2,850	\$2,850	N/A
7. Net Annual Entrance Fee proceeds (\$000)	\$1,198	-\$1,106	-\$127	-\$1,040	\$698	\$1,250	\$1,270	\$1,290	\$1,310	\$1,340	N/A
8. Unrestricted Net Assets (\$000)	-\$44,405	-\$47,765	-\$49,872	-\$45,721	-\$46,420	-\$47,500	-\$48,685	-\$49,834	-\$50,924	-\$51,957	N/A
9. Annual Capital Asset Expenditure (\$000)	\$57	\$28	\$19	\$0	\$0	\$191	\$105	\$120	\$120	\$110	N/A
10. Annual Debt Service Coverage Revenue Basis (x)											↑
11. Annual Debt Service Coverage (x)											↑
12. Annual Debt Service/Revenue (%)											↓
13. Average Annual Effective Interest Rate (%)											↓
14. Unrestricted Cash & Investments/ Long-Term Debt (%)											↑
15. Average Age of Facility (years)	15	16	17	18	19	20	21	22	23	24	↓