

DISCLOSURE STATEMENT
SHARON VILLAGE

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DISCLOSURE STATEMENT

Dated: February 20, 2024

Name of Facility: Sharon Village Apartments

Located at: 4009 Craig Avenue (28211-2561)
P O Box 220130
Charlotte, NC 28222-0130

Telephone No.: 704-365-7190

In accordance with Chapter 58, Article 64 of the North Carolina General Statutes of the State of North Carolina:

- * **This Disclosure Statement may be delivered until revised, but not after
February 27, 2025;**
- * **Delivery of the Disclosure Statement to a contracting party before execution
of a contract for continuing care is required;**
- * **This Disclosure Statement has not been reviewed or approved by any
government agency or representative to ensure accuracy or completeness of
the information set out**

DISCLOSURE STATEMENT

SHARON VILLAGE APARTMENTS

I. ORGANIZATION INTRODUCTION AND INFORMATION

With its beginning in 1969, professional leadership of our organization has had many years of successful experience in the health care field and has developed an accomplished management team as an integral part of the operation.

Depending on local community needs, White Oak Manor, Inc. through its qualifying subsidiary companies, develops and manages its own communities, or manages the facility for local community or private groups. We are an organization of 2,200 employees, with combined annual revenue of more than 170 million dollars. We own 16 health care facilities with 1,928 SNF beds, 75 Assisted Living beds and 303 Independent Living Apartments; and operate on a for-profit status as a corporation.

Our goal is to deliver the highest quality services to our residents at the lowest possible cost. Our Apartment Managers are trained as cooperative supportive problem solvers and our full-time corporate staff has daily exposure to the intricacies involved in translating the concept of quality health care into the actual delivery of health services.

Through the following methods White Oak Manor – Charlotte, Inc. and its parent company, White Oak Manor, Inc., will achieve their objectives:

1. Maximize the utilization of manpower and professional skills to recruit qualified personnel to staff the facility.
2. Provide overall administration and direction including financial systems implementation and review, and professional analysis of the several indices of the facility's progress.
3. Assist in the development of short- and long-range communications, media, and public relations programs to increase the visibility of the facility's activities and to promote the committee education; evaluate the continuing development of the facility's program and resident care policies.
4. Provide ongoing responsive management to ensure quality cost-effective operation and the constant sensitivity to changing community needs.
5. Use of bulk buying power to obtain the best service and buys from vendors.
6. Provide attractive working conditions and effective recruitment policies in order to insure a stable, high caliber level of employee.
7. Provide a high degree of expertise by being able to call on other communities within the organization wherein individuals have attained excellence in specific areas.
8. Assure top quality care, a good reputation, and a successful financial operation.

II. FACILITY INTRODUCTION AND INFORMATION

Sharon Village combines beauty, dignity, and security to create a remarkably attractive atmosphere. There are thirty-four one- and two-bedroom apartments, carefully planned to provide convenience, safety, and privacy that make up Sharon Village.

In the kitchen, you'll find all those extras you've come to expect – refrigerator, dishwasher, disposal, stove, built-in microwave, and oven. Spend afternoons relaxing on your porch or balcony, in the company of friends or in undisturbed privacy. Located in each apartment are emergency call systems connected to the nurses' station in the adjacent White Oak Manor – Charlotte nursing center. In addition, centrally located are a dining area and community room.

The White Oak Manor – Charlotte nursing center is a licensed 180-bed Medicare and Medicaid certified nursing facility staffed 24-hours a day with health professionals.

Physical, speech and occupational therapists are available to apartment residents. Activities at Sharon Village are planned to meet the needs and desires of the individual resident. We offer planned and stimulating entertaining activities for you to enjoy at the community as well as outside excursions to satisfy everyone's taste. You're not bound by a schedule but are free to set your own pace.

White Oak Manor – Charlotte, Inc. is a wholly owned subsidiary of White Oak Manor, Inc., and both are for profit South Carolina corporations. The 4.559-acre site includes 34 apartments, all with ground floor entrance, and a 180-bed nursing facility.

Sharon Village can be easily located by traveling East on Highway #74 from downtown Charlotte, N.C., turning right on Sharon Amity (South) and then right again approximately 1.2 miles onto Craig Avenue.

As of September 30, 2023 there were 34 residents at Sharon Village occupying 32 of 33 available apartments.

Our nursing facility is recognized by the following affiliated groups:

1. Licensed by State Health Department
2. Certified by Medicare, Medicaid, and VA
3. Member of North Carolina Health Care Facilities Assoc.
4. Member of American Health Care Assoc.

The day-to-day operating manager of Sharon Village Apartments is Sheri Conrad, Apartment Coordinator. Please see biography on next page.

APARTMENT COORDINATOR'S BIOGRAPHY

Sheri Conrad

Sheri joined the White Oak family in July 2017 performing various administrative duties for multiple departments. In October 2018 she was promoted to Apartment Director for Sharon Village Apartments.

Sheri has over 28 years of in-depth experience in Property Management, Construction Management, Leasing and Human Resources. Her prior employment includes Star Linear Systems, Trammel Crow Company, Childress Klein Properties and Summit Properties.

CURRENT CONTACT INFORMATION:

SHARON VILLAGE APARTMENTS

4009 Craig Avenue (28211-2561)

P O Box 220130

Charlotte, NC 28222-0130

704-365-7190

The Corporate Staff of White Oak Management, Inc. is:

- a) Oliver K. Cecil, Jr., NHA
Chief Executive Officer
Secretary
(44+ years' experience)
- b) Douglas M. Cecil, NHA
President
(37+ years' experience)
- c) John P. Barber, CPA
Executive Vice President – CFO
Treasurer
(43+ years' experience)
- d) Gregory Forsey
Director of Operations
(32+ years' experience)
- e) Joey Haney, CPA
Vice President Finance
(42+ years' experience)
- f) Nicolett Volk, RD, LDN
Dietary Consultant
(18+ years' experience)
- g) Jenneifer Coletti, RN
Clinical Services Director
(25+ years' experience)
- h) Jacqueline Kirkwood, MSW, LMSW
Social Service Consultant
(35+ years' experience)
- i) Maintenance staff with preventive maintenance duties to insure efficiency and safety for staff and residents.
- j) Staff of 36 Home Office Support Personnel

Note: The above Corporate Staff can be contacted at:
White Oak Management, Inc.
130 East Main Street (29306)
P O Box 3347
Spartanburg, SC 29304

CORPORATE STRUCTURE AND MANAGEMENT COMPANY

White Oak Manor – Charlotte, Inc. is a wholly owned subsidiary (Q-sub) of White Oak Manor, Inc. White Oak Manor – Charlotte, Inc. has two operating divisions: White Oak Manor- Charlotte (180-bed Nursing) and Sharon Village Apartments (34 Continuing Care Retirement Apartments). The parent company, White Oak Manor, Inc., owns 100% of the real estate and related fixed equipment. On October 1, 2002, White Oak Manor – Charlotte, Inc. entered into a lease with its parent company, White Oak Manor, Inc., for the building and fixed equipment located at both divisions.

Additionally, on October 1, 2002, White Oak Manor – Charlotte, Inc. entered into a management agreement with White Oak Management, Inc. to oversee several functions including accounting and payroll, consulting services for Nursing, Dietary, Activities, and overall management services.

White Oak Manor, Inc. is financially responsible for all indebtedness including all financial and contract obligations entered into by any of its' subsidiaries (Q-sub), including White Oak Manor – Charlotte, Inc.

The Board of Directors and Shareholders of White Oak Manor, Inc., White Oak Manor- Charlotte, Inc., and White Oak Management, Inc. are identical and are listed below:

SHAREHOLDER	RELATIONSHIP	ADDRESS	OWNERSHIP
Dorothy Dean Cecil	Sibling	1718 Crestwood Drive Columbia, SC 29205	20.94%
Douglas M. Cecil	Sibling	P O Box 3347 Spartanburg, SC 29304	19.34%
Jeni C. Feeser	Sibling	5 Bobwhite Court Beaufort, SC 29902	20.54%
Beth C. Cecil	Sibling	P O Box 3347 Spartanburg, SC 29304	20.94%
Oliver K. Cecil, Jr.	Sibling	P O Box 3347 Spartanburg, SC 29304	18.23%

Directors of White Oak Manor, Inc., White Oak Manor – Charlotte, Inc. and White Oak Management, Inc. are:

Oliver K. Cecil, Jr. – Chairman & CEO
Douglas M. Cecil – President
John P. Barber – Treasurer
Beth Cecil, Leadership Enrichment Director
Dorothy Dean Cecil
Jeni Cecil Feeser

RELATED PARTY TRANSACTION STATEMENT

With one exception, which is explained below, there is no person, association, trust, partnership, or corporation which has an ownership interest in White Oak Manor – Charlotte, Inc., White Oak Management, Inc., or White Oak Manor, Inc. which also has an ownership interest in a service firm, association, trust partnership or corporation which provides goods, leases, or services to the facility. Furthermore, there are no plans for other such arrangements to be developed in the next 12 months.

The one exception is White Oak Pharmacy, Inc., who supplies prescription drugs, medical and nursing supplies to White Oak Manor – Charlotte nursing facility. The value of the goods purchased by White Oak Manor – Charlotte varies from year to year. For the year ending 9/30/23, the total value was approximately \$693,712.

The ownership and Board of Directors of White Oak Pharmacy, Inc. are listed below:

Shareholders:

John P. Barber	33.3%
Oliver K. Cecil, Jr.	33.3%
Douglas M. Cecil	33.3%

Board of Directors


President – John P. Barber
Vice President – Douglas M. Cecil
Secretary – Oliver K. Cecil, Jr.

AFFILIATION STATEMENT

White Oak Manor – Charlotte, Inc., White Oak Manor, Inc., and White Oak Management, Inc. are not affiliated with a religious, charitable, or other nonprofit organization; therefore, White Oak Manor – Charlotte, Inc. is responsible for all financial and contract obligations and White Oak Manor – Charlotte, Inc. is not a tax-exempt organization.

CRIMINAL VIOLATION STATEMENT

There are no directors, officers, agents, or managing employees of White Oak Manor, Inc., White Oak Manor – Charlotte, Inc. and White Oak Management, Inc. that have ever been convicted of a felony or pleaded nolo contendere to a felony charge, or been held liable or enjoined in a civil action by final judgment that involved fraud, embezzlement, fraudulent conversion, or misappropriation of property; or (ii) is subject to a currently effective injunctive or restrictive court order, or within the past five years, had any State or Federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department for any reason.



White Oak Manor, Inc.

John P. Barber

Executive Vice President & CFO



Date

III. POLICIES

ADMISSION

Health Criteria – Prospective residents must be ambulatory and be able to function independently in the activities of daily living. Also, please refer to Section 1 (i) – (iii) of the Apartment Rental Agreement.

Financial and Insurance Criteria – Prior to admission, the resident must pay the Retention Deposit, if applicable, and the first month's rent. We do not require, but recommend, the resident maintain adequate renter's insurance covering the personal contents of their apartment.

Age Requirement – Admissions are limited to those individuals who are 65 years of age or older.

Changes of Condition Prior to Occupancy – At the time of occupancy, each resident must meet the health criteria outlined above.

Cancellation/ Termination – In accordance with Section 1 of the Apartment Rental Agreement, the following describes our cancellation and termination policy:

“The term of this Agreement shall begin on the first day of occupancy, and end upon the first of the following to occur:

- (a) The last day of the month following the Resident's death, or at such time thereafter as the Resident's belongings have been removed from the premises; or
- (b) Resident's default as hereinafter defined; or
- (c) Sharon Village having determined, and having given written notification thereof, that the Resident:
 - (i) is socially incompatible with the Sharon Village employees, other residents or guests;
 - (ii) has demonstrated possible emotional instability.
 - (iii) poses a risk to the life and well-being of him/herself or others;
 - (iv) has destroyed, or attempted to destroy, property belonging to Sharon Village, him/herself or others; or
 - (v) fails to fully comply with all terms and provisions contained in this Agreement; or
 - (vi) has acted in any other unreasonable fashion or poses for Sharon Village its employees, residents or guests, any other unreasonable risks; or
- (d) The last day of any month prior to which the Resident has given to Sharon Village:
 - (i) In the event the Resident is to be transferred, based upon written medical certification, to a hospital or to White Oak Manor- Charlotte Nursing Center, at least ten (10) days prior written notice or

- (ii) In the event the Resident is to be transferred based upon written medical certification, anywhere else, at least thirty (30) days prior written notice; or
 - (iii) In the event the Resident is to be transferred anywhere else, without written medical certification, at least (60) sixty days prior written notice; or
- (e) At such time as, if ever, the apartment is destroyed by fire or other calamity, or if the apartment, or a substantial portion of the complex, is acquired through condemnation proceedings, making it such, under the circumstances, that the apartment is no longer reasonably fit for its intended use.

In the event the Resident is transferred as provided in Paragraph (i) above, to a hospital, he shall have sixty (60) days from date of transfer to return to his apartment, and to have the within Agreement remain in full force and effect, so long as all terms, covenants and conditions here in contained, including those pertaining to rental payments, have been (and are then being) fully complied with.

In the event the Resident is transferred, as provided in Paragraph (i) above, to White Oak Manor – Charlotte Nursing Center, the Resident shall have thirty (30) days from date of transfer to return to his apartment, and to have the within Agreement remain in full force and effect, so long as all terms, covenants and conditions herein contained, including those pertaining to rental payments, have been (and are then being) fully complied with.

In the event that the Resident, upon being transferred elsewhere as provided above, wishes to again become a tenant of Sharon Village, after the within Agreement has terminated, and is certified, in writing, by a qualified physician, as being again able to reside in the apartment complex, Sharon Village agrees to give the Resident, to the extent reasonably possible, a priority as far as the next available apartment, with Retention Deposit and rental rates to be those then in effect, and a new Apartment Rental Agreement to be entered into.

In the situations described in Paragraphs (i) and (ii) above, Sharon Village may, but shall have no legal duty to, waive the requirement regarding written notification based upon terms and conditions mutually agreeable to both Sharon Village and Resident.”

Apartment Rental Agreement (With Retention Schedule Included)

Retention Schedule is as follows:

<u>LENGTH OF OCCUPANCY</u>	<u>AMOUNT RETAINED</u>	<u>AMOUNT REFUNDED</u>
Upon Occupancy	20%	80%
Year 1 (prorated daily)	20%	60%
Year 2 (prorated daily)	20%	40%
Year 3 (prorated daily)	20%	20%
Year 4 (prorated daily)	20%	0%

The purpose of paying the Retention Deposit is to reduce the monthly rent when compared to the Straight Rental payment plan.

Upon a resident's death, the unearned portion of the Retention Deposit becomes the facility's property. In the event of a death of a spouse where the remaining spouse continues to live at Sharon Village, the Retention Deposit continues to be earned by the facility based on the original Apartment Agreement. When the remaining spouse dies, the unearned portion becomes the facility's property.

Upon termination of the Apartment Rental Agreement (with Retention Schedule Included) for any reason other than resident's death, the resident or his legal representative shall be entitled to a refund of the unearned portion of the Retention Deposit. The amount of refund will be calculated on a daily basis (365 days per year). Refunds of this nature will be promptly made to the Resident or his legal representative but under no circumstances later than 30 days after the termination date of the agreement.

If an executed contract is rescinded or cancelled under the terms of this contract, all unearned fees and deposits will be fully refundable to the Resident or their Legal Representative within 30 days following the later of the execution of the contract or the receipt of a disclosure statement and Resident will not be required to move into apartment during recession period. The amount of refund will be calculated on a daily basis (365 days per year).

Transfers

A transfer fee may apply if you request a transfer from your current apartment to another. After 10 years of residency in the same apartment, a transfer fee may be waived. A 50% transfer fee will apply if transfer occurs within 5-10 years of residency. If request is made prior to 5 years, 100% of the transfer fee will apply. An exception to the transfer fee may apply if a prearranged agreement signed by both parties stipulates a desire to transfer to another specific apartment within one year. The transfer fee is not a present cost but is based on cost to refurbish the vacated apartment.

Marriages

If a current resident(s) of Sharon Village becomes married, the rent will increase based on the rent schedules in effect at that time for two persons. No additional deposit is required and the balance outstanding on any deposit(s) will continue to amortize in accordance with each Resident's original Rental Agreement. A new Rental Agreement will be negotiated between Sharon Village and the husband and wife as Residents. Other than for medical reasons there are no qualifying requirements for a spouse to meet as a condition for entry. In the event the spouse does not medically qualify for admission, the agreement will terminate and alternate placement will be required.

Rent/ Default

If an existing resident is unable to meet their monthly obligation to the facility, the Apartment Rental Agreement provides the following under Section(s) 16 (no initial deposit agreement) and 17 (with retention schedule agreement) "Default":

"This Apartment Rental Agreement is made upon the condition that the Resident shall faithfully perform all of the terms, covenants and conditions herein contained by him to be performed as herein set forth or in other agreements heretofore or hereafter entered into between Sharon Village and the Resident, and Resident shall be in default if:

- (a) Any rental payment due hereunder shall at any time be in arrears and unpaid for fifteen (15) days after receipt by Resident of written notice making demand therefore; or
- (b) Resident shall fail to observe or perform any of the covenants, agreements, or conditions set forth herein and said failure shall continue for a period of fifteen (15) days after receipt by Resident of written notice of such failure from Sharon Village.
- (c) Owner's having determined, and having given written notification thereof, that the resident:
 - (i) is socially incompatible with the Owner's employees, other residents, or guests;
 - (ii) has demonstrated possible emotional instability;
 - (iii) poses a risk to the life and well-being of himself or others;
 - (iv) has destroyed, or attempted to destroy, property belonging to the Owner, himself, or others; or
 - (v) has acted in any other unreasonable fashion or poses for the Owner, its employees, residents or guests, any other unreasonable risks or

In the event of a default, Sharon Village may, at its option, declare the term of this Agreement ended and repossess the apartment and shall further be entitled to all rights and remedies set forth herein." The Owner shall be entitled to be fully reimbursed for all costs and expenses incurred in enforcing its rights hereunder, including a reasonable attorney's fee, and shall be entitled to have accrued, monthly, interest, at the maximum rate allowed by law, as to any payments due and owing hereunder."

IV. SERVICES

The following services are available at no extra charge to residents:

- (a) Meals. Sharon Village will provide Resident with one meal per day, the meal to be determined by Owner, and to be served in the common dining area.
- (b) Guest Meals. Are available at \$10.00 per meal.
- (c) Utilities. All utilities, except telephone expenses, will be paid for by Sharon Village. However, the cost of telephone installation and removal shall be paid by Resident.
- (d) Janitorial Services. Sharon Village will provide services in all service areas, halls and community areas.
- (e) Maid Service. Sharon Village will provide maid service every other week, on a regularly scheduled basis, to clean Resident's apartment if so desired by Resident.
- (f) Laundry. Once each week, Resident's flat laundry will be picked up outside the door of Resident's apartment, cleaned, and then returned.
- (g) Laundromat. Laundry facilities are available free of charge at the apartment complex for Resident's use (Resident must provide detergent).
- (h) Transportation. Transportation will be available at certain scheduled times, to be determined by Sharon Village in view of the needs of the Resident and the other occupants of apartments.
- (i) Nursing Center. A bed in the adjoining nursing center will be made available, on a priority basis, whenever Resident's health, as determined by Resident's physician, so requires.
- (j) Nursing Facility Days. At the time of residence and each calendar year thereafter, each resident is allowed 10 inpatient days in the adjacent White Oak Manor Charlotte facility. Unused days cannot be carried forward to the next calendar year. A physician's written medical certification is required before admission to the Nursing Facility.
- (k) Nurse Call System. Is located in the master bedroom and bath of each apartment and is connected to the nurse's station at the adjacent nursing facility. If activated, a trained member of the Nursing Department will respond to the apartment.
- (l) Health Services Available. Skilled Nursing Care (Medicare and Medicaid Certified).
- (m) Storage Facilities. Sharon Village shall provide, at Resident's sole risk, reasonable storage space for Resident's belongings other than furniture and other household furnishings.
- (n) Recreational Facilities. Recreational facilities are available for Resident's use on first come/first served basis.

(o) Basic Cable TV. Basic Cable TV service is provided by the Owner. Additional services can be purchased by the Resident.

(p) Personal Services. The following services are available at the Resident's expense:

Beauty/ Barber Shop
Accommodations for overnight guests

V. FEES/ RENT

Application/ Registration Fee – a \$500 deposit is required to be on the waiting list. This fee is refundable within 30 days from receipt of such a request.

RETENTION & MONTHLY RENTAL FEES

Apartment Type	Retention Deposit	Monthly Rental Fee	
		1 st Person	2 nd Person
Efficiency	\$17,000	\$895	N/A
One Bedroom	\$22,000	\$1,160	\$1,490
One Bedroom Deluxe	\$26,000	\$1,465	\$1,795
Two Bedrooms	\$30,000	\$1,735	\$2,065

The purpose of the Retention Deposit is to reduce the monthly rent when compared to the Straight Rental Plan

STRAIGHT RENTAL PLAN

Apartment Type	Retention Deposit	Monthly Rental Fee	
		1 st Person	2 nd Person
Efficiency	N/A	\$1,195	N/A
One Bedroom	N/A	\$1,540	\$1,870
One Bedroom Deluxe	N/A	\$1,870	\$2,200
Two Bedrooms	N/A	\$2,175	\$2,500

Although Sharon Village will attempt to keep rental increases to a minimum, during any calendar year following the first full calendar year of this Agreement, Sharon Village may, due to an increase in the cost of operation, or for any other reason, upon thirty (30) days prior written notice to the Resident, increase the monthly rental payable hereunder so long as the sum of the increases in monthly rental during any calendar year does not exceed the greater of:

- (i) Six (6%) percent of the average monthly rental during the preceding calendar year; or
- (ii) An amount equal to the average monthly rental during the preceding calendar year multiplied by the percentage increase in the "Consumer Price Index" figures for January and December of the preceding calendar year, the Consumer Price Index being the "Consumer Price Index – U.S. City Average – All Items Figures for Urban Wage Earners and Clerical Workers (Including Single Workers)", which index is currently published in the "Monthly Labor Review" of the Bureau of Labor Statistics of the United States Department of Labor, or its successor index.

SHARON VILLAGE APARTMENTS

SCHEDULE OF FEE CHANGES FOR THE LAST FIVE YEARS

RETENTION DEPOSIT PLAN

	2023		2022		2021		2020		2019	
	<u>Deposit</u>	<u>Rent</u>	<u>Deposit</u>	<u>Rent</u>	<u>Deposit</u>	<u>Rent</u>	<u>Deposit</u>	<u>Rent</u>	<u>Deposit</u>	<u>Rent</u>
<u>2 Bedrooms</u>										
1 Person	\$30,000	N/A	\$30,000	N/A	\$30,000	\$1,735	\$30,000	\$1,650	\$30,000	\$1,650
2 People	\$30,000	N/A	\$30,000	N/A	\$30,000	\$2,065	\$30,000	\$1,965	\$30,000	\$1,965
<u>1 Bedroom</u>										
1 Person	\$22,000	N/A	\$22,000	N/A	\$22,000	\$1,160	\$22,000	\$1,105	\$22,000	\$1,105
2 People	\$22,000	N/A	\$22,000	N/A	\$22,000	\$1,490	\$22,000	\$1,420	\$22,000	\$1,420
<u>1 Bedroom Deluxe</u>										
1 Person	\$26,000	N/A	\$26,000	N/A	\$26,000	\$1,465	\$26,000	\$1,395	\$26,000	\$1,395
2 People	\$26,000	N/A	\$26,000	N/A	\$26,000	\$1,795	\$26,000	\$1,710	\$26,000	\$1,710
<u>Efficiency</u>										
1 Person	\$17,000	N/A	\$17,000	N/A	\$17,000	\$895	\$17,000	\$850	\$17,000	\$811

STRAIGHT RENTAL PLAN

	2023		2022		2021		2020		2019	
	<u>Deposit</u>	<u>Rent</u>	<u>Deposit</u>	<u>Rent</u>	<u>Deposit</u>	<u>Rent</u>	<u>Deposit</u>	<u>Rent</u>	<u>Deposit</u>	<u>Rent</u>
<u>2 Bedrooms</u>										
1 Person	N/A	N/A	N/A	N/A	N/A	\$2,175	N/A	\$2,070	N/A	\$2,070
2 People	N/A	N/A	N/A	N/A	N/A	\$2,500	N/A	\$2,385	N/A	\$2,385
<u>1 Bedroom</u>										
1 Person	N/A	N/A	N/A	N/A	N/A	\$1,540	N/A	\$1,465	N/A	\$1,465
2 People	N/A	N/A	N/A	N/A	N/A	\$1,870	N/A	\$1,780	N/A	\$1,780
<u>1 Bedroom Deluxe</u>										
1 Person	N/A	N/A	N/A	N/A	N/A	\$1,870	N/A	\$1,780	N/A	\$1,780
2 People	N/A	N/A	N/A	N/A	N/A	\$2,200	N/A	\$2,095	N/A	\$2,095
<u>Efficiency</u>										
1 Person	N/A	N/A	N/A	N/A	N/A	\$1,195	N/A	\$1,135	N/A	\$1,135

SHARON VILLAGE
FREQUENCY AND AVERAGE DOLLAR CHANGE (RETENTION DEPOSIT PLAN) - RENT

	2023	2022	2021	2020	2019
1 Person	N/C	N/C	+55	N/C	+77
2 People	N/C	N/C	+70	N/C	+92
1 Person	N/C	N/C	+70	N/C	+54
2 People	N/C	N/C	+85	N/C	+69
<u>One Bedroom Deluxe</u>					
1 Person	N/C	N/C	+70	N/C	+64
2 People	N/C	N/C	+85	N/C	+79
<u>Efficiency</u>					
1 Person	N/C	N/C	+45	N/C	+39

FREQUENCY AND AVERAGE DOLLAR CHANGE (STRAIGHT RENTAL PLAN) - RENT

	2023	2022	2021	2020	2019
1 Person	N/C	N/C	+75	N/C	+98
2 People	N/C	N/C	+90	N/C	+113
1 Person	N/C	N/C	+75	N/C	+69
2 People	N/C	N/C	+90	N/C	+84
<u>One Bedroom Deluxe</u>					
1 Person	N/C	N/C	+90	N/C	+86
2 People	N/C	N/C	+105	N/C	+101
<u>Efficiency</u>					
1 Person	N/C	N/C	+60	N/C	+53

FREQUENCY AND AVERAGE DOLLAR CHANGE (RETENTION DEPOSIT PLAN) - DEPOSIT

	2023	2021	2020	2019	2019
1 Person	N/C	N/C	N/C	N/C	N/C
2 People	N/C	N/C	N/C	N/C	N/C
1 Person	N/C	N/C	N/C	N/C	N/C
2 People	N/C	N/C	N/C	N/C	N/C
<u>One Bedroom Deluxe</u>					
1 Person	N/C	N/C	N/C	N/C	N/C
2 People	N/C	N/C	N/C	N/C	N/C
<u>Efficiency</u>					
1 Person	N/C	N/C	N/C	N/C	N/C

VI. FINANCIAL INFORMATION

1. Audited Financial Statement – Please refer to Attachment I.
2. Five Year Projection Statement – Please refer to Attachment II.
3. Current Interim Financial Statement – Please refer to Attachment II.

VII. PROJECTED VS. ACTUAL FORECAST COMPARISON

The following pages include:

1. White Oak Manor – Charlotte and Sharon Village, Inc.
 - a. Comparison – Year Ended September 30, 2023
Forecasted Balance Sheet
 - b. Comparison – Year Ended September 30, 2023
Forecasted Income Statement
 - c. Comparison – Year Ended September 30, 2023
Forecasted Statements of Cash Flows
 - d. Schedules Exhibit A – Assets Limited to Use – Operating Reserve /
Consolidating Balance Sheet
 - e. Accounts Receivable Balances by Year

White Oak Manor- Charlotte and Sharon Village, Inc.
Comparison - Year Ended September 30, 2023
Forecasted Balance Sheets

	2023 Actual	2023 Forecast	Variance	% Variance
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 421,847	\$ 425,000	\$ (3,153)	-1%
Accounts Receivable, Net	1,273,788	1,225,437	48,351	4%
Intercompany Accounts Receivable	-	1,594,028	(1,594,028)	-100% A
Other Current Assets	75,893	108,710	(32,817)	-30%
Total Current Assets	<u>1,771,528</u>	<u>3,353,175</u>	<u></u>	<u></u>
ASSETS LIMITED AS TO USE - OPERATING RESERVE	217,446	210,285	7,161	3%
MOVEABLE EQUIPMENT				
Less: Accumulated Depreciation	2,010,386	2,079,946	(69,560)	-3%
Construction in Progress	1,573,446	1,673,791	(100,345)	-6%
Moveable Equipment, Net	<u>436,940</u>	<u>406,155</u>	<u></u>	<u></u>
Total Assets	<u>\$ 2,425,914</u>	<u>\$ 3,969,615</u>	<u></u>	<u></u>
LIABILITIES AND SHAREHOLDER'S EQUITY (DEFICIT)				
CURRENT LIABILITIES				
Accounts Payable	\$ 333,603	\$ 323,043	\$ 10,560	3%
Accrued Wages and Other Liabilities	419,076	323,043	96,033	30%
Medicare Advance Payments	-	-	-	0%
Intercompany Accounts	-	-	-	0%
Total Current Liabilities	<u>752,679</u>	<u>646,086</u>	<u></u>	<u></u>
DEFERRED CREDITS				
Unearned Deposit Revenue - Nonrefundable	55,751	77,934	(22,183)	-28%
Unearned Deposit Revenue - Refundable	-	-	-	0%
Deposits on Apartments	3,000	5,500	(2,500)	-45%
Total Deferred Credits	<u>58,751</u>	<u>83,434</u>	<u></u>	<u></u>
LONG-TERM DEBT				
Total Liabilities	811,430	729,520	<u></u>	<u></u>
SHAREHOLDER'S EQUITY (DEFICIT)				
Common Stock, par value \$1 per share; 300,000 shares authorized, 281,450 shares issued and outstanding	281,450	281,450	-	0%
Retained Earnings (Deficit)	1,333,034	2,958,645	<u></u>	<u></u>
Other Comprehensive Loss	-	-	-	0%
Total Shareholder's Equity	<u>1,614,484</u>	<u>3,240,095</u>	<u></u>	<u></u>
Total Liabilities and Shareholder's Equity	<u>\$ 2,425,914</u>	<u>\$ 3,969,615</u>	<u></u>	<u></u>
Out of balance check	-	-	<u></u>	<u></u>

Materiality Threshold - variance is greater than 10% and \$100,000

A) NCDOI requested the intercompany balance be closed out to retained earnings after the forecast was submitted. The forecast was setup to accumulate an intercompany balance due to activity. We continue to work through improving the model to more accurately reflect the new procedure.

White Oak Manor- Charlotte and Sharon Village, Inc.
Comparison - Year Ended September 30, 2023
Forecasted Income Statement

	2023 Actual	2023 Forecast	Variance	% Variance
REVENUES				
Net Patient Service Revenue	\$ 14,556,062	\$ 14,332,281	\$ 223,781	2%
Apartment Rents	511,684	553,200	(41,516)	-8%
Deposit Amortization	15,933	20,400	(4,467)	-22%
Investment Income	(4,346)	17,648	(21,994)	-125%
Other Revenue - Provider Relief Funds	-	-	-	-
Other Revenue	28,457	24,000	4,457	19%
Total Revenues	15,107,790	14,947,529		
COST AND EXPENSES				
Nursing Services	6,845,118	6,068,220	776,898	13% B
Ancillaries	1,386,529	1,152,120	234,409	20% C
Dietary Expenses	1,303,202	1,183,860	119,342	10% D
Social Services	165,593	257,520	(91,927)	-36%
Activities	130,281	163,080	(32,799)	-20%
Medical Records	50,096	49,080	1,016	2%
Laundry and Linen	146,488	118,200	28,288	24%
Housekeeping	416,604	444,840	(28,236)	-6%
Facility Operations and Maintenance	702,760	648,900	53,860	8%
Depreciation	90,813	95,678	(4,865)	-5%
Interest Expense	1,920	-	1,920	0%
Taxes and Insurance	234,905	242,400	(7,495)	-3%
Employee Benefits	614,273	725,100	(110,827)	-15% E
COVID-19 Expenses	-	-	-	0%
General and Administrative	2,170,470	2,047,851	122,619	6%
Total Expenses	14,259,052	13,196,849		
OPERATING GAIN (LOSS)	848,738	1,750,680		
NONOPERATING GAIN (LOSS)				
Change in Unrealized Losses on Investments	32,584	-		
Other Nonoperating Gain	(765,614)	-		
Total Nonoperating Loss	(733,030)	-		
Net Loss	115,708	1,750,680		

Materiality Threshold - variance is greater than 10% and \$100,000

B) Occupancy increased 15%. facility was not able to reduce contract nursing and used contract nursing to address staffing needs due to increased occupancy.

C) Ancillaries increase due to 15% occupancy increase.

D) Dietary increase due to 15% occupancy increase. Raw food increased \$84k due to occupancy and inflation.

E) Incorrectly expected increase in employee benefits w/ reduction in contract nursing. Facility was not able to reduce contract nursing and group insurance expense decreased by \$22k. Workers compensation decreased by \$45k.

White Oak Manor- Charlotte and Sharon Village, Inc.
Comparison - Year Ended September 30, 2023

Forecasted Statements of Cash Flows

	2023 Actual	2023 Forecast	Variance	% Variance	
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income (loss)	\$ 115,708	\$ 1,750,680	█	█	
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation	90,813	95,678	(4,865)	-5%	
Deposit Amortization	(15,933)	(20,400)	4,467	-22%	
Deposit Receipts	(2,500)	42,800	(45,300)	-106%	
(Increase) in Current Assets:					
Accounts Receivable	(181,249)	(132,898)	(48,351)	36%	
Estimated Third-Party Payor Settlements			-	100%	
Other Current Assets	29,713	(3,166)	32,879	-1039%	
Increase in Current Liabilities:					
Accounts Payable	33,725	23,332	10,393	45%	
Intercompany Accounts	-	(1,594,028)	1,594,028	-100%	F
Medicare Advance Payments	(160,405)	-	(160,405)	#DIV/0!	
Accrued Wages and Other Liabilities	265,491	(16,623)	282,114	-1697%	G
Net Cash Provided by (Used in) Operating Activities	175,363	145,375	█	█	
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of Property and Equipment	(124,265)	(98,345)	(25,920)	26%	
Net Change in Assets Limited as to Use - Operating Reserve	(46,455)	(39,234)	(7,221)	18%	
Net Cash Used in Investing Activities	(170,720)	(137,579)	█	█	
CASH FLOWS FROM FINANCING ACTIVITIES					
Distributions to Shareholder	-	-	-	0%	
Net Cash Used in Financing Activities	-	-	-	-	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,643	7,796	█	█	
Cash and Cash Equivalents - Beginning of Year	417,204	417,204	█	█	
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 421,847</u>	<u>\$ 425,000</u>	█	█	

Materiality Threshold - variance is greater than 10% and \$100,000

F) NCDOL request that intercompany accounts be zeroed out. The model used by White Oak auditors does not fully support the ability to reflect that process.

G) Accrued wages were lower than forecasted due to timing of pay dates. September 2023 was a three payroll month.

Exhibit A – Assets Limited to Use – Operating Reserve / Consolidating Balance Sheet

		Reserve Calculation for 2024				
Total Projected Operating Expenses:		Formula	Tryon	Burlington	Charlotte	
Projected SNF Expense	A		8,310,875	12,901,416	15,771,128	
Projected Apartment Expense	B		1,911,603	1,000,972	708,630	
	C	A + B	10,222,478	13,902,388	16,479,758	
Total Projected Depreciation Expense:						
Projected SNF Depreciation	D		70,066	65,579	78,846	
Projected Apartment Depreciation	E		98,767	29,188	24,626	
	F	D + E	168,833	94,767	103,472	
% of SNF Patient Days Attributable to Apartment Residents						
	G		2.88%	0.37%	0.18%	
% of SNF Days Attributable to SNF only Residents						
	H		97.32%	99.63%	99.82%	
Calculation of Excluded Expenses						
	I	H * A	8,088,144	12,853,681	15,742,740	
Calculation of Included Expenses						
	J	G * A	222,731	47,735	28,388	
Calculation of Included Depreciation						
	K	D * G	1,878	243	142	
Expenses Subject to DOI Approved Operating Reserve						
	L	B+J-E-K	2,033,689	1,019,276	712,250	
Operating Reserve Percentage						
	M		25.00%	25.00%	25.00%	
Projected Reserve Req						
	N	L * M	508,422	254,819	178,063	
Investment Balances			516,992	307,174	217,446	
			Over/(Short)	7,570	52,355	39,383
Total operating expenses	A		10,222,478	13,902,388	16,479,758	
Principal payment on any long-term debt		+	0	0	0	
Depreciation expense	B	-	98,767	29,188	24,626	
Amortization expense		-	0	0	0	
Extraordinary items as approved by the Commissioner	C	-	8,090,022	12,853,924	15,742,882	
Debt service Portion		-	0	0	0	
Total operating Costs	D	=	2,033,689	1,019,276	712,250	
Occupancy Factor	E	x	25.00%	25.00%	25.00%	
Operating Reserve Requirement	F	=	508,422	254,819	178,063	
			2,033,689	1,019,276	712,250	

VIII. RESERVES, ESCROW AND TRUSTS

Sufficient reserves are maintained at all times to pay the residents the total outstanding initial deposit liability. The amount available at September 30, 2023 is \$217,446.

The amount anticipated to meet the operating reserve requirement effective at September 30, 2023 is \$178,063. The funds will come from cash or investments of White Oak Manor, Inc. The funds will be invested in "investment grade securities" such as cash, AAA or better rated bonds, U.S. Treasury and U.S. Government Agency obligations. The investment decisions will be made by Mr. Roy Janise of Common Wealth Financial Network and Mr. Justin Runager of UBS.

There are no material differences between (i) the forecast statements of revenues and expenses and cash flows or other forecast financial data filed pursuant to N.C.G.S. §58-64-20 as a part of the disclosure statement recorded most immediately subsequent to the start of the provider's most recently completed fiscal year and (ii) the actual results of operations during that fiscal year, together with the revised forecast statements of revenues and expenses and cash flows or other forecast financial data being filed as a part of the revised disclosure statement. Based on the terms of the resident agreement, initial deposits are not required to be in an Escrow or Trust Account.

IX. FACILITY DEVELOPMENT/ EXPANSION

During the year, a freestanding elevator was installed allowing residents better access to community dining and social events.

X. OTHER MATERIAL INFORMATION, AS APPLICABLE

N/A as there is no past or current litigation, bankruptcy filing, receivership, liquidation, impending actions or perils against White Oak Manor, Inc., White Oak Manor – Charlotte, Inc., White Oak Management, Inc. or this retirement community.

XI. RESIDENT'S AGREEMENT/ CONTRACT

Please refer to Attachment

Attachment 1

WHITE OAK MANOR, INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEARS ENDED SEPTEMBER 30, 2023 AND 2022



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**WHITE OAK MANOR, INC. AND SUBSIDIARIES
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INDEPENDENT AUDITORS' REPORT

Board of Directors
White Oak Manor, Inc. and Subsidiaries
Spartanburg, South Carolina

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying financial statements of White Oak Manor, Inc. and Subsidiaries (the Company) which comprise the consolidated balance sheets as of September 30, 2023 and 2022, and the related consolidated statements of income, shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of White Oak Manor, Inc. and Subsidiaries as of September 30, 2023 and 2022, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of White Oak Manor, Inc. and Subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about White Oak Manor, Inc. and Subsidiaries' ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of White Oak Manor, Inc. and Subsidiaries' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Subsidiaries' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



CliftonLarsonAllen LLP

Charlotte, North Carolina
January 12, 2024

WHITE OAK MANOR, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2023 AND 2022

ASSETS	2023	2022
CURRENT		
Cash and Cash Equivalents	\$ 2,658,511	\$ 2,983,349
Patient Accounts Receivable, Net of Allowance for Uncollectible Accounts of Approximately \$523,000 and \$795,000 in 2022 and 2021, Respectively	20,807,065	18,518,484
Investments	5,063,751	5,729,911
Other Current Assets	1,361,074	2,203,415
Total Current Assets	29,890,401	29,435,159
ASSETS LIMITED AS TO USE	1,960,230	1,916,431
FAIR VALUE OF INTEREST RATE SWAP - ASSET	962,278	1,016,840
PROPERTY AND EQUIPMENT	162,267,623	157,723,991
Less: Accumulated Depreciation	(105,848,954)	(99,821,803)
Property and Equipment, Net	56,418,669	57,902,188
OTHER ASSETS		
Goodwill, Net	135,919	203,878
Total Other Assets	135,919	203,878
 Total Assets	 \$ 89,367,497	 \$ 90,474,496

See accompanying Notes to Consolidated Financial Statements.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (CONTINUED)
SEPTEMBER 30, 2023 AND 2022

	2023	2022
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Cash Overdraft	\$ 3,229,828	\$ 4,540,792
Current Portion of Long-Term Debt	17,138,508	4,428,177
Accounts Payable	6,011,802	7,503,665
Accrued Wages and Other Liabilities	9,526,085	8,928,229
Tenant Deposits	256,713	256,609
Total Current Liabilities	36,162,936	25,657,472
 LONG-TERM DEBT, NET OF CURRENT PORTION	 28,687,558	 42,583,496
 OTHER LIABILITIES		
Deferred Income	812,530	924,039
Asset Retirement Obligation	876,656	876,656
Total Other Liabilities	30,376,744	44,384,191
Total Liabilities	66,539,680	70,041,663
 SHAREHOLDERS' EQUITY		
Common Stock: Series A Voting, No Par Value, Authorized 1,000,000 Shares; Issued and Outstanding 47,050 Shares	110	110
Common Stock: Series B Nonvoting, No Par Value, Authorized 20,000,000 Shares; Issued and Outstanding 19,916,135 Shares	46,752	46,752
Retained Earnings	22,780,955	20,385,971
Total Shareholders' Equity	22,827,817	20,432,833
Total Liabilities and Shareholders' Equity	\$ 89,367,497	\$ 90,474,496

See accompanying Notes to Consolidated Financial Statements.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	2023	2022
REVENUE		
Patient Service Revenue	\$ 179,327,408	\$ 161,419,132
Management Fee Revenue	633,845	577,002
Change in Fair Value of Interest Rate Swap Agreements	(54,562)	2,509,878
Other Revenue - COVID Relief Funding	1,214,415	6,663,210
Other Revenue	6,258,749	6,036,073
Total Revenue	187,379,855	177,205,295
 EXPENSES		
Nursing Service	85,092,051	80,913,111
Ancillaries	17,878,977	16,383,228
Dietary	15,142,316	14,017,289
Social Services	2,852,929	3,296,448
Activities	1,758,819	1,808,710
Medical Records	780,256	717,065
Laundry and Linen	2,157,609	2,022,068
Housekeeping	5,279,686	4,900,150
Facility Operations and Maintenance	8,924,121	8,470,184
Depreciation	6,027,151	6,129,712
Interest Expense	2,552,732	1,622,799
Amortization Expense	67,960	127,709
Property Taxes and Insurance	5,344,347	5,234,726
Employee Benefits	11,772,918	11,922,828
COVID-19 Expenses	29,668	2,510,902
General and Administrative	22,185,056	20,586,457
Total Expenses	187,846,596	180,663,386
 OPERATING LOSS	(466,741)	(3,458,091)
 NONOPERATING GAIN (LOSS)		
Change in Unrealized Gains (Losses) on Investments	753,618	(1,749,883)
Other Nonoperating Gains	2,608,107	3,801,224
Total Nonoperating Gain	3,361,725	2,051,341
 NET INCOME (LOSS)	\$ 2,894,984	\$ (1,406,750)

See accompanying Notes to Consolidated Financial Statements.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	Series A Voting Common Stock		Series B Nonvoting Common Stock		Retained Earnings	Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount	Shares	Amount			
BALANCE - SEPTEMBER 30, 2021	47,050	\$ 110	19,916,135	\$ 46,752	\$ 24,050,760	\$ -	\$ 24,097,622
Net Loss	-	-	-	-	(1,406,750)	-	(1,406,750)
Distributions to Shareholders	-	-	-	-	(2,258,039)	-	(2,258,039)
BALANCE - SEPTEMBER 30, 2022	47,050	110	19,916,135	46,752	20,385,971	-	20,432,833
Net Income	-	-	-	-	2,894,984	-	2,894,984
Distributions to Shareholders	-	-	-	-	(500,000)	-	(500,000)
BALANCE - SEPTEMBER 30, 2023	47,050	\$ 110	19,916,135	\$ 46,752	\$ 22,780,955	\$ -	\$ 22,827,817

See accompanying Notes to Consolidated Financial Statements.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	\$ 2,894,984	\$ (1,406,750)
Adjustments to Reconcile Net income to Net Cash Provided by (Used in) Operating Activities:		
Depreciation	6,027,151	6,129,712
Amortization	67,960	127,709
Amortization of Debt Issuance Costs	22,930	15,840
Bad Debt Expense	866,444	866,444
Change in Unrealized (Gains) Losses on Investments	(753,618)	1,749,883
Change in Fair Value of Swap Agreement	54,562	(2,509,878)
Unearned Deposit Income and Other Liabilities	(111,509)	76,575
Decrease (Increase) in:		
Patient Accounts Receivable	(3,155,025)	(4,151,421)
Other Assets	842,340	815,999
Increase (Decrease) in:		
Cash Overdraft	(1,310,964)	4,220,993
Accounts Payable	(1,491,863)	2,494,039
Accrued Wages and Other Liabilities	597,856	(8,281,477)
Deferred Revenue - Provider Relief Funding	-	(1,874,139)
Tenant Deposits	104	(2,998)
Net Cash Provided (Used) by Operating Activities	4,551,352	(1,729,469)
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in Assets Limited as to Use	1,375,979	(47,874)
Purchases of Property and Equipment	(4,543,632)	(4,477,024)
Net Cash Used by Investing Activities	(3,167,653)	(4,524,898)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Long-Term Debt	(2,142,039)	(2,593,739)
Proceeds from Line of Credit, Net	1,027,702	1,735,506
Distributions to Shareholders	(500,000)	(2,258,039)
Increase of Deferred Loan and Other Costs	(94,200)	(8,360)
Net Cash Used by Financing Activities	(1,708,537)	(3,124,632)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(324,838)	(9,378,999)
Cash and Cash Equivalents - Beginning of Year	2,983,349	12,362,348
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,658,511	\$ 2,983,349
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ 2,462,880	\$ 2,503,655

See accompanying Notes to Consolidated Financial Statements.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

White Oak Manor, Inc. and its wholly owned subsidiaries, (the Company) operate nursing home facilities, assisted living facilities, and apartment complexes for the elderly throughout North and South Carolina.

Principles of Consolidation

The accompanying 2023 and 2022 consolidated financial statements include the accounts of White Oak Manor, Inc. and its wholly-owned subsidiaries, which are as follows:

White Oak Management, Inc.
White Oak Manor – Spartanburg, Inc.
White Oak Manor – Columbia, Inc.
White Oak Manor – Newberry, Inc.
White Oak Manor – Rock Hill, Inc.
White Oak Manor – Shelby, Inc.
White Oak Manor – Kings Mountain, Inc.
White Oak Manor – Tryon, Inc.
White Oak Manor – Rutherfordton, Inc.
White Oak Manor – Burlington, Inc.
White Oak Manor – Charleston, Inc.
White Oak Manor – Charlotte, Inc.
White Oak Estates, Inc.
White Oak Estates Apartments, Inc.
White Oak Estates Assisted Living, Inc.
White Oak Manor – Lancaster, Inc.
White Oak Manor – York, Inc.
White Oak Manor – Waxhaw, Inc.
White Oak Manor at North Grove, Inc.

Effective December 2, 2019, the Company sold the White Oak Manor - Rutherfordton location to an independent third party for net proceeds of \$3,207,193. As of the effective date, the facility, operations and personal property of the facility, permits to operate the facility, contracts, intellectual property, and Medicaid, Medicare and Third-Party Payor agreements and provider numbers were assumed by the purchaser. All accounts receivable, accounts payable and accrued wages originating prior to the closing date remained with the Company.

The consolidated financial statements also include the accounts of the White Oak Estates Wellness Center, which is a department of White Oak Estates, Inc. All significant intercompany balances and transactions have been eliminated in consolidation.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates could also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

Cash equivalents consist of temporary bank deposits, money market instruments, and certificates of deposit with an original maturity of three months or less at the date of purchase. As of September 30, 2023 and 2022, the Company had overdrawn its cash balances by \$3,229,828 and \$4,540,792, respectively.

Allowance for Uncollectible Accounts

The Company provides an allowance for uncollectible accounts using management's judgment. Residents are not required to provide collateral for services rendered. Payment for services is required upon receipt of invoice or claim submitted. Accounts past due more than 45 days are individually analyzed for collectability. At September 30, 2023 and 2022, the allowance for uncollectible accounts was approximately \$523,000 and \$795,000, respectively.

Investments

The Company follows the accounting standard requiring unrealized gains and losses on instruments other than debt securities to be included within net income (loss) on the consolidated statements of income.

Assets Limited as to Use

Assets limited as to use primarily include assets required to be set aside by the Department of Insurance of the State of North Carolina as operating reserves and amounts received for advance admission deposits. All assets limited as to use are held in cash or cash equivalents, equity investments, and debt securities.

Property and Equipment

Property and equipment are recorded at cost and include assets costing greater than \$500 in North Carolina nursing homes, all apartments, and assisted living facilities, and assets costing greater than \$5,000 in South Carolina nursing homes at the time of purchase with a useful life greater than one year. Routine maintenance, repairs, and renewals are charged to expense. Expenditures that materially increase values, change capacities, or extend useful lives are capitalized. Depreciation is calculated on the straight-line method over the estimated useful lives of depreciable assets. Equipment is depreciated over 5 to 7 years and building and improvements are depreciated over 10 to 40 years.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Goodwill

Goodwill represents the excess of the cost over the fair value of the net assets of the acquired businesses. Prior to October 1, 2015, goodwill was not amortized but was tested annually for impairment. In the event that the fair value of the Company's reporting unit containing goodwill was less than its carrying amount, the Company would determine the amount of the impairment based upon the excess of the carrying amount of goodwill over its implied fair value.

The Company follows the provisions of Accounting Standards Update (ASU) No. 2014-02, *Intangibles-Goodwill and Other (Topic 350): Accounting for Goodwill*, which provides an alternative to accounting for goodwill for private companies. The alternative allows an entity to amortize goodwill over a period of 10 years. An entity that elects the alternative is also required to make an election to test goodwill for impairment at the entity level or the reporting unit level. The Company has elected to evaluate potential impairment at the entity level. Under the alternative, goodwill is tested for impairment only when a triggering event occurs or circumstances change that indicate that the fair value of the entity (or reporting unit) may be less than its carrying amount.

Amortization expense for the years ended September 30, 2023 and 2022 was approximately \$68,000.

Deferred Revenue – Provider Relief Funding

Due to the COVID-19 pandemic, the U.S. Department of Health and Human Services (HHS) made available emergency relief grant funds to health care providers through the CARES Act Provider Relief Fund (PRF). The PRF's are subject to certain restrictions on eligible expenses or uses, reporting requirements, and will be subject to audit. At 2022, the Company recognized \$1,874,139 of Provider Relief Funding, as other operating revenue in the consolidated statements of income. Management believes the amounts have been recognized appropriately as of September 30, 2022. The Company received no Provider Relief Funding in 2023 and recognized no revenues related to PRF.

Deferred Income

Amounts shown as deferred income were received under two types of rental agreements available to residents of White Oak Manor – Tryon, Inc.; White Oak Estates Apartments, Inc.; White Oak Manor – Charlotte, Inc.; and White Oak Manor – Burlington, Inc. (the Apartments).

Unearned deposit income represents fees that are earned over the estimated length of stay of the residents. Under the terms of the rental agreement, the unearned portion becomes the property of the Apartments in the event of the resident's death. The unearned portion is refundable to the resident in the event of termination of the lease by either the Apartments or the resident in decreasing amounts over a four or five year period.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Patient Service Revenue

Patient revenues are recorded at the private pay or expected reimbursement rate. Contractual adjustments include adjustments for patients admitted as private pay patients but later reimbursed under third-party payor rates and adjustments for ancillary charges. Final determination of amounts due from or to the Medicare and Medicaid programs is subject to review by appropriate governmental authorities or their agents. Differences between the amounts accrued and subsequent settlements are recorded in operations in the year of settlement.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The Company believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory actions including fines, penalties, and exclusion from the Medicare and Medicaid programs.

Income Taxes

The Company, with the consent of its shareholders, has elected S-corporation status. In lieu of corporate income taxes, earnings and losses are included in the income tax returns of the shareholders; accordingly, the accompanying consolidated financial statements do not reflect a provision or liability for federal and state income taxes. The Company has determined that it does not have any material unrecognized tax benefits or obligations as of September 30, 2023.

Fair Value of Financial Instruments

Fair value measurement applies to reported balances that are required or permitted to be measured at fair value under an existing accounting standard. The Company emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy.

The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments (Continued)

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Securities available for sale are recorded at fair value on a recurring basis. Fair value measurement is based on quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques, such as the present value of future cash flows, adjusted for the security's credit rating, prepayment assumptions, and other factors such as credit loss assumptions.

Securities valued using Level 1 inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as debt securities, and U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets. Level 2 inputs held by the Company include its interest rate swap agreements. The Company does not have any investments valued using Level 3 inputs.

The Company also follows the policy of valuing certain financial instruments at fair value. This accounting policy allows entities the irrevocable option to elect fair value for the initial and subsequent measurement for certain financial assets and liabilities on an instrument-by-instrument basis. The Company has elected to measure alternative investments at fair value under this standard.

Variable Interest Entity

The Company follows the provisions of Accounting Standards Update (ASU) No. 2014-07, *Consolidation (Topic 810): Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements*. This ASU provides an accounting alternative for private companies, whereby if certain criteria are met, an entity need not evaluate a lessor entity under Variable Interest Entity (VIE) accounting guidance.

Prior to 2016, the Company had not determined whether its relationships with certain entities would have required consolidation under VIE guidance. Because the relationship with the Kent and Bettye Cecil Trust meets the criteria in ASU 2014-07, the Company is no longer required to evaluate whether the entity needs to be consolidated.

New Accounting Pronouncement Effective

In February 2016, FASB issued ASU 2016-02 Leases (Topic 842). The amendments in the update increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statements of financial position and disclosing key information about leasing arrangements.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncement Effective (Continued)

In June 2020, the FASB issued ASU 2020-05, Leases (Topic 842): Effective Dates for Certain Entities, which extended the effective date of this guidance. This pronouncement was effective and applied by the Company for the year ended September 30, 2023; however, the implementation of this standard did not have a material effect on the Company. Lease disclosures for the year ended September 30, 2022 are made under prior lease guidance in FASB ASC 840.

Risks and Uncertainties

The Company holds investments in a variety of investment funds. In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will continue to occur in the near term and that such changes could materially affect the Company's investment balances and the amounts reported in the consolidated balance sheets of the Company.

Subsequent Events

In preparing these consolidated financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through January 12, 2024, the date the consolidated financial statements were available to be issued.

NOTE 2 INVESTMENTS

Investments, stated at fair value, at September 30, include:

	<u>2023</u>	<u>2022</u>
	<u>Market Value</u>	<u>Market Value</u>
Cash and Cash Equivalents	\$ 1,498,936	\$ 832,246
Equity Securities	3,139,901	4,506,623
Debt Securities	424,914	197,766
Alternative Investments	-	193,276
Total	<u>\$ 5,063,751</u>	<u>\$ 5,729,911</u>

Investment income and gains for assets limited as to use, cash equivalents, and other investments are recorded in nonoperating gains (losses) on the consolidated statements of income. They are comprised of the following for the years ended September 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Income:		
Interest and Dividend Income, Net of Fees	\$ 121,129	\$ 86,186
Realized Losses on Sales of Securities	(2,895)	(38,312)
Total	<u>\$ 118,234</u>	<u>\$ 47,874</u>
Nonoperating Gains (Losses):		
Unrealized Gains (Losses) on Investments	<u>\$ 753,618</u>	<u>\$ (1,749,883)</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 3 ASSETS LIMITED AS TO USE

Assets limited as to use are as follows at September 30, 2023 and 2021:

	2023	2022
Designated to Comply with Requirements Established by the Department of Insurance of North Carolina:		
Cash and Cash Equivalents	\$ 293,369	\$ 134,856
Equity Investments	615,566	712,469
Debt Securities	83,163	30,291
Total Designated to Comply	992,098	877,616
Apartment Reservation Deposits:		
Cash and Cash Equivalents	235,455	136,687
Equity Investments	494,047	722,145
Debt Securities	66,746	30,702
Total Apartment Reservation Deposits	796,248	889,534
Apartment Retention Deposits, Refundable and Nonrefundable:		
Cash and Cash Equivalents	50,827	22,939
Equity Investments	106,649	121,190
Debt Securities	14,408	5,152
Total Apartment Retention Deposits	171,884	149,281
Total	\$ 1,960,230	\$ 1,916,431

Operating Reserve Requirement

The Company has three subsidiaries that operate continuing care facilities in North Carolina: White Oak Manor – Charlotte, Inc.; White Oak Manor – Tryon, Inc.; and White Oak Manor – Burlington, Inc. Under the laws and regulations of the Department of Insurance of North Carolina, which regulates continuing care facilities operating in that state, the Company is required to maintain operating reserves from 25% to 50%, depending on the occupancy percentage, of the total occupancy costs of the independent living units (i.e., total expenses less depreciation, amortization, and interest expense) plus an allocated portion of the skilled nursing facilities expenses based on a ratio of skilled nursing patient days provided to independent living patients, projected for the 12-month period following the period covered by the most recent annual statement filed with the Department of Insurance. This updated calculation was developed by the Department of Insurance in 2019 for the Company. The total required reserve at both September 30, 2023 and 2022 is \$992,098 and \$877,616, respectively. These assets are restricted and cannot be used without approval by the Department of Insurance.

All funds set aside to satisfy the regulatory requirements of the Department of Insurance of North Carolina are held in money market funds, debt securities, and equity investments.

Deposits

The Company holds resident reservation deposits for individuals who have expressed an interest in being part of a waiting list for upcoming apartment vacancies.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 3 ASSETS LIMITED AS TO USE (CONTINUED)

Deposits (Continued)

Retention deposits are one-time advance fees paid by apartment residents who wish to reduce their monthly rents for as long as they occupy an apartment unit. These funds are amortized over a fixed period stated on the rental agreement.

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at September 30:

	2023	2022
Land and Improvements	\$ 17,218,487	\$ 17,129,546
Buildings	101,906,721	99,613,794
Fixed Equipment	21,997,812	21,086,798
Moveable Equipment	20,106,535	18,858,686
Construction in Progress	1,038,068	1,035,167
Subtotal	<u>162,267,623</u>	<u>157,723,991</u>
Less: Accumulated Depreciation	<u>(105,848,954)</u>	<u>(99,821,803)</u>
Total	<u>\$ 56,418,669</u>	<u>\$ 57,902,188</u>

At September 30, 2023 and 2022, construction in progress related to general renovations. Depreciation expense for the years ended September 30, 2023 and 2022 amounted to approximately \$6,027,000 and \$6,130,000, respectively.

NOTE 5 GOODWILL

The gross carrying amounts of goodwill and accumulated amortization are as follows as of September 30:

	2023	2022
Goodwill	\$ 679,593	\$ 679,593
Accumulated Amortization	(543,674)	(475,715)
Total	<u>\$ 135,919</u>	<u>\$ 203,878</u>

Amortization expense for 2023 and 2022 was approximately \$68,000.

NOTE 6 ACCRUED WAGES AND OTHER LIABILITIES

Accrued wages and other liabilities consist of the following at September 30:

	2023	2022
Accrued Salaries, Wages, Taxes, and Benefits	\$ 4,824,203	\$ 4,084,888
Medicare Advance Payments - CARES Act	-	43,210
Self-Insurance Liabilities	2,420,000	2,346,626
Property Taxes	1,744,824	1,746,467
Other Accrued Liabilities	537,058	707,038
Total	<u>\$ 9,526,085</u>	<u>\$ 8,928,229</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 7 LONG-TERM DEBT

The following comprise long-term debt at September 30:

<u>Description</u>	<u>2023</u>	<u>2022</u>
Mortgage note payable, maturing March 20, 2024, including interest at SOFR plus 1.6% (6.93% at September 30, 2023)	\$ 15,709,967	\$ 16,538,790
Note payable, maturing April 20, 2025, including interest at SOFR plus 1.6% (6.93% at September 30, 2023)	7,800,000	8,450,000
Note payable, maturing July 15, 2025, including interest at SOFR plus 1.6% (6.93% at September 30, 2023)	19,070,342	19,485,642
Equipment note payable, maturing July 15, 2025, including interest at SOFR plus 1.7% (7.04% at September 30, 2023)	573,907	821,823
Line of credit, maturing July 20, 2025, including interest at at SOFR plus 3.25% (8.58% at September 30, 2023)	<u>2,763,208</u>	<u>1,735,506</u>
Total	45,917,424	47,031,761
Less: Unamortized Debt Issuance Costs	91,358	20,088
Less: Current Portion	<u>17,138,508</u>	<u>4,428,177</u>
Total Long-Term Debt	<u>\$ 28,687,558</u>	<u>\$ 42,583,496</u>

During the year ended September 30, 2023, the Company's long-term debt agreements were amended to change base interest rates from one-month LIBOR to Term SOFR.

Substantially all real estate and equipment owned by the Company have been pledged as collateral for the above indebtedness.

Estimated maturities on long-term debt follow:

<u>Year Ending September 30,</u>	<u>Amount</u>
2024	\$ 17,138,508
2025	28,778,916
Total	<u>\$ 45,917,424</u>

The terms of certain loan agreements contain covenants that require the maintenance of specific financial ratios and other covenants. As of September 30, 2023, the Company believes they are in compliance with these covenants.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 8 ASSET RETIREMENT OBLIGATION

The Company records an asset retirement obligation for which the fair value of the environmental remediation liability can be reasonably estimated. The Company has identified and recorded an asbestos asset retirement obligation related to certain aspects of its communities. The Company had a liability of approximately \$877,000 at September 30, 2023 and 2022 related to this obligation. No accretion expense was recorded in 2023 or 2022 related to this obligation.

NOTE 9 COMMON STOCK

Effective October 1, 2003, the Articles of Incorporation were amended to increase the authorized capital stock from 40,000 shares of \$1 par value voting common stock to 1,000,000 shares of "Series A" no par value voting common stock and from 60,000 shares of \$1 par value nonvoting common stock to 20,000,000 shares of "Series B" no par value nonvoting common stock.

Series A voting shares with \$1 par value were retired and shareholders were issued an equal number of shares of Series A, voting, no par value stock.

NOTE 10 PATIENT SERVICE REVENUE

Patient service revenue consists of the following for the years ending September 30:

	2023	2022
Routine Services	\$ 176,288,936	\$ 155,620,758
Special Services	27,273,854	25,969,071
Subtotal	<u>203,562,790</u>	<u>181,589,829</u>
Less: Contractual Adjustments	<u>(24,235,382)</u>	<u>(20,170,697)</u>
Total	<u>\$ 179,327,408</u>	<u>\$ 161,419,132</u>

Patient service revenue is reported at the amount that reflects the consideration to which the Company expects to be entitled in exchange for providing resident and patient care. These amounts are due from residents, patients, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Company. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Company believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to residents and patients receiving skilled nursing and assisted living services.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 10 PATIENT SERVICE REVENUE (CONTINUED)

The Company considers daily services provided to residents of the skilled nursing facility and monthly rental for housing services, as separate performance obligations and measures these on a monthly basis, or upon move-out within the month, whichever is shorter.

For nursing home and assisted living residents, the Company measures the performance obligation from admission into the facility, to the point when it is no longer required to provide services to that resident, which is generally at the time of discharge.

The Company determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Company's policy and/or implicit price concessions provided to residents. The Company determines its estimates of contractual adjustments based on contractual agreements, its policies, and historical experience. The Company determines its estimate of implicit price concessions based on the evaluation of individual patients.

Agreements with third-party payors typically provide for payments at amounts less than established charges.

A summary of the payment arrangements with major third-party payors follows:

Medicaid – Standard Payments to Nursing Facilities

The Company has agreements with the states of South Carolina and North Carolina under the Medicaid program, and participates in the Medicare program. The Company has had a long-standing agreement with the state of South Carolina such that the Company provides care to Medicaid patients based upon fixed, prospectively determined rates.

Medicare – Prospective Payment System Payments to Skilled Nursing Facilities

The Medicare Reimbursement System methodology is based on a patient driven payment model (PDPM). The PDPM payment system operates similar to PPS in that patients are assigned standard rates of payment for their specific needs. Under PDPM, therapy minutes are removed as the primary basis for payment and instead, uses the underlying complexity and clinical needs of a patient as a basis for reimbursement. In addition, PDPM introduces variable adjustment factors that change reimbursement rates during the resident's length of stay. Therapy services to residents not in a covered Part A stay remain the same.

Other

Payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations provide for payment using prospectively determined daily rates.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 10 PATIENT SERVICE REVENUE (CONTINUED)

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Company's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Company. In addition, the contracts the Company has with commercial payors also provide for retroactive audit and review of claims.

Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Company's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from a change in an implicit price concession impacting transaction price, were not significant in 2023 and 2022.

Generally, residents who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Company estimates the transaction price for residents with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to resident service revenue in the period of the change. Additional revenue recognized due to changes in its estimates of implicit price concessions, discounts, and contractual adjustments were not considered material for the years ended September 30, 2023 and 2022. Subsequent changes that are determined to be the result of an adverse change in the resident's ability to pay are recorded as bad debt expense.

The Company has determined that the nature, amount, timing and uncertainty of revenue and cash flows are affected by the following factors:

- Payors (for example, Medicare, Medicaid, managed care or other insurance, patient) have different reimbursement/payment methodologies
- Length of the patient's service/episode of care
- Method of reimbursement (fee for service or capitation)
- The Company's line of business that provided the service (for example, skilled nursing, assisted living, independent living, etc.)

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 10 PATIENT SERVICE REVENUE (CONTINUED)

For the years ended September 30, 2023 and 2022, the Company recognized revenue of \$179,327,408 and \$161,419,132 respectively, from goods and services that transfer to the customer over a period of time.

The Company has provided for final settlements with the Medicare program and with Medicaid in the period the related services are rendered, and adjusts such estimates as final settlements are determined. Revenue from the Medicaid and Medicare programs together accounted for approximately 75% and 72%, respectively, of the Company's patient service revenue in the years ended September 30, 2023 and 2022.

The opening and closing contract balances were as follows:

	Patient Accounts Receivable	Deferred Income
As of October 1, 2021	\$ 15,233,507	\$ 847,464
As of September 30, 2022	18,518,484	924,039
As of September 30, 2023	20,807,065	812,530

NOTE 11 CONCENTRATION OF CREDIT RISK

FDIC Insurance

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of temporary cash investments. The Company places its temporary cash investments with high-quality financial institutions and limits the amount of credit exposure to any one company. At times, such investments may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit.

Receivables

The Company grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at September 30, 2023 and 2022 was as follows:

	2023	2022
Medicare	11 %	11 %
Medicaid	43	42
Other Third-Party Payors	46	47
Total	100 %	100 %

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 12 OPERATING LEASES – ASC 840

The Company leases its office building and certain transportation equipment under lease agreements, which are classified as operating leases. Rent expense under such leases totaled approximately \$1,857,000 in 2022. Future annual minimum lease commitments under such leases are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2023	\$ 970,688
2024	697,225
2025	6,447
Total	<u>\$ 1,674,360</u>

NOTE 13 DERIVATIVE FINANCIAL INSTRUMENTS

The Company periodically entered into interest rate swap agreements (interest swaps) to moderate its exposure to interest rate changes. As of September 30, 2023 and 2022, the Company had interest swaps with notional amounts of approximately \$26,159,000 and \$27,286,000, respectively. These swaps change their variable rate interest on the associated debt to fixed rates of 2.59%, 4.28%, and 5.06%.

The fair values of the Company's interest swaps are presented on the consolidated balance sheets as follows:

	<u>(Asset) Liability Derivative</u>			
	<u>September 30, 2023</u>		<u>September 30, 2022</u>	
	<u>Balance Sheet Location</u>	<u>Fair Value</u>	<u>Balance Sheet Location</u>	<u>Fair Value</u>
	Fair Value of Interest Rate Swap Agreements		Fair Value of Interest Rate Swap Agreements	
Interest Rate Swap		\$ (962,278)		\$ (1,016,840)

The unrealized loss for the year and period associated with the fair market value of the interest rate swap agreements included on the consolidated statements of income are as follows:

	<u>Location of Unrealized Gain (Loss) Recognized in Income on the Derivative</u>	<u>Amount of Unrealized Gain (Loss) Recognized in Income on the Derivative</u>	
		<u>September 30, 2023</u>	<u>September 30, 2022</u>
Interest Rate Swap	Change in Fair Value of Interest Rate Swap Agreements	\$ (54,562)	\$ 2,509,878

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 13 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The Company is exposed to a credit loss for the periodic settlement of amounts due under its interest rate swap agreements; however, such amounts were not material at September 30, 2023.

NOTE 14 RETIREMENT PLAN

The Company sponsors a retirement plan (the Plan) that covers substantially all employees. The Company's profit sharing contributions to the Plan are discretionary and are deposited with a qualified trustee with the employees' elective deferrals and the Company's matching contributions. The Company's profit sharing contributions are allocated based on the annual compensation of the participants. The Company made profit sharing and matching contributions of approximately \$91,000 and \$67,000 during the years ended September 30, 2023 and 2022, respectively.

NOTE 15 RELATED PARTY TRANSACTIONS

The Company is involved in various transactions with White Oak Pharmacy, an affiliated company by common management. The accompanying consolidated financial statements include balances and transactions between the Company and White Oak Pharmacy as follows at September 30:

	2023	2022
Accounts Payable to White Oak Pharmacy	\$ 587,460	\$ 608,058
Nursing Expenses Provided to White Oak Pharmacy	95,199	60,922
Ancillary Expenses Provided to White Oak Pharmacy	5,788,644	4,968,645
Medical Supplies Provided to White Oak Pharmacy	152,345	121,856
Consulting Expenses Provided to White Oak Pharmacy	594,038	642,040
Other Expenses Provided to White Oak Pharmacy	28,930	30,985

The Company leases its corporate office building from a related party trust (the Trust). The original lease expired in June 2013 and is renewed annually. Payments under the lease are approximately \$33,540 per month and are to be adjusted annually based on changes in the Consumer Price Index. Lease expense provided to the Trust was approximately \$403,000 in 2023 and 2022.

The Company was the guarantor on the mortgage payable on the building. The loan matures December 11, 2027, and required monthly principal and interest payments of \$3,828. The loan bore interest at One Month LIBOR plus 1.75%. The loan was paid in full during the year ended September 30, 2022 and the Company is no longer a guarantor.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 16 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Company measures fair value, refer to Note 1.

The following table presents the fair value hierarchy for the balances of the assets and liabilities of the Company measured at fair value on a recurring basis as of September 30:

	2023			Total
	Level 1	Level 2	Level 3	
Assets:				
Investments:				
Equity Securities	\$ 3,139,901	\$ -	\$ -	\$ 3,139,901
Debt Securities	424,914	-	-	424,914
Assets Limited as to Use:				
Equity Investments	1,216,262	-	-	1,216,262
Debt Securities	164,317	-	-	164,317
Interest Rate Swap Agreement	-	962,278	-	962,278
Total Assets Measured at Fair Value	<u>\$ 4,945,394</u>	<u>\$ 962,278</u>	<u>\$ -</u>	<u>\$ 5,907,672</u>

	2022			Total
	Level 1	Level 2	Level 3	
Assets:				
Investments:				
Equity Securities	\$ 4,506,623	\$ -	\$ -	\$ 4,506,623
Debt Securities	197,766	-	-	197,766
Assets Limited as to Use:				
Equity Securities	1,555,804	-	-	1,555,804
Debt Securities	66,145	-	-	66,145
Interest Rate Swap Agreement	-	1,016,840	-	1,016,840
Total Assets Measured at Fair Value	<u>\$ 6,326,338</u>	<u>\$ 1,016,840</u>	<u>\$ -</u>	<u>\$ 7,343,178</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 16 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The following tables set forth additional disclosures for the fair value measurement of certain investments that calculate net asset value per share (or its equivalent) for the years ended September 30, 2023 and 2022:

	2023			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Alternative Investments	\$ -	\$ -	None	None
	2022			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Alternative Investments	\$ 193,276	\$ -	Initial 2 Year Period; Quarterly Thereafter	45 Days

The alternative investment funds' investment objective is to achieve capital preservation through consistent, disciplined asset allocation and exposure management. To help achieve these objectives, there is a significant emphasis on portfolio diversification.

NOTE 17 COMMITMENTS AND CONTINGENCIES

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

Self-Insurance

Workers' Compensation

The Company is self-insured for workers' compensation. It has contracted with an administrative service company to supervise and administer the workers' compensation plan and act as its representative. Provisions for expected future payments under known claims and for claims incurred but not reported are actuarially determined by the administrative service company. The Company insures for excessive and unexpected claims and is liable for claims not to exceed \$300,000 per occurrence and an aggregate amount of \$1,740,000 per plan year.

WHITE OAK MANOR, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 17 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Self-Insurance (Continued)

Professional Liability

The Company is self-insured for professional liability insurance. The Company estimates its reserve under its self-insured plan based upon claims filed and also establishes a reserve for claims incurred but not yet reported. The reserve for claims incurred but not yet reported is based on the Company's historical experience.

Management Agreement

In fiscal year 2017, the Company entered into a management agreement with Kershaw Health to manage the skilled nursing facility known as Karesh Long Term Care Center. The management agreement began on February 1, 2018 for a period of three years and will automatically review for five additional years. Under the management agreement, the Company will receive a management fee equal to 6% of net patient revenues each year. The Company is responsible for paying employees including salaries, wages, and benefits, that will be reimbursed by Karesh Long Term Care Center monthly.

NOTE 18 CORPORATE LIQUIDITY

As shown in the accompanying consolidated financial statements, The Company has current liabilities in excess of current assets of approximately \$6,300,000 at September 30, 2023. This negative working capital is being driven by a loan that matures in March 2024 and has not been renewed prior to the issuance of the September 30, 2023 consolidated financial statements. These factors create uncertainty about the Company's ability to continue as a going concern. Management of the Company has been in discussions with the financial institution and has evaluated these conditions and feels confident that the outstanding debt could be renewed if needed.

NOTE 19 SUBSEQUENT EVENTS

In 2023, the Company signed a non-binding letter of intent proposal to potentially sell all asset of the Company to an unrelated third-party. As of the date of these financial statements, no deal has been formalized.



INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
White Oak Manor, Inc. and Subsidiaries
Spartanburg, South Carolina

We have audited the consolidated financial statements of White Oak Manor, Inc. and Subsidiaries as of and for the year ended September 30, 2023, and have issued our report thereon dated January 12, 2024, which expressed an unmodified opinion on those financial statements, and appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in the supplemental schedules is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual entities, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Charlotte, North Carolina
January 12, 2024

WHITE OAK MANOR, INC. AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS	<u>Consolidated</u>	<u>Eliminations</u>	<u>White Oak Manor, Inc.</u>	<u>All Subsidiaries</u>
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 2,658,511	\$ -	\$ -	\$ 2,658,511
Patient Accounts Receivable, Net	20,807,065	-	500	20,806,565
Investments	5,063,751	-	5,063,751	-
Other Current Assets	1,361,074	-	-	1,361,074
Total Current Assets	<u>29,890,401</u>	<u>-</u>	<u>5,064,251</u>	<u>24,826,150</u>
ASSETS LIMITED AS TO USE	1,960,230	-	919,618	1,040,612
FAIR VALUE OF INTEREST RATE SWAP	962,278	-	962,278	-
PROPERTY AND EQUIPMENT	162,267,623	-	139,410,751	22,856,872
Less: Accumulated Depreciation	<u>(105,848,954)</u>	<u>-</u>	<u>(87,928,763)</u>	<u>(17,920,191)</u>
Property and Equipment, Net	56,418,669	-	51,481,988	4,936,681
OTHER ASSETS				
Goodwill, Net	135,919	-	135,919	-
Intercompany Accounts	-	(60,205,140)	18,065,746	42,139,394
Investment in Subsidiaries	-	(3,177,082)	3,177,082	-
Total Other Assets	<u>135,919</u>	<u>(63,382,222)</u>	<u>21,378,747</u>	<u>42,139,394</u>
 Total Assets	 <u>\$ 89,367,497</u>	 <u>\$ (63,382,222)</u>	 <u>\$ 79,806,882</u>	 <u>\$ 72,942,837</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEET (CONTINUED)
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	Consolidated	Eliminations	White Oak Manor, Inc.	All Subsidiaries
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Cash Overdraft	\$ 3,229,828	\$ -	\$ 3,229,828	\$ -
Current Portion of Long-Term Debt	17,138,508	-	14,461,650	2,676,858
Accounts Payable	6,011,802	(8,929)	-	6,020,731
Accrued Wages and Other Liabilities	9,526,085	-	86,781	9,439,304
Tenant Deposits	256,713	-	-	256,713
Total Current Liabilities	<u>36,162,936</u>	<u>(8,929)</u>	<u>17,778,259</u>	<u>18,393,606</u>
LONG-TERM DEBT, Net of Current Portion	28,687,558	-	28,687,558	-
OTHER LIABILITIES				
Deferred Income	812,530	-	-	812,530
Asset Retirement Obligation	876,656	-	-	876,656
Intercompany Accounts	-	(60,196,211)	-	60,196,211
Total Other Liabilities	<u>30,376,744</u>	<u>(60,196,211)</u>	<u>28,687,558</u>	<u>61,885,397</u>
Total Liabilities	66,539,680	(60,205,140)	46,465,817	80,279,003
SHAREHOLDERS' EQUITY				
Common Stock, Series A, Voting	110	(3,177,082)	110	3,177,082
Common Stock, Series B, Nonvoting	46,752	-	46,752	-
Retained Earnings (Accumulated Deficit)	22,780,955	-	33,294,203	(10,513,248)
Total Shareholders' Equity	<u>22,827,817</u>	<u>(3,177,082)</u>	<u>33,341,065</u>	<u>(7,336,166)</u>
Total Liabilities and Shareholders' Equity	<u>\$ 89,367,497</u>	<u>\$ (63,382,222)</u>	<u>\$ 79,806,882</u>	<u>\$ 72,942,837</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	Consolidated	Eliminations	White Oak Manor, Inc.	All Subsidiaries
REVENUE				
Net Patient Service Revenue	\$ 179,327,408	\$ -	\$ -	\$ 179,327,408
Management Fee Revenue	633,845	(10,346,499)	-	10,980,344
Lease Fees	-	(5,820,240)	5,820,240	-
Apartment Fees	5,580,589	-	-	5,580,589
Deposit Revenue	482,870	-	-	482,870
Change in Value of Interest Rate Swap Agreements	(54,562)	-	(54,562)	-
Other Revenue - COVID Relief Funding	1,214,415	-	-	1,214,415
Interest and Other Revenue	195,290	-	68,152	127,138
Total Revenue	<u>187,379,855</u>	<u>(16,166,739)</u>	<u>5,833,830</u>	<u>197,712,764</u>
EXPENSES				
Nursing Service	85,092,051	-	-	85,092,051
Ancillaries	17,878,977	-	-	17,878,977
Dietary	15,142,316	-	-	15,142,316
Social Services	2,852,929	-	-	2,852,929
Activities	1,758,819	-	-	1,758,819
Medical Records	780,256	-	-	780,256
Laundry and Linen	2,157,609	-	-	2,157,609
Housekeeping	5,279,686	-	-	5,279,686
Facility Operations and Maintenance	8,924,121	-	-	8,924,121
Depreciation	6,027,151	-	4,930,745	1,096,406
Interest Expense	2,552,732	-	2,274,785	277,947
Amortization Expense	67,960	-	67,960	-
Property Taxes and Insurance	5,344,347	-	39,851	5,304,496
Employee Benefits	11,772,918	-	-	11,772,918
COVID-19 Expenses	29,668	-	-	29,668
General and Administrative	22,185,056	(16,166,739)	548,570	37,803,225
Total Expenses	<u>187,846,596</u>	<u>(16,166,739)</u>	<u>7,861,911</u>	<u>196,151,424</u>
OPERATING INCOME (LOSS)	(466,741)	-	(2,028,081)	1,561,340
NONOPERATING GAIN (LOSS)				
Change in Unrealized Gain on Investments	753,618	-	683,653	69,965
Other Nonoperating Gain (Loss)	2,608,107	-	2,621,128	(13,021)
Total Nonoperating Gain	<u>3,361,725</u>	<u>-</u>	<u>3,304,781</u>	<u>56,944</u>
NET INCOME	<u>\$ 2,894,984</u>	<u>\$ -</u>	<u>\$ 1,276,700</u>	<u>\$ 1,618,284</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANAGEMENT, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Patient Accounts Receivable, Net	\$	1,631,796
Other Current Assets		<u>763,647</u>
Total Current Assets		2,395,443

PROPERTY AND EQUIPMENT, NET

91,932

Total Assets

\$ 2,487,375

LIABILITIES AND SHAREHOLDER'S DEFICIT

CURRENT LIABILITIES

Bank Overdraft	\$	175,046
Accounts Payable		2,056,759
Current Portion of Long-Term Debt		2,676,858
Accrued Wages and Other Liabilities		3,183,907
Tenant Deposits		<u>48,329</u>
Total Current Liabilities		8,140,899

OTHER LIABILITIES

Intercompany Accounts		<u>42,751,846</u>
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Total Liabilities

50,892,745

SHAREHOLDER'S DEFICIT

Common Stock, Par Value \$1 per Share; 150,000 Shares Authorized; 123,381 Shares Issued and Outstanding		123,381
Accumulated Deficit		<u>(48,528,751)</u>
Total Shareholder's Deficit		<u>(48,405,370)</u>

Total Liabilities and Shareholder's Deficit

\$ 2,487,375

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANAGEMENT, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Management Fees	\$ 10,980,344
Other Revenue	19,998
Total Revenue	<u>11,000,342</u>

EXPENSES

Nursing Service	880
Ancillaries	90
Social Services	9,212
Activities	987
Medical Records	15,455
Housekeeping	29,471
Facility Operations and Maintenance	105,198
Depreciation	24,024
Interest Expense	220,774
Taxes and Insurance	703,911
Employee Benefits	1,514,541
COVID-19 Expenses	300
General and Administrative	9,245,787
Total Expenses	<u>11,870,630</u>

Net Loss	<u>\$ (870,288)</u>
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NONOPERATING GAIN

Other Nonoperating Gain	\$ 742,046
Total Nonoperating Loss	<u>742,046</u>

Net Loss	<u>\$ (128,242)</u>
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WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – SPARTANBURG, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$	101,075
Patient Accounts Receivable, Net		499,658
Other Current Assets		21,060
Total Current Assets		621,793

PROPERTY AND EQUIPMENT, NET

60,398

Total Assets

\$ 682,191

LIABILITIES AND SHAREHOLDER'S DEFICIT

CURRENT LIABILITIES

Accounts Payable	\$	80,850
Accrued Wages and Other Liabilities		229,230
Total Current Liabilities		310,080

OTHER LIABILITIES

Deferred Income		57
Intercompany Accounts		3,985,468
Asset Retirement Obligation		98,633
Total Other Liabilities		4,084,158

Total Liabilities

4,394,238

SHAREHOLDER'S DEFICIT

Common Stock, Par Value \$1 per Share; 290,000 Shares Authorized; 154,935 Shares Issued and Outstanding		154,935
Accumulated Deficit		(3,866,982)
Total Shareholder's Deficit		(3,712,047)

Total Liabilities and Shareholder's Deficit

\$ 682,191

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – SPARTANBURG, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Net Patient Service Revenue	\$ 5,580,376
Total Revenue	<u>5,580,376</u>

EXPENSES

Nursing Services	3,118,360
Ancillaries	443,452
Dietary	575,319
Social Services	79,966
Activities	71,778
Medical Records	42,009
Laundry and Linen	87,802
Housekeeping	223,313
Facility Operations and Maintenance	342,451
Depreciation	14,449
Interest Expense	629
Taxes and Insurance	119,965
Employee Benefits	359,485
COVID-19 Expenses	-
General and Administrative	873,049
Total Expenses	<u>6,352,027</u>
Net Loss	<u>\$ (771,651)</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – COLUMBIA, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$ 101,390
Patient Accounts Receivable, Net	1,681,362
Other Current Assets	34,323
Total Current Assets	<u>1,817,075</u>

PROPERTY AND EQUIPMENT, NET

142,639

OTHER ASSETS

Intercompany Accounts	<u>2,119,766</u>
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Total Assets

\$ 4,079,480

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 175,280
Accrued Wages and Other Liabilities	442,071
Total Current Liabilities	<u>617,351</u>

OTHER LIABILITIES

Asset Retirement Obligation	81,458
Total Other Liabilities	<u>81,458</u>

Total Liabilities

698,809

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 150,000 Shares Authorized; 109,226 Shares Issued and Outstanding	109,226
Retained Earnings	3,271,445
Total Shareholder's Equity	<u>3,380,671</u>

Total Liabilities and Shareholder's Equity

\$ 4,079,480

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – COLUMBIA, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Net Patient Service Revenue	\$ 10,327,842
Total Revenue	<u>10,327,842</u>

EXPENSES

Nursing Services	5,085,767
Ancillaries	1,136,949
Dietary	831,125
Social Services	233,571
Activities	127,537
Medical Records	52,944
Laundry and Linen	104,554
Housekeeping	351,700
Facility Operations and Maintenance	502,499
Depreciation	33,331
Interest Expense	140
Taxes and Insurance	129,653
Employee Benefits	743,513
COVID-19 Expenses	755
General and Administrative	1,559,170
Total Expenses	<u>10,893,208</u>
 Net Loss	 <u>\$ (565,366)</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – NEWBERRY, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$ 100,918
Patient Accounts Receivable, Net	1,282,675
Other Current Assets	<u>28,647</u>
Total Current Assets	1,412,240

PROPERTY AND EQUIPMENT, NET

73,335

OTHER ASSETS

Intercompany Accounts	<u>3,757,655</u>
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Total Assets

\$ 5,243,230

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 144,002
Accrued Wages and Other Liabilities	<u>381,593</u>
Total Current Liabilities	525,595

OTHER LIABILITIES

Asset Retirement Obligation	<u>41,498</u>
Total Other Liabilities	<u>41,498</u>

Total Liabilities

567,093

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 150,000 Shares Authorized; 126,414 Shares Issued and Outstanding	126,414
Retained Earnings	<u>4,549,723</u>
Total Shareholder's Equity	<u>4,676,137</u>

Total Liabilities and Shareholder's Equity

\$ 5,243,230

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – NEWBERRY, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Patient Service Revenue	\$ 9,968,343
Other Revenue - COVID Relief Funding	532,527
Total Revenue	<u>10,500,870</u>

EXPENSES

Nursing Services	5,084,808
Ancillaries	1,069,123
Dietary	769,123
Social Services	221,153
Activities	131,835
Medical Records	53,823
Laundry and Linen	187,037
Housekeeping	330,982
Facility Operations and Maintenance	486,610
Depreciation	15,141
Interest Expense	484
Taxes and Insurance	115,720
Employee Benefits	751,944
COVID-19 Expenses	4,575
General and Administrative	1,529,066
Total Expenses	<u>10,751,424</u>
Net Loss	<u>\$ (250,554)</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – ROCK HILL, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$ 101,223
Patient Accounts Receivable, Net	1,571,425
Other Current Assets	62,695
Total Current Assets	<u>1,735,343</u>

PROPERTY AND EQUIPMENT, NET

148,834

OTHER ASSETS

Intercompany Accounts	<u>8,723,211</u>
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Total Assets

\$ 10,607,388

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 304,224
Accrued Wages and Other Liabilities	512,095
Total Current Liabilities	<u>816,319</u>

OTHER LIABILITIES

Asset Retirement Obligation	<u>63,689</u>
Total Other Liabilities	<u>63,689</u>

Total Liabilities

880,008

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 200,000 Shares Authorized; 187,493 Shares Issued and Outstanding	187,493
Retained Earnings	9,539,887
Total Shareholder's Equity	<u>9,727,380</u>

Total Liabilities and Shareholder's Equity

\$ 10,607,388

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – ROCK HILL, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Patient Service Revenue	\$ 14,970,909
Total Revenue	<u>14,970,909</u>

EXPENSES

Nursing Services	7,026,652
Ancillaries	1,418,252
Dietary	1,111,055
Social Services	271,659
Activities	126,933
Medical Records	69,397
Laundry and Linen	192,286
Housekeeping	472,361
Facility Operations and Maintenance	560,800
Depreciation	33,469
Interest Expense	592
Taxes and Insurance	199,859
Employee Benefits	1,047,003
COVID-19 Expenses	9,807
General and Administrative	<u>2,144,542</u>
Total Expenses	<u>14,684,667</u>
Net Income	<u>\$ 286,242</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – SHELBY, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$ 100,893
Patient Accounts Receivable, Net	1,239,637
Other Current Assets	43,103
Total Current Assets	1,383,633

PROPERTY AND EQUIPMENT, NET

	425,500
Total Assets	\$ 1,809,133

LIABILITIES AND SHAREHOLDER'S DEFICIT

CURRENT LIABILITIES

Accounts Payable	\$ 119,690
Accrued Wages and Other Liabilities	228,903
Total Current Liabilities	348,593

OTHER LIABILITIES

Asset Retirement Obligation	124,760
Intercompany Accounts	4,628,158
Total Other Liabilities	4,752,918

Total Liabilities	5,101,511
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SHAREHOLDER'S DEFICIT

Common Stock, Par Value \$1 per Share; 250,000 Shares Authorized; 206,031 Shares Issued and Outstanding	206,031
Accumulated Deficit	(3,498,409)
Total Shareholder's Deficit	(3,292,378)

Total Liabilities and Shareholder's Deficit	\$ 1,809,133
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WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – SHELBY, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Patient Service Revenue	\$ 12,799,473
Total Revenue	12,799,473

EXPENSES

Nursing Services	6,054,653
Ancillaries	1,032,444
Dietary	830,540
Social Services	194,799
Activities	88,197
Medical Records	22,069
Laundry and Linen	143,192
Housekeeping	329,050
Facility Operations and Maintenance	469,994
Depreciation	101,592
Interest Expense	(261)
Taxes and Insurance	448,602
Employee Benefits	506,980
COVID-19 Expenses	140
General and Administrative	1,882,506
Total Expenses	12,104,497
Net Income	\$ 694,976

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – KINGS MOUNTAIN, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$ 100,682
Patient Accounts Receivable, Net	1,442,910
Other Current Assets	<u>24,602</u>
Total Current Assets	1,568,194

PROPERTY AND EQUIPMENT, NET

257,710

OTHER ASSETS

Intercompany Accounts	<u>7,290,867</u>
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Total Assets

\$ 9,116,771

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 213,302
Accrued Wages and Other Liabilities	<u>360,743</u>
Total Current Liabilities	574,045

OTHER LIABILITIES

Asset Retirement Obligation	<u>92,727</u>
Total Other Liabilities	<u>92,727</u>

Total Liabilities

666,772

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 250,000 Shares Authorized; 206,060 Shares Issued and Outstanding	206,060
Retained Earnings	<u>8,243,939</u>
Total Shareholder's Equity	<u>8,449,999</u>

Total Liabilities and Shareholder's Equity

\$ 9,116,771

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – KINGS MOUNTAIN, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Net Patient Service Revenue	\$ 15,278,661
Other Revenue	-
Total Revenue	<u>15,278,661</u>

EXPENSES

Nursing Services	6,903,150
Ancillaries	1,045,078
Dietary	1,134,203
Social Services	171,893
Activities	123,203
Medical Records	43,723
Laundry and Linen	143,305
Housekeeping	363,059
Facility Operations and Maintenance	474,117
Depreciation	66,834
Interest Expense	1,311
Taxes and Insurance	511,693
Employee Benefits	755,651
General and Administrative	1,804,072
Total Expenses	<u>13,541,292</u>
Net Income	<u>\$ 1,737,369</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – TRYON, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$ 546,924
Patient Accounts Receivable, Net	273,493
Other Current Assets	23,974
Total Current Assets	<u>844,391</u>

ASSETS LIMITED AS TO USE

515,992

PROPERTY AND EQUIPMENT, NET

623,399

Total Assets

\$ 1,983,782

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 151,976
Accrued Wages and Other Liabilities	345,490
Tenant Deposits	123,000
Total Current Liabilities	<u>620,466</u>

OTHER LIABILITIES

Deferred Income	350,506
Asset Retirement Obligation	38,460
Total Other Liabilities	<u>388,966</u>

Total Liabilities

1,009,432

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 350,000 Shares Authorized; 296,213 Shares Issued and Outstanding	296,213
Retained Earnings	678,137
Total Shareholder's Equity	<u>974,350</u>

Total Liabilities and Shareholder's Equity

\$ 1,983,782

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – TRYON, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Patient Service Revenue	\$ 7,495,818
Apartment Fees	1,782,076
Deposit Revenue	193,916
Other Revenue	28,086
Total Revenue	<u>9,499,896</u>

EXPENSES

Nursing Services	3,303,356
Ancillaries	643,680
Dietary	1,121,331
Social Services	129,317
Activities	129,361
Medical Records	30,650
Laundry and Linen	149,667
Housekeeping	336,069
Facility Operations and Maintenance	672,955
Depreciation	163,817
Interest Expense	371
Taxes and Insurance	262,046
Employee Benefits	644,363
COVID-19 Expenses	(82)
General and Administrative	1,667,245
Total Expenses	<u>9,254,146</u>

OPERATING INCOME

245,750

NONOPERATING GAIN (LOSS)

Change in Unrealized Losses on Investments	(55,394)
Other Nonoperating Losses	(304,255)
Total Nonoperating Losses	<u>(359,649)</u>
Net Loss	<u>\$ (113,899)</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – RUTHERFORDTON, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$	-
Patient Accounts Receivable, Net		-
Other Current Assets		-
Total Current Assets		-

INTERCOMPANY ACCOUNTS

		239,184
Total Assets	\$	239,184

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	-
Accrued Wages and Other Liabilities		-
Total Current Liabilities		-

OTHER LIABILITIES

Asset Retirement Obligation		-
Intercompany Accounts		-
Total Other Liabilities		-
Total Liabilities		-

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 150,000 Shares Authorized; 122,522 Shares Issued and Outstanding		122,522
Retained Earnings		116,662
Total Shareholder's Equity		239,184
Total Liabilities and Shareholder's Equity	\$	239,184

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – RUTHERFORDTON, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Net Patient Service Revenue	\$	-
Other Revenue		-
Total Revenue		-

EXPENSES

Nursing Services		-
Ancillaries		-
Dietary		-
Social Services		-
Activities		-
Medical Records		-
Laundry and Linen		-
Housekeeping		-
Facility Operations and Maintenance		-
Depreciation		-
Interest Expense		-
Taxes and Insurance		-
Employee Benefits		-
Bad Debt Expense		-
General and Administrative		-
Total Expenses		-

NONOPERATING GAIN

Net Income	\$	-
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WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – BURLINGTON, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$	401,462
Patient Accounts Receivable, Net		1,833,102
Other Current Assets		50,917
Total Current Assets		2,285,481

ASSETS LIMITED AS TO USE

307,174

PROPERTY AND EQUIPMENT, NET

337,848

Total Assets

\$ 2,930,503

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	198,990
Accrued Wages and Other Liabilities		422,222
Tenant Deposits		13,500
Total Current Liabilities		634,712

OTHER LIABILITIES

Deferred Income		144,570
Asset Retirement Obligation		79,034
Total Other Liabilities		223,604

Total Liabilities

858,316

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 350,000 Shares Authorized; 309,490 Shares Issued and Outstanding		309,490
Retained Earnings		1,762,697
Total Shareholder's Equity		2,072,187

Total Liabilities and Shareholder's Equity

\$ 2,930,503

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – BURLINGTON, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Patient Service Revenue	\$ 12,332,394
Apartment Fees	1,011,237
Deposit Revenue	79,833
Other Revenue	3,148
Total Revenue	<u>13,426,612</u>

EXPENSES

Nursing Services	6,677,517
Ancillaries	1,352,506
Dietary	1,162,031
Social Services	179,555
Activities	111,829
Medical Records	62,694
Laundry and Linen	169,375
Housekeeping	401,908
Facility Operations and Maintenance	698,036
Depreciation	85,997
Interest Expense	3,972
Taxes and Insurance	221,985
Employee Benefits	697,070
COVID-19 Expenses	-
General and Administrative	2,042,880
Total Expenses	<u>13,867,355</u>

OPERATING LOSS

(440,743)

NONOPERATING GAIN (LOSS)

Change in Unrealized Gains on Investments	92,775
Other Nonoperating Gain	314,262
Total Nonoperating Gain	<u>407,037</u>

Net Loss

\$ (33,706)

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – CHARLESTON, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$ 101,707
Patient Accounts Receivable, Net	1,546,565
Other Current Assets	44,054
Total Current Assets	1,692,326

PROPERTY AND EQUIPMENT, NET

147,787

OTHER ASSETS

Intercompany Accounts	6,590,211
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Total Assets

\$ 8,430,324

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 334,930
Accrued Wages and Other Liabilities	491,087
Total Current Liabilities	826,017

OTHER LIABILITIES

Asset Retirement Obligation	99,358
Total Other Liabilities	99,358

Total Liabilities

925,375

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 250,000 Shares Authorized; 204,607 Shares Issued and Outstanding	204,607
Retained Earnings	7,300,342
Total Shareholder's Equity	7,504,949

Total Liabilities and Shareholder's Equity

\$ 8,430,324

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – CHARLESTON, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Patient Service Revenue	\$ 15,849,605
Other Revenue - COVID Relief Funding	397,028
Other Revenue	-
Total Revenue	<u>16,246,633</u>

EXPENSES

Nursing Services	8,016,015
Ancillaries	1,913,199
Dietary	1,165,178
Social Services	304,112
Activities	141,530
Medical Records	64,598
Laundry and Linen	182,813
Housekeeping	294,046
Facility Operations and Maintenance	803,318
Depreciation	32,064
Interest Expense	710
Taxes and Insurance	217,564
Employee Benefits	785,781
COVID-19 Expenses	2,378
General and Administrative	2,460,670
Total Expenses	<u>16,383,976</u>
Net Loss	<u>\$ (137,343)</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – CHARLOTTE, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$ 421,847
Patient Accounts Receivable, Net	1,273,788
Other Current Assets	75,893
Total Current Assets	1,771,528

ASSETS LIMITED AS TO USE

217,446

PROPERTY AND EQUIPMENT, NET

436,940

Total Assets

\$ 2,425,914

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 333,603
Accrued Wages and Other Liabilities	419,076
Tenant Deposits	3,000
Total Current Liabilities	755,679

OTHER LIABILITIES

Deferred Income	55,751
Total Other Liabilities	55,751

Total Liabilities

811,430

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 300,000 Shares Authorized; 281,450 Shares Issued and Outstanding	281,450
Retained Earnings	1,333,034
Total Shareholder's Equity	1,614,484

Total Liabilities and Shareholder's Equity

\$ 2,425,914

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – CHARLOTTE, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Patient Service Revenue	\$ 14,556,062
Apartment Fees	511,684
Deposit Revenue	15,933
Other Revenue	24,111
Total Revenue	<u>15,107,790</u>

EXPENSES

Nursing Services	6,845,118
Ancillaries	1,386,529
Dietary	1,303,202
Social Services	165,593
Activities	130,281
Medical Records	50,096
Laundry and Linen	146,488
Housekeeping	416,604
Facility Operations and Maintenance	702,760
Depreciation	90,813
Interest Expense	1,920
Taxes and Insurance	234,905
Employee Benefits	614,273
COVID-19 Expenses	-
General and Administrative	2,170,470
Total Expenses	<u>14,259,052</u>

OPERATING INCOME

848,738

NONOPERATING LOSS

Change in Unrealized Gains on Investments	32,584
Other Nonoperating Loss	<u>(765,614)</u>
Total Nonoperating Loss	<u>(733,030)</u>

Net Income

\$ 115,708

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK ESTATES, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$	100,779
Patient Accounts Receivable, Net		1,192,343
Other Current Assets		39,584
Total Current Assets		1,332,706

PROPERTY AND EQUIPMENT, NET

77,105

OTHER ASSETS

Intercompany Accounts		484,111
		484,111

Total Assets

\$ 1,893,922

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	239,925
Accrued Wages and Other Liabilities		268,037
Total Current Liabilities		507,962

Total Liabilities

507,962

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 100,000 Shares Authorized; 73,267 Shares Issued and Outstanding		73,267
Retained Earnings		1,312,693
Total Shareholder's Equity		1,385,960

Total Liabilities and Shareholder's Equity

\$ 1,893,922

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK ESTATES, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Net Patient Service Revenue	\$ 9,044,500
Other Revenue	-
Total Revenue	9,044,500

EXPENSES

Nursing Services	4,437,413
Ancillaries	1,225,785
Dietary	745,484
Social Services	203,845
Activities	98,896
Medical Records	56,384
Laundry and Linen	80,033
Housekeeping	244,845
Facility Operations and Maintenance	352,801
Depreciation	21,787
Interest Expense	2,582
Taxes and Insurance	122,359
Employee Benefits	376,441
General and Administrative	1,639,208
Total Expenses	9,607,863

OPERATING LOSS (563,363)

NONOPERATING GAIN

Other Nonoperating GAIN	540
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Net Loss \$ (562,823)

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK ESTATES APARTMENTS, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$	100,350
Other Current Assets		1,769
Total Current Assets		102,119

PROPERTY AND EQUIPMENT, NET

487,380

OTHER ASSETS

Intercompany Accounts		4,764,831
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Total Assets

\$ 5,354,330

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	56,082
Accrued Wages and Other Liabilities		156,640
Tenant Deposits		68,884
Total Current Liabilities		281,606

OTHER LIABILITIES

Deferred Income		261,646
Total Other Liabilities		261,646

Total Liabilities

543,252

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 350,000 Shares Authorized; 325,391 Shares Issued and Outstanding		325,391
Retained Earnings		4,485,687
Total Shareholder's Equity		4,811,078

Total Liabilities and Shareholder's Equity

\$ 5,354,330

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK ESTATES APARTMENTS, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Apartment Fees	\$ 2,275,592
Deposit Revenue	193,188
Other Revenue	42,832
Total Revenue	<u>2,511,612</u>

EXPENSES

Dietary	592,502
Activities	16,732
Laundry and Linen	28
Housekeeping	66,469
Facility Operations and Maintenance	541,823
Depreciation	70,030
Interest Expense	246
Taxes and Insurance	196,470
Employee Benefits	71,547
General and Administrative	627,846
Total Expenses	<u>2,183,693</u>
Net Income	<u>\$ 327,919</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK ESTATES ASSISTED LIVING, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$	100,350
Patient Accounts Receivable, Net		2,719
Total Current Assets		<u>103,069</u>

PROPERTY AND EQUIPMENT, NET

32,016

OTHER ASSETS

Intercompany Accounts		<u>1,086,003</u>
-----------------------	--	------------------

Total Assets		<u><u>\$ 1,221,088</u></u>
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LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	4,304
Accrued Wages and Other Liabilities		<u>69,833</u>
Total Current Liabilities		<u>74,137</u>

Total Liabilities		74,137
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SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 150,000 Shares Authorized; 147,787 Shares Issued and Outstanding		147,787
Retained Earnings		<u>999,164</u>
Total Shareholder's Equity		<u>1,146,951</u>

Total Liabilities and Shareholder's Equity		<u><u>\$ 1,221,088</u></u>
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WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK ESTATES ASSISTED LIVING, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Net Patient Service Revenue	\$ 1,082,891
Other Revenue	7,813
Total Revenue	<u>1,090,704</u>

EXPENSES

Nursing Services	479,160
Ancillaries	10,458
Dietary	167,393
Activities	32,449
Laundry and Linen	1,284
Housekeeping	11,224
Facility Operations and Maintenance	158,692
Depreciation	6,929
Interest Expense	132
Taxes and Insurance	71,416
Employee Benefits	65,701
General and Administrative	238,518
Total Expenses	<u>1,243,356</u>
Net Loss	<u>\$ (152,652)</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – LANCASTER, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$ 101,184
Patient Accounts Receivable, Net	1,025,793
Other Current Assets	<u>31,826</u>
Total Current Assets	1,158,803

PROPERTY AND EQUIPMENT, NET

152,633

OTHER ASSETS

Intercompany Accounts	<u>5,789,882</u>
-----------------------	------------------

Total Assets

\$ 7,101,318

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 201,306
Accrued Wages and Other Liabilities	<u>434,929</u>
Total Current Liabilities	<u>636,235</u>

Total Liabilities

636,235

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 150,000 Shares Authorized; 143,913 Shares Issued and Outstanding	143,913
Retained Earnings	<u>6,321,170</u>
Total Shareholder's Equity	<u>6,465,083</u>

Total Liabilities and Shareholder's Equity

\$ 7,101,318

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – LANCASTER, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Net Patient Service Revenue	\$ 11,863,624
Total Revenue	<u>11,863,624</u>

EXPENSES

Nursing Services	6,002,472
Ancillaries	955,795
Dietary	978,645
Social Services	158,408
Activities	124,232
Medical Records	50,319
Laundry and Linen	204,259
Housekeeping	344,539
Facility Operations and Maintenance	508,979
Depreciation	26,863
Interest Expense	269
Taxes and Insurance	140,623
Employee Benefits	937,410
COVID-19 Expenses	2,240
General and Administrative	1,680,482
Total Expenses	<u>12,115,535</u>
Net Loss	<u>\$ (251,911)</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – YORK, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$	100,933
Patient Accounts Receivable, Net		1,367,616
Other Current Assets		34,346
Total Current Assets		1,502,895

PROPERTY AND EQUIPMENT, NET

124,031

OTHER ASSETS

Intercompany Accounts		1,293,673
-----------------------	--	-----------

Total Assets

\$ 2,920,599

LIABILITIES AND SHAREHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	213,245
Accrued Wages and Other Liabilities		316,574
Total Current Liabilities		529,819

OTHER LIABILITIES

Asset Retirement Obligation		157,039
-----------------------------	--	---------

Total Liabilities

686,858

SHAREHOLDER'S EQUITY

Common Stock, Par Value \$1 per Share; 200,000 Shares Authorized; 158,902 Shares Issued and Outstanding		158,902
Retained Earnings		2,074,839
Total Shareholder's Equity		2,233,741

Total Liabilities and Shareholder's Equity

\$ 2,920,599

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – YORK, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Net Patient Service Revenue	\$ 9,421,302
Other Revenue - COVID Relief Funding	<u>284,860</u>
Total Revenue	<u>9,706,162</u>

EXPENSES

Nursing Services	5,142,722
Ancillaries	568,928
Dietary	753,694
Social Services	134,570
Activities	103,817
Medical Records	51,267
Laundry and Linen	106,721
Housekeeping	321,618
Facility Operations and Maintenance	481,901
Depreciation	30,082
Interest Expense	306
Taxes and Insurance	128,701
Employee Benefits	505,480
COVID-19 Expenses	1,275
General and Administrative	<u>1,573,982</u>
Total Expenses	<u>9,905,064</u>
Net Loss	<u>\$ (198,902)</u>

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – WAXHAW, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$ 100,996
Patient Accounts Receivable, Net	955,273
Other Current Assets	<u>30,288</u>
Total Current Assets	1,086,557

PROPERTY AND EQUIPMENT, NET

529,803

Total Assets

\$ 1,616,360

LIABILITIES AND SHAREHOLDER'S DEFICIT

CURRENT LIABILITIES

Accounts Payable	\$ 279,878
Accrued Wages and Other Liabilities	<u>322,759</u>
Total Current Liabilities	602,637

OTHER LIABILITIES

Deferred Income	-
Intercompany Accounts	<u>3,251,332</u>
Total Other Liabilities	<u>3,251,332</u>

Total Liabilities

3,853,969

SHAREHOLDER'S DEFICIT

Accumulated Deficit	<u>(2,237,609)</u>
Total Shareholder's Deficit	<u>(2,237,609)</u>

Total Liabilities and Shareholder's Deficit

\$ 1,616,360

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK MANOR – WAXHAW, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Net Patient Service Revenue	\$ 12,760,619
Total Revenue	<u>12,760,619</u>

EXPENSES

Nursing Services	4,515,912
Ancillaries	1,535,935
Dietary	859,823
Social Services	168,505
Activities	106,878
Medical Records	40,894
Laundry and Linen	124,976
Housekeeping	231,547
Facility Operations and Maintenance	448,753
Depreciation	149,467
Interest Expense	324
Taxes and Insurance	742,898
Employee Benefits	544,740
COVID-19 Expenses	1,070
General and Administrative	2,066,168
Total Expenses	<u>11,537,890</u>

Net Income	<u><u>\$ 1,222,729</u></u>
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WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK ESTATES WELLNESS CENTER
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$	50,150
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PROPERTY AND EQUIPMENT, NET

51,668

Total Assets

\$ 101,818

LIABILITIES AND SHAREHOLDER'S DEFICIT

CURRENT LIABILITIES

Accounts Payable	\$	177
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Accrued Wages and Other Liabilities		<u>87,069</u>
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Total Current Liabilities		87,246
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OTHER LIABILITIES

Intercompany Accounts		<u>4,188,992</u>
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Total Liabilities

4,276,238

SHAREHOLDER'S DEFICIT

Accumulated Deficit		<u>(4,174,420)</u>
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Total Shareholder's Deficit		<u>(4,174,420)</u>
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Total Liabilities and Shareholder's Deficit

\$ 101,818

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK ESTATES WELLNESS CENTER
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Membership Fees	\$	42,811
Other Revenue (Expense)		1,150
Total Revenue		43,961

EXPENSES

Dietary		1,632
Activities		4,783
Laundry and Linen		(175)
Housekeeping		37,550
Facility Operations and Maintenance		98,777
Depreciation		11,462
Interest Expense		80
Taxes and Insurance		104,261
Employee Benefits		15,915
General and Administrative		212,787
Total Expenses		487,072
Net Loss	\$	(443,111)

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK AT NORTH GROVE, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
BALANCE SHEET
SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ASSETS

CURRENT ASSETS

Cash	\$ 100,694
Patient Accounts Receivable, Net	1,447,972
Other Current Assets	50,346
Total Current Assets	1,599,012

PROPERTY AND EQUIPMENT, NET

735,723

Total Assets

\$ 2,334,735

LIABILITIES AND SHAREHOLDER'S DEFICIT

CURRENT LIABILITIES

Accounts Payable	\$ 373,770
Accrued Wages and Other Liabilities	767,046
Total Current Liabilities	1,140,816

OTHER LIABILITIES

Deferred Income	-
Intercompany Accounts	1,390,415
Total Other Liabilities	1,390,415

Total Liabilities

2,531,231

SHAREHOLDER'S DEFICIT

Accumulated Deficit	(196,496)
Total Shareholder's Deficit	(196,496)

Total Liabilities and Shareholder's Deficit

\$ 2,334,735

WHITE OAK MANOR, INC. AND SUBSIDIARIES
WHITE OAK AT NORTH GROVE, INC.
(A WHOLLY OWNED SUBSIDIARY OF WHITE OAK MANOR, INC.)
STATEMENT OF OPERATIONS
YEAR ENDED SEPTEMBER 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

REVENUE

Patient Service Revenue	<u>\$ 15,952,178</u>
Total Revenue	15,952,178

EXPENSES

Nursing Services	6,398,976
Ancillaries	2,140,864
Dietary	1,040,036
Social Services	235,983
Activities	88,548
Medical Records	73,934
Laundry and Linen	133,964
Housekeeping	473,331
Facility Operations and Maintenance	513,657
Depreciation	118,255
Interest Expense	43,366
Taxes and Insurance	631,865
Employee Benefits	835,080
COVID-19 Expenses	7,210
General and Administrative	<u>2,384,777</u>
Total Expenses	<u>15,119,846</u>
Net Income	<u>\$ 832,332</u>

Attachment 2

**WHITE OAK MANOR – TRYON, INC.,
WHITE OAK MANOR – BURLINGTON, INC., AND
WHITE OAK MANOR – CHARLOTTE, INC.
(SUBSIDIARIES OF WHITE OAK MANOR, INC.)**

**PROJECTED COMBINED FINANCIAL STATEMENTS
AND INDEPENDENT ACCOUNTANTS' REPORT**

**FOR THE YEARS ENDING SEPTEMBER 30, 2024
THROUGH SEPTEMBER 30, 2028**



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**WHITE OAK MANOR – TRYON, INC.,
WHITE OAK MANOR – BURLINGTON, INC., AND
WHITE OAK MANOR – CHARLOTTE, INC.
(SUBSIDIARIES OF WHITE OAK MANOR, INC.)
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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Directors
White Oak Manor, Inc.
Spartanburg, South Carolina

Management is responsible for the accompanying projected combined financial statements of White Oak Manor – Tryon, Inc., White Oak Manor – Burlington, Inc., and White Oak Manor – Charlotte, Inc., wholly-owned subsidiaries of White Oak Manor, Inc. (the “Combined Subsidiaries”), which comprise the projected combined balance sheets as of September 30, 2024, 2025, 2026, 2027 and 2028, and the related projected combined statements of operations, shareholder’s equity, and cash flows for the years then ending, and the related summary of significant projection assumptions and accounting policies in accordance with the guidelines for presentation of a financial projection established by the American Institute of Certified Public Accountants (“AICPA”). We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not examine or review the projected combined financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these projected combined financial statements or the assumptions. Furthermore, even if the hypothetical assumptions as noted in Management’s Summary of Significant Projection Assumptions and Accounting Policies on page 7 (the “Hypothetical Assumptions”) occurs as projected, the projected results may not be achieved, as there will usually be differences between the projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

The accompanying projection information and this report are intended solely for the information and use of management, the Board of Directors, and the North Carolina Department of Insurance (pursuant to the requirements of North Carolina General Statutes, Chapter 58, Article 64 and is included in the Combined Subsidiaries’ disclosure statement filing), and is not intended to be and should not be used by anyone other than these specified parties.

Board of Directors
White Oak Manor, Inc.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Charlotte, North Carolina
February 9, 2024

**WHITE OAK MANOR – TRYON, INC.,
WHITE OAK MANOR – BURLINGTON, INC., AND
WHITE OAK MANOR – CHARLOTTE, INC.
(SUBSIDIARIES OF WHITE OAK MANOR, INC.)
PROJECTED COMBINED BALANCE SHEETS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
SEPTEMBER 30, 2024 THROUGH 2028**

ASSETS	2024	2025	2026	2027	2028
CURRENT ASSETS					
Cash and Cash Equivalents	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000
Accounts Receivable, Net	3,830,229	3,848,961	4,051,415	4,214,363	4,383,853
Intercompany Accounts Receivable	884,814	2,040,432	3,243,491	5,013,924	6,886,609
Other Current Assets	155,308	159,967	164,766	169,709	174,800
Total Current Assets	<u>6,420,151</u>	<u>7,799,360</u>	<u>9,209,672</u>	<u>11,147,996</u>	<u>13,175,262</u>
ASSETS LIMITED AS TO USE - OPERATING RESERVE	941,472	978,743	1,017,836	1,058,846	1,101,505
MOVEABLE EQUIPMENT					
Less: Accumulated Depreciation	7,344,150	7,599,189	7,861,879	8,132,450	8,411,139
Moveable Equipment, Net	<u>6,065,424</u>	<u>6,444,912</u>	<u>6,837,188</u>	<u>7,242,636</u>	<u>7,661,652</u>
Total Assets	<u>\$ 8,640,349</u>	<u>\$ 9,932,380</u>	<u>\$ 11,252,199</u>	<u>\$ 13,096,656</u>	<u>\$ 15,026,254</u>
LIABILITIES AND SHAREHOLDER'S EQUITY					
CURRENT LIABILITIES					
Accounts Payable	\$ 758,470	\$ 788,809	\$ 820,362	\$ 853,176	\$ 887,303
Accrued Wages and Other Liabilities	1,250,753	1,300,782	1,352,814	1,406,926	1,463,203
Intercompany Accounts Payable	556,256	607,719	279,163	398,392	522,424
Asset Retirement Obligation	117,494	117,494	117,494	117,494	117,494
Total Current Liabilities	<u>2,682,973</u>	<u>2,814,804</u>	<u>2,569,833</u>	<u>2,775,988</u>	<u>2,990,424</u>
DEFERRED CREDITS					
Unearned Deposit Revenue - Nonrefundable	604,627	718,672	779,864	785,315	764,845
Unearned Deposit Revenue - Refundable	-	-	-	-	-
Deposits on Apartments	139,500	139,500	139,500	139,500	139,500
Total Deferred Credits	<u>744,127</u>	<u>858,172</u>	<u>919,364</u>	<u>924,815</u>	<u>904,345</u>
LONG-TERM DEBT					
Total Liabilities	<u>3,427,100</u>	<u>3,672,976</u>	<u>3,489,217</u>	<u>3,700,803</u>	<u>3,894,769</u>
SHAREHOLDER'S EQUITY					
Common Stock	887,153	887,153	887,153	887,153	887,153
Retained Earnings	4,326,096	6,372,251	6,875,829	8,508,700	10,244,332
Total Shareholder's Equity	<u>5,213,249</u>	<u>6,259,404</u>	<u>7,762,982</u>	<u>9,395,853</u>	<u>11,131,485</u>
Total Liabilities and Shareholder's Equity	<u>\$ 8,640,349</u>	<u>\$ 9,932,380</u>	<u>\$ 11,252,199</u>	<u>\$ 13,096,656</u>	<u>\$ 15,026,254</u>

**WHITE OAK MANOR – TRYON, INC.,
WHITE OAK MANOR – BURLINGTON, INC., AND
WHITE OAK MANOR – CHARLOTTE, INC.
(SUBSIDIARIES OF WHITE OAK MANOR, INC.)
PROJECTED COMBINED STATEMENTS OF OPERATIONS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
REVENUES					
Patient Service Revenue	\$ 37,401,587	\$ 39,438,169	\$ 41,373,602	\$ 43,039,046	\$ 44,771,381
Apartment Rents	3,381,165	3,516,412	3,657,069	3,803,355	3,955,488
Deposit Amortization	274,800	227,699	294,201	364,198	404,884
Investment Income	90,000	80,745	81,862	83,035	84,265
Other Revenue	21,600	22,464	23,362	24,297	25,288
Total Revenues	41,169,152	43,285,489	45,430,096	47,313,931	49,241,286
EXPENSES					
Nursing Services	17,380,570	18,075,793	18,798,824	19,550,777	20,332,807
Ancillaries	4,149,979	4,315,978	4,488,618	4,668,163	4,854,890
Dietary Expenses	3,865,220	4,019,826	4,180,621	4,347,847	4,521,781
Social Services	434,590	451,974	470,054	488,856	508,411
Activities	407,880	424,195	441,163	458,810	477,162
Medical Records	138,610	144,154	149,920	155,917	162,153
Laundry and Linen	656,330	682,583	709,886	738,281	767,813
Housekeeping	1,482,295	1,541,588	1,603,252	1,667,382	1,734,078
Facility Operations and Maintenance	2,117,850	2,202,564	2,290,667	2,382,294	2,477,585
Depreciation	367,072	379,488	392,276	405,448	419,016
Taxes and Insurance	771,300	802,152	834,238	867,607	902,312
Employee Benefits	2,391,600	2,487,264	2,586,755	2,690,225	2,797,834
General and Administrative	6,453,628	6,711,773	6,980,244	7,259,453	7,549,832
Total Expenses	40,618,924	42,239,334	43,928,518	45,681,060	47,505,654
Net Income	\$ 552,228	\$ 1,046,155	\$ 1,503,578	\$ 1,632,871	\$ 1,735,632

See Independent Accountants' Compilation Report and
Summary of Significant Projection Assumptions and Accounting Policies

**WHITE OAK MANOR – TRYON, INC.,
WHITE OAK MANOR – BURLINGTON, INC., AND
WHITE OAK MANOR – CHARLOTTE, INC.
(SUBSIDIARIES OF WHITE OAK MANOR, INC.)
PROJECTED COMBINED STATEMENTS OF SHAREHOLDER'S EQUITY
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	Common Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholder's Equity
BALANCE, SEPTEMBER 30, 2023	\$ 887,153	\$ 3,773,868	\$ -	\$ 4,661,021
Net Income	-	552,228	-	552,228
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2024	887,153	4,326,096	-	5,213,249
Net Income	-	1,046,155	-	1,046,155
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2025	887,153	5,372,251	-	6,259,404
Net Income	-	1,503,578	-	1,503,578
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2026	887,153	6,875,829	-	7,762,982
Net Income	-	1,632,871	-	1,632,871
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2027	887,153	8,508,700	-	9,395,853
Net Income	-	1,735,632	-	1,735,632
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2028	\$ 887,153	\$ 10,244,332	\$ -	\$ 11,131,485

**WHITE OAK MANOR – TRYON, INC.,
WHITE OAK MANOR – BURLINGTON, INC., AND
WHITE OAK MANOR – CHARLOTTE, INC.
(SUBSIDIARIES OF WHITE OAK MANOR, INC.)
PROJECTED COMBINED STATEMENTS OF CASH FLOWS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Income	\$ 552,228	\$ 1,046,155	\$ 1,503,578	\$ 1,632,871	\$ 1,735,632
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:					
Depreciation	367,072	379,488	392,276	405,448	419,016
Deposit Amortization	(274,800)	(227,699)	(294,201)	(364,198)	(404,884)
Deposit Receipts	328,600	341,744	355,413	369,629	384,414
Change in Current Assets:					
Accounts Receivable	(249,846)	(218,732)	(202,454)	(162,948)	(169,490)
Intercompany Accounts Receivable	(884,614)	(1,155,818)	(1,203,059)	(1,770,433)	(1,852,685)
Other Current Assets	(4,524)	(4,659)	(4,799)	(4,943)	(5,091)
Change in Current Liabilities:					
Accounts Payable	73,901	30,339	31,553	32,814	34,127
Intercompany Accounts Payable	556,256	51,463	(328,556)	119,229	124,032
Accrued Wages and Other Liabilities	63,965	50,029	52,032	54,112	56,277
Net Cash Provided by Operating Activities	528,238	292,310	301,783	311,581	321,348
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of Property and Equipment	(247,611)	(255,039)	(262,690)	(270,571)	(278,689)
Net Change in Assets Limited as to Use - Operating Reserve	99,140	(37,271)	(39,093)	(41,010)	(42,659)
Net Cash Used in Investing Activities	(148,471)	(292,310)	(301,783)	(311,581)	(321,348)
CASH FLOWS FROM FINANCING ACTIVITIES					
Distributions to Shareholder	-	-	-	-	-
Net Cash Used in Financing Activities	-	-	-	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	379,767	-	-	-	-
Cash and Cash Equivalents - Beginning of Year	1,370,233	1,750,000	1,750,000	1,750,000	1,750,000
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,750,000</u>	<u>\$ 1,750,000</u>	<u>\$ 1,750,000</u>	<u>\$ 1,750,000</u>	<u>\$ 1,750,000</u>

See Independent Accountants' Compilation Report and
Summary of Significant Projection Assumptions and Accounting Policies.

Summary of Significant Projection Assumptions and Accounting Policies

BASIS OF PRESENTATION

The financial projection (the "Projection") presents to the best of the knowledge and belief of management ("Management") of White Oak Manor – Tryon, Inc. ("Tryon"), White Oak Manor Burlington, Inc. ("Burlington"), and White Oak Manor – Charlotte, Inc. ("Charlotte") (subsidiaries of White Oak Manor, Inc.) (collectively the "Combined Subsidiaries"), the expected financial position, results of operations and cash flows as of September 30, 2024, 2025, 2026, 2027, and 2028 and for each of the years then ending (the "Projection Period"). All significant intra-entity activity has been eliminated upon combination.

A projection, although similar to a forecast, is a presentation of prospective financial information that is subject to one or more hypothetical assumptions. Management has included assumptions that are considered to be "Hypothetical Assumptions" as defined by the American Institute of Certified Public Accountants' Guide for Prospective Financial Information. A Hypothetical Assumption is defined as follows: "An assumption used in a financial projection or in a partial presentation of projected information to present a condition or course of action that is not necessarily expected to occur but is consistent with the purpose of the presentation."

Management's Hypothetical Assumption is as follows:

- Management is able to achieve the projected operating revenue inflationary rate increases and operating expense inflationary increases as described hereinafter.

Management's purpose for preparing this Projection is for the use of Management, the Board of Directors, and for inclusion in Management's Disclosure Statements in accordance with Chapter 58, Article 64 of the North Carolina General Statutes and is not intended to be and should not be used by anyone other than these specified parties. The Projection reflects management's judgment as of February 9, 2024, the date of this Projection, of the expected conditions and its expected course of actions. The assumptions disclosed herein are those that Management of White Oak Manor, Inc. believes are significant to the projected combined financial statements. Furthermore, even if the Hypothetical Assumptions were to occur, there will usually be differences between projected and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. Management does not intend to revise this Projection to reflect changes in present circumstances or the occurrence of unanticipated events.

Unless otherwise noted, references to time periods used in this report refer to the fiscal year of White Oak Manor – Tryon, Inc., White Oak Manor – Burlington, Inc., and White Oak Manor – Charlotte, Inc. which ends on September 30.

Summary of Significant Projection Assumptions and Accounting Policies

BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Background

White Oak Manor, Inc. and its wholly-owned subsidiaries operate nursing home facilities, assisted living facilities, and apartment complexes for the elderly throughout North and South Carolina. These wholly-owned subsidiaries include:

White Oak Management, Inc.
White Oak Manor – Spartanburg, Inc.
White Oak Manor – Columbia, Inc.
White Oak Manor – Newberry, Inc.
White Oak Manor – Rock Hill, Inc.
White Oak Manor – Shelby, Inc.
White Oak Manor – Kings Mountain, Inc.
White Oak Manor – Tryon, Inc.
White Oak Manor – Rutherfordton, Inc.
White Oak Manor – Burlington, Inc.
White Oak Manor – Charleston, Inc.
White Oak Manor – Charlotte, Inc.
White Oak Estates, Inc.
White Oak Estates Apartments, Inc.
White Oak Estates Assisted Living, Inc.
White Oak Manor – Lancaster, Inc.
White Oak Manor – York, Inc.
White Oak Manor – Waxhaw, Inc.
White Oak Manor at North Grove, Inc.

Also included are the accounts of White Oak Estates Wellness Center, a department of White Oak Estates, Inc.

Three of these subsidiaries, White Oak Manor – Tryon, Inc., White Oak Manor – Burlington, Inc., and White Oak Manor – Charlotte, Inc. collect entrance fees for certain apartment units.

Summary of Significant Accounting Policies

Basis of Presentation

The combined financial statements are prepared on the accrual basis of accounting pursuant to accounting principles generally accepted in the United States of America.

Basis of Combination

The projected combined financial statements include the accounts of White Oak Manor – Tryon Inc., White Oak Manor – Burlington, Inc., and White Oak Manor – Charlotte, Inc. . All related party balances and intra-company transactions have been eliminated in combination.

Cash Equivalents

Cash equivalents consist of temporary bank deposits, money market instruments, and certificates of deposit with an original maturity of three months or less at the date of purchase.

Summary of Significant Projection Assumptions and Accounting Policies

BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Allowance for Current Expected Credit Losses

The Combined Subsidiaries provide an allowance for current expected credit losses using Management's judgment. Residents are not required to provide collateral for services rendered. Payment for services is required upon receipt of invoice or claim submitted. Accounts past due more than 45 days are individually analyzed for collectability.

Assets Limited as to Use – Operating Reserve

Assets limited as to use include assets required to be set aside by the Department of Insurance of the State of North Carolina as operating reserves. All assets limited as to use are held in cash and cash equivalents, equity investments, and debt securities.

Moveable Equipment

Moveable equipment is stated at cost. Routine maintenance, repairs, and renewals are charged to expenses. Expenditures that materially increase values, change capacities, or extend useful lives are capitalized. Depreciation is computed by the straight-line method over the estimated useful lives of the assets.

The fair value of moveable equipment is assumed to be unchanged during the Projection Period. The Combined Subsidiaries assume the following purchases of movable equipment during the Projection Period, based on historical experience.

	For the Years Ending September 30,				
	2024	2025	2026	2027	2028
White Oak Manor - Tryon	\$ 56,275	\$ 57,963	\$ 59,702	\$ 61,493	\$ 63,338
White Oak Manor - Burlington	90,041	92,742	95,524	98,390	101,342
White Oak Manor - Charlotte	101,295	104,334	107,464	110,888	114,009
Total Moveable Equipment Purchases	\$ 247,611	\$ 255,039	\$ 262,690	\$ 270,571	\$ 278,689

All land and buildings are owned by White Oak Manor, Inc., a related party, and leased by the Combined Subsidiaries. Each of the Combined Subsidiaries has entered into individual lease agreements with White Oak Manor, Inc. The lease agreements are renewable on an annual basis and require monthly rent payments at the beginning of each month. Management has assumed the lease agreement are renewed, annually, during the Projection Period and lease expense is projected to be approximately \$1,111,200 for the Combined Subsidiaries at September 30, 2024 and has been inflated 4 percent annually throughout the Projection Period. Lease expense is included within General and Administrative expenses.

Revenue Recognition

Patient service revenue is reported at the amount that reflects the consideration to which the Combined Subsidiaries expect to be entitled in exchange for providing resident and patient care. These amounts are due from residents, patients, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Combined Subsidiaries. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Combined Subsidiaries believe that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance

Summary of Significant Projection Assumptions and Accounting Policies

BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

obligations satisfied over time relate to residents and patients receiving skilled nursing, and assisted living services. The Combined Subsidiaries consider daily services provided to residents of the skilled nursing facility and monthly rental for housing services, as separate performance obligations and measures these on a monthly basis, or upon move-out within the month, whichever is shorter.

For nursing home and assisted living residents, the Combined Subsidiaries measure the performance obligation from admission into the facility, to the point when it is no longer required to provide services to that resident, which is generally at the time of discharge

The Combined Subsidiaries determine the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Combined Subsidiaries' policy and/or implicit price concessions provided to residents. The Combined Subsidiaries determine its estimates of contractual adjustments based on contractual agreements, its policies, and historical experience. The Combined Subsidiaries determine its estimate of implicit price concessions based on the evaluation of individual patients. Agreements with third-party payors typically provide for payments at amounts less than established charges.

A summary of the payment arrangements with major third-party payors follows:

Medicaid – Standard Payments to Nursing Facilities

The Combined Subsidiaries have agreements with the states of South Carolina and North Carolina under the Medicaid program, and participates in the Medicare program. The Combined Subsidiaries have had a long-standing agreement with the state of South Carolina such that the Combined Subsidiaries provide care to Medicaid patients based upon fixed, prospectively determined rates.

Medicare – Prospective Payment System Payments to Skilled Nursing Facilities

The Combined Subsidiaries' licensed nursing facilities participate in the Medicare program. This federal program is administered by the Centers for Medicare and Medicaid Services (CMS). The nursing facilities are paid the Patient Driven Payment Model (PDPM). The PDPM payment system operates similar to Medicare's previous prospective payment system (PPS) in that patients are assigned standard rates of payment for their specific needs. Under PDPM, therapy minutes are removed as the primary basis for payment and instead, uses the underlying complexity and clinical needs of a patient as a basis for reimbursement. In addition, PDPM introduces variable adjustment factors that change reimbursement rates during the resident's length of stay. Therapy services to residents not in a covered Part A stay remain the same. Annual cost reports are required to be submitted to the designated Medicare Administrative Contractor; however, they do not contain a cost settlement.

Nursing facilities licensed for participation in the Medicare and Medical Assistance programs are subject to annual licensure renewal. If it is determined that a nursing facility is not in substantial compliance with the requirements of participation, CMS may impose sanctions and penalties during the period of noncompliance. Such a payment ban would have a negative impact on the revenues of the licensed nursing facility.

Other

Payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations provide for payment using prospectively determined daily rates.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various

Summary of Significant Projection Assumptions and Accounting Policies

BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Combined Subsidiaries' compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Combined Subsidiaries. In addition, the contracts the Combined Subsidiaries have with commercial payors also provide for retroactive audit and review of claims.

Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Combined Subsidiaries' historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations.

Generally, residents who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Combined Subsidiaries estimate the transaction price for residents with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to resident service revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the resident's ability to pay are recorded as bad debt expense.

The Combined Subsidiaries have determined that the nature, amount, timing and uncertainty of revenue and cash flows are affected by the following factors:

- Payors (for example, Medicare, Medicaid, managed care or other insurance, patient) have different reimbursement/payment methodologies
- Length of the patient's service/episode of care
- Method of reimbursement (fee for service or capitation)
- The Combined Subsidiaries' line of business that provided the service (for example, skilled nursing, assisted living, independent living, etc.)

The Combined Subsidiaries have provided for final settlements with the Medicare program and with Medicaid in the period the related services are rendered, and adjusts such estimates as final settlements are determined.

Fair Value of Financial Instruments

The carrying amount of cash and cash equivalents, assets limited as to use, accounts receivable, net, and other current and long-term liabilities approximates their respective fair values.

Summary of Significant Projection Assumptions and Accounting Policies

BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The shareholders of the Combined Subsidiaries have elected under Subchapter S of the Internal Revenue Code to include the Combined Subsidiaries income in their own income for federal income tax purposes. Accordingly, no income tax provision or liabilities are reflected in the projected combined financial statements. Distributions, if projected, are made to shareholders in the form of dividends to fund the shareholders' tax liabilities resulting from inclusion of the Combined Subsidiaries income in their own income for income tax purposes.

Leases

The Combined Subsidiaries determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in right-of-use (ROU) assets –financing and lease liability – financing in the statements of financial position.

ROU assets represent the Combined Subsidiaries right to use an underlying asset for the lease term and lease liabilities represent the Combined Subsidiaries obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Combined Subsidiaries will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Combined Subsidiaries has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statements of financial position.

Summary of Significant Projection Assumptions and Accounting Policies

MANAGEMENT'S BASIS FOR PROJECTION OF REVENUES

Unless otherwise noted, assumptions are the same for all three Combined Subsidiaries.

Facility Utilization

Management has projected the occupancies at White Oak Manor – Tryon, Inc., White Oak Manor – Burlington, Inc. and White Oak Manor – Charlotte, Inc. will be as follows during the Projection Period:

WHITE OAK MANOR - TRYON	2024	2025	2026	2027	2028
Average Occupied Units:					
Independent Living	97	97	97	97	97
Assisted Living	17	17	17	17	17
Skilled Nursing	60	60	60	60	60
Available Units:					
Independent Living	101	101	101	101	101
Assisted Living	18	18	18	18	18
Skilled Nursing	70	70	70	70	70
Average Independent Living Occupancy Percentage	96.0%	96.0%	96.0%	96.0%	96.0%
Average Assisted Living Occupancy Percentage	94.4%	94.4%	94.4%	94.4%	94.4%
Average Skilled Nursing Occupancy Percentage	85.7%	85.7%	85.7%	85.7%	85.7%
WHITE OAK MANOR - BURLINGTON	2024	2025	2026	2027	2028
Average Occupied Units:					
Independent Living	51	51	51	51	51
Skilled Nursing	112	117	119	119	119
Available Units:					
Independent Living	53	53	53	53	53
Skilled Nursing	160	160	160	160	160
Average Independent Living Occupancy Percentage	96.2%	96.2%	96.2%	96.2%	96.2%
Average Skilled Nursing Occupancy Percentage	70.0%	73.1%	74.4%	74.4%	74.4%
WHITE OAK MANOR - CHARLOTTE	2024	2025	2026	2027	2028
Average Occupied Units:					
Independent Living	30	30	30	30	30
Skilled Nursing	148	148	148	148	148
Available Units:					
Independent Living	33	33	33	33	33
Skilled Nursing	180	180	180	180	180
Average Independent Living Occupancy Percentage	90.9%	90.9%	90.9%	90.9%	90.9%
Average Skilled Nursing Occupancy Percentage	82.2%	82.2%	82.2%	82.2%	82.2%

Revenue

Patient service revenue includes revenue from residents residing in the nursing facility. Patient service revenue and the payor mix is based upon historical experience for the Combined Subsidiaries. Patient service revenue are assumed to increase 4 percent annually throughout the Projection Period. The Projection does not assume any third-party payor settlements throughout the Projected Period.

Apartment rents are based on historical experience of the Combined Subsidiaries. Apartment rents are assumed to increase 4 percent annually throughout the Projection Period.

Deposit amortization revenue is based on the expected turnover in units at the Combined Subsidiaries' apartment complexes for the elderly. The expected turnover during the Projection Period is consistent

Summary of Significant Projection Assumptions and Accounting Policies

MANAGEMENT'S BASIS FOR PROJECTION OF REVENUES

with the Combined Subsidiaries historical experience. Deposits for apartments range from \$15,000 to \$30,000 depending on the size and location of the apartment. Deposits are assumed to be collected equally throughout the year.

Investment income is projected based on available investment balances earning investment income at a realized rate of 3.0 percent per year during the Projection Period.

Other revenue is expected to grow by 4 percent annually throughout the Projection Period.

Summary of Significant Projection Assumptions and Accounting Policies

MANAGEMENT'S BASIS FOR PROJECTION OF EXPENSES

Cost and Expenses

Management fees are charged to the Combined Subsidiaries to cover related party management costs and interest expense as related to long-term debt held by White Oak Manor, Inc. The interest portion of management fees is allocated based on the percentage of the Combined Subsidiaries' beds and units to the total beds and units for all subsidiaries of White Oak Manor, Inc. Total management fees are projected to be approximately \$2,373,000 for the Combined Subsidiaries at September 30, 2024 and have been inflated 4 percent annually throughout the Projection Period. Management fees are included within General and Administrative expenses.

Other costs and expenses for the years ending September 30, 2024 are projected based upon historical operating expenses. Cost and expenses for subsequent years are being inflated 4 percent annually throughout the Projection Period.

Distribution to Shareholder

Distributions to shareholder for the payment of income taxes using tax rates in effect at February 2024 are projected based on projected taxable income. Taxable income to be recognized by the Combined Subsidiaries' shareholders on their individual tax returns is based on reported income from operations and expected differences in revenue and expenses for financial reporting purposes and tax purposes. No distribution to shareholders has been estimated during the Projected Period.

Summary of Significant Projection Assumptions and Accounting Policies

MANAGEMENT'S BASIS FOR PROJECTION OF OTHER ITEMS

Operating Reserve

Under the rules and regulations of the Department of Insurance of North Carolina, which regulates continuing care facilities operating in the state, the Combined Subsidiaries are required to maintain operating reserves of 25 percent or 50 percent depending on the occupancy percentage, of the total occupancy costs of the independent living units (i.e., total expenses less depreciation, amortization, and interest expense) plus an allocated portion of the skilled nursing facilities expenses based on a ratio of skilled nursing patient days provided to independent living patients for the twelve-month period related to the calculation. Such operating reserve may only be released upon approval of the North Carolina Commissioner of Insurance. The operating reserve has been calculated based upon projected operating expenses and assuming an occupancy level of greater than 90 percent for White Oak Manor Tryon, Inc., White Oak Manor – Burlington, Inc. and White Oak Manor – Charlotte, Inc.

The operating reserves for the Combined Subsidiaries are projected as follows:

<u>WHITE OAK MANOR - TRYON</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Total Projected Operating Expenses:					
Projected SNF Expense	\$ 8,310,875	\$ 8,640,363	\$ 8,983,007	\$ 9,339,329	\$ 9,709,879
Projected Apartment Expense	1,911,603	1,967,390	2,066,202	2,148,161	2,233,391
	<u>10,222,478</u>	<u>10,627,753</u>	<u>11,049,209</u>	<u>11,487,490</u>	<u>11,943,270</u>
Total Projected Depreciation Expense:					
Projected SNF Depreciation	70,066	71,365	72,703	74,081	75,500
Projected Apartment Depreciation	98,767	100,598	102,484	104,427	106,428
	<u>168,833</u>	<u>171,963</u>	<u>175,187</u>	<u>178,508</u>	<u>181,928</u>
Total Patient Days - SNF	21,780	21,780	21,780	21,780	21,780
Total Patient Days Attributable to Apartment Residents	584	584	584	584	584
% of SNF Patient Days Attributable to Apartment Residents	2.68%	2.68%	2.68%	2.68%	2.68%
% of SNF Days Attributable to SNF Only Residents	97.32%	97.32%	97.32%	97.32%	97.32%
Calculation of Excluded SNF Expenses	8,088,144	8,408,801	8,742,262	9,089,035	9,449,654
Calculation of Included SNF Expenses	222,731	231,562	240,745	250,294	260,225
Calculation of Included SNF Depreciation	1,878	1,913	1,948	1,985	2,023
Expenses Subject to DOI Approved Operating Reserve	2,033,689	2,116,441	2,202,515	2,292,043	2,385,165
Operating Reserve Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Projected Reserve Requirement	<u>\$ 508,422</u>	<u>\$ 529,110</u>	<u>\$ 550,629</u>	<u>\$ 573,011</u>	<u>\$ 596,291</u>
Projected Occupancy as of Year End	<u>96.0%</u>	<u>96.0%</u>	<u>96.0%</u>	<u>96.0%</u>	<u>96.0%</u>

Summary of Significant Projection Assumptions and Accounting Policies

MANAGEMENT'S BASIS FOR PROJECTION OF OTHER ITEMS (continued)

Operating Reserve (continued)

WHITE OAK MANOR - BURLINGTON	2024	2025	2026	2027	2028
Total Projected Operating Expenses:					
Projected SNF Expense	\$ 12,905,035	\$ 13,421,592	\$ 13,958,773	\$ 14,517,400	\$ 15,098,333
Projected Apartment Expense	1,001,253	1,041,330	1,083,008	1,128,350	1,171,422
	<u>13,906,288</u>	<u>14,462,922</u>	<u>15,041,781</u>	<u>15,643,750</u>	<u>16,269,755</u>
Total Projected Depreciation Expense:					
Projected SNF Depreciation	65,579	68,466	71,441	74,505	77,661
Projected Apartment Depreciation	29,188	30,474	31,798	33,161	34,566
	<u>94,767</u>	<u>98,940</u>	<u>103,239</u>	<u>107,666</u>	<u>112,227</u>
Total Patient Days - SNF	40,880	42,559	43,617	43,617	43,617
Total Patient Days Attributable to Apartment Residents	150	150	150	150	150
% of SNF Patient Days Attributable to Apartment Residents	0.37%	0.35%	0.34%	0.34%	0.34%
% of SNF Days Attributable to SNF Only Residents	99.63%	99.65%	99.66%	99.66%	99.66%
Calculation of Excluded SNF Expenses	12,857,286	13,374,616	13,911,313	14,468,041	15,046,999
Calculation of Included SNF Expenses	47,749	46,976	47,460	49,359	51,334
Calculation of Included SNF Depreciation	243	240	243	253	264
Expenses Subject to DOI Approved Operating Reserve	1,019,571	1,057,592	1,098,427	1,142,295	1,187,926
Operating Reserve Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Projected Reserve Requirement	<u>\$ 254,893</u>	<u>\$ 264,398</u>	<u>\$ 274,607</u>	<u>\$ 285,574</u>	<u>\$ 296,982</u>
Projected Occupancy as of Year End	<u>96.2%</u>	<u>96.2%</u>	<u>96.2%</u>	<u>96.2%</u>	<u>96.2%</u>
WHITE OAK MANOR - CHARLOTTE	2024	2025	2026	2027	2028
Total Projected Operating Expenses:					
Projected SNF Expense	\$ 15,779,167	\$ 16,411,267	\$ 17,068,600	\$ 17,752,178	\$ 18,463,046
Projected Apartment Expense	708,991	737,392	766,928	797,642	829,583
	<u>16,488,158</u>	<u>17,148,659</u>	<u>17,835,528</u>	<u>18,549,820</u>	<u>19,292,629</u>
Total Projected Depreciation Expense:					
Projected SNF Depreciation	78,846	82,742	86,754	90,887	95,144
Projected Apartment Depreciation	24,626	25,843	27,096	28,387	29,717
	<u>103,472</u>	<u>108,585</u>	<u>113,850</u>	<u>119,274</u>	<u>124,861</u>
Total Patient Days - SNF	53,886	53,886	53,886	53,886	53,886
Total Patient Days Attributable to Apartment Residents	96	96	96	96	96
% of SNF Patient Days Attributable to Apartment Residents	0.18%	0.18%	0.18%	0.18%	0.18%
% of SNF Days Attributable to SNF Only Residents	99.82%	99.82%	99.82%	99.82%	99.82%
Calculation of Excluded SNF Expenses	15,750,764	16,381,727	17,037,877	17,720,224	18,429,813
Calculation of Included SNF Expenses	28,403	29,540	30,723	31,954	33,233
Calculation of Included SNF Depreciation	142	149	156	164	171
Expenses Subject to DOI Approved Operating Reserve	712,626	740,940	770,399	801,045	832,928
Operating Reserve Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Projected Reserve Requirement	<u>\$ 178,157</u>	<u>\$ 185,235</u>	<u>\$ 192,600</u>	<u>\$ 200,261</u>	<u>\$ 208,232</u>
Projected Occupancy as of Year End	<u>90.9%</u>	<u>90.9%</u>	<u>90.9%</u>	<u>90.9%</u>	<u>90.9%</u>

Summary of Significant Projection Assumptions and Accounting Policies

MANAGEMENT'S BASIS FOR PROJECTION OF OTHER ITEMS (continued)

The total operating reserve is funded with cash and cash equivalents, debt securities and equity investments held by the Combined Subsidiaries and White Oak Manor, Inc. and its wholly-owned subsidiaries. The total required reserve at September 30, 2023 was \$1,040,612. These assets are restricted and cannot be used without approval by the North Carolina Department of Insurance.

Intercompany Accounts

Accounts due to affiliates and due from affiliates have been adjusted throughout the Projection Period as a result of projected activity of operations and to maintain a minimum operating cash balance of \$1,750,000.

Commitments and Contingencies

Management does not assume that there will be any claims on the Combined Subsidiaries for the Projection Period relating to its self-insurance for professional and general liability coverage or workers' compensation plan in excess of its annual historical insurance expenses.

Current Assets and Current Liabilities

Cash and Cash Equivalents

Cash and cash equivalents for the Projection Period is projected to maintain a minimum operating cash balance based upon recent historical experience of each of the Combined Subsidiaries.

Accounts Receivable, Net

Accounts receivable, net is projected based upon historical levels throughout the Projection Period that approximate the historical days of operating revenues for each of the respective Combined Subsidiaries.

Other Current Assets

Other current assets are projected based on historic levels throughout the Projection Period.

Accounts Payable

Accounts payable is projected based upon historical levels throughout the Projection Period that approximate the historical days of operating expenses, net of depreciation, for each of the respective Combined Subsidiaries.

Accrued Wages and Other Liabilities

Accounts wages and other liabilities is projected based upon historical levels throughout the Projection Period that approximate the historical days of operating expenses, net of depreciation, for each of the respective Combined Subsidiaries.

Asset Retirement Obligation

Asset retirement obligation is projected based on historic levels throughout the Projection Period.

Other Matters

In 2023, White Oak Manor, Inc. signed a nonbinding letter of intent proposal to potentially sell all assets of White Oak Manor, Inc., which includes the Combined Subsidiaries, to an unrelated third-party. As of the date of these financial statements, no deal has been formalized.



CliftonLarsonAllen LLP
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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT ON SUPPLEMENTAL INFORMATION

Board of Directors
White Oak Manor, Inc.
Spartanburg, South Carolina

Our report on our compilation of the basic projected combined financial statements of White Oak Manor – Tryon, Inc., White Oak Manor – Burlington, Inc., and White Oak Manor – Charlotte, Inc., as of and for the years ending September 30, 2024 through 2028 appears on Page 1. The accompanying supplemental information on Pages 20-31 is presented for purposes of additional analysis and is not a required part of the basic projected combined financial statements. Such information is the responsibility of management. Such information has been subjected to the compilation procedures applied in the compilation of the projected combined financial statements. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Charlotte, North Carolina
February 9, 2024

WHITE OAK MANOR – TRYON, INC.
PROJECTED BALANCE SHEETS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
SEPTEMBER 30, 2024 THROUGH 2028

ASSETS	2024	2025	2026	2027	2028
CURRENT ASSETS					
Cash and Cash Equivalents	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000
Patient Accounts Receivable, Net	294,903	306,699	318,967	331,726	344,995
Other Current Assets	24,693	25,434	26,197	28,983	27,792
Total Current Assets	<u>869,596</u>	<u>882,133</u>	<u>895,164</u>	<u>908,709</u>	<u>922,787</u>
ASSETS LIMITED AS TO USE - OPERATING RESERVE	508,422	529,110	550,629	573,011	596,291
MOVEABLE EQUIPMENT	3,126,539	3,184,502	3,244,204	3,305,697	3,369,035
Less: Accumulated Depreciation	2,615,698	2,787,661	2,982,848	3,141,356	3,323,284
Moveable Equipment, Net	<u>510,841</u>	<u>396,841</u>	<u>281,356</u>	<u>164,341</u>	<u>45,751</u>
Total Assets	<u>\$ 1,888,859</u>	<u>\$ 1,808,084</u>	<u>\$ 1,727,149</u>	<u>\$ 1,646,061</u>	<u>\$ 1,564,829</u>
	2024	2025	2026	2027	2028
LIABILITIES AND SHAREHOLDER'S EQUITY					
CURRENT LIABILITIES					
Accounts Payable	\$ 165,265	\$ 171,876	\$ 178,751	\$ 185,901	\$ 193,337
Accrued Wages and Other Liabilities	385,619	401,044	417,086	433,769	451,120
Intercompany Accounts Payable	54,430	164,560	279,163	398,392	522,424
Asset Retirement Obligation	38,460	38,460	38,460	38,460	38,460
Total Current Liabilities	<u>643,774</u>	<u>775,940</u>	<u>913,460</u>	<u>1,056,522</u>	<u>1,205,341</u>
DEFERRED CREDITS					
Unearned Deposit Revenue - Nonrefundable	350,806	398,726	416,853	403,199	375,607
Unearned Deposit Revenue - Refundable	-	-	-	-	-
Deposits on Apartments	123,000	123,000	123,000	123,000	123,000
Total Deferred Credits	<u>473,806</u>	<u>521,726</u>	<u>539,853</u>	<u>526,199</u>	<u>498,607</u>
LONG-TERM DEBT	-	-	-	-	-
Total Liabilities	<u>1,117,580</u>	<u>1,297,666</u>	<u>1,453,313</u>	<u>1,582,721</u>	<u>1,703,948</u>
SHAREHOLDER'S EQUITY (DEFICIT)					
Common Stock, par value \$1 per share; 350,000 shares authorized, 296,213 shares issued and outstanding	296,213	296,213	296,213	296,213	296,213
Retained Earnings	475,066	214,205	(22,377)	(232,873)	(435,332)
Other Comprehensive Income	-	-	-	-	-
Total Shareholder's Equity (Deficit)	<u>771,279</u>	<u>510,418</u>	<u>273,836</u>	<u>63,340</u>	<u>(139,119)</u>
Total Liabilities and Shareholder's Equity (Deficit)	<u>\$ 1,888,859</u>	<u>\$ 1,808,084</u>	<u>\$ 1,727,149</u>	<u>\$ 1,646,061</u>	<u>\$ 1,564,829</u>

WHITE OAK MANOR – TRYON, INC.
PROJECTED STATEMENTS OF OPERATIONS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028

	2024	2025	2026	2027	2028
REVENUES					
Net Patient Service Revenue	\$ 8,000,182	\$ 8,320,193	\$ 8,653,001	\$ 8,999,123	\$ 9,359,085
Apartment Rents	1,769,325	1,840,098	1,913,702	1,990,253	2,069,862
Deposit Amortization	198,000	158,312	196,354	236,714	259,574
Investment Income	36,000	31,753	32,373	33,019	33,690
Other Revenue	15,900	16,536	17,197	17,885	18,600
Total Revenues	<u>10,019,407</u>	<u>10,366,892</u>	<u>10,812,627</u>	<u>11,276,994</u>	<u>11,740,811</u>
EXPENSES					
Nursing Services	3,705,370	3,853,585	4,007,728	4,168,037	4,334,758
Ancillaries	724,037	752,998	783,118	814,443	847,021
Dietary Expenses	1,258,010	1,308,330	1,360,663	1,415,090	1,471,694
Social Services	79,100	82,264	85,555	88,977	92,536
Activities	133,130	138,455	143,993	149,753	155,743
Medical Records	33,200	34,528	35,909	37,345	38,839
Laundry and Linen	193,350	201,084	209,127	217,492	226,192
Housekeeping	372,440	387,338	402,832	418,945	435,703
Facility Operations and Maintenance	699,200	727,168	756,255	786,505	817,965
Depreciation	168,833	171,963	175,187	178,508	181,928
Taxes and Insurance	282,900	294,216	305,985	318,224	330,953
Employee Benefits	738,600	768,144	798,870	830,825	864,058
General and Administrative	1,834,308	1,907,680	1,983,987	2,063,346	2,145,880
Total Expenses	<u>10,222,478</u>	<u>10,627,753</u>	<u>11,049,209</u>	<u>11,487,490</u>	<u>11,943,270</u>
Net Loss	<u>\$ (203,071)</u>	<u>\$ (260,861)</u>	<u>\$ (236,582)</u>	<u>\$ (210,496)</u>	<u>\$ (202,459)</u>

WHITE OAK MANOR – TRYON, INC.
PROJECTED STATEMENTS OF SHAREHOLDER'S EQUITY (DEFICIT)
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028

	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income	Total Shareholder's Equity
BALANCE, SEPTEMBER 30, 2023	\$ 296,213	\$ 878,137	\$ -	\$ 974,350
Net Loss	-	(203,071)	-	(203,071)
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2024	296,213	475,066	-	771,279
Net Loss	-	(260,861)	-	(260,861)
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2025	296,213	214,205	-	510,418
Net Loss	-	(236,582)	-	(236,582)
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2026	296,213	(22,377)	-	273,836
Net Loss	-	(210,496)	-	(210,496)
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2027	296,213	(232,873)	-	63,340
Net Loss	-	(202,459)	-	(202,459)
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2028	\$ 296,213	\$ (435,332)	\$ -	\$ (139,119)

WHITE OAK MANOR – TRYON, INC.
PROJECTED STATEMENTS OF CASH FLOWS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028

	2024	2025	2026	2027	2028
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Loss	\$ (203,071)	\$ (260,861)	\$ (236,582)	\$ (210,496)	\$ (202,459)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:					
Depreciation	168,833	171,963	175,187	178,508	181,928
Deposit Amortization	(198,000)	(158,312)	(196,354)	(236,714)	(259,574)
Deposit Receipts	198,300	206,232	214,481	223,060	231,982
Change in Current Assets:					
Accounts Receivable	(21,410)	(11,796)	(12,268)	(12,759)	(13,269)
Other Current Assets	(719)	(741)	(763)	(786)	(809)
Change in Current Liabilities:					
Accounts Payable	13,289	6,611	6,875	7,150	7,436
Intercompany Accounts Payable	54,430	110,130	114,603	119,229	124,032
Accrued Wages and Other Liabilities	40,129	15,425	16,042	16,683	17,351
Net Cash Provided by Operating Activities	51,781	78,651	81,221	83,875	86,618
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of Property and Equipment	(56,275)	(57,963)	(59,702)	(61,493)	(63,338)
Net Change in Assets Limited as to Use - Operating Reserve	7,570	(20,688)	(21,519)	(22,382)	(23,280)
Net Cash Used in Investing Activities	(48,705)	(78,651)	(81,221)	(83,875)	(86,618)
CASH FLOWS FROM FINANCING ACTIVITIES					
Distributions to Shareholder	-	-	-	-	-
Net Cash Used in Financing Activities	-	-	-	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,076	-	-	-	-
Cash and Cash Equivalents - Beginning of Year	546,924	550,000	550,000	550,000	550,000
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000

WHITE OAK MANOR – BURLINGTON, INC.
PROJECTED BALANCE SHEETS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
SEPTEMBER 30, 2024 THROUGH 2028

ASSETS	2024	2025	2026	2027	2028
CURRENT ASSETS					
Cash and Cash Equivalents	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Patient Accounts Receivable, Net	1,844,318	1,990,763	2,118,020	2,202,740	2,290,850
Intercompany Accounts Receivable	-	-	(9,551)	488,918	1,007,602
Other Current Assets	52,446	54,018	55,639	57,308	59,027
Total Current Assets	<u>2,496,761</u>	<u>2,644,781</u>	<u>2,764,108</u>	<u>3,348,966</u>	<u>3,957,479</u>
ASSETS LIMITED AS TO USE - OPERATING RESERVE	254,893	264,398	274,607	285,574	296,982
MOVEABLE EQUIPMENT	2,105,931	2,198,673	2,294,197	2,392,587	2,493,929
Less: Accumulated Depreciation	1,772,809	1,871,749	1,974,988	2,082,854	2,194,881
Moveable Equipment, Net	<u>333,122</u>	<u>326,924</u>	<u>319,209</u>	<u>309,933</u>	<u>299,048</u>
Total Assets	<u>\$ 3,084,776</u>	<u>\$ 3,236,103</u>	<u>\$ 3,357,924</u>	<u>\$ 3,944,473</u>	<u>\$ 4,553,509</u>
LIABILITIES AND SHAREHOLDER'S EQUITY					
CURRENT LIABILITIES					
Accounts Payable	\$ 189,199	\$ 196,767	\$ 204,638	\$ 212,823	\$ 221,336
Accrued Wages and Other Liabilities	416,238	432,887	450,203	468,211	486,939
Intercompany Accounts Payable	501,828	443,159	-	-	-
Asset Retirement Obligation	79,034	79,034	79,034	79,034	79,034
Total Current Liabilities	<u>1,186,297</u>	<u>1,151,847</u>	<u>733,875</u>	<u>760,068</u>	<u>787,309</u>
DEFERRED CREDITS					
Unearned Deposit Revenue - Nonrefundable	171,570	215,319	243,724	256,141	280,603
Unearned Deposit Revenue - Refundable	-	-	-	-	-
Deposits on Apartments	13,500	13,500	13,500	13,500	13,500
Total Deferred Credits	<u>185,070</u>	<u>228,819</u>	<u>257,224</u>	<u>269,641</u>	<u>274,103</u>
LONG-TERM DEBT					
Total Liabilities	<u>1,371,367</u>	<u>1,380,666</u>	<u>991,099</u>	<u>1,029,709</u>	<u>1,061,412</u>
SHAREHOLDER'S EQUITY					
Common Stock, par value \$1 per share; 350,000 shares authorized, 309,490 shares issued and outstanding	309,490	309,490	309,490	309,490	309,490
Retained Earnings	1,403,919	1,545,947	2,057,335	2,605,274	3,182,607
Other Comprehensive Loss	-	-	-	-	-
Total Shareholder's Equity	<u>1,713,409</u>	<u>1,855,437</u>	<u>2,366,825</u>	<u>2,914,764</u>	<u>3,492,097</u>
Total Liabilities and Shareholder's Equity	<u>\$ 3,084,776</u>	<u>\$ 3,236,103</u>	<u>\$ 3,357,924</u>	<u>\$ 3,944,473</u>	<u>\$ 4,553,509</u>

WHITE OAK MANOR – BURLINGTON, INC.
PROJECTED STATEMENTS OF OPERATIONS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028

	2024	2025	2026	2027	2028
REVENUES					
Patient Service Revenue	\$ 12,420,170	\$ 13,447,498	\$ 14,333,066	\$ 14,906,389	\$ 15,502,645
Apartment Rents	1,042,440	1,084,138	1,127,504	1,172,604	1,219,508
Deposit Amortization	60,000	46,731	65,694	85,446	97,316
Investment Income	24,000	25,647	25,932	26,238	26,567
Other Revenue	900	936	973	1,012	1,052
Total Revenues	<u>13,547,510</u>	<u>14,604,950</u>	<u>15,553,169</u>	<u>16,191,689</u>	<u>16,847,088</u>
EXPENSES					
Nursing Services	6,377,840	6,632,954	6,898,272	7,174,203	7,461,171
Ancillaries	1,367,322	1,422,015	1,478,896	1,538,052	1,599,574
Dietary Expenses	1,064,180	1,106,726	1,150,995	1,197,035	1,244,916
Social Services	116,050	120,692	125,520	130,541	135,763
Activities	116,290	120,942	125,780	130,811	136,043
Medical Records	52,860	54,974	57,173	59,460	61,838
Laundry and Linen	205,260	213,470	222,009	230,889	240,125
Housekeeping	513,965	534,524	555,905	578,141	601,267
Facility Operations and Maintenance	686,820	714,293	742,865	772,580	803,483
Depreciation	94,767	98,940	103,239	107,666	112,227
Taxes and Insurance	249,000	258,960	269,318	280,091	291,295
Employee Benefits	874,500	909,480	945,859	983,693	1,023,041
General and Administrative	2,187,454	2,274,952	2,365,950	2,460,588	2,559,012
Total Expenses	<u>13,908,288</u>	<u>14,462,922</u>	<u>15,041,781</u>	<u>15,643,750</u>	<u>16,269,755</u>
Net Income (Loss)	<u>\$ (358,778)</u>	<u>\$ 142,028</u>	<u>\$ 511,388</u>	<u>\$ 547,939</u>	<u>\$ 577,333</u>

**WHITE OAK MANOR – BURLINGTON, INC.
 PROJECTED STATEMENTS OF SHAREHOLDER'S EQUITY
 ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
 FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	Common Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholder's Equity
BALANCE, SEPTEMBER 30, 2023	\$ 309,490	\$ 1,762,697	\$ -	\$ 2,072,187
Net Loss	-	(358,778)	-	(358,778)
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2024	309,490	1,403,919	-	1,713,409
Net Income	-	142,028	-	142,028
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2025	309,490	1,545,947	-	1,855,437
Net Income	-	511,388	-	511,388
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2026	309,490	2,057,335	-	2,366,825
Net Income	-	547,939	-	547,939
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2027	309,490	2,605,274	-	2,914,764
Net Income	-	577,333	-	577,333
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2028	\$ 309,490	\$ 3,182,607	\$ -	\$ 3,492,097

**WHITE OAK MANOR – BURLINGTON, INC.
PROJECTED STATEMENTS OF CASH FLOWS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Income (Loss)	\$ (358,778)	\$ 142,028	\$ 511,388	\$ 547,939	\$ 577,333
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:					
Depreciation	94,767	98,940	103,239	107,666	112,227
Deposit Amortization	(60,000)	(46,731)	(65,694)	(85,446)	(97,316)
Deposit Receipts	87,000	90,480	94,099	97,863	101,778
Change in Current Assets:					
Accounts Receivable	(11,214)	(146,447)	(127,257)	(84,720)	(88,110)
Intercompany Accounts Receivable	-	-	9,551	(498,469)	(518,684)
Other Current Assets	(1,528)	(1,573)	(1,621)	(1,669)	(1,719)
Change in Current Liabilities:					
Accounts Payable	(9,791)	7,568	7,871	8,185	8,513
Intercompany Accounts Payable	501,826	(58,667)	(443,159)	-	-
Accrued Wages and Other Liabilities	(5,984)	16,649	17,316	18,008	18,728
Net Cash Provided by Operating Activities	236,298	102,247	105,733	109,357	112,750
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of Property and Equipment	(90,041)	(92,742)	(95,524)	(98,390)	(101,342)
Net Change in Assets Limited as to Use - Operating Reserve	52,281	(9,505)	(10,209)	(10,967)	(11,408)
Net Cash Used in Investing Activities	(37,760)	(102,247)	(105,733)	(109,357)	(112,750)
CASH FLOWS FROM FINANCING ACTIVITIES					
Distributions to Shareholder	-	-	-	-	-
Net Cash Used in Financing Activities	-	-	-	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	198,538	-	-	-	-
Cash and Cash Equivalents - Beginning of Year	401,462	600,000	600,000	600,000	600,000
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000

WHITE OAK MANOR – CHARLOTTE, INC.
PROJECTED BALANCE SHEETS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
SEPTEMBER 30, 2024 THROUGH 2028

ASSETS	2024	2025	2026	2027	2028
CURRENT ASSETS					
Cash and Cash Equivalents	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Accounts Receivable, Net	1,491,010	1,551,499	1,614,428	1,679,897	1,748,008
Intercompany Accounts Receivable	884,614	2,040,432	3,253,042	4,525,006	5,859,007
Other Current Assets	78,170	80,515	82,930	85,418	87,981
Total Current Assets	<u>3,053,794</u>	<u>4,272,446</u>	<u>5,550,400</u>	<u>6,890,321</u>	<u>8,294,996</u>
ASSETS LIMITED AS TO USE - OPERATING RESERVE	178,157	185,235	192,600	200,261	208,232
MOVEABLE EQUIPMENT	2,111,680	2,216,014	2,323,478	2,434,166	2,548,175
Less: Accumulated Depreciation	1,676,917	1,785,502	1,899,352	2,018,626	2,143,487
Moveable Equipment, Net	<u>434,763</u>	<u>430,512</u>	<u>424,126</u>	<u>415,540</u>	<u>404,688</u>
Total Assets	<u>\$ 3,666,714</u>	<u>\$ 4,888,193</u>	<u>\$ 6,167,126</u>	<u>\$ 7,506,122</u>	<u>\$ 8,907,916</u>
LIABILITIES AND SHAREHOLDER'S EQUITY					
CURRENT LIABILITIES					
Accounts Payable	\$ 404,006	\$ 420,166	\$ 436,973	\$ 454,452	\$ 472,630
Accrued Wages and Other Liabilities	448,896	466,851	485,525	504,946	525,144
Total Current Liabilities	<u>852,902</u>	<u>887,017</u>	<u>922,498</u>	<u>959,398</u>	<u>997,774</u>
DEFERRED CREDITS					
Unearned Deposit Revenue - Nonrefundable	82,251	104,627	119,307	125,975	128,635
Unearned Deposit Revenue - Refundable	-	-	-	-	-
Deposits on Apartments	3,000	3,000	3,000	3,000	3,000
Total Deferred Credits	<u>85,251</u>	<u>107,627</u>	<u>122,307</u>	<u>128,975</u>	<u>131,635</u>
LONG-TERM DEBT					
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	938,153	994,644	1,044,805	1,088,373	1,129,409
SHAREHOLDER'S EQUITY					
Common Stock, par value \$1 per share; 300,000 shares authorized, 281,450 shares issued and outstanding	281,450	281,450	281,450	281,450	281,450
Retained Earnings	2,447,111	3,612,099	4,840,871	6,136,299	7,497,057
Other Comprehensive Loss	-	-	-	-	-
Total Shareholder's Equity	<u>2,728,561</u>	<u>3,893,549</u>	<u>5,122,321</u>	<u>6,417,749</u>	<u>7,778,507</u>
Total Liabilities and Shareholder's Equity	<u>\$ 3,666,714</u>	<u>\$ 4,888,193</u>	<u>\$ 6,167,126</u>	<u>\$ 7,506,122</u>	<u>\$ 8,907,916</u>

WHITE OAK MANOR – CHARLOTTE, INC.
PROJECTED STATEMENTS OF OPERATIONS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028

	2024	2025	2026	2027	2028
REVENUES					
Patient Service Revenue	\$ 16,981,235	\$ 17,670,478	\$ 18,387,535	\$ 19,133,534	\$ 19,909,651
Apartment Rents	569,400	592,176	615,863	640,498	666,118
Deposit Amortization	16,800	22,656	32,153	42,038	47,994
Investment Income	30,000	23,345	23,557	23,778	24,008
Other Revenue	4,800	4,992	5,192	5,400	5,616
Total Revenues	17,602,235	18,313,647	19,064,300	19,845,248	20,653,387
COST AND EXPENSES					
Nursing Services	7,297,360	7,589,254	7,892,824	8,208,537	8,536,878
Ancillaries	2,058,620	2,140,965	2,226,604	2,315,668	2,408,295
Dietary Expenses	1,543,050	1,604,772	1,668,963	1,735,722	1,805,151
Social Services	239,440	249,018	258,979	269,338	280,112
Activities	158,460	164,798	171,390	178,246	185,376
Medical Records	52,550	54,652	56,838	59,112	61,476
Laundry and Linen	257,720	268,029	278,750	289,900	301,496
Housekeeping	595,890	619,726	644,515	670,296	697,108
Facility Operations and Maintenance	731,830	761,103	791,547	823,209	856,137
Depreciation	103,472	108,585	113,850	119,274	124,861
Taxes and Insurance	239,400	248,976	258,935	269,292	280,064
Employee Benefits	778,500	809,640	842,026	875,707	910,735
General and Administrative	2,431,866	2,529,141	2,630,307	2,735,519	2,844,940
Total Expenses	16,488,158	17,148,659	17,835,528	18,549,820	19,292,629
Net Income	\$ 1,114,077	\$ 1,164,988	\$ 1,228,772	\$ 1,295,428	\$ 1,360,758

**WHITE OAK MANOR – CHARLOTTE, INC.
 PROJECTED STATEMENTS OF SHAREHOLDER'S EQUITY
 ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
 FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	Common Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholder's Equity
BALANCE, SEPTEMBER 30, 2023	\$ 281,450	\$ 1,333,034	\$ -	\$ 1,614,484
Net Income	-	1,114,077	-	1,114,077
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2024	281,450	2,447,111	-	2,728,561
Net Income	-	1,164,988	-	1,164,988
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2025	281,450	3,612,099	-	3,893,549
Net Income	-	1,228,772	-	1,228,772
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2026	281,450	4,840,871	-	5,122,321
Net Income	-	1,295,428	-	1,295,428
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2027	281,450	6,136,299	-	6,417,749
Net Income	-	1,360,758	-	1,360,758
Distributions to Shareholder	-	-	-	-
BALANCE, SEPTEMBER 30, 2028	\$ 281,450	\$ 7,497,057	\$ -	\$ 7,778,507

WHITE OAK MANOR – CHARLOTTE, INC.
PROJECTED STATEMENTS OF CASH FLOWS
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 7
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028

	2024	2025	2026	2027	2028
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Income	\$ 1,114,077	\$ 1,164,988	\$ 1,228,772	\$ 1,295,428	\$ 1,360,758
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:					
Depreciation	103,472	108,585	113,850	119,274	124,861
Deposit Amortization	(16,800)	(22,656)	(32,153)	(42,038)	(47,994)
Deposit Receipts	43,300	45,032	46,833	48,706	50,654
Change in Current Assets:					
Accounts Receivable	(217,222)	(60,489)	(62,929)	(65,469)	(68,111)
Intercompany Accounts Receivable	(884,614)	(1,155,818)	(1,212,610)	(1,271,964)	(1,334,001)
Other Current Assets	(2,277)	(2,345)	(2,415)	(2,488)	(2,563)
Change in Current Liabilities:					
Accounts Payable	70,403	16,160	16,807	17,479	18,178
Accrued Wages and Other Liabilities	29,820	17,955	18,674	19,421	20,198
Net Cash Provided by Operating Activities	240,159	111,412	114,829	118,349	121,980
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of Property and Equipment	(101,295)	(104,334)	(107,464)	(110,688)	(114,009)
Net Change in Assets Limited as to Use - Operating Reserve	39,289	(7,078)	(7,365)	(7,661)	(7,971)
Net Cash Used in Investing Activities	(62,006)	(111,412)	(114,829)	(118,349)	(121,980)
CASH FLOWS FROM FINANCING ACTIVITIES					
Distributions to Shareholder	-	-	-	-	-
Net Cash Used in Financing Activities	-	-	-	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	178,153	-	-	-	-
Cash and Cash Equivalents - Beginning of Year	421,847	600,000	600,000	600,000	600,000
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000

Attachment 3

Consolidated Statement of Operations

Charlotte Consolidated (CHCO)
12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	Days	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
5,381	5,611	230 *	84.20	48.33	5010 Resident Revenue	16,304	16,469	165 *	83.70	48.33	
118,385	52,440	65,945	607.81	610.78	5100 Private Pay	348,760	155,620	193,140	575.07	610.68	
114,876	132,540	17,664 *	274.02	274.73	5200 Medicare Part A	393,921	393,280	641	276.25	274.73	
654,917	689,847	34,930 *	268.97	5400	5300 Medicaid	1,930,411	2,047,288	116,877 *	252.36	274.73	
(90,642)		90,642 *	407.70	370.00	5400 Medicaid Pending	(138,796)	204,610	138,796 *	416.18	370.00	
55,855	91,760	35,905 *	294.20	310.00	5500 Insurance	213,501	541,880	8,891	281.95	310.00	
189,169	182,590	6,579	4.62	6.19	5600 Managed Care	503,005	101,770	38,875 *	5.92	6.18	
24,837	34,750	9,913 *	272.85	274.73	5700 Medicare Part B	99,127	75,826	5,230 *	284.03	274.73	
51,296	25,550	25,746	243.03	305.00	5800 Hospice	724,738	785,680	60,942 *	306.05	305.00	
185,920	264,740	78,820 *	37.35	48.53	5850 Veterans Admin	157,500	156,420	1,080	37.80	48.58	
52,510	52,660	150 *			5900 Apartment Revenues						
1,357,122	1,526,877	169,755 *	252.21	272.12	Total Resident Revenue	4,328,705	4,462,374	133,669 *	265.50	270.96	
674	(700)	1,374	0.13	(0.12)	6000 Other Revenues	3,345	(2,100)	5,445	0.21	(0.13)	
1,357,796	1,526,177	168,381 *	252.33	272.00	Total Revenue	4,332,051	4,460,274	128,223 *	265.70	270.83	
7000 Operating Costs											
17,434	17,550	116	3.24	3.13	7101 Nursing Administration	56,222	52,320	3,902 *	3.45	3.18	
554,016	596,215	42,199	102.96	106.26	7200 Nursing Service	1,704,948	1,770,085	65,137	104.57	107.48	
111,795	168,510	56,715	20.78	30.03	7300 Ancillaries	375,984	469,950	93,966	23.06	28.54	
106,302	131,420	25,118	19.76	23.42	7400 Dietary	349,561	387,520	37,959	21.44	23.53	
17,432	12,780	4,652 *	3.24	2.28	7500 Social Services	46,411	38,010	8,401 *	2.85	2.31	
15,739	13,440	2,299 *	2.92	2.40	7600 Activities	37,458	39,970	2,512	2.30	2.43	
4,434	4,660	226	0.82	0.83	7700 Medical Records	12,059	13,840	1,781	0.74	0.84	
8,619	21,810	13,191	1.60	3.89	7800 Laundry	32,731	64,660	31,929	2.01	3.93	
39,705	50,970	11,265	7.38	9.08	7900 Housekeeping	117,137	151,140	34,003	7.18	9.18	
46,104	61,235	15,131	8.57	10.91	8000 Plant Operations and Maint.	147,077	183,275	36,198	9.02	11.13	
2,823	7,660	4,837	0.52	1.37	8100 Transportation	25,798	22,860	2,938 *	1.58	1.39	
8,250	8,250		1.53	1.47	8200 Depreciation	24,750	24,750		1.52	1.50	
30,200	30,100	100 *	5.61	5.36	8300 Interest, Amortization & Lease	90,497	90,300	197 *	5.55	5.48	
19,900	19,950	50	3.70	3.56	8400 Taxes and Insurance	59,420	59,850	430	3.64	3.63	
77,291	64,525	12,766 *	14.36	11.50	8500 Employee Benefits	183,582	193,575	9,993	11.26	11.75	
163,514	161,393	2,121 *	30.39	28.76	8600 General and Administration	457,958	473,819	15,861	28.09	28.77	
3,175	5,100	1,925	0.59	0.91	8800 Other Costs	11,806	15,300	3,494	0.72	0.93	
1,226,732	1,375,568	148,836	227.97	245.16	Total Operating Costs	3,733,400	4,051,224	317,824	228.99	245.99	
131,064	150,609	19,545 *	24.36	26.84	Total Income/Loss from Operations	598,651	409,050	189,601	36.72	24.84	
131,064	150,609	19,545 *	24.36	26.84	Total Net Income Before Taxes	598,651	409,050	189,601	36.72	24.84	

* Unfavorable Differences

Consolidated Statement of Operations

Charlotte Consolidated (CHCO)
12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
131,064	150,609	19,545*	24.36	26.84	Total Net Income/Loss	598,651	409,050	189,601	36.72	24.84

* Unfavorable Differences

Consolidated Statement of Operations

Charlotte Consolidated (CHCO)

12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
5,381	5,611	230 *			5010 Resident Revenue	16,304	16,469	165 *		
1,406	1,085	321			5100 Private Pay	4,167	3,220	947		
118,499	50,840	67,659	84.28	46.86	5101 Routine Services - PVT	345,516	150,880	194,636	82.92	46.86
253	690	437 *	0.18	0.64	5102 Medical Supplies- PVT	2,472	2,040	432	0.59	0.63
	160	160 *		0.15	5104 Oxygen - PVT	8	480	472 *	0.00	0.15
54		54	0.04		5105 Laboratory - PVT	54		54	0.01	
	220	220 *		0.20	5106 Physical Therapy - PVT	650	650	650 *	0.20	0.20
	180	180 *		0.17	5107 Speech Therapy - PVT	530	530	530 *	0.16	0.16
	240	240 *		0.22	5108 Occupational Therapy - PVT	710	710	710 *	0.22	0.22
(620)	110	730 *	(0.44)	0.10	5110 Fluidized Bed - PVT	780	330	450	0.19	0.10
113		113	0.08		5113 Transportation - PVT	113		113	0.03	
140		140	0.10		5115 Misc - PVT	330		330	0.08	
(54)		54 *	(0.04)		5120 Contractual Adjustment - PVT	(513)		513 *	(0.12)	
118,385	52,440	65,945	84.20	48.33	Total Private Pay	348,760	155,620	193,140	83.70	48.33
189	217	28 *			5200 Medicare Part A	685	644	41		
113,594	134,540	20,946 *	601.03	620.00	5201 Routine Services-MCR A	411,199	399,280	11,919	600.29	620.00
150	740	590 *	0.79	3.41	5202 Medical Supplies-MCR A	1,271	2,200	929 *	1.85	3.42
9,423	13,490	4,067 *	49.86	62.17	5203 Drugs-MCR A	34,795	40,040	5,245 *	50.80	62.17
414	690	276 *	2.19	3.18	5204 Oxygen-MCR A	673	2,050	1,377 *	0.98	3.18
93	840	747 *	0.49	3.87	5205 Laboratory-MCR A	1,521	2,500	979 *	2.22	3.88
7,137	10,630	3,493 *	37.76	48.99	5206 Physical Therapy-MCR A	27,447	31,550	4,103 *	40.07	48.99
1,492	4,120	2,628 *	7.89	18.99	5207 Speech Therapy-MCR A	7,307	12,230	4,923 *	10.67	18.99
7,375	11,500	4,125 *	39.02	53.00	5208 Occupational Therapy-MCR A	29,588	34,130	4,542 *	43.19	53.00
	360	360 *		1.66	5209 PEN Therapy-MCR A		1,070	1,070 *	1.66	1.66
	500	500 *		2.30	5210 Fluid Bed-MCR A		1,480	1,480 *	2.30	2.30
	240	240 *		1.11	5212 Wound Care-MCR A		710	710 *	1.10	1.10
450	280	170	2.38	1.29	5213 Transportation-MCR A	1,238	830	408	1.81	1.29
331	480	149 *	1.75	2.21	5214 X-Rays-MCR A	2,004	1,420	584	2.93	2.20
	70	70 *		0.32	5215 Misc-MCR A		210	210 *	0.33	0.33
1,284	(2,000)	3,284	6.79	(9.22)	5220 Contract Adj.-Room MCR A	(17,277)	(6,000)	11,277 *	(25.22)	(9.32)
(26,867)	(43,940)	17,073	(142.15)	(202.49)	5221 Contract Adj.-Ancillaries MCR A	(105,843)	(130,420)	24,577	(154.52)	(202.52)
114,876	132,540	17,664 *	607.81	610.78	Total Medicare Part A	393,921	393,280	641	575.07	610.68
2,390	2,511	121 *			5300 Medicaid	6,988	7,452	464 *		
655,015	689,847	34,832 *	274.07	274.73	5301 Routine Services-MCD	1,930,082	2,047,288	117,206 *	276.20	274.73
2,712	4,220	1,508 *	1.13	1.68	5302 Medical Supplies-MCD	6,814	12,520	5,706 *	0.98	1.68
2,691	5,900	3,209 *	1.13	2.35	5303 Oxygen- MCD	8,108	17,510	9,403 *	1.16	2.35
	180	180 *		0.07	5304 Laboratory-MCD	405	530	125 *	0.06	0.07

* Unfavorable Differences

Consolidated Statement of Operations

Charlotte Consolidated (CHCO)

12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
411		411	0.17		5305 Physical Therapy-MCD Non-Covered	904		904	0.13	
1,733		1,733	0.73		5307 Speech Therapy-MCD Non-Covered	2,146		2,146	0.31	
301	1,260	959*	0.13	0.50	5311 PEN Therapy-MCD Non-Covered	2,116	3,740	1,624*	0.30	0.50
6,640	5,600	1,040	2.78	2.23	5313 Fluidized Bed -MCD	9,300	16,620	7,320*	1.33	2.23
3,800	330	3,470	1.59	0.13	5316 Transportation -MCD	9,988	980	9,008	1.43	0.13
625		625	0.26		5317 X-Rays -MCD	1,094		1,094	0.16	
330		330	0.14		5321 Flu/Pneumonia Vacc - MCD	330		330	0.05	
(19,343)	(17,490)	1,853*	(8.09)	(6.97)	5324 Contract Adj-Ancillaries MCD	(40,874)	(51,900)	11,026	(5.85)	(6.96)
654,917	689,847	34,930*	274.02	274.73	Total Medicaid	1,930,411	2,047,288	116,877*	276.25	274.73
(337)		337*			5400 Medicaid Pending	(550)		550*		
(90,642)		90,642*	268.97		5401 Routine Services - MCD Pend	(138,796)		138,796*	252.36	
(1,703)		1,703*	5.05		5402 Medical Supplies - MCD Pend	(2,545)		2,545*	4.63	
(983)		983*	2.92		5404 Oxygen - MCD Pend	(457)		457*	0.83	
(54)		54*	0.16		5405 Laboratory - MCD Pend	(1,189)		1,189*	2.16	
(3,940)		3,940*	11.69		5406 Physical Therapy - MCD Pend	(578)		578*	1.05	
(625)		625*	1.85		5407 Speech Therapy - MCD Pend	(1,338)		1,338*	2.43	
7,305		7,305	(21.68)		5408 Occupational Therapy - MCD Pend	(3,740)		3,740*	6.80	
(90,642)	0	90,642*	268.97	0.00	5410 Fluidized Bed - MCD Pend	9,847		9,847	(17.90)	
					5414 X-Rays - MCD Pend					
					5421 Contract Adj-Ancillaries MCD Pend					
					Total Medicaid Pending	(138,796)	0	138,796*	252.36	0.00
137	248	111*			5500 Insurance	513	553	40*		
55,855	91,760	35,905*	407.70	370.00	5501 Routine Services - INS	214,347	204,610	9,737	417.83	370.00
867	5,210	4,343*	6.33	21.01	5502 Medical Supplies - INS	2,947	11,620	8,673*	5.74	21.01
8,182	14,630	6,448*	59.72	58.99	5503 Drugs - INS	28,040	32,630	4,590*	54.66	59.01
431	850	419*	3.15	3.43	5504 Oxygen - INS	656	1,890	1,235*	1.28	3.42
963	940	23	7.03	3.79	5505 Laboratory - INS	2,022	2,100	78*	3.94	3.80
7,842	15,870	8,028*	57.24	63.99	5506 Physical Therapy - INS	22,240	35,390	13,150*	43.35	64.00
1,981	6,200	4,219*	14.46	25.00	5507 Speech Therapy - INS	5,831	13,830	7,999*	11.37	25.01
6,966	16,120	9,224*	50.33	65.00	5508 Occupational Therapy - INS	20,804	35,950	15,146*	40.55	65.01
					5509 PEN Therapy - INS	251		251	0.49	
					5511 Flu/Pneumonia - INS	190		190	0.37	
	320	320*		1.29	5513 Wound Care - INS	713	710	710*	1.39	1.28
488	550	488	3.56	5514 Transportation - INS	2,926	1,220	1,706	5.70	2.21	
1,855	(60,690)	1,305	13.54	2.22	5515 X-Rays - INS	(87,466)	(135,340)	47,874	(170.50)	(244.74)
(29,503)		31,187	(215.35)	(244.72)	5522 Contract Adj-Ancillaries - INS	213,501	204,610	8,891	416.18	370.00
55,855	91,760	35,905*	407.70	370.00	Total Insurance	213,501	204,610	8,891	416.18	370.00

* Unfavorable Differences

Consolidated Statement of Operations

Charlotte Consolidated (CHCO)

12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	Days	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
643	589	54			5600 Managed Care		1,784	1,748	36		
190,087	182,590	7,497	295.63	310.00	5601 Routine Services - MGC	507,282	541,880	34,618 *	284.34	310.00	
162	430	268 *	0.25	0.73	5602 Medical Supplies - MGC	410	1,280	870 *	0.23	0.73	
177	3,530	3,353 *	0.28	5.99	5603 Drugs - MGC	145	10,480	10,335 *	0.08	6.00	
	40	40 *		0.07	5604 Oxygen - MGC	120	120	120 *	0.07	0.07	
	260	260 *		0.44	5605 Laboratory - MGC	1,136	770	366	0.64	0.44	
4,168	4,860	692 *	6.48	8.25	5606 Physical Therapy - MGC	11,887	14,420	2,533 *	6.66	8.25	
809	1,650	841 *	1.26	2.80	5607 Speech Therapy - MGC	4,406	4,900	494 *	2.47	2.80	
4,483	4,950	467 *	6.97	8.40	5608 Occupational Therapy - MGC	9,691	14,690	4,999 *	5.43	8.40	
	450	450 *		0.76	5610 Fluidized Bed - MGC	120	1,330	1,210 *	0.07	0.76	
(280)	340	620 *	(0.44)	0.58	5611 Flu/Pneumonia - MGC	(280)	1,000	1,280 *	(0.16)	0.57	
100	330	330 *	0.16	0.56	5614 Transportation - MGC	150	980	980 *	0.08	0.56	
(20)	60	60 *	(0.03)	0.10	5615 X-Rays - MGC	(20)	180	180 *	(0.01)	0.10	
(87)		87 *	(0.14)	0.10	5616 Therapy Screenings - MGC	(1,087)		1,087 *	(0.61)		
(10,430)	(16,900)	6,470	(16.22)	(28.69)	5621 Contract Adj-Room MGC	(30,815)	(50,150)	19,335	(17.27)	(28.69)	
					5622 Contract Adj-Ancillaries MGC	503,005	541,880	38,875 *	281.95	310.00	
189,169	182,590	6,579	294.20	310.00	Total Managed Care	16,304	16,469	165 *	0.81	1.55	
5,381	5,611	230 *	(1.37)	1.55	5700 Medicare Part B	13,228	25,500	12,272 *	(0.29)	0.72	
(7,367)	8,710	16,077 *	(1.81)	0.72	5703 Physical Therapy - MCR B	(4,684)	11,800	16,484 *	(0.11)	1.56	
(9,729)	4,030	13,759 *	(1.48)	1.56	5704 Speech Therapy - MCR B	8,395	680	7,715	0.51	0.04	
(7,967)	8,750	16,717 *	0.83	0.04	5705 Occupational Therapy - MCR B	35,090	25,500	9,590	2.15	1.55	
4,475	230	4,245	3.98	1.55	5707 Flu/Pneumonia - MGB	22,052	11,800	10,252	1.35	0.72	
21,431	8,710	12,721	2.23	0.72	5708 Physical Therapy - MGB	36,198	25,630	10,568	2.22	1.56	
12,024	4,030	7,994	2.79	1.56	5710 Occupational Therapy - MGB	188	680	8,045	0.01	0.04	
14,989	8,750	6,239	0.72	0.04	5711 PEN Therapy - MGB	8,725	80	8,045	0.54	0.04	
3,895	230	3,665	(1.28)	(1.55)	5712 Flu/Pneumonia - MGB	(20,866)	(25,450)	4,584	(1.28)	(1.55)	
(6,912)	(8,690)	1,778	4.62	6.19	5720 Contractual Adjustment - MRB/MGB	96,540	101,770	5,230 *	5.92	6.18	
24,837	34,750	9,913 *	272.85	274.73	Total Medicare Part B	349	276	73	280.48	274.73	
188	93	95	4.72	5.05	5800 Hospice	1,452	1,390	62	4.16	5.04	
51,296	25,550	25,746	5.14	0.86	5801 Routine Services - HSP	1,001	240	761	2.87	0.87	
887	470	417		0.22	5802 Medical Supplies - HSP	60	60	60 *	1.97	0.22	
966	80	886		0.22	5804 Oxygen - HSP	687	687	687	1.58	0.79	
	20	20 *		0.22	5805 Laboratory - HSP	552	552	552	0.79	0.79	
				0.22	5806 Physical Therapy - HSP	274	274	274			
186	186	186	0.99	0.99	5808 Occupational Therapy - HSP						
					5809 PEN Therapy - HSP						

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75	20	20*	0.40	0.22	5810 Fluidized Bed - HSP	75	60	60*	0.21	0.22
(2,115)	(590)	1,525*	(11.25)	(6.34)	5814 Transportation - HSP	(2,802)	(1,750)	1,052*	(8.03)	(6.34)
51,296	25,550	25,746	272.85	274.73	5822 Contract Adj-Ancillaries HSP	99,127	75,826	23,301	284.03	274.73
765	868	103*			Total Hospice					
186,937	264,740	77,803*	244.36	305.00	5850 Veterans Admin	2,368	2,576	208*		
921	870	51	1.20	1.00	5851 Routine Services - VA	701,808	785,680	83,872*	296.37	305.00
25,692	34,720	9,028*	33.58	40.00	5852 Medical Supplies - VA	4,315	2,580	1,735	1.82	1.00
1,656	1,660	4*	2.16	1.91	5853 Drugs - VA	80,102	103,040	22,938*	33.83	40.00
1,287	2,030	743*	1.68	2.34	5854 Oxygen - VA	5,813	4,920	893	2.45	1.91
5,730	9,770	4,040*	7.49	11.26	5855 Laboratory - VA	4,499	6,030	1,531*	1.90	2.34
1,155	3,850	2,695*	1.51	4.44	5856 Physical Therapy - VA	20,507	28,990	8,483*	8.66	11.25
4,378	10,490	6,112*	5.72	12.09	5857 Speech Therapy - VA	5,304	11,420	6,116*	2.24	4.43
842	260	582	1.10	0.30	5858 Occupational Therapy - VA	15,795	31,140	15,345*	6.67	12.09
440	1,010	570*	0.58	1.16	5859 PEN Therapy - VA	3,077	770	2,307	1.30	0.30
2,338	620	1,718	3.06	0.71	5860 Fluidized Bed - VA	860	2,990	2,130*	0.36	1.16
1,605	160	1,445	2.10	0.18	5863 Transportation - VA	1,350	90	1,260	0.57	0.03
(1,017)		1,017*	(1.33)		5864 X-rays - VA	4,610	1,840	2,770	1.95	0.71
(46,532)	(65,470)	18,938	(60.83)	(75.43)	5865 Flu/Pneumonia - VA	3,405	480	2,925	1.44	0.19
185,920	264,740	78,820*	243.03	305.00	5867 Contract Adj Room - VA	22,930	22,930	22,930	9.68	(75.42)
					5868 Contract Adj Ancil - VA	(149,639)	(194,290)	44,651	(63.19)	(75.42)
					Total Veterans Admin	724,738	785,680	60,942*	306.05	305.00
1,406	1,085	321			5900 Apartment Revenues	4,167	3,220	947		
49,090	48,360	730	34.91	44.57	5901 Apartment Rental Income	146,613	143,520	3,093	35.18	44.57
800	1,400	600*	0.46	0.45	5902 Apartment Deposit Income	3,267	4,200	933*	0.46	0.46
2,500	2,500	280*	0.02	0.07	5903 Interest Income-Investments	7,500	7,500		0.01	0.07
120	400	280*	37.35	48.53	5904 Apartment Income-Misc	120	1,200	1,080*	0.01	0.07
52,510	52,660	150*			Total Apartment Revenues	157,500	156,420	1,080	37.80	48.58
1,357,122	1,526,877	169,755*	252.21	272.12	Total Resident Revenue	4,328,705	4,462,374	133,669*	265.50	270.96
5,381	5,611	230*	0.09		6000 Other Revenues	16,304	16,469	165*	0.18	
500	(700)	500	0.03	(0.12)	6002 Property Lease Income	(556)	(2,100)	1,544	(0.03)	(0.13)
174	(700)	874	0.13	(0.12)	6003 Barber and Beauty	901		901	0.06	
674	(700)	1,374	0.13	(0.12)	6006 Interest Income-Misc	3,345	(2,100)	5,445	0.21	(0.13)
1,357,796	1,526,177	168,381*	252.33	272.00	Total Other Revenues	4,332,051	4,460,274	128,223*	265.70	270.83

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2,938	8,340	5,402	0.55	1.49	7102 Nurs Admin DON Salaries	23,419	24,760	1,341	1.44	1.50
6,891	1,470	5,421*	1.28	0.26	7104 Nurs Admin PTO	10,211	4,370	5,841*	0.63	0.27
664	740	76	0.12	0.13	7106 Nurs Admin PR Taxes	2,275	2,190	85*	0.14	0.13
2,941	3,000	59	0.55	0.53	7108 Nurs Admin Consultants	8,317	9,000	683	0.51	0.55
4,000	4,000		0.74	0.71	7109 Nurs Admin Medical Director Expense	12,000	12,000		0.74	0.73
17,434	17,550	116	3.24	3.13	Total Nursing Administration	56,222	52,320	3,902*	3.45	3.18
					7200 Nursing Service					
53,998	62,650	8,652	10.03	11.17	7201 Nursing RN Salaries	160,476	185,930	25,454	9.84	11.29
146,603	119,870	26,733*	27.24	21.36	7202 Nursing LPN Salaries	448,376	355,750	92,626*	27.50	21.60
194,778	205,760	10,982	36.20	36.67	7203 Nursing CNA Salaries	576,375	610,650	34,275	35.35	37.08
7,140		7,140*	1.33		7204 Nursing CNA Training Salaries	17,404		17,404*	1.07	
23,723	20,440	3,283*	4.41	3.64	7206 Nursing PTO	48,805	60,660	11,855	2.99	3.68
67,981	45,000	22,981*	12.63	8.02	7207 Nursing Overtime	217,405	135,000	82,405*	13.33	8.20
37,037	34,030	3,007*	6.88	6.06	7208 Nursing PR Taxes	110,926	101,100	9,826*	6.80	6.14
540	525	15*	0.10	0.09	7209 Nursing Clinical Software	1,577	1,575	2*	0.10	0.10
18,900	23,410	4,510	3.51	4.17	7210 Nursing Supplies	60,744	68,550	7,806	3.73	4.16
236	300	64	0.04	0.05	7211 Nursing Travel and Meetings	581	900	319	0.04	0.05
					7213 Nursing Contract Labor - RN	6,457		6,457*	0.40	
					7214 Nursing Contract Labor - LPN	33,525	100,930	67,405	2.06	6.13
3,081	50,220	47,139	0.57	8.95	7215 Nursing Contract Labor - CNA	22,297	149,040	126,743	1.37	9.05
554,016	596,215	42,199	102.96	106.26	Total Nursing Service	1,704,948	1,770,085	65,137	104.57	107.48
					7300 Ancillaries					
					7301 Physical Therapy - Private		350	350		0.02
5,258	5,570	312	0.98	0.99	7302 Physical Therapy - Medicare Part A	19,503	16,530	2,973*	1.20	1.00
251		251*	0.05		7304 Physical Therapy - Medicaid	551		551*	0.03	
					7306 Physical Therapy - Insurance	446	18,530	18,084	0.73	1.13
4,302	8,310	8,310	0.80	1.48	7307 Physical Therapy - Managed Care	12,751	7,540	5,211*	0.78	0.46
5,721	2,540	1,762*	1.06	0.45	7308 Physical Therapy - Medicare Part B	20,162	13,350	6,812*	1.24	0.81
3,647	4,560	1,161*	0.68	0.81	7309 Physical Therapy - Managed Care Pt B	10,018	13,350	3,332	0.61	0.81
					7310 Physical Therapy - Hospice	124		124*	0.01	
3,495	5,120	1,625	0.65	0.91	7311 Physical Therapy - VA	13,039	15,190	2,151	0.80	0.92
370	470	100	0.07	0.08	7312 Physical Therapy - Supplies	1,500	1,370	130*	0.09	0.08
2,459		2,459*	0.46		7314 Physical Therapy - Other					
					7315 Occupational Therapy - Private		360	360		0.02
5,078	5,840	762	0.94	1.04	7316 Occupational Therapy - Medicare Pt A	21,794	17,330	4,464*	1.34	1.05

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29,753	52,000	22,247	5.53	9.27	7402 Dietary Other Salaries	100,067	154,320	54,253	6.14	9.37
1,714	3,520	1,806	0.32	0.63	7404 Dietary PTO	12,346	10,450	1,896 *	0.76	0.63
5,902	1,500	4,402 *	1.10	0.27	7405 Dietary Overtime	9,457	4,500	4,957 *	0.58	0.27
4,051	5,200	1,149	0.75	0.93	7406 Dietary PR Taxes	12,423	15,440	3,017	0.76	0.94
2,758	600	2,158 *	0.51	0.11	7407 Dietary Consultants	4,960	1,800	3,160 *	0.30	0.11
46,370	60,400	14,030	8.62	10.76	7408 Dietary Raw Food	171,596	177,200	5,604	10.52	10.76
10,416	7,100	3,316 *	1.94	1.27	7409 Dietary Supplies	26,186	20,900	5,286 *	1.61	1.27
(16,200)	(11,200)	5,000	(3.01)	(2.00)	7412 Dietary Emp/Guest Meal Income	(23,615)	(33,600)	9,985 *	(1.45)	(2.04)
18		118 *	0.02		7413 Dietary Misc Expense	123		123 *	0.01	
8,232		8,232 *	1.53		7414 Dietary Minor Equipment					
106,302	131,420	25,118	19.76	23.42	Total Dietary	349,561	387,520	37,959	21.44	23.53
7500 Social Services										
5,734	5,160	574 *	1.07	0.92	7501 Social Services Director Salaries	14,880	15,310	430	0.91	0.93
6,763	3,910	2,853 *	1.26	0.70	7502 Social Services Other Salaries	15,183	11,610	3,573 *	0.93	0.70
(220)	580	800	(0.04)	0.10	7504 Social Services PTO	784	1,720	936	0.05	0.10
(709)	800	1,509	(0.13)	0.14	7505 Social Services Overtime	3,430	2,400	1,030 *	0.21	0.15
1,384	780	604 *	0.26	0.14	7506 Social Services PR Taxes	3,273	2,320	953 *	0.20	0.14
3,588	800	2,788 *	0.67	0.14	7507 Social Services Consultants	6,049	2,400	3,649 *	0.37	0.15
892	750	142 *	0.17	0.13	7508 Social Services Supplies	2,315	2,250	65 *	0.14	0.14
					7511 Social Services Misc Expense	498		498 *	0.03	0.14
17,432	12,780	4,652 *	3.24	2.28	Total Social Services	46,411	38,010	8,401 *	2.85	2.31
7600 Activities										
3,869	3,670	199 *	0.72	0.65	7601 Activities Director Salaries	10,868	10,890	22	0.67	0.66
5,230	6,110	880	0.97	1.09	7602 Activities Other Salaries	15,515	18,140	2,625	0.95	1.10
466	620	154	0.09	0.11	7604 Activities PTO	1,329	1,840	511	0.08	0.11
131	50	81 *	0.02	0.01	7605 Activities Overtime	189	150	39 *	0.01	0.01
738	780	42	0.14	0.14	7606 Activities PR Taxes	2,120	2,320	200	0.13	0.14
4,930	1,900	3,030 *	0.92	0.34	7608 Activities Supplies	6,321	5,700	621 *	0.39	0.35
375	300	75 *	0.07	0.05	7609 Activities Purchased Services	750	900	150	0.05	0.05
	10	10		0.00	7610 Activities Travel and Meetings	365	30	335 *	0.02	0.00
15,739	13,440	2,299 *	2.92	2.40	Total Activities	37,458	39,970	2,512	2.30	2.43
7700 Medical Records										
3,598	3,640	42	0.67	0.65	7701 Medical Records Salaries	9,405	10,800	1,395	0.58	0.66
40	230	190	0.01	0.04	7703 Medical Records PTO	840	680	160 *	0.05	0.04
221		221 *	0.04		7704 Medical Records Overtime	329		329 *	0.02	
283	290	7	0.05	0.05	7705 Medical Records PR Taxes	773	860	87	0.05	0.05
159	500	341	0.03	0.09	7707 Medical Records Supplies	313	1,500	1,187	0.02	0.09

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133		133 *	0.02		7708 Medical Records Purchased Services	399		399 *	0.02	
4,434	4,660	226	0.82	0.83	Total Medical Records	12,059	13,840	1,781	0.74	0.84
7800 Laundry										
7,721	15,560	7,839	1.43	2.77	7802 Laundry Salaries	19,396	46,180	26,784	1.19	2.80
124	990	866	0.02	0.18	7804 Laundry PTO	1,702	2,940	1,238	0.10	0.18
161	200	39	0.03	0.04	7805 Laundry Overtime	269	600	331	0.02	0.04
613	1,260	647	0.11	0.22	7806 Laundry PR Taxes	1,677	3,740	2,063	0.10	0.23
	1,700	1,700		0.30	7807 Laundry Supplies	533	5,000	4,467	0.03	0.30
	1,900	1,900		0.34	7808 Laundry Linen and Bedding	6,767	5,600	1,167 *	0.42	0.34
	200	200		0.04	7809 Laundry Underpads	2,387	600	1,787 *	0.15	0.04
8,619	21,810	13,191	1.60	3.89	Total Laundry	32,731	64,660	31,929	2.01	3.93
7900 Housekeeping										
7,847	7,000	847 *	1.46	1.25	7901 Housekeeping Director Salaries	20,825	21,000	175	1.28	1.28
20,133	30,210	10,077	3.74	5.38	7902 Housekeeping Other Salaries	60,057	89,430	29,373	3.68	5.43
(377)	2,370	2,747	(0.07)	0.42	7904 Housekeeping PTO	2,963	7,030	4,067	0.18	0.43
1,188	2,000	812	0.22	0.36	7905 Housekeeping Overtime	7,102	6,000	1,102 *	0.44	0.36
2,242	3,120	878	0.42	0.56	7906 Housekeeping PR Taxes	7,047	9,260	2,213	0.43	0.56
8,313	5,590	2,723 *	1.54	1.00	7908 Housekeeping Supplies	18,522	16,400	2,122 *	1.14	1.00
360	680	320	0.07	0.12	7909 Housekeeping Purch Services	620	2,020	1,400	0.04	0.12
39,705	50,970	11,265	7.38	9.08	Total Housekeeping	117,137	151,140	34,003	7.18	9.18
8000 Plant Operations and Maint.										
5,608	11,370	5,762	1.04	2.03	8002 POM Other Salaries	21,089	33,740	12,651	1.29	2.05
531	810	279	0.10	0.14	8004 POM PTO	377	2,400	2,023	0.02	0.15
125	150	25	0.02	0.03	8005 POM Overtime	1,836	450	1,386 *	0.11	0.03
659	930	271	0.12	0.17	8006 POM PR Taxes	2,164	2,760	596	0.13	0.17
1,369	1,325	44 *	0.25	0.24	8007 POM Consultants	4,020	3,975	45 *	0.25	0.24
3,671	8,700	5,029	0.68	1.55	8008 POM Supplies	8,623	26,100	17,477	0.53	1.58
6,112	12,300	6,188	1.14	2.19	8009 POM Purchased Services	25,442	36,900	11,458	1.56	2.24
23,621	21,800	1,821 *	4.39	3.89	8010 POM Utilities	68,385	65,400	2,985 *	4.19	3.97
4,062	3,850	212 *	0.75	0.69	8011 POM Cable/TV Expense	12,190	11,550	640 *	0.75	0.70
					8012 POM Travel and Meetings	93		93 *	0.01	
					8013 POM Misc Expense	118		118 *	0.01	
346		346 *	0.06		8014 POM Minor Equipment	2,740		2,740 *	0.17	
46,104	61,235	15,131	8.57	10.91	Total Plant Operations and Maint.	147,077	183,275	36,198	9.02	11.13
8100 Transportation										
2,026	3,330	1,304	0.38	0.59	8101 Transportation Salaries	11,873	9,880	1,993 *	0.73	0.60

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(37)	210	210	(0.01)	0.04	8103 Transportation PTO	1,423	630	630	0.09	0.04
153	50	87	0.03	0.01	8104 Transportation Overtime	1,032	150	1,273 *	0.06	0.01
680	270	117	0.13	0.05	8105 Transportation PR Taxes	2,321	800	232 *	0.14	0.05
	300	380 *		0.05	8106 Transportation Vehicle Expense	9,149	900	1,421 *	0.56	0.05
	3,500	3,500		0.62	8107 Transportation NEMT Contr Veh-Mcaid	25,798	10,500	1,351	1.58	0.64
2,823	7,660	4,837	0.52	1.37	Total Transportation	22,860	22,860	2,938 *	1.52	1.39
					8200 Depreciation					
8,250	8,250		1.53	1.47	8205 Depr Expense - Moveable Equipment	24,750	24,750		1.52	1.50
8,250	8,250	0	1.53	1.47	Total Depreciation	24,750	24,750	0	1.52	1.50
					8300 Interest, Amortization & Lease					
100		100 *	0.02		8302 Interest Expense - Other	197		197 *	0.01	
30,100	30,100		5.59	5.36	8305 Building Lease Expense	90,300	90,300		5.54	5.48
30,200	30,100	100 *	5.61	5.36	Total Interest, Amortization & Lease	90,497	90,300	197 *	5.55	5.48
					8400 Taxes and Insurance					
7,500	7,500		1.39	1.34	8401 Property Tax Expense	22,500	22,500		1.38	1.37
4,900	50	50	0.91	0.01	8402 Misc Tax Expense	14,420	150	150	0.88	0.01
7,500	4,900		1.39	0.87	8403 Insurance Expense-Property	22,500	14,700	280	1.38	0.89
19,900	7,500		3.70	1.34	8404 Insurance Expense- Liability	59,420	22,500	430	3.64	1.37
	19,950	50		3.56	Total Taxes and Insurance	160,800	59,850	19,988	8.64	3.63
					8500 Employee Benefits					
55,966	53,600	2,366 *	10.40	9.55	8501 Employee Group Insurance	22,650	22,650		1.39	1.38
7,550	7,550		1.40	1.35	8502 Workers Compensation Expense	1,050	1,050		1.23	0.06
13,775	350	350	2.56	0.06	8504 Retirement Plan Expense	20,119	9,075	11,044 *	0.55	0.55
	3,025	10,750 *		0.54	8505 Employee Benefits Misc Expense	183,582	9,075	9,993	11.26	11.75
77,291	64,525	12,766 *	14.36	11.50	Total Employee Benefits	37,700	193,575	4,995	2.01	2.29
					8600 General and Administration					
10,362	12,700	2,338	1.93	2.26	8601 Administrative Administrator Salaries	98,514	103,480	4,966	6.04	6.28
34,683	35,530	847	6.45	6.33	8603 Administrative Other Salaries	4,369	10,314	5,945	0.27	0.63
1,079	3,468	2,389	0.20	0.62	8605 Administrative PTO	(666)	2,250	2,916	(0.04)	0.14
(50)	750	800	(0.01)	0.13	8606 Administrative Overtime	7,570	10,760	3,190	0.46	0.65
3,415	3,670	255	0.63	0.65	8607 Administrative PR Taxes	245,310	3,525	38 *	15.05	14.90
83,940	83,940		0.22	0.21	8608 Management Fee Expense	5,315	6,000	685	0.33	0.36
1,188	1,175	13 *	0.45	0.36	8610 Telephone Expense	4,050	6,600	2,550	0.25	0.40
2,448	2,000	448 *	0.25	0.39	8612 Dues and Subscriptions					
1,350	2,200	850								

* Unfavorable Differences

Consolidated Statement of Operations

Charlotte Consolidated (CHCO)

12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
1,137	950	187*	0.21	0.17	8613 Office Supplies	4,396	2,850	1,546*	0.27	0.17
670	1,850	1,180	0.12	0.33	8614 Copier Expense	1,587	5,550	3,963	0.10	0.34
139	310	171	0.03	0.06	8615 Postage Expense	853	930	77	0.05	0.06
6,828	500	6,328*	1.27	0.09	8616 Professional Fees - Legal	10,914	1,500	9,414*	0.67	0.09
1,749	450	450	0.32	0.08	8617 Professional Fees - Other	2,850	1,350	1,500	0.08	0.08
	425	1,324*		0.08	8619 Admin - Travel and Meetings		1,275	1,575*	0.17	0.04
	200	200		0.04	8620 Help Wanted Advertising Expense		600	600		0.04
1,326	2,000	674	0.25	0.36	8621 General Advertising Expense	2,152	6,000	3,848	0.13	0.36
1,527	1,300	227*	0.28	0.23	8622 Bank Charge Expense	4,763	3,900	863*	0.29	0.24
1,402	400	1,002*	0.26	0.07	8623 Printing Expense	2,586	1,200	1,386*	0.16	0.07
8,575	7,500	1,075*	1.59	1.34	8624 Data Processing Expense	25,312	22,500	2,812*	1.55	1.37
1,745	75	1,670*	0.32	0.01	8626 Meals & Entertainment	1,813	225	1,588*	0.11	0.01
163,514	161,393	2,121*	30.39	28.76	Total General and Administration	457,958	473,819	15,861	28.09	28.77
					8800 Other Costs					
675	1,100	425	0.13	0.20	8801 Non-Allowable Expense	1,996	3,300	1,304	0.12	0.20
2,500	2,500		0.46	0.45	8804 Bad Debt Expense	7,500	7,500		0.46	0.46
	1,500	1,500		0.27	8808 Mcare Co-Ins Bad Debt	2,310	4,500	2,190	0.14	0.27
3,175	5,100	1,925	0.59	0.91	Total Other Costs	11,806	15,300	3,494	0.72	0.93
1,226,732	1,375,568	148,836	227.97	245.16	Total Operating Costs	3,733,400	4,051,224	317,824	228.99	245.99
131,064	150,609	19,545*	24.36	26.84	Total Income/Loss from Operations	598,651	409,050	189,601	36.72	24.84
131,064	150,609	19,545*	24.36	26.84	Total Net Income Before Taxes	598,651	409,050	189,601	36.72	24.84
131,064	150,609	19,545*	24.36	26.84	Total Net Income/Loss	598,651	409,050	189,601	36.72	24.84

* Unfavorable Differences

Consolidated Balance Sheet
as of 12/31/23
 Charlotte Consolidated (CHCO)

Account	Description	Amount
1000	Assets	
1001	Current Assets	
1002	Cash	992,969.05
1100	Accounts Receivable	1,814,494.30
1200	Inventory	28,542.06
1300	Prepaid Expenses	24,850.00
1400	Other Current Assets	224,945.92
	Total Current Assets	3,085,801.33
1500	Non-Current Assets	
1501	Other Assets	(498,444.41)
1800	Property, Plant and Equipment	432,776.03
	Total Non-Current Assets	(65,668.38)
	Total Assets	\$3,020,132.95
3000	Liabilities & Equity	
3001	Total Liabilities	
3002	Current Liabilities	
3004	Notes and Accounts Payable	203,123.48
3200	Accrued Liabilities	569,573.32
3300	Other Current Liabilities	1,899.47
	Total Current Liabilities	774,596.27
3003	Long Term Liabilities	
3500	Deferred Revenue	32,400.60
	Total Long Term Liabilities	32,400.60
	Total Total Liabilities	806,996.87
4000	Equity	
	Total Equity	2,213,136.08
	Total Liabilities & Equity	\$3,020,132.95

Consolidated Balance Sheet
as of 12/31/23
 Charlotte Consolidated (CHCO)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
1000	Assets	
1001	Current Assets	
1002	Cash	935,769.95
1003	Operating Bank Account	1,150.00
1005	Petty Cash	55,249.10
1006	Deposit in Transit	800.00
1008	Resident Trust Funds Petty Cash	
		<u>992,969.05</u>
1100	Accounts Receivable	
1101	Accts Receivable-Private	226,659.02
1102	Accts Receivable-Medicaid SNF	403,689.01
1104	Accts Receivable-Hospice	42,995.92
1105	Accts Receivable-Medicare Pt A	65,371.21
1106	Accts Receivable-Micare Crossover Part A	22,557.00
1107	Accts Receivable-3rd Party Ins Part A	52,200.00
1108	Accts Receivable-Medicare Pt B	12,955.12
1109	Accts Receivable-Micare Crossover Pt B	8,183.75
1110	Accts Receivable-Medicaid Pending	107,963.84
1111	Accts Receivable-Insurance	71,098.68
1112	Accts Receivable-Managed Care	562,594.61
1113	Accts Receivable-VA	250,997.68
1115	Accts Receivable-Other	(9,462.30)
1120	Allowance For Doubtful Accounts	(18,319.15)
1124	Resident Judgments	15,039.71
1125	Activities Fund	(29.80)
		<u>1,814,494.30</u>
1200	Inventory	
1201	Inventory-Food	9,736.09
1202	Inventory-Medical Supplies	3,920.60
1203	Inventory-Nursing Supplies	5,896.07
1204	Inventory-PEN	2,461.79
1205	Inventory-Laundry	1,131.00
1206	Inventory-Housekeeping	396.51
1207	Inventory-Other	5,000.00
		<u>28,542.06</u>
1300	Prepaid Expenses	

Consolidated Balance Sheet
as of 12/31/23
 Charlotte Consolidated (CHCO)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
1301	Prepaid Insurance	24,850.00
		<u>24,850.00</u>
1400	Other Current Assets	
1403	Accrued Interest	7,500.00
1504	Assets Limited to Use	217,445.92
		<u>224,945.92</u>
	Total Current Assets	3,085,801.33
1500	Non-Current Assets	
1501	Other Assets	
1611	Intercompany Account-Charlotte	(474,483.23)
1612	Intercompany Account-SV Apartments	(23,961.18)
1623	Intercompany Account-SA with CR	<u>(498,444.41)</u>
1800	Property, Plant and Equipment	
1810	Moveable Equipment	2,030,970.97
1811	Accm Depn-Moveable Equipment	(1,598,194.94)
		<u>432,776.03</u>
	Total Non-Current Assets	(65,668.38)
	Total Assets	\$3,020,132.95
3000	Liabilities & Equity	
3001	Total Liabilities	
3002	Current Liabilities	
3004	Notes and Accounts Payable	
3100	Accounts Payable	198,780.47
3109	Employee Deductions-Cancer	4,343.01
		<u>203,123.48</u>
3200	Accrued Liabilities	
3201	Accrued Salaries and Wages	405,251.37
3202	Accrued Vacation/PTO Payable	164,321.95
		<u>569,573.32</u>
3300	Other Current Liabilities	

Consolidated Balance Sheet
as of 12/31/23
 Charlotte Consolidated (CHCO)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
3301	Property Taxes Payable	1,813.47
3350	Unearned Revenue	86.00
		<u>1,899.47</u>
		774,596.27
3003	Long Term Liabilities	
3500	Deferred Revenue	
3501	Deposits for Apartments Waiting List	1,000.00
3502	Deposits on Apartments	29,400.62
3503	Misc Deposits Account	1,999.98
		<u>32,400.60</u>
		32,400.60
	Total Total Liabilities	806,996.87
4000	Equity	
4001	Common Stock	281,450.00
4003	Retained Earnings	2,188,750.95
4004	Current Earnings	598,651.11
4006	Interdivision Equity	(873,681.96)
4007	Unrealized (Gain)/Loss on Investments	17,965.98
	Total Equity	2,213,136.08
	Total Liabilities & Equity	\$3,020,132.95

Statement of Operations
 Sharon Village Apartments Inc (SA)
 12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	Days	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
992	930	62			5010 Resident Revenue		2,934	2,760	174		
52,510	52,660	150 *	52.93	56.62	Apartment Revenues	157,500	156,420	1,080	53.68	56.67	
52,510	52,660	150 *	52.93	56.62	Total Resident Revenue	157,500	156,420	1,080	53.68	56.67	
174	50	124	0.18	0.05	Other Revenues	144	150	6 *	0.05	0.05	
52,684	52,710	26 *	53.11	56.68	Total Revenue	157,644	156,570	1,074	53.73	56.73	
					7000 Operating Costs						
8,058	11,300	3,242	8.12	12.15	Dietary	30,591	33,500	2,909	10.43	12.14	
3,376	500	2,876 *	3.40	0.54	Activities	3,924	1,500	2,424 *	1.34	0.54	
687	4,130	3,443	0.69	4.44	Housekeeping	1,086	12,260	11,174	0.37	4.44	
6,345	10,655	4,310	6.40	11.46	Plant Operations and Maint.	17,629	31,915	14,286	6.01	11.56	
1,250	1,250		1.26	1.34	Depreciation	3,750	3,750		1.28	1.36	
3,000	3,000		3.02	3.23	Interest, Amortization & Lease	9,037	9,000	37 *	3.08	3.26	
4,400	4,400		4.44	4.73	Taxes and Insurance	13,200	13,200		4.50	4.78	
3,809	3,725	84 *	3.84	4.01	Employee Benefits	11,245	11,175	70 *	3.83	4.05	
20,909	16,373	4,536 *	21.08	17.61	General and Administration	50,164	46,639	3,525 *	17.10	16.90	
51,834	55,333	3,499	52.25	59.50	Total Operating Costs	140,626	162,939	22,313	47.93	59.04	
850	(2,623)	3,473	0.86	(2.82)	Total Income/Loss from Operations	17,018	(6,369)	23,387	5.80	(2.31)	
850	(2,623)	3,473	0.86	(2.82)	Total Net Income Before Taxes	17,018	(6,369)	23,387	5.80	(2.31)	
850	(2,623)	3,473	0.86	(2.82)	Total Net Income/Loss	17,018	(6,369)	23,387	5.80	(2.31)	

* Unfavorable Differences

Statement of Operations
 Sharon Village Apartments Inc (SA)
 12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	Days	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget	
992	930	62			5010 Resident Revenue	Days	2,934	2,760	174			
992	930	62			5900 Apartment Revenues	Days	2,934	2,760	174			
49,090	48,360	730	49.49	52.00	5901 Apartment Rental Income		146,613	143,520	3,093	49.97	52.00	
800	1,400	600*			5902 Apartment Deposit Income		3,267	4,200	933*			
2,500	2,500		2.52	2.69	5903 Interest Income-Investments		7,500	7,500		2.56	2.72	
120	400	280*	0.12	0.43	5904 Apartment Income-Misc		120	1,200	1,080*	0.04	0.43	
52,510	52,660	150*	52.93	56.62	Total Apartment Revenues		157,500	156,420	1,080	53.68	56.67	
52,510	52,660	150*	52.93	56.62	Total Resident Revenue		157,500	156,420	1,080	53.68	56.67	
992	930	62			6000 Other Revenues	Days	2,934	2,760	174			
174	50	124	0.18	0.05	6003 Barber and Beauty		144	150	6*	0.05	0.05	
174	50	124	0.18	0.05	Total Other Revenues		144	150	6*	0.05	0.05	
52,684	52,710	26*	53.11	56.68	Total Revenue		157,644	156,570	1,074	53.73	56.73	
					7000 Operating Costs							
					7400 Dietary							
7,983	11,200	3,217	8.05	12.04	7408 Dietary Raw Food		30,548	33,200	2,652	10.41	12.03	
75	100	25	0.08	0.11	7409 Dietary Supplies		119	300	181	0.04	0.11	
					7412 Dietary Emp/Guest Meal Income		(80)		80	(0.03)		
					7413 Dietary Misc Expense		5		5*	0.00		
8,058	11,300	3,242	8.12	12.15	Total Dietary		30,591	33,500	2,909	10.43	12.14	
					7600 Activities							
3,376	500	2,876*	3.40	0.54	7608 Activities Supplies		3,924	1,500	2,424*	1.34	0.54	
3,376	500	2,876*	3.40	0.54	Total Activities		3,924	1,500	2,424*	1.34	0.54	
					7900 Housekeeping							
					7902 Housekeeping Other Salaries			8,400	8,400		3.04	
					7904 Housekeeping PTO			530	530		0.19	
					7906 Housekeeping PR Taxes			680	680		0.25	
					7908 Housekeeping Supplies			466	164		0.16	
					7909 Housekeeping Purch Services			620	1,400		0.21	
687	4,130	3,443	0.69	4.44	Total Housekeeping		1,086	12,260	11,174	0.37	4.44	
					8000 Plant Operations and Maint.							
					8002 POM Other Salaries			3,470	3,470		1.26	
					8004 POM PTO			470	470		0.17	

* Unfavorable Differences

Statement of Operations

Sharon Village Apartments Inc (SA)
12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
64	100	36	0.06	0.11	8006 POM PR Taxes	104	300	196	0.04	0.11
464	325	139 *	0.47	0.35	8007 POM Consultants	1,013	975	38 *	0.35	0.35
407	3,000	2,593	0.41	3.23	8008 POM Supplies	1,845	9,000	7,155	0.63	3.26
1,446	2,300	854	1.46	2.47	8009 POM Purchased Services	3,500	6,900	3,400	1.19	2.50
2,827	2,800	27 *	2.85	3.01	8010 POM Utilities	8,266	8,400	134	2.82	3.04
791	800	9	0.80	0.86	8011 POM Cable/TV Expense	2,554	2,400	154 *	0.87	0.87
346		346 *	0.35		8014 POM Minor Equipment	346		346 *	0.12	
6,345	10,655	4,310	6.40	11.46	Total Plant Operations and Maint.	17,629	31,915	14,286	6.01	11.56
					8200 Depreciation					
1,250	1,250		1.26	1.34	8205 Depr Expense - Moveable Equipment	3,750	3,750		1.28	1.36
1,250	1,250	0	1.26	1.34	Total Depreciation	3,750	3,750	0	1.28	1.36
					8300 Interest, Amortization & Lease					
3,000	3,000		3.02	3.23	8302 Interest Expense - Other	37	9,000	37 *	0.01	3.26
3,000	3,000	0	3.02	3.23	8305 Building Lease Expense	9,000	9,000		3.07	3.26
					8400 Taxes and Insurance					
2,800	2,800		2.82	3.01	8401 Property Tax Expense	8,400	8,400		2.86	3.04
1,600	1,600		1.61	1.72	8403 Insurance Expense- Property	4,800	4,800		1.64	1.74
4,400	4,400	0	4.44	4.73	Total Taxes and Insurance	13,200	13,200	0	4.50	4.78
					8500 Employee Benefits					
3,668	3,600	68 *	3.70	3.87	8501 Employee Group Insurance	11,003	10,800	203 *	3.75	3.91
50	50	0	0.05	0.05	8502 Workers Compensation Expense	150	150		0.05	0.05
92	50	42 *	0.09	0.05	8504 Retirement Plan Expense		150	150	0.03	0.05
3,809	3,725	84 *	3.84	4.01	8505 Employee Benefits Misc Expense	92	75	17 *	0.03	0.03
					Total Employee Benefits	11,245	11,175	70 *	3.83	4.05
					8600 General and Administration					
11,957	8,580	3,377 *	12.05	9.23	8603 Administrative Other Salaries	28,215	23,500	4,715 *	9.62	8.51
(260)	478	738	(0.26)	0.51	8605 Administrative PTO	2,124	1,434	690 *	0.72	0.52
1,670	630	1,040 *	1.68	0.68	8607 Administrative PR Taxes	3,048	1,740	1,308 *	1.04	0.63
2,900	2,900		2.92	3.12	8608 Management Fee Expense	8,610	8,610		2.93	3.12
264	275	11	0.27	0.30	8609 Telephone Expense	792	825	33	0.27	0.30
1,129	800	329 *	1.14	0.86	8610 Auto Expense	2,515	2,400	115 *	0.86	0.87
137	100	37 *	0.14	0.11	8612 Dues and Subscriptions	192	300	108 *	0.07	0.11
115	150	35 *	0.12	0.16	8613 Office Supplies	231	450	219 *	0.08	0.16
	100	15 *	0.12	0.11	8614 Copier Expense		300	300	0.11	0.11

* Unfavorable Differences

Statement of Operations
 Sharon Village Apartments Inc (SA)
 12/1/23 to 12/31/23

Month	Month	Month	PPD	PPD	Account	YTD	YTD	YTD	PPD	PPD
Actual	Budget	Diff	Actual	Budget		Actual	Budget	Diff	Actual	Budget
37	10	10	0.04	0.01	8615 Postage Expense	214	30	30	0.07	0.01
1,326	25	12*	1.34	0.03	8619 Admin - Travel and Meetings	1,459	75	139*	0.73	0.03
206	2,000	674	0.21	2.15	8621 General Advertising Expense	505	6,000	3,848	0.04	2.17
1,428	300	94	1.44	0.32	8623 Printing Expense	1,459	900	108*	0.50	0.33
20,909	25	1,403*	21.08	0.03	8624 Data Processing Expense	50,164	75	395	17.10	0.03
	16,373	4,536*		0.03	8626 Meals & Entertainment			1,384*		
					Total General and Administration			3,525*		16.90
51,834	55,333	3,499	52.25	17.61	Total Operating Costs	140,626	46,639	3,525*	47.93	59.04
850	(2,623)	3,473	0.86	59.50	Total Income/Loss from Operations	17,018	162,939	22,313	5.80	(2.31)
850	(2,623)	3,473	0.86	(2.82)	Total Net Income Before Taxes	17,018	(6,369)	23,387	5.80	(2.31)
850	(2,623)	3,473	0.86	(2.82)	Total Net Income/Loss	17,018	(6,369)	23,387	5.80	(2.31)

* Unfavorable Differences

Balance Sheet
as of 12/31/23
 Sharon Village Apartments Inc (SA)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
1000	Assets	
1001	Current Assets	
1002	Cash	392,870.16
1100	Accounts Receivable	2,655.35
1400	Other Current Assets	224,945.92
	Total Current Assets	620,471.43
1500	Non-Current Assets	
1501	Other Assets	(59,136.24)
1800	Property, Plant and Equipment	123,739.14
	Total Non-Current Assets	64,602.90
	Total Assets	\$685,074.33
3000	Liabilities & Equity	
3001	Total Liabilities	
3002	Current Liabilities	
3004	Notes and Accounts Payable	185.16
3200	Accrued Liabilities	18,391.18
3300	Other Current Liabilities	32,594.90
		<u>51,171.24</u>
3003	Long Term Liabilities	
3500	Deferred Revenue	32,400.62
		<u>32,400.62</u>
	Total Total Liabilities	83,571.86
4000	Equity	
	Total Equity	601,502.47
	Total Liabilities & Equity	\$685,074.33

Balance Sheet
as of 12/31/23
 Sharon Village Apartments Inc (SA)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
1000	Assets	
1001	Current Assets	
1002	Cash	392,520.16
1003	Operating Bank Account	350.00
1005	Petty Cash	<u>392,870.16</u>
1100	Accounts Receivable	
1101	Accts Receivable-Private	1,970.00
1115	Accts Receivable Other	685.35
		<u>2,655.35</u>
1400	Other Current Assets	
1403	Accrued Interest	7,500.00
1504	Assets Limited to Use	217,445.92
		<u>224,945.92</u>
	Total Current Assets	620,471.43
1500	Non-Current Assets	
1501	Other Assets	
1612	Intercompany Account-SV Apartments	(23,961.18)
1623	Intercompany Account-SA with CR	(35,175.06)
		<u>(59,136.24)</u>
1800	Property, Plant and Equipment	
1810	Moveable Equipment	333,383.47
1811	Accm Depn-Moveable Equipment	(209,644.33)
		<u>123,739.14</u>
	Total Non-Current Assets	64,602.90
	Total Assets	\$685,074.33
3000	Liabilities & Equity	
3001	Total Liabilities	
3002	Current Liabilities	
3004	Notes and Accounts Payable	

Balance Sheet
as of 12/31/23
 Sharon Village Apartments Inc (SA)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
3109	Employee Deductions-Cancer	185.16
		185.16
3200	Accrued Liabilities	
3201	Accrued Salaries and Wages	8,267.33
3202	Accrued Vacation/PTO Payable	10,123.85
		18,391.18
3300	Other Current Liabilities	
3301	Property Taxes Payable	32,594.90
		32,594.90
		51,171.24
3003	Long Term Liabilities	
3500	Deferred Revenue	
3501	Deposits for Apartments Waiting List	1,000.00
3502	Deposits on Apartments	29,400.62
3503	Misc Deposits Account	2,000.00
		32,400.62
		32,400.62
	Total Total Liabilities	83,571.86
4000	Equity	
4001	Common Stock	94,618.00
4003	Retained Earnings	596,914.63
4004	Current Earnings	17,018.36
4006	Interdivision Equity	(125,014.50)
4007	Unrealized (Gain)/Loss on Investments	17,965.98
	Total Equity	601,502.47
	Total Liabilities & Equity	\$685,074.33

Statement of Operations
 White Oak Manor - Charlotte Inc (CR)
 12/1/23 to 12/31/23

Month	Month	Month	PPD	PPD	Account	Days	YTD	YTD	YTD	PPD	PPD
Actual	Budget	Diff	Actual	Budget			Actual	Budget	Diff	Actual	Budget
4,389	4,681	292 *	285.95	338.32	5010 Resident Revenue	13,370	13,709	339 *	282.85	338.30	
118,385	52,440	65,945	607.81	610.78	Private Pay	348,760	155,620	193,140	575.07	610.68	
114,876	132,540	17,664 *	274.02	274.73	Medicare Part A	393,921	393,280	641	276.25	274.73	
654,917	689,847	34,930 *	268.97	5400	Medicaid	1,930,411	2,047,288	116,877 *	252.36	274.73	
(90,642)	91,760	35,905 *	407.70	370.00	Medicaid Pending	(138,796)	204,610	138,796 *	416.18	370.00	
55,855	182,590	6,579	294.20	310.00	Insurance	213,501	541,880	8,891	281.95	310.00	
189,169	34,750	9,913 *	5.66	7.42	Managed Care	503,005	101,770	38,875 *	7.22	7.42	
24,837	25,550	25,746	272.85	274.73	Medicare Part B	96,540	75,826	5,230 *	284.03	274.73	
51,296	264,740	78,820 *	243.03	305.00	Hospice	99,127	785,680	23,301	306.05	305.00	
185,920	1,474,217	169,605 *	297.25	314.94	Veterans Admin	724,738	4,305,954	60,942 *	311.98	314.10	
1,304,612	(750)	1,250	0.11	(0.16)	Total Resident Revenue	4,171,206	(2,250)	134,748 *	0.24	(0.16)	
500	1,473,467	168,355 *	297.36	314.78	Other Revenues	3,201	4,303,704	5,451	312.22	313.93	
1,305,112					Total Revenue	4,174,407	129,297 *				
7000 Operating Costs											
17,434	17,550	116	3.97	3.75	7101 Nursing Administration	56,222	52,320	3,902 *	4.21	3.82	
554,016	596,215	42,199	126.23	127.37	Nursing Service	1,704,948	1,770,085	65,137	127.52	129.12	
111,795	168,510	56,715	25.47	36.00	Ancillaries	375,984	469,950	93,966	28.12	34.28	
98,244	120,120	21,876	22.38	25.66	Dietary	318,969	354,020	35,051	23.86	25.82	
17,432	12,780	4,652 *	3.97	2.73	Social Services	46,411	38,010	8,401 *	3.47	2.77	
12,363	12,940	577	2.82	2.76	Activities	33,534	38,470	4,936	2.51	2.81	
4,434	4,660	226	1.01	1.00	Medical Records	12,059	13,840	1,781	0.90	1.01	
8,619	21,810	13,191	1.96	4.66	Laundry	32,731	64,660	31,929	2.45	4.72	
39,018	46,840	7,822	8.89	10.01	Housekeeping	116,050	138,880	22,830	8.68	10.13	
39,759	50,580	10,821	9.06	10.81	Plant Operations and Maint.	129,449	151,360	21,911	9.68	11.04	
2,823	7,660	4,837	0.64	1.64	Transportation	25,798	22,860	2,938 *	1.93	1.67	
7,000	7,000	100 *	1.59	1.50	Depreciation	21,000	21,000	160 *	1.57	1.53	
27,200	27,100	50	6.20	5.79	Interest, Amortization & Lease	81,460	81,300	430	6.09	5.93	
15,500	15,550	12,682 *	3.53	3.32	Taxes and Insurance	46,220	46,650	10,063	3.46	3.40	
73,482	60,800	2,415	16.74	12.99	Employee Benefits	172,337	182,400	19,386	12.89	13.31	
142,605	145,020	1,925	32.49	30.98	General and Administration	407,794	427,180	3,494	30.50	31.16	
3,175	5,100	145,337	0.72	1.09	Other Costs	11,806	15,300	268.72	0.88	1.12	
1,174,898	1,320,235	23,017 *	267.69	282.04	Total Operating Costs	3,592,774	3,888,285	295,511	283.63	283.63	
130,215	153,232	23,017 *	29.67	32.73	Total Income/Loss from Operations	581,633	415,419	166,214	43.50	30.30	
130,215	153,232	23,017 *	29.67	32.73	Total Net Income Before Taxes	581,633	415,419	166,214	43.50	30.30	
130,215	153,232	23,017 *	29.67	32.73	Total Net Income/Loss	581,633	415,419	166,214	43.50	30.30	

* Unfavorable Differences

Statement of Operations
 White Oak Manor - Charlotte Inc (CR)
 12/1/23 to 12/31/23

Month	Month	Month	PPD	PPD	Account	YTD	YTD	YTD	PPD	PPD
Actual	Budget	Diff	Actual	Budget		Actual	Budget	Diff	Actual	Budget
4,389	4,681	292 *	5010	Resident Revenue	Days	13,370	13,709	339 *		
414	155	259	5100	Private Pay	Days	1,233	460	773		
118,499	50,840	67,659	5101	Routine Services - PVT	Days	345,516	150,880	194,636	280,22	328,00
253	690	437 *	5102	Medical Supplies- PVT		2,472	2,040	432	2.00	4.43
	160	160 *	5104	Oxygen - PVT		8	480	472 *	0.01	1.04
54		54	5105	Laboratory - PVT		54		54	0.04	
	220	220 *	5106	Physical Therapy - PVT			650	650 *		1.41
	180	180 *	5107	Speech Therapy - PVT			530	530 *		1.15
	240	240 *	5108	Occupational Therapy - PVT			710	710 *		1.54
(620)	110	730 *	5110	Fluidized Bed - PVT		780	330	450	0.63	0.72
113		113	5113	Transportation - PVT		113		113	0.09	
140		140	5115	Misc - PVT		330		330	0.27	
(54)		54 *	5120	Contractual Adjustment - PVT		(513)		513 *	(0.42)	
118,385	52,440	65,945		Total Private Pay		348,760	155,620	193,140	282,85	338,30
189	217	28 *	5200	Medicare Part A	Days	685	644	41		
113,594	134,540	20,946 *	5201	Routine Services-MCRA A	Days	411,199	399,280	11,919	600,29	620,00
150	740	590 *	5202	Medical Supplies-MCRA A		1,271	2,200	929 *	1.85	3.42
9,423	13,490	4,067 *	5203	Drugs-MCRA A		34,795	40,040	5,245 *	0.80	62.17
414	690	276 *	5204	Oxygen-MCRA A		673	2,050	1,377 *	0.98	3.18
93	840	747 *	5205	Laboratory-MCRA A		1,521	2,500	979 *	2.22	3.88
7,137	10,630	3,493 *	5206	Physical Therapy-MCRA A		27,447	31,550	4,103 *	40,07	48,99
1,492	4,120	2,628 *	5207	Speech Therapy-MCRA A		7,307	12,230	4,923 *	10,67	18,99
7,375	11,500	4,125 *	5208	Occupational Therapy-MCRA A		29,588	34,130	4,542 *	43,19	53,00
	360	360 *	5209	PEN Therapy-MCRA A			1,070	1,070 *		1.66
	500	500 *	5210	Fluid Bed-MCRA A			1,480	1,480 *		2.30
	240	240 *	5212	Wound Care-MCRA A			710	710 *		1.10
450	280	170	5213	Transportation-MCRA A		1,238	830	408	1.81	1.29
331	480	149 *	5214	X-Rays-MCRA A		2,004	1,420	584	2.93	2.20
	70	70 *	5215	Misc-MCRA A			210	210 *		0.33
1,284	(2,000)	3,284	5220	Contract Adj-Room MCRA A		(17,277)	(6,000)	11,277 *	(25,22)	(9,32)
(26,867)	(43,940)	17,073	5221	Contract Adj-Ancillaries MCRA A		(105,843)	(130,420)	24,577	(154,52)	(202,52)
114,876	132,540	17,664 *		Total Medicare Part A		393,921	393,280	641	575,07	610,68
2,390	2,511	121 *	5300	Medicaid	Days	6,988	7,452	464 *		
655,015	689,847	34,832 *	5301	Routine Services-MCD	Days	1,930,082	2,047,288	117,206 *	276,20	274,73
2,712	4,220	1,508 *	5302	Medical Supplies-MCD		6,814	12,520	5,706 *	0.98	1.68
2,691	5,900	3,209 *	5303	Oxygen-MCD		8,108	17,510	9,403 *	1.16	2.35
	180	180 *	5304	Laboratory-MCD		405	530	125 *	0.06	0.07

* Unfavorable Differences

Statement of Operations
 White Oak Manor - Charlotte Inc (CR)
 12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
411		411	0.17		5305 Physical Therapy-MCD Non-Covered	904		904	0.13	
1,733		1,733	0.73		5307 Speech Therapy-MCD Non-Covered	2,146		2,146	0.31	
301	1,260	959 *	0.13	0.50	5311 PEN Therapy-MCD Non-Covered	2,116	3,740	1,624 *	0.30	0.50
6,640	5,600	1,040	2.78	2.23	5313 Fluidized Bed -MCD	9,300	16,620	7,320 *	1.33	2.23
3,800	330	3,470	1.59	0.13	5316 Transportation -MCD	9,988	980	9,008	1.43	0.13
625		625	0.26		5317 X-Rays -MCD	1,094		1,094	0.16	
330		330	0.14		5321 Flu/Pneumonia Vacc - MCD	330		330	0.05	
(19,343)	(17,490)	1,853 *	(8.09)	(6.97)	5324 Contract Adj-Ancillaries MCD	(40,874)	(51,900)	11,026	(5.85)	(6.96)
654,917	689,847	34,930 *	274.02	274.73	Total Medicaid	1,930,411	2,047,288	116,877 *	276.25	274.73
(337)		337 *			5400 Medicaid Pending	(550)		550 *		
(90,642)		90,642 *	268.97		5401 Routine Services - MCD Pend	(138,796)		138,796 *	252.36	
(1,703)		1,703 *	5.05		5402 Medical Supplies - MCD Pend	(2,545)		2,545 *	4.63	
(983)		983 *	2.92		5404 Oxygen - MCD Pend	(457)		457 *	0.83	
(54)		54 *	0.16		5405 Laboratory - MCD Pend	(1,189)		1,189 *	2.16	
(3,940)		3,940 *	11.69		5406 Physical Therapy - MCD Pend	(578)		578 *	1.05	
(625)		625 *	1.85		5407 Speech Therapy - MCD Pend	(1,338)		1,338 *	2.43	
7,305		7,305	(21.68)		5410 Fluidized Bed - MCD Pend	(3,740)		3,740 *	6.80	
(90,642)	0	90,642 *	268.97	0.00	5414 X-Rays - MCD Pend	9,847		9,847	(17.90)	
					5421 Contract Adj-Ancillaries MCD Pend	(138,796)	0	138,796 *	252.36	0.00
137	248	111 *			5500 Insurance	513	553	40 *		
55,855	91,760	35,905 *	407.70	370.00	5501 Routine Services - INS	214,347	204,610	9,737	417.83	370.00
867	5,210	4,343 *	6.33	21.01	5502 Medical Supplies - INS	2,947	11,620	8,673 *	5.74	21.01
8,182	14,630	6,448 *	59.72	58.99	5503 Drugs - INS	28,040	32,630	4,590 *	54.66	59.01
431	850	419 *	3.15	3.43	5504 Oxygen - INS	656	1,890	1,235 *	1.28	3.42
963	940	23	7.03	3.79	5505 Laboratory - INS	2,022	2,100	78 *	3.94	3.80
7,842	15,870	8,028 *	57.24	63.99	5506 Physical Therapy - INS	22,240	35,390	13,150 *	43.35	64.00
1,981	6,200	4,219 *	14.46	25.00	5507 Speech Therapy - INS	5,831	13,830	7,999 *	11.37	25.01
6,896	16,120	9,224 *	50.33	65.00	5508 Occupational Therapy - INS	20,804	35,950	15,146 *	40.55	65.01
					5509 PEN Therapy - INS	251		251	0.49	
					5511 Flu/Pneumonia - INS	190		190	0.37	
488	320	320 *	3.56	1.29	5513 Wound Care - INS	713	710	710 *	1.39	1.28
1,855	550	1,305	13.54	2.22	5514 Transportation - INS	2,926	1,220	1,706	5.70	2.21
(29,503)	(60,690)	31,187	(215.35)	(244.72)	5522 Contract Adj-Ancillaries - INS	(87,466)	(135,340)	47,874	(170.50)	(244.74)
55,855	91,760	35,905 *	407.70	370.00	Total Insurance	213,501	204,610	8,891	416.18	370.00

* Unfavorable Differences

Statement of Operations

White Oak Manor - Charlotte Inc (CR)
12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
643	589	54			5600 Managed Care	1,784	1,748	36		
190,087	182,590	7,497	295.63	310.00	5601 Routine Services - MGC	507,262	541,880	34,618 *	284.34	310.00
162	430	268 *	0.25	0.73	5602 Medical Supplies - MGC	410	1,280	870 *	0.23	0.73
177	3,530	3,353 *	0.28	5.99	5603 Drugs - MGC	145	10,480	10,335 *	0.08	6.00
	40	40 *		0.07	5604 Oxygen - MGC		120	120 *		0.07
	260	260 *		0.44	5605 Laboratory - MGC	1,136	770	366	0.64	0.44
4,168	4,860	692 *	6.48	8.25	5606 Physical Therapy - MGC	11,887	14,420	2,533 *	6.66	8.25
809	1,650	841 *	1.26	2.80	5607 Speech Therapy - MGC	4,406	4,900	494 *	2.47	2.80
4,483	4,950	467 *	6.97	8.40	5608 Occupational Therapy - MGC	9,691	14,690	4,999 *	5.43	8.40
	450	450 *		0.76	5610 Fluidized Bed - MGC	120	1,330	1,210 *	0.07	0.76
(280)	340	620 *	(0.44)	0.58	5611 Flu/Pneumonia - MGC	(280)	1,000	1,280 *	(0.16)	0.57
100		100	0.16		5614 Transportation - MGC	150		150	0.08	
	330	330 *		0.56	5615 X-Rays- MGC		980	980 *		0.56
(20)		20 *	(0.03)		5616 Therapy Screenings - MGC	(20)		20 *	(0.01)	
(87)	60	60 *	(0.14)	0.10	5617 Misc - MGC	(1,087)	180	1,087 *	(0.61)	0.10
(10,430)	(16,900)	6,470	(16.22)	(28.69)	5621 Contract Adj-Room MGC	(30,815)	(50,150)	19,335	(17.27)	(28.69)
189,169	182,590	6,579	294.20	310.00	5622 Contract Adj-Ancillaries MGC	503,005	541,880	38,875 *	281.95	310.00
					Total Managed Care					
4,389	4,681	292 *			5700 Medicare Part B	13,370	13,709	339 *		
(7,367)	8,710	16,077 *	(1.68)	1.86	5703 Physical Therapy - MCR B	13,228	25,500	12,272 *	0.99	1.86
(9,729)	4,030	13,759 *	(2.22)	0.86	5704 Speech Therapy - MCR B	(4,684)	11,800	16,484 *	(0.35)	0.86
(7,967)	8,750	16,717 *	(1.82)	1.87	5705 Occupational Therapy - MCR B	(1,786)	25,630	27,416 *	(0.13)	1.87
4,475	230	4,245	1.02	0.05	5707 Flu/Pneumonia - MCR B	8,395	680	7,715	0.63	0.05
21,431	8,710	12,721	4.88	1.86	5708 Physical Therapy - MGB	35,090	25,500	9,590	2.62	1.86
12,024	4,030	7,994	2.74	0.86	5709 Speech Therapy - MGB	22,052	11,800	10,252	1.65	0.86
14,989	8,750	6,239	3.42	1.87	5710 Occupational Therapy - MGB	36,198	25,630	10,568	2.71	1.87
					5711 PEN Therapy - MGB	188		188	0.01	
3,895	230	3,665	0.89	0.05	5712 Flu/Pneumonia - MGB	8,725	680	8,045	0.65	0.05
(6,912)	(8,690)	1,778	(1.57)	(1.86)	5720 Contractual Adjustment - MRB/MGB	(20,866)	(25,450)	4,584	(1.56)	(1.86)
24,837	34,750	9,913 *	5.66	7.42	Total Medicare Part B	96,540	101,770	5,230 *	7.22	7.42
188	93	95			5800 Hospice	349	276	73		
51,296	25,550	25,746	272.85	274.73	5801 Routine Services - HSP	97,887	75,826	22,061	280.48	274.73
887	470	417	4.72	5.05	5802 Medical Supplies- HSP	1,452	1,390	62	4.16	5.04
966	80	886	5.14	0.86	5804 Oxygen - HSP	1,001	240	761	2.87	0.87
	20	20 *		0.22	5805 Laboratory - HSP		60	60 *		0.22
					5806 Physical Therapy - HSP	687		687	1.97	
					5808 Occupational Therapy- HSP	552		552	1.58	
186		186	0.99		5809 PEN Therapy - HSP	274		274	0.79	

* Unfavorable Differences

Statement of Operations
 White Oak Manor - Charlotte Inc (CR)
 12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
75	20	20*	0.40	0.22	5810 Fluidized Bed - HSP	75	60	60*	0.21	0.22
(2,115)	(590)	1,525*	(11.25)	(6.34)	5814 Transportation - HSP	(2,802)	(1,750)	1,052*	(8.03)	(6.34)
					5822 Contract Adj-Ancillaries HSP					
51,296	25,550	25,746	272.85	274.73	Total Hospice	99,127	75,826	23,301	284.03	274.73
765	868	103*			5850 Veterans Admin	2,368	2,576	208*		
186,937	264,740	77,803*	244.36	305.00	5851 Routine Services - VA	701,808	785,680	83,872*	296.37	305.00
921	870	51	1.20	1.00	5852 Medical Supplies - VA	4,315	2,580	1,735	1.82	1.00
25,692	34,720	9,028*	33.58	40.00	5853 Drugs - VA	80,102	103,040	22,938*	33.83	40.00
1,656	1,660	4*	2.16	1.91	5854 Oxygen - VA	5,813	4,920	893	2.45	1.91
1,287	2,030	743*	1.68	2.34	5855 Laboratory - VA	4,499	6,030	1,531*	1.90	2.34
5,730	9,770	4,040*	7.49	11.26	5856 Physical Therapy - VA	20,507	28,990	8,483*	8.66	11.25
1,155	3,850	2,695*	1.51	4.44	5857 Speech Therapy - VA	5,304	11,420	6,116*	2.24	4.43
4,378	10,490	6,112*	5.72	12.09	5858 Occupational Therapy - VA	15,795	31,140	15,345*	6.67	12.09
842	260	582	1.10	0.30	5859 PEN Therapy - VA	3,077	770	2,307	1.30	0.30
440	1,010	570*	0.58	1.16	5860 Fluidized Bed - VA	860	2,990	2,130*	0.36	1.16
488	30	458	0.64	0.03	5863 Transportation - VA	1,350	90	1,260	0.57	0.03
2,338	620	1,718	3.06	0.71	5864 X-rays - VA	4,610	1,840	2,770	1.95	0.71
1,605	160	1,445	2.10	0.18	5865 Flu/Pneumonia - VA	3,405	480	2,925	1.44	0.19
(1,017)		1,017*	(1.33)		5867 Contract Adj Room - VA	22,930		22,930	9.68	
(46,532)	(65,470)	18,938	(60.83)	(75.43)	5868 Contract Adj Ancil - VA	(149,639)	(194,290)	44,651	(63.19)	(75.42)
185,920	264,740	78,820*	243.03	305.00	Total Veterans Admin	724,738	785,680	60,942*	306.05	305.00
1,304,612	1,474,217	169,605*	297.25	314.94	Total Resident Revenue	4,171,206	4,305,954	134,748*	311.98	314.10
4,389	4,681	292*			6000 Other Revenues	13,370	13,709	339*		
500	(750)	500	0.11	(0.16)	6002 Property Lease Income	3,000		3,000	0.22	
		750			6003 Barber and Beauty	(700)	(2,250)	1,550	(0.05)	(0.16)
					6006 Interest Income-Misc	901		901	0.07	
500	(750)	1,250	0.11	(0.16)	Total Other Revenues	3,201	(2,250)	5,451	0.24	(0.16)
1,305,112	1,473,467	168,355*	297.36	314.78	Total Revenue	4,174,407	4,303,704	129,297*	312.22	313.93
					7000 Operating Costs					
					7101 Nursing Administration					
2,938	8,340	5,402	0.67	1.78	7102 Nurs Admin DON Salaries	23,419	24,760	1,341	1.75	1.81
6,891	1,470	5,421*	1.57	0.31	7104 Nurs Admin PTO	10,211	4,370	5,841*	0.76	0.32
664	740	76	0.15	0.16	7106 Nurs Admin PR Taxes	2,275	2,190	85*	0.17	0.16
2,941	3,000	59	0.67	0.64	7108 Nurs Admin Consultants	8,317	9,000	683	0.62	0.66
4,000	4,000		0.91	0.85	7109 Nurs Admin Medical Director Expense	12,000	12,000		0.90	0.88

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17,434	17,550	116	3.97	3.75	Total Nursing Administration	56,222	52,320	3,902*	4.21	3.82
7200 Nursing Service										
53,998	62,650	8,652	12.30	13.38	7201 Nursing RN Salaries	160,476	185,930	25,454	12.00	13.56
146,603	119,870	26,733*	33.40	25.61	7202 Nursing LPN Salaries	448,376	355,750	92,626*	33.54	25.95
194,778	205,760	10,982	44.38	43.96	7203 Nursing CNA Salaries	576,375	610,650	34,275	43.11	44.54
7,140		7,140*	1.63	7204 Nursing CNA Training Salaries	17,404	17,404	17,404*	1.30	1.30	
23,723	20,440	3,283*	5.41	4.37	7206 Nursing PTO	48,805	60,660	11,855	3.65	4.42
67,981	45,000	22,981*	15.49	9.61	7207 Nursing Overtime	217,405	135,000	82,405*	16.26	9.85
37,037	34,030	3,007*	8.44	7.27	7208 Nursing PR Taxes	110,926	101,100	9,826*	8.30	7.37
540	525	15*	0.12	0.11	7209 Nursing Clinical Software	1,577	1,575	2*	0.12	0.11
18,900	23,410	4,510	4.31	5.00	7210 Nursing Supplies	60,744	68,550	7,806	4.54	5.00
236	300	64	0.05	0.06	7211 Nursing Travel and Meetings	581	900	319	0.04	0.07
				7213 Nursing Contract Labor - RN	6,457	6,457	6,457*	0.48	0.48	
				7214 Nursing Contract Labor - LPN	33,525	100,930	67,405	2.51	7.36	
3,081	50,220	47,139	0.70	10.73	7215 Nursing Contract Labor - CNA	22,297	149,040	126,743	1.67	10.87
554,016	596,215	42,199	126.23	127.37	Total Nursing Service	1,704,948	1,770,085	65,137	127.52	129.12
7300 Ancillaries										
				0.03	7301 Physical Therapy - Private	350	350	350	1.46	0.03
5,258	5,570	312	1.20	1.19	7302 Physical Therapy - Medicare Part A	19,503	16,530	2,973*	1.46	1.21
251		251*	0.06	7304 Physical Therapy - Medicaid	551	551	551*	0.04	0.04	
				1.78	7306 Physical Therapy - Insurance	446	18,530	18,084	0.03	1.35
4,302	2,540	1,762*	0.98	0.54	7307 Physical Therapy - Managed Care	12,751	7,540	5,211*	0.95	0.55
5,721	4,560	1,161*	1.30	0.97	7308 Physical Therapy - Medicare Part B	20,162	13,350	6,812*	1.51	0.97
3,647	4,560	913	0.83	0.97	7309 Physical Therapy - Managed Care Pt B	10,018	13,350	3,332	0.75	0.97
				7310 Physical Therapy - Hospice	124	124	124*	0.01	0.01	
3,495	5,120	1,625	0.80	1.09	7311 Physical Therapy - VA	13,039	15,190	2,151	0.98	1.11
370	470	100	0.08	0.10	7312 Physical Therapy - Supplies	1,500	1,370	130*	0.11	0.10
2,459		2,459*	0.56	7314 Physical Therapy - Other						
				0.03	7315 Occupational Therapy - Private	360	360	360	1.63	0.03
5,078	5,840	762	1.16	1.25	7316 Occupational Therapy - Medicare Pt A	21,794	17,330	4,464*	1.63	1.26
				1.75	7320 Occupational Therapy - Insurance	454	18,250	17,796	0.03	1.33
3,785	2,510	1,275*	0.86	0.54	7321 Occupational Therapy - Managed Care	10,786	7,450	3,336*	0.81	0.54
1,380	4,440	3,060	0.31	0.95	7322 Occupational Therapy - Medicare Pt B	6,413	13,010	6,597	0.48	0.95
3,114	4,440	1,326	0.71	0.95	7323 Occupational Therapy - ManagCare PtB	12,185	13,010	825	0.91	0.95
				7324 Occupational Therapy - Hospice	109	109	109*	0.01	0.01	
3,202	5,320	2,118	0.73	1.14	7325 Occupational Therapy - VA	10,604	15,800	5,196	0.79	1.15
	90	90		0.02	7330 Speech Therapy - Private	270	270	270	0.02	0.02
358	2,130	1,772	0.08	0.46	7331 Speech Therapy - Medicare Part A	1,725	6,330	4,605	0.13	0.46

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1,336	3,210	3,210	0.30	0.69	7335 Speech Therapy - Insurance	3,952	7,160	7,160	0.30	0.52
1,274	850	486*	0.29	0.18	7336 Speech Therapy - Managed Care	5,742	2,530	1,422*	0.43	0.18
1,530	2,090	816	0.35	0.45	7337 Speech Therapy - Medicare Pt B	6,374	6,120	378	0.48	0.45
705	1,990	560	0.16	0.43	7340 Speech Therapy - Managed Care Pt B	3,608	5,910	2,302	0.27	0.43
807	1,350	1,285	0.18	0.29	7345 Speech Therapy - VA	2,495	4,000	4,000	0.19	0.29
151	280	527*	0.03	0.06	7346 Speech Therapy - Misc	957	830	1,665*	0.07	0.06
74	490	151*	0.02	0.10	7347 PEN Therapy-Supplies	4,052	1,250	957*	0.30	0.09
776	690	490	0.18	0.15	7350 Wound Care Expense-Non Part B	54	2,050	1,250*	0.00	0.15
1,071	1,50	616	0.23	0.03	7361 Laboratory Expense-Medicare Part A	1,349	440	2,002*	0.10	0.03
997	770	150	0.24	0.16	7363 Laboratory Expense-Medicaid	6,217	1,720	386	0.47	0.13
2,807	210	6*	0.72	0.04	7365 Laboratory Expense-Insurance	8,427	620	371	0.63	0.05
3,160	20	210	0.23	0.00	7366 Laboratory Expense-Managed Care	2,459	60	620	0.18	0.00
7,599	1,660	589	0.23	0.35	7367 Laboratory Expense-Hospice	4,730	4,930	2,471	0.47	0.36
189	760	633	0.64	0.35	7368 Laboratory Expense-VA	2,280	4,730	1,487*	0.56	0.35
27,423	1,580	1,227*	0.64	0.16	7375 Fluid Bed Expense	4,360	2,280	2,280	0.75	0.17
3,003	770	770	0.72	0.34	7376 X-Ray Expense	8,427	4,360	3,158*	0.63	0.32
4,235	13,770	2,400*	1.93	0.16	7377 Flu/Pneumonia/COVID Expense	34,071	2,270	6,157*	2.55	0.17
3,056	14,930	6,171	0.99	2.94	7380 Prescription Drug Exp-Medicare Part A	29,352	40,870	6,799	2.20	2.98
452	3,600	6,197	0.04	3.19	7382 Prescription Drug Exp-Insurance	357	33,300	3,948	0.03	2.43
111,795	3,600	3,411	0.04	0.77	7383 Prescription Drug Exp-Managed Care	84,361	10,690	10,333	0.75	0.78
168,510	35,430	8,007	0.68	7.57	7385 Prescription Drug Exp-VA	10,046	105,150	20,789	0.89	7.67
56,715	8,007	887	0.96	0.83	7387 OTC/Stock Drug Expense	11,928	11,390	1,344	0.71	0.83
25.47	445	445	0.10	1.00	7388 Pharmacy Consultant Expense	9,502	13,710	1,782	0.04	1.00
36.00	7,300	4,244	0.10	1.56	7389 Medical Supplies	540	19,440	9,938	0.04	1.42
7399	452*	452*	0.10	7398 Misc Ancillary Expense-VA	458		540*	0.03		1.42
7399				7399 Misc Ancillary Expense-Other			458*			
				Total Ancillaries	375,984	469,950	93,966	28.12	34.28	
				7400 Dietary	36,019	36,510	491	2.69	2.66	
13,188	12,300	888*	3.00	2.63	7401 Dietary Director Salaries	100,067	154,320	54,253	7.48	11.26
29,753	52,000	22,247	0.39	11.11	7402 Dietary Other Salaries	12,346	10,450	1,896*	0.92	0.76
1,714	3,520	1,806	0.32	0.75	7404 Dietary PTO	9,457	4,500	4,957*	0.71	0.33
5,902	1,500	4,402*	0.92	1.11	7405 Dietary Overtime	12,423	15,440	3,017	0.93	1.13
4,051	5,200	1,149	0.63	0.13	7406 Dietary PR Taxes	4,960	1,800	3,160*	0.37	0.13
2,758	600	2,158*	8.75	10.51	7407 Dietary Consultants	141,048	144,000	2,952	1.95	10.50
38,387	49,200	10,813	2.36	1.50	7408 Dietary Raw Food	26,067	20,600	5,467*	1.76	1.50
10,341	7,000	3,341*	(3.69)	2.39	7409 Dietary Supplies	(23,535)	(33,600)	10,065*	(1.76)	(2.45)
(16,200)	(11,200)	5,000			7412 Dietary Emp/Guest Meal Income					

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118		118 *	0.03		7413 Dietary Misc Expense	118		118 *	0.01	
8,232		8,232 *	1.88		7414 Dietary Minor Equipment					
98,244	120,120	21,876	22.38	25.66	Total Dietary	318,969	354,020	35,051	23.86	25.82
					7500 Social Services					
5,734	5,160	574 *	1.31	1.10	7501 Social Services Director Salaries	14,880	15,310	430	1.11	1.12
6,763	3,910	2,853 *	1.54	0.84	7502 Social Services Other Salaries	15,183	11,610	3,573 *	1.14	0.85
(220)	580	800	(0.05)	0.12	7504 Social Services PTO	784	1,720	936	0.06	0.13
(709)	800	1,509	(0.16)	0.17	7505 Social Services Overtime	3,430	2,400	1,030 *	0.26	0.18
1,384	780	604 *	0.32	0.17	7506 Social Services PR Taxes	3,273	2,320	953 *	0.24	0.17
3,588	800	2,788 *	0.82	0.17	7507 Social Services Consultants	6,049	2,400	3,649 *	0.45	0.18
892	750	142 *	0.20	0.16	7508 Social Services Supplies	2,315	2,250	65 *	0.17	0.16
					7511 Social Services Misc Expense	498		498 *	0.04	
17,432	12,780	4,652 *	3.97	2.73	Total Social Services	46,411	38,010	8,401 *	3.47	2.77
					7600 Activities					
3,869	3,670	199 *	0.88	0.78	7601 Activities Director Salaries	10,868	10,890	22	0.81	0.79
5,230	6,110	880	1.19	1.31	7602 Activities Other Salaries	15,515	18,140	2,625	1.16	1.32
466	620	154	0.11	0.13	7604 Activities PTO	1,329	1,840	511	0.10	0.13
131	50	81 *	0.03	0.01	7605 Activities Overtime	189	150	39 *	0.01	0.01
738	780	42	0.17	0.17	7606 Activities PR Taxes	2,120	2,320	200	0.16	0.17
1,554	1,400	154 *	0.35	0.30	7608 Activities Supplies	2,398	4,200	1,802	0.18	0.31
375	300	75 *	0.09	0.06	7609 Activities Purchased Services	750	900	150	0.06	0.07
	10	10		0.00	7610 Activities Travel and Meetings	365	30	335 *	0.03	0.00
12,363	12,940	577	2.82	2.76	Total Activities	33,534	38,470	4,936	2.51	2.81
					7700 Medical Records					
3,598	3,640	42	0.82	0.78	7701 Medical Records Salaries	9,405	10,800	1,395	0.70	0.79
40	230	190	0.01	0.05	7703 Medical Records PTO	840	680	160 *	0.06	0.05
221		221 *	0.05	0.06	7704 Medical Records Overtime	329		329 *	0.02	
283	290	7	0.06	0.06	7705 Medical Records PR Taxes	773	860	87	0.06	0.06
159	500	341	0.04	0.11	7707 Medical Records Supplies	313	1,500	1,187	0.02	0.11
133		133 *	0.03	0.03	7708 Medical Records Purchased Services	399		399 *	0.03	
4,434	4,660	226	1.01	1.00	Total Medical Records	12,059	13,840	1,781	0.90	1.01
					7800 Laundry					
7,721	15,560	7,839	1.76	3.32	7802 Laundry Salaries	19,396	46,180	26,784	1.45	3.37
124	990	866	0.03	0.21	7804 Laundry PTO	1,702	2,940	1,238	0.13	0.21
161	200	39	0.04	0.04	7805 Laundry Overtime	269	600	331	0.02	0.04
613	1,260	647	0.14	0.27	7806 Laundry PR Taxes	1,677	3,740	2,063	0.13	0.27

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8,619	21,810	13,191	1.96	4.66	Total Laundry	32,731	64,660	31,929	2.45	4.72
7900 Housekeeping										
7,847	7,000	847*	1.79	1.50	7901 Housekeeping Director Salaries	20,825	21,000	175	1.56	1.53
20,133	27,380	7,247	4.59	5.85	7902 Housekeeping Other Salaries	60,057	81,030	20,973	4.49	5.91
(377)	2,190	2,567	(0.09)	0.47	7904 Housekeeping PTO	2,963	6,500	3,537	0.22	0.47
1,188	2,000	812	0.27	0.43	7905 Housekeeping Overtime	7,102	6,000	1,102*	0.53	0.44
2,242	2,890	648	0.51	0.62	7906 Housekeeping PR Taxes	7,047	8,580	1,533	0.53	0.63
7,986	5,380	2,606*	1.82	1.15	7908 Housekeeping Supplies	18,056	15,770	2,286*	1.35	1.15
39,018	46,840	7,822	8.89	10.01	Total Housekeeping	116,050	138,880	22,830	8.68	10.13
8000 Plant Operations and Maint.										
5,608	10,200	4,592	1.28	2.18	8002 POM Other Salaries	21,089	30,270	9,181	1.58	2.21
531	650	119	0.12	0.14	8004 POM PTO	377	1,930	1,553	0.03	0.14
125	150	25	0.03	0.03	8005 POM Overtime	1,836	450	1,386*	0.14	0.03
595	830	235	0.14	0.18	8006 POM PR Taxes	2,060	2,460	400	0.15	0.18
904	1,000	96	0.21	0.21	8007 POM Consultants	3,006	3,000	6*	0.22	0.22
3,264	5,700	2,436	0.74	1.22	8008 POM Supplies	6,778	17,100	10,322	0.51	1.25
4,666	10,000	5,334	1.06	2.14	8009 POM Purchased Services	21,942	30,000	8,058	1.64	2.19
20,795	19,000	1,795*	4.74	4.06	8010 POM Utilities	60,119	57,000	3,119*	4.50	4.16
3,271	3,050	221*	0.75	0.65	8011 POM Cable/TV Expense	9,636	9,150	486*	0.72	0.67
					8012 POM Travel and Meetings	93		93*	0.01	
					8013 POM Misc Expense	118		118*	0.01	
					8014 POM Minor Equipment	2,394		2,394*	0.18	
39,759	50,580	10,821	9.06	10.81	Total Plant Operations and Maint.	129,449	151,360	21,911	9.68	11.04
8100 Transportation										
2,026	3,330	1,304	0.46	0.71	8101 Transportation Salaries	11,873	9,880	1,993*	0.89	0.72
(37)	210	210	(0.01)	0.04	8103 Transportation PTO	1,423	630	630	0.11	0.05
153	50	87	0.03	0.01	8104 Transportation Overtime	1,032	150	1,273*	0.08	0.01
680	270	117	0.15	0.06	8105 Transportation PR Taxes	2,321	900	232*	0.17	0.06
	300	380*		0.06	8106 Transportation Vehicle Expense	9,149	10,500	1,421*	0.68	0.07
	3,500	3,500		0.75	8107 Transportation NEMT Contr Veh-Mcaid	25,798	10,500	1,351	1.93	0.77
2,823	7,660	4,837	0.64	1.64	Total Transportation	22,860	22,860	2,938*	1.57	1.67
7,000	7,000		1.59	1.50	8200 Depreciation	21,000	21,000		1.53	1.53
					8205 Depr Expense - Moveable Equipment					

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7,000	7,000	0	1.59	1.50	Total Depreciation	21,000	21,000	0	1.57	1.53
100		100 *	0.02		8300 Interest, Amortization & Lease	160		160 *	0.01	
27,100	27,100		6.17	5.79	8302 Interest Expense - Other	81,300	81,300		6.08	5.93
					8305 Building Lease Expense					
27,200	27,100	100 *	6.20	5.79	Total Interest, Amortization & Lease	81,460	81,300	160 *	6.09	5.93
					8400 Taxes and Insurance					
4,700	4,700		1.07	1.00	8401 Property Tax Expense	14,100	14,100		1.05	1.03
	50	50		0.01	8402 Misc Tax Expense		150	150		0.01
3,300	3,300		0.75	0.70	8403 Insurance Expense- Property	9,620	9,900	280	0.72	0.72
7,500	7,500		1.71	1.60	8404 Insurance Expense- Liability	22,500	22,500		1.68	1.64
15,500	15,550	50	3.53	3.32	Total Taxes and Insurance	46,220	46,650	430	3.46	3.40
					8500 Employee Benefits					
52,298	50,000	2,298 *	11.92	10.68	8501 Employee Group Insurance	129,810	150,000	20,190	9.71	10.94
7,500	7,500		1.71	1.60	8502 Workers Compensation Expense	22,500	22,500		1.68	1.64
	300	300		0.06	8504 Retirement Plan Expense		900	900		0.07
13,684	3,000	10,684 *	3.12	0.64	8505 Employee Benefits Misc Expense	20,028	9,000	11,028 *	1.50	0.66
73,482	60,800	12,682 *	16.74	12.99	Total Employee Benefits	172,337	182,400	10,063	12.89	13.31
					8600 General and Administration					
10,362	12,700	2,338	2.36	2.71	8601 Administrative Administrator Salaries	32,705	37,700	4,995	2.45	2.75
22,725	26,950	4,225	5.18	5.76	8603 Administrative Other Salaries	70,299	79,980	9,681	5.26	5.83
1,339	2,990	1,651	0.31	0.64	8605 Administrative PTO	2,245	8,880	6,635	0.17	0.65
(50)	750	800	(0.01)	0.16	8606 Administrative Overtime	(666)	2,250	2,916	(0.05)	0.16
1,745	3,040	1,295	0.40	0.65	8607 Administrative PR Taxes	4,521	9,020	4,499	0.34	0.66
81,040	81,040		18.46	17.31	8608 Management Fee Expense	236,700	236,700		17.70	17.27
924	900	24 *	0.21	0.19	8609 Telephone Expense	2,771	2,700	71 *	0.21	0.20
1,320	1,200	120 *	0.30	0.26	8610 Auto Expense	2,801	3,600	799	0.21	0.26
1,350	2,100	750	0.31	0.45	8612 Dues and Subscriptions	4,050	6,300	2,250	0.30	0.46
1,000	800	200 *	0.23	0.17	8613 Office Supplies	4,205	2,400	1,805 *	0.31	0.18
555	1,750	1,195	0.13	0.37	8614 Copier Expense	1,356	5,250	3,894	0.10	0.38
139	300	161	0.03	0.06	8615 Postage Expense	853	900	47	0.06	0.07
6,828	500	6,328 *	1.56	0.11	8616 Professional Fees - Legal	10,914	1,500	9,414 *	0.82	0.11
	450	450		0.10	8617 Professional Fees - Other		1,350	1,350		0.10
1,712	400	1,312 *	0.39	0.09	8619 Admin - Travel and Meetings	2,636	1,200	1,436 *	0.20	0.09
	200	200		0.04	8620 Help Wanted Advertising Expense		600	600		0.04
1,527	1,300	227 *	0.35	0.28	8622 Bank Charge Expense	4,763	3,900	863 *	0.36	0.28
1,402	400	1,002 *	0.32	0.09	8623 Printing Expense	2,478	1,200	1,278 *	0.19	0.09

* Unfavorable Differences

Statement of Operations
 White Oak Manor - Charlotte Inc (CR)
 12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
8,369	7,200	1,169 *	1.91	1.54	8624 Data Processing Expense	24,807	21,600	3,207 *	1.86	1.58
318	50	268 *	0.07	0.01	8626 Meals & Entertainment	354	150	204 *	0.03	0.01
142,605	145,020	2,415	32.49	30.98	Total General and Administration	407,794	427,180	19,386	30.50	31.16
					8800 Other Costs					
675	1,100	425	0.15	0.23	8801 Non-Allowable Expense	1,996	3,300	1,304	0.15	0.24
2,500	2,500		0.57	0.53	8804 Bad Debt Expense	7,500	7,500		0.56	0.55
	1,500	1,500		0.32	8808 Mcare Co-Ins Bad Debt	2,310	4,500	2,190	0.17	0.33
3,175	5,100	1,925	0.72	1.09	Total Other Costs	11,806	15,300	3,494	0.88	1.12
1,174,898	1,320,235	145,337	267.69	282.04	Total Operating Costs	3,592,774	3,888,285	295,511	268.72	283.63
130,215	153,232	23,017 *	29.67	32.73	Total Income/Loss from Operations	581,633	415,419	166,214	43.50	30.30
130,215	153,232	23,017 *	29.67	32.73	Total Net Income Before Taxes	581,633	415,419	166,214	43.50	30.30
130,215	153,232	23,017 *	29.67	32.73	Total Net Income/Loss	581,633	415,419	166,214	43.50	30.30

* Unfavorable Differences

Balance Sheet
as of 12/31/23
White Oak Manor - Charlotte Inc (CR)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
1000	Assets	
1001	Current Assets	
1002	Cash	600,098.89
1100	Accounts Receivable	1,811,838.95
1200	Inventory	28,542.06
1300	Prepaid Expenses	24,850.00
	Total Current Assets	2,465,329.90
1500	Non-Current Assets	
1501	Other Assets	(439,308.17)
1800	Property, Plant and Equipment	309,036.89
	Total Non-Current Assets	(130,271.28)
	Total Assets	\$2,335,058.62
3000	Liabilities & Equity	
3001	Total Liabilities	
3002	Current Liabilities	
3004	Notes and Accounts Payable	202,938.32
3200	Accrued Liabilities	551,182.14
3300	Other Current Liabilities	(30,695.43)
		<u>723,425.03</u>
3003	Long Term Liabilities	
3500	Deferred Revenue	(0.02)
	Total Total Liabilities	723,425.01
4000	Equity	
	Total Equity	1,611,633.61
	Total Liabilities & Equity	\$2,335,058.62

Balance Sheet
as of 12/31/23
 White Oak Manor - Charlotte Inc (CR)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
1000	Assets	
1001	Current Assets	
1002	Cash	
1003	Operating Bank Account	543,249.79
1005	Petty Cash	800.00
1006	Deposit in Transit	55,249.10
1008	Resident Trust Funds Petty Cash	800.00
		600,098.89
1100	Accounts Receivable	
1101	Accts Receivable-Private	224,689.02
1102	Accts Receivable-Medicaid SNF	403,689.01
1104	Accts Receivable-Hospice	42,995.92
1105	Accts Receivable-Medicare Pt A	65,371.21
1106	Accts Receivable-Micare Crossover Part A	22,557.00
1107	Accts Receivable-3rd Party Ins Part A	52,200.00
1108	Accts Receivable-Medicare Pt B	12,955.12
1109	Accts Receivable-Micare Crossover Pt B	8,183.75
1110	Accts Receivable-Medicaid Pending	107,963.84
1111	Accts Receivable-Insurance	71,098.68
1112	Accts Receivable-Managed Care	562,594.61
1113	Accts Receivable-VA	250,997.68
1115	Accts Receivable Other	(10,147.65)
1120	Allowance For Doubtful Accounts	(18,319.15)
1124	Resident Judgments	15,039.71
1125	Activities Fund	(29.80)
		1,811,838.95
1200	Inventory	
1201	Inventory-Food	9,736.09
1202	Inventory-Medical Supplies	3,920.60
1203	Inventory-Nursing Supplies	5,896.07
1204	Inventory-PEN	2,461.79
1205	Inventory-Laundry	1,131.00
1206	Inventory-Housekeeping	396.51
1207	Inventory-Other	5,000.00
		28,542.06
1300	Prepaid Expenses	

Balance Sheet
as of 12/31/23
 White Oak Manor - Charlotte Inc (CR)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
1301	Prepaid Insurance	24,850.00
	Total Current Assets	24,850.00
1500	Non-Current Assets	
1501	Other Assets	
1611	Intercompany Account-Charlotte	(474,483.23)
1623	Intercompany Account-SA with CR	35,175.06
		(439,308.17)
1800	Property, Plant and Equipment	
1810	Moveable Equipment	1,697,587.50
1811	Accrn Depn-Moveable Equipment	(1,388,550.61)
		309,036.89
	Total Non-Current Assets	(130,271.28)
	Total Assets	\$2,335,058.62
3000	Liabilities & Equity	
3001	Total Liabilities	
3002	Current Liabilities	
3004	Notes and Accounts Payable	
3100	Accounts Payable	198,780.47
3109	Employee Deductions-Cancer	4,157.85
		202,938.32
3200	Accrued Liabilities	
3201	Accrued Salaries and Wages	396,984.04
3202	Accrued Vacation/PTO Payable	154,198.10
		551,182.14
3300	Other Current Liabilities	
3301	Property Taxes Payable	(30,781.43)
3350	Unearned Revenue	86.00
		(30,695.43)
3003	Long Term Liabilities	723,425.03

Balance Sheet
as of 12/31/23
 White Oak Manor - Charlotte Inc (CR)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
3500	Deferred Revenue	(0.02)
3503	Misc Deposits Account	(0.02)
		(0.02)
	Total Total Liabilities	723,425.01
	Equity	
4000	Common Stock	186,832.00
4001	Retained Earnings	1,591,836.32
4003	Current Earnings	581,632.75
4004	Interdivision Equity	(748,667.46)
4006	Total Equity	1,611,633.61
	Total Liabilities & Equity	\$2,335,058.62

Consolidated Statement of Operations

White Oak Management, Inc. (ALL)

12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	Days	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
59,520	61,150	1,630*			5010 Resident Revenue		177,913	181,261	3,348*		
2,500,092	2,448,300	51,792	141.81	138.67	5100 Private Pay		7,386,519	7,278,610	107,909	141.16	138.92
1,979,715	1,972,318	7,397	579.03	565.46	5200 Medicare Part A		6,201,199	5,852,411	348,788	563.03	565.40
36,118	76,105	39,987*	633.65	491.00	5250 Dual Medicare		74,744	225,860	151,116*	508.46	491.00
7,473,930	8,553,366	1,079,436*	287.11	288.16	5300 Medicaid		24,076,733	25,375,764	1,299,031*	287.70	288.16
244,192	237,020	7,172	279.08	273.06	5350 Dual Medicaid		884,791	703,415	181,376	276.76	273.06
665,269	665,269		287.25	5400 Medicaid Pending		473,988			473,988	452.28	
921,647	1,079,265	157,618*	390.69	374.35	5500 Insurance		2,761,031	3,135,270	374,239*	383.42	374.45
731,049	715,790	15,259	380.16	381.55	5600 Managed Care		2,078,124	2,124,280	46,156*	382.29	381.58
452,157	515,830	63,673*	7.60	8.44	5700 Medicare Part B		1,754,427	1,526,020	228,407	9.86	8.42
701,830	541,152	160,678	289.65	288.46	5800 Hospice		1,926,614	1,606,002	320,612	291.56	288.49
668,515	809,720	141,205*	268.91	303.72	5850 Veterans Admin		2,210,267	2,403,040	192,773*	305.45	303.72
537,805	547,971	10,166*	30.62	31.04	5900 Apartment Revenues		1,636,273	1,628,197	8,076	31.42	31.08
4,669	4,500	169	0.08	0.07	5925 Wellness Center Income		13,748	13,500	248	0.08	0.07
16,916,989	17,501,337	584,348*	284.22	286.20	Total Resident Revenue		51,478,457	51,872,369	393,912*	289.35	286.18
1,514,359	1,512,782	1,577	25.44	24.74	6000 Other Revenues		4,560,634	4,501,276	59,358	25.63	24.83
18,431,347	19,014,119	582,772*	309.67	310.94	Total Revenue		56,039,091	56,373,645	334,554*	314.98	311.01
7000 Operating Costs											
321,392	323,230	1,838	5.40	5.29	7101 Nursing Administration		946,750	962,540	15,790	5.32	5.31
6,819,569	6,937,095	117,526	114.58	113.44	7200 Nursing Service		20,124,769	20,602,585	477,816	113.12	113.66
72,045	73,465	1,420	1.21	1.20	7240 Personal Care Service		198,512	218,065	19,553	1.12	1.20
1,510,316	1,647,720	137,404	25.37	26.95	7250 COVID-19		10,272	4,865,742	10,272*	0.06	26.84
1,233,153	1,350,980	117,827	20.72	22.09	7300 Ancillaries		4,739,192	4,865,742	126,550	26.64	26.09
184,947	176,440	8,507*	3.11	2.89	7400 Dietary		3,804,402	4,003,310	198,908	21.38	22.09
164,339	166,185	1,846	2.76	2.72	7500 Social Services		507,431	524,300	16,869	2.85	2.89
68,404	65,060	3,344*	1.15	1.06	7600 Activities		466,526	494,045	27,519	2.62	2.73
159,998	219,415	59,417	2.69	3.59	7700 Medical Records		185,504	193,420	7,916	1.04	1.07
481,721	515,230	33,509	8.09	8.43	7900 Laundry		552,205	651,495	99,290	3.10	3.59
762,089	739,845	22,244*	12.80	12.10	7900 Housekeeping		1,393,320	1,529,415	136,095	7.83	8.44
5,289	2,560	2,729*	0.09	0.04	8000 Plant Operations and Maint.		2,130,770	2,214,665	83,895	11.98	12.22
114,336	134,850	20,514	1.92	2.21	8030 Wellness Pool		9,000	7,680	1,320*	0.05	0.04
521,000	521,000		8.75	8.52	8100 Transportation		388,051	402,880	14,829	2.18	2.22
824,567	879,588	55,021	13.85	14.38	8200 Depreciation		1,563,000	1,563,000		8.79	8.62
633,849	671,660	37,811	10.65	10.98	8300 Interest, Amortization & Lease		2,478,526	2,595,409	116,883	13.93	14.32
1,151,401	1,074,650	76,751*	19.34	17.57	8400 Taxes and Insurance		1,900,994	2,006,060	105,066	10.68	11.07
2,668,901	2,674,369	15,468	44.67	43.73	8500 Employee Benefits		3,371,726	3,223,950	147,776*	18.95	17.79
235,110	183,710	51,400*	3.95	3.00	8600 General and Administration		8,019,687	7,867,057	152,630*	45.08	43.40
					8800 Other Costs		565,866	551,130	14,736*	3.18	3.04

* Unfavorable Differences

Consolidated Statement of Operations

White Oak Management, Inc. (ALL)

12/1/23 to 12/31/23

Month <i>Actual</i>	Month <i>Budget</i>	Month <i>Diff</i>	PPD		<i>Account</i>	YTD			PPD	
			<i>Actual</i>	<i>Budget</i>		<i>Actual</i>	<i>Budget</i>	<i>Diff</i>	<i>Actual</i>	<i>Budget</i>
17,922,425	18,357,052	434,627	301.12	300.20	Total Operating Costs	53,356,504	54,476,748	1,120,244	299.90	300.54
508,922	657,067	148,145*	8.55	10.75	Total Income/Loss from Operations	2,682,587	1,896,897	785,690	15.08	10.47
508,922	657,067	148,145*	8.55	10.75	Total Net Income Before Taxes	2,682,587	1,896,897	785,690	15.08	10.47
508,922	657,067	148,145*	8.55	10.75	Total Net Income/Loss	2,682,587	1,896,897	785,690	15.08	10.47

* Unfavorable Differences

Consolidated Statement of Operations

White Oak Management, Inc. (ALL)
12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
59,520	61,150	1,630 *			5010 Resident Revenue	177,913	181,261	3,348 *		
17,630	17,655	25 *			5100 Private Pay	52,329	52,395	66 *		
2,460,885	2,419,550	41,335	139.59	137.05	5101 Routine Services - PVT	7,268,417	7,193,270	75,147	138.90	137.29
15,620	10,260	5,360	0.89	0.58	5102 Medical Supplies- PVT	44,693	30,450	14,243	0.85	0.58
10,126	8,490	1,636	0.57	0.48	5104 Oxygen - PVT	26,263	25,200	1,063	0.50	0.48
160	130	30	0.01	0.01	5105 Laboratory - PVT	632	390	242	0.01	0.01
2,747	750	1,997	0.16	0.04	5106 Physical Therapy - PVT	7,339	2,220	5,119	0.14	0.04
393	210	183	0.02	0.01	5107 Speech Therapy - PVT	3,666	620	3,046	0.07	0.01
2,294	700	1,594	0.13	0.04	5108 Occupational Therapy - PVT	7,966	2,070	5,896	0.15	0.04
4,320	4,230	90	0.25	0.24	5110 Fluidized Bed - PVT	15,740	12,580	3,160	0.30	0.24
	540	540 *		0.03	5111 Ambulance - PVT	2,852	1,610	1,242	0.05	0.03
1,003	1,090	87 *	0.06	0.06	5112 Wound Care - PVT	1,003	3,240	2,237 *	0.02	0.06
1,438	2,290	853 *	0.08	0.13	5113 Transportation - PVT	6,641	6,780	139 *	0.13	0.13
1,200	60	1,140	0.07	0.00	5114 X-Rays - PVT	1,850	180	1,670	0.04	0.00
385		385	0.02		5115 Misc - PVT	1,200		1,200	0.02	
(478)		478 *	(0.03)		5120 Contractual Adjustment - PVT	(1,743)		1,743 *	(0.03)	
2,500,092	2,448,300	51,792	141.81	138.67	Total Private Pay	7,386,519	7,278,610	107,909	141.16	138.92
3,419	3,488	69 *			5200 Medicare Part A	11,014	10,351	663		
1,976,984	2,000,818	23,834 *	578.23	573.63	5201 Routine Services-MCRA A	6,338,627	5,937,911	400,716	575.51	573.66
16,170	17,270	1,100 *	4.73	4.95	5202 Medical Supplies-MCRA A	53,118	51,260	1,858	4.82	4.95
150,815	157,010	6,195 *	44.11	45.01	5203 Drugs-MCRA A	486,455	465,990	20,465	44.17	45.02
8,849	8,660	189	2.59	2.48	5204 Oxygen-MCRA A	19,544	25,690	6,146 *	1.77	2.48
11,405	12,110	705 *	3.34	3.47	5205 Laboratory-MCRA A	36,922	35,920	1,002	3.35	3.47
172,325	198,440	26,115 *	50.40	56.89	5206 Physical Therapy-MCRA A	552,758	588,910	36,152 *	50.19	56.89
67,745	61,680	6,065	19.81	17.68	5207 Speech Therapy-MCRA A	209,950	183,030	26,920	19.06	17.68
172,505	194,630	22,125 *	50.45	55.80	5208 Occupational Therapy-MCRA A	556,872	577,620	20,748 *	50.56	55.80
1,411	1,860	449 *	0.41	0.53	5209 PEN Therapy-MCRA A	3,913	5,510	1,597 *	0.36	0.53
3,520	3,140	380	1.03	0.90	5210 Fluid Bed-MCRA A	8,480	9,330	850 *	0.77	0.90
17,032	13,020	4,012	4.98	3.73	5211 Ambulance-MCRA A	60,595	38,630	21,965	5.50	3.73
6,529	1,800	1,800 *	1.91	0.52	5212 Wound Care-MCRA A	2,039	5,360	3,322 *	0.19	0.52
5,709	5,670	859	1.67	1.63	5213 Transportation-MCRA A	21,099	16,830	4,269	1.92	1.63
3,069	6,220	511 *	0.90	0.26	5214 X-Rays-MCRA A	19,382	18,470	912	1.76	1.78
2,740	920	2,149	0.80	0.26	5215 Misc-MCRA A	17,052	2,730	14,322	1.55	0.26
(637,093)	(28,500)	31,240	(186.34)	(8.17)	5220 Contract Adj-Room MCRA A	(1,37,529)	(85,500)	52,029 *	(12.49)	(8.26)
	(682,430)	45,337		(195.65)	5221 Contract Adj-Ancillaries MCRA A	(2,048,076)	(2,025,280)	22,796 *	(185.95)	(195.66)
1,979,715	1,972,318	7,397	579.03	565.46	Total Medicare Part A	6,201,199	5,852,411	348,788	563.03	565.40
57	155	98 *			5250 Dual Medicare	147	460	313 *		

* Unfavorable Differences

Consolidated Statement of Operations

White Oak Management, Inc. (ALL)

12/1/23 to 12/31/23

Month	Month	Month	PPD	PPD	Account	YTD	YTD	YTD	PPD	PPD
Actual	Budget	Diff	Actual	Budget		Actual	Budget	Diff	Actual	Budget
38,336	76,105	37,769 *	672.56	491.00	5251 Routine Services-Dual Medicare	87,930	225,860	137,930 *	598.16	491.00
949	560	389	16.66	3.61	5252 Medical Supplies-Dual Medicare	1,735	1,670	65	11.80	3.63
2,689	5,030	2,341 *	47.17	32.45	5253 Drugs-Dual Medicare	5,859	14,920	9,061 *	39.86	32.43
	190	190 *		1.23	5254 Oxygen-Dual Medicare		560	560 *		1.22
	130	97 *	0.57	0.84	5255 Laboratory-Dual Medicare	552	390	162	3.76	0.85
3,292	8,280	4,988 *	57.75	53.42	5256 Physical Therapy-Dual Medicare	7,978	24,570	16,592 *	54.27	53.41
736	3,040	2,304 *	12.92	19.61	5257 Speech Therapy-Dual Medicare	4,172	9,020	4,848 *	28.38	19.61
2,913	8,060	5,147 *	51.10	52.00	5258 Occupational Therapy-Dual Medicare	7,527	23,920	16,393 *	51.20	52.00
	160	160 *		1.03	5260 Fluid Bed-Dual Medicare		470	470 *		1.02
	180	180 *		1.16	5261 Ambulance-Dual Medicare	621	530	91	4.22	1.15
230	110	230	4.04	0.71	5263 Transportation-Dual Medicare	230	320	90	1.57	1.14
167	110	57	2.94	0.71	X-Rays-Dual Medicare	167	320	153 *	1.14	0.70
(13,227)	(25,740)	12,513	(232.05)	(166.06)	5271 Contract Adj-Dual Medicare	(42,027)	(76,370)	34,343	(285.90)	(166.02)
36,118	76,105	39,987 *	633.65	491.00	Total Dual Medicare	74,744	225,860	151,116 *	508.46	491.00
26,032	29,683	3,651 *			5300 Medicaid					
7,493,234	8,553,366	1,060,132 *	287.85	288.16	5301 Routine Services-MCD	83,686	88,060	4,374 *	288.30	288.16
46,861	47,830	969 *	1.80	1.61	5302 Medical Supplies-MCD	138,536	141,920	3,384 *	1.66	1.61
45,454	62,230	16,776 *	1.75	2.10	5303 Oxygen-MCD	158,735	184,650	25,916 *	1.90	2.10
1,213	720	493	0.05	0.02	5304 Laboratory-MCD	5,024	2,130	2,894 *	0.06	0.02
411	3,240	2,829 *	0.02	0.11	5305 Physical Therapy-MCD Non-Covered	2,358	9,600	7,242 *	0.03	0.11
3,268	2,900	368	0.13	0.10	5307 Speech Therapy-MCD Non-Covered	5,101	8,600	3,499 *	0.06	0.10
	2,380	2,380 *		0.08	5309 Occup. Therapy - MCD Non-Covered	3,278	7,070	3,792 *	0.04	0.08
10,888	9,630	1,258	0.42	0.32	5311 PEN Therapy-MCD Non-Covered	31,461	28,520	2,941	0.38	0.32
30,800	40,800	10,000 *	1.18	1.37	5313 Fluidized Bed -MCD	85,680	121,040	35,360 *	1.02	1.37
19,776	25,510	5,734 *	0.76	0.86	5314 Ambulance - MCD	84,886	75,590	9,296	1.01	0.86
	690	690 *		0.02	5315 Wound Care- MCD		2,060	2,060 *		0.02
18,152	24,930	6,778 *	0.70	0.84	5316 Transportation -MCD	75,443	73,910	1,533	0.90	0.84
3,063	550	2,513	0.12	0.02	5317 X-Rays -MCD	5,724	1,630	4,094	0.07	0.02
	90	90 *		0.00	5319 Misc -MCD		270	270 *		0.00
330	220	110	0.01	0.01	5321 Flu/Pneumonia Vacc - MCD	4,750	650	4,100	0.06	0.01
458		458	0.02		5323 Contract Adj-Room MCD	32,457		32,457	0.39	
(199,976)	(221,720)	21,744	(7.68)	(7.47)	5324 Contract Adj-Ancillaries MCD	(683,530)	(657,640)	25,890 *	(8.17)	(7.47)
7,473,930	8,553,366	1,079,436 *	287.11	288.16	Total Medicaid	24,076,733	25,375,764	1,299,031 *	287.70	288.16
875	868	7			5350 Dual Medicaid					
244,192	237,020	7,172	279.08	273.06	5351 Routine Services-Dual Medicaid	3,197	2,576	621	276.76	273.06
	390	390 *		0.45	5352 Medical Supplies-Dual Medicaid	884,791	703,415	181,376		0.45
	350	350 *		0.40	5354 Oxygen-Dual Medicaid		1,160	1,160 *		0.40
620	220	400	0.71	0.25	5360 Fluid Bed-Dual Medicaid	920	660	260	0.29	0.26

* Unfavorable Differences

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Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
965	1,220	255 *	1.10	1.41	5361 Ambulance-Dual Medicaid	3,490	3,630	140 *	1.09	1.41
(1,585)	180	180 *	(1.81)	0.21	5363 Transportation-Dual Medicaid	501	540	39 *	0.16	0.21
	(2,360)	775		(2.72)	5371 Contract Adj-Dual Medicaid	(4,910)	(7,030)	2,120	(1.54)	(2.73)
244,192	237,020	7,172	279.08	273.06	Total Dual Medicaid	884,791	703,415	181,376	276.76	273.06
2,316	2,316	2,316			5400 Medicaid Pending	1,048	1,048	1,048		
666,373	666,373	666,373	287.73		5401 Routine Services - MCD Pend	476,674	476,674	476,674	454.84	
7,702	7,702	7,702	3.33		5402 Medical Supplies - MCD Pend	9,462	9,462	9,462	9.03	
4,244	4,244	4,244	1.83		5404 Oxygen - MCD Pend	(1,043)	(1,043)	1,043 *	(1.00)	
31	31	31	0.01		5405 Laboratory - MCD Pend	(138)	(138)	138 *	(0.13)	
185	185	185	0.08		5406 Physical Therapy - MCD Pend	741	741	741	0.71	
245	245	245	0.11		5407 Speech Therapy - MCD Pend	567	567	567	0.54	
447	447	447	0.19		5408 Occupational Therapy - MCD Pend	1,183	1,183	1,183	1.13	
840	840	840	0.36		5410 Fluidized Bed - MCD Pend	7,180	7,180	7,180	6.85	
1,972	1,972	1,972	0.85		5411 Ambulance -MCD Pend	(2,098)	(2,098)	2,098 *	(2.00)	
4,567	4,567	4,567	1.97		5413 Transportation - MCD Pend	5,400	5,400	5,400	5.15	
348	348	348	0.15		5414 X-Rays - MCD Pend	1,648	1,648	1,648	1.57	
					5415 Misc - MCD Pend	660	660	660	0.63	
(21,683)		21,683 *	(9.36)		5421 Contract Adj-Ancillaries MCD Pend	(26,248)		26,248 *	(25.05)	
665,269	0	665,269	287.25	0.00	Total Medicaid Pending	473,988	0	473,988	452.28	0.00
2,359	2,883	524 *			5500 Insurance	7,201	8,373	1,172 *		
922,650	1,079,265	156,615 *	391.12	374.35	5501 Routine Services - INS	2,768,898	3,135,270	366,372 *	384.52	374.45
12,730	18,580	5,850 *	5.40	6.44	5502 Medical Supplies - INS	35,870	51,290	15,420 *	4.98	6.13
125,904	148,650	22,746 *	53.37	51.56	5503 Drugs - INS	363,304	430,360	67,056 *	50.45	51.40
5,158	5,860	702 *	2.19	2.03	5504 Oxygen - INS	12,989	16,750	3,761 *	1.81	2.00
10,046	15,400	5,354 *	4.26	5.34	5505 Laboratory - INS	29,626	45,010	15,384 *	4.11	5.38
131,188	170,120	38,932 *	55.61	59.01	5506 Physical Therapy - INS	394,915	493,170	98,255 *	54.84	58.90
46,472	44,190	2,282	19.70	15.33	5507 Speech Therapy - INS	127,791	126,580	1,211	17.75	15.12
128,001	166,790	38,789 *	54.26	57.85	5508 Occupational Therapy - INS	395,847	483,090	87,243 *	54.97	57.70
386	450	64 *	0.16	0.16	5509 PEN Therapy - INS	805	1,330	525 *	0.11	0.16
660	1,530	870 *	0.28	0.53	5510 Fluidized Bed - INS	3,120	4,530	1,410 *	0.44	0.54
570	280	290	0.24	0.10	5511 Flu/Pneumonia - INS	1,580	830	750	0.22	0.10
3,795	6,730	2,935 *	1.61	2.33	5512 Ambulance - INS	23,500	19,960	3,540	3.28	2.38
3,057	1,830	1,830 *	1.30	0.63	5513 Wound Care - INS	15,166	5,190	5,190 *	2.12	0.62
4,472	5,860	2,804 *	1.90	2.03	5514 Transportation - INS	14,352	17,390	2,224 *	1.99	2.08
	4,340	132		1.51	5515 X-Rays - INS		12,470	1,882		1.49
	210	210 *		0.07	5516 Misc - INS		620	620 *		0.07
594	594	594	0.25		5520 Misc - INS	594	594	594	0.08	
210	210	210	0.09		5521 Contract Adj-Room - INS	325	325	325	0.05	

* Unfavorable Differences

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Month	Month	Month	PPD	PPD	Account	YTD	YTD	YTD	PPD	PPD
Actual	Budget	Diff	Actual	Budget		Actual	Budget	Diff	Actual	Budget
(474,245)	(590,820)	116,576	(201.04)	(204.93)	5522 Contract Adj-Ancillaries - INS	(1,427,651)	(1,708,570)	280,919	(198.26)	(204.06)
921,647	1,079,265	157,618*	390.69	374.35	Total Insurance	2,761,031	3,135,270	374,239*	383.42	374.45
1,923	1,876	47			5600 Managed Care	5,436	5,567	131*		
766,491	715,790	50,701	388.59	381.55	5601 Routine Services - MGC	2,172,988	2,124,280	48,708	399.74	381.58
3,534	4,520	986*	1.84	2.41	5602 Medical Supplies - MGC	8,288	13,430	5,142*	1.52	2.41
47,294	32,700	14,594	24.59	17.43	5603 Drugs - MGC	110,323	97,040	13,283	20.29	17.43
1,673	590	1,083	0.87	0.31	5604 Oxygen - MGC	3,485	1,750	1,735	0.64	0.31
1,847	2,260	413*	0.96	1.20	5605 Laboratory - MGC	6,921	6,710	211	1.27	1.21
40,136	43,700	3,564*	20.87	23.29	5606 Physical Therapy - MGC	108,651	129,690	21,039*	19.99	23.30
12,481	11,010	1,471	6.49	5.87	5607 Speech Therapy - MGC	42,041	32,670	9,371	7.73	5.87
37,341	42,440	5,099*	19.42	22.62	5608 Occupational Therapy - MGC	99,381	125,930	26,549*	18.28	22.62
47	20	27	0.02	0.01	5609 PEN Therapy - MGC	63	60	3	0.01	0.01
500	1,290	790*	0.26	0.69	5610 Fluidized Bed - MGC	620	3,840	3,220*	0.11	0.69
(3,310)	14,740	18,050*	(1.72)	7.86	5611 Flu/Pneumonia - MGC	7,245	43,730	36,485*	1.33	7.86
6,006	3,650	2,356	3.12	1.95	5612 Ambulance - MGC	7,521	10,840	3,319*	1.38	1.95
1,200	2,520	1,320*	0.62	0.14	5613 Wound Care - MGC	7,979	800	800*	1.47	0.14
738	1,000	263*	0.38	0.53	5614 Transportation - MGC	2,415	7,480	4,999	0.44	1.34
(20)		20*	(0.01)	0.04	5616 Therapy Screenings - MGC		2,980	565*		0.54
4,841	80	4,841	2.52	0.04	5617 Misc - MGC	5,005	230	230*	0.92	0.04
(189,748)	(160,790)	28,958*	(98.67)	(85.71)	5621 Contract Adj-Room MGC	(504,802)	(477,180)	27,622*	(92.86)	(85.72)
731,049	715,790	15,259	380.16	381.55	5622 Contract Adj-Ancillaries MGC	2,078,124	2,124,280	46,156*	382.29	381.58
59,520	61,150	1,630*			Total Managed Care	177,913	181,261	3,348*		
125,330	181,750	56,420*	2.11	2.97	5700 Medicare Part B	544,491	538,800	5,691	3.06	2.97
25,007	50,010	25,003*	0.42	0.82	5703 Physical Therapy - MCR B	128,271	148,190	19,919*	0.72	0.82
120,969	147,980	27,011*	2.03	2.42	5704 Speech Therapy - MCR B	473,015	438,650	34,365	2.66	2.42
22,685	9,960	12,725	0.38	0.16	5705 Occupational Therapy - MCR B	170,825	29,530	141,295	0.96	0.16
163,920	125,210	38,710	2.75	2.05	5707 Flu/Pneumonia - MCR B	403,486	371,180	32,306	-2.27	2.05
39,126	36,910	2,216	0.66	0.60	5708 Physical Therapy - MGB	97,362	109,320	11,958*	0.55	0.60
135,451	101,430	34,021	2.28	1.66	5709 Speech Therapy - MGB	366,461	300,610	65,851	2.06	1.66
1,296	5,940	1,296	0.02	0.10	5710 Occupational Therapy - MGB	5,319	17,610	84,770	0.03	0.10
13,055	7,115	7,115	0.22	0.10	5711 PEN Therapy - MGB	102,380	17,610	84,770	0.58	0.58
(194,684)	(143,360)	51,324*	(3.27)	(2.34)	5712 Flu/Pneumonia - MGB	(537,184)	(427,870)	109,314*	(3.02)	(2.36)
452,157	515,830	63,673*	7.60	8.44	5720 Contractual Adjustment - MRBM/GB	1,754,427	1,526,020	228,407	9.86	8.42
2,423	1,876	547			Total Medicare Part B	6,608	5,567	1,041		
702,288	541,152	161,136	289.84	288.46	5800 Hospice	1,925,704	1,606,002	319,702	291.42	288.49
					5801 Routine Services - HSP					

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Month	Month	Month	PPD	PPD	Account	YTD	YTD	YTD	PPD	PPD
Actual	Budget	Diff	Actual	Budget		Actual	Budget	Diff	Actual	Budget
4,581	4,710	129*	1.89	2.51	Medical Supplies- HSP	13,262	13,970	708*	2.01	2.51
9,677	2,400	7,277	3.99	1.28	Oxygen - HSP	20,390	7,130	13,260	3.09	1.28
	30	30*		0.02	Laboratory - HSP	31	90	59*	0.00	0.02
98	130	32*	0.04	0.07	Physical Therapy - HSP	1,320	380	940	0.20	0.07
	80	80*		0.04	Speech Therapy- HSP	330	240	90	0.05	0.04
161	10	151	0.07	0.01	Occupational Therapy- HSP	714	30	684	0.11	0.01
443	190	253	0.18	0.10	PEN Therapy - HSP	2,981	570	2,411	0.45	0.10
1,420	1,080	340	0.59	0.58	Fluidized Bed - HSP	1,800	3,210	1,410*	0.27	0.58
	70	70*		0.04	Flu/Pneumonia - HSP	210	210	210*	0.04	0.04
425	270	155	0.18	0.14	Ambulance - HSP	1,770	810	960	0.27	0.15
75	50	25	0.03	0.03	Transportation - HSP	615	150	465	0.09	0.03
(719)		719*	(0.30)		Contract Adj-Room HSP	(719)		719*	(0.11)	
(16,619)	(9,020)	7,599*	(6.86)	(4.81)	Contract Adj-Ancillaries HSP	(41,584)	(26,790)	14,794*	(6.29)	(4.81)
701,830	541,152	160,678	289.65	288.46	Total Hospice	1,926,614	1,606,002	320,612	291.56	288.49
2,486	2,666	180*			5850 Veterans Admin	7,236	7,912	676*		
665,032	809,720	144,688*	267.51	303.72	5851 Routine Services - VA	2,167,185	2,403,040	235,855*	299.50	303.72
7,354	9,040	1,686*	2.96	3.39	5852 Medical Supplies - VA	24,971	26,820	1,849*	3.45	3.39
89,984	97,640	7,656*	36.20	36.62	5853 Drugs - VA	262,536	289,770	27,234*	36.28	36.62
3,847	6,580	2,733*	1.55	2.47	5854 Oxygen - VA	13,662	19,510	5,848*	1.89	2.47
3,280	3,620	340*	1.32	1.36	5855 Laboratory - VA	10,588	10,740	152*	1.46	1.36
14,782	17,250	2,468*	5.95	6.47	5856 Physical Therapy - VA	53,225	51,190	2,035	7.36	6.47
8,786	7,660	1,126	3.53	2.87	5857 Speech Therapy - VA	21,228	22,730	1,502*	2.93	2.87
14,801	17,470	2,669*	5.95	6.55	5858 Occupational Therapy - VA	44,951	51,860	6,909*	6.21	6.55
2,377	1,060	1,317	0.96	0.40	5859 PEN Therapy - VA	7,058	3,130	3,928	0.98	0.40
1,320	2,550	1,230*	0.53	0.96	5860 Fluidized Bed - VA	4,740	7,560	2,820*	0.66	0.96
	380	380*		0.14	5861 Ambulance - VA	1,120	1,120	1,120*	0.14	0.14
	90	90*		0.03	5862 Wound Care - VA	260	260	260*	0.03	0.03
1,378	250	1,128	0.55	0.09	5863 Transportation - VA	3,291	750	2,541	0.45	0.09
4,398	1,120	3,278	1.77	0.42	5864 X-rays - VA	9,493	3,320	6,173	1.31	0.42
3,080	300	2,780	1.24	0.11	5865 Flu/Pneumonia - VA	15,660	900	14,760	2.16	0.11
	160	160*		0.06	5866 Misc - VA	1,330	470	860	0.18	0.06
3,483		3,483	1.40		5867 Contract Adj Room - VA	41,759		41,759	5.77	
(155,387)	(165,170)	9,783	(62.50)	(61.95)	5868 Contract Adj Ancil - VA	(471,411)	(490,130)	18,719	(65.15)	(61.95)
668,515	809,720	141,205*	268.91	303.72	Total Veterans Admin	2,210,267	2,403,040	192,773*	305.45	303.72
17,561	17,555	94*			5900 Apartment Revenues	52,081	52,395	314*		
480,776	487,196	6,420*	27.38	27.60	5901 Apartment Rental Income	1,431,815	1,445,872	14,057*	27.49	27.60
36,800	38,900	2,100*			5902 Apartment Deposit Income	123,772	116,700	7,072		
17,500	19,500	2,000*	0.29	0.32	5903 Interest Income-Investments	56,500	58,500	2,000*	0.32	0.32

* Unfavorable Differences

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Month	Month	Month	PPD	PPD	Account	YTD	YTD	YTD	PPD	PPD
Actual	Budget	Diff	Actual	Budget		Actual	Budget	Diff	Actual	Budget
2,729	2,375	354	0.05	0.04	5904 Apartment Income-Misc	24,186	7,125	17,061	0.14	0.04
537,805	547,971	10,166*	30.62	31.04	Total Apartment Revenues	1,636,273	1,628,197	8,076	31.42	31.08
4,669	4,500	169	0.08	0.07	5926 Wellness Center Memberships	13,748	13,500	248	0.08	0.07
4,669	4,500	169	0.08	0.07	Total Wellness Center Income	13,748	13,500	248	0.08	0.07
16,916,989	17,501,337	584,348*	284.22	286.20	Total Resident Revenue	51,478,457	51,872,369	393,912*	289.35	286.18
59,520	61,150	1,630*	17.34	16.85	6000 Other Revenues	177,913	181,261	3,348*	17.46	16.85
1,032,057	1,030,520	1,537	8.16	7.93	6001 Management Fee Income	3,107,072	3,054,490	52,582	8.20	8.03
485,520	485,020	500	(0.11)	(0.10)	6002 Property Lease Income	1,458,060	1,455,060	3,000	(0.09)	(0.10)
(6,370)	(6,000)	370*	0.03	0.03	6003 Barber and Beauty	(16,734)	(18,000)	1,267	0.03	0.03
1,796	1,717	79	0.00	0.00	6004 Vending Income	5,486	5,151	335	0.00	0.00
249	300	51*	0.00	0.00	6005 Cable TV	734	900	166*	0.02	0.00
25	265	240*	0.00	0.00	6006 Interest Income-Misc	2,684	795	1,889	0.01	0.01
786	505	281	0.01	0.01	6007 Resident Laundry Income	2,127	1,515	612	0.00	0.01
30	30	0	0.00	0.00	6008 Returned Check Fee - Revenue	30	30	0	0.00	0.00
105	0.00	105	0.00	0.00	6009 Small Claims Fees - Revenue	360	360	0	0.00	0.00
161	455	294*	0.00	0.01	6010 Misc Operating Income	813	1,365	552*	0.00	0.01
1,514,359	1,512,782	1,577	25.44	24.74	Total Other Revenues	4,560,634	4,501,276	59,358	25.63	24.83
18,431,347	19,014,119	582,772*	309.67	310.94	Total Revenue	56,039,091	56,373,645	334,554*	314.98	311.01
7000 Operating Costs										
7101 Nursing Administration										
128,608	125,660	2,948*	2.16	2.05	7102 Nurs Admin DON Salaries	397,270	372,930	24,340*	2.23	2.06
49,092	59,670	10,578	0.82	0.98	7103 Nurs Admin ADDON Salaries	163,552	177,090	13,538	0.92	0.98
50,534	20,810	29,724*	0.85	0.34	7104 Nurs Admin PTO	107,753	61,790	45,963*	0.61	0.34
14,844	15,490	646	0.25	0.25	7106 Nurs Admin PR Taxes	44,374	45,930	1,556	0.25	0.25
31,129	54,700	23,571	0.52	0.89	7108 Nurs Admin Consultants	92,740	164,100	71,360	0.52	0.91
46,900	46,900	0	0.79	0.77	7109 Nurs Admin Medical Director Expense	140,700	140,700	0	0.79	0.78
285	0	285*	0.00	7111 Nurs Admin Supplies	362	362	0	0.00	0.00	
321,392	323,230	1,838	5.40	5.29	Total Nursing Administration	946,750	962,540	15,790	5.32	5.31
7200 Nursing Service										
732,920	823,550	90,630	12.31	13.47	7201 Nursing RN Salaries	2,164,232	2,444,100	279,868	12.16	13.48
1,722,993	1,557,600	165,393*	28.95	25.47	7202 Nursing LPN Salaries	4,866,690	4,622,560	244,130*	27.35	25.50
2,595,077	2,621,180	26,103	43.60	42.86	7203 Nursing CNA Salaries	7,517,041	7,779,000	261,959	42.25	42.92
64,380	46,150	18,230*	1.08	0.75	7204 Nursing CNA Training Salaries	178,313	138,450	39,863*	1.00	0.76
185,422	229,180	43,758	3.12	3.75	7206 Nursing PTO	573,782	680,150	106,368	3.23	3.75

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570,629	409,000	161,629 *	9.59	6.69	7207 Nursing Overtime	1,644,866	1,227,000	417,866 *	9.25	6.77
445,712	426,500	19,212 *	7.49	6.97	7208 Nursing PR Taxes	1,287,649	1,266,860	20,789 *	7.24	6.99
8,457	8,240	217 *	0.14	0.13	7209 Nursing Clinical Software	24,713	24,720	7	0.14	0.14
268,154	251,850	16,304 *	4.51	4.12	7210 Nursing Supplies	788,598	746,330	42,268 *	4.43	4.12
2,925	1,725	1,200 *	0.05	0.03	7211 Nursing Travel and Meetings	6,737	5,175	1,562 *	0.04	0.03
605		605 *	0.01		7212 Nursing Minor Equipment	4,692		4,692 *	0.03	
(11,228)	5,030	16,258	(0.19)	0.08	7213 Nursing Contract Labor - RN	204,259	14,930	189,329 *	1.15	0.08
191,543	391,550	200,007	3.22	6.40	7214 Nursing Contract Labor - LPN	612,281	1,162,030	549,749	3.44	6.41
35,095	165,540	130,445	0.59	2.71	7215 Nursing Contract Labor - CNA	239,461	491,280	251,819	1.35	2.71
6,884		6,884 *	0.12		7216 Nursing CNA Training Supplies	11,455		11,455 *	0.06	
6,819,569	6,937,095	117,526	114.58	113.44	Total Nursing Service	20,124,769	20,602,585	477,816	113.12	113.66
7240 Personal Care Service										
57,527	63,490	5,964	0.97	1.04	7241 Personal Care Salaries	159,935	188,420	28,485	0.90	1.04
2,696	3,450	754	0.05	0.06	7243 Personal Care PTO	9,436	10,230	794	0.05	0.06
6,008	1,000	5,008 *	0.10	0.02	7244 Personal Care Overtime	13,381	3,000	10,381 *	0.08	0.02
4,953	5,100	147	0.08	0.08	7245 Personal Care PR Taxes	13,608	15,140	1,532	0.08	0.08
861	425	436 *	0.01	0.01	7246 Personal Care Supplies	2,151	1,275	876 *	0.01	0.01
72,045	73,465	1,420	1.21	1.20	Total Personal Care Service	198,512	218,065	19,553	1.12	1.20
7250 COVID-19										
					7266 COVID-19 Med Supp- Test Kits-Residen	10,190		10,190 *	0.06	
					7273 COVID-19 Admin Communications	82		82 *	0.00	
0	0	0	0.00	0.00	Total COVID-19	10,272	0	10,272 *	0.06	0.00
7300 Ancillaries										
1,749	450	1,299 *	0.03	0.01	7301 Physical Therapy - Private	7,379	1,330	6,049 *	0.04	0.01
134,127	114,440	19,687 *	2.25	1.87	7302 Physical Therapy - Medicare Part A	354,795	339,620	15,175 *	1.99	1.87
700	4,900	4,200	0.01	0.08	7303 Physical Therapy - Part A Dual	1,123	14,560	13,437	0.01	0.08
363	1,950	1,587	0.01	0.03	7304 Physical Therapy - Medicaid	1,811	5,800	3,989	0.01	0.03
356		356 *	0.01		7305 Physical Therapy - Medicaid Dual	739		739 *	0.00	
11,506	90,190	78,684	0.19	1.47	7306 Physical Therapy - Insurance	22,808	261,530	238,722	0.13	1.44
76,086	33,150	42,936 *	1.28	0.54	7307 Physical Therapy - Managed Care	224,523	98,360	126,163 *	1.26	0.54
110,625	104,290	6,335 *	1.86	1.71	7308 Physical Therapy - Medicare Part B	392,296	309,180	83,116 *	2.20	1.71
39,534	71,100	31,566	0.66	1.16	7309 Physical Therapy - Managed Care Pt B	109,985	210,790	100,805	0.62	1.16
	80	80		0.00	7310 Physical Therapy - Hospice	451	230	221 *	0.00	0.00
9,484	9,670	186	0.16	0.16	7311 Physical Therapy - VA	37,774	28,690	9,084 *	0.21	0.16
6,605	11,100	4,495	0.11	0.18	7312 Physical Therapy - Supplies	31,579	32,920	1,341	0.18	0.18
					7313 Physical Therapy - Other	(890)		890	(0.01)	
26,332		26,332 *	0.44		7314 Physical Therapy - Other					

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Actual	Budget	Diff	Actual	Budget		Actual	Budget	Diff	Actual	Budget
1,534	410	1,124 *	0.03	0.01	7315 Occupational Therapy - Private	4,836	1,220	3,616 *	0.03	0.01
108,816	108,560	256 *	1.83	1.78	7316 Occupational Therapy - Medicare Pt A	355,482	322,210	33,272 *	2.00	1.78
342	4,620	4,278	0.01	0.08	7317 Occupational Therapy - Part A Dual	2,057	13,720	11,663	0.01	0.08
	1,410	1,410		0.02	7318 Occupational Therapy - Medicaid	2,154	4,180	2,026	0.01	0.02
45		45 *	0.00	7319 Occupational Therapy - Medicaid Dual	61		61 *		0.00	
10,706	85,570	74,864	0.18	1.40	7320 Occupational Therapy - Insurance	22,680	247,930	225,250	0.13	1.37
69,201	31,200	38,001 *	1.16	0.51	7321 Occupational Therapy - Managed Care	213,646	92,620	121,026 *	1.20	0.51
101,835	81,690	20,145 *	1.71	1.34	7322 Occupational Therapy - Medicare Pt B	352,233	242,180	110,053 *	1.98	1.34
36,083	55,020	18,937	0.61	0.90	7323 Occupational Therapy - ManagCare PtB	99,822	163,090	63,268	0.56	0.90
	10	10		0.00	7324 Occupational Therapy - Hospice	169	30	139 *	0.00	0.00
9,968	9,480	488 *	0.17	0.16	7325 Occupational Therapy - VA	29,636	28,160	1,476 *	0.17	0.16
				7326 Occupational Therapy - Supplies	5		5 *		0.00	
				7327 Occupational Therapy - Other	4,667		4,667 *		0.03	
240	100	140 *	0.00	0.00	7330 Speech Therapy - Private	539	300	239 *	0.00	0.00
20,930	25,440	4,510	0.35	0.42	7331 Speech Therapy - Medicare Part A	62,986	75,490	12,504	0.35	0.42
	1,580	1,580		0.03	7332 Speech Therapy - Part A Dual		4,690	4,690		0.03
986	1,490	504	0.02	0.02	7333 Speech Therapy - Medicaid	2,671	4,410	1,739	0.02	0.02
2,032	15,680	13,648	0.03	0.26	7335 Speech Therapy - Insurance	5,506	44,160	38,654	0.03	0.24
18,147	7,460	10,687 *	0.30	0.12	7336 Speech Therapy - Managed Care	49,790	22,130	27,660 *	0.28	0.12
26,936	23,340	3,596 *	0.45	0.38	7337 Speech Therapy - Medicare Pt B	97,799	69,150	28,649 *	0.55	0.38
6,586	16,780	10,194	0.11	0.27	7338 Speech Therapy - Managed Care Pt B	25,531	56,050	30,519	0.14	0.31
101	40	61 *	0.00	0.00	7339 Speech Therapy - Hospice	302	120	182 *	0.00	0.00
6,267	3,830	2,437 *	0.11	0.06	7340 Speech Therapy - VA	13,862	11,380	2,482 *	0.08	0.06
	8,960	8,960		0.15	7345 Speech Therapy - Misc		26,540	26,540		0.15
4,826	4,520	306 *	0.08	0.07	7346 PEN Therapy-Nutrient	15,003	13,400	1,603 *	0.08	0.07
4,894		4,894 *	0.08	7347 PEN Therapy-Supplies	13,812		13,812 *		0.08	
1,113	5,030	3,917	0.02	0.08	7350 Wound Care Expense-Non Part B	2,452	14,730	12,278	0.01	0.08
442	100	342 *	0.01	0.00	7360 Laboratory Expense-Private	642	300	342 *	0.00	0.00
9,448	9,590	142	0.16	0.16	7361 Laboratory Expense-Medicare Part A	41,220	28,420	12,800 *	0.23	0.16
26	120	94	0.00	0.00	7362 Laboratory Expense-Part A Dual	416	360	56 *	0.00	0.00
1,076	580	496 *	0.02	0.01	7363 Laboratory Expense-Medicaid	3,333	1,710	1,623 *	0.02	0.01
8,651	11,290	2,639	0.15	0.18	7365 Laboratory Expense-Insurance	17,196	32,960	15,764	0.10	0.18
21	1,790	1,769	0.00	0.03	7366 Laboratory Expense-Managed Care	21	5,320	5,299	0.00	0.03
	30	30		0.00	7367 Laboratory Expense-Hospice		90	90		0.00
3,802	2,950	852 *	0.06	0.05	7368 Laboratory Expense-VA	7,514	8,750	1,236	0.04	0.05
10,014	22,920	12,906	0.17	0.37	7370 Oxygen Expense	40,755	67,950	27,195	0.23	0.37
643	20,430	19,787	0.01	0.33	7375 Fluid Bed Expense	1,882	60,630	58,748	0.01	0.33
15,219	10,840	4,379 *	0.26	0.18	7376 X-Ray Expense	44,390	31,880	12,510 *	0.25	0.18
24,135	25,170	1,035	0.41	0.41	7377 Flu/Pneumonia/COVID Expense	230,864	74,690	156,174 *	1.30	0.41
141,145	160,230	19,085	2.37	2.62	7380 Prescription Drug Exp-Medicare Part A	519,514	475,540	43,974 *	2.92	2.62

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140,549	151,680	11,131	2.36	2.48	7382 Prescription Drug Exp-Insurance	395,301	439,140	43,839	2.22	2.42
51,239	33,380	17,859*	0.86	0.55	7383 Prescription Drug Exp-Managed Care	120,329	99,040	21,289*	0.68	0.55
2,869	5,130	2,261	0.05	0.08	7384 Prescription Drug Exp-Dual A	6,151	15,220	9,069	0.03	0.08
96,147	99,630	3,483	1.62	1.63	7385 Prescription Drug Exp-VA	282,167	295,670	13,503	1.59	1.63
37,520	39,610	2,090	0.63	0.65	7387 OTC/Stock Drug Expense	110,236	117,390	7,154	0.62	0.65
46,358	53,550	7,193	0.78	0.88	7388 Pharmacy Consultant Expense	134,943	158,692	23,750	0.76	0.88
58,223	63,490	5,267	0.98	1.04	7389 Medical Supplies	169,692	186,110	16,418	0.95	1.03
3,042		3,042*	0.05		7391 Misc Ancillary Expense-Medicare Part A	18,471		18,471*	0.10	
					7393 Misc Ancillary Expense-Medicaid	86		86*	0.00	
10,692	1,670	9,022*	0.18	0.03	7398 Misc Ancillary Expense-VA	31,542	4,980	26,562*	0.18	0.03
					7399 Misc Ancillary Expense-Other	458		458*	0.00	
1,510,316	1,647,720	137,404	25.37	26.95	Total Ancillaries	4,739,192	4,865,742	126,550	26.64	26.84
					7400 Dietary					
121,142	130,750	9,608	2.04	2.14	7401 Dietary Director Salaries	348,873	388,010	39,137	1.96	2.14
440,092	449,680	9,588	7.39	7.35	7402 Dietary Other Salaries	1,284,015	1,334,530	50,515	7.22	7.36
39,702	34,810	4,892*	0.67	0.57	7404 Dietary PTO	106,619	103,330	3,289*	0.60	0.57
29,471	23,750	5,721*	0.50	0.39	7405 Dietary Overtime	80,451	71,250	9,201*	0.45	0.39
49,166	47,920	1,246*	0.83	0.78	7406 Dietary PR Taxes	141,426	142,280	854	0.79	0.78
15,696	12,950	2,746*	0.26	0.21	7407 Dietary Consultants	46,577	38,850	7,827*	0.26	0.21
585,717	726,840	141,123	9.84	11.89	7408 Dietary Raw Food	1,932,232	2,154,820	222,588	10.86	11.89
82,606	74,240	8,366*	1.39	1.21	7409 Dietary Supplies	244,439	220,120	24,319*	1.37	1.21
1,234	60	1,174*	0.02	0.00	7411 Dietary Travel and Meetings	5,849	180	5,669*	0.03	0.00
(140,923)	(150,020)	9,097*	(2.37)	(2.45)	7412 Dietary Emp/Guest Meal Income	(388,885)	(450,060)	61,175*	(2.19)	(2.48)
1,018		1,018*	0.02		7413 Dietary Misc Expense	1,561		1,561*	0.01	
8,232		8,232*	0.14		7414 Dietary Minor Equipment	1,145		1,145*	0.01	
1,233,153	1,350,980	117,827	20.72	22.09	Total Dietary	3,804,402	4,003,310	198,908	21.38	22.09
					7500 Social Services					
71,408	68,220	3,188*	1.20	1.12	7501 Social Services Director Salaries	192,369	202,480	10,111	1.08	1.12
75,280	64,970	10,310*	1.26	1.06	7502 Social Services Other Salaries	189,117	192,820	3,703	1.06	1.06
7,396	12,350	4,954	0.12	0.20	7504 Social Services PTO	33,574	36,650	3,076	0.19	0.20
2,416	3,975	1,559	0.04	0.07	7505 Social Services Overtime	9,783	11,925	2,142	0.05	0.07
12,717	11,220	1,497*	0.21	0.18	7506 Social Services PR Taxes	34,399	33,310	1,089*	0.19	0.18
7,996	7,175	821*	0.13	0.12	7507 Social Services Consultants	23,820	21,525	2,295*	0.13	0.12
6,951	7,600	649	0.12	0.12	7508 Social Services Supplies	19,925	22,800	2,875	0.11	0.13
600	625	25	0.01	0.01	7509 Social Services Purchased Services	2,489	1,875	614*	0.01	0.01
183	305	122	0.00	0.00	7510 Social Services Travel and Meetings	1,458	915	543*	0.01	0.01
					7511 Social Services Misc Expense	498		498*	0.00	0.01

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184,947	176,440	8,507*	3.11	2.89	Total Social Services	507,431	524,300	16,869	2.85	2.89
7600 Activities										
51,550	52,190	640	0.87	0.85	7601 Activities Director Salaries	151,747	154,880	3,133	0.85	0.85
58,081	70,800	12,719	0.98	1.16	7602 Activities Other Salaries	181,187	210,150	28,963	1.02	1.16
4,916	8,880	3,964	0.08	0.15	7604 Activities PTO	18,446	26,370	7,924	0.10	0.15
2,122	1,625	497*	0.04	0.03	7605 Activities Overtime	4,309	4,875	566	0.02	0.03
8,742	10,010	1,268	0.15	0.16	7606 Activities PR Taxes	26,359	29,730	3,371	0.15	0.16
35,519	20,450	15,069*	0.60	0.33	7608 Activities Supplies	73,645	61,350	12,295*	0.41	0.34
1,795	1,880	85	0.03	0.03	7609 Activities Purchased Services	4,599	5,640	1,041	0.03	0.03
194	350	156	0.00	0.01	7610 Activities Travel and Meetings	3,543	1,050	2,493*	0.02	0.01
1,419		1,419*	0.02		7611 Activities Misc Expense	2,690		2,690*	0.02	
164,339	166,185	1,846	2.76	2.72	Total Activities	466,526	494,045	27,519	2.62	2.73
7700 Medical Records										
44,585	47,410	2,825	0.75	0.78	7701 Medical Records Salaries	135,411	140,700	5,289	0.76	0.78
9,921	3,500	6,421*	0.17	0.06	7703 Medical Records PTO	19,811	10,400	9,411*	0.11	0.06
3,714	2,275	1,439*	0.06	0.04	7704 Medical Records Overtime	6,570	6,825	255	0.04	0.04
4,335	3,990	345*	0.07	0.07	7705 Medical Records PR Taxes	12,048	11,840	208*	0.07	0.07
4,766	7,690	2,924	0.08	0.13	7707 Medical Records Supplies	8,649	23,070	14,421	0.05	0.13
1,082	185	897*	0.02	0.00	7708 Medical Records Purchased Services	2,952	555	2,397*	0.02	0.00
	10	10		0.00	7709 Medical Records Travel and Meetings		30	30		0.00
					7710 Medical Records Misc Expense	62		62*		
68,404	65,060	3,344*	1.15	1.06	Total Medical Records	185,504	193,420	7,916	1.04	1.07
7800 Laundry										
118,544	148,450	29,906	1.99	2.43	7802 Laundry Salaries	344,486	440,680	96,194	1.94	2.43
7,075	9,080	2,005	0.12	0.15	7804 Laundry PTO	23,426	26,950	3,524	0.13	0.15
5,715	3,275	2,440*	0.10	0.05	7805 Laundry Overtime	14,244	9,825	4,419*	0.08	0.05
9,819	12,030	2,211	0.16	0.20	7806 Laundry PR Taxes	28,562	35,710	7,148	0.16	0.20
18,088	22,590	4,502	0.30	0.37	7807 Laundry Supplies	70,396	66,970	3,426*	0.40	0.37
4,933	19,530	14,597	0.08	0.32	7808 Laundry Linen and Bedding	57,604	57,990	386	0.32	0.32
343	4,460	4,117	0.01	0.07	7809 Laundry Underpads	12,354	13,370	1,016	0.07	0.07
					7810 Laundry Purchased Services	416		416*	0.00	0.00
(4,518)		4,518	(0.08)		7812 Laundry Uniforms SC Locations	718		718*	0.00	
159,998	219,415	59,417	2.69	3.59	Total Laundry	552,205	651,495	99,290	3.10	3.59
7900 Housekeeping										
52,844	48,370	4,474*	0.89	0.79	7901 Housekeeping Director Salaries	143,712	145,110	1,398	0.81	0.80
295,064	336,670	41,606	4.96	5.51	7902 Housekeeping Other Salaries	876,225	997,670	121,445	4.93	5.50

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22,059	21,910	149 *	0.37	0.36	7904 Housekeeping PTO	62,434	65,040	2,606	0.35	0.36
13,866	9,200	4,666 *	0.23	0.15	7905 Housekeeping Overtime	39,480	27,600	11,880 *	0.22	0.15
28,761	31,200	2,439	0.48	0.51	7906 Housekeeping PR Taxes	84,287	92,640	8,353	0.47	0.51
(33)		33	0.00		7907 Housekeeping Consultants					
64,952	63,820	1,132 *	1.09	1.04	7908 Housekeeping Supplies	171,805	189,220	17,415	0.97	1.04
4,208	4,060	148 *	0.07	0.07	7909 Housekeeping Purch Services	10,224	12,135	1,911	0.06	0.07
					7912 Housekeeping Minor Equipment	5,154		5,154 *	0.03	
481,721	515,230	33,509	8.09	8.43	Total Housekeeping	1,393,320	1,529,415	136,095	7.83	8.44
					8000 Plant Operations and Maint.					
114,977	129,050	14,073	1.93	2.11	8002 POM Other Salaries	352,201	382,970	30,769	1.98	2.11
12,610	10,570	2,040 *	0.21	0.17	8004 POM PTO	29,886	31,360	1,474	0.17	0.17
7,437	4,380	3,057 *	0.12	0.07	8005 POM Overtime	23,678	13,140	10,538 *	0.13	0.07
12,698	10,810	1,888 *	0.21	0.18	8006 POM PR Taxes	35,874	32,090	3,784 *	0.20	0.18
18,582	17,125	1,457 *	0.31	0.28	8007 POM Consultants	55,175	51,375	3,800 *	0.31	0.28
73,356	75,950	2,594	1.23	1.24	8008 POM Supplies	202,541	227,850	25,309	1.14	1.26
141,063	132,600	8,463 *	2.37	2.17	8009 POM Purchased Services	365,458	397,800	32,342	2.05	2.19
342,556	318,450	24,106 *	5.76	5.21	8010 POM Utilities	948,025	955,350	7,325	5.33	5.27
30,741	36,900	6,159	0.52	0.60	8011 POM Cabler/TV Expense	93,107	110,700	17,593	0.52	0.61
34		34 *	0.00		8012 POM Travel and Meetings	2,553		2,553 *	0.01	
					8013 POM Misc Expense	118		118 *	0.00	
4,627	1,000	3,627 *	0.08	0.02	8014 POM Minor Equipment	16,373	3,000	13,373 *	0.09	0.02
3,409	3,010	399 *	0.06	0.05	8015 POM Vehicle Expense	5,781	9,030	3,249	0.03	0.05
762,089	739,845	22,244 *	12.80	12.10	Total Plant Operations and Maint.	2,130,770	2,214,665	83,895	11.98	12.22
					8030 Wellness Pool					
489	250	239 *	0.01	0.00	8035 Wellness Center and Pool Supplies	825	750	75 *	0.00	0.00
4,799	2,300	2,499 *	0.08	0.04	8036 Wellness Center Contract Services	8,175	6,900	1,275 *	0.05	0.04
	10	10		0.00	8039 Wellness Center Misc Expenses		30	30		0.00
5,289	2,560	2,729 *	0.09	0.04	Total Wellness Pool	9,000	7,680	1,320 *	0.05	0.04
					8100 Transportation					
45,639	46,440	801	0.77	0.76	8101 Transportation Salaries	137,560	137,830	270	0.77	0.76
4,796	2,840	1,956 *	0.08	0.05	8103 Transportation PTO	10,129	8,460	1,669 *	0.06	0.05
5,029	1,625	3,404 *	0.08	0.03	8104 Transportation Overtime	12,614	4,875	7,739 *	0.07	0.03
4,146	3,820	326 *	0.07	0.06	8105 Transportation PR Taxes	12,031	11,340	691 *	0.07	0.06
6,051	9,725	3,674	0.10	0.16	8106 Transportation Vehicle Expense	17,556	29,175	11,620	0.10	0.16
24,997	49,900	24,903	0.42	0.82	8107 Transportation NEMT Contr Veh-Mealid	108,746	149,700	40,954	0.61	0.83
23,678	20,500	3,178 *	0.40	0.34	8108 Transportation Contr Vehicles-non Meial	89,416	61,500	27,916 *	0.50	0.34

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114,336	134,850	20,514	1.92	2.21	Total Transportation	388,051	402,880	14,829	2.18	2.22
8200 Depreciation										
40,000	40,000		0.67	0.65	8201 Depreciation Expense - Land Improver	120,000	120,000		0.67	0.66
2,000	2,000		0.03	0.03	8202 Depreciation Expense - Leasehold Impri	6,000	6,000		0.03	0.03
260,000	260,000		4.37	4.25	8203 Depreciation Expense - Buildings	780,000	780,000		4.38	4.30
117,000	117,000		1.97	1.91	8204 Depreciation Expense - Fixed Equipmei	351,000	351,000		1.97	1.94
102,000	102,000		1.71	1.67	8205 Depr Expense - Moveable Equipment	306,000	306,000		1.72	1.69
521,000	521,000	0	8.75	8.52	Total Depreciation	1,563,000	1,563,000	0	8.79	8.62
8300 Interest, Amortization & Lease										
241,018	235,000	6,018 *	4.05	3.84	8301 Interest Expense - Mortgage	784,210	705,000	79,210 *	4.41	3.89
7,223	3,500	3,723 *	0.12	0.06	8302 Interest Expense - Other	12,397	10,500	1,897 *	0.07	0.06
10,640	14,000	3,360	0.18	0.23	8303 Interest Expense - Credit Line	30,225	42,000	11,775	0.17	0.23
(61,402)		61,402	(1.03)		8304 Interest Expense - Swap	(186,217)		186,217	(1.05)	
616,560	616,560		10.36	10.08	8305 Building Lease Expense	1,806,325	1,806,325		10.15	9.97
4,865	4,865		0.08	0.08	8306 Amort Expense - Loan Costs	14,595	14,595		0.08	0.08
5,663	5,663	0 *	0.10	0.09	8310 Amort Expense - Goodwill	16,990	16,989	1 *	0.10	0.09
824,567	879,588	55,021	13.85	14.38	Total Interest, Amortization & Lease	2,478,526	2,595,409	116,883	13.93	14.32
8400 Taxes and Insurance										
206,742	206,750	8	3.47	3.38	8401 Property Tax Expense	620,225	620,250	25	3.49	3.42
14,590	15,975	1,385	0.25	0.26	8402 Misc Tax Expense	35,026	47,925	12,899	0.20	0.26
75,100	75,100		1.26	1.23	8403 Insurance Expense- Property	226,120	225,300	820 *	1.27	1.24
97,275	97,275		1.63	1.59	8404 Insurance Expense- Liability	291,825	291,825		1.64	1.61
240,143	276,560	36,418	4.03	4.52	8405 Provider Assessment-NC Facilities	727,799	820,760	92,962	4.09	4.53
633,849	671,660	37,811	10.65	10.98	Total Taxes and Insurance	1,900,994	2,006,060	105,066	10.68	11.07
8500 Employee Benefits										
884,815	916,000	31,185	14.87	14.98	8501 Employee Group Insurance	2,767,060	2,748,000	19,060 *	15.55	15.16
93,000	92,950	50 *	1.56	1.52	8502 Workers Compensation Expense	279,527	278,850	677 *	1.57	1.54
(2,934)		2,934	(0.05)		8503 Uniform Expense - NC Locations	(6,880)		6,880	(0.04)	
666	16,950	16,284	0.01	0.28	8504 Retirement Plan Expense	10,008	50,850	40,842	0.06	0.28
175,865	48,750	127,115 *	2.95	0.80	8505 Employee Benefits Misc Expense	322,011	146,250	175,761 *	1.81	0.81
1,151,401	1,074,650	76,751 *	19.34	17.57	Total Employee Benefits	3,371,726	3,223,950	147,776 *	18.95	17.79
8600 General and Administration										
174,060	237,300	63,240	2.92	3.88	8601 Administrative Administrator Salaries	527,501	584,300	56,799	2.96	3.22
957,743	842,640	115,103 *	16.09	13.78	8603 Administrative Other Salaries	2,932,571	2,543,110	389,461 *	16.48	14.03
35,331	44,254	8,923	0.59	0.72	8605 Administrative PTO	81,379	131,942	50,564	0.46	0.73

* Unfavorable Differences

Consolidated Statement of Operations

White Oak Management, Inc. (ALL)

12/1/23 to 12/31/23

Month Actual	Month Budget	Month Diff	PPD Actual	PPD Budget	Account	YTD Actual	YTD Budget	YTD Diff	PPD Actual	PPD Budget
6,445	11,950	5,505	0.11	0.20	8606 Administrative Overtime	21,034	35,850	14,816	0.12	0.20
86,840	79,540	7,300*	1.46	1.30	8607 Administrative PR Taxes	190,496	230,690	40,194	1.07	1.27
961,830	961,790	40*	16.16	15.73	8608 Management Fee Expense	2,850,600	2,850,480	120*	16.02	15.73
16,526	19,055	2,529	0.28	0.31	8609 Telephone Expense	46,541	57,165	10,624	0.26	0.32
68,468	50,100	18,368*	1.15	0.82	8610 Auto Expense	158,085	150,300	7,785*	0.89	0.83
20,000	20,000		0.34	0.33	8611 Directors Fee Expense	60,000	60,000		0.34	0.33
47,270	27,400	19,870*	0.79	0.45	8612 Dues and Subscriptions	92,712	82,200	10,512*	0.52	0.45
17,281	13,335	3,946*	0.29	0.22	8613 Office Supplies	46,932	40,005	6,927*	0.26	0.22
16,740	21,185	4,445	0.28	0.35	8614 Copier Expense	44,742	63,555	18,813	0.25	0.35
2,770	8,965	6,195	0.05	0.15	8615 Postage Expense	21,268	26,895	5,627	0.12	0.15
18,655	19,850	1,195	0.31	0.32	8616 Professional Fees - Legal	43,605	59,550	15,945	0.25	0.33
13,524	19,975	6,451	0.23	0.33	8617 Professional Fees - Other	31,849	59,925	28,076	0.18	0.33
(26,036)	39,200	65,236	(0.44)	0.64	8618 Equipment Rental Expense	653		653*	0.00	0.65
9,462	8,975	487*	0.16	0.15	8619 Admin - Travel and Meetings	201,247	117,600	83,647*	1.13	0.15
7,957	9,875	1,918	0.13	0.16	8620 Help Wanted Advertising Expense	19,658	26,925	7,267	0.11	0.16
34,060	32,420	1,640*	0.57	0.53	8621 General Advertising Expense	15,883	29,625	13,742	0.09	0.16
12,306	9,060	3,246*	0.21	0.15	8622 Bank Charge Expense	115,675	97,260	18,415*	0.65	0.54
158,859	187,000	28,141	2.67	3.06	8623 Printing Expense	29,755	27,180	2,575*	0.17	0.15
5,071	3,500	1,571*	0.09	0.06	8624 Data Processing Expense	447,511	561,000	113,489	2.52	3.09
13,736	7,000	6,736*	0.23	0.11	8625 Administrative Misc Expense	11,845	10,500	1,345*	0.07	0.06
2,658,901	2,674,369	15,468	44.67	43.73	8626 Meals & Entertainment	28,145	21,000	7,145*	0.16	0.12
					Total General and Administration	8,019,687	7,867,057	152,630*	45.08	43.40
					8800 Other Costs					
183,574	112,775	70,799*	3.08	1.84	8801 Non-Allowable Expense	371,566	338,325	33,241*	2.09	1.87
2,000	2,000		0.03	0.03	8802 Office Rental Expense	6,000	6,000		0.03	0.03
209	110	99*	0.00	0.00	8803 Promotional Expense	1,489	330	1,159*	0.01	0.00
45,300	45,300		0.76	0.74	8804 Bad Debt Expense	135,900	135,900		0.76	0.75
705	5,025	4,320	0.01	0.08	8805 Contribution Expense	3,864	15,075	11,211	0.02	0.08
3,323	1,000	1,000	0.06	0.02	8806 Insurance - Officers Life	10,000	3,000	7,000*	0.06	0.02
235,110	183,710	51,400*	3.95	0.29	8808 Mcare Co-Ins Bad Debt	37,048	52,500	15,452	0.21	0.29
17,922,425	18,357,052	434,627	301.12	300.20	Total Other Costs	565,866	551,130	14,736*	3.18	3.04
					Total Operating Costs	53,356,504	54,476,748	1,120,244	299.90	300.54
508,922	657,067	148,145*	8.55	10.75	Total Income/Loss from Operations	2,682,587	1,896,897	785,690	15.08	10.47
508,922	657,067	148,145*	8.55	10.75	Total Net Income Before Taxes	2,682,587	1,896,897	785,690	15.08	10.47
508,922	657,067	148,145*	8.55	10.75	Total Net Income/Loss	2,682,587	1,896,897	785,690	15.08	10.47

* Unfavorable Differences

Consolidated Balance Sheet
as of 12/31/23

Consolidated Balance Sheet
as of 12/31/23
White Oak Management, Inc. (ALL)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
1206	Inventory-Housekeeping	24,815.88
1207	Inventory-Other	52,153.05
		<u>659,474.95</u>
1300	Prepaid Expenses	
1301	Prepaid Insurance	777,791.00
1304	Prepaid Ins-WV Comp	(21,468.62)
		<u>756,322.38</u>
1400	Other- Current Assets	
1403	Accrued Interest	56,500.00
1504	Assets Limited to Use	7,023,980.52
		<u>7,080,480.52</u>
	Total Current Assets	28,775,441.59
1500	Non-Current Assets	
1501	Other Assets	
1507	Deferred Start Up Costs	400,857.02
1508	Accum Amort Def Start Up Costs	(400,857.02)
1509	Deferred Loan Costs	514,496.00
1510	Accm Amort Def Loan Costs	(437,733.44)
1601	Intercompany Account-Spartanburg	
1602	Intercompany Account-Columbia	
1603	Intercompany Account-Newberry	
1604	Intercompany Account-Rock Hill	
1605	Intercompany Account-Shelby	
1606	Intercompany Account-Kings Mountain	
1607	Intercompany Account-Tyron	
1609	Intercompany Account-Burlington	
1610	Intercompany Account-Charleston	
1611	Intercompany Account-Charlotte	
1612	Intercompany Account-SV Apartments	
1613	Intercompany Account-Oak Creek	
1614	Intercompany Account-Benson Hall	
1615	Intercompany Account-White Oak Estates	
1616	Intercompany Account-WOE Assisted Living	
1617	Intercompany Account-WOE Apartments	
1618	Intercompany Account-Lancaster	
1619	Intercompany Account-York	
1620	Intercompany Account-WA with TR	

Consolidated Balance Sheet
as of 12/31/23
 White Oak Management, Inc. (ALL)

<i>Account</i>	<i>Description</i>	<i>Amount</i>
3502	Deposits on Apartments	778,124.03
3503	Misc Deposits Account	67,328.98
		<u>1,018,453.01</u>
		43,915,535.60
	Total Total Liabilities	59,507,592.72
4000	Equity	
4001	Common Stock	3,223,944.00
4003	Retained Earnings	(2,862,622.36)
4004	Current Earnings	2,682,586.74
4006	Interdivision Equity	23,320,815.55
4007	Unrealized (Gain)Loss on Investments	2,315,344.19
	Total Equity	28,680,068.12
	Total Liabilities & Equity	<u><u>\$88,187,660.84</u></u>

STATE OF NORTH CAROLINA) APARTMENT RENTAL AGREEMENT
)
COUNTY OF MECKLENBURG) (WITH RETENTION SCHEDULE INCLUDED)

THIS AGREEMENT, made and entered into as of the _____ day of _____, 20____, by and between White Oak Manor - Charlotte, Inc., a corporation doing business as Sharon Village Apartments hereinafter referred to as "Owner" and _____, a resident of the State and County aforesaid, hereinafter referred to as "Resident."

W I T N E S S E T H:

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which the parties hereto acknowledge, and the full and faithful performance of all terms, covenants and conditions herein contained, the Owner hereby agrees to rent to the Resident, and the Resident hereby agrees to rent from the Owner, Apartment No. _____, located at Sharon Village, Charlotte, North Carolina (hereinafter called the "premises," "complex," or "apartment complex") for Resident's sole occupancy, according to the following terms, covenants, and conditions:

1. TERM. The term of this Agreement shall begin on the _____ day of _____, 20____, and end upon the first of the following to occur:
 - (a) The last day of the month following the Resident's death, or at such time thereafter as the Resident's belongings have been removed from the premises; or
 - (b) Resident's default as hereinafter defined; or
 - (c) Owner's having determined, and having given written notification thereof, that the Resident:
 - (i) is socially incompatible with the Owner's employees, other residents, or guests;
 - (ii) has demonstrated possible emotional instability;

- (iii) poses a risk to the life and well-being of him/herself or others;
 - (iv) has destroyed, or attempted to destroy, property belonging to the Owner, him/herself or others; or
 - (v) fails to fully comply with all terms and provisions contained in this Agreement; or
 - (vi) has acted in any other unreasonable fashion or poses for the Owner, its employees, residents or guests, any other unreasonable risks; or
- (d) The last day of any month prior to which the Resident has given to the Owner;
- (i) In the event the Resident is to be transferred, based upon written medical certification, to a hospital or to White Oak Manor - Charlotte Nursing Center, at least ten (10) days prior written notice; or
 - (ii) In the event the Resident is to be transferred, based upon written medical certification, anywhere else, at least thirty (30) days prior written notice; or
 - (iii) In the event the Resident is to be transferred anywhere else, without written medical certification, at least (60) sixty days prior written notice; or
- (e) At such time as, if ever, the apartment is destroyed by fire or other calamity, or if the apartment, or a substantial portion of the complex, is acquired through condemnation proceedings, making it such, under the circumstances, that the apartment is no longer reasonably fit for its intended use.

In the event the Resident is transferred as provided in Paragraph (i) above, to a hospital, he/she shall have sixty (60) days from date of transfer to return to his/her apartment, and to have the within Agreement remain in full force and effect, so long as all terms, covenants and conditions herein contained, including those pertaining to rental payments, have been (and are then being) fully complied with.

In the event the Resident is transferred, as provided in Paragraph (i) above, to White Oak Manor - Charlotte Nursing Center, the Resident shall have thirty (30) days from date of transfer to return to his apartment, and to have the within Agreement remain in full force and effect, so long as all terms, covenants and conditions herein contained, including those pertaining to rental payments, have been (and are then being) fully complied with.

In the event that the Resident, upon being transferred elsewhere as provided above, wishes to again become a tenant of the Owner, after the within Agreement has terminated, and is certified, in writing, by a qualified physician, as being again able to reside in the apartment complex, Owner agrees to give the Resident, to the extent reasonable possible, a priority as far as the next available apartment, with Retention Deposits and rental rates to be those then in effect, and a new Apartment Rental Agreement to be entered into.

In the situations described in Paragraphs (i) and (ii) above, the Owner may, but shall have no legal duty to, waive the requirement regarding written

notification based upon terms and conditions mutually agreeable to both Owner and Resident.

2. RETENTION DEPOSIT. At the time of executing this Agreement, Resident has paid to the Owner a Retention Deposit of _____ . The purpose of the Retention Deposit is to reduce the monthly rent when compared to the Straight Rental payment plan. Subject to the Retention Schedule herein contained, all such monies paid by the Resident to the Owner shall remain the property of the Resident. However, periodically, as provided by the Retention Schedule, the Owner shall be entitled to and become the owner of portions of the Retention Deposit, and eventually, according to the terms of the Agreement, shall become the owner of the entire fee. Notwithstanding ownership by the Resident of a portion of the fee, as provided in the Retention Schedule, throughout the entire term of this Agreement, the Owner shall have the absolute right to use the entire fee as the owner may, in its sole judgment, determine and shall be solely entitled to all benefits derived therefrom, including all interest earned thereon. The Retention Schedule is as follows:

<u>LENGTH OF OCCUPANCY</u>	<u>AMOUNT</u> <u>RETAINED</u>	<u>AMOUNT</u> <u>REFUNDED</u>
Upon Occupancy	20%	80%
1-4 Years (prorated daily)	20% per year	80-0%

In the event this Agreement shall terminate due to Resident's death or default as provided in Paragraphs i(a) or i(b) above, the balance of the Retention Deposit to which the Resident would otherwise be entitled shall immediately become the property of the Owner and neither the Resident, nor anyone claiming in his/her behalf, shall

have any further entitlement thereto. However, should this Agreement terminate as provided in Paragraphs 1(c), (d), or (e) above, Resident or his legal representative, as the case may be, shall be entitled to such refund as the Resident may be due according to the Retention Schedule described above. The amount of refund will be calculated on a daily basis (365 days per year). Refunds of this nature, calculated on a pro rata daily basis, will be promptly made to the Resident or his/her legal representative but under no circumstances later than 30 days after the termination date of the agreement.

If for any reason, a resident would be precluded from occupying a living unit in the facility under the terms of the contract for continuing care, the contract is automatically canceled and all monies will be promptly refunded to the resident or their legal representative but within 30 days after the termination date of the agreement.

3. TRANSFERS. A transfer fee may apply if you desire to transfer from your current apartment to another. After 10 years of residency in the same apartment, a transfer fee may be waived. A 50% transfer fee will apply if transfer occurs within 5-10 years of residency. If request is made prior to 5 years, 100% of the transfer fee will apply. An exception to applying the transfer fee may apply if a prearranged admission agreement signed by both parties stipulates a desire to transfer to another specific apartment within one year. The transfer fee is not a preset cost but is based on cost to refurbish current apartment.
4. MARRIAGES. If a current resident(s) of Sharon Village becomes married, the rent will increase based on the rent schedules in effect at that time for two persons. No additional deposit is required and the balance outstanding on any deposit(s) will continue to amortize in accordance

with each Resident's original Rental Agreement. A new Rental Agreement will be negotiated between Sharon Village and the husband and wife as Residents. Other than for medical reasons there are no qualifying requirements for a spouse to meet as a condition for entry. In the event the spouse does not medically qualify for admission, the agreement will terminate and alternate placement will be required.

5. RENT. In addition to paying the Retention Deposit provided for above, Resident also agrees to pay monthly rental to the Owner in the amount of _____, said rent to be payable in advance on or before the first day of each month for which due and owing, provided, however:

- (a) The rent for a partial month at the beginning of the term shall be prorated;
- (b) Although the Owner will attempt to keep rental increases to a minimum, during any calendar year following the first full calendar year of this Agreement, the Owner may, due to an increase in the cost of operation, or for any other reason, upon thirty (30) days prior written notice to the Resident, increase the monthly rental payable hereunder so long as the sum of the increases in monthly rental during any calendar year does not exceed the greater of:
 - (i) Six (6%) percent of the average monthly rental during the preceding calendar year; or
 - (ii) An amount equal to the average monthly rental during the preceding calendar year multiplied by the percentage increase in the "Consumer Price Index" figures for January and December of the preceding calendar year, the Consumer Price Index being the "Consumer Price Index - U.S. City Average - All Items Figures for Urban Wage

Earners and Clerical Workers (Including Single Workers), "which index is currently published in the "Monthly Labor Review" of the Bureau of Labor Statistics of the United States Department of Labor, or its successor index.

(c) All rental payments shall be due and payable on or before the first day of the month for which due and owing, and if received on or after the tenth (10) day of that particular month shall accrue a five (5%) percent late charge (5% of the monthly payment) which sum shall be immediately due and payable and collectible as additional rent.

6. USE OF APARTMENT; COMPLIANCE WITH RULES AND REGULATIONS; SMOKING POLICY. Resident will make no unlawful or offensive use of the apartment and the common areas belonging to the Owner and will comply with all laws, ordinances and regulations of duly constituted governmental authorities. Resident will use the apartment only as a private dwelling for him/her and such other persons as may be authorized. In addition, Resident agrees to abide by the reasonable rules and regulations promulgated from time to time by Owner generally applicable to all occupants and designed for the general health, welfare, and comfort of the other occupants. In addition to all such other rules and regulations, Resident specifically acknowledges that Owner has a policy prohibiting the use of all tobacco products in the apartments as well as on the Sharon Village property, and Resident agrees to abide by said policy. Any resident who violates this policy by using tobacco products in his/her apartment or on the Sharon Village property or by allowing anyone else to use tobacco products in his/her apartment or on the property will be deemed to be in default under this agreement and subject to the provisions

of Paragraph 14 of this Agreement, including eviction and reimbursement of Owner's costs, expenses and attorney's fees. Notwithstanding the foregoing, Resident further acknowledges that this tobacco policy does not apply to other residents who signed their Apartment Rental Agreements prior to the implementation of this policy in September, 2008.

7. USE OF PREMISES. Resident shall have the use, possession and enjoyment during the term of this Agreement of the apartment above identified jointly with any other tenant, but all common areas, including stairways, walkways and grounds, shall be used and enjoyed with other residents, and no portion of the same may or shall be permanently or temporarily appropriated by Resident to Resident's exclusive use, enjoyment or possession.
8. DESCRIPTION OF LIVING QUARTERS. Resident will reside in one of the following:
 - Efficiency - 323 square feet. Living room/bedroom, kitchen, 1 bathroom, porch
 - One Bedroom - 530 square feet. Living room, bedroom, walk-in closet, 1 bathroom, kitchen, porch
 - Deluxe One Bedroom - 655 square feet. Living room, bedroom, walk-in closet, 1 bathroom, kitchen, dining room, porch
 - Deluxe Two Bedroom - 867 square feet. Living room, 2 bedrooms, 2 bathrooms, kitchen, dining room, porch
9. CARE OF APARTMENT AND REPAIRS. Resident will take good care of the apartment and common areas and will report promptly to Owner any repairs which may be needed. Owner shall keep and maintain the apartment in tenable condition and shall have the right to make at reasonable times any and all repairs, renovations and alterations as it shall

determine necessary or desirable. Resident shall reimburse Owner for expenses incurred by Owner for repairs attributable to Resident's abuse or mistreatment of the apartment (including appliances) or the common areas.

10. ALTERATIONS BY RESIDENT. Resident shall make no alterations to the apartment without the prior written consent of the Owner, which consent shall not be unreasonably withheld.
11. PETS. Resident may not keep any pets or animals of any kind anywhere upon the premises without the prior written consent of the Owner. Even after the Owner's consent has been given, this consent may be reasonably withdrawn by the Owner according to its sole judgment and discretion based upon what it believes to be in the best interest of the complex and the other residents. A \$500 pet deposit is required if a pet is maintained in the apartment. The deposit may be refunded at the discretion of Management.
12. POSSESSION OF FIREARMS. No person, including residents, friends of residents or family members, may possess or carry, whether openly or concealed, any guns, rifles, pistols or firearms of any type on the premises. Violation of this policy shall be deemed a violation of the Apartment Rental Agreement and may constitute grounds for discharge or cancellation of the Agreement.
13. RIGHT OF ENTRY. Owner's representative may enter the apartment at any reasonable time to examine same and/or make such alterations and repairs as Owner may determine.
14. SURRENDER OF PREMISES. Upon the expiration or termination of this Apartment Rental Agreement, Resident shall surrender the apartment to the Owner in the same condition as at the beginning of the term, ordinary wear and tear excepted.

15. INSURANCE, RISK OF LOSS AND RENTAL ABATEMENT. Resident shall be solely responsible for insuring Resident's personal belongings. If the apartment is damaged by fire, casualty, or act of God, regarding which the Resident was neither negligent nor at fault, the Owner shall promptly repair the damages and the rental provided for herein shall be abated on a daily basis so long as the Resident is unable to occupy the premises while repairs are being made. However, at such time as the premises are again tenable, the obligation to pay rent shall resume. In the event that the damages involved are caused by negligence or fault on the part of the Resident, the rental provided for herein shall not abate, but shall be paid, as agreed, in timely fashion, and the Resident shall be further responsible for paying any sums deductible under the Owner's insurance coverage, which the Owner would otherwise be required to pay.
16. LIABILITY AND INDEMNIFICATION. The Owner shall not be liable for any damages or injuries to person or property occasioned anyone whatsoever, including other residents, employees, guests, or the like, by reason of Resident's use or occupancy of the apartment or the common areas, and Resident shall indemnify, defend and hold harmless Owner from and against any and all claims for damages or liability arising from injury to person or property regardless of how occurring. Furthermore, Owner shall not be liable to Resident, his family, employees or guests, for any injuries or damages caused by acts or omissions of other residents or occupants, whether caused on or off the property owned by the Owner. Finally, the Owner shall not be liable for any loss or damage resulting from failure, interruption or malfunction in the utilities provided

Resident in connection with his/her occupancy of the apartment.

17. CONDEMNATION. If the apartment or all or any part of the premises shall be at any time taken for any public or quasi-public use under any statute or by right of eminent domain, Owner shall be entitled to and shall receive the award or payment therefore (hereinafter called the "Award"), and Resident shall assign, and does hereby assign and transfer, such Award to the Owner free and clear of every claim of every kind whatsoever by or on the part of the Resident.
18. DEFAULT. This Apartment Rental Agreement is made upon the condition that the Resident shall faithfully perform all of the terms, covenants and conditions herein contained by him/her to be performed as herein set forth or in other agreements heretofore or hereafter entered into between the Owner and the Resident, and Resident shall be in default if:
- (a) Any rental payment due hereunder shall at any time be in arrears and unpaid for fifteen (15) days after receipt by Resident of written notice making demand therefore; or
 - (b) Resident shall fail to observe or perform any of the covenants, agreements, or conditions set forth herein and said failure shall continue for a period of fifteen (15) days after receipt by Resident of written notice of such failure from Owner.

In the event of a default, Owner may at its option, declare the term of this Agreement ended and repossess the Apartment, and shall further be entitled to all other rights and remedies set forth herein. A waiver of any default by Owner shall not constitute a waiver of any other or subsequent default. The Owner shall be entitled to be

fully reimbursed for all costs and expenses incurred in enforcing its rights hereunder, including a reasonable attorney's fee, and shall be entitled to have accrued monthly interest, at the maximum rate allowed by law, as to any payments due and owing hereunder.

19. ASSIGNMENT AND SUBLETTING. Should the apartment complex be sold or leased to another party, Owner shall have the right to assign this lease to the new owner. However, Resident may not assign or transfer this lease or sublet the apartment or any part thereof without the prior written consent of the Owner, which consent the Owner may withhold.
20. SUBORDINATION. This Apartment Rental Agreement is subject and subordinate to all ground or underlying leases and to all mortgages or deeds of trust which may now or hereafter affect such leases or the real property on which the apartment is located. In the event of foreclosure, any Retention Deposits or security deposits will be refunded to the Resident on the basis of the applicable retention schedule. Furthermore, every effort will be made to have the mortgagee honor all agreements between the Owner and Resident and continue the apartment complex as an operating entity.
21. NOTICES. Any notice required or provided for herein shall be deemed to have been served sufficiently or received if the same shall be in writing and either hand delivered or mailed, postage prepaid, to a party's present address, or to such other address as that party may subsequently provide.
22. DISPOSITION OF PERSONAL PROPERTY. Upon the expiration or termination of this Agreement, Owner shall have the right, after ten (10) days written notice, to remove, at the Resident's sole cost and expense, from the premises, all of the Resident's personal belongings and other property

remaining therein, and to dispose of same as the Owner in its sole judgment shall determine, with no liability therefore. In addition, as to any expenses thereby incurred, or incurred by the Owner in cleaning Resident's apartment, Resident shall reimburse Owner therefore.

23. SERVICES OFFERED.

- (a) Meals. Owner will provide Resident with one meal per day, the meal to be determined by Owner, and to be served in the common dining area.
- (b) Guest Meals. Are available at \$10.00 per meal.
- (c) Utilities. All utilities, except telephone expenses, will be paid for by the Owner. However, the cost of telephone installation and removal shall be paid by Resident.
- (d) Janitorial Services. Owner will provide services in all service areas, halls and community areas.
- (e) Maid Service. Owner will provide maid service every other week, on a regularly scheduled basis, to clean Resident's apartment if so desired by Resident.
- (f) Laundry. Once each week, Resident's flat laundry will be picked up outside the door of Resident's apartment, cleaned and returned.
- (g) Laundromat. Laundry facilities are available free of charge at the apartment complex for Resident's use (Resident must provide detergent).
- (h) Transportation. Transportation will be available at certain scheduled times, to be determined by the Owner in view of the needs of the Resident and the other occupants of apartments.
- (i) Nursing Center. A bed in the adjoining nursing center will be made available, on a priority basis, whenever Resident's health, as determined by Resident's physician, so requires.

- (j) Nursing Facility Days. At the time of residence and each calendar year thereafter, each resident is allowed 10 inpatient days in the adjacent White Oak Manor Charlotte Facility. Unused days cannot be carried forward to the next calendar year. A physician's written medical certification is required before admission to the Nursing Facility.
- (k) Nurse Call System. Is located in the master bedroom and bath of each apartment and is connected to the nurse's station at the adjacent nursing facility. If activated, a trained member of the Nursing Department will respond to the apartment.
- (l) Health Services Available. Skilled and Intermediate Nursing Care (Medicare and Medicaid Certified).
- (m) Storage Facilities. Owner shall provide, at Resident's sole risk, reasonable storage space for Resident's belongings other than furniture and other household furnishings.
- (n) Recreational Facilities. Recreational facilities are available for Resident's use on first come / first served basis.
- (o) Basic Cable TV Service. Basic Cable TV service is provided by the Owner. Additional services can be purchased by the Resident.
- (p) Personal Services. The following are available at the resident's expense:
 - Beauty/ Barber Shop
 - Accommodations for overnight guests

24. ENTIRE AGREEMENT AND AMENDMENT. This Apartment Rental Agreement contains the entire agreement between the parties hereto with respect to the subject matter hereof and sets forth all representations and warranties and supersedes any and all prior or contemporaneous oral or written agreements, representations, warranties or understandings with respect to the subject matter hereof. No amendment or modification of this Agreement shall be binding unless evidenced by an agreement in writing signed by both the Resident (or his/her legal representative) and the Owner.
25. NORTH CAROLINA LAW. Notwithstanding anything else herein contained to the contrary, the following rights afforded by North Carolina law shall apply. Specifically:
- (a) In accordance with N.C.G.S. §58-64-25(a)(1), Resident may rescind this Agreement within thirty (30) days following the later of the execution of the contract as set forth below or the receipt of a disclosure statement that meets the requirements of N.C.G.S. §58-64. Furthermore, Resident is hereby notified that he/she is not required to move into the apartment described below prior to the expiration of the thirty day period described herein.
 - (b) In accordance with N.C.G.S. §58-64-25(a)(2), if a resident dies before occupying a living unit in the facility, or if, on account of illness, injury, or incapacity, a resident would be precluded from occupying a living unit in the facility, under the terms of the contract for continuing care, the contract is automatically canceled. All fees and deposits will be fully refundable to the resident or their Legal Representative within 30 days of notification to the facility.

- (c) In accordance with N.C.G.S. §58-64-25(a)(3), if an executed contract is rescinded or cancelled under the terms of this contract, all unearned fees and deposits will be fully refundable to the Resident or their Legal Representative within 30 days of notification to the facility. The amount of refund will be calculated on a daily basis (365 days per year).
- (d) In accordance with N.C.G.S. §58-64-25(b)(3), Owner will follow the following procedure to change resident's accommodations, if necessary, for the protection of the health or safety of the Resident or the general and economic welfare of the residents. All decisions regarding your permanent transfer from Sharon Village will be made after consultation with you and, when appropriate, with your family or designee. Sharon Village's decision will be binding.
- (e) In accordance with N.C.G.S. §58-64-25(b)(8), Resident is hereby informed that Owner has no religious or charitable affiliation. Furthermore, there is no affiliate organization that will be responsible for the financial and/or contractual obligations of the Owner.
- (f) In accordance with N.C.G.S. §58-64-25(b)(9), Resident has no property rights hereunder.
- (g) In accordance with N.C.G.S. §58-64-25(b)(10), Sharon Village's policy, regarding adjusting fees and/or rental sums hereunder, is that if the Resident is voluntarily absent from the facility, no adjustment will be made. In other words, all fees owed Owner hereunder, in the event of the voluntary absence of the Resident from the premises, will nevertheless be due and payable as otherwise provided for herein.

- (h) In accordance with N.C.G.S. §58-64-25(b)(11), there is no requirement that the Resident apply for Medicaid, public assistance, or any public benefit program. More specifically, no such benefits are available to the Resident under this Agreement or while living at Sharon Village.
- (i) In accordance with N.C.G.S. §58-64-40(b), "The Board of Directors or other governing body of a facility or its designated representative shall hold semiannual meetings with the residents of the facility for free discussions of subject including, but not limited to, income, expenditures, and financial trends and problems as they apply to the facility and discussions of proposed changes in policies, programs, and services. Upon request of the most representative residents' organization, a member of the governing body of the provider, such as a board member, a general partner, or a principal owner shall attend such meetings. Residents shall be entitled to at least seven days advance notice of each meeting. An agenda and any materials that will be distributed by the governing body at the meetings shall remain available upon request to residents."

26. APPLICABLE LAW. This Apartment Rental Agreement shall be governed by and construed according to the laws of the State of North Carolina.
27. BINDING EFFECT. This Apartment Rental Agreement and all terms, covenants and conditions herein contained, shall extend to and be binding upon the parties hereto and upon their respective heirs, administrators, successors, executors, and assigns.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals as of the date and year first above written.

WHITE OAK MANOR - CHARLOTTE, INC.

d/b/a SHARON VILLAGE APARTMENTS

By: _____

(Name and Title)

_____(SEAL)

(Resident)

RESIDENT ACKNOWLEDGES THAT HE/SHE HAS READ THIS AGREEMENT BEFORE SIGNING, UNDERSTANDS ITS CONTENTS, AND AGREES TO ABIDE BY ALL OF ITS TERMS AND PROVISIONS.

STATE OF NORTH CAROLINA) APARTMENT RENTAL AGREEMENT
)
COUNTY OF MECKLENBURG) (WITH NO INITIAL DEPOSIT)

THIS AGREEMENT, made and entered into as of the _____ day of _____, 20_____, by and between White Oak Manor - Charlotte, Inc., a corporation doing business as Sharon Village Apartments hereinafter referred to as "Owner" and _____, a resident of the State and County aforesaid, hereinafter referred to as "Resident."

W I T N E S S E T H:

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which the parties hereto acknowledge, and the full and faithful performance of all terms, covenants and conditions herein contained, the Owner hereby agrees to rent to the Resident, and the Resident hereby agrees to rent from the Owner, Apartment No. _____, located at Sharon Village, Charlotte, North Carolina (hereinafter called the "premises," "complex," or "apartment complex") for Resident's sole occupancy, according to the following terms, covenants, and conditions:

1. TERM. The term of this Agreement shall begin on the _____ day of _____, 20_____, and end upon the first of the following to occur:
 - (a) The last day of the month following the Resident's death, or at such time thereafter as the Resident's belongings have been removed from the premises; or
 - (b) Resident's default as hereinafter defined; or
 - (c) Owner's having determined, and having given written notification thereof, that the Resident:
 - (i) is socially incompatible with the Owner's employees, other residents, or guests;
 - (ii) has demonstrated possible emotional instability;

- (iii) poses a risk to the life and well-being of him/herself or others;
 - (iv) has destroyed, or attempted to destroy, property belonging to the Owner, him/herself or others; or
 - (v) fails to fully comply with all terms and provisions contained in this Agreement; or
 - (vi) has acted in any other unreasonable fashion or poses for the Owner, its employees, residents or guests, any other unreasonable risks; or
- (d) The last day of any month prior to which the Resident has given to the Owner;
- (i) In the event the Resident is to be transferred, based upon written medical certification, to a hospital or to White Oak Manor - Charlotte Nursing Center, at least ten (10) days prior written notice; or
 - (ii) In the event the Resident is to be transferred, based upon written medical certification, anywhere else, at least thirty (30) days prior written notice; or
 - (iii) In the event the Resident is to be transferred anywhere else, without written medical certification, at least (60) sixty days prior written notice; or
- (e) At such time as, if ever, the apartment is destroyed by fire or other calamity, or if the apartment, or a substantial portion of the complex, is acquired through condemnation proceedings, making it such, under the circumstances, that the apartment is no longer reasonably fit for its intended use.

In the event the Resident is transferred as provided in Paragraph (i) above, to a hospital, he/she shall have sixty (60) days from date of transfer to return to his/her apartment, and to have the within Agreement remain in full force and effect, so long as all terms, covenants and conditions herein contained, including those pertaining to rental payments, have been (and are then being) fully complied with.

In the event the Resident is transferred, as provided in Paragraph (i) above, to White Oak Manor - Charlotte Nursing Center, the Resident shall have thirty (30) days from date of transfer to return to his apartment, and to have the within Agreement remain in full force and effect, so long as all terms, covenants and conditions herein contained, including those pertaining to rental payments, have been (and are then being) fully complied with.

In the event that the Resident, upon being transferred elsewhere as provided above, wishes to again become a tenant of the Owner, after the within Agreement has terminated, and is certified, in writing, by a qualified physician, as being again able to reside in the apartment complex, Owner agrees to give the Resident, to the extent reasonable possible, a priority as far as the next available apartment, with retention deposits and rental rates to be those then in effect, and a new Apartment Rental Agreement to be entered into.

In the situations described in Paragraphs (i) and (ii) above, the Owner may, but shall have no legal duty to, waive the requirement regarding written

notification based upon terms and conditions mutually agreeable to both Owner and Resident.

If for any reason, a resident would be precluded from occupying a living unit in the facility under the terms of the contract for continuing care, the contract is automatically canceled and all monies will be promptly refunded to the resident or their legal representative within 30 days after the termination date of the agreement.

2. TRANSFERS. A transfer fee may apply if you desire to transfer from your current apartment to another. After 10 years of residency in the same apartment, a transfer fee may be waived. A 50% transfer fee will apply if transfer occurs within 5-10 years of residency. If request is made prior to 5 years, 100% of the transfer fee will apply. An exception to applying the transfer fee may apply if a prearranged admission agreement signed by both parties stipulates a desire to transfer to another specific apartment within one year. The transfer fee is not a preset cost but is based on cost to refurbish vacated apartment.
3. MARRIAGES. If a current resident(s) of Sharon Village becomes married, the rent will increase based on the rent schedules in effect at that time for two persons. No additional deposit is required and the balance outstanding on any deposit(s) will continue to amortize in accordance with each Resident's original Rental Agreement. A new Rental Agreement will be negotiated between Sharon Village and the husband and wife as Residents. Other than for medical reasons there are no qualifying requirements for a spouse to meet as a condition for entry. In the event the spouse does not medically qualify for admission, the

agreement will terminate and alternate placement will be required.

4. RENT. Resident agrees to pay monthly rental to the Owner in the amount of _____, said rent to be payable in advance on or before the first day of each month for which due and owing, provided, however:

(a) The rent for a partial month at the beginning of the term shall be prorated;

(b) ~~Although the Owner will attempt to keep rental~~ increases to a minimum, during any calendar year following the first full calendar year of this Agreement, the Owner may, due to an increase in the cost of operation, or for any other reason, upon thirty (30) days prior written notice to the Resident, increase the monthly rental payable hereunder so long as the sum of the increases in monthly rental during any calendar year does not exceed the greater of:

(i) Six (6%) percent of the average monthly rental during the preceding calendar year; or

(ii) An amount equal to the average monthly rental during the preceding calendar year multiplied by the percentage increase in the "Consumer Price Index" figures for January and December of the preceding calendar year, the Consumer Price Index being the "Consumer Price Index - U.S. City Average - All Items Figures for Urban Wage Earners and Clerical Workers (Including Single Workers)", "which index is currently published in the "Monthly Labor Review" of the Bureau of Labor Statistics of the United States Department of Labor, or its successor index.

(c) All rental payments shall be due and payable on or before the first day of the month for which due and owing, and if received on or after the tenth (10) day of that particular month shall accrue a five (5%) percent late charge (5% of the monthly payment) which sum shall be immediately due and payable and collectible as additional rent.

5. USE OF APARTMENT; COMPLIANCE WITH RULES AND REGULATIONS;

SMOKING POLICY. Resident will make no unlawful or offensive use of the apartment and the common areas belonging to the Owner and will comply with all laws, ordinances and regulations of duly constituted governmental authorities. Resident will use the apartment only as a private dwelling for him/her and such other persons as may be authorized. In addition, Resident agrees to abide by the reasonable rules and regulations promulgated from time to time by Owner generally applicable to all occupants and designed for the general health, welfare, and comfort of the other occupants. In addition to all such other rules and regulations, Resident specifically acknowledges that Owner has a policy prohibiting the use of all tobacco products in the apartments as well as on the Sharon Village property, and Resident agrees to abide by said policy. Any resident who violates this policy by using tobacco products in his/her apartment or on the Sharon Village property or by allowing anyone else to use tobacco products in his/her apartment or on the property will be deemed to be in default under this agreement and subject to the provisions of Paragraph 14 of this Agreement, including eviction and reimbursement of Owner's costs, expenses and attorney's fees. Notwithstanding the foregoing, Resident further acknowledges that this tobacco policy does not apply to

other residents who signed their Apartment Rental Agreements prior to the implementation of this policy in September, 2008.

6. USE OF PREMISES. Resident shall have the use, possession and enjoyment during the term of this Agreement of the apartment above identified jointly with any other tenant, but all common areas, including stairways, walkways and grounds, shall be used and enjoyed with other residents, and no portion of the same may or shall be permanently or temporarily appropriated by Resident to Resident's exclusive use, enjoyment or possession.
7. DESCRIPTION OF LIVING QUARTERS. Resident will reside in one of the following units:
 - Efficiency - 323 square feet. Living room/bedroom, kitchen, 1 bathroom, porch
 - One Bedroom - 530 square feet. Living room, bedroom, walk-in closet, 1 bathroom, kitchen, porch
 - Deluxe One Bedroom - 655 square feet. Living room, bedroom, walk-in closet, 1 bathroom, kitchen, dining room, porch
 - Deluxe Two Bedroom - 867 square feet. Living room, 2 bedrooms, 2 bathrooms, kitchen, dining room, porch
8. CARE OF APARTMENT AND REPAIRS. Resident will take good care of the apartment and common areas and will report promptly to Owner any repairs which may be needed. Owner shall keep and maintain the apartment in tenable condition and shall have the right to make at reasonable times any and all repairs, renovations and alterations as it shall determine necessary or desirable. Resident shall reimburse Owner for expenses incurred by Owner for repairs

attributable to Resident's abuse or mistreatment of the apartment (including appliances) or the common areas.

9. ALTERATIONS BY RESIDENT. Resident shall make no alterations to the apartment without the prior written consent of the Owner, which consent shall not be unreasonably withheld.
10. PETS. Resident may not keep any pets or animals of any kind anywhere upon the premises without the prior written consent of the Owner. Even after the Owner's consent has been given, this consent may be reasonably withdrawn by the Owner according to its sole judgment and discretion based upon what it believes to be in the best interest of the complex and the other residents. A \$500 pet deposit is required if a pet is maintained in the apartment. The deposit may be refunded at the discretion of Management.
11. POSSESSION OF FIREARMS. No person, including residents, friends of residents or family members, may possess or carry, whether openly or concealed, any guns, rifles, pistols or firearms of any type on the premises. Violation of this policy shall be deemed a violation of the Apartment Rental Agreement and may constitute grounds for discharge or cancellation of the Agreement.
12. RIGHT OF ENTRY. Owner's representative may enter the apartment at any reasonable time to examine same and/or make such alterations and repairs as Owner may determine.
13. SURRENDER OF PREMISES. Upon the expiration or termination of this Apartment Rental Agreement, Resident shall surrender the apartment to the Owner in the same condition as at the beginning of the term, ordinary wear and tear excepted.
14. INSURANCE, RISK OF LOSS AND RENTAL ABATEMENT. Resident shall be solely responsible for insuring Resident's

personal belongings. If the apartment is damaged by fire, casualty, or act of God, regarding which the Resident was neither negligent nor at fault, the Owner shall promptly repair the damages and the rental provided for herein shall be abated on a daily basis so long as the Resident is unable to occupy the premises while repairs are being made. However, at such time as the premises are again tenable, the obligation to pay rent shall resume. In the event that the damages involved are caused by negligence or fault on the part of the Resident, the rental provided for herein shall not abate, but shall be paid, as agreed, in timely fashion, and the Resident shall be further responsible for paying any sums deductible under the Owner's insurance coverage, which the Owner would otherwise be required to pay.

15. LIABILITY AND INDEMNIFICATION. The Owner shall not be liable for any damages or injuries to person or property occasioned anyone whatsoever, including other residents, employees, guests, or the like, by reason of Resident's use or occupancy of the apartment or the common areas, and Resident shall indemnify, defend and hold harmless Owner from and against any and all claims for damages or liability arising from injury to person or property regardless of how occurring. Furthermore, Owner shall not be liable to Resident, his family, employees or guests, for any injuries or damages caused by acts or omissions of other residents or occupants, whether caused on or off the property owned by the Owner. Finally, the Owner shall not be liable for any loss or damage resulting from failure, interruption or malfunction in the utilities provided Resident in connection with his/her occupancy of the apartment.

16. CONDEMNATION. If the apartment or all or any part of the premises shall be at any time taken for any public or quasi-public use under any statute or by right of eminent domain, Owner shall be entitled to and shall receive the award or payment therefore (hereinafter called the "Award"), and Resident shall assign, and does hereby assign and transfer, such Award to the Owner free and clear of every claim of every kind whatsoever by or on the part of the Resident.

17. DEFAULT. This Apartment Rental Agreement is made upon the condition that the Resident shall faithfully perform all of the terms, covenants and conditions herein contained by him/her to be performed as herein set forth or in other agreements heretofore or hereafter entered into between the Owner and the Resident, and Resident shall be in default if:

- (a) Any rental payment due hereunder shall at any time be in arrears and unpaid for fifteen (15) days after receipt by Resident of written notice making demand therefore; or
- (b) Resident shall fail to observe or perform any of the covenants, agreements, or conditions set forth herein and said failure shall continue for a period of fifteen (15) days after receipt by Resident of written notice of such failure from Owner.

In the event of a default, Owner may at its option, declare the term of this Agreement ended and repossess the Apartment, and shall further be entitled to all other rights and remedies set forth herein. A waiver of any default by Owner shall not constitute a waiver of any other or subsequent default. The Owner shall be entitled to be fully reimbursed for all costs and expenses incurred in

enforcing its rights hereunder, including a reasonable attorney's fee, and shall be entitled to have accrued monthly interest, at the maximum rate allowed by law, as to any payments due and owing hereunder.

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- (g) Laundromat. Laundry facilities are available free of charge at the apartment complex for Resident's use (Resident must provide detergent).
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- (j) Nursing Facility Days. At the time of residence and each calendar year thereafter, each resident is allowed 10 inpatient days in the adjacent White Oak Manor Charlotte Facility. Unused days cannot be carried forward to the next calendar year. A physician's written medical certification is required before admission to the Nursing Facility.
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 - Beauty/ Barber Shop
 - Accommodations for overnight guests

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(a) In accordance with N.C.G.S. §58-64-25(a)(1), Resident may rescind this Agreement within thirty (30) days following the later of the execution of the contract as set forth below or the receipt of a disclosure statement that meets the requirements of N.C.G.S. §58-64. Furthermore, Resident is hereby notified that he/she is not required to move into the apartment described below prior to the expiration of the thirty day period described herein.

(b) In accordance with N.C.G.S. §58-64-25(a)(2), if a resident dies before occupying a living unit in the facility, or if, on account of illness, injury, or incapacity, a resident would be precluded from occupying a living unit in the facility, under the terms of the contract for continuing care, the contract is automatically canceled. All fees and deposits will be fully refundable to the resident or their Legal Representative within 30 days of notification to the facility.

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- (e) In accordance with N.C.G.S. §58-64-25(b)(8), Resident is hereby informed that Owner has no religious or charitable affiliation. Furthermore, there is no affiliate organization that will be responsible for the financial and/or contractual obligations of the Owner.
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- (g) In accordance with N.C.G.S. §58-64-25(b)(10), Sharon Village's policy, regarding adjusting fees and/or rental sums hereunder, is that if the Resident is voluntarily absent from the facility, no adjustment will be made. In other words, all fees owed Owner hereunder, in the event of the voluntary absence of the Resident from the premises, will nevertheless be due and payable as otherwise provided for herein.

(h) In accordance with N.C.G.S. §58-64-25(b)(11), there is no requirement that the Resident apply for Medicaid, public assistance, or any public benefit program. More specifically, no such benefits are available to the Resident under this Agreement or while living at Sharon Village.

(i) In accordance with N.C.G.S. §58-64-40(b), "The Board of Directors or other governing body of a facility or its designated representative shall hold semiannual meetings with the residents of the facility for free discussions of subject including, but not limited to, income, expenditures, and financial trends and problems as they apply to the facility and discussions of proposed changes in policies, programs, and services. Upon request of the most representative residents' organization, a member of the governing body of the provider, such as a board member, a general partner, or a principal owner shall attend such meetings. Residents shall be entitled to at least seven days advance notice of each meeting. An agenda and any materials that will be distributed by the governing body at the meetings shall remain available upon request to residents."

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26. BINDING EFFECT. This Apartment Rental Agreement and all terms, covenants and conditions herein contained, shall extend to and be binding upon the parties hereto and upon their respective heirs, administrators, successors, executors, and assigns.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals as of the date and year first above written.

WHITE OAK MANOR - CHARLOTTE, INC.
d/b/a SHARON VILLAGE APARTMENTS

By: _____

(Name and Title)

(SEAL)

(Resident)

RESIDENT ACKNOWLEDGES THAT HE/SHE HAS READ THIS AGREEMENT BEFORE SIGNING, UNDERSTANDS ITS CONTENTS, AND AGREES TO ABIDE BY ALL OF ITS TERMS AND PROVISIONS.

Facility Use Only:
Apt. & Bldg. _____



Sharon Village

INDEPENDENT LIVING RETIREMENT COMMUNITY WELLNESS EVALUATION FORM

(This physical examination must be completed by patient(s) primary care physician)

PLEASE PRINT NEATLY

Name: _____ Birthdate: _____ / _____ / _____
 Social Security Number: _____ Male Female
 Address: _____

How long has this individual been a patient of yours or seen at this practice? _____

- Reason for Review: Pre-Residency
 Change in Condition
 Other

MEDICAL REVIEW FINDINGS:

Date of Exam: _____

Wt: _____ Ht: _____ BP: _____ Pulse: _____ Rhythms: _____
 Resp: _____ Temp: _____

General Appearance: _____

Skin: _____

Equilibrium: _____ Tremor: _____ Reflexes: _____

Vision: _____ Does patient require the use of glasses, readers or contacts? _____

Hearing: _____ Does patient require the use of hearing aids? _____

Do you recommend an audiology consult? _____

Oral Health: _____ Does patient require the use of dentures or partials? _____

Lungs: _____ Does patient require the use of oxygen? _____

Heart: _____ Extremities: _____

Tuberculin Test: Negative: _____ Positive: _____ (x-ray if positive)



Date of last Balance Test: (if not in last 6 months, please administer) _____

Results: _____

Is patient ambulatory? Yes No

Does patient require use of the following?

- Walker
- Cane
- Rollator
- Motorized Chair
- Wheelchair
- Scooter

MEDICAL HISTORY:

Primary Diagnoses(s): _____

Secondary Diagnoses(s): _____

(Please check any of the following illnesses or diseases which apply currently or in the past)

		Date of Onset	Resolved? Y or N	Controlled with Medications? Y or N
<input type="checkbox"/>	High Blood Pressure			
<input type="checkbox"/>	Diabetes			
<input type="checkbox"/>	Congestive Heart Failure			
<input type="checkbox"/>	Asthma			
<input type="checkbox"/>	Ulcers			
<input type="checkbox"/>	Anemia			
<input type="checkbox"/>	Depression			
<input type="checkbox"/>	Mental Illness			
<input type="checkbox"/>	Intellectual Disability			
<input type="checkbox"/>	Muscular Dystrophy			
<input type="checkbox"/>	Cancer			
<input type="checkbox"/>	Stroke			
<input type="checkbox"/>	Heart Attack			
<input type="checkbox"/>	Arteriosclerosis			
<input type="checkbox"/>	Chronic Lung Disease			
<input type="checkbox"/>	Rectal Bleeding			
<input type="checkbox"/>	Memory Loss			
<input type="checkbox"/>	Cataracts			
<input type="checkbox"/>	Arthritis			
<input type="checkbox"/>	Macular Degeneration			
<input type="checkbox"/>	Significant Vision Loss			

Present Illnesses not listed above and date of onset: _____

Past Illnesses not listed above and dates: _____

Mental / Emotional Illnesses: Please provide history, if any (If ever institutionalized, please provide dates and location(s)) _____

Operation(s) and date(s): _____

Allergies:

Medications: _____
Food Allergies: _____
Seasonal: _____
Anaphylactic: _____
Diet: _____

Alcohol Use: _____ Socially
_____ Weekly
_____ Daily

Is patient on any medication that contraindicates use of alcohol? (If yes, please list) _____

Is patient a tobacco user (any form of tobacco)? Yes No
(Sharon Village is a tobacco-free campus)

Does patient require any orders for: Physical Therapy: _____
 Occupational Therapy: _____
 Speech Therapy: _____

Does patient have any cognitive impairment? Yes No If yes, Minor Moderate Severe

Does Patient have memory loss? Yes No If yes, Minor Moderate Severe

Is patient capable of correctly administering, filling and refilling their own medications?
 Yes No (Please attach current medication list)

Is patient physically and mentally capable of living in an independent living environment, without supervision? Yes No

(If no, please explain): _____

Is there any other diagnosis that would prevent patient from living independently? _____

Sharon Village is a traditional, free-standing apartment community that requires residents to exit their building and walk outside to our dining room. Residents must also be able to shop for groceries.

Is patient able, without assistance, to attend daily noon meals served in the Dining Room or able to prepare meals? Yes No

In the event of fire, flood or any emergency situation, would you consider this patient able to exit: With Assistance Without Assistance

Do you consider this patient more appropriate for: Independent Living Assisted Living

Any additional information: _____

I certify that I have physically examined this patient and have accurately described the individual's medical state, cognitive status, and medication regimen.

Date: _____ Signature of Physician

Printed Name of Physician: _____

Physician Phone Number: _____ Fax Number: _____

Examining Physician -- Return this form via:

MAIL:

SHARON VILLAGE
INDEPENDENT LIVING APARTMENTS
ATTN: SHERI CONRAD
4009 CRAIG AVE.
CHARLOTTE, NC 28211-2561

FAX: 704-365-5466
ATTN: SHERI CONRAD

I hereby give permission for my physician to release my medical information to:

SHARON VILLAGE APARTMENTS

Patient's Signature: _____

Patient's Printed Name: _____

Date: _____

Facility Use Only:
Apt. & Bldg. # _____



Sharon Village

APPLICATION FOR ADMISSION

Please Print or Type – (Each person must submit separate applications even if married)

1. Full Name: _____
2. Spouse: _____
3. Present Address: (If you maintain more than one home, please indicate):

4. Present Phone Number: _____
5. Social Security #: _____ Medicare #: _____
6. Health Insurance Co.: _____ Policy #: _____

7. Financial/ Legal Representative(s):
 Name: _____ Name: _____
 Address: _____ Address: _____

 Phone: _____ Phone: _____
8. Marital Status: Single Married Widow/Widower
9. Veteran: Yes No If yes, branch of service: _____
10. Birthdate: _____ Place of Birth: _____
11. Former Occupation(s): _____
12. Hobbies, special talents or interests: _____

13. Church Affiliation: _____
How long affiliated? _____
Name of Minister, Priest or Rabbi: _____
Address: _____

14. Special Needs (or Handicaps): _____

15. Names of Living Children (or next closest relative):

<u>Names</u>	<u>Addresses</u>	<u>Telephone #</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

16. Medical History: (Please check any of the following illnesses or diseases which applies currently or in the past)

- | | | |
|---|---|---|
| <input type="checkbox"/> High Blood Pressure | <input type="checkbox"/> Stroke | <input type="checkbox"/> Depression |
| <input type="checkbox"/> Diabetes | <input type="checkbox"/> Heart Attack | <input type="checkbox"/> Mental Illness |
| <input type="checkbox"/> Congestive Heart Failure | <input type="checkbox"/> Arteriosclerosis | <input type="checkbox"/> Mental Retardation |
| <input type="checkbox"/> Asthma | <input type="checkbox"/> Chronic Lung Disease | <input type="checkbox"/> Muscular Dystrophy |
| <input type="checkbox"/> Ulcers | <input type="checkbox"/> Rectal Bleeding | <input type="checkbox"/> Cancer |
| <input type="checkbox"/> Anemia | <input type="checkbox"/> Surgeries in the last five years | |

17. Sharon Village is a tobacco-free campus.
Will anyone residing in your apartment use tobacco products? Yes No

18. Physician who will prepare your medical evaluation form certificate:
Physician's Name: _____
Telephone #: _____
Office Address: _____

Do you authorize SHARON VILLAGE to discuss your health with the above physician?
YES NO

List all currently prescribed medications: _____

19. List all hospitalizations/institutions in past five years: (Specify reason and date(s))

Hospital/Institution	Date	Reason
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

20. Have you ever been denied admission to another retirement community?

YES NO

(If your answer is Yes, explain) _____

Emergency Contact Person: _____

Address: _____

Telephone #: _____ Email Address: _____

21. List one person (not a relative) whom you have known at least five years, whom you wish to use as a personal reference:

A complete application will also include a completed Medical Evaluation Form.

I make this application for admission to SHARON VILLAGE APARTMENTS of my own free will and accord, with the knowledge that I may always change my mind. I declare the answers to be true, full and complete. To the best of my knowledge and belief, I am capable of living at Sharon Village Apartments without extraordinary care and that the facilities, services, fees, costs, refunds and policies have been explained to me and are acceptable as presented. I hereby give Sharon Village Apartments, Inc. the right to seek out any necessary information and/or reference, including those references set forth in this Application, in processing the Application.

Signature of Applicant

Date