



**PALM VILLAGE**  
RETIREMENT COMMUNITY

April 30, 2026

Department of Social Service  
Continuing Care Contracts Branch  
744 P Street M/S 10-90  
Sacramento, CA 95814

Re: Certification by Chief Executive Officer

Dear Sir or Madam:

This letter is to serve as certification concerning the annual report for Palm Village Retirement Community.

The annual report and any 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 the CEO's certification, Palm Village Retirement Community is maintaining the required liquid reserve.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Higbee".

Jim Higbee  
President and Chief Executive Officer

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**ANNUAL REPORT CHECKLIST**

FISCAL YEAR ENDED: 12/31/2025

PROVIDER(S):

Mennonite Brethren Homes, Inc  
dba Palm Village Retirement Community

CCRC(S):

Mennonite Brethren Homes, Inc  
dba Palm Village Retirement Community

PROVIDER CONTACT PERSON:

Jim Higbee

TELEPHONE NUMBER:

559-638-6933

E-MAIL ADDRESS:

jimhigbee@palmvillage.com

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

- Annual Report Checklist.
- Annual Provider Fee in the amount of: \$9,673.51 \_\_\_\_\_
  - If applicable, late fee in the amount of: \$ \_\_\_\_\_
- Certification by the provider's *Chief Executive Officer* that:
  - The reports are correct to the best of his/her knowledge.
  - Each continuing care contract form in use or offered to new residents has been approved by the Department.
  - The provider is maintaining the required liquid reserves and, when applicable, the required refund reserve.
- Evidence of the provider's fidelity bond, as required by H&SC section 1789.8.
- Provider's audited financial statements, with an accompanying certified public accountant's opinion thereon.
- Provider's audited reserve reports (prepared on Department forms), with an accompanying certified public accountant's opinion thereon. (NOTE: Form 5-5 must be signed and have the required disclosures attached (H&SC section 1790(a)(2) and (3)).
- "Continuing Care Retirement Community Disclosure Statement" for *each* community.
- Form 7-1, "Report on CCRC Monthly Service Fees" for *each* community.
- Form 9-1, "Calculation of Refund Reserve Amount", if applicable.
- Key Indicators Report (signed by CEO or CFO (or by the authorized person who signed the provider's annual report)). The KIR may be submitted along with the annual report, but is not required until 30 days later.

**FORM 1-1:RESIDENT POPULATION**

Line	Continuing Care Residents	TOTAL
[1]	Number at beginning of fiscal year	163
[2]	Number at end of fiscal year	145
[3]	Total Lines 1 and 2	308
		x.50
[4]	Multiply Line 3 by “.50” and enter result on Line 5.	
[5]	Mean number of continuing care residents Please allow decimal points for Line [5]	154

**All Residents**

[6]	Number at beginning of fiscal year	294
[7]	Number at end of fiscal year	287
[8]	Total Lines 6 and 7	581
		x.05
[9]	Multiply Line 8 by “.50” and enter result on Line 10.	
[10]	Mean number of <i>all</i> residents	290.5
[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).	0.53

Please allow decimal points in Line [11]

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

Line	TOTAL
[1] Total Operating Expenses (including depreciation and debt service - interest only)	19,234,396.00
[a] Depreciation	948,238.00
[b] Debt Service (Interest Only)	34,251.00
[2] Subtotal (add Line 1a and 1b)	982,489.00
[3] Subtract Line 2 from Line 1 and enter result.	18,251,907.00
[4] Percentage allocated to continuing care residents (Form 1-1, Line 11)	0.53
[5] Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4)	9,673,510.71
[6] <b>Total Amount Due</b> (multiply Line 5 by .001)	<b>\$ 9,673.51</b>

PROVIDER: Mennonite Brethren Homes, Inc

COMMUNITY: Palm Village Retirement Community

# CONTINUING CARE RETIREMENT COMMUNITY DISCLOSURE STATEMENT

Date Prepared:

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Facility Name: Palm Village Retirement Community

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Address: 703 W. Herbert Avenue	Zip Code: 93654	Phone: 559-638-6933
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Provider Name:  
Mennonite Brethren Homes, Inc

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Facility Operator: Mennonite Brethren Homes, Inc

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Religious Affiliation: Mennonite Brethren

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Year Opened: 1942 # of Acres: 17 Miles to Shopping Center: 1 Miles to Hospital: 2-5

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Single Story     Multi-Story     Other:

**Number of Units:**

Residential Living	Number of Units	Health Care	Number of Units
Apartments – Studio:	_____	Assisted Living:	69 suites
Apartments – 1 Bdrm:	_____	Skilled Nursing:	105 beds
Apartments – 2 Bdrm:	_____	Special Care:	15 beds
Cottages/Houses:	81 units	Description:	Alzheimers/Dementia

RLU Occupancy (%) at Year End: 98.46%

Type of Ownership:  Not for Profit     For Profit    Accredited?  Yes By: \_\_\_\_\_  
 No

Form of Contact:  Continuing Care     Life Care     Entrance Fee     Fee for Service  
 Assignment of Assets     Equity     Membership     Rental

Refund Provisions:  Refundable     90%     50%  
 Repayable     75%     Other: \_\_\_\_\_

Range of Entrance Fees: \$77,000 \_\_\_\_\_ - \$179,000 \_\_\_\_\_

Long-Term Care Insurance Required?  Yes     No

Health Care Benefits Included in Contract: 14 days respite care each year for IL \_\_\_\_\_

Entry Requirements: Min Age: \_\_\_\_\_ Prior Profession: \_\_\_\_\_ Other: \_\_\_\_\_

**Resident Representative(s) to, and Resident Members on, the Board:**  
 (briefly describe provider's compliance and residents' roles): Residents nominate and select resident rep to the board annually. Resident rep is a non-voting member, resident member is a voting member, nominated by resident council then selected to the board for a 1 year term

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

Facility Services and Amenities

Common Area Amenities	Available	Fee for Service	Services Available	Included in Fee	For Extra Charge
Beauty/Barber Shop	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Housekeeping ( 3 Times/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Billiard Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Month at \$_____each)		
Bowling Green	<input type="checkbox"/>	<input type="checkbox"/>	Meals (3 /Day)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Card Rooms	<input type="checkbox"/>	<input type="checkbox"/>	Special Diets Available	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Chapel	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Coffee Shop	<input checked="" type="checkbox"/>	<input type="checkbox"/>	24-Hour Emergency Response	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Craft Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Activities Program	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Exercise Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	All Utilities Except Phone	<input type="checkbox"/>	<input type="checkbox"/>
Golf Course Access	<input type="checkbox"/>	<input type="checkbox"/>	Apartment Maintenance	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Library	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Cable TV	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Putting Green	<input type="checkbox"/>	<input type="checkbox"/>	Linens Furnished	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Shuffleboard	<input type="checkbox"/>	<input type="checkbox"/>	Linens Laundered	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Spa	<input type="checkbox"/>	<input type="checkbox"/>	Medication Management	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Swimming Pool – Indoor	<input type="checkbox"/>	<input type="checkbox"/>	Nursing/Wellness Clinic	<input type="checkbox"/>	<input type="checkbox"/>
Swimming Pool – Outdoor	<input type="checkbox"/>	<input type="checkbox"/>	Personal Home Care	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tennis Court	<input type="checkbox"/>	<input type="checkbox"/>	Transportation – Personal	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Workshop	<input type="checkbox"/>	<input type="checkbox"/>	Transportation – Prearranged	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	Other: _____	<input type="checkbox"/>	<input type="checkbox"/>

Provider Name: Mennonite Brethren Homes, Inc.

Affiliated CCRCs	Location (city, state)	Phone (with area code)

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

Free-Standing Skilled Nursing	Location (city, state)	Phone (with area code)

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

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

Provider Name: Mennonite Brethren Homes, Inc

Income and Expenses [Year]	2022	2023	2024	2025
<b>Income from Ongoing Operations</b>				
<b>Operating Income</b> (Excluding amortization of entrance fee income)	14,864,572	16,403,498	16,955,424	17,683,717
<b>Less Operating Expenses</b> (Excluding depreciation, amortization, and interest)	16,238,233	17,299,553	17,783,687	18,203,897
<b>Net Income From Operations</b>	(1,373,661)	(896,055)	(828,263)	(520,180)
<b>Less Interest Expense</b>	(117,469)	(128,091)	(111,774)	(82,261)
<b>Plus Contributions</b>	137,761	159,845	226,500	520,318
<b>Plus Non-Operating Income (Expenses)</b> (Excluding extraordinary items)	35,963	3,553,140	1,510,609	1,288,394
<b>Net Income (Loss) Before Entrance Fees, Depreciation And Amortization</b>	(1,317,406)	2,688,839	708,846	922,037
<b>Net Cash Flow From Entrance Fees</b> (Total Deposits Less Refunds)	749,706	1,317,837	1,581,747	1,497,900

Description of Secured Debt (as of most recent fiscal year end)

Lender	Outstanding Balance	Interest Rate	Date of Origination	Date of Maturity	Amortization Period
Certificate of Participation	1,510,000	0.2%	2005	8/1/2026	21 years

Financial Ratios (see last page for ratio formulas)

Financial Ratios [Year]	CCAC Medians 50th Percentile (optional)	2023	2024	2025
Debt to Asset Ratio		8.56	37.45	0
Operating Ratio		106.24	105.54	103.15
Debt Service Coverage Ratio		7.88	1.59	2.84
Days Cash On Hand Ratio		6.08	37.25	47.12

Provider Name: Mennonite Brethren Homes, Inc

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

Residence/Service [Year]	2022	%	2023	%	2024	%	2025	%
Studio								
One Bedroom	839	4	873	8	942	4	990	5
Two Bedroom								
Cottage/House	908	4	942	8	1020	4	1071	5
Assisted Living	136	4	141	3	160	4	168	5
Skilled Living	303	4	315	3	324	4	340	5
Special Care	303	4	315	3	324	4	340	5

Comments from Provider:

**Financial Ratio Formulas**

**Long-Term Debt to Total Assets Ratio**

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

**Operating Ratio**

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

**Debt Service Coverage Ratio**

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

**Days Cash On Hand Ratio**

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

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

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

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

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

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

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

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

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

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

RESIDENTIAL LIVING	ASSISTED LIVING	MEMORY CARE	SKILLED NURSING
\$942-\$1,485	\$4866-\$6478	\$5322-\$5830	\$341-\$431
5%	5%	5%	5%

1. Monthly Care Fees at beginning of reporting period: (indicate range, if applicable)
  2. Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)
- Check here if monthly care fees at this community were not increased during the reporting period. (If you checked this box, please skip down to the bottom of this form and specify the names of the provider and community.)

3. Indicate the date the fee increase was implemented: 1/1/2025  
(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: 10/25/2024 Method of Notice: USPS and Hand Delivery

- 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: 10/24/2024
- 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 distributed the documents to all residents by [Optional - check all that apply]:
  - Emailed the documents to those residents for whom the provider had email addresses on file
  - Placed hard copies in resident cubby
  - Placed hard copies at designated locations
  - Provided hard copies to residents upon request, and/or
  - Other: [please describe]
- Date of Notice: 10/25/2024

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

Date of Notice: 09/18/2024

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: 09/18/2024 Location of Posting: RCC Main Lobby

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

Date of Posting: \_\_\_\_\_ Location of Posting: \_\_\_\_\_

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

PROVIDER: Mennonite Brethren Homes, Inc

COMMUNITY: Palm Village Retirement Community