

## Presbyterian Homes Obligated Group

### Statements of Financial Position

December 31, 2024 and December 31, 2023

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 10,578,204	\$ 15,213,460
Investments	138,141,276	109,332,265
Statutory Liquid Reserve	13,786,571	13,650,901
Accounts receivable, net	14,927,150	15,233,968
Assets whose use is limited	28,586,815	44,514,015
Property and equipment, net	467,080,558	464,066,268
Due from affiliates, net	83,168,709	86,107,579
Funds held in trust by others	19,953,487	18,867,774
Other assets	32,504,725	34,631,708
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Total assets	<u>\$ 808,727,497</u>	<u>\$ 801,617,938</u>
<b>Liabilities and Net Assets</b>		
Accounts Payable	\$ 8,997,014	\$ 11,196,881
Accrued expenses	20,333,310	20,615,867
Lines of credit	6,306,477	16,750,000
Resident deposits	3,457,092	3,294,828
Entrance fees payable	12,586,800	13,980,916
Other liabilities	5,328,990	4,013,857
Long-term debt, senior living	341,297,959	350,941,000
Deferred revenue from entrance fees	166,589,346	150,814,426
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Total liabilities	<u>564,896,989</u>	<u>571,607,775</u>
<b>Net Assets</b>		
Without donor restriction	214,304,793	202,363,054
With donor restriction	29,525,714	27,647,109
Total net assets	<u>243,830,508</u>	<u>230,010,163</u>
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Total liabilities and net assets	<u>\$ 808,727,497</u>	<u>\$ 801,617,938</u>

**Presbyterian Homes Obligated Group**

## Statements of Operations and Changes in Net Assets

Period ended December 31, 2024 and year ended December 31, 2023

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<b>Net Assets Without Donor Restrictions</b>		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 224,505,886	\$ 190,058,377
Amortization of entrance fees	21,874,608	19,867,271
Total resident services	246,380,494	209,925,649
Sales of other services and materials	-	78,046
Contributions, gifts, grants and bequests	1,654,571	845,034
Government grants	-	811,173
Government stimulus	721,577	184,711
FEMA funding	-	29,790
Net assets released from restrictions	515,541	687,704
Total operating revenues and other support	249,272,183	212,562,106
Expenses:		
Nursing services	70,290,259	60,407,358
Rehabilitation	9,992,857	8,706,017
Recreation and special services	4,520,390	3,753,962
Pharmacy	2,429,238	2,873,042
Social Services	1,003,338	863,611
Physician Services	365,104	626,738
Dining Services	28,057,276	24,077,143
Building operations and maintenance	33,932,112	28,923,373
Housekeeping	4,459,200	3,875,125
Laundry	1,398,386	1,285,475
Management and general	35,638,778	33,549,244
Employee Benefits	12,362,249	9,867,450
Interest	16,531,644	12,178,581
Depreciation	26,811,272	25,063,463
Amortization	3,293,375	1,286,192
Fundraising	560,098	467,763
Total expenses before non-recurring expenses	251,645,578	217,804,537
Non-recurring expenses, COVID-19	-	8,393
Operating loss before gains and losses	(2,373,395)	(5,250,824)
Gain (loss) on sale and disposal of property	426,830	(860,625)
Loss on impairment of asset	(102,723)	(635,166)
Operating loss	(2,049,288)	(6,746,615)
Other income:		
Investment income, net of investment expense	6,162,347	4,369,868
Realized gain on investments	1,034,003	181,709
Unrealized gain on investments	6,737,553	9,619,457
Gain (loss) on early extinguishment of debt	57,125	(765,698)
Total other income	13,991,027	13,405,335
Revenues in excess of expenses	11,941,739	6,658,720
Increase in net assets without donor restrictions	11,941,739	6,658,720

**Presbyterian Homes Obligated Group**

Statements of Operations and Changes in Net Assets

Period ended December 31, 2024 and year ended December 31, 2023

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<b>Net Assets With Donor Restrictions</b>		
Contributions, gifts, grants and bequests	913,463	1,301,384
Investment income, net of investment expense	70,449	68,271
Unrealized gain on investments	1,410,235	1,694,724
Net assets released from restrictions	<u>(515,541)</u>	<u>(687,704)</u>
Increase in net assets with donor restrictions	<u>1,878,605</u>	<u>2,376,676</u>
Increase in net assets	13,820,344	9,035,396
<b>Net Assets, Beginning</b>	<u>230,010,163</u>	<u>220,974,767</u>
<b>Net Assets, Ending</b>	<u>\$ 243,830,508</u>	<u>\$ 230,010,163</u>

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**Presbyterian Homes Obligated Group**

## Statements of Cash Flows

Period ended December 31, 2024 and year ended December 31, 2023

	December 31, 2024	December 31, 2023
<b>Cash Flows From Operating Activities</b>		
Increase in net assets	\$ 13,820,344	\$ 9,035,396
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	26,811,272	25,063,463
Provision for doubtful collections	1,717,937	2,427,462
Proceeds from non-refundable fees and deposits	35,923,700	25,653,384
Amortization of entrance fees	(21,874,608)	(19,867,271)
Loss on early extinguishment of debt	(57,125)	765,698
Unrealized gain on investments and change in fair value of funds held in trust by others	(8,147,787)	(11,314,181)
Realized loss (gain) on investments	(1,034,003)	(181,709)
(Gain) loss on sale of community and disposals of property and equipment	(426,830)	860,625
Contributions restricted for long-term purposes	(93,391)	(55,525)
Amortization of deferred financing costs	293,245	146,699
Amortization of bond premium	(457,028)	(400,757)
Amortization of bond discount	173,255	83,210
Loss on impairment of asset	102,723	635,166
Changes in assets and liabilities		
Accounts receivable	(577,759)	(6,925,507)
Entrance fee receivable	(833,361)	484,151
Other assets	2,126,983	2,687,209
Accounts payable	(2,199,867)	3,112,274
Accrued expenses	(282,557)	5,554,641
Other liabilities	1,315,133	(1,659,439)
Net cash provided by operating activities	<u>46,300,277</u>	<u>36,104,989</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property and equipment	(35,101,456)	(34,407,539)
Proceeds from sale of property and equipment	5,600,000	2,600,000
Amounts paid in acquisitions	-	(79,764,976)
Purchases of investments	(31,465,190)	(38,482,287)
Proceeds from sale of investments	29,052,366	37,747,406
Due from affiliates, net	2,938,870	126,375
Net cash used in investing activities	<u>(28,975,410)</u>	<u>(112,181,021)</u>
<b>Cash Flows From Financing Activities</b>		
Refunds of entrance fees and deposits	(6,063,266)	(4,949,893)
Proceeds from refundable entrance fees and deposits, resales	893,355	447,655
Proceeds from refundable entrance fees and deposits, new units	5,663,888	1,554,032
Principal payments on redemptions of long-term debt	(9,495,803)	(18,182,915)
Proceeds from issuance of long-term debt	-	212,316,527
Early payoff of long-term debt	-	(100,387,570)
Financing costs paid	(99,585)	(2,742,963)
(Repayments) borrowings on lines of credit	(10,443,523)	147,833
Contributions restricted for long-term purposes	93,391	55,525
Net cash (used in) provided by financing activities	<u>(19,451,543)</u>	<u>88,258,231</u>
Net change in cash, cash equivalents and restricted cash	(2,126,676)	12,182,199
<b>Cash, cash equivalents and restricted cash, beginning</b>	<u>64,150,009</u>	<u>51,967,810</u>
<b>Cash, cash equivalents and restricted cash, ending</b>	<u>\$ 62,023,334</u>	<u>\$ 64,150,009</u>
Cash and cash equivalents	\$ 10,578,204	\$ 15,213,460
Restricted cash in investments	51,445,129	48,936,550
Total cash, cash equivalents and restricted cash	<u>\$ 62,023,333</u>	<u>\$ 64,150,009</u>