

Presbyterian Homes Obligated Group

Statements of Financial Position

January 31, 2025 and December 31, 2024

	<u>January 31, 2025</u>	<u>December 31, 2024</u>
Assets		
Cash and cash equivalents	\$ 9,480,360	\$ 10,578,204
Investments	143,192,840	138,141,276
Statutory Liquid Reserve	13,868,214	13,786,571
Accounts receivable, net	14,286,193	14,927,150
Assets whose use is limited	28,252,604	28,586,815
Property and equipment, net	466,269,840	467,080,558
Due from affiliates, net	83,342,208	83,168,709
Funds held in trust by others	20,283,060	19,953,487
Other assets	32,431,945	32,504,725
	<u>811,407,263</u>	<u>808,727,497</u>
Total assets	<u>\$ 811,407,263</u>	<u>\$ 808,727,497</u>
Liabilities and Net Assets		
Accounts Payable	\$ 11,857,330	\$ 8,997,014
Accrued expenses	16,947,668	20,333,310
Lines of credit	6,907,444	6,306,477
Resident deposits	3,405,437	3,457,092
Entrance fees payable	12,312,802	12,586,800
Other liabilities	5,153,248	5,328,990
Long-term debt, senior living	340,852,636	341,297,959
Deferred revenue from entrance fees	166,447,549	166,589,346
	<u>563,884,114</u>	<u>564,896,989</u>
Total liabilities	<u>563,884,114</u>	<u>564,896,989</u>
Net Assets		
Without donor restriction	217,594,790	214,304,793
With donor restriction	29,928,360	29,525,714
Total net assets	<u>247,523,150</u>	<u>243,830,508</u>
Total liabilities and net assets	<u>\$ 811,407,263</u>	<u>\$ 808,727,497</u>

Presbyterian Homes Obligated Group

Statements of Operations and Changes in Net Assets

Period ended January 31, 2025 and year ended December 31, 2024

	<u>January 31, 2025</u>	<u>December 31, 2024</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 18,925,668	\$ 224,505,886
Amortization of entrance fees	2,824,207	21,874,608
Total resident services	<u>21,749,875</u>	<u>246,380,494</u>
Contributions, gifts, grants and bequests	107,105	1,654,571
Government stimulus	-	721,577
Net assets released from restrictions	<u>38,681</u>	<u>515,541</u>
Total operating revenues and other support	<u>21,895,660</u>	<u>249,272,183</u>
Expenses:		
Nursing services	6,046,313	70,290,259
Rehabilitation	817,517	9,992,857
Recreation and special services	402,132	4,520,390
Pharmacy	191,213	2,429,238
Social Services	88,260	1,003,338
Physician Services	36,100	365,104
Dining Services	2,316,565	28,057,276
Building operations and maintenance	3,138,939	33,932,112
Housekeeping	370,633	4,459,200
Laundry	108,212	1,398,386
Management and general	2,767,970	35,638,778
Employee Benefits	1,003,695	12,362,249
Interest	1,380,768	16,474,519
Depreciation	2,347,821	26,811,272
Amortization	274,448	3,293,375
Fundraising	<u>59,599</u>	<u>560,098</u>
Total expenses before non-recurring expenses	<u>21,350,187</u>	<u>251,588,453</u>
Operating income (loss) before gains and losses	545,474	(2,316,270)
Gain on sale and disposal of property	-	426,830
Loss on impairment of asset	<u>-</u>	<u>(102,723)</u>
Operating income (loss)	<u>545,474</u>	<u>(1,992,163)</u>
Other income:		
Investment income, net of investment expense	380,881	6,162,347
Realized (loss) gain on investments	(4,257)	1,034,003
Unrealized gain on investments	<u>2,367,899</u>	<u>6,737,553</u>
Total other income	<u>2,744,523</u>	<u>13,933,902</u>
Revenues in excess of expenses	<u>3,289,997</u>	<u>11,941,739</u>
Increase in net assets without donor restrictions	<u>3,289,997</u>	<u>11,941,739</u>

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Statements of Operations and Changes in Net Assets

Period ended January 31, 2025 and year ended December 31, 2024

	<u>January 31, 2025</u>	<u>December 31, 2024</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	25,863	913,463
Investment income, net of investment expense	6,205	70,449
Unrealized gain on investments	409,258	1,410,235
Net assets released from restrictions	<u>(38,681)</u>	<u>(515,541)</u>
Increase in net assets with donor restrictions	<u>402,645</u>	<u>1,878,605</u>
Increase in net assets	3,692,642	13,820,344
Net Assets, Beginning	<u>243,830,508</u>	<u>230,010,163</u>
Net Assets, Ending	<u>\$ 247,523,150</u>	<u>\$ 243,830,508</u>

Presbyterian Homes Obligated Group

Statements of Cash Flows

Period ended January 31, 2025 and year ended December 31, 2024

	January 31, 2025	December 31, 2024
Cash Flows From Operating Activities		
Increase in net assets	\$ 3,692,642	\$ 13,820,344
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	2,347,821	26,811,272
Provision for doubtful collections	112,859	1,717,937
Proceeds from non-refundable fees and deposits	2,641,757	35,923,700
Amortization of entrance fees	(2,824,207)	(21,874,608)
Unrealized gain on investments and change in fair value of funds held in trust by others	(2,777,157)	(8,147,787)
Realized loss (gain) on investments	4,257	(1,034,003)
Gain on sale of community and disposals of property and equipment	-	(426,830)
Contributions restricted for long-term purposes	-	(93,391)
Amortization of deferred financing costs	14,094	236,120
Amortization of bond premium	(33,325)	(457,028)
Amortization of bond discount	14,435	173,255
Loss on impairment of asset	-	102,723
Changes in assets and liabilities		
Accounts receivable	(12,729)	(577,759)
Entrance fee receivable	540,827	(833,361)
Other assets	72,781	2,126,983
Accounts payable	2,860,316	(2,199,867)
Accrued expenses	(3,385,642)	(282,557)
Other liabilities	(175,743)	1,315,133
Net cash provided by operating activities	<u>3,092,984</u>	<u>46,300,277</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(1,537,103)	(35,101,456)
Proceeds from sale of property and equipment	-	5,600,000
Purchases of investments	(3,815,396)	(31,465,190)
Proceeds from sale of investments	1,459,728	29,052,366
Due from affiliates, net	(173,499)	2,938,870
Net cash used in investing activities	<u>(4,066,270)</u>	<u>(28,975,410)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(285,000)	(6,063,266)
Proceeds from refundable entrance fees and deposits, resales	-	893,355
Proceeds from refundable entrance fees and deposits, new units	-	5,663,888
Principal payments on redemptions of long-term debt	(440,526)	(9,495,803)
Financing costs paid	-	(99,585)
Borrowings (repayments) on lines of credit	600,967	(10,443,523)
Contributions restricted for long-term purposes	-	93,391
Net cash (used in) provided by financing activities	<u>(124,559)</u>	<u>(19,451,543)</u>
Net change in cash, cash equivalents and restricted cash	(1,097,844)	(2,126,676)
Cash, cash equivalents and restricted cash, beginning	<u>62,023,333</u>	<u>64,150,009</u>
Cash, cash equivalents and restricted cash, ending	<u>\$ 60,925,489</u>	<u>\$ 62,023,333</u>
Cash and cash equivalents	\$ 9,480,360	\$ 10,578,204
Restricted cash in investments	51,445,129	51,445,129
Total cash, cash equivalents and restricted cash	<u>\$ 60,925,489</u>	<u>\$ 62,023,333</u>