

## Presbyterian Homes Obligated Group

### Statements of Financial Position

January 31, 2024 and December 31, 2023

	<u>January 31, 2024</u>	<u>December 31, 2023</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 7,200,236	\$ 15,213,460
Investments	109,278,161	109,332,265
Statutory Liquid Reserve	13,654,334	13,650,901
Accounts receivable, net	16,294,736	15,233,968
Assets whose use is limited	43,270,637	44,514,015
Property and equipment, net	462,883,588	464,066,268
Due from affiliates, net	86,545,939	86,107,579
Funds held in trust by others	18,938,603	18,867,774
Other assets	34,383,711	34,631,708
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Total assets	<u>\$ 792,449,945</u>	<u>\$ 801,617,938</u>
<b>Liabilities and Net Assets</b>		
Accounts Payable	\$ 8,185,163	\$ 11,196,881
Accrued expenses	18,935,165	20,615,867
Lines of credit	12,660,576	16,750,000
Resident deposits	3,310,477	3,294,828
Entrance fees payable	13,736,190	13,980,916
Other liabilities	3,803,061	3,957,029
Cares act funding liabilities	56,828	56,828
Long-term debt, senior living	350,515,155	350,941,000
Deferred revenue from entrance fees	151,050,591	150,814,426
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Total liabilities	<u>562,253,207</u>	<u>571,607,775</u>
<b>Net Assets</b>		
Without donor restriction	202,479,884	202,363,054
With donor restriction	27,716,854	27,647,109
Total net assets (deficit)	<u>230,196,738</u>	<u>230,010,163</u>
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Total liabilities, net assets and equity	<u>\$ 792,449,945</u>	<u>\$ 801,617,938</u>

**Presbyterian Homes Obligated Group**

## Statements of Operations and Changes in Net Assets

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

	<u>January 31, 2024</u>	<u>December 31, 2023</u>
<b>Net Assets Without Donor Restrictions</b>		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 18,597,546	\$ 190,058,377
Amortization of entrance fees	1,898,296	19,867,271
Total resident services	<u>20,495,842</u>	<u>209,925,649</u>
Sales of other services and materials	-	78,046
Contributions, gifts, grants and bequests	76,622	845,034
Government grants	-	811,173
Government stimulus	-	184,711
FEMA funding	-	29,790
Net assets released from restrictions	-	687,704
Total operating revenues and other support	<u>20,572,464</u>	<u>212,562,106</u>
Expenses:		
Nursing services	5,864,262	60,407,358
Rehabilitation	817,104	8,706,017
Recreation and special services	355,976	3,753,962
Pharmacy	226,436	2,873,042
Social Services	82,719	863,611
Physician Services	29,059	626,738
Dining Services	2,326,475	24,077,143
Building operations and maintenance	2,898,015	28,923,373
Housekeeping	356,920	3,875,125
Laundry	120,797	1,285,475
Management and general	2,869,812	33,549,244
Employee Benefits	970,752	9,867,450
Interest	1,412,853	12,178,581
Depreciation	2,193,704	25,063,463
Amortization	274,448	1,286,192
Fundraising	50,523	467,763
Total expenses before non-recurring expenses	<u>20,849,855</u>	<u>217,804,537</u>
Non-recurring expenses, COVID-19	-	8,393
Operating income (loss) before gains and losses	<u>(277,391)</u>	<u>(5,250,824)</u>
Loss on sale and disposal of property	-	(860,625)
Loss on impairment of asset	-	(635,166)
Operating income (loss)	<u>(277,391)</u>	<u>(6,746,615)</u>
Other income (loss):		
Investment income, net of investment expense	418,121	4,369,868
Realized gain on investments	-	181,709
Unrealized (loss) gain on investments	(23,901)	9,619,457
Loss on early extinguishment of debt	-	(765,698)
Total other income (loss)	<u>394,221</u>	<u>13,405,335</u>
Revenues in excess of expenses	<u>116,830</u>	<u>6,658,720</u>
Increase in net assets without donor restrictions	<u>116,830</u>	<u>6,658,720</u>

**Presbyterian Homes Obligated Group**

Statements of Operations and Changes in Net Assets

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

	<u>January 31, 2024</u>	<u>December 31, 2023</u>
<b>Net Assets With Donor Restrictions</b>		
Contributions, gifts, grants and bequests	-	1,301,384
Investment income, net of investment expense	-	68,271
Unrealized gain on investments	69,745	1,694,724
Net assets released from restrictions	<u>-</u>	<u>(687,704)</u>
Increase in net assets with donor restrictions	<u>69,745</u>	<u>2,376,676</u>
Increase in net assets	186,575	9,035,396
<b>Net Assets (Deficit), Beginning</b>	<u>230,010,163</u>	<u>220,974,767</u>
<b>Net Assets (Deficit), Ending</b>	<u>\$ 230,196,738</u>	<u>\$ 230,010,163</u>

**Presbyterian Homes Obligated Group**

## Statements of Cash Flows

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

	January 31, 2024	December 31, 2023
<b>Cash Flows From Operating Activities</b>		
Increase in net assets	\$ 186,575	\$ 9,035,396
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	2,193,704	25,063,463
Provision for doubtful collections	197,585	2,427,462
Proceeds from non-refundable fees and deposits	2,254,269	25,878,134
Amortization of entrance fees	(1,898,296)	(19,867,271)
Loss on early extinguishment of debt	-	765,698
Unrealized (gain) on investments and change in fair value of funds held in trust by others	(45,844)	(11,314,181)
Realized gain on investments	-	(181,709)
Loss on sale of community and disposals of property and equipment	-	860,625
Contributions restricted for long-term purposes	-	(55,525)
Amortization of deferred financing costs	15,759	(131,547)
Amortization of bond premium	(33,325)	(400,757)
Amortization of bond discount	14,438	83,210
Loss on impairment of asset	-	635,166
Changes in assets and liabilities		
Accounts receivable	(900,296)	(6,925,507)
Entrance fee receivable	(358,057)	484,151
Other assets	247,998	2,458,209
Accounts payable	(3,011,718)	3,112,274
Accrued expenses	(1,680,702)	5,554,641
Other liabilities	(153,968)	(1,695,747)
CARES act funding liabilities	-	36,308
Net cash (used in) provided by operating activities	<u>(2,971,880)</u>	<u>35,822,493</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property and equipment	(1,011,023)	(34,407,539)
Proceeds from sale of property and equipment	-	2,600,000
Amounts paid in acquisitions	-	(79,764,976)
Purchases of investments	(517,000)	(38,375,473)
Proceeds from sale of investments	1,786,065	37,640,592
Due from affiliates, net	(438,361)	126,375
Net cash used in investing activities	<u>(180,320)</u>	<u>(112,181,021)</u>
<b>Cash Flows From Financing Activities</b>		
Refunds of entrance fees and deposits	(570,242)	(4,941,393)
Proceeds from refundable entrance fees and deposits, resales	-	443,405
Proceeds from refundable entrance fees and deposits, new units	221,358	1,554,032
Principal payments on redemptions of long-term debt	(422,716)	(17,904,669)
Proceeds from issuance of long-term debt	-	216,090,000
Early payoff of long-term debt	-	(100,387,570)
Financing costs paid	-	(6,516,436)
(Repayments) borrowings on lines of credit	(4,089,424)	147,833
Contributions restricted for long-term purposes	-	55,525
Net cash (used in) provided by financing activities	<u>(4,861,025)</u>	<u>88,540,727</u>
Net change in cash, cash equivalents and restricted cash	(8,013,224)	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>\$ 56,136,785</u>	<u>\$ 64,150,009</u>
Cash and cash equivalents	\$ 7,200,236	\$ 15,213,460
Restricted cash in investments	48,936,550	48,936,550
Total cash, cash equivalents and restricted cash	<u>\$ 56,136,785</u>	<u>\$ 64,150,009</u>