

Presbyterian Homes Obligated Group

Statements of Financial Position

March 31, 2025 and December 31, 2024

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Assets		
Cash and cash equivalents	\$ 4,915,592	\$ 10,578,204
Investments	136,486,704	138,141,276
Statutory Liquid Reserve	13,765,984	13,786,571
Accounts receivable, net	15,265,039	14,927,150
Assets whose use is limited	25,192,339	28,586,815
Property and equipment, net	465,235,337	467,080,558
Due from affiliates, net	84,469,705	83,168,709
Funds held in trust by others	19,215,966	19,953,487
Goodwill	25,411,329	26,234,673
Other assets	7,082,436	6,270,053
	<u>797,040,431</u>	<u>808,727,497</u>
Total assets	<u>\$ 797,040,431</u>	<u>\$ 808,727,497</u>
Liabilities and Net Assets		
Accounts Payable	\$ 6,109,265	\$ 8,997,014
Accrued expenses	18,673,475	20,333,310
Lines of credit	1,904,558	6,306,477
Resident deposits	4,120,775	3,457,092
Entrance fees payable	12,263,058	12,586,800
Other liabilities	4,885,470	5,328,990
Long-term debt, senior living	338,884,364	341,297,959
Deferred revenue from entrance fees	166,318,632	166,589,346
	<u>553,159,595</u>	<u>564,896,989</u>
Total liabilities	<u>553,159,595</u>	<u>564,896,989</u>
Net Assets		
Without donor restriction	215,008,808	214,304,793
With donor restriction	28,872,028	29,525,714
Total net assets	<u>243,880,836</u>	<u>243,830,508</u>
Total liabilities and net assets	<u>\$ 797,040,431</u>	<u>\$ 808,727,497</u>

Presbyterian Homes Obligated Group

Statements of Operations and Changes in Net Assets

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 56,279,006	\$ 224,505,886
Amortization of entrance fees	6,775,765	21,874,608
Total resident services	<u>63,054,772</u>	<u>246,380,494</u>
Contributions, gifts, grants and bequests	208,455	1,654,571
Government stimulus	-	721,577
Net assets released from restrictions	<u>70,425</u>	<u>515,541</u>
Total operating revenues and other support	<u>63,333,652</u>	<u>249,272,183</u>
Expenses:		
Nursing services	17,188,810	70,290,259
Rehabilitation	2,414,414	9,992,857
Recreation and special services	1,103,866	4,520,390
Pharmacy	622,470	2,429,238
Social Services	255,866	1,003,338
Physician Services	97,850	365,104
Dining Services	6,712,234	28,057,276
Building operations and maintenance	9,516,984	33,932,112
Housekeeping	1,065,826	4,459,200
Laundry	325,071	1,398,386
Management and general	9,058,652	35,638,778
Employee Benefits	3,072,090	12,362,249
Interest	4,041,925	16,474,519
Depreciation	7,192,008	26,811,272
Amortization	823,344	3,293,375
Fundraising	<u>178,797</u>	<u>560,098</u>
Total expenses before non-recurring expenses	<u>63,670,207</u>	<u>251,588,453</u>
Operating loss before gains and losses	(336,555)	(2,316,270)
(Loss) gain on sale and disposal of property	(106,700)	426,830
Loss on impairment of asset	<u>-</u>	<u>(102,723)</u>
Operating loss	<u>(443,255)</u>	<u>(1,992,163)</u>
Other income:		
Investment income, net of investment expense	2,110,885	6,162,347
Realized (loss) gain on investments	(342,870)	1,034,003
Unrealized (loss) gain on investments	<u>(620,744)</u>	<u>6,737,553</u>
Total other income	<u>1,147,270</u>	<u>13,933,902</u>
Revenues in excess of expenses	704,015	11,941,739
Increase in net assets without donor restrictions	<u>704,015</u>	<u>11,941,739</u>

Presbyterian Homes Obligated Group

Statements of Operations and Changes in Net Assets

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	140,429	913,463
Investment income, net of investment expense	27,135	70,449
Unrealized (loss) gain on investments	(750,826)	1,410,235
Net assets released from restrictions	<u>(70,425)</u>	<u>(515,541)</u>
(Decrease) increase in net assets with donor restrictions	<u>(653,686)</u>	<u>1,878,605</u>
Increase in net assets	50,329	13,820,344
Net Assets, Beginning	<u>243,830,508</u>	<u>230,010,163</u>
Net Assets, Ending	<u><u>\$ 243,880,836</u></u>	<u><u>\$ 243,830,508</u></u>

Presbyterian Homes Obligated Group

Statements of Cash Flows

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

	March 31, 2025	December 31, 2024
Cash Flows From Operating Activities		
Increase in net assets	\$ 50,329	\$ 13,820,344
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	7,192,008	26,811,272
Provision for doubtful collections	427,560	1,717,937
Proceeds from non-refundable fees and deposits	8,114,869	36,694,775
Amortization of entrance fees	(6,775,765)	(21,874,608)
Unrealized loss (gain) on investments and change in fair value of funds held in trust by others	1,371,570	(8,147,787)
Realized loss (gain) on investments	342,870	(1,034,003)
Loss (gain) on sale of community and disposals of property and equipment	106,700	(426,830)
Contributions restricted for long-term purposes	(2,194)	(93,391)
Amortization of deferred financing costs	50,376	236,120
Amortization of bond premium	(99,976)	(457,028)
Amortization of bond discount	43,305	173,255
Amortization of goodwill	823,344	3,293,375
Loss on impairment of asset	-	102,723
Changes in assets and liabilities		
Accounts receivable	(1,057,084)	(577,759)
Entrance fee receivable	291,636	(833,361)
Other assets	(812,383)	(1,166,392)
Accounts payable	(2,887,749)	(2,199,867)
Accrued expenses	(1,659,835)	(282,557)
Other liabilities	(443,520)	1,315,133
Net cash provided by operating activities	<u>5,076,058</u>	<u>47,071,352</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(5,453,486)	(35,101,456)
Proceeds from sale of property and equipment	-	5,600,000
Purchases of investments	(14,822,813)	(31,465,190)
Proceeds from sale of investments	18,915,528	29,052,366
Due from affiliates, net	(1,300,996)	2,938,870
Net cash used in investing activities	<u>(2,661,767)</u>	<u>(28,975,410)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(1,269,878)	(6,063,266)
Proceeds from refundable entrance fees and deposits, resales	-	893,355
Proceeds from refundable entrance fees and deposits, new units	-	4,892,813
Principal payments on redemptions of long-term debt	(2,407,300)	(9,495,803)
Financing costs paid	-	(99,585)
Repayments on lines of credit	(4,401,920)	(10,443,523)
Contributions restricted for long-term purposes	2,194	93,391
Net cash used in financing activities	<u>(8,076,905)</u>	<u>(20,222,618)</u>
Net change in cash, cash equivalents and restricted cash	(5,662,613)	(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>\$ 56,360,721</u>	<u>\$ 62,023,333</u>
Cash and cash equivalents	\$ 4,915,592	\$ 10,578,204
Restricted cash in investments	51,445,129	51,445,129
Total cash, cash equivalents and restricted cash	<u>\$ 56,360,721</u>	<u>\$ 62,023,333</u>