

Foulkeways at Gwynedd
Montgomery County Industrial Development Authority
Revenue Bonds, Series of 2016
(Foulkeways at Gwynedd Project)
March 31, 2017

Quarterly Review of Construction Progress

Expenditures under contract through March 31 total \$6.05M on a budget of \$13.5M

Abington House North (30 personal care beds)

Construction completed on the Abington House North building includes concrete slabs on all three levels. Roof sheathing on trusses is in process and wall sheathing for the Abington House North exterior is also underway. Installation of asphalt shingles is anticipated to begin soon. The installation of the emergency generator for the building is almost complete. Completion of the building is still anticipated by late fourth quarter of 2017.

Resident Care/Clinic Relocation

The Resident Care offices and Clinic space were completed at the end of March and the spaces have been occupied. Final invoicing for this portion of the project has not been received to date. At this point costs are under budget.

Gwynedd Gardens

Gwynedd Gardens is still anticipated to begin at a later date. Plans for a temporary dining space while Gwynedd Gardens construction is underway are complete and construction on the temporary dining space will begin as soon as permits are issued. Gwynedd Gardens is expected to be available three to four weeks before the opening of Abington House North.

Housekeeping/Laundry Department Relocation

The Housekeeping/Laundry Department renovation began after the Resident Clinic area was complete. Demolition is complete and plumbing for new laundry equipment has begun. Completion is anticipated by mid third quarter of 2017.

Foulkeways at Gwynedd
Balance Sheets
Audit Format

	3/31/2017	3/31/2016
Assets		
Current Assets		
Cash and Cash Equivalents	1,285,354	438,549
Investments	25,506,544	22,584,112
Accounts Receivable - Residents	2,272,084	1,838,712
Accounts Receivable - Other	277,901	209,433
Prepaid Expenses and Other Current Assets	465,550	379,491
Total Current Assets	29,807,433	25,450,297
Assets Limited As to Use		
Assets Limited As to Use - Bond	11,756,177	1,457,523
Assets Limited As to Use - Donor	9,390,362	7,669,122
Total Assets Limited As To Use	21,146,538	9,126,645
Property, Plant & Equipment	77,962,435	71,344,581
Deferred Financing Cost	341,631	568,401
Other Assets	221,987	221,987
Total Assets	129,480,025	106,711,910
Liabilities		
Current Liabilities		
Accounts Payable and Accrued Expenses	1,375,158	642,564
Accrued Salaries and Payroll Taxes	1,395,683	1,625,710
Accrued Interest Payable	235,371	198,899
Resident Billing Paid in Advance	1,617,572	1,588,423
Refundable Deposits from Prospective Residents	286,000	287,000
Total Current Liabilities	4,909,784	4,342,596
Deferred Revenue from Entry Fees	37,978,433	36,740,981
Long-Term Debt	54,781,360	34,765,532
Accrued Pension	13,168,778	13,238,582
Other Liabilities	454,537	353,389
Total Liabilities	111,292,892	89,441,081
Net Assets		
Unrestricted Net Assets	8,592,681	9,494,821
Net Income	204,090	106,886
Temporarily Restricted Net Assets	8,655,362	6,984,122
Permanently Restricted Net Assets	735,000	685,000
Total Liabilities and Fund Balance	\$ 129,480,025	\$ 106,711,910

Foulkeway At Gwynedd
Statement of Changes in Net Assets
For the Three Months Ending March 31, 2017

	3/31/2017	3/31/2016
<i>Changes in Unrestricted Net Assets</i>		
<i>Revenues, Gains and Other Support</i>		
Resident Care Fees	\$ 4,352,698	\$ 4,216,111
Amortization of Deferred Entry Fees	1,170,000	1,029,000
Health Center Revenue	924,195	915,022
Unrestricted Contributions, Gifts & Bequests	0	122,931
Investment Income	213,979	107,769
Other Revenue	206,439	264,218
Net Assets Released for Operations	151,665	158,181
Total Revenues, Gains and Support	7,018,976	6,813,231
<i>Expenses</i>		
General and Administrative	1,673,166	1,617,737
Admissions & Marketing	164,891	194,885
Housekeeping	399,303	387,372
Maintenance	459,574	442,518
Dining Services	1,050,809	1,047,797
Health Services	1,631,422	1,561,201
Utilities	253,339	248,237
Real Estate Taxes	149,250	142,229
Depreciation and Amortization	1,025,792	947,377
Interest Expense	167,965	182,668
Total Expenses	6,975,509	6,772,021
Net Income (Loss) from Operations	43,467	41,210
Loss on Bond Refinance	0	0
Unrealized Gain (Loss) on Investments	160,623	65,676
<i>Increase (Decrease) in Unrestricted Net Assets</i>	204,090	106,886
<i>Changes in Temporarily Restricted Net Assets</i>		
Contributions and Investment Income (including Unrealized Gain (Loss) on Investments)	1,343,237	171,723
Net Assets Released from Restrictions	(214,392)	(159,381)
<i>Net Increase (Decrease) in Temporarily Restricted Net Assets</i>	1,128,845	12,342
<i>Increase (Decrease) in Net Assets</i>	\$ 1,332,935	\$ 119,228

Foulkeways at Gwynedd
Summary of Cash Flow from Operations
For the Three Months Ending March 31, 2017

Account Name	Current Period Actual 3/31/2017	Current Period Budget 3/31/2017	DIFFERENCE	Year-to-Date Actual 3/31/2017	Year-to-Date Budget 3/31/2017	DIFFERENCE
Revenue						
Residential Units	1,492,313	1,569,018	(76,705)	4,488,685	4,717,414	(228,729)
Health Center Revenue	156,615	159,535	(2,920)	476,277	478,605	(2,328)
Medical Expense Reimbursement	143,595	130,833	12,762	447,918	392,499	55,419
Other Revenue	66,561	82,873	(16,312)	206,439	247,014	(40,575)
Total Revenue	1,859,085	1,942,259	(83,174)	5,619,319	5,835,532	(216,213)
Expenses						
Administrative & Corporate General	603,371	567,951	35,420	1,403,812	1,417,343	(13,531)
Information Technology	55,508	71,395	(15,887)	174,954	193,894	(18,940)
Admissions & Marketing	59,230	53,398	5,832	164,891	158,240	6,651
Fund Development	8,695	9,122	(427)	26,711	26,821	(110)
Child Care Center	19,658	18,681	977	58,448	54,889	3,559
Dining Service	358,389	358,742	(353)	1,050,809	1,053,079	(2,270)
Health Center	346,491	352,093	(5,602)	991,168	1,010,572	(19,405)
Hospice	12,275	11,613	662	34,997	34,524	473
Abington House	94,824	104,420	(9,596)	276,978	306,614	(29,636)
Home Care	19,881	9,567	10,314	42,610	28,514	14,096
Resident Care	80,665	83,889	(3,224)	232,795	246,338	(13,543)
Fitness Center	18,744	16,369	2,375	50,146	48,138	2,008
Housekeeping	137,704	139,559	(1,855)	399,303	408,127	(8,824)
Maintenance	177,373	145,037	32,336	455,865	434,154	21,711
Utilities	87,939	81,201	6,738	253,339	243,603	9,736
Real Estate Taxes	51,408	49,167	2,241	149,250	147,501	1,749
Contingency	0	19,068	(19,068)	0	57,204	(57,204)
Total Expenses	2,132,156	2,091,272	40,884	5,766,074	5,869,555	(103,481)
Excess Operation Income Over Expense or Net Cash Flow from Operations	(273,071)	(149,013)	(124,058)	(146,755)	(34,023)	(112,732)
Total Payroll Expense	959,591	943,294	16,297	2,738,057	2,769,371	(31,314)

Foulkeways at Gwynedd
Cash Flow from Other Than Operations
For the Three Months Ending March 31, 2017

Account Name	Current Period Actual 3/31/2017	Current Period Budget 3/31/2017	DIFFERENCE	Year-to-Date Actual 3/31/2017	Year-to-Date Budget 3/31/2017	DIFFERENCE
<i>Cash Received from:</i>						
Entry Fees	157,000	567,327	(410,327)	157,000	1,701,981	(1,544,981)
Transfer from Project Fund	3,659,166	1,060,408	2,598,758	4,110,952	3,181,224	929,728
Interest Earned	52,081	52,500	(419)	145,332	157,500	(12,168)
Gain/Loss on Investments	(25,464)	0	(25,464)	68,646	0	68,646
Bequest Income	0	4,167	(4,167)	0	12,501	(12,501)
<i>Cash Available for Debt Service, Capital Expenditures and Reserves</i>	3,842,783	1,684,402	2,158,381	4,481,931	5,053,206	(571,275)
<i>Cash Used for:</i>						
Fixed Rate Debt Service	76,483	120,250	(43,767)	229,450	360,750	(131,300)
Variable Rate Debt Service	39,059	49,969	(10,910)	109,475	149,907	(40,432)
Capital Expenditures	139,190	119,741	19,449	219,319	359,223	(139,904)
Building Projects	257,902	324,583	(66,681)	422,351	973,749	(551,398)
Campus Renewal Project	917,288	958,637	(41,349)	2,056,517	2,875,911	(819,394)
Gwynedd Note	0	0	0	0	0	0
<i>Cash Used for Non-Operating Activities</i>	1,429,922	1,573,180	(143,258)	3,037,111	4,719,540	(1,682,429)
<i>Net Cash Flow From Other Than Operations</i>	2,412,861	111,222	2,301,639	1,444,820	333,666	1,111,154
<i>Total Cash Generated:</i>						
Net Cash Flow From Operations	(273,071)	(149,013)	(124,058)	(146,755)	(34,023)	(112,732)
Net Cash Flow from Other Than Operations	2,412,861	111,222	2,301,639	1,444,820	333,666	1,111,154
<i>Total Cash from All Sources</i>	\$ 2,139,790	\$ (37,791)	\$ 2,177,581	\$ 1,298,065	\$ 299,643	\$ 998,422

**FOULKEWAYS AT GWYNEDD
OCCUPANCY STATISTICS
JANUARY 1 THROUGH MARCH 31, 2017**

Unit Statistics	Total number of Units	Average Number Occupied	% Occupied
Apartments	254	236	93%
Health Center **	47	42	90%
Personal Care *	58	60	103%

*Includes 6 Single Rooms

**Includes 5 double rooms

Resident Statistics at March 31, 2017	# of Residents	# Per Diem Residents	Total
Apartments	316	3	319
Health Center	40	0	40
Personal Care	56	0	56
Total	412	3	415

COMMUNITY PAYER MIX:

Contract Residents	99.89%
Per Diem Residents	0.00%
Medicare	0.11%
	<hr/>
	100.00%

SNF PAYER MIX:

Private Pay	98.83%
Per Diem Residents	0.00%
Medicare	1.17%
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	100.00%