

Presbyterian Homes Obligated Group

Statements of Financial Position

June 30, 2025 and December 31, 2024

	June 30, 2025	December 31, 2024
Assets		
Cash and cash equivalents	\$ 5,042,420	\$ 10,578,204
Investments	151,502,361	138,141,276
Statutory Liquid Reserve	14,042,941	13,786,571
Accounts receivable, net	15,026,291	14,927,150
Assets whose use is limited	23,458,218	28,586,815
Property and equipment, net	466,488,987	467,080,558
Due from affiliates, net	84,803,444	83,168,709
Funds held in trust by others	20,548,583	19,953,487
Goodwill	24,587,985	26,234,673
Other assets	8,278,401	6,270,053
Total assets	<u>\$ 813,779,631</u>	<u>\$ 808,727,497</u>
Liabilities and Net Assets		
Accounts Payable	5,104,784	\$ 8,997,014
Accrued expenses	20,366,883	20,333,310
Lines of credit	7,401,334	6,306,477
Resident deposits	4,163,527	3,457,092
Entrance fees payable	11,487,524	12,586,800
Other liabilities	4,230,216	5,328,990
Long-term debt, senior living	337,771,277	341,297,959
Deferred revenue from entrance fees	169,428,683	166,589,346
Total liabilities	<u>559,954,228</u>	<u>564,896,989</u>
Net Assets		
Without donor restriction	223,069,718	214,304,793
With donor restriction	30,755,685	29,525,714
Total net assets	<u>253,825,403</u>	<u>243,830,508</u>
Total liabilities and net assets	<u>\$ 813,779,631</u>	<u>\$ 808,727,497</u>

Presbyterian Homes Obligated Group

Statements of Operations and Changes in Net Assets

Period ended June 30, 2025 and year ended December 31, 2024

	June 30, 2025	December 31, 2024
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 112,850,338	\$ 224,505,886
Amortization of entrance fees	13,178,651	21,874,608
Total resident services	126,028,989	246,380,494
Contributions, gifts, grants and bequests	234,028	1,654,571
Government stimulus	-	721,577
Net assets released from restrictions	145,957	515,541
Total operating revenues and other support	126,408,974	249,272,183
Expenses:		
Nursing services	34,428,244	70,290,259
Rehabilitation	4,906,432	9,992,857
Recreation and special services	2,277,808	4,520,390
Pharmacy	1,253,733	2,429,238
Social Services	524,968	1,003,338
Physician Services	184,674	365,104
Dining Services	13,848,442	28,057,276
Building operations and maintenance	18,685,287	33,932,112
Housekeeping	2,393,679	4,459,200
Laundry	637,608	1,398,386
Management and general	18,219,613	35,638,778
Employee Benefits	5,982,936	12,362,249
Interest	8,084,533	16,474,519
Depreciation	14,523,568	26,811,272
Amortization	1,646,688	3,293,375
Fundraising	248,470	560,098
Total expenses before non-recurring expenses	127,846,684	251,588,453
Operating loss before gains and losses	(1,437,710)	(2,316,270)
(Loss) gain on sale and disposal of property	(142,772)	426,830
Loss on impairment of asset	-	(102,723)
Operating loss	(1,580,482)	(1,992,163)
Other income:		
Investment income, net of investment expense	3,106,838	6,162,347
Realized (loss) gain on investments	(342,212)	1,034,003
Unrealized gain on investments	7,580,780	6,737,553
Total other income	10,345,406	13,933,902
Revenues in excess of expenses	8,764,924	11,941,739
Increase in net assets without donor restrictions	8,764,924	11,941,739

Presbyterian Homes Obligated Group

Statements of Operations and Changes in Net Assets

Period ended June 30, 2025 and year ended December 31, 2024

	June 30, 2025	December 31, 2024
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	476,014	913,463
Investment income, net of investment expense	54,242	70,449
Unrealized gain on investments	845,672	1,410,235
Net assets released from restrictions	(145,957)	(515,541)
	<u>1,229,971</u>	<u>1,878,605</u>
Increase in net assets with donor restrictions		
	<u>1,229,971</u>	<u>1,878,605</u>
Increase in net assets	9,994,895	13,820,344
Net Assets, Beginning	<u>243,830,508</u>	<u>230,010,163</u>
Net Assets, Ending	<u><u>\$ 253,825,403</u></u>	<u><u>\$ 243,830,508</u></u>

Presbyterian Homes Obligated Group

Statements of Cash Flows

Period ended June 30, 2025 and year ended December 31, 2024

	June 30, 2025	December 31, 2024
Cash Flows From Operating Activities		
Increase in net assets	\$ 9,994,895	\$ 13,820,344
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	14,523,568	26,811,272
Provision for doubtful collections	686,789	1,717,937
Proceeds from non-refundable fees and deposits	18,260,519	36,694,775
Amortization of entrance fees	(13,178,651)	(21,874,608)
Unrealized gain on investments and change in fair value of funds held in trust by others	(8,426,452)	(8,147,787)
Realized loss (gain) on investments	342,212	(1,034,003)
Loss (gain) on sale of community and disposals of property and equipment	142,772	(426,830)
Contributions restricted for long-term purposes	(46,054)	(93,391)
Amortization of deferred financing costs	98,167	236,120
Amortization of bond premium	(199,952)	(457,028)
Amortization of bond discount	86,610	173,255
Amortization of goodwill	1,646,688	3,293,375
Loss on impairment of asset	-	102,723
Changes in assets and liabilities		
Accounts receivable	(759,249)	(577,759)
Entrance fee receivable	(26,681)	(833,361)
Other assets	(2,008,348)	(1,166,392)
Accounts payable	(3,892,230)	(2,199,867)
Accrued expenses	33,573	(282,557)
Other liabilities	(1,098,774)	1,315,133
Net cash provided by operating activities	16,179,403	47,071,352
Cash Flows From Investing Activities		
Acquisition of property and equipment	(14,074,769)	(35,101,456)
Proceeds from sale of property and equipment	-	5,600,000
Purchases of investments	(23,143,231)	(31,465,190)
Proceeds from sale of investments	22,143,517	29,052,366
Due from affiliates, net	(1,634,735)	2,938,870
Net cash used in investing activities	(16,709,218)	(28,975,410)
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(2,721,373)	(6,063,266)
Proceeds from refundable entrance fees and deposits, resales	86,000	893,355
Proceeds from refundable entrance fees and deposits, new units	-	4,892,813
Principal payments on redemptions of long-term debt	(3,511,507)	(9,495,803)
Financing costs paid	-	(99,585)
Borrowings (repayments) on lines of credit	1,094,856	(10,443,523)
Contributions restricted for long-term purposes	46,054	93,391
Net cash used in financing activities	(5,005,970)	(20,222,618)
Net change in cash, cash equivalents and restricted cash	(5,535,784)	(2,126,676)
Cash, cash equivalents and restricted cash, beginning	62,023,333	64,150,009
Cash, cash equivalents and restricted cash, ending	<u>\$ 56,487,549</u>	<u>\$ 62,023,333</u>
Cash and cash equivalents	\$ 5,042,420	\$ 10,578,204
Restricted cash in investments	51,445,129	51,445,129
Total cash, cash equivalents and restricted cash	<u>\$ 56,487,549</u>	<u>\$ 62,023,333</u>