

FISCAL YEAR ENDED:  
06/30/2019

ANNUAL REPORT CHECKLIST

PROVIDER(S): Mercy Retirement and Care Center

CCRC(S): Mercy Retirement and Care Center

PROVIDER CONTACT PERSON: Robin Evitts

TELEPHONE NO.: (510) 769-2758 \_\_\_\_\_ EMAIL: revitts@eldercarealliance.org

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

- Annual Report Checklist.
- Annual Provider Fee in the amount of: \$113  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.

June 2014



December 18, 2019

Department of Social Services  
Community Care Branch  
744 P Street, M.S. 9-14-91  
Sacramento, CA 95814

To Whom It May Concern,

I, Adriene Iverson, Chief Executive Officer of Mercy Retirement and Care Center, certify that the enclosed continuing care reserve report is correct to the best of my knowledge;

- 1) that the annual reserve reports and amendments are fairly stated;
- 2) that each continuing care contract in use for residents has been approved by the Department of Social Services; and
- 3) that Mercy Retirement and Care Center maintains the required reserves for prepaid continuing care contracts, statutory reserves, and refund reserves as of the date of this letter.

Sincerely,

A handwritten signature in blue ink that reads "Adriene Iverson".

Adriene Iverson  
Chief Executive Officer







Caring Communities, a Reciprocal Risk Retention Group

Schedule of NAMED INSUREDS

Elder Care Alliance

Policy # CRRRG-0036-19

Policy Period: 01/01/2019 - 01/01/2020

Coverage Description Key

A: Professional Liability                      B: General Liability  
 C-EBL: Employee Benefit Program        C-FLI: Fiduciary Liability  
 D: Employment Practices Liability        E: Directors & Officers Liability  
 N/A: No Coverage Provided

Named Insured Main Address	Doing Business As	Coverage B Inception Date	Coverage Retro Active Dates			
			A & C-EBL	C-FLI	D	E
Elder Care Alliance 1301 Marina Village Parkway Suite 210 Alameda, CA 94501		06/30/2013	06/30/2012	N/A	N/A	N/A
Mercy Retirement and Care Center 3431 Foothill Blvd Oakland, CA 94601		06/30/2013	06/30/2012	N/A	N/A	N/A
Elder Care Alliance of Camarillo 2500 Ponderosa Drive North Camarillo, CA 93010	AlmaVia of Camarillo	06/30/2013	06/30/2012	N/A	N/A	N/A
Elder Care Alliance of San Francisco One Thomas More Way San Francisco, CA 94132	AlmaVia of San Francisco	06/30/2013	06/30/2012	N/A	N/A	N/A
Elder Care Alliance of San Rafael 515 Northgate Drive San Rafael, CA 94903	AlmaVia of San Rafael	06/30/2013	06/30/2012	N/A	N/A	N/A
ECA of San Mateo 4000 S. El Camino Real San Mateo, CA 94403	Villa at San Mateo	01/01/2017	12/30/2016	N/A	N/A	N/A

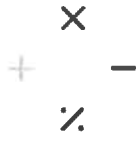
**FORM 1-1  
RESIDENT POPULATION**

Line	Continuing Care Residents	TOTAL
[1]	Number at beginning of fiscal year	1
[2]	Number at end of fiscal year	1
[3]	Total Lines 1 and 2	2
[4]	Multiply Line 3 by .50 and enter result on Line 5.	x .50
[5]	Mean number of continuing care residents	1
<b>All Residents</b>		
[6]	Number at beginning of fiscal year	149
[7]	Number at end of fiscal year	149
[8]	Total Lines 6 and 7	298
[9]	Multiply Line 8 by ".50" and enter result on Line 10	x .50
[10]	Mean number of all residents	149
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of all residents (Line 10) and enter the result (round to two decimal places)	0.67%

**FORM 1-2  
ANNUAL PROVIDER FEE**

Line		TOTAL
[1]	Total Operating Expenses	\$17,609,938
[a]	Depreciation	\$826,153
[b]	Debt Service (Interest Only)	\$0
[2]	Subtotal (add Line 1a and 1b)	\$826,153
[3]	Subtract Line 2 from Line 1 and enter result	\$16,783,785
[4]	Percentage allocated to continuing care residents (Form 1-1, Line 11)	0.67%
[5]	Total Operating Expense of Continuing Care Residents (multiply Line 3 by Line 4)	\$112,642.85
[6]	<b>Total Amount Due (multiply Line 5 by .001)</b>	<b>\$113</b>

**PROVIDER:** Elder Care Alliance, a Long-Term Care Community  
**COMMUNITY:** Mercy Retirement and Care Center



*Continuing Care Contract Annual Report*

**Mercy Retirement and Care Center**

*June 30, 2019*



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## **Report of Independent Auditors**

To the Board of Directors  
Elder Care Alliance and Subordinate Corporations  
Alameda, California

### **Report on the Continuing Care Reserve Report**

We have audited the accompanying continuing care reserve report (the "Report") of Mercy Retirement and Care Center, which comprise the continuing care liquid reserve schedule, Form 5-5, as of and for the year ended June 30, 2019.

#### ***Management's Responsibility for the Continuing Care Reserve Report***

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

#### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Report.

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

***Opinion***

In our opinion, the Report referred to above present fairly, in all material respects, the continuing care reserves of Mercy Retirement Care Center at June 30, 2019, in conformity with the liquid reserve requirements of California Health and Safety Code Section 1792.

***Basis of Accounting***

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

***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the liquid reserve requirement of the Association. The accompanying supplementary schedule of Form 5-5, Reconciliations, Additional disclosures, Disclosure statement, and Notes to reserve report, presented as supplementary schedules, are presented for the purpose of additional analysis and are not a required part of the Report. 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 Report. The information has been subjected to the auditing procedures applied in the audit of the Report, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Report, or to the Report itself, 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 Report.

***Restriction on Use***

Our report is intended solely for the information and use of the Board of Directors and management of Mercy Retirement and Care Center and for filing with the California Department of Social Services, and is not intended to be, and should not be, used by anyone other than these specified parties.



San Francisco, California  
November 20, 2019

**Mercy Retirement and Care Center**  
**Form 5-1, Long-Term Debt Incurred in Prior Fiscal Year**

FORM 5-1 LONG-TERM DEBT INCURRED IN A PRIOR FISCAL YEAR (Including Balloon Debt)					
Long-Term Debt Obligation	(a) Date Incurred	(b) Principal Paid During Fiscal Year	(c) Interest Paid During Fiscal Year	(d) Credit Enhancement Premiums Paid in Fiscal Year	(e) Total Paid (columns (b) + (c) + (d))
1			\$0	\$0	\$0
2					\$0
3					\$0
4					\$0
5					\$0
6					\$0
7					\$0
8					\$0
<b>TOTAL:</b>			\$0	\$0	\$0

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

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

**PROVIDER:** Elder Care Alliance, a Long-Term Care Community

**Mercy Retirement and Care Center**  
**Form 5-2, Long-Term Debt Incurred During Fiscal Year**

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
<b>TOTAL:</b>		\$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:** Elder Care Alliance, a Long-Term Care Community

**Mercy Retirement and Care Center**  
**Form 5-3, Calculation of Long-Term Debt Reserve Amount**

FORM 5-3 CALCULATION OF LONG-TERM DEBT RESERVE AMOUNT		TOTAL
[1]	Total from Form 5-1 bottom of Column (e)	\$0
[2]	Total from Form 5-2 bottom of Column (e)	\$0
[3]	Facility leasehold or rental payment paid by provider during fiscal year (including related payments such as lease insurance)	\$0
[4]	<b>TOTAL AMOUNT REQUIRED FOR LONG-TERM DEBT RESERVE:</b>	<b>\$0</b>
<b>PROVIDER:</b>	<u>Elder Care Alliance, a Long-Term Care Community</u>	

**Mercy Retirement and Care Center**  
**Form 5-4, Calculation of Net Operating Expenses**

FORM 5-4 CALCULATION OF NET OPERATING EXPENSES		Amounts	TOTAL
Line			
[1]	Total operating expenses from financial statements		\$17,609,938
[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	\$826,153	
	[d] Amortization	\$45,870	
	[e] Revenues received during the fiscal year for services to persons who did not have a continuing care contract	\$16,015,216	
	[f] Extraordinary expenses approved by the Department	\$0	
[3]	Total Deductions		\$16,887,239
[4]	Net Operating Expenses		\$722,699
[5]	Divide Line 4 by 365 and enter the result.		\$1,980
[6]	<b>Multiply Line 5 by 75 and enter the result.</b> This is the provider's operating expense reserve amount.		\$148,500
<b>PROVIDER:</b>	<u>Elder Care Alliance, a Long-Term Care Community</u>		
<b>COMMUNITY:</b>	<u>Mercy Retirement and Care Center</u>		

**Mercy Retirement and Care Center**  
**Form 5-5, Annual Reserve Certification**

**FORM 5-5**  
**ANNUAL RESERVE CERTIFICATION**

Provider Name: Elder Care Alliance, a Long-Term Care Community  
 Fiscal Year Ended: 6/30/2019

We have reviewed our debt service reserve and operating expense reserve requirements as of, and for the period ended 6/30/2019 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	<u>\$0</u>
[2] Operating Expense Reserve Amount	<u>\$148,500</u>
[3] Total Liquid Reserve Amount:	<u>\$148,500</u>

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

<u>Qualifying Asset Description</u>	<u>Amount</u> <u>(Market Value at End of Quarter)</u>	
	<u>Debt Service Reserve</u>	<u>Operating Reserve</u>
[4] Cash and Cash Equivalents	<u>\$0</u>	<u>\$2,279,713</u>
[5] Investment Securities	<u>\$0</u>	<u>\$11,824,128</u>
[6] Equity Securities	<u>\$0</u>	<u>\$0</u>
[7] Unused/Available Lines of Credit	<u>\$0</u>	<u>\$0</u>
[8] Unused/Available Letters of Credit	<u>\$0</u>	<u>\$0</u>
[9] Debt Service Reserve	<u>\$0</u>	<u>(not applicable)</u>
[10] Other:	<u>\$0</u>	<u>\$0</u>
<hr/>		
(describe qualifying asset)		
<b>Total Amount of Qualifying Assets Listed for Reserve Obligation: [11]</b>	<u>\$0 [12]</u>	<u>\$14,103,841</u>
<b>Reserve Obligation Amount: [13]</b>	<u>\$0 [14]</u>	<u>\$148,500</u>
<b>Surplus/(Deficiency): [15]</b>	<u>\$0 [16]</u>	<u>\$13,955,341</u>

Signature: Robin Evitts

Date: 12/10/19

(Authorized Representative) Robin Evitts

Interim Chief Financial Officer  
 (Title)

## **Supplementary Schedules**

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## Mercy Retirement and Care Center Attachment to Form 5-4

### Attachment to Form 5-4 CCRC Revenue Allocation Line 2e

	CCRC Amount	Non-CCRC Amount	Total Amount
Residential & Assisted Living	\$ 73,980	\$ 5,258,868	\$ 5,332,848
Memory Care (Dem)	-	2,032,831	2,032,831
Skilled Nursing	108,995	6,785,463	6,894,458
Entrance Fees	-	129,800	129,800
Charitable Adjustments	(66,780)	(152,034)	(218,814)
Contractual Allowances	-	(679,581)	(679,581)
Subtotal Room & Board	116,195	13,375,347	13,491,542
Gross Ancillary Revenue	772	2,487,578	2,488,350
Other Operating Revenue**	-	152,291	152,291
Total Room & Board Revenue	<u>\$ 116,967</u>	<u>\$ 16,015,216</u>	<u>\$ 16,132,183</u>

\*\*Note: Included in other operating revenue are reimbursements received for services provided to non-residents, such as guest accommodations and meals, and miscellaneous vendor refunds.

Net patient and resident service revenue per the consolidating statement of activities information	\$ 16,132,183
Less: CCRC resident revenue	<u>(116,967)</u>
Line 2(e)	<u>\$ 16,015,216</u>

### CCRC Depreciation and amortization Line 2(c) & (d)

Line 2(c) - Depreciation	\$ 826,153
Line 2(d) - Amortization	<u>45,870</u>
Depreciation and other, per the consolidating statement of activities information	<u>\$ 872,023</u>

## Mercy Retirement and Care Center Notes to Reserve Reports

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### **NOTE 1 – BASIS OF ACCOUNTING**

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

### **NOTE 2 – LONG-TERM DEBT, DEBT ISSUANCE FEES, AND LOAN COMMITMENTS**

Mercy Retirement and Care Center ("MRCC") entered into a \$25,000,000 construction loan with BBVA Compass Bank on March 26, 2019. The construction loan converts to a permanent loan on March 25, 2022, extending the maturity date to March 25, 2032. The note will bear interest at an annual rate of 4.51% and will be amortized over 30 years. Debt issuance fees of \$329,729 are included in long-term debt on the consolidating statement of net position information. There is no outstanding balance on the construction loan at June 30, 2019, on the consolidating statement of net position information. In accordance with a construction loan agreement, MRCC is required to commit \$10,000,000 to the construction project prior to drawing on the construction loan. As of June 30, 2019, MRCC had spent \$4,800,000 towards the required \$10,000,000, and is committed to spend an additional \$5,200,000.



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

	<u>RESIDENTIAL LIVING</u>	<u>ASSISTED LIVING</u>	<u>SKILLED NURSING</u>
[1] Monthly Service Fees at beginning of reporting period: (indicate range, if applicable)	0%	\$3,925-\$7,100	\$10,860-\$13,260
[2] Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)	0%	2.16%-3.15%	4.00%-4.02%

Check here if monthly service 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: July 1, 2018  
(If more than 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.
- At least 30 days prior to the increase in monthly service fees, the designated representative of the provider convened a meeting that all residents were invited to attend.
- 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.
- 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.

[5] On an attached page, provide a concise explanation for the increase in monthly service fees including the amount of the increase.

**PROVIDER:** Mercy Retirement and Care Center  
**COMMUNITY:** \_\_\_\_\_

**Mercy Retirement and Care Center**  
**Year Ending June 30, 2019**  
**Form 7-1, Item 5 Explanation for Increase in Monthly Services**

Increase in	Percent	Explanation
<b>Residential Living</b>	<b>0%</b>	<b>No Change</b>
<b>Assisted Living</b>	<b>2.16% - 3.15%</b>	<b>Assisted Living fees increased between 2.16% - 3.15% due to increases in costs paid to suppliers and employees during the period July 1, 2018 to June 30, 2019. The detail includes labor cost increases of 3% to 5% based on minimum wage increases and compensation issues, additional training time requirements, health insurance increase of 10%, workers' compensation increase of 3%, other insurance increase of 5%, and support cost increases due to increase in IT cost of 3%.</b>
<b>Skilled Nursing</b>	<b>4.0% - 4.02%</b>	<b>Skilled Nursing fees increased between 4.0% -4.2% due to increases in costs paid to suppliers and employees during the period July 1, 2018 – June 30, 2019. The increases were due to labor cost increases of 3% to 5%, based on minimum wage increases and compensation issues, additional training time requirements, health insurance increase of 10%, workers' compensation increase of 3%, other insurance increase of 5%, and support cost increases due to increases in IT cost of 3%.</b>

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

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

FACILITY NAME: Mercy Retirement and Care Center  
 ADDRESS: 3431 Foothill Blvd, Oakland ZIP CODE: 94601 PHONE: 510-534-8540  
 PROVIDER NAME: Mercy Retirement and Care Center FACILITY OPERATOR: Mercy Retirement and Care Center  
 RELATED FACILITIES: n/a RELIGIOUS AFFILIATION: Sisters of Mercy of the Americas  
 YEAR # OF  SINGLE  MULTI- MILES TO SHOPPING CTR: 5  
 OPENED: 1872 ACRES: 4.5 STORY STORY  OTHER: Both MILES TO HOSPITAL: 2.5

**NUMBER OF UNITS:**

<b>RESIDENTIAL LIVING</b>	<b>HEALTH CARE</b>
APARTMENTS — STUDIO: _____	ASSISTED LIVING: <u>85</u>
APARTMENTS — 1 BDRM: _____	SKILLED NURSING: <u>59</u>
APARTMENTS — 2 BDRM: _____	SPECIAL CARE: <u>22</u>
COTTAGES/HOUSES: _____	DESCRIPTION: > <u>Special care - Dementia</u>
RLU OCCUPANCY (%) AT YEAR END: <u>90</u>	> _____

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

FORM OF CONTRACT:  CONTINUING CARE  LIFE CARE  ENTRANCE FEE  FEE FOR SERVICE  
 (Check all that apply)  ASSIGNMENT OF ASSETS  EQUITY  MEMBERSHIP  RENTAL

REFUND PROVISIONS: (Check all that apply)  90%  75%  50%  FULLY AMORTIZED  OTHER: 0-3 mos-100%; 3-24 Pro-rata portion; after 24 mo- none

RANGE OF ENTRANCE FEES: \$0 \_\_\_\_\_ - \$0 \_\_\_\_\_ LONG-TERM CARE INSURANCE REQUIRED?  YES  NO

HEALTH CARE BENEFITS INCLUDED IN CONTRACT: None

ENTRY REQUIREMENTS: MIN. AGE: 60 PRIOR PROFESSION: None OTHER: None

RESIDENT REPRESENTATIVE(S) TO, AND RESIDENT MEMBER(S) ON, THE BOARD (briefly describe provider's compliance and residents' role): >  
Residents on the board if positions available

> \_\_\_\_\_

**FACILITY SERVICES AND AMENITIES**

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

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

**PROVIDER NAME:** Mercy Retirement and Care Center

**OTHER CCRCs**

**LOCATION (City, State)**

**PHONE (with area code)**


**MULTI-LEVEL RETIREMENT COMMUNITIES**

**LOCATION (City, State)**

**PHONE (with area code)**


**FREE-STANDING SKILLED NURSING**

**LOCATION (City, State)**

**PHONE (with area code)**


**SUBSIDIZED SENIOR HOUSING**

**LOCATION (City, State)**

**PHONE (with area code)**


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

PROVIDER NAME: Mercy Retirement and Care Center

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>INCOME FROM ONGOING OPERATIONS</b>				
<b>OPERATING INCOME</b> (Excluding amortization of entrance fee income)	\$15,090	\$15,711	\$16,393	\$16,132
<b>LESS OPERATING EXPENSES</b> (Excluding depreciation, amortization, and interest)	(16,280)	(14,929)	(15,755)	(16,738)
<b>NET INCOME FROM OPERATIONS</b>	\$(1,190)	\$782	\$638	\$(606)
<b>LESS INTEREST EXPENSE</b>	0	0	0	0
<b>PLUS CONTRIBUTIONS</b>	626	1,026	1,354	41
<b>PLUS NON-OPERATING INCOME (EXPENSES)</b> (excluding extraordinary items)	519	2,010	2,268	1,428
<b>NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION</b>	\$(45)	\$3,818	\$4,260	\$863
<b>NET CASH FLOW FROM ENTRANCE FEES</b> (Total Deposits Less Refunds)	0	0	0	0

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

<u>LENDER</u>	<u>OUTSTANDING BALANCE</u>	<u>INTEREST RATE</u>	<u>DATE OF ORIGATION</u>	<u>DATE OF MATURITY</u>	<u>AMORTIZATION PERIOD</u>

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

	<u>2017 CCAC Medians 50<sup>th</sup> Percentile (optional)</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>DEBT TO ASSET RATIO</b>		0%	0%	0%
<b>OPERATING RATIO</b>		93.01%	87.49%	94.78%
<b>DEBT SERVICE COVERAGE RATIO</b>		0%	0%	0%
<b>DAYS CASH ON HAND RATIO</b>		317.16	364.90	307.56

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

	<u>2016</u>	<u>%</u>	<u>2017</u>	<u>%</u>	<u>2018</u>	<u>%</u>	<u>2019</u>	<u>%</u>
STUDIO	0							
ONE BEDROOM	0							
TWO BEDROOM	0							
COTTAGE/HOUSE	0							
ASSISTED LIVING	\$4,293	3.0%	\$4,420	2.9%	\$4,550	2.94%	\$4,683	
SKILLED NURSING	\$10,800	3.5%	\$11,175	3.8%	\$11,596	4.0%	\$12,059	
SPECIAL CARE	\$6,355	3.1%	\$6,550	0.6%	6,589	2.69%	\$6,766	

\*\*\*\*\*  
**COMMENTS FROM PROVIDER:** > Increases in average fees due to labor cost increases, insurance increases and support cost increases.

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