



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

<u>Line</u>	<b>Continuing Care Residents</b>	<u>TOTAL</u>
[1]	Number at beginning of fiscal year	143
[2]	Number at end of fiscal year	140
[3]	Total Lines 1 and 2	283
[4]	Multiply Line 3 by ".50" and enter result on Line 5.	x .50
[5]	Mean number of continuing care residents	141.5
<b>All Residents</b>		
[6]	Number at beginning of fiscal year	213
[7]	Number at end of fiscal year	215
[8]	Total Lines 6 and 7	428
[9]	Multiply Line 8 by ".50" and enter result on Line 10.	x .50
[10]	Mean number of <i>all</i> residents	214
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of <i>all</i> residents (Line 10) and enter the result (round to two decimal places).	0.66

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

<u>Line</u>	<u>TOTAL</u>
[1]	Total Operating Expenses (including depreciation and debt service - interest only) <u>\$16,386,176</u>
[a]	Depreciation <u>\$1,629,068</u>
[b]	Debt Service (Interest Only) <u>\$655,161</u>
[2]	Subtotal (add Line 1a and 1b) <u>\$2,284,229</u>
[3]	Subtract Line 2 from Line 1 and enter result. <u>\$14,101,947</u>
[4]	Percentage allocated to continuing care residents (Form 1-1, Line 11) <u>66%</u>
[5]	Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4) <u>\$9,307,285</u>
[6]	Total Amount Due (multiply Line 5 by .001) <u>x .001</u> <u>\$9,307</u>

**PROVIDER: Inland Christian Home, Inc.**

**COMMUNITY: Inland Christian Home, Inc.**

April 23, 2026

Continuing Care Contracts Branch  
California Department of Social Services  
744 P Street, M.S. 8-16-91  
Sacramento, CA 95814

I, David Stienstra, certify that:

- The annual report and amendments thereto 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.
- As of the date of this certification, Inland Christian Home, Inc. is maintaining the required liquid reserves and, if applicable, refund reserve.

Sincerely,



David Stienstra  
Executive Director

*"PROVIDING QUALITY, AFFORDABLE, INDIVIDUALIZED CARE IN A CHRISTIAN ENVIRONMENT"*



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/8/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> (WC) Heffernan Insurance Brokers 1350 Carback Avenue Walnut Creek, CA 94596	<b>CONTACT NAME:</b> Walnut Creek AMS Team	
	<b>PHONE (A/C. No. Ext):</b>	<b>FAX (A/C. No.):</b> 925-934-8278
<b>E-MAIL ADDRESS:</b> WalnutCreekAMS@HeffIns.com		
<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
<b>INSURER A :</b> Nationwide Insurance Company of America		25453
<b>INSURER B :</b> Lexington Insurance Company		19437
<b>INSURER C :</b>		
<b>INSURER D :</b>		
<b>INSURER E :</b>		
<b>INSURER F :</b>		


**COVERAGES** **CERTIFICATE NUMBER:** 489891901 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input checked="" type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		ACP3006885716	12/1/2025	12/1/2026	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 \$
A	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y		ACP3006885716	12/1/2025	12/1/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			ACP3006885716	12/1/2025	12/1/2026	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N <input checked="" type="checkbox"/> N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A A B	PROFESSIONAL LIABILITY EMPLOYEE DISHONESTY DIRECTORS & OFFICERS LIABILITY			ACP3006885716 ACP3006885716 069960107-00	12/1/2025 12/1/2025 12/1/2025	12/1/2026 12/1/2026 12/1/2026	PER OCCURRENCE / AGG \$1M / \$3M PER OCCURENCE \$500,000 PER CLAIM / AGG / SIR \$3M / \$3M / \$25K

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**  
 Re: Project: Inland Christian Home, Inc., 1068. Cal-Mortgage is includes as additional insured on the General Liability and Automobile Liability policies per the attached endorsements, if required.

**CERTIFICATE HOLDER****CANCELLATION**

Cal-Mortgage Office of Statewide Health Planning & Development 400 R Street, Suite 470 Sacramento, CA 95811	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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**INLAND CHRISTIAN HOME, INC.**

**FINANCIAL STATEMENTS**

**AND**

**INDEPENDENT AUDITOR'S REPORT**

**DECEMBER 31, 2025 AND 2024**

**INLAND CHRISTIAN HOME, INC.**

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# GENSKE, MULDER & COMPANY, LLP

## CERTIFIED PUBLIC ACCOUNTANTS

4150 E. CONCOURS ST., STE 250, ONTARIO, CALIFORNIA 91764  
TEL: 909-483-2100 | FAX: 909-483-2109  
www.genskemulder.com

### **Independent Auditor's Report**

The Board of Directors  
Inland Christian Home, Inc.  
Ontario, California

### **Opinion**

We have audited the accompanying financial statements of Inland Christian Home, Inc. (a non-profit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Inland Christian Home, Inc. as of December 31, 2025 and 2024, and the changes in its net assets 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. 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 Inland Christian Home, Inc. 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 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 Inland Christian Home, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Inland Christian Home, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Inland Christian Home, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Ontario, California  
April 23, 2026

*Genske, Mulder & Co., LLP*

GENSKE, MULDER & CO., LLP  
Certified Public Accountants

**INLAND CHRISTIAN HOME, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2025 AND 2024**

**ASSETS**

	2025	2024
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 820,813	\$ 356,005
Investments	6,807,853	5,488,954
Accounts receivable, net of \$95,000 and \$65,000 allowance for credit losses	1,125,534	1,394,567
Other receivables	156,245	1,711,398
Prepaid expenses	259,438	83,170
Total current assets	9,169,883	9,034,094
PROPERTY AND EQUIPMENT, NET	21,542,524	20,710,100
DEPOSIT	120,181	119,864
RESTRICTED CASH AND CASH EQUIVALENTS	805,162	849,740
Total assets	\$ 31,637,750	\$ 30,713,798

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 326,177	\$ 801,763
Security deposits	13,500	20,000
Accrued expenses	2,127,833	879,153
Deferred revenue	101,715	100,793
Current portion of bond payable	425,000	405,000
Current portion of lease liability	9,360	7,800
Total current liabilities	3,003,585	2,214,509
<b>LONG-TERM LIABILITIES:</b>		
Bond payable, net	16,528,411	16,974,899
Lease liability, net of current portion	26,590	28,600
Total long-term liabilities	16,555,001	17,003,499
<b>NET ASSETS:</b>		
Net assets without donor restrictions	11,863,602	11,397,874
Net assets with donor restrictions	215,562	97,916
Total net assets	12,079,164	11,495,790
Total liabilities and net assets	\$ 31,637,750	\$ 30,713,798

See accompanying notes and independent auditor's report.

**INLAND CHRISTIAN HOME, INC.**

**STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	2025	2024
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:</b>		
Revenues and other support:		
Skilled nursing fees	\$ 8,525,847	\$ 7,872,470
Assisted living fees	1,664,177	1,431,022
Inland Haven fees	1,675,853	1,362,492
Apartment rents	2,355,974	2,379,295
Cottage rents	1,267,878	1,247,178
Foundation fund donations	90,258	81,966
Meals sold	61,328	59,772
Contributions	1,172,918	360,385
Other revenue - resident	28,204	22,160
Other revenue - non-resident	109,000	17,277
C.A.R.E. Fund discounts applied	(60,600)	(74,706)
Total revenues and other support	16,890,837	14,759,311
Net assets released from restrictions:		
Satisfaction of program restrictions	61,100	74,706
Total revenues and other support without donor restrictions	16,951,937	14,834,017
Functional expenses:		
Program services	12,835,811	12,221,247
Management and general	3,549,821	3,112,666
Fundraising	544	1,807
Total functional expenses	16,386,176	15,335,720
Income (loss) from operations	565,761	(501,703)
<b>NON-OPERATING REVENUE (EXPENSES):</b>		
Investment return, net of investment expenses	606,725	498,904
Employee retention credit, net of professional fees	272,381	1,360,000
Government program revenue	45,861	-
Legal settlement	(1,025,000)	(400,000)
Total non-operating revenue (expenses)	(100,033)	1,458,904
Increase in net assets without donor restrictions from operations	465,728	957,201
Net assets without donor restrictions, beginning of year	11,397,874	10,440,673
Net assets without donor restrictions, end of year	11,863,602	11,397,874
<b>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS:</b>		
Contributions, C.A.R.E. Fund	73,745	57,658
Contributions, Garden Fund	105,000	-
Interest, Scholarship Fund	1	3
Net assets released from restrictions	(61,100)	(74,706)
Increase (decrease) in net assets with donor restrictions	117,646	(17,045)
Net assets with donor restrictions, beginning of year	97,916	114,961
Net assets with donor restrictions, end of year	215,562	97,916
Net assets, beginning of year	11,495,790	10,555,634
Total change in net assets	583,374	940,156
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 12,079,164</b>	<b>\$ 11,495,790</b>

See accompanying notes and independent auditor's report.

**INLAND CHRISTIAN HOME, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025**

	Program Services											Supporting Services			Total Expenses	
	Skilled nursing	Assisted living	Inland Haven	Apartments	Cottages	Dietary	Plant operations and maintenance	Housekeeping	Therapy	Activities and social services	Laundry and linen	Total Program Services	Management and General	Fundraising		
FUNCTIONAL EXPENSES:																
Compensation	\$ 2,862,252	\$ 310,881	\$ 649,344	\$ 243,210	\$ 149,841	\$ 1,066,635	\$ 534,426	\$ 413,450	\$ 633,950	\$ 384,073	\$ 127,558	\$ 7,375,620	\$ 885,061	\$ -	\$ 8,260,681	
Payroll taxes and employee benefits	461,858	80,789	111,647	(7)	791	-	60,101	111,728	-	50,162	15,182	892,251	135,948	-	1,028,199	
Total compensation	<u>3,324,110</u>	<u>391,670</u>	<u>760,991</u>	<u>243,203</u>	<u>150,632</u>	<u>1,066,635</u>	<u>594,527</u>	<u>525,178</u>	<u>633,950</u>	<u>434,235</u>	<u>142,740</u>	<u>8,267,871</u>	<u>1,021,009</u>	<u>-</u>	<u>9,288,880</u>	
Contract labor	159,895	31,171	6,845	-	-	-	-	-	4,223	-	-	202,134	-	-	202,134	
Dues and subscriptions	-	-	-	-	-	-	-	-	-	-	-	-	24,917	-	24,917	
Employee relations and seminars	-	931	-	-	-	634	-	-	-	-	-	1,565	43,646	-	45,211	
Food and staples	-	-	-	-	-	399,742	-	-	-	-	-	399,742	-	-	399,742	
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	352,943	-	352,943	
Licenses	-	-	-	-	-	-	-	-	-	-	-	-	82,237	-	82,237	
Linens	-	-	-	-	-	-	-	-	-	-	3,020	3,020	-	-	3,020	
Uniforms	-	-	-	-	-	-	1,616	-	-	-	-	1,616	-	-	1,616	
Marketing	-	-	-	-	-	-	-	-	-	-	-	-	134,314	-	134,314	
Medical services and supplies	440,423	12,413	20,512	-	-	-	-	-	-	-	-	473,348	-	-	473,348	
Office	-	-	-	-	-	-	-	-	-	-	-	-	569,885	-	569,885	
Professional fees	-	-	-	-	-	581	-	-	-	500	-	1,081	288,641	-	289,722	
Property taxes	-	-	-	-	-	-	-	-	-	-	-	-	204	-	204	
Purchased services	5,400	1,135	1,514	-	-	190,535	198,364	430	5,221	140	-	402,739	21,876	-	424,615	
Repairs and maintenance	-	-	-	-	-	-	124,517	-	-	-	4,908	129,425	-	-	129,425	
Supplies	22,735	228	683	-	-	4,598	162,818	81,601	364	17,643	29,757	320,427	28,596	544	349,567	
Travel	-	-	-	-	-	-	-	-	-	-	-	-	1,651	-	1,651	
Utilities	-	-	-	-	-	-	594,477	-	-	-	-	594,477	40,589	-	635,066	
Workers compensation insurance	177,637	55,062	71,815	-	575	-	34,631	33,392	-	27,919	8,267	409,298	5,197	-	414,495	
Bad debt	-	-	-	-	-	-	-	-	-	-	-	-	278,955	-	278,955	
Depreciation	237,633	232,880	141,505	802,370	214,680	-	-	-	-	-	-	1,629,068	-	-	1,629,068	
Interest	-	-	-	-	-	-	-	-	-	-	-	-	655,161	-	655,161	
Total	<u>\$ 4,367,833</u>	<u>\$ 725,490</u>	<u>\$ 1,003,865</u>	<u>\$ 1,045,573</u>	<u>\$ 365,887</u>	<u>\$ 1,662,725</u>	<u>\$ 1,710,950</u>	<u>\$ 640,601</u>	<u>\$ 643,758</u>	<u>\$ 480,437</u>	<u>\$ 188,692</u>	<u>\$ 12,835,811</u>	<u>\$ 3,549,821</u>	<u>\$ 544</u>	<u>\$ 16,386,176</u>	

See accompanying notes and independent auditor's report.

**INLAND CHRISTIAN HOME, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Program Services										Supporting Services			Total Expenses	
	Skilled nursing	Assisted living	Inland Haven	Apartments	Cottages	Dietary	Plant operations and maintenance	Housekeeping	Therapy	Activities and social services	Laundry and linen	Total Program Services	Management and General		Fundraising
FUNCTIONAL EXPENSES:															
Compensation	\$ 2,792,951	\$ 327,121	\$ 614,370	\$ 226,433	\$ 114,059	\$ 1,008,113	\$ 485,724	\$ 392,493	\$ 527,229	\$ 335,174	\$ 111,534	\$ 6,935,201	\$ 743,431	\$ -	\$ 7,678,632
Payroll taxes and employee benefits	421,743	96,651	94,522	250	650	-	90,699	91,630	-	48,648	18,651	863,444	216,149	-	1,079,593
Total compensation	3,214,694	423,772	708,892	226,683	114,709	1,008,113	576,423	484,123	527,229	383,822	130,185	7,798,645	959,580	-	8,758,225
Contract labor	160,759	-	-	-	-	-	256	-	6,277	-	-	167,292	-	-	167,292
Dues and subscriptions	-	-	-	-	-	-	-	-	-	-	-	-	21,194	-	21,194
Employee relations and seminars	21	971	1,126	-	-	-	-	-	-	95	-	2,213	37,851	-	40,064
Food and staples	-	-	-	-	-	385,491	-	-	-	-	-	385,491	-	-	385,491
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	278,289	-	278,289
Licenses	-	-	-	-	-	-	-	-	-	-	-	-	80,844	-	80,844
Linens	-	-	-	-	-	-	-	-	-	-	12,007	12,007	-	-	12,007
Marketing	-	-	-	-	-	-	-	-	-	-	-	-	111,895	-	111,895
Medical services and supplies	479,421	1,698	8,447	-	-	-	-	-	-	-	-	489,566	-	-	489,566
Office	-	-	-	-	-	-	-	-	-	-	-	-	619,636	-	619,636
Professional fees	-	-	-	-	-	-	-	-	-	250	-	250	100,377	-	100,627
Property taxes	-	-	-	-	-	-	-	-	-	-	-	-	301	-	301
Purchased services	10,555	1,775	715	-	-	178,829	175,182	-	5,013	1,228	-	373,297	18,587	-	391,884
Repairs and maintenance	-	-	-	-	-	-	86,718	-	-	-	10,702	97,420	-	-	97,420
Supplies	36,675	2,894	803	1,701	739	1,448	211,704	67,365	717	20,101	27,861	372,008	14,143	1,807	387,958
Travel	-	-	-	-	-	-	-	-	-	-	-	-	5,454	-	5,454
Utilities	-	-	-	-	-	-	607,074	-	-	-	-	607,074	33,668	-	640,742
Workers compensation insurance	150,118	48,823	56,438	206	535	-	27,228	27,974	-	22,572	6,448	340,342	(18,669)	-	321,673
Bad debt	-	-	-	-	-	-	-	-	-	-	-	-	176,130	-	176,130
Depreciation	247,910	212,715	143,128	787,551	184,338	-	-	-	-	-	-	1,575,642	-	-	1,575,642
Interest	-	-	-	-	-	-	-	-	-	-	-	-	673,386	-	673,386
Total	\$ 4,300,153	\$ 692,648	\$ 919,549	\$ 1,016,141	\$ 300,321	\$ 1,573,881	\$ 1,684,585	\$ 579,462	\$ 539,236	\$ 428,068	\$ 187,203	\$ 12,221,247	\$ 3,112,666	\$ 1,807	\$ 15,335,720

See accompanying notes and independent auditor's report.

**INLAND CHRISTIAN HOME, INC.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from residents and insurances	\$ 15,830,065	\$ 14,550,349
Cash received from government programs	1,918,242	-
Cash received from donors	1,428,332	485,600
Cash received in interest and dividends	45,123	52,485
Cash paid to employees and suppliers	(14,529,538)	(12,800,116)
Cash paid for interest	<u>(678,000)</u>	<u>(693,600)</u>
Net cash provided by operating activities	4,014,224	1,594,718
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(2,428,544)	(1,774,872)
Sale (purchase) of investments, net	<u>(752,000)</u>	<u>520,000</u>
Net cash used in investing activities	(3,180,544)	(1,254,872)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of bonds	(405,000)	(390,000)
Payments on finance lease	<u>(8,450)</u>	<u>(7,925)</u>
Net cash used in financing activities	<u>(413,450)</u>	<u>(397,925)</u>
Net increase (decrease) in cash, cash equivalents, and restricted cash	420,230	(58,079)
Cash, cash equivalents, and restricted cash beginning	<u>1,205,745</u>	<u>1,263,824</u>
Cash, cash equivalents, and restricted cash ending	\$ <u><u>1,625,975</u></u>	\$ <u><u>1,205,745</u></u>
<b>SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:</b>		
Donated securities	\$ <u><u>5,297</u></u>	\$ <u><u>5,292</u></u>
Equipment acquired through lease, net	\$ <u><u>8,000</u></u>	\$ <u><u>30,995</u></u>
Retention payable for construction in progress	\$ <u><u>24,948</u></u>	\$ <u><u>-</u></u>

See accompanying notes and independent auditor's report.

**INLAND CHRISTIAN HOME, INC.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	2025	2024
RECONCILIATION OF CHANGE IN NET ASSETS TO CASH PROVIDED BY OPERATIONS:		
Total change in net assets	\$ 583,374	\$ 940,156
Adjustments to total change in net assets to net cash provided by operations:		
Depreciation	1,629,068	1,575,642
Bad debt	278,955	176,130
Unrealized gain on investments	(419,342)	(314,301)
Reinvested interest and dividends	(178,708)	(173,361)
Professional fees paid out of investment balance	36,448	41,243
Donated investments	(5,297)	(5,292)
Amortization of loan fees	107,522	118,470
Amortization of bond premium	(129,010)	(137,384)
Change in assets and liabilities:		
(Increase) decrease in receivables	1,545,231	(1,380,787)
Increase in prepaid expenses	(176,268)	(9,933)
Increase in deposit	(317)	-
Decrease in security deposits	(6,500)	(4,500)
Increase (decrease) in accounts payable	(500,534)	301,018
Increase in accrued expenses	1,248,680	400,708
Increase in deferred revenue	922	66,909
	<u>\$ 4,014,224</u>	<u>\$ 1,594,718</u>

See accompanying notes and independent auditor's report.

**INLAND CHRISTIAN HOME, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2025 AND 2024**

**1. Nature of activities**

Inland Christian Home, Inc. (the Organization) is a non-profit organization operating in San Bernardino County. The Organization provides skilled nursing care, assisted living including independent cottage and apartment care, and memory care facilities. Inland Christian Home, Inc. has been granted provision by the State of California to operate as a continuing care retirement community. This allows the organization to enter into continuing care contracts, which provide varying levels of care based on need. Residents under continuing care contracts as of December 31, 2025 and 2024 were 140 and 143, respectively.

**2. Summary of significant accounting policies**

**Basis of accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

**Financial statement presentation**

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the Organization is also required to present a statement of cash flows.

**Classification of net assets**

Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net Assets Without Donor Restrictions – Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

Net Assets With Donor Restrictions – Assets subject to usage limitations based on donor-imposed restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Organization. Certain restrictions may need to be maintained in perpetuity.

Earnings related to restricted net assets will be included in net assets without donor-restrictions, unless otherwise specifically required to be included in donor-restricted net assets by the donor or state law. The Organization does not interpret the guidance in the standard to include amounts restricted by Medicare, Medi-Cal, or federal government subsidies as net assets with donor restrictions. The Organization believes that these amounts do not meet the spirit of the standard for such a classification, nor is there any industry standard indicating that others will treat these assets as net assets with donor restrictions.

**Revenue recognition**

Under the provision of contracts with residents, the Organization enters into two types of contracts with residents: Contracts for services to persons who do not have a continuing care contract; and contracts for services provided to individuals under a continuing care contract. These contracts require residents to pay periodic monthly fees (resident fees) for services and the use of facilities. Resident fees are reported based on four streams of fees: skilled nursing, residential, memory care, and independent living (apartment and cottage rentals). Revenue is reported at the amount that reflects the consideration the Organization expects to receive in exchange for the services provided. Performance obligations are determined based on the nature of the services provided. Resident fee revenue is recognized monthly as services are provided and performance obligations are satisfied. The Organization recognizes resident fees revenue at the end of each month for the preceding month's resident charges. Resident payments are made monthly.

**INLAND CHRISTIAN HOME, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2025 AND 2024**

**2. Summary of significant accounting policies (continued)**

**Revenue recognition (continued)**

Fees for skilled nursing services and ancillary services (recorded in other revenue – residents) are billed in arears. The Organization has agreements with the residents at established monthly rates. The Organization also has agreements with third-party payors that provide for payments to the Organization at amounts different from it established rates. Skilled nursing and ancillary revenues are reported at the estimated net realizable amounts from residents, third-party payors, and others for services rendered. Payment arrangements include prospectively determined rates per day, reimbursed costs, and discounted charges, and per diem payments. Laws and regulations governing the Medicare and Medi-Cal programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates could change in the near term.

Cash and other assets received from donations are reported at fair value at the date of their receipt. These gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. In addition, from time to time, the Organization is identified as a beneficiary of various wills and trusts therefore contributions may be received. Such bequests are recorded when they are identified, generally at the distribution date.

**Cash, cash equivalents, and restricted cash**

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents limited for long-term purposes by donor-imposed restrictions are presented as restricted cash. The Organization, at times, in the ordinary course of business, maintains cash balances at financial institutions in excess of federally insured amounts. No losses are anticipated thereon. Cash and cash equivalents held by investment managers are classified as investments.

Total cash, cash equivalents, and restricted cash as of December 31 is as follows:

	2025	2024
Cash and cash equivalents	\$ 820,813	\$ 356,005
Restricted cash and cash equivalents	805,162	849,740
Total cash, cash equivalents, and restricted cash	\$ 1,625,975	\$ 1,205,745

As of December 31, 2025 and 2024, there was \$805,162 and \$849,740 respectively, of restricted cash and cash equivalents that are assets restricted under the bond indenture agreements. This cash is held by the Trustee and restricted for repayment of debt and interest obligations. Restricted cash and cash equivalents consist of the following as of December 31:

	2025	2024
Revenue fund	\$ 216,433	\$ 196,568
Principal fund	-	31,250
Bond interest fund	23,263	59,050
Bond reserve fund	565,466	562,872
Total restricted cash and cash equivalents	\$ 805,162	\$ 849,740

INLAND CHRISTIAN HOME, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

2. Summary of significant accounting policies (continued)

Investments

Investments are reported at fair value in the statements of financial position and are based on quoted market prices. Net appreciation and depreciation in investments, including realized gains or losses and unrealized appreciation or depreciation on those investments, as well as all dividends interest, and other investment income, net of investment expenses, is reported in the statements of activities. Investment income, net of investment expenses is reported as an increase or decrease to net assets without donor restrictions.

Accounts receivable

The Organization reviews its accounts receivable periodically for collectability and provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the status of past due accounts, including historical collection information and existing economic conditions. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Organization's valuation allowance as of the years ended December 31, 2025 and 2024 is \$95,000 and \$65,000, respectively.

Other receivables

Other receivables consist of amounts to be received that are not related to goods or services provided by the Organization. Amounts are reported at net realizable value.

Prepaid expenses

Prepaid expenses are expenses that are paid in advance for goods or services that will be received in the future. Prepaid expenses are comprised of insurance, services and licenses.

Property and equipment

The Organization capitalizes property and equipment over \$1,000. Lesser amounts are expensed as incurred. Purchased property is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed into service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Property and equipment are depreciated using the straight-line method of estimated useful lives as follows:

Buildings and improvements	10-40 years
Equipment and furniture	3-14 years
Vehicles	7 years

INLAND CHRISTIAN HOME, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

2. Summary of significant accounting policies (continued)

Construction in progress

As of December 31, 2025, the Organization had construction in progress of \$1,673,391 consisting of long-range projects related to expansion and overall revamp of the current facility. The project is expected to be completed in July of 2026 with an estimated remaining cost to complete this project of approximately \$2,300,000. A project of installing new water heaters is taking place in the Organizations skilled nursing facility. As of December 31, 2025, \$46,764 is included in construction in progress, and is expected to be complete in January 2027 with an estimated cost to complete of approximately \$20,000. Flooring updates within the memory care center incurred \$30,930 as of December 31, 2025, and were completed in March of 2026 for a total project cost of \$50,000. The remaining \$5,650 is capitalized to updating the courtyard garden common area for an estimated total cost of \$150,000 which is expected to be complete in July 2026.

As of December 31, 2024, the Organization had construction in progress of \$111,005 relating to converting the Magnolia properties to better uses. This project was completed in July of 2025 at a total cost of \$369,000. As of December 31, 2024, the Organization also had construction in progress of \$192,671 related to the expansion of assisted living units. This project was completed in March of 2025 at a total cost of \$295,000. Long range projects of \$549,463 were included in construction in progress as of December 31, 2024, related to the expansion and overall revamp of the current facility. The remaining \$6,556 in construction in progress as of December 31, 2024 related to other minor projects.

Deposit

The Organization provided a deposit for working capital in conjunction with the dining services contract entered into during 2022. As the deposit remains with the dietary provider for the length of the service agreement (five years), it is reported as a noncurrent asset on the statement of financial position.

Leases

The Organization determines if an arrangement contains a lease at inception based on whether the Organization has the right to control the asset during the contract period and other facts and circumstances. Right-of-use assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Lease assets and related liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term for leases with a term greater than 12 months. The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain the Organization will exercise that option. Lease expense is recognized on a straight-line basis over the lease term.

The Organization has elected to use the risk-free rate (Treasury constant maturity nominal yields) for all leases when an implicit rate is not determinable.

Fair value of financial instruments

The Organization's financial instruments consist of cash and cash equivalents, investments, accounts receivable, other receivables, accounts payable and long-term debt. The recorded values of cash equivalents, accounts receivable and accounts payable approximate their fair values based on their short-term nature. The recorded values of long-term debt approximate fair value and interest rates approximate market rates. Investments are recorded at fair value (see Note 6).

**INLAND CHRISTIAN HOME, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**2. Summary of significant accounting policies (continued)**

**Income tax status**

The Organization is a not-for-profit organization that is exempt from income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701(d). The organization has been classified by the Internal Revenue Service as other than a private foundation.

**Security deposits**

The Organization required security deposits on apartments and cottages through the year ended December 31, 2015. Remaining deposits collected through that date will be returned to the resident upon termination of the lease or applied against future resident expenses.

**Deferred revenue**

Deferred revenue represents rent received from residents in advance of billing.

**Net patient service revenue**

Net patient service revenue and accounts receivable from patients and third-party payers are reported at estimated net realizable amounts, 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 are adjusted in future periods as final settlements are determined.

**Contributions of cash**

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. Net assets with donor restrictions include those resources subject to donor-imposed restrictions. Net assets without donor restrictions include resources that are not restricted by donor-imposed restrictions and are available for operations of the Organization, without limitation, unless designated by the board of directors.

**Contributed goods and services**

Contributed goods and services that are measurable are valued at their estimated fair market value and are recorded in the statements of activities when received. The contributions are recorded as unrestricted support unless specific donor stipulations specify how the donated asset must be used. No amounts have been reflected in the financial statements for donated goods or services. The Organization generally pays for services requiring specific expertise. However, individuals may volunteer their time and perform a variety of tasks that assist the Organization at the residents' facilities, but these services do not meet the criteria for recognition as contributed services.

**Charity care**

The Organization provides care without charge or at amounts less than established rates to patients who meet certain criteria under its charity care policy. Because the Organization does not pursue collection of amounts determined to qualify as charity care, they are not reported as net revenue.

Records are maintained to identify and monitor the level of charity care provided. These records include the amount of charges forgone for services and supplies furnished under its charity care policy and the estimated cost of these services and supplies. The value of charity care provided to patients during the years ended December 31, 2025 and 2024 was \$60,600 and \$74,706, respectively.

Charity care is funded through designated donations included in the C.A.R.E. fund portion of the net assets with donor restrictions (Note 11).

**INLAND CHRISTIAN HOME, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**2. Summary of significant accounting policies (continued)**

**Continuing care contracts**

The Organization has entered into continuing care contracts with the residents upon admission into its independent living facilities, the Cottages and the Apartments. The continuing care contract remains in effect if these residents moves to various levels of care. Under the provision of these contracts, residents are required to pay periodic monthly fees (resident fees) for services and the use of facilities. The resident fees are subject to adjustment for changes in operating costs or other economic reasons. According to the continuing care contracts, future services will be billed to the resident at current standard rates at the time the service is provided. Therefore, the Organization has determined that there is no liability related to future services.

**Obligation to provide future services**

The California Health and Safety Code requires continuing care contract providers to establish and maintain a statutory and refund reserve to assure financial resources will be available to fulfill contractual obligations to residents. A reserve fund escrow account is not required of the Organization. The California Health and Safety Code Section 1790 mandates a statutory reserve and a liquid asset requirement. The mandates were met for the years ended December 31, 2025 and 2024.

**Functional allocation of expenses**

Expenses are allocated on a functional basis among the various program and support services benefited. Expenses that can be identified with a specific program or support service are charge directly to that service. Expenses that are common to several services are allocated based on methods relevant to the function. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Allocated expenses are calculated on a square-footage basis or on estimates of time and resources, depending on the type of expense.

**Bond issuance costs**

Costs associated with the issuance of the bond debt are presented as a reduction of the carrying amount of the bond debt. Amortization of bond issuance costs is reported as management and general expense on the statements of activities.

**Bond discounts and premiums**

Bond discounts or premiums arising from the sale of serial or term bonds are amortized using the effective interest rate method over the life of the bond issue.

**Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those reported estimates.

**Reclassification**

Reclassification of prior year information was made to conform to current year presentation. There was no effect on prior year change in net assets.

**INLAND CHRISTIAN HOME, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**3. Receivables**

Accounts receivable consists of the following as of December 31:

	<u>2025</u>	<u>2024</u>
Medicare	\$ 123,852	\$ 223,726
Medi-Cal	394,655	495,588
Commercial insurance	462,588	435,934
Private pay	<u>239,439</u>	<u>304,319</u>
Total accounts receivable	1,220,534	1,459,567
Allowance for credit losses	<u>(95,000)</u>	<u>(65,000)</u>
Total accounts receivable, net	<u>\$ 1,125,534</u>	<u>\$ 1,394,567</u>

Changes in the allowance for credit losses for the years ended December 31 were as follows:

	<u>2025</u>	<u>2024</u>
Beginning balance	\$ 65,000	\$ 45,000
Provision for credit losses	278,955	176,130
Write-offs	<u>(248,955)</u>	<u>(156,130)</u>
Total allowance for credit losses	<u>\$ 95,000</u>	<u>\$ 65,000</u>

Other receivables consist of the following as of December 31:

	<u>2025</u>	<u>2024</u>
Inland Christian Home Foundation	\$ 90,855	\$ 81,966
Other	65,390	29,432
Employee retention credit (see Note 17)	<u>-</u>	<u>1,600,000</u>
Total other receivables	<u>\$ 156,245</u>	<u>\$ 1,711,398</u>

**INLAND CHRISTIAN HOME, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2025 AND 2024**

**4. Investments and net investment return**

Investments consist of the following with total investments reflected in the statements of financial position as of December 31:

	2025	2024
Cash and cash equivalents	\$ 210,660	\$ 4,206
Money market funds	2,765,147	697,448
Exchange-traded funds (ETF) and securities	2,202,649	3,228,174
Corporate bonds	1,137,699	1,063,239
U.S. Government Agency bonds	491,698	495,887
Totals	\$ 6,807,853	\$ 5,488,954

Total investment return, net of investment expenses, for the years ended December 31, is comprised of the following:

	2025	2024
Interest and dividend income	\$ 202,166	\$ 200,137
Less investment expenses	(36,448)	(41,243)
Totals	165,718	158,894
Unrealized gains	441,007	340,010
Investment return, net of investment expenses	\$ 606,725	\$ 498,904

**5. Liquidity and availability of financial assets**

The Organization's financial assets available within one year of the statement of financial position for general expenditure are as follows as of December 31:

	2025	2024
Cash and cash equivalents, unrestricted	\$ 820,813	\$ 356,005
Investments	6,807,853	5,488,954
Accounts receivable	1,125,534	1,394,567
Other receivables	156,245	1,711,398
Totals	\$ 8,910,445	\$ 8,950,924

None of the financial assets are subject to donor or other contractual restrictions. Accordingly, all such funds are available to meet the cash needs of the Organization in the next 12 months.

As part of the Organization's liquidity management procedures, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization has a line of credit available to draw on if borrowing to cover obligations is needed.

INLAND CHRISTIAN HOME, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

6. Fair value of financial instruments

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements and Disclosures*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FASB ASC Topic 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

**Level 1** – Quoted prices in active markets for identical assets or liabilities. An example of assets and liabilities utilizing Level 1 inputs is exchange-traded funds and securities.

**Level 2** – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Examples of assets and liabilities utilizing Level 2 inputs include corporate bonds and United States (U.S.) government-sponsored agency bonds.

**Level 3** – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The fair value standard requires the assets and liabilities carried at fair value be classified and disclosed in one of the three levels. The Organization's investments are reported as Level 1 and Level 2 inputs within the fair value hierarchy, consisting of exchange-traded funds (ETF) and securities, corporate bonds, and U.S. government-sponsored bonds.

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such instruments pursuant to the valuation hierarchy:

*Exchange-traded equity funds (ETF) and securities and money market fund*— Investments are valued based on quoted market prices and are typically classified within Level 1. Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with identical characteristics or discounted cash flows.

*Corporate bonds* — Bonds issued by corporations that on acquisition are rated BBB-/Baa3 or higher. These securities are generally priced by independent pricing services. The spreads are sourced from broker/dealers, trade prices and the new issue market. Where pricing is unavailable from pricing services, we obtain non-binding quotes from broker-dealers. As the significant inputs used to price corporate bonds are observable market inputs, the fair values of corporate bonds are included in the Level 2 fair value hierarchy.

*U.S. government-sponsored agencies* — Bonds issued by the Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, Government National Mortgage Association, Federal National Mortgage Association, and Federal Farm Credit Bank. The fair values of U.S. agency bonds are determined using the spread above the risk-free yield curve. As the yields for the risk-free yield curve and the spreads for these securities are observable market inputs, the fair values of U.S. agency bonds are included in the Level 2 fair value hierarchy.

**INLAND CHRISTIAN HOME, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2025 AND 2024**

**6. Fair value of financial instruments (continued)**

Investments reported at fair value consist of the following as of December 31, 2025:

	2025		
	Level 1 Fair Value	Level 2 Fair Value	Total
Cash and cash equivalents	\$ 210,660	\$ -	\$ 210,660
Money market funds	2,765,147	-	2,765,147
Exchange-traded funds (ETF) and securities	2,202,649	-	2,202,649
Corporate bonds	-	1,137,699	1,137,699
U.S. Government Agency bonds	-	491,698	491,698
	<u>\$ 5,178,456</u>	<u>\$ 1,629,397</u>	<u>\$ 6,807,853</u>

Investments reported at fair value consist of the following as of December 31, 2024:

	2024		
	Level 1 Fair Value	Level 2 Fair Value	Total
Cash and cash equivalents	\$ 4,206	\$ -	\$ 4,206
Money market funds	697,448	-	697,448
Exchange-traded funds (ETF) and securities	3,228,174	-	3,228,174
Corporate bonds	-	1,063,239	1,063,239
U.S. Government Agency bonds	-	495,887	495,887
	<u>\$ 3,929,828</u>	<u>\$ 1,559,126</u>	<u>\$ 5,488,954</u>

**7. Property and equipment**

Property and equipment consist of the following as of December 31:

	2025	2024
Buildings and improvements	\$ 28,331,872	\$ 28,013,473
Equipment and furniture	11,483,764	11,628,538
Vehicles	134,646	200,336
Finance lease asset	48,950	40,950
Depreciable assets	<u>39,999,232</u>	<u>39,883,297</u>
Less accumulated depreciation	22,031,440	21,850,889
Depreciable assets, net	<u>17,967,792</u>	<u>18,032,408</u>
Land	1,817,997	1,817,997
Construction in progress	1,756,735	859,695
Property and equipment, net	<u>\$ 21,542,524</u>	<u>\$ 20,710,100</u>

**INLAND CHRISTIAN HOME, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2025 AND 2024**

**8. Line of credit**

The Organization has a \$750,000 line of credit with Citizens Business Bank. The line is unsecured, bears interest at the Prime Rate plus 0.75 percentage points (7.50% at December 31, 2025) and matures on December 20, 2026. As of December 31, 2025 and 2024, there was no borrowings or repayments and no balance outstanding on the line.

**9. Bonds payable**

The Organization issued the Inland Christian Home, Series 2020 Revenue Bonds that are Insured by the California Municipal Finance Authority (the Authority). The bonds are special obligations of the Authority and are payable from the revenue and special funds of the applicable indentures. The Indentures are between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). The Authority will loan the proceeds of the bonds to the Organization, which will be evidenced by a Loan Agreement, dated as of April 1, 2020 (the "Loan Agreement"), between the Authority and the Organization. The bonds do not constitute debt and are not guaranteed by the Authority or any other program of the Authority. All revenue bond projects financed to date have been issued by the Authority as standalone pass-through financings with no direct economic recourse to the Authority as the issuer.

The provisions of the various bond indentures require or allow for the special redemption of bonds at par via principal and interest on the Bonds. These Bonds will be additionally secured by funds deposited to the credit of the Bond Reserve Account established under the Indenture, the security interest in Gross Revenues of the Organization, and the Gross Revenue Fund granted in the Loan Agreement. All outstanding Term bonds are subject to redemption at the option of the Authority or the borrower, in whole, as specified in the respective bond indentures and bond resolutions, at prescribed redemption prices. There is no redemption premium on these bonds. Under the bond Programs, this option generally cannot be exercised until the bonds have been outstanding for ten years or as provided in the various indentures. Term bonds are generally subject to redemption, without premium, from mandatory sinking fund payments.

Bonds issued by the Organization will be used, together with other available funds, to:

- (i) Finance a portion of the costs of acquisition, construction, improvement and equipping of certain residential living, assisted living and skilled nursing components of the Community, all owned and operated and to be owned and operated by the Organization (the "Project");
- (ii) Prepaying and retiring all or a portion of certain bank loans and private notes (the "Prior Loans" and "Prior Notes," respectively), the proceeds of which were used to finance and refinance the acquisition, construction, improvement and equipping of certain residential living, assisted living and skilled nursing components of the Community;
- (iii) Fund a bond reserve account for the benefit of the Bonds;
- (iv) Pay an insurance premium and related fees to the Office of Statewide Health Planning and Development of the State of California (the "Office"); and
- (v) Pay costs of issuance of the Bonds.

**INLAND CHRISTIAN HOME, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2025 AND 2024**

**9. Bonds payable (continued)**

The following is a summary of the bond and debt activity for the year ended December 31, 2025 and the debt outstanding and loans, bonds payable as of December 31, 2025:

<u>Bond name</u>	<u>Interest Rate</u>	<u>Premiums</u>	<u>Premium Amortization</u>	<u>Par value</u>	<u>Bonds payable</u>
Term Bond due December 1, 2030	4.00%	\$ 268,349	\$ (72,833)	\$ 2,295,000	\$ 2,490,516
Term Bond due December 1, 2039	4.00%	448,185	(34,658)	5,450,000	5,863,527
Term Bond due December 1, 2049	4.00%	632,593	(21,519)	8,800,000	9,411,074
Total		<u>\$ 1,349,127</u>	<u>\$ (129,010)</u>	<u>\$ 16,545,000</u>	<u>17,765,117</u>
Less bond issuance cost, net of \$749,330 amortization					(811,706)
Bonds payable					<u>16,953,411</u>
Less current portion of bonds payable					(425,000)
Bonds payable, net					<u>\$ 16,528,411</u>

The following is a summary of the bond and debt activity for the year ended December 31, 2024 and the debt outstanding and loans, bonds payable as of December 31, 2024:

<u>Bond name</u>	<u>Interest Rate</u>	<u>Premiums</u>	<u>Premium Amortization</u>	<u>Par value</u>	<u>Bonds payable</u>
Term Bond due December 1, 2030	4.00%	\$ 349,556	\$ (82,979)	\$ 2,700,000	\$ 2,966,577
Term Bond due December 1, 2039	4.00%	482,843	(33,614)	5,450,000	5,899,229
Term Bond due December 1, 2049	4.00%	654,112	(20,791)	8,800,000	9,433,321
Total		<u>\$ 1,486,511</u>	<u>\$ (137,384)</u>	<u>\$ 16,950,000</u>	<u>18,299,127</u>
Less bond issuance cost, net of \$641,809 amortization					(919,228)
Bonds payable					<u>17,379,899</u>
Less current portion of bonds payable					(405,000)
Bonds payable, net					<u>\$ 16,974,899</u>

Future scheduled maturities of bonds payable are as follows for each of the next five years ending December 31:

	<u>Bond payable</u>	<u>Premium Amortization</u>	<u>Issuance Cost Amortization</u>	<u>Total</u>
2026	\$ 425,000	\$ 120,926	\$ (98,128)	\$ 447,798
2027	440,000	111,475	(88,482)	462,993
2028	460,000	101,529	(79,590)	481,939
2029	475,000	90,940	(71,491)	494,449
2030	495,000	79,404	(64,237)	510,167
Thereafter	<u>14,250,000</u>	<u>715,843</u>	<u>(409,778)</u>	<u>14,556,065</u>
Totals	<u>\$ 16,545,000</u>	<u>\$ 1,220,117</u>	<u>\$ (811,706)</u>	<u>\$ 16,953,411</u>

**INLAND CHRISTIAN HOME, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**

**10. Lease**

The Organization leases various office equipment with one vendor and accounts for the lease as a finance lease over a 63-month period.

The following is a summary of the lease line items in the statements of financial position as of December 31:

	2025	2024
Finance lease asset	\$ 48,950	\$ 40,950
Accumulated depreciation	(13,094)	(4,778)
Total	\$ 35,856	\$ 36,172
Current portion of lease liability	\$ 9,360	\$ 7,800
Lease liability	26,590	28,600
Total lease liabilities	\$ 35,950	\$ 36,400

Future lease liability payments for the next five years ending December 31 are:

	2026	\$	9,360	
	2027		9,360	
	2028		9,360	
	2029		6,760	
	2030		1,110	
Total lease payments			35,950	
Present value of finance lease liabilities		\$	35,950	

The weighted average remaining lease term is 4.3 years and amortization included in depreciation expense in the statements of activities was \$8,317 and \$8,080 for the years ended December 31, 2025 and 2024.

The following summarizes cash flow information related to leases for the years ended December 31:

	2025	2024
Cash payments included in operating cash flows	\$ -	\$ -
Cash payments included in financing cash flows	\$ 8,450	\$ 7,925

**INLAND CHRISTIAN HOME, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2025 AND 2024**

**11. Changes in Net Assets With Donor Restrictions**

The net assets with donor restrictions released during the years ending December 31, 2025 and 2024 were utilized as follows:

	2025	2024
Purpose restrictions accomplished:		
Scholarship fund	\$ 500	\$ -
C.A.R.E. fund expenses	60,600	74,706
Total	\$ 61,100	\$ 74,706

The balance of net assets with donor restrictions were as follows as of December 31:

	2025	2024
Held for the purpose of:		
C.A.R.E. fund	\$ 103,834	\$ 90,689
Garden fund	105,000	-
Scholarship fund	6,728	7,227
Total	\$ 215,562	\$ 97,916

As of each of the years ended December 31, 2025 and 2024, \$64,800 of the balance of net assets without donor restrictions was specifically restricted by the board for the purpose of the C.A.R.E. fund. The C.A.R.E. fund is utilized to provide board-designated discounts on care provided to residents with financial hardships who are deemed to not have the wherewithal to pay in full. The Scholarship fund is intended for employees to further education. The Garden fund is intended for a specific outdoor renovation project at the facility. Purpose restrictions are satisfied upon an employee being approved for further education and education expenses being incurred and paid for. The Scholarship fund monies are held in an interest-bearing cash account.

For all other donations received during the years ended December 31, 2025 and 2024, there were no additional net assets with donor restrictions as any purpose restrictions were fully accomplished during the years.

**12. Employee benefit plan**

The Organization offers a tax-deferred annuity program under Internal Revenue Code Section 403(b). The voluntary program allows participants to contribute a percentage of salary (prior to taxes) to be placed in the individuals' specific accounts. After one year of employment, the Organization matches participant contributions up to 3% of the participants' eligible wages. After seven years of employment, the Organization matches up to 5% of the participants' eligible wages. For the years ended December 31, 2025 and 2024, the Organization contributed \$90,633 and \$80,352, respectively.

**13. Professional liability insurance**

The Organization is insured for professional liability claims under an occurrence-based policy. The policy has coverage and deductible amounts management believes are appropriate based on the nature of its business and historical experience. The policy provides \$1,000,000 maximum coverage per incident with a \$3,000,000 aggregate limit and a \$5,000,000 umbrella subject to a \$25,000 deductible. The Organization routinely reviews the adequacy of its insurance coverage and its accruals for any losses not covered by insurance. Liability insurance premiums were \$230,229 and \$227,995 for the years ended December 31, 2025 and 2024, respectively.

In addition to the employment class action lawsuit described in Note 14, the Organization is currently the subject of other threatened lawsuits occurring in the normal course of business. Management, after consultation with legal counsel, does not believe that the outcome of these other actions will have a material impact on the financial statements of the Organization. As mentioned above, the Organization carries professional liability insurance with a \$25,000 deductible for these incidents. However, it is possible that an adverse outcome from such proceedings could exceed the amounts accrued in any particular reporting period.

INLAND CHRISTIAN HOME, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

14. Commitments and contingencies

Dining services

The Organization has a dining service agreement with Unidine Corporation (“Unidine”) for dining services for the Organization’s resident care facility. Unidine will provide resident and non-resident food and dining services for which they invoice the dining services costs, which include food costs, compensation, direct costs, and other charges and expenses. At the beginning of each month, Unidine submits an invoice for the Organization’s estimated dining services costs and a true-up invoice is sent within ten calendar days of the end of the month. The dining services agreement is for a five-year initial term, expiring August 15, 2027, and automatically renews for additional one-year terms unless written notice of intent not to renew is provided by either party to the other not less than 60 calendar days prior to the expiration of the then-current term.

During the years ended December 31, 2025 and 2024, the Organization paid \$1,651,411 and \$1,577,841, respectively, to Unidine for dining services.

Third-party payers for residents without a continuing care contract

Amounts received or receivable from third-party payers are subject to review by the third-party payers. Any disallowed claims, including amounts already collected, may constitute a liability of the Organization. The amount, if any, which may be disallowed by third-party payers is not determinable. No valuation allowance for estimated adjustments was determined necessary for the years ended December 31, 2025 and 2024.

Unemployment insurance

The Organization is self-insured for unemployment insurance. Each quarter, the State of California invoices the Organization for its estimated share of state unemployment liability based on experience. The Organization records the expense when incurred.

Continuing care contracts

Laws and regulations concerning government programs, including Medicare, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Organization’s compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Organization, continuing care, and fee for service-continuing care-repayment option.

Investments

Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with the certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such change could materially affect the amounts reported in the accompanying statements of financial position.

INLAND CHRISTIAN HOME, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

14. Commitments and contingencies (continued)

Litigation

From time to time, the Organization is a party to various lawsuits, claims and other legal proceedings that arise in the ordinary course of business. When the Organization becomes aware of a claim or potential claim, it assesses the likelihood of any loss or exposure. In accordance with authoritative guidance, the Organization records loss contingencies in its financial statements only for matters in which losses are probable and can be reasonably estimated. Where a range of loss can be reasonably estimated with no best estimate in the range, the Organization records the minimum estimated liability. If the loss is not probable or the amount of the loss cannot be reasonably estimated, the Organization discloses the nature of the specific claim if the likelihood of a potential loss is reasonably possible, and the amount involved is material. The Organization continuously assesses the potential liability related to the Organization's pending litigation and revises its estimates when additional information becomes available.

As of December 31, 2024, the Organization had ongoing legal proceedings regarding an employment class action complaint. The Organization accrued an estimated settlement of \$400,000, which is included in accrued expenses in the statement of financial position as of December 31, 2024. The lawsuit was settled during the year ended December 31, 2025 for \$1,425,000, which is included in accrued expenses in the statement of financial position as of December 31, 2025.

15. Concentrations of risk and disaggregation of revenue

The Organization maintains cash deposits at multiple financial institution. At times, the deposits may exceed the amount covered by the Federal Depository Insurance Corporation. Management does not anticipate any losses based on this risk.

A substantial portion of the Organization's skilled nursing revenue and accounts receivable is from federal Medicare and state Medi-Cal programs. Medicare revenue for the years ending December 31, 2025 and 2024 was \$1,563,960 and \$1,671,579, respectively. Reimbursement is based on a standard fee schedule established by Medicare for each type of service. Medi-Cal revenue for the years ending December 31, 2025 and 2024 was \$3,864,975 and \$4,184,014, respectively. Contracts may also have to be signed with health maintenance organizations and insurance companies to provide service rates that are lower than the standard rates.

Included in accounts receivable as of December 31, 2025 and 2024 for Medicare was \$123,852 and \$223,726, respectively. Included in accounts receivable as of December 31, 2025 and 2024 for Medi-Cal was \$394,655 and \$495,588, respectively.

Following is the percentage of skilled nursing revenue, total revenue, and accounts receivable that the Medicare and Medi-Cal programs represent for each of the years ending December 31:

	<u>2025</u>	<u>2024</u>
Medicare		
Skilled nursing revenue	18.3%	21.2%
Total revenue	10.0%	11.6%
Total accounts receivable	10.1%	15.3%
Medi-Cal		
Skilled nursing revenue	45.3%	53.1%
Total revenue	24.7%	28.9%
Total accounts receivable	32.3%	34.0%

INLAND CHRISTIAN HOME, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

**16. Related party transactions**

Inland Christian Home Foundation raises, holds, and invests certain endowment and other funds in trust on behalf of the Organization. For the years ended December 31, 2025 and 2024, the Inland Christian Home Foundation donated \$90,258 and \$81,966, respectively. These balances were included in other receivables at each of the respective year ends. For the years ended December 31, 2025 and 2024, the Organization owed Inland Christian Home Foundation \$0 and \$10,627, respectively, which is included in accounts payable at each of the respective year ends.

**17. Employee retention credit**

The Employee Retention Credit (ERC) was established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020. The Organization determined they were eligible for a refundable employee retention credit subject to certain criteria.

The Organization applied the model outlined in FASB ASC 958-605, *Not-for-Profit Entities: Revenue Recognition* and determined that the conditions were substantially met during the year ended December 31, 2024 and therefore, an ERC receivable and corresponding income was recognized. As of and for the year ended December 31, 2024, both the ERC receivable and related revenue are \$1,600,000. This was collected in full during the year ended December 31, 2025.

The \$1,600,000 receivable as of December 31, 2024 represents the refunds due on the 2020 and 2021 Form 941-X Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund for multiple quarters.

As of December 31, 2024, the Organization recorded \$240,000 of expenses relating to professional fees owed for filing for the ERC, which are due upon receipt of the refunds. The amount is included in accounts payable in the statement of financial position as of December 31, 2024. This was paid in full during the year ended December 31, 2025.

**18. Subsequent events**

Subsequent events are events or transactions that occur after the statement of financial position date but before the financial statements are available to be issued. The Organization recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Organization's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before the financial statements are available to be issued.

Management has evaluated subsequent events through April 23, 2026, the date on which the financial statements were available to be issued.

**INLAND CHRISTIAN HOME, INC.**

**STATE OF CALIFORNIA  
CONTINUING CARE RESERVE REPORT**

**AND**

**INDEPENDENT AUDITOR'S REPORT**

**DECEMBER 31, 2025**

**INLAND CHRISTIAN HOME, INC.**

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# GENSKE, MULDER & COMPANY, LLP CERTIFIED PUBLIC ACCOUNTANTS

4150 E. CONCOURS ST., STE 250, ONTARIO, CALIFORNIA 91764  
TEL: 909-483-2100 | FAX: 909-483-2109  
www.genskemulder.com

## **Independent Auditor's Report**

Board of Directors  
Inland Christian Home, Inc.

### **Opinion**

We have audited the accompanying continuing care reserve report Forms 5-1 through 5-5 of Inland Christian Home, Inc. (a non-profit organization) as of and for the year ended December 31, 2025.

In our opinion, the continuing care reserve report Forms 5-1 through 5-5 present fairly, in all material respects, the liquid reserve requirements of Inland Christian Home, Inc. as of December 31, 2025, in conformity with the report preparation provisions of California Health and Safety Code Section 1792.

### **Basis for Opinion**

Our responsibility is to express an opinion on the continuing care reserve report Forms 5-1 through 5-5 based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report.

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

Management is responsible for the preparation and fair presentation of the continuing care reserve report Forms 5-1 through 5-5 in accordance with the reporting provisions 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 continuing care reserve report Forms 5-1 through 5-5 that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities**

Our objectives are to obtain reasonable assurance about whether the continuing care reserve report Forms 5-1 through 5-5 is 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 generally accepted auditing standards 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 continuing care reserve report Forms 5-1 through 5-5.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit
- Identify and assess the risks of material misstatement of the continuing care reserve reports Forms 5-1 through 5-5, whether due to fraud or error, and design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgement, and include examining, on a test basis, evidence regarding the amounts and disclosures in the continuing care reserve report Forms 5-1 through 5-5.
- 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 Inland Christian Home'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 continuing care reserve reports Forms 5-1 through 5-5.

**Basis of Accounting**

The continuing care reserve report is prepared for the purpose of complying with the California Health and Safety Code Section 1792 and is not intended to be a complete presentation of Inland Christian Home, Inc.'s assets, liabilities, revenues and expenses and as such is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

**Restriction on Use**

Our report is intended solely for the information and use of the board of directors and management of Inland Christian Home, Inc. and the California Department of Social Services and is not intended to be and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Ontario, California  
April 23, 2026

*Genske, Mulder & Co., LLP*

**GENSKE, MULDER & CO., LLP**  
Certified Public Accountants

**INLAND CHRISTIAN HOME, INC.**  
**FORM 5-1, LONG-TERM DEBT INCURRED IN A PRIOR FISCAL YEAR**  
**INCLUDING BALLOON DEBT**  
**For The Year Ended December 31, 2025**

<b>FORM 5-1 LONG-TERM DEBT INCURRED IN A PRIOR FISCAL YEAR (Including Balloon Debt)</b>					
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	4/27/2020	\$ 405,000	\$ 678,000		\$ 1,083,000
2					
3					
4					
5					
6					
7					
8					
<b>TOTAL:</b>		<b>\$ 405,000</b>	<b>\$ 678,000</b>	<b>-</b>	<b>\$ 1,083,000</b>
					<i>(Transfer this amount to Form 5-3, Line 1)</i>
<p>Note: For column (b), do not include voluntary payments made to pay down principal.</p>					
<b>PROVIDER: INLAND CHRISTIAN HOME, INC.</b>				<b>FORM 5-1</b>	

**INLAND CHRISTIAN HOME, INC.**  
**FORM 5-2, LONG-TERM DEBT INCURRED DURING FISCAL YEAR**  
**INCLUDING BALLOON DEBT**  
**For The Year Ended December 31, 2025**

<b>FORM 5-2</b>					
<b>LONG-TERM DEBT INCURRED</b>					
<b>DURING FISCAL YEAR</b>					
<b>(Including Balloon Debt)</b>					
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					
2					
3					
4					
5					
6					
7					
8					
<b>TOTAL:</b>		<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
					<i>(Transfer this amount to Form 5-3, Line 2)</i>
 Note: For column (b), do not include voluntary payments made to pay down principal.					
<b>PROVIDER: INLAND CHRISTIAN HOME, INC.</b>					<b>FORM 5-2</b>

**INLAND CHRISTIAN HOME, INC.**  
**FORM 5-3, CALCULATION OF LONG-TERM DEBT RESERVE AMOUNT**  
**For The Year Ended December 31, 2025**

<b>FORM 5-3</b>		<b>CALCULATION OF LONG-TERM DEBT RESERVE AMOUNT</b>	
<b>LINE</b>		<b>TOTAL</b>	
1	Total from Form 5-1 bottom of Column (e)	\$	1,083,000
2	Total from Form 5-2 bottom of Column (e)		-
3	Facility leasehold or rental payment paid by provider during fiscal year. (including related payments such as lease insurance)		-
4	<b>TOTAL AMOUNT REQUIRED FOR LONG-TERM DEBT RESERVE:</b>	<b>\$</b>	<b>1,083,000</b>

**PROVIDER: INLAND CHRISTIAN HOME, INC.**

**FORM 5-3**

INLAND CHRISTIAN HOME, INC.  
**FORM 5-4, CALCULATION OF NET OPERATING EXPENSES**  
For The Year Ended December 31, 2025

FORM 5-4 CALCULATION OF NET OPERATING EXPENSES		
LINE	AMOUNTS	TOTAL
1	Total operating expenses from financial statements	\$ 16,386,176
2	Deductions	
a	Interest paid on long-term debt	\$ 678,000
b	Credit enhancement premiums paid for long-term debt	-
c	Depreciation	1,629,068
d	Amortization	-
e	Revenues received during the fiscal year for services to persons who did not have a continuing care contract	9,249,709
f	Extraordinary expenses approved by the Department	-
3	Total Deductions	11,556,777
4	Net Operating Expenses	4,829,399
5	Divide Line 4 by 365 and enter the result.	13,231
6	<b>Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.</b>	<b>\$ 992,325</b>

PROVIDER: INLAND CHRISTIAN HOME, INC.

FORM 5-4

**FORM 5-5  
 ANNUAL RESERVE CERTIFICATION**

**Provider Name: INLAND CHRISTIAN HOME, INC.**  
**Fiscal Year Ended: 12/31/25**

We have reviewed our debt service reserve and operating expense reserve requirements as of, and for the period ended 12/31/25, 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	\$ 1,083,000	
[2]	Operating Expense Reserve Amount	992,325	
[3]	<b>Total Liquid Reserve Amount</b>	<b>\$ 2,075,325</b>	

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	\$ 100,000	\$ 720,813
[5]	Investment Securities	6,436,341	371,512
[6]	Equity Securities		
[7]	Unused/Available Lines of Credit		
[8]	Unused/Available Letters of Credit		
[9]	Debt Service Reserve	805,162	Not Applicable
[10]	Other: _____		

(describe qualifying asset)

<b>Total Amount of Qualifying Assets Listed for Liquid Reserve:</b>	[11]	7,341,503	[12]	1,092,325
<b>Total Amount Required:</b>	[13]	1,083,000	[14]	992,325
<b>Surplus / (Deficiency):</b>	[15]	\$ 6,258,503	[16]	\$ 100,000

Signature:   
 (Authorized Representative)

Date: 4/29/2026

\_\_\_\_\_  
 Executive Director  
 (Title)

**FORM 5-5**

**SUPPLEMENTARY INFORMATION**

**INLAND CHRISTIAN HOME, INC.**  
**Attachment to Forms 5-1**  
**Reconciliation of Principal Paid**  
**For The Year Ended December 31, 2025**

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Audited Statements of Cash Flows:	
2025 Repayment of bonds	\$ 405,000
Total repayment from financing activities during fiscal year	<u>\$ 405,000</u>
Total principal paid during fiscal year per Form 5-1, Part (b)	\$ 405,000
Total principal paid during fiscal year	<u>\$ 405,000</u>

**INLAND CHRISTIAN HOME, INC.**  
**Attachment to Forms 5-4**  
**Reconciliation of Revenues Received During the Year**  
**For Services to Persons Who Did Not Have a Continuing Care Contract**  
**For The Year Ended December 31, 2025**

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Audited Statements of Cash Flows:	
Cash received from residents, programs and insurance	\$ 15,830,065
Reconciliation of revenues received for services:	
Revenues received for services provided to individuals who did not have a continuing care contract per Form 5-4, Line 2 (e)	\$ 9,249,709
Revenues received for services provided to individuals under a continuing care contract	6,580,356
Revenues received for services	\$ 15,830,065

**INLAND CHRISTIAN HOME, INC.**  
**Attachment to Form 5-5**  
**Reconciliation of Operating and Debt Service Reserves**  
**For The Year Ended December 31, 2025**

<b>Total Cash and Investments per Audited Statement of Financial Position:</b>	
Cash and cash equivalents	\$ 820,813
Investments	6,807,853
Restricted cash and cash equivalents	805,162
Total cash and investments	<u>\$ 8,433,828</u>
<b>Qualifying Assets per Form 5-5:</b>	
Debt Service Reserve (Line 11)	\$ 7,341,503
Operating Reserve (Line 12)	1,092,325
Total qualifying assets	<u>\$ 8,433,828</u>
<b>Per Capita Cost of Operations:</b>	
Operating Expenses (Form 5-4, Line 1)	\$ 16,386,176
Mean # of All Residents (Form 1-1, Line 10)	214
Per Capita Cost of Operations	<u>\$ 76,571</u>

**Continuing Care Retirement Community  
Disclosure Statement**

Date Prepared: 4/24/26

FACILITY NAME: Inland Christian Home, Inc.  
 ADDRESS: 1950 S. Mountain Avenue, Ontario, CA ZIP CODE: 91762 PHONE: (909) 983-0084  
 PROVIDER NAME: Inland Christian Home, Inc. FACILITY OPERATOR: Inland Christian Home, Inc.  
 RELATED FACILITIES: N/A RELIGIOUS AFFILIATION: Christian Reformed, United Reformed, Reformed Church of America

YEAR OPENED: 1978 # OF ACRES: 12  SINGLE STORY  MULTI-STORY  OTHER: Multiple buildings from 1 to 3 stories MILES TO SHOPPING CTR: 1  
 MILES TO HOSPITAL: 3

**NUMBER OF UNITS:**

<b>RESIDENTIAL LIVING</b>	<b>HEALTH CARE</b>
APARTMENTS — STUDIO: <u>2</u>	ASSISTED LIVING: <u>31</u>
APARTMENTS — 1 BDRM: <u>16</u>	SKILLED NURSING: <u>59</u>
APARTMENTS — 2 BDRM: <u>53</u>	SPECIAL CARE: <u>20</u>
COTTAGES/HOUSES: <u>41</u>	DESCRIPTION: > <u>Memory Care</u>
RLU OCCUPANCY (%) AT YEAR END: <u>89.1%</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)*  Refundable  Repayable  90%  75%  50%  OTHER: N/A

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

**HEALTH CARE BENEFITS INCLUDED IN CONTRACT:** No

**ENTRY REQUIREMENTS:** MIN. AGE: 65 PRIOR PROFESSION: None OTHER: None

**RESIDENT REPRESENTATIVE(S) TO, AND RESIDENT MEMBER(S) ON, THE BOARD:** One resident is elected to serve as a voting member  
 (briefly describe provider's compliance and residents' roles) >  
 > of the Board of Directors and one resident is elected to serve as a non-voting resident representative to the Board of Directors.

FACILITY SERVICES AND AMENITIES					
COMMON AREA AMENITIES	AVAILABLE	FEE FOR SERVICE	SERVICES AVAILABLE	INCLUDED IN FEE	FOR EXTRA CHARGE
BEAUTY/BARBER SHOP	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HOUSEKEEPING (2 TIMES/MONTH)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BILLIARD ROOM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MEALS (3/DAY)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BOWLING GREEN	<input type="checkbox"/>	<input type="checkbox"/>	SPECIAL DIETS AVAILABLE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD ROOMS	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
CHAPEL	<input type="checkbox"/>	<input type="checkbox"/>	24-HOUR EMERGENCY RESPONSE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
COFFEE SHOP	<input type="checkbox"/>	<input type="checkbox"/>	ACTIVITIES PROGRAM	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CRAFT ROOMS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ALL UTILITIES EXCEPT PHONE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
EXERCISE ROOM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	APARTMENT MAINTENANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GOLF COURSE ACCESS	<input type="checkbox"/>	<input type="checkbox"/>	CABLE TV	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LIBRARY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	LINENS FURNISHED	<input type="checkbox"/>	<input checked="" type="checkbox"/>
PUTTING GREEN	<input type="checkbox"/>	<input type="checkbox"/>	LINENS LAUNDERED	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SHUFFLEBOARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MEDICATION MANAGEMENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SPA	<input type="checkbox"/>	<input type="checkbox"/>	NURSING/WELLNESS CLINIC	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SWIMMING POOL-INDOOR	<input type="checkbox"/>	<input type="checkbox"/>	PERSONAL HOME CARE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SWIMMING POOL-OUTDOOR	<input type="checkbox"/>	<input type="checkbox"/>	TRANSPORTATION-PERSONAL	<input type="checkbox"/>	<input checked="" type="checkbox"/>
TENNIS COURT	<input type="checkbox"/>	<input type="checkbox"/>	TRANSPORTATION-PREARRANGED	<input type="checkbox"/>	<input checked="" type="checkbox"/>
WORKSHOP	<input type="checkbox"/>	<input type="checkbox"/>	OTHER _____	<input type="checkbox"/>	<input type="checkbox"/>
OTHER _____	<input type="checkbox"/>	<input type="checkbox"/>			

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



**PROVIDER NAME: Inland Christian Home, Inc.**

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>INCOME FROM ONGOING OPERATIONS</b>				
<b>OPERATING INCOME</b> (Excluding amortization of entrance fee income)	\$12,893,461	\$13,376,334	\$14,316,963	\$15,627,662
<b>LESS OPERATING EXPENSES</b> (Excluding depreciation, amortization, and interest)	(10,752,719)	(12,064,619)	(13,486,692)	(14,101,947)
<b>NET INCOME FROM OPERATIONS</b>	<u>\$2,140,742</u>	<u>\$1,311,715</u>	<u>\$830,271</u>	<u>\$1,525,715</u>
<b>LESS INTEREST EXPENSE</b>	(711,329)	(692,122)	(673,386)	(655,161)
<b>PLUS CONTRIBUTIONS</b>	1,503,779	520,537	500,009	1,441,921
<b>PLUS NON-OPERATING INCOME (EXPENSES)</b> (excluding extraordinary items)	(269,000)	604,203	1,858,904	(100,033)
<b>NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION</b>	<u>\$2,664,192</u>	<u>\$1,744,333</u>	<u>\$1,575,642</u>	<u>\$2,212,442</u>
<b>NET CASH FLOW FROM ENTRANCE FEES</b> (Total Deposits Less Refunds)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

\*\*\*\*\*

**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 ORIGINATION</u>	<u>DATE OF MATURITY</u>	<u>AMORTIZATION PERIOD</u>
Bond Holders (2020 Revenue Bonds)	\$16,545,000	4.00%	April 27, 2020	December 1, 2049	30 years

\*\*\*\*\*

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

	<u>2017 CCAC Medians 50<sup>th</sup> Percentile (optional)</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>DEBT TO ASSET RATIO</b>		59.2%	55.4%	52.3%
<b>OPERATING RATIO</b>		95.6%	98.9%	94.4%
<b>DEBT SERVICE COVERAGE RATIO</b>		2.2	2.9	2.7
<b>DAYS CASH ON HAND RATIO</b>		171	150	187

\*\*\*\*\*

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

	<u>2022</u>	<u>%</u>	<u>2023</u>	<u>%</u>	<u>2024</u>	<u>%</u>	<u>2025</u>	<u>%</u>
STUDIO	\$2,145	5.9	\$2,270	5.8	\$2,440	7.5	\$2,525	3.5
ONE BEDROOM	\$2,585	6.4	\$2,738	5.9	\$2,945	7.6	\$3,048	3.5
TWO BEDROOM	\$3,155	5.9	\$3,343	6.0	\$3,593	7.5	\$3,715	3.4
COTTAGE/HOUSE	\$2,380	6.0	\$2,521	5.9	\$2,710	7.5	\$3,181	17.4
ASSISTED LIVING	\$117/day	5.4	\$128/day	9.4	\$140/day	9.4	\$146/day	4.3
SKILLED NURSING	\$328/day	10.1	\$347/day	5.8	\$380/day	9.5	\$410/day	7.9
SPECIAL CARE	\$169/day	5.6	\$185/day	9.5	\$203/day	9.7	\$212/day	4.4

\*\*\*\*\*

**COMMENTS FROM PROVIDER:** > For 2025, the cottages for new residents had significant upgrades, resulting in higher rates. Residents who had moved > in prior to 2025 have grandfathered rate increases each year. In 2022-2025, the Skilled Nursing units had significant increases in rates due to the increase in > hourly rates paid to nursing staff in order to maintain full staffing.

**FINANCIAL RATIO FORMULAS**

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

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

**OPERATING RATIO**

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

**DEBT SERVICE COVERAGE RATIO**

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

**DAYS CASH ON HAND RATIO**

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

**NOTE:** These formulas are also used by the Continuing Care Accreditation Commission. For each formula, that organization also publishes annual median figures for certain continuing care retirement communities.

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

	<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)	\$2,525 to \$3,775	\$146/day (Base rate)	\$410/day
[2] Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)	3.5%	4.3%	7.9%

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: January 1, 2025  
(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:** November 1, 2024      **Method of Notice:** United States Postal Service
  - 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:** November 19, 2024
  - 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:** November 5, 2024
  - 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:** November 5, 2024      **Location of Posting:** Bulletin boards and in-house television

[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:** Inland Christian Home, Inc.  
**COMMUNITY:** Inland Christian Home, Inc.

**INLAND CHRISTIAN HOME, INC.**  
**Form 7-1 Attachment**  
**Monthly Care Fee Increase (MCFI)**  
**For the Year Ended December 31, 2025**

<b>Line</b>	<b>Fiscal Years</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
1	F/Y 2023 Operating Expenses	\$ (14,297,471)		
2	F/Y 2024 Operating Expenses		\$ (15,335,720)	
3	Projected F/Y 2025 Operating Expenses as Budgeted			\$ (15,192,854)
4	F/Y 2025 Anticipated MCF Revenue Based on Current and Projected Occupancy and Other without a MCFI			\$ 14,477,347
5	Projected F/Y 2025 (Net) Operating Results without a MCFI (Line 3 plus Line 4)**			\$ (715,507)
6	Projected F/Y 2025 Anticipated Revenue Based on Current and Projected Occupancy and Other with MCFI 3.5% to 7.9%**			\$ 15,401,937
7	Grand Total - Projected F/Y 2025 Net Operating Activity After 3.5% to 7.9% MCFI (Line 3 plus Line 6)			\$ 209,083

**Monthly Care Fee Increase: 3.5% to 7.9%**

\*\* Revenue amounts do not include donations as they are often designated for use on capital expenditures and long-term planning.

## Form 7-1

### Report on CCRC Monthly Service Fees

#### Attachment to Item [5]:

Monthly Fee rate increases were approved within the annual budget by the Board of Directors. The amount of the increases is determined based on many factors. These factors include projected operating costs of the continuing care retirement community, economic indicators, community census information, current market rates, future long-range plans, capital expenditures and other factors.

Inland Christian Home (ICH) creates the budget with the assumption that donations will not be used for operating costs as the Board of Directors uses these funds for capital projects and long-range goals when possible.

The primary budgetary impact for determining the 2025 Monthly Service Fee was the increase in costs. Labor costs, which are ICH's largest expense, rose due to wage increases and staffing changes. Wages were increased to remain competitive in the current labor market and schedules were adjusted for various departments to ensure adequate staffing coverage. Other significant cost increases occurred in insurance and dietary expenses. Included in the budget was an expected increase to insurance of 10% from 2024 to 2025. Dietary costs paid to a contractor for both labor and food costs were budgeted to increase 7% from 2024 to 2025.

Beginning January 1, 2025, there was an increase in rates of 3.5% for Apartments and Cottages, 4.3% for Assisted Living and Memory Care and 7.9% for Skilled Nursing.