



Brooks-Howell Home

Brooks-Howell Home
266 Merrimon Avenue
Asheville, North Carolina 28801
Telephone (828) 253-6712, Fax (828) 367-7978
www.brooks-howell.org
Owned by: United Women in Faith

DISCLOSURE STATEMENT

United Women in Faith (“UWFaith”) (operating a continuing care community known as Brooks-Howell Home), previously operated as United Methodist Women, must deliver a Disclosure Statement to a prospective resident prior to or at the time a prospective resident executes a Residency Agreement to provide continuing care, or prior to or at the time a prospective resident transfers any money or other property to UWFaith, whichever occurs first.

Brooks-Howell Home, like all other continuing care retirement communities in the State of North Carolina, is subject to the Continuing Care Retirement Communities Act. 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.

October 10, 2025

Unless earlier revised, UWFaith intends for this Disclosure Statement to remain effective until May 30, 2026.

**BROOKS-HOWELL HOME
DISCLOSURE STATEMENT**

TABLE OF CONTENTS

| | |
|-------|-------------------------------------------------------------------------------------|
| PAGE | |
| 1 | ORGANIZATION |
| 1-2 | OFFICERS AND DIRECTORS |
| 3 | MANAGEMENT OF BROOKS-HOWELL HOME |
| 3 | AFFILIATIONS |
| 4-5 | PROPERTY LOCATION AND DESCRIPTION |
| 5-7 | SERVICES PROVIDED |
| 7-18 | RESIDENT TERMS AND FEES POLICIES |
| 19 | RESERVES |
| 19 | NUMBER OF RESIDENTS |
| 20-25 | COMPARATIVE FINANCIAL STATEMENTS FY 24 ACTUAL TO FORECASTED – UWFAITH |
| 26-31 | COMPARATIVE FINANCIAL STATEMENTS FY 24 ACTUAL TO FORECASTED – BROOKS-HOWELL HOME |

ATTACHMENTS:

- Audited Financial Statements – UWFaith
- Audited Financial Statements – Brooks-Howell Home
- Compiled Forecasted Financial Statements for UWFaith with Compiled Forecasted Financial Statements for Brooks-Howell Home as a Supplemental Schedule
- Interim (Unaudited) Financial Statements – UWFaith
- Admission Agreement Template

ORGANIZATION

United Women in Faith (“UWFaith”), previously operated as United Methodist Women, is a corporation organized under the State of New York not- for profit corporation law. UWFaith is exempt from the payment of income tax under Federal Internal Revenue Code 501 (c). UWFaith operates under the Book of Discipline of The United Methodist Church, as it is, from time to time, promulgated by the General Conference of The United Methodist Church, which is the ultimate governing body of The United Methodist Church. UWFaith may be contacted at 777 United Nations Plaza, 11th Floor, New York, NY 10017.

Brooks-Howell Home (“Brooks-Howell”) is a retirement facility in Asheville, North Carolina, which is owned and operated as a program of UWFaith. Brooks-Howell is unincorporated and operates under a Certificate of Authority to do business in the State of North Carolina.

OFFICERS AND DIRECTORS

Sally Vonner, Chief Executive Officer of UWFaith since May 31, 2023. She is a graduate of Perkins School of Theology with a M.Div. and Women’s Studies Certification and Texas A&M Commerce with a B.S. in Biology. Sally is a long-time member of First UMC Grand Prairie (TX). She regularly attends Teaneck UMC in Teaneck, NJ and is a member of their United Women in Faith unit. She is an active member of the Bergen County Alumnae Chapter of Delta Sigma Theta Sorority, Inc. Sally has served various areas of the United Methodist Church (UMC) as a women’s retreat leader, jurisdictional conference delegate or alternate (2008, 2016, 2020), and organizer for immigration assistance and reform, community development initiatives, and dismantling racism at jurisdiction and conference levels. She was commissioned as a 10-10-10 missionary by the General Board of Global Ministries in 2000 with placement in the North Texas Annual Conference as the Communities of Shalom Coordinator. Also, she was the Associate Director of Connectional Ministries for the North Texas Annual Conference, 2005-2010.

Tamara Clark, CPA, Treasurer and CFO, has been with UWFaith since October 2019. Ms. Clark holds an accounting degree from Temple University’s Fox School of Business, Philadelphia, PA. Prior to working for UWFaith, Ms. Clark served as Treasurer for the Wisconsin Annual Conference of the United Methodist Church for three years. And prior to Wisconsin, Tamara served as Accountant for the Eastern Pennsylvania Conference of the United Methodist Church. In Tamara’s career, she has been a proponent for sound financial and business practices within churches, hosted church finance trainings, and advised churches who have experienced unfortunate situations when it comes to break down or the absence of internal controls. Tamara is a life-long Methodist, maintaining membership in her home church in Philadelphia. Prior to working professionally for the Church, she held many ministry leadership roles, and worked for six years in public accounting.

All investment decisions for UWFaith are made by Ms. Vonner and Ms. Clark.

UNITED WOMEN IN FAITH DIRECTORS

2021-2024

| Name | Profession/Business | Address |
|---------------------|------------------------------------|----------------------------------------------------|
| Darlene Alfred | Real Estate Professional | 2811 Chisholm Trail, Salado, TX 76571 |
| Bethany Amey Sutton | Office Administration | 12 Juniper Rd, Sewell, NJ 08080 |
| Ruby Anderson | Retired Teacher, Real Estate Agent | 25180 Thorndyke St., Southfield, MI 48033 |
| Dawn Armstrong | Healthcare/Nursing | 5202 S Woodsedge Tr., Sioux Falls, SD 57108 |
| Haejin Ban | Social Service | 1822 Shenley Park Lane, Duluth, GA 30097 |
| Heidi Careaga | Office Administrator | 1230 N Harmony Dr., Janesville, WE 53545 |
| Deloris Carhee | Retired Office Administrator | 892 Cascade Crossing, Atlanta, GA 30331 |
| Colleen Cates | Retired Program Analyst | 5493 Moores Run Dr., Baltimore MD 21206 |
| Valerie Clark | Education Professional | 174 Hazelwood Ter, Rochester, NY 14609 |
| Magdala Edmond | Wedding Planner/Florist | 2314 State Road 17 N, Sebring, FL 33870 |
| Betty Helms | Office Administrator | 3043 Headland Ave., Dothan, AL 36303 |
| Krishna Heyward | Business Finance | 7642 Cherryberry Dr., Indianapolis, IN 46239 |
| Roxie Hutsell | Retired | 4936 Plainville Road, Cincinnati, OH 45227 |
| 'Ainise 'Isama'u | Seminary Graduate Student | 3568 W Christine Circle; Unit 1, Anaheim, CA 92804 |
| Jana Jones | Retired Nurse | 19948 E Union Dr., Centennial, CO 80015-3493 |
| Daryl Junes-Joe | Retired Attorney | PO Box 607, Shiprock, NM 87420 |
| Caroline Martin | Social Worker | 2079 Stoney Meadow Dr., Murfreesboro, TN 37128 |
| Melba McCallum | Community & Social Service | PO Box 1781, Rockingham, NC 28380 |
| Hazel McIntosh | Retired – Education Volunteer | 38 Buffalo Street, Elmont, NY 28380 |
| Louise Niemann | Office Administration | 3651 MN Road, David City, NE 68632 |
| Debra Payne | Sales & Marketing | 2172 Highway 26, Alabaster, AL 35007 |
| Cynthia Rives | Retired Teacher | 2006 Southridge Drive, Denton, TX 76205 |
| Denise Nicole Stone | Graduate Student | 177 Neville St, Pittsburgh, PA 15202 |
| Pearl Thomas | Retired | 19640 Watts Road, Morris, OK 74445 |
| Estella Wallace | Retired | 631 Radiant View Dr, Ellensburg, WA 98926 |

MANAGEMENT OF BROOKS-HOWELL HOME

Sue Rawls became the Executive Director/Administrator in January 2024.

Other management staff includes the following:

| <u>Name</u> | <u>Title</u> | <u>Years Employed</u> |
|--------------------|-------------------------------|----------------------------------|
| Sean Gray | Human Resources Director | 1 |
| Kristy Krouse | Director of Nursing | 1 |
| Chelsea Brennan | Food Service Director | 1 |
| Patti Bailey | Director of Facility Services | 10 |
| Tracey Owens | Activities Director | 12 |
| Angela Toomey | Marketing Director | 1 |

None of the individuals listed have a 10% or greater interest in any entity, nor does any entity have a 10% or greater interest in any individual listed that presently or in the future intend to provide goods, leases or services to Brooks-Howell or the residents of Brooks-Howell of an aggregate of \$500 or more annually.

None of the individuals listed above has (i) 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, if the felony or civil action involved fraud, embezzlement, fraudulent conversion, or misappropriation of property; or 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, if the order or action arose out of or related to business activity of health care, including actions affecting a license to operate a foster care facility, nursing home, retirement home, home for aged, or facility subject to Article 64 or a similar law in another state.

AFFILIATIONS

UWFaith, and only UWFaith, is legally responsible for the operation of Brooks-Howell. The United Methodist Church is not responsible for the operation of Brooks-Howell; nor is any other organization that is affiliated with that church.

UWFaith is affiliated with the Scarritt-Bennett Center (the "Center"), a conference, retreat, and educational center (Nashville, Tennessee). UWFaith appoints certain of the Center's Board members and the Center operates on property, title to which is held by UWFaith. General Council on Finance and Administration of The United Methodist Church (Evanston, Illinois and Nashville, Tennessee); and UWFaith each has an equitable interest in the property upon disposition.

UWFaith is exempt from the payment of income tax under the provision of Federal Internal Revenue Code 501 (c). UWFaith has owned and operated retirement facilities for over 100 years. Brooks-Howell has been in operation since 1956.

The management of Brooks-Howell Home is 100% dedicated to Brooks-Howell (i.e., do not share any responsibilities for other programs of UWFaith).

PROPERTY LOCATION AND DESCRIPTION

Brooks-Howell is a continuing care retirement home located on a ten-acre site near downtown Asheville, North Carolina. Shopping, dining, hospitals, physicians' offices are all located within a three-mile radius.

Brooks-Howell is a not-for-profit project owned by UWFaith. In 1956, the property was purchased and a year later the first residents moved into a three-story, older home. The name Brooks- Howell honors Mrs. Frank Brooks, then president of the Woman's Division of Christian Service and Miss Mabel Howell, former professor of missions at Scarritt College. That first house was located in a garden outside the dining room. Construction of the main building, named the Bethea Building in 1988, was completed in 1961 and houses a kitchen, dining room, library, lounges, and other ancillary rooms. Nineteen suites are on the second floor, resulting from renovations in 1989. Thirty-eight beds on the first floor are licensed for nursing care.

As the home grew, more land was purchased, and ten Chandler-Burris Apartments were built in 1965 to accommodate up to twelve people. Jones-Cadwallader Apartments were added in 1970 currently with fourteen apartments to house up to twenty-two persons.

As the number of residents grew, more health care space was needed. In 1977, Cummings Health Unit was built to house twenty patients as well as a laundry, a fellowship hall, and additional storage.

Purchase of additional property allowed construction of a driveway connecting Home with Merrimon Avenue in 1993. Construction of four two-bedroom cottages near Merrimon Avenue was completed in 1995.

Better utilization of empty health-care beds brought the Outreach Ministry program in 1995 to accept a number of community residents into the health center.

A village housing eleven two-bedroom cottages and an activity building were constructed in 1998. Desire for water therapy led to construction of an aqua-therapy pool in 1999. In 2003, a chapel, along with four apartments, was completed on what was formerly the Thoburn Terrace Roof Garden. Living accommodation includes the following:

| Type | Square Footage | Number |
|---------------------------|-----------------------|---------------|
| Units: | | |
| Single-family cottage | 1,278 | 1 |
| Duplex | 940 | 8 |
| Triplex | 1000 | 3 |
| Quad | 930 | 4 |
| Apartment (1 & 2 bedroom) | 250 – 999 | 26 |
| Independent suites | 512 | 19 |
| Beds: | | |
| Health care | | 58 |

Brooks-Howell currently offers many amenities, including beauty/barber shop, Therapy gym, audio-visual center, aqua-therapy pool, and a chapel designed to seat 200. Also included are a well-stocked library operated by residents, an international room, housing artifacts from around the world along with histories of retired residents who were in missions, numerous lounges offering opportunities for card games, jigsaw puzzles, and meetings of various sorts. There is a formal dining area as well as two small dining areas designed primarily for people needing assistance. A gift shop is open several days a week.

The estimated maximum number of residents of the facility to be provided with services pursuant to the contract for continuing care is 125.

SERVICES PROVIDED

- A. Furnishings in Residence.** UWFaith will provide wall-to- wall carpeting, vinyl flooring in kitchen and bath(s), refrigerator, stove, oven, cable services, prewiring for telephone service, and other features and fixtures as described in current literature. All other furniture, furnishings, decorations, bed and bath linens, and other personal property will be provided by the resident.
- B. Options and Custom Features in Residence.** UWFaith will provide, and residents may select, certain options and custom features in their residence for an additional charge. The cost of options and custom features selected will be paid by the resident at the time of selection and will become part of the Residence and the property of UWFaith. The value of such an improvement will not be considered in computing Entrance Fee refunds, unless specifically agreed to in an Addendum to the Agreement. All options and custom features must be approved by Brooks-Howell administration in advance.
- C. Common Areas and Amenities.** Brooks-Howell's existing common areas and amenities are for the use and benefit of all residents and include a central dining room, chapel, library, International Room, aqua-therapy room, mailboxes, several multi-purpose rooms, lounges, activity areas, craft areas, beauty/barber shop, health unit day rooms, dining areas, and other common areas. Any future common areas and amenities will be for the use and benefit of all residents.
- D. Parking.** UWFaith will provide uncovered, lighted parking areas for residents' personal vehicles.
- E. Utilities.** UWFaith shall supply the water, heat, air conditioning, and electricity for each living unit. The RESIDENT shall be responsible for any costs related to telephone service.
- F. Meals.** UWFaith will make available three meals a day. Special diets will be provided only upon the order of the resident's physician and/or Director of Nursing Services. Temporary tray service is available to ill residents who live independently. This service must be approved through Nursing Service and a nominal charge will be made. RESIDENT shall pay for his/her meals at the end of each month, according to the meal rate, established by UWFaith, which rate may be changed from time to time upon thirty days' notice.
- G. Housekeeping Services.** The Monthly Fee includes one-hour housekeeping services weekly and one thorough cleaning annually. Additional housekeeping is available for an extra hourly

fee. Brooks Howell Home reserves the right to inspect the residence periodically for cleanliness and safety. If resident fails to maintain the residence in a clean, sanitary and orderly condition as determined by UWFaith, then UWFaith reserves the right to clean the residence and, resident shall pay the charges assessed by Brooks-Howell for cleaning the residence.

- H. **Grounds.** UWFaith will furnish basic grounds-keeping care including lawn service. Resident at his/her own expense may plant and maintain the area adjacent to his/her residence, subject to the approval of UWFaith. All plants, trees, and shrubs so planted shall immediately become and remain the permanent property of Brooks Howell Home.
- I. **Maintenance and Repairs.** UWFaith will maintain and repair improvements, furnishings, appliances, and equipment owned by UWFaith. Residents will be responsible for the cost of repairing damage to property of Brooks-Howell caused by them or any of their guests, ordinary wear and tear excepted. Residents will also be responsible for the costs of repairs to his/her personal property.
- J. **Transportation.** Individual and group transportation is provided for residents on a regular, scheduled basis for shopping, medical appointments, and activities for an extra fee.
- K. **Security.** UWFaith will provide security during night hours, emergency response by trained Brooks-Howell staff, smoke detectors in each residence, a central fire alarm system and an emergency call system.
- L. **Activities.** UWFaith will provide social, recreation, spiritual, educational, and cultural activities, arts and crafts; exercise and health programs, and other activities designed to meet residents' interests. Some activities may require an extra fee.
- M. **Other Services and Programs at Additional Charge.** Other services and programs will be available to residents at their expense, including, but not limited to those previously mentioned, beauty and barber services, personal laundry or dry cleaning, special transportation, guest meals, repair of personal property, and other special services performed for resident beyond the normal scope of services offered by UWFaith. The availability and charges for additional services are itemized in UWFaith cost sheets.
- N. **Notice of Change in Scope of Services.** Except for changes required by law, UWFaith will notify resident of any proposed change in the scope of services provided in this Agreement at least 30 days before such change is effective. No change relating to a service included in the Monthly Fee under the terms of this Agreement shall be effective unless (a) consented to by Resident or (b) a reasonable adjustment is made in the Monthly Fee.

HEALTH CARE ACCOMMODATIONS AND SERVICES

UWFaith will make available health care accommodations and services as follows:

- A. **Health Care Residences.** UWFaith will have accommodation, equipment, staffing, programs, services and supervision necessary for licensed nursing care. Health Care Residences and services are available to Resident either temporarily or permanently on a space available basis, if needed, as determined by UWFaith. Residents of Brooks-Howell have priority access to all Health Care Residences and services before non- residents.

- B. **Staffing.** 24-hour licensed nursing staff will be provided by UWFaith.
- C. **Medical Director.** The overall coordination and supervision of health care services within Brooks-Howell will be provided by a Medical Director who will be a licensed physician selected by UWFaith.
- D. **Health Care Services for an Additional Fee.** Other health services may be available to residents at their expense, including but not limited to pharmacy services, laboratory tests, physical therapy, occupational therapy, speech therapy, therapeutic activities, rehabilitative treatments, and wheelchairs and other medical equipment and supplies. The costs of such services are in addition to the regular monthly fees.
- E. **Personal Physician.** Residents will choose a personal physician who has admission privileges at a local hospital, if resident needs to be hospitalized. Residents are responsible for the cost of physician services.
- F. **Privately Employed Private Duty Contractors.** Subject to the approval of UWFaith, resident may utilize the services of privately employed private-duty contractors, or other licensed agencies unrelated to UWFaith who provide personal or health care services in the residential unit. Such services are subject to UWFaith's prevailing policy and requirements, which are subject to change, and must be approved in advance and in writing by UWFaith. Residents are responsible to pay for all such services. In exchange for UWFaith's approval of resident's utilization of a private contractor or other licensed agencies unrelated to UWFaith, resident releases UWFaith from any liability for the acts or omissions of any individual or agency providing services to resident in the residential unit.

RESIDENT TERMS AND FEES POLICIES

A copy of the Brooks-Howell Resident Handbook is provided to all independent and health center residents and additional copies are available upon request. The following information summarizes certain important aspects of current policies.

ADMISSIONS

Admission Requirements and Procedures

- A. **Application Forms.** Applicant will provide an Application for Admission, and a Confidential Financial Statement, all on forms furnished by Brooks-Howell for initial approval by UWFaith and the Brooks-Howell Admissions Committee.
- B. **Health Requirements.** Within six months before the Date of Occupancy, applicants will provide UWFaith with a Physician's Examination Report completed by their personal physician. Such report shall include a statement by the physician that the applicant is able to live independently and undertake ongoing activities of daily living. UWFaith may now or in the future additionally require a history and physical from the physician to include physician progress notes. The applicant/resident shall be responsible for the cost of such physical examinations. If applicants do not meet the criteria for independent living established by UWFaith, they may move to other accommodations within Brooks-Howell more suitable to their needs, or terminate the agreement.

- C. **Financial Requirements.** Applicants must have assets and income sufficient to pay their financial obligations under the Residence and Services Agreement and to meet ordinary living expenses. Applicants must advise UWFaith of any change in their financial condition from the date of entering a contract for continuing care and the date of initial occupancy of a living unit. Based upon this change in financial status UWFaith will disclose to the applicant any effect. As such UWFaith may require applicants to furnish additional or updated financial information prior to Occupancy.
- D. **Representations.** Applicant affirms that the representations made in all information furnished to UWFaith, including the Application for Admission, Personal Health History, Confidential Financial Statement, and Physician’s Examination Report, is true and correct and may be relied upon by UWFaith as a basis for entering into the Agreement.
- E. **Statement as to Non-Discrimination.** UWFaith shall not limit residency to Brooks-Howell to persons because of gender, religion, national origin, ethnic background, age, sexual/gender orientation or disabilities.
- F. **Cancellation of Contract and Refund Provisions.** The Contract for Continuing Care (“Contract”) attached to this Disclosure Statement makes the following provisions:

Cancellation by Resident Prior to Occupancy.

- 1. **Cancellation During First Thirty (30) Days.** Residents may cancel contract within thirty days following the latter of 1) the execution of contract or 2) the receipt of the Disclosure Statement that is required under North Carolina law. In the event the Resident cancels the contract within that thirty-day period, UWFaith shall repay to Resident any money or property that has been paid to it by Resident other than periodic charges specified in the contract and applicable only for the period where a living unit was occupied by the Resident. Residents are not required to move into Brooks-Howell Home before the expiration of the aforesaid thirty-day period.

Any refund shall be paid within five business days following receipt of written notification of such cancellation by applicant to:

Executive Director
Brooks-Howell Home
266 Merrimon
Avenue
Asheville, NC 28801

- 2. **Voluntary Cancellation by Resident After Occupancy.** At any time after Occupancy, applicant may cancel the Contract by giving Brooks-Howell written notice of such cancellation. The entrance fee will not be refunded.

3. **Death of Resident Prior to Occupancy** If Resident dies before occupying a living unit, or if Resident, because of illness, injury, or incapacity would be precluded from occupying a living unit, the contract shall automatically be cancelled, and Resident shall receive a full refund of all money or property that has been transferred to the UWFaith, less those non-standard costs specifically incurred by the UWFaith at the request of Resident and described in contract and a service charge of \$500.
4. **Termination Upon Death After Occupancy.** In the event of death of a single Resident, or the survivor of two Residents, at any time after Occupancy, the entrance fee will not be refunded.
5. **Termination by Brooks-Howell After Occupancy.** UWFaith may terminate the Agreement at any time if there has been a material misrepresentation or omission made by the applicants on their Application for Admission, Personal Health History, confidential Financial Statement, or Physician's Examination Report; if the resident fails to make payment to Brooks-Howell of any fees or charges due within 60 days of the date when due; or if the resident does not abide by the rules and regulations adopted by UWFaith or breach any of the terms and conditions of the Agreement. In the event of termination due to any of such causes, the entrance fee will not be refunded.
6. **Payment of Refunds.** All Entrance Fee refunds after Occupancy will be paid upon removal of all personal belongings. In the case of dual occupancy, refunds will not be paid until both Residents have permanently vacated the Residence, and removed their personal belongings.
7. **Condition of Residence.** Upon vacating the Residence, resident shall leave it in good condition except for normal wear and tears. The resident or estate of the resident shall be liable to UWFaith for costs required to restore the Residence to good condition or standard condition, except for normal wear and tear, and for the removal and disposition of abandoned personal belongings. Such costs will be deducted from the refundable portion of the Entrance Fee due the residents.

Transfers or Changes in Levels of Care

The Residence and Services Agreement ("Agreement") makes the following provisions:

- A. **Transfer to a Health Care Residence.** UWFaith recognizes the right of self-determination of the Resident and will attempt to involve the Resident or the Resident's Representative in all decisions related to transfers and changes in level of care. UWFaith shall have authority to determine if residents should be transferred from their Residence to a Health Care Residence, or from one level of care to another within Brooks-Howell, in cases of potential harm to resident or others, to assure the health and wellbeing of the residents and others, or to provide for the highest quality of life possible. Such determination shall be based on the opinion of the Brooks-Howell administration and/or the Brooks-Howell Medical Director and shall be made after consultation with residents and their attending Physician. Such decisions shall be made only in the residents' best interest and in the best interest of the larger community as determined by Brooks-Howell.

- B. **Transfer to Other Facility.** If it is determined by Brooks-Howell that the resident needs care beyond that which can be provided by Brooks-Howell, they may be transferred to a hospital or institution equipped to give such care at their expense. Such transfer will be made only after consultation with residents and/or their representative and attending physician.
- C. **Surrender of Residence.** If a determination is made by Brooks-Howell that any transfer is permanent, residents agree to surrender their Residence. They will have priority to move to such Health Care Residences, determined to best meet their needs, as soon as such is available.

Terms of Residency

- A. **Occupancy by Two Residents.** When two Residents occupy a Residence, upon the permanent transfer or the death of one Resident, or in the event of the termination of this Agreement with respect to one of the Residents, this Agreement shall continue in effect for the remaining Resident. The remaining Resident will thereafter pay the Single Person Monthly Fee associated with the Residence.
- B. **Medical Insurance.** Residents are encouraged to maintain Medicare Part B, and one supplemental health insurance policy or equivalent insurance coverage and is asked to furnish Brooks-Howell with evidence of such coverage.
- C. **Marriage During Occupancy.** Should a resident marry a person who is also a Resident of Brooks-Howell, the two of them may occupy either Residence or shall surrender the unoccupied Residence. They will pay the Single Person and Double Person Monthly Fees upon Occupancy by both residents in the chosen Residence. If a resident should marry a person who is not a resident of Brooks-Howell, the spouse may become a resident if the spouse meets all the requirements for admission, enters into a Residence and Services Agreement with UW Faith, and pays an Entrance Fee. Residents and spouses shall pay the Single- Person and Double-Person Monthly Fees. If the spouse does not meet the requirements of UW Faith for admission as a resident, the resident may terminate the Agreement with respect to a voluntary termination, or the spouse may be approved for admission under special circumstances as agreed to in writing by Brooks-Howell and the resident. If the resident does terminate the Agreement, there will be no refund.

Fees

- A. **Entrance Fee.** As a condition of becoming a Resident, residents agree to pay to Brooks-Howell an Entrance Fee as set forth on page 12(H). Effective October 9, 2019, Brooks-Howell Home began offering a monthly fee for service contracts for new entrants.
- B. **Terms of Payment of the Entrance Fee.** Entrance Fee will be due and payable prior to the Date of Occupancy, unless otherwise agreed to in writing by Brooks-Howell. Effective October 9, 2019, Brooks-Howell Home began offering a monthly fee for service contract for new entrants.

- C. **Monthly Fee.** In addition to the Entrance Fee, the resident agrees to pay a Monthly Fee upon Occupancy for the term of the Agreement. The Monthly Fee shall be payable in advance by the fifth day of each month. Payment of the first month's Monthly Fee is due prior to the Date of Occupancy. Effective October 9, 2019, Brooks-Howell Home began offering a monthly fee for service contract for new entrants.
- D. **Adjustments in the Monthly Fee.** The Monthly Fee is paid to provide the facilities, programs, and services described in this Agreement, and is intended to cover costs of the expenses associated with the operation and management of Brooks-Howell. UWFaith, with the approval of the Board of Directors, may increase the Monthly Fee during the term of this Agreement. Monthly Fees will be adjusted as required, consistently with operating on a sound financial basis and maintaining quality service. Resident or resident's representative will receive a 30-day advance notice of increases in the Monthly Fee or other charges.
- E. **Monthly Statements.** Brooks-Howell will provide residents with a Monthly Statement showing the Monthly Fee payable for the month in advance, and any additional charges from the previous month, payable by the fifth day of the current month. Brooks-Howell may charge interest at a rate of one and one-half percent per month on any unpaid balance owed by resident 30 days after the monthly statement is dated.
- F. **Health Care Charges.**
1. **Fee for Services.** Upon permanently occupying a Health Care Residence, resident will surrender the Residence and will no longer pay the Monthly Fee for the Residence. Instead, residents will pay the published per diem fee for such Health Care Residence. Upon temporarily occupying a Health Care Residence, residents will continue to pay the Monthly Fee for the Residence (less any credit that may be given by Brooks-Howell) and residents will pay the published per-diem fee for such Health Care Residence for the period of time that resident occupies same. Such per-diem fee shall cover the cost of services described in the Brooks-Howell Cost Sheet. Residents may pay additional charges for ancillary services as described in the Cost Sheet. In addition, Brooks-Howell Home began offering Home Care Services to both its Independent Living and Health Center clients as described in the Home Care Service Rate Sheet.
 2. **Additional Charges for Ancillary Health Care Services.** Residents may be responsible for additional charges for ancillary health care services provided at Brooks-Howell. Ancillary services will include all services not provided by the staff of Brooks-Howell and not included in the per-diem fee. Examples of additional charges include, but are not limited to, the cost of prescription and non-prescription medications, physical examinations, laboratory tests, physical therapy, home health care, occupational therapy, rehabilitative treatments, wheelchairs and other medical equipment and supplies.
 3. **Care in Another Facility.** Should resident need a level of care or health services beyond that provided at Brooks-Howell, as determined by Brooks-Howell, and require transfer to another facility, resident will be responsible for all expenses of such transfer and services.

- G. **Nonpayment of Fees or Charges.** As stated in Section IV.I. of the Contract for Continuing Care, in the event a resident becomes unable or refuses or fails to pay any monthly services, charges or any other fees or charges, UWFaith, after giving Resident written notice of the default and the opportunity to cure the default within thirty days of the giving of the notice, may terminate this contract, in which event resident shall vacate the independent living unit and be entitled to no further services of UWFaith under this contract. UWFaith shall be entitled to retain all payments made by resident including the entrance



Cost Sheet 2024

Independent Living Monthly Service Fee Program Schedule

Residents shall pay 100% of the monthly service charge as set from time to time by the United Methodist Women, National Office. The monthly service charge shall not exceed the actual monthly charge for the unit as determined by the United Methodist Women, National Office based upon audited operational costs.

Upon entering into Brooks-Howell under a monthly service fee agreement, the occupant acknowledges that this is a fee for service agreement and all services rendered are based on a fee structure in addition to the basic monthly fee for the independent living unit. The basic monthly fee covers utilities, trash, cable, and routine housekeeping services. All other services on campus will have additional fees associated with them.

If occupant transitions to the Health Center, the occupant will be charged the current daily rate of care in the Health Center, unless special sliding scale rates apply based on income levels.

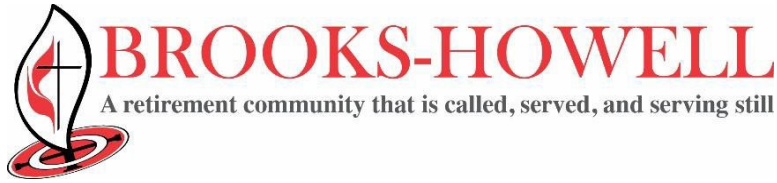
| Accommodations | Monthly Rate* | Other Fees |
|---------------------------|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Apartment | | Meal Cost Per Meal Monthly Cost |
| 1 Bedroom | \$1,973.00 | Lunch (Dinner) \$10.00 \$230.00 |
| 2 Bedroom | \$2,229.00 | Special and Holiday Meals \$20.00 |
| Betha Second Floor Suites | | Laundry: \$30.00 per month, per person |
| With 2 Meals | \$2,296.00 | WIFI Service: \$30.00 per month |
| With 3 Meals | \$2,440.00 | Phone: \$30.00 per month |
| Quad Cottage | \$3,523.00 | Pet Fees: \$500 deposit, \$25/month (per pet) |
| Single Home 2 Bedrooms | \$4,135.00 | Guest Rooms: \$100-\$180 per night |
| Terrace Apartments | \$2,767.00 | Guest Meals: |
| Village Duplex | \$3,523.00 | Lunch \$15.00 |
| | | Special and Holiday Meals \$20.00 |
| | | Children ages 7-12 Half price |
| | | Children 6 and under Free |
| | | Maintenance/EVS Requests: |
| | | \$25.00/hour, minimum of \$10.00. Additional Housekeeping services - varies by service. (Examples: hanging pictures, mounting/TV Set-up, moving furniture, bed making, Additional deep cleaning outside the normal Schedule, package delivery, etc.) |

*Monthly rate based on single occupancy. There is an additional \$230.00 monthly fee for double occupancy.

**Accommodation Move-in Deposit of \$2,000.00 is required.

www.brooks-howell.org
 266 Merrimon Ave. Asheville, NC 28801
 828-253-6712

Effective 01/01/2024



Cost Sheet 2024
Grandfathered
Independent Resident Fees

Residents shall pay 100% of the monthly service charge as set from time to time by the United Methodist Women, National Office. The monthly service charge shall not exceed the actual monthly charge for the unit as determined by the United Methodist Women, National Office based upon audited operational costs. Deaconesses or missionaries who were related to the Women’s Division of The Board of Missions of The Methodist Church as of 1964 or a missionary of the Evangelical United Brethren Church commissioned prior to Union in 1968 who served a minimum of fifteen (15) years after commissioning may be eligible for special rates if the Resident’s income is less than the established monthly charge.

An **entrance fee** for independent residency will be assessed and based upon a percentage of total assets.

| ACCOMMODATIONS | 2024 MONTHLY FEE * | |
|------------------------------------------------------------|--------------------------------------|--------------------------------------|
| House with 2 bedrooms First Person | | \$4,135.00 |
| Suite (Bethea Bldg. 2 nd floor) First Person | <u>2 meals per day</u> \$2,296.00 | <u>3 meals per day</u> \$2,440.00 |
| Jones-Cadwallader Apt. 1 bedroom | | \$1,973.00 |
| 2 bedroom | | \$2,229.00 |
| Chandler-Burriss Apt. 1 bedroom | | \$1,973.00 |
| 2 bedroom | | \$2,229.00 |
| Quad Apartment (by Merrimon Ave.) | | \$3,523.00 |
| Village Duplex (in back of Bethea Bldg) | | \$3,523.00 |
| Terrace Apartment (Bethea Bldg, Chapel hallway) | | \$2767.00 |

***Monthly rate is based on single occupancy. There is an additional \$230.00 monthly fee for double occupancy.**

Effective 01/01/2024

APARTMENT RESIDENT MEAL PLANS

| | Monthly Rate | Per Meal Rate | |
|------------------|--------------|---------------|--------------------------------------------|
| Lunch (“Dinner”) | \$230.00 | \$10.00 | \$20.00 for Special Meals (Holidays, etc.) |

HEALTHCARE UNIT: Brooks-Howell is **not licensed for Medicare/Medicaid** beds. For those not eligible for United Methodist Women’s special rates, payment is by private funds and/or private medical insurance coverage (long-term care insurance). Independent residents under the Continuing Care Contract will receive 14 days of Health Care per year without incurring any additional daily room rate charges.

Room Rate: \$378.00 per day

ADDITIONAL FEES

| | |
|-----------------------------------------|-----------------------------------------------------------------------------------------------|
| Pet Fees | \$500.00 deposit, \$25.00/month (per pet) |
| Personal Laundry | \$30.00 per month, per person |
| Special Laundry Items (comforters, etc) | \$15.00 per load |
| Wi-Fi Service | \$30.00 per month |
| Phone | \$30.00 per month |
| Guest Rooms | \$100.00-180.00 per night |
| Guest meals: | |
| Lunch (“Dinner”) | \$15.00 Guest group rate (6 or more) \$12.00 \$20.00 for Special Meals (Holidays, etc.) |
| Children ages 7-12 | half price Children 6 and under Free |

Maintenance/EVS Requests \$25.00 per hr, minimum of \$10.00

Additional housekeeping services Varies by service requested.

(Examples but not limited to: hanging pictures, mounting/TV set-up, moving furniture, bed making, additional deep cleaning outside the normal schedule, package delivery, etc.)

Effective 01/01/2024



Health Center

Cost Sheet 2024

Brooks-Howell's Outreach Residency Program was created to provide health care services to individuals in the greater community. Outreach services are not limited to people of a particular faith or denomination. In addition, as a part of our Outreach Residency Program, we offer respite services for loved ones whose families are seeking short-term care. Brooks-Howell is **not a licensed Medicare/Medicaid Facility**. Payment is by private funds and/or private LTC insurance coverage.

Short-Term Respite Care

The fees for Short-Term Respite Care is \$378.00 per day from 3 days up to 30 days. These fees include room and board and 24/7 nursing care and services.

Long-Term Care Stays

The fees for Skilled Care is \$378.00 per day. These fees include room and board and 24/7 nursing care and services for Nursing Home level of care.

Other Health Center Fees

| | |
|----------------------|-----------------------------|
| TB Test/Inoculations | Market Rate |
| Medical Supplies | Market Rate |
| Personal Laundry | \$45.00 per month |
| Wi-Fi Service | \$30.00 per month |
| Phone | \$30.00 per month (average) |

Additional fees may apply for specialty requests at \$25.00 per hour, with a \$10.00 minimum (Examples: hanging pictures, mounting TV, moving furniture, etc.)



Health Center

Cost Sheet 2023

Brooks-Howell’s Outreach Residency Program was created to provide health care services to individuals in the greater community. Outreach services are not limited to people of a particular faith or denomination. In addition, as a part of our Outreach Residency Program, we offer respite services for loved ones whose families are seeking short-term care. Brooks-Howell is **not a licensed Medicare/Medicaid Facility**. Payment is by private funds and/or private LTC insurance coverage.

Short-Term Respite Care

The fees for Short-Term Respite Care is \$275.00 per day from 3 days up to 30 days. These fees include room and board and 24/7 nursing care and services.

Long-Term Care Stays

The fees for Skilled Care is \$345.00 per day. These fees include room and board and 24/7 nursing care and services for Nursing Home level of care. A sliding scale payment program is available for those who qualify financially, and based on availability in the program.

Other Health Center Fees

| | |
|----------------------|-------------------------------------------------------------------|
| TB Test/Inoculations | Market Rate |
| Medical Supplies | Market Rate |
| Personal Laundry | \$30.00 per month |
| Wi-Fi Service | \$30.00 per month |
| Phone | \$30.00 per month (average) |
| Transportation | \$25.00 + current federal rate per mile (within Buncombe County*) |
| Travel assistant | \$30.00 per hour |
| | *Outside of Buncombe County other rates may apply |

Additional fees may apply for specialty requests at \$25.00 per hour, with a \$10.00 minimum (Examples: hanging pictures, mounting TV, moving furniture, etc.)

MONTHLY FEES – FIVE YEAR HISTORY

| | 2020 | Avg | (Increase) | 2021 | Avg | (Increase) | 2022 | Avg | (Increase) | 2023 | Avg | (Increase) | 2024 | Avg | (Increase) |
|---------------------------|----------|---------|------------|----------|----------|------------|----------|----------|------------|-----------|----------|------------|-----------|----------|------------|
| Cottage | 2,884.00 | 1009.60 | 116.00 | 3,000.00 | 2,528.20 | 64.00 | 3,064.00 | 2,699.40 | 517.60 | 3,217.00 | 2,699.40 | 517.60 | 3,532.00 | 2,699.40 | 832.60 |
| 1 person | n/a | 0.00 | | n/a | 0.00 | | n/a | 0.00 | | n/a | 0.00 | n/a | n/a | 0.00 | 0.00 |
| J-C Apts | | | | | | | | | | | | | | | |
| 1 bed | 1,586.00 | 576.80 | 64.00 | 1,650.00 | 1,457.40 | 66.00 | 1,716.00 | 1,535.80 | 266.20 | 1,802.00 | 1,535.80 | 266.20 | 1,973.00 | 1,535.80 | 437.20 |
| 2 bed | 1,792.00 | 704.60 | 72.00 | 1,864.00 | 1,812.00 | 75.00 | 1,939.00 | 1,846.60 | 189.40 | 2,036.00 | 1,846.60 | 189.40 | 2,229.00 | 1,846.60 | 383.00 |
| #2 person | n/a | 0.00 | 200.00 | 200.00 | 40.00 | 0.00 | 200.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 |
| C-B Apts | | | | | | | | | | | | | | | |
| 1 bed | 1,586.00 | 598.60 | 64.00 | 1,650.00 | 1,526.20 | 66.00 | 1,716.00 | 1,582.20 | 219.80 | 1,802.00 | 1,582.20 | 216.80 | 1,973.00 | 1,582.20 | 391.00 |
| 2 bed | 1,792.00 | 704.60 | 72.00 | 1,864.00 | 1,812.00 | 75.00 | 1,939.00 | 1,846.60 | 189.40 | 2,036.00 | 1,846.60 | 189.40 | 2,229.00 | 1,846.60 | 382.40 |
| #2 person | n/a | 0.00 | 200.00 | 200.00 | 40.00 | 0.00 | 200.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 |
| Quad Apt | | | | | | | | | | | | | | | |
| 1 person | 2,833.00 | 977.80 | 113.00 | 2,946.00 | 2,440.00 | 118.00 | 3,064.00 | 2,633.20 | 583.80 | 3,217.00 | 2,633.20 | 898.80 | 3,532.00 | 2,633.20 | 898.80 |
| #2 person | n/a | 0.00 | 200.00 | 200.00 | 40.00 | 0.00 | 200.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 |
| Village | | | | | | | | | | | | | | | |
| 1 person | 2,833.00 | 977.80 | 113.00 | 2,946.00 | 2,440.00 | 118.00 | 3,064.00 | 2,633.20 | 583.80 | 3,217.00 | 2,633.20 | 898.80 | 3,532.00 | 2,633.20 | 898.80 |
| #2 person | n/a | 0.00 | 200.00 | 200.00 | 40.00 | 0.00 | 200.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 |
| Terrace | | | | | | | | | | | | | | | |
| 1 person | 2,225.00 | 813.00 | 89.00 | 2,314.00 | 2,056.80 | 93.00 | 2,407.00 | 2,162.80 | 364.20 | 2,527.00 | 2,162.80 | 364.20 | 2,617.00 | 2,162.80 | 454.20 |
| #2 person | n/a | 0.00 | 200.00 | 200.00 | 40.00 | 0.00 | 200.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 |
| Suite w/meals | | | | | | | | | | | | | | | |
| 3 meals | 1,961.00 | 716.80 | 79.00 | 2,040.00 | 1,813.80 | 82.00 | 2,122.00 | 1,907.00 | 82.00 | 2,122.00 | 1,907.00 | 215.00 | 2,296.00 | 1,907.00 | 389.00 |
| Sec Person | | 0.00 | 200.00 | 200.00 | 40.00 | 0.00 | 200.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 |
| 2 meals | 1,846.00 | 672.20 | 74.00 | 1,920.00 | 1,699.60 | 77.00 | 1,997.00 | 1,789.80 | 77.00 | 1,997.00 | 1,789.80 | 207.20 | 2,296.00 | 1,789.80 | 507.00 |
| Sec Person | n/a | 0.00 | 200.00 | 200.00 | 40.00 | 0.00 | 200.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 | 230.00 | 0.00 | 0.00 |
| Intermediate nursing care | | | | | | | | | | | | | | | |
| Private room | n/a | 0.00 | | n/a | 0.00 | | n/a | 0.00 | | n/a | 0.00 | n/a | n/a | 0.00 | 0 |
| Skilled nursing care | | | | | | | | | | | | | | | |
| Private | 7,908.33 | 2802.47 | 608.67 | 8,517.00 | 7,098.87 | 608.00 | 9,125.00 | 7,678.47 | 3,666.53 | 11340.00- | 7,678.47 | 3,661.53 | 11340.00- | 7,678.47 | 3,661.53 |
| Semi-private | n/a | 0.00 | | n/a | 0.00 | | 0.00 | 0.00 | | 0.00 | 0.00 | n/a | n/a | 0.00 | 0 |

RESERVES

In accordance with North Carolina General Statute Section 58-64-33, UWFaith maintains an operating reserve equal to fifty percent (50%) of the total operating costs for the period ending December 31, 2024, based on an occupancy less than ninety percent (90%) ("Operating Reserve Requirement").

All funds are held in investments (handled by the Board of Directors) that meet the requirements specified by the North Carolina Department of Insurance. As indicated in UWFaith's audited financial statements for the year ended December 31, 2024, UWFaith had investments in short-term securities, U.S. Government securities, corporate bonds, International common stocks (i.e., investments in stocks of international companies located primarily in Japan, United Kingdom, France, the Netherlands, and Germany), common stocks and United Methodist Foundation of Western North Carolina, Inc. Diversified Fund units. UWFaith Forecasted Statements of Financial Position for the year ending December 31, 2024, indicates a required statutory operating reserve, as it relates to the operations of Brooks-Howell, of \$2,402,000. The following indicates the adequacy of the UWFaith's cash, cash equivalents and investments (at fair value) for the Operating Reserve Requirement at December 31, 2024.

| <u>Description</u> | <u>December 31, 2024</u> |
|--------------------------------------------------------------------------------------|---------------------------------|
| Cash and cash equivalents | \$2,402,000 |
| Investments | 104,811,691 |
| Total cash, cash equivalents and investments | 107,213,691 |
| Less: | |
| Investments held in retirement fund | (16,402,972) |
| Net assets with donor restrictions | (71,592,324) |
| 2025 estimated payments for unfunded medical plan and nursing home care for retirees | (660,633) |
| Total investments available for reserve | 18,557,762 |
| | |
| Operating Reserve Requirement | (2,402,000) |
| | |
| Excess reserves avail. | 16,155,762 |

NUMBER OF RESIDENTS

The following number of residents have signed continuing care contracts:

| Type of Continuing Care Contract | # of Persons who have Signed |
|-----------------------------------------|-------------------------------------|
| 20% Entrance - \$40,000 cap | 1 |
| 25% Entrance - \$50,000 cap | 0 |
| 25% Entrance - \$50,000 cap* | 5 |
| 25% Entrance - \$75,000 cap** | 0 |
| 25% Entrance - \$75,000 cap | 8 |
| 35% Entrance - \$100,000 cap | 10 |
| Non-continuing care contracts | 54 |
| Total | 78 |

UNITED WOMEN IN FAITH
COMPARATIVE STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

| | Actual 2024 | Forecasted 2024 | Variance |
|----------------------------------------------------------------------------------------------------------------|----------------|--------------------|--------------|
| Assets | | | |
| Current assets: | | | |
| Cash and investments | \$ 104,812 | \$ 101,252 | \$ 3,560 (1) |
| Receivables | 4,661 | 6,230 | (1,569) (2) |
| Inventories and other assets | 440 | 500 | (60) |
| Prepaid expenses | 343 | 510 | (167) |
| Total current assets | 110,256 | 108,492 | 1,764 |
| Restricted assets: | | | |
| Cash and cash equivalents - State of North Carolina operating reserve requirement for Brooks-Howell Home | 2,402 | 2,402 | - |
| Perpetual trusts held by others | 1,849 | 1,800 | 49 |
| Total restricted assets | 4,251 | 4,202 | 49 |
| Land, buildings, and equipment, net | 6,801 | 7,696 | (895) (3) |
| Total assets | \$ 121,308 | \$ 120,390 | \$ 918 |
| Liabilities and Net Assets | | | |
| Current liabilities: | | | |
| Accounts payable and accrued expenses | \$ 1,286 | \$ 1,600 | \$ (314) |
| Total current liabilities | 1,286 | 1,600 | (314) |
| Long-term liabilities: | | | |
| Long-term debt | - | - | - |
| Deferred revenue - refundable | - | - | - |
| Deferred revenue - nonrefundable | 1,469 | 820 | 649 |
| Annuities payable | 125 | 131 | (6) |
| Assets held for others | 5,179 | 5,740 | (561) |
| Accrued postretirement and pension benefit costs | 4,321 | 4,842 | (521) |
| Total long-term liabilities | 11,094 | 11,533 | (439) |
| Total liabilities | 12,380 | 13,133 | (753) |
| Net assets: | | | |
| Without donor restrictions | 37,336 | 39,600 | (2,264) (4) |
| With donor restrictions | 71,592 | 67,657 | 3,935 (5) |
| Total net assets | 108,928 | 107,257 | 1,671 |
| Total liabilities and net assets | \$ 121,308 | \$ 120,390 | \$ 918 |

UNITED WOMEN IN FAITH
COMPARATIVE STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

Materiality is \$810 and is based on total assets of UWFaith.

(1) The variance in cash and investments is due to more realized and unrealized gains on investments during 2024, which was not anticipated at the time of the forecast.

(2) The variance in receivables is due mainly to a decrease in giving at year end compared to the amount forecasted, which is directly related to the decrease in the amount of receivables from the amount forecasted. Giving decreased as a result of continued stagnant economic conditions, the extent of which was not anticipated at the time of the forecast.

(3) The variance in land, buildings, and equipment, net is due to minimal additions throughout the year offset by current depreciation expense in comparison to the amount expected at the time of the forecast, which assumed more additions mainly related to the addition of the BHH generator.

(4) The variance in net assets without donor restrictions is due primarily to the decrease in operating revenues from what was previously expected at the time of the forecast.

(5) Net assets with donor restrictions were more than forecasted at year-end due primarily due to significant increases in endowment contributions and significant unrealized gains on investments for 2024, which were not anticipated at the time of the forecast.

UNITED WOMEN IN FAITH
COMPARATIVE STATEMENTS OF ACTIVITIES
DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

| | Actual 2024 | Forecasted 2024 | Variance |
|-------------------------------------------------------------------|-------------------|--------------------|------------------|
| Net Assets Without Donor Restrictions: | | | |
| Operating revenues: | | | |
| Conference Giving | \$ 5,879 | \$ 6,350 | \$ (471) |
| Benefits Trust reimbursement | 1,039 | 1,000 | 39 |
| Bequests and contributions | 90 | 700 | (610) |
| Investment income, including realized and unrealized appreciation | 2,411 | 4,990 | (2,579) (1) |
| Brooks-Howell Home: | | | |
| Fee revenues | 4,813 | 4,867 | (54) |
| Health care revenues | - | - | - |
| Publications, rental income and other program revenue | 3,073 | 3,188 | (115) |
| Amortization of entrance fees | - | - | - |
| Other revenues | 398 | 261 | 137 |
| Net assets released from restrictions | <u>5,432</u> | <u>5,730</u> | <u>(298)</u> |
| Total operating revenues | <u>23,135</u> | <u>27,086</u> | <u>(3,951)</u> |
| Operating expenses: | | | |
| Program services | 11,778 | 12,374 | (596) |
| Brooks-Howell Home: | | | |
| Operating expenses | 3,248 | 3,362 | (114) |
| Dietary expenses | 806 | 820 | (14) |
| Administrative expenses | 646 | 794 | (148) |
| Interest expense | - | - | - |
| Depreciation expense | 765 | 750 | 15 |
| Supporting services | <u>3,675</u> | <u>4,505</u> | <u>(830) (2)</u> |
| Total operating expenses | <u>20,918</u> | <u>22,605</u> | <u>(1,687)</u> |
| Sale of properties | <u>-</u> | <u>-</u> | <u>-</u> |
| Increase in net assets | <u>2,217</u> | <u>4,481</u> | <u>(2,264)</u> |
| Net Assets With Donor Restrictions: | | | |
| From United Methodist Church and other agencies | 275 | 350 | (75) |
| Bequests and contributions | 1,618 | 1,510 | 108 |
| Rental and other program income | - | - | - |
| Investment income, including realized and unrealized appreciation | 5,911 | 2,307 | 3,604 (1) |
| Net assets released from restrictions | <u>(5,432)</u> | <u>(5,730)</u> | <u>298</u> |
| Increase (decrease) in net assets with donor restrictions | <u>2,372</u> | <u>(1,563)</u> | <u>3,935</u> |
| Increase in net assets | 4,589 | 2,918 | 1,671 |
| Net assets, beginning of year | <u>104,339</u> | <u>104,339</u> | <u>-</u> |
| Net assets, end of year | <u>\$ 108,928</u> | <u>\$ 107,257</u> | <u>\$ 1,671</u> |

UNITED WOMEN IN FAITH
COMPARATIVE STATEMENTS OF ACTIVITIES
DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

Materiality is \$810 and is based on total assets of UWFaith.

(1) Actual market conditions in 2024 were much better than anticipated in the forecast. The markets saw significant investment gains during 2024. UWFaith forecasts investment returns, including investment income and realized and unrealized appreciation on investments, based on a long-term investment horizon. This includes using certain historical data and expected long-term rates of return. Actual returns can be significantly different from year-to-year, as was seen in the markets for 2024.

(2) Supporting services are expected to decrease over time due to the "net zero" goal, part of which includes cutting as much cost as possible. Expenses decreased more than anticipated when forecast.

UNITED WOMEN IN FAITH
COMPARATIVE STATEMENTS OF CASH FLOWS
DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

| | Actual 2024 | Forecasted 2024 | Variance |
|--------------------------------------------------------------------------------------------|-------------------|--------------------|--------------------|
| Cash flows from operating activities: | | | |
| Change in net assets | \$ 4,589 | \$ 2,918 | \$ 1,671 |
| Adjustments to reconcile change in net assets to net cash used in operating activities: | | | |
| Contributions restricted for long-term investment | (1,300) | (1,510) | 210 |
| Gain on sale of properties | - | - | - |
| Depreciation | 765 | 750 | 15 |
| Change in value of annuities | - | (2) | 2 |
| Change in working capital | <u>(7,325)</u> | <u>(3,481)</u> | <u>(3,844) (1)</u> |
| Net cash used in operating activities | <u>(3,271)</u> | <u>(1,325)</u> | <u>(1,946)</u> |
| Cash flows from investing activities: | | | |
| Purchase of land, buildings, and equipment | (390) | (1,270) | 880 (2) |
| Proceeds from sale of properties | - | - | - |
| Change in assets limited as to use | <u>4,191</u> | <u>(645)</u> | <u>4,836 (3)</u> |
| Net cash provided by (used in) investing activities | <u>3,801</u> | <u>(1,915)</u> | <u>5,716</u> |
| Cash flows from financing activities: | | | |
| Contributions restricted for long-term investment | <u>1,300</u> | <u>1,510</u> | <u>(210)</u> |
| Cash flows provided by financing activities | <u>1,300</u> | <u>1,510</u> | <u>(210)</u> |
| Increase (decrease) in cash and investments | 1,830 | (1,730) | 3,560 |
| Cash and investments, beginning of year | <u>102,982</u> | <u>102,982</u> | <u>-</u> |
| Cash and investments, end of year | <u>\$ 104,812</u> | <u>\$ 101,252</u> | <u>\$ 3,560</u> |

UNITED WOMEN IN FAITH
COMPARATIVE STATEMENTS OF CASH FLOWS
DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

Materiality is \$810 and is based on total assets of UWFaith.

(1) The variance in working capital primarily relates to the variances and changes in operating assets and liabilities of which the greatest variance relates to the change in the accrued postretirement and pension benefit costs as discussed in more detail in tickmark (4) on the comparative statements of financial position.

(2) The variance in purchase of land, buildings, and equipment relates to less additions than anticipated at time of forecast. This is mainly due to BHH not receiving their generator during fiscal year 2024, which had been forecasted to be received during fiscal year 2024.

(3) The variance in change in assets limited as to use relates to better market conditions than anticipated at time of forecast.

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE**

BROOKS-HOWELL HOME
COMPARATIVE STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

| | Actual 2024 | Forecasted 2024 | Variance |
|--------------------------------------------|------------------------|----------------------------|-----------------|
| Assets | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 789 | \$ 698 | \$ 91 (1) |
| Accounts receivable - residents | 546 | 90 | 456 (2) |
| Accounts receivable - other | 14 | 14 | - |
| Inventories | 98 | 90 | 8 |
| Total current assets | 1,447 | 892 | 555 |
| Restricted assets: | | | |
| Assets limited as to use - current portion | - | 24 | (24) |
| Total restricted assets | - | 24 | (24) |
| Other assets: | | | |
| Investments | 585 | 549 | 36 |
| Assets limited as to use - long-term | 682 | 660 | 22 |
| Total other assets | 1,267 | 1,209 | 58 |
| Equipment and improvements, net | 1,109 | 2,060 | (951) (3) |
| Total assets | \$ 3,823 | \$ 4,185 | \$ (362) |
| Liabilities and Net Assets | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 114 | \$ 125 | (11) |
| Accrued wages and related liabilities | 320 | 205 | 115 (4) |
| Agency funds | - | 24 | (24) |
| Long-term debt - current maturities | - | - | - |
| Total current liabilities | 434 | 354 | 80 |
| Long-term debt - less current maturities | - | - | - |
| Total liabilities | 434 | 354 | 80 |
| Net assets: | | | |
| Without donor restriction | 2,637 | 3,101 | (464) (5) |
| With donor restriction | 752 | 730 | 22 |
| Total net assets | 3,389 | 3,831 | (442) |
| Total liabilities and net assets | \$ 3,823 | \$ 4,185 | \$ (362) |

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE**

BROOKS-HOWELL HOME
COMPARATIVE STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

Materiality is \$56 and is based on total revenue of BHH.

- (1) The variance in cash and cash equivalents mainly relates to the increase in resident services and a decrease in operating expenses, which was not anticipated at the time of the forecast.
- (2) The variance in accounts receivable - residents mainly relates to timing of collections at year end. There were more outstanding resident services balances at year-end than anticipated in the forecast.
- (3) The variance in equipment and improvements relates to the generator expenses that were expected to be incurred in fiscal year 2024 when the forecast was prepared. Due to the flood in North Carolina and external issues outside of BHH's control, the generator was not received during fiscal year 2024 as expected.
- (4) The variance for accrued wages relates to the timing of payments, which normally would be paid before year-end. However, due to staffing issues in the accounting department, certain expenses were not paid before year-end that had to be accrued at a higher rate than expected at the time of the forecast.
- (5) The variance in net assets without donor restrictions is due primarily to decreases in UWFaith grants related to the generator that was not received in fiscal year 2024, which was not anticipated at the time of the forecast.

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE**

BROOKS-HOWELL HOME
COMPARATIVE STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

| | Actual 2024 | Forecasted 2024 | Variance | |
|------------------------------------------|------------------------|----------------------------|-----------------|-----|
| Operating revenues: | | | | |
| Resident services | \$ 4,677 | \$ 4,507 | \$ 170 | (1) |
| United Women in Faith support and grants | - | 29 | (29) | |
| United Women in Faith grants | 170 | 920 | (750) | (2) |
| Health care revenues | - | - | - | |
| Amortization of entrance fees | - | - | - | |
| Contributions | 3 | 2 | 1 | |
| Investment earnings | 110 | 85 | 25 | |
| Other operating revenue | 135 | 270 | (135) | (3) |
| | 5,095 | 5,813 | (718) | |
| Total operating revenues | 5,095 | 5,813 | (718) | |
| Operating expenses: | | | | |
| Nursing services | 1,627 | 1,717 | (90) | (4) |
| Food services | 806 | 820 | (14) | |
| Administration | 646 | 794 | (148) | (5) |
| Environmental services | 419 | 417 | 2 | |
| Maintenance | 681 | 674 | 7 | |
| Social service | - | - | - | |
| Human resources | 180 | 143 | 37 | |
| Marketing | 59 | 74 | (15) | |
| Activities | 100 | 118 | (18) | |
| Depreciation | 180 | 172 | 8 | |
| Other expense | - | 26 | (26) | |
| Resident ancillary | - | 15 | (15) | |
| Staff House | 2 | 5 | (3) | |
| Home Care | - | 1 | (1) | |
| | 4,700 | 4,976 | (276) | |
| Total operating expenses | 4,700 | 4,976 | (276) | |
| Change in net assets | 395 | 837 | (442) | |
| Net assets, beginning of year | 2,994 | 2,994 | - | |
| Net assets, end of year | \$ 3,389 | \$ 3,831 | \$ (442) | |

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE**

BROOKS-HOWELL HOME
COMPARATIVE STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

Materiality is \$56 and is based on total revenue of BHH.

- (1) The resident services balance will vary from the forecast depending on the number and mix of residents at BHH during the year as well as any changes in the rates. The variance in resident services revenues from the forecast is due primarily to an increase in rates mid-year, which was not previously forecasted.
- (2) The variance in UWFaith grants is primarily due to the anticipation, at time of forecast, that UWFaith would provide support for generator expenses, but BHH faced challenges during the year which included a flood from the hurricane in North Carolina that affected its operations and being able to receive the generator.
- (3) The variance in other operating revenue is primarily due to special revenue that can fluctuate from year to year based on gifts received that are not budgeted for at the time of the forecast.
- (4) The variance in nursing services is primarily due to less contracted services than expected at the time of the forecast. There have been staffing shortages in the past, hence this was the assumption at the time the forecast
- (5) The variance in administration expenses is primarily due to lack of staffing in the accounting department for extended periods of time during fiscal year 2024 as well as a reduction in the UWFaith's payments for BHH's insurance as BHH now pays for their own insurance. Neither of these factors were anticipated at the time of the forecast.

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE**

BROOKS-HOWELL HOME
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

| | Actual 2024 | Forecasted 2024 | Variance |
|---------------------------------------------------------------------------------------------|------------------------|----------------------------|-----------------|
| Cash flows from operating activities: | | | |
| Change in net assets | \$ 395 | \$ 837 | \$ (442) (1) |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | | |
| Depreciation | 180 | 172 | 8 |
| Change in investments | (108) | (36) | (72) (2) |
| Change in working capital | (408) | (49) | (359) (3) |
| | 59 | 924 | (865) |
| Net cash provided by operating activities | | | |
| Cash flows from investing activities: | | | |
| Purchase of equipment and improvements | (78) | (1,020) | 942 (4) |
| Change in assets limited as to use | (5) | (7) | 2 |
| Agency funds | (24) | - | (24) |
| Purchases of investments, net | 36 | - | 36 (5) |
| | (71) | (1,027) | 956 |
| Net cash used in investing activities | | | |
| Cash flows from financing activities: | | | |
| Proceeds from issuance of long-term debt | - | - | - |
| | - | - | - |
| Net cash provided by financing activities | | | |
| Decrease in cash and cash equivalents | (12) | (103) | 91 |
| Cash and cash equivalents, beginning of year | 801 | 801 | - |
| Cash and cash equivalents, end of year | \$ 789 | \$ 698 | \$ 91 |

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE**

BROOKS-HOWELL HOME
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
(IN THOUSANDS OF DOLLARS)

Materiality is \$56 and is based on total revenue of BHH.

- (1) The decrease in net assets over the forecasted amount is primarily due to less revenue and expense activity that was not anticipated at the time of the forecast.
- (2) The variance in investments is due to more favorable market conditions, which was not anticipated at the time of the forecast.
- (3) The change in working capital relates to increased accounts receivable due to less collections on accounts receivable balances before year-end.
- (4) The decrease in purchase of equipment and improvements over the forecasted amount is primarily due to the generator purchases that were expected to be inured during the year did not occur, which was not expected at the time of the forecast.
- (5) The variance in the changes in purchases of investments, net tends to fluctuate from year to year based on activity within the investment accounts. As new estate gifts are received and invested, this balance is expected to fluctuate accordingly.

UNITED WOMEN IN FAITH
FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

UNITED WOMEN IN FAITH

Table of Contents

| | <u>Page</u> |
|-----------------------------------------|-------------|
| INDEPENDENT AUDITOR’S REPORT | 1 - 2 |
| FINANCIAL STATEMENTS | |
| Statements of Financial Position | 3 |
| Statements of Activities | 4 - 7 |
| Statements of Functional Expenses | 8 - 11 |
| Statements of Cash Flows | 12 |
| Notes to Financial Statements | 13 - 35 |



Independent Auditor's Report

To the Board of Directors
United Women in Faith
New York City, New York

Opinion

We have audited the accompanying financial statements of the United Women in Faith ("UW Faith"), a nonprofit organization, which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UW Faith as of December 31, 2024 and 2023, and the changes in its net assets and its 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of UW Faith 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about UW Faith's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 generally accepted auditing standards 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 UWFaith's 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about UWFaith's 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.

Crosslin, PLLC

Nashville, Tennessee
October 8, 2025

UNITED WOMEN IN FAITH
Statements of Financial Position
December 31, 2024 and 2023

| Assets | 2024 | 2023 |
|----------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Cash and cash equivalents | \$ - | \$ 19,432 |
| Cash and cash equivalents - State of North Carolina operating reserve requirement for Brooks-Howell Home | 2,402,000 | 1,842,000 |
| Receivables: | | |
| Due from conferences | 2,105,480 | 2,363,497 |
| Property sales | 151,872 | 126,487 |
| Other | 2,404,231 | 1,631,348 |
| Inventories and other assets, net | 440,006 | 526,175 |
| Prepaid expenses | 342,768 | 513,354 |
| Investments in debt securities of the United Methodist Development Fund | 5,500 | 5,500 |
| Investments | 104,806,191 | 102,957,199 |
| Land, buildings, and equipment, net | 6,801,329 | 7,176,182 |
| Perpetual trusts held by others | 1,848,578 | 1,715,276 |
| | <u>\$ 121,307,955</u> | <u>\$ 118,876,450</u> |
| Total assets | <u>\$ 121,307,955</u> | <u>\$ 118,876,450</u> |
| Liabilities and Net Assets | | |
| Liabilities: | | |
| Accounts payable and accrued expenses | \$ 1,285,593 | \$ 1,927,784 |
| Deferred revenue | 1,469,081 | 1,469,081 |
| Annuities payable | 125,012 | 132,561 |
| Assets held for others | 5,179,492 | 5,744,413 |
| Accrued postretirement and pension benefit costs | 4,320,716 | 5,263,012 |
| | <u>12,379,894</u> | <u>14,536,851</u> |
| Total liabilities | <u>12,379,894</u> | <u>14,536,851</u> |
| Net assets: | | |
| Net assets without donor restrictions | 37,335,737 | 35,118,954 |
| Net assets with donor restrictions | 71,592,324 | 69,220,645 |
| | <u>108,928,061</u> | <u>104,339,599</u> |
| Total net assets | <u>108,928,061</u> | <u>104,339,599</u> |
| Total liabilities and net assets | <u>\$ 121,307,955</u> | <u>\$ 118,876,450</u> |

See accompanying notes to financial statements.

UNITED WOMEN IN FAITH

Statement of Activities

Year Ended December 31, 2024

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|------------------------------------------------------|-------------------------------------------|----------------------------------------|-------------------|
| Operating Revenues and Support: | | | |
| Conference Giving: | | | |
| Mission Giving | \$ 5,774,389 | \$ - | \$ 5,774,389 |
| Designated Giving | 105,087 | 273,545 | 378,632 |
| Interest Income: | | | |
| Investment Income (Net of Fees) | 210,738 | 1,935,380 | 2,146,118 |
| Bequests, Trusts, Other Long-term Gifts | 90,237 | 318,034 | 408,271 |
| Publications: | | | |
| response Magazine | 185,101 | - | 185,101 |
| Mission Resource Center | 227,780 | - | 227,780 |
| Rental and Service Fee Income: | | | |
| Brooks-Howell Home (BHH) | 4,812,449 | 2,899 | 4,815,348 |
| Church Center for United Nations (CCUN) | 2,660,206 | - | 2,660,206 |
| Other Income: | | | |
| Benefits Trust | 1,038,735 | - | 1,038,735 |
| Miscellaneous Other Income | 398,088 | - | 398,088 |
| Net assets released from restrictions | 5,431,849 | (5,431,849) | - |
| Total operating revenues and support | <u>20,934,659</u> | <u>(2,901,991)</u> | <u>18,032,668</u> |
| Operating Expenses: | | | |
| Program Services: | | | |
| Programs Rendered by UWFaith: | | | |
| Transformation | 453,650 | - | 453,650 |
| Position | 211,381 | - | 211,381 |
| Engage | 1,118,468 | - | 1,118,468 |
| Mobilize | 549,185 | - | 549,185 |
| Connectional | 476,161 | - | 476,161 |
| National Missions Office | 925,191 | - | 925,191 |
| International Mission Work Administration | 891,935 | - | 891,935 |
| Mission Education | 592,484 | - | 592,484 |
| response Magazine | 279,922 | - | 279,922 |
| Mission Resources | 408,182 | - | 408,182 |
| Deaconess, Home Missioners Office and Network | 525,836 | - | 525,836 |
| Other Programs Rendered by UWFaith | 946,012 | - | 946,012 |
| Programs Rendered by Other Organizations: | | | |
| United Methodist Organizations National Mission | 1,040,789 | - | 1,040,789 |
| United Methodist Organizations International Mission | 330,697 | - | 330,697 |
| Ecumenical Organization | 37,089 | - | 37,089 |
| Grants from Designated Funds | 1,047,691 | - | 1,047,691 |

Continued on next page.

UNITED WOMEN IN FAITH
Statement of Activities
Year Ended December 31, 2024

| | Without Donor Restrictions | With Donor Restrictions | Total |
|-----------------------------------------------------------|-------------------------------------------|----------------------------------------|----------------|
| Program Support: | | | |
| Church Center for the United Nations (CCUN) | 2,842,761 | - | 2,842,761 |
| Brooks-Howell Home (BHH) | 4,580,915 | - | 4,580,915 |
| Retired Deaconess, Missionary Pension and Health Benefits | 766,077 | - | 766,077 |
| Organization-wide Program Support | 161,456 | - | 161,456 |
| Total program services | 18,185,882 | - | 18,185,882 |
| Supporting Services: | | | |
| Management and general | 2,806,276 | - | 2,806,276 |
| Fundraising | 868,431 | - | 868,431 |
| Total supporting services | 3,674,707 | - | 3,674,707 |
| Total operating expenses | 21,860,589 | - | 21,860,589 |
| Decrease in net assets from operations | (925,930) | (2,901,991) | (3,827,921) |
| Non-operating Activities: | | | |
| Net appreciation in fair value of investments | 2,200,417 | 3,840,014 | 6,040,431 |
| Net appreciation in perpetual trusts held by others | - | 133,301 | 133,301 |
| Change in postretirement and pension benefit costs | 942,296 | - | 942,296 |
| Endowment and other permanent contributions | - | 1,300,355 | 1,300,355 |
| Total non-operating activities | 3,142,713 | 5,273,670 | 8,416,383 |
| Increase in net assets | 2,216,783 | 2,371,679 | 4,588,462 |
| Net assets at beginning of year | 35,118,954 | 69,220,645 | 104,339,599 |
| Net assets at end of year | \$ 37,335,737 | \$ 71,592,324 | \$ 108,928,061 |

See accompanying notes to financial statements.

UNITED WOMEN IN FAITH

Statement of Activities

Year Ended December 31, 2023

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|------------------------------------------------------|-------------------------------------------|----------------------------------------|-------------------|
| Operating Revenues and Support: | | | |
| Conference Giving: | | | |
| Mission Giving | \$ 6,499,007 | \$ - | \$ 6,499,007 |
| Designated Giving | 105,228 | 348,146 | 453,374 |
| Interest Income: | | | |
| Investment Income (Net of Fees) | 150,789 | 1,827,451 | 1,978,240 |
| Bequests, Trusts, Other Long-term Gifts | 124,730 | 146,555 | 271,285 |
| Publications: | | | |
| response Magazine | 209,388 | - | 209,388 |
| Mission Resource Center | 274,580 | - | 274,580 |
| Rental and Service Fee Income: | | | |
| Brooks-Howell Home (BHH) | 4,175,454 | 1,708 | 4,177,162 |
| Church Center for United Nations (CCUN) | 2,406,519 | - | 2,406,519 |
| Other Income: | | | |
| Benefits Trust | 959,247 | - | 959,247 |
| Miscellaneous Other Income | 865,732 | - | 865,732 |
| Net assets released from restrictions | 6,711,363 | (6,711,363) | - |
| Total operating revenues and support | <u>22,482,037</u> | <u>(4,387,503)</u> | <u>18,094,534</u> |
| Operating Expenses: | | | |
| Program Services: | | | |
| Programs Rendered by UWFaith: | | | |
| Transformation | 1,757,466 | - | 1,757,466 |
| Position | 308,842 | - | 308,842 |
| Engage | 158,668 | - | 158,668 |
| Mobilize | 133,132 | - | 133,132 |
| Connectional | 422,110 | - | 422,110 |
| National Missions Office | 1,093,835 | - | 1,093,835 |
| International Mission Work Administration | 1,036,205 | - | 1,036,205 |
| Mission Education | 736,042 | - | 736,042 |
| Response Magazine | 351,772 | - | 351,772 |
| Mission Resources | 355,599 | - | 355,599 |
| Deaconess, Home Missioners Office and Network | 428,705 | - | 428,705 |
| Other Programs Rendered by UWFaith | 806,621 | - | 806,621 |
| Programs Rendered by Other Organizations: | | | |
| United Methodist Organizations National Mission | 1,267,247 | - | 1,267,247 |
| United Methodist Organizations International Mission | 392,752 | - | 392,752 |
| Ecumenical Organization | 38,531 | - | 38,531 |
| Grants from Designated Funds | 2,439,584 | - | 2,439,584 |

Continued on next page.

UNITED WOMEN IN FAITH

Statement of Activities

Year Ended December 31, 2023

| | Without Donor Restrictions | With Donor Restrictions | Total |
|-----------------------------------------------------------|-------------------------------------------|----------------------------------------|-----------------------|
| Program Support: | | | |
| Church Center for the United Nations(CCUN) | 2,409,571 | - | 2,409,571 |
| Brooks-Howell Home (BHH) | 4,434,962 | - | 4,434,962 |
| Retired Deaconess, Missionary Pension and Health Benefits | 1,569,399 | - | 1,569,399 |
| Organization-wide Program Support | 108,253 | - | 108,253 |
| Total program services | <u>20,249,296</u> | <u>-</u> | <u>20,249,296</u> |
| Supporting Services: | | | |
| Management and general | 4,421,361 | - | 4,421,361 |
| Fundraising | 817,341 | - | 817,341 |
| Total supporting services | <u>5,238,702</u> | <u>-</u> | <u>5,238,702</u> |
| Total operating expenses | <u>25,487,998</u> | <u>-</u> | <u>25,487,998</u> |
| Decrease in net assets from operations | <u>(3,005,961)</u> | <u>(4,387,503)</u> | <u>(7,393,464)</u> |
| Non-operating Activities: | | | |
| Net appreciation in fair value of investments | 2,969,552 | 8,030,938 | 11,000,490 |
| Net appreciation in perpetual trusts held by others | - | 172,280 | 172,280 |
| Change in postretirement and pension benefit costs | 3,599,712 | - | 3,599,712 |
| Gain on sale of properties | 175,116 | - | 175,116 |
| Endowment and other permanent contributions | - | 1,004,043 | 1,004,043 |
| Total non-operating activities | <u>6,744,380</u> | <u>9,207,261</u> | <u>15,951,641</u> |
| Increase in net assets | 3,738,419 | 4,819,758 | 8,558,177 |
| Net assets at beginning of year | <u>31,380,535</u> | <u>64,400,887</u> | <u>95,781,422</u> |
| Net assets at end of year | <u>\$ 35,118,954</u> | <u>\$ 69,220,645</u> | <u>\$ 104,339,599</u> |

See accompanying notes to financial statements.

UNITED WOMEN IN FAITH
Statement of Functional Expenses
Year Ended December 31, 2024

| Program Services | | | | | | | | | | | | |
|-------------------------------------------|-------------------|-------------------|---------------------|-------------------|-------------------|--------------------------------|----------------------------------------------------|----------------------|----------------------|----------------------|-------------------------------------------------------------|-------------------------------------------------|
| Programs Rendered by UWFaith | | | | | | | | | | | | |
| | Transformation | Position | Engage | Mobilize | Connectional | National Missions Office | International Mission Work Administration | Mission Education | response Magazine | Mission Resources | Deaconesses, Home Missioners Office and Network | Other Programs Administered by UWFaith |
| Salaries, wages, and employee benefits | \$ 359,758 | \$ - | \$ 980,051 | \$ 382,037 | \$ 449,573 | 364,487 | 294,636 | \$ 386,584 | \$ - | \$ - | \$ 244,100 | \$ 593,167 |
| Missionary support | - | - | - | - | - | - | 567,724 | - | - | - | - | - |
| Grants and distributions | - | - | - | 6,140 | 1,979 | 10,000 | - | - | - | - | 3,133 | - |
| Program expenses | 707 | - | 105,345 | 140,826 | 6,425 | 18,016 | - | 22,651 | - | - | 178,264 | 79,842 |
| Travel expenses | 14,192 | - | 1,163 | - | 15,385 | 2,304 | 4,002 | 2,118 | 2,000 | - | 13,312 | 32,013 |
| Meeting expenses | 385 | - | - | - | - | - | - | - | - | - | 13,319 | 35 |
| Promotional materials | - | 77,186 | - | - | - | - | 25,573 | 38,110 | - | 397,179 | 2,338 | 13,901 |
| Consulting and contractual services | - | 134,195 | 31,909 | 20,182 | - | - | - | 109,752 | 158,272 | - | 43,402 | 139,016 |
| Insurance | - | - | - | - | - | 512,307 | - | - | - | - | - | - |
| Equipment, repair and leasing | - | - | - | - | 1,724 | - | - | 884 | - | - | 748 | - |
| Rent and maintenance | 13,706 | - | - | - | 310 | 18,061 | - | 32,306 | - | - | - | 74,323 |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Utilities | - | - | - | - | - | - | - | - | - | - | - | - |
| Office and other expenses | 64,902 | - | - | - | 765 | - | - | 79 | 114,930 | - | 20,000 | 5,849 |
| Audit and legal fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | 16 | - | - | 4,720 | 11,003 | 7,220 | 7,866 |
| Total | \$ 453,650 | \$ 211,381 | \$ 1,118,468 | \$ 549,185 | \$ 476,161 | \$ 925,191 | \$ 891,935 | \$ 592,484 | \$ 279,922 | \$ 408,182 | \$ 525,836 | \$ 946,012 |

Continued on next page.

UNITED WOMEN IN FAITH
Statement of Functional Expenses
Year Ended December 31, 2024

| | Program Services | | | | | | | | |
|-------------------------------------------|-----------------------------------------------------------------------|----------------------------|------------------------------------|---------------------------------------------------------|------------------------------------|---------------------------------------------|------------------------------|-------------------|----------------------|
| | Programs Rendered by Other Organizations | | | Program Support | | | Supporting Services | | |
| | United Methodist Organizations National and International | Ecumenical Organization | Grants From Designated Funds | Church Center for the United Nations (CCUN) | Brooks- Howell Home (BHH) | Organization- wide Program Support | Management and General | Fundraising | Total |
| Salaries, wages, and employee benefits | \$ 2,027 | \$ - | \$ 557 | \$ 1,013,959 | \$ 54,029 | \$ 211 | \$ 2,058,816 | \$ 607,865 | \$ 7,791,857 |
| Missionary support | - | - | - | - | 5,025,178 | - | - | - | 5,592,902 |
| Grants and distributions | 1,361,058 | - | 1,355,518 | - | - | - | - | - | 2,737,828 |
| Program expenses | 8,401 | - | 186,452 | - | - | - | 1,300 | - | 748,229 |
| Travel expenses | - | - | - | - | - | 21,008 | 25,550 | 36,074 | 169,121 |
| Meeting expenses | - | - | - | - | - | 124,966 | - | - | 138,705 |
| Promotional materials | - | - | - | - | - | - | 54,513 | 132,147 | 740,947 |
| Consulting and contractual services | - | - | - | - | - | - | - | 5,400 | 642,128 |
| Insurance | - | - | - | 126,369 | - | - | 36,036 | - | 674,712 |
| Equipment, repair and leasing | - | - | - | 62,897 | - | - | 202,852 | - | 269,105 |
| Rent and maintenance | - | 35,947 | - | 677,864 | - | 10,450 | 204,010 | 31,278 | 1,098,255 |
| Depreciation | - | - | 380,714 | 113,991 | 267,785 | - | 2,342 | - | 764,832 |
| Utilities | - | - | - | 370,243 | - | - | 39,405 | - | 409,648 |
| Office and other expenses | - | - | - | 191,178 | - | - | 178,526 | 44,729 | 620,958 |
| Audit and legal fees | - | - | - | 64,889 | - | - | 193,722 | 9,199 | 267,810 |
| Miscellaneous | - | 1,142 | (875,550) | 221,371 | - | 4,821 | (190,796) | 1,739 | (806,448) |
| Total | \$ 1,371,486 | \$ 37,089 | \$ 1,047,691 | \$ 2,842,761 | \$ 5,346,992 | \$ 161,456 | \$ 2,806,276 | \$ 868,431 | \$ 21,860,589 |

See accompanying notes to financial statements.

UNITED WOMEN IN FAITH
Statement of Functional Expenses
Year Ended December 31, 2023

| Program Services | | | | | | | | | | | | |
|-------------------------------------------|---------------------|-------------------|-------------------|-------------------|-------------------|--------------------------------|----------------------------------------------------|----------------------|----------------------|----------------------|-------------------------------------------------------------|-------------------------------------------------|
| Programs Rendered by UWFaith | | | | | | | | | | | | |
| | Transformation | Position | Engage | Mobilize | Connectional | National Missions Office | International Mission Work Administration | Mission Education | response Magazine | Mission Resources | Deaconesses, Home Missioners Office and Network | Other Programs Administered by UWFaith |
| Salaries, wages, and employee benefits | \$ 1,614,940 | \$ - | \$ 1,525 | \$ 653 | \$ 408,497 | \$ 321,194 | \$ 352,917 | \$ 532,415 | \$ - | \$ - | \$ 204,116 | \$ 503,252 |
| Missionary support | - | - | - | - | - | - | 649,992 | - | - | - | - | - |
| Grants and distributions | - | - | - | - | 2,470 | 53,165 | - | - | - | - | - | 39,800 |
| Program expenses | 1,401 | - | 144,764 | 92,178 | 6,090 | 33,443 | - | 20,481 | - | - | 158,096 | 73,603 |
| Travel expenses | 8,095 | - | - | - | 4,440 | - | 3,236 | 3,518 | - | - | 11,071 | 9,225 |
| Meeting expenses | 369 | - | - | - | - | - | - | - | - | - | 16,672 | 290 |
| Promotional materials | - | 105,852 | - | - | - | - | 30,060 | 38,981 | - | 344,441 | 1,149 | 1,045 |
| Consulting and contractual services | - | 199,390 | 12,379 | 40,301 | - | - | - | 83,675 | 159,795 | - | 32,826 | 90,733 |
| Insurance | - | - | - | - | - | 686,033 | - | - | - | - | - | - |
| Equipment, repair and leasing | - | - | - | - | - | - | - | 2,031 | - | - | 527 | 295 |
| Rent and maintenance | 23,888 | - | - | - | - | - | - | 54,941 | - | - | - | 68,898 |
| Depreciation | - | - | - | - | - | - | - | - | - | - | - | - |
| Utilities | - | - | - | - | - | - | - | - | 3,717 | - | - | - |
| Office and other expenses | 108,773 | 3,600 | - | - | 613 | - | - | - | 185,314 | - | - | 12,012 |
| Audit and legal fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - | - | 2,946 | 11,158 | 4,248 | 7,468 |
| Total | \$ 1,757,466 | \$ 308,842 | \$ 158,668 | \$ 133,132 | \$ 422,110 | \$ 1,093,835 | \$ 1,036,205 | \$ 736,042 | \$ 351,772 | \$ 355,599 | \$ 428,705 | \$ 806,621 |

Continued on next page.

UNITED WOMEN IN FAITH
Statement of Functional Expenses
Year Ended December 31, 2023

| | Program Services | | | | | | | | |
|-------------------------------------------|-----------------------------------------------------------------------|----------------------------|------------------------------------|---------------------------------------------------------|------------------------------------|---------------------------------------------|------------------------------|-------------------|----------------------|
| | Programs Rendered by Other Organizations | | | Program Support | | | Supporting Services | | |
| | United Methodist Organizations National and International | Ecumenical Organization | Grants From Designated Funds | Church Center for the United Nations (CCUN) | Brooks- Howell Home (BHH) | Organization- wide Program Support | Management and General | Fundraising | Total |
| Salaries, wages, and employee benefits | \$ 2,585 | \$ - | \$ - | \$ 1,000,440 | \$ 40,117 | \$ 218 | \$ 2,995,347 | \$ 576,712 | \$ 8,554,928 |
| Missionary support | - | - | - | - | 5,719,849 | - | - | - | 6,369,841 |
| Grants and distributions | 1,615,410 | - | 1,789,178 | - | - | - | - | - | 3,500,023 |
| Program expenses | 41,752 | - | 294,714 | - | - | - | 2,397 | - | 868,919 |
| Travel expenses | 252 | - | - | - | - | 1,124 | 20,426 | 29,035 | 90,422 |
| Meeting expenses | - | - | - | - | - | 36,988 | - | - | 54,319 |
| Promotional materials | - | - | - | - | - | - | 30,072 | 122,029 | 673,629 |
| Consulting and contractual services | - | - | - | - | - | 48,906 | 46,828 | - | 714,833 |
| Insurance | - | - | - | 132,647 | - | - | 59,503 | - | 878,183 |
| Equipment, repair and leasing | - | - | - | 48,848 | - | - | 352,993 | - | 404,694 |
| Rent and maintenance | - | 36,919 | - | 432,309 | - | 19,110 | 355,997 | 38,220 | 1,030,282 |
| Depreciation | - | - | 355,692 | 124,687 | 244,395 | - | 27,366 | - | 752,140 |
| Utilities | - | - | - | 335,681 | - | - | 49,757 | - | 389,155 |
| Office and other expenses | - | - | - | 135,621 | - | - | 121,784 | 43,543 | 611,260 |
| Audit and legal fees | - | - | - | 93,639 | - | - | 208,254 | 7,500 | 309,393 |
| Miscellaneous | - | 1,612 | - | 105,699 | - | 1,907 | 150,637 | 302 | 285,977 |
| Total | \$ 1,659,999 | \$ 38,531 | \$ 2,439,584 | \$ 2,409,571 | \$ 6,004,361 | \$ 108,253 | \$ 4,421,361 | \$ 817,341 | \$ 25,487,998 |

See accompanying notes to financial statements.

UNITED WOMEN IN FAITH
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

| | 2024 | 2023 |
|----------------------------------------------------------------------------------------------------------|--------------|--------------|
| Cash flows from operating activities: | | |
| Increase in net assets | \$ 4,588,462 | \$ 8,558,177 |
| Adjustments to reconcile increase in net assets to net cash used in operating activities: | | |
| Depreciation | 764,832 | 752,140 |
| Gain on sale of properties | - | (175,116) |
| Net appreciation in fair value of investments | (6,040,431) | (11,000,490) |
| Net appreciation in perpetual trusts held by others | (133,301) | (172,280) |
| Contributions and investment return restricted for long-term investment | (1,300,355) | (1,004,043) |
| Actuarial loss on annuity obligations | 36,041 | 21,203 |
| Change in receivables | (540,251) | 474,601 |
| Change in inventories and other assets | 86,169 | (25,337) |
| Change in prepaid expenses | 170,586 | 29,300 |
| Change in accounts payable and accrued expenses | (642,192) | 305,240 |
| Change in deferred revenue | - | 1,350,183 |
| Change in assets held for others | (564,921) | 385,582 |
| Change in accrued postretirement and pension benefit costs | (942,296) | (3,599,712) |
| Net cash used in operating activities | (4,517,657) | (4,100,552) |
| Cash flows from investing activities: | | |
| Proceeds from sale of properties | - | 175,116 |
| Purchases of equipment and improvements | (389,979) | (209,206) |
| Proceeds from sales of investments | 7,990,283 | 4,623,630 |
| Purchases of investments | (3,798,844) | (3,100,058) |
| Net cash provided by investing activities | 3,801,460 | 1,489,482 |
| Cash flows from financing activities: | | |
| Contributions and investment return restricted for long-term investment | 1,300,355 | 1,004,043 |
| Payments of annuity obligations | (43,590) | (36,041) |
| Net cash provided by financing activities | 1,256,765 | 968,002 |
| Net increase (decrease) in cash and cash equivalents | 540,568 | (1,643,068) |
| Cash and cash equivalents at beginning of year | 1,861,432 | 3,504,500 |
| Cash and cash equivalents at end of year | \$ 2,402,000 | \$ 1,861,432 |
| Reconciliation of cash and cash equivalents: | | |
| Cash and cash equivalents | \$ - | \$ 19,432 |
| Cash and cash equivalents - State of North Carolina operating reserve requirement for Brooks-Howell Home | 2,402,000 | 1,842,000 |
| Total cash and cash equivalents | \$ 2,402,000 | \$ 1,861,432 |
| Supplemental disclosure of cash flow information: | | |
| Cash paid for amounts included in the measurement of operating lease liability | \$ 372,105 | \$ 594,497 |

See accompanying notes to financial statements.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(1) Nature of Organization

United Methodist Women, doing business as United Women in Faith (“UWFaith”), is a tax-exempt, not-for-profit organization, affiliated with The United Methodist Church (the “Church”). UWFaith previously operated as the United Methodist Women and the Women’s Division of the General Board of Global Ministries of The United Methodist Church.

UWFaith relates to jurisdictions, conferences, districts, and local units that carry out the purpose of the United Women in Faith by advocating for the oppressed and dispossessed, especially women, children, and youth. It works to build a supportive community among women and engages in activities, which foster growth in the Christian faith, mission education, and Christian social involvement throughout the Church.

Funding for UWFaith’s operations is principally pledged by women in local churches through undesignated and designated gifts and channeled to UWFaith via the districts and conferences. Contributions received from United Women in Faith conferences accounted for approximately 34% and 38% of total operating revenue of UWFaith in 2024 and 2023, respectively. Additionally, UWFaith operates the following program areas: Church Center for the United Nations (“CCUN”) building, a non-profit providing office space for religious and charitable groups working on issues related to the United Nations; UWFaith Mission Resources (“MR”), a handling and distribution program for the distribution of UWFaith’s media resources and *Response* magazine, the official publication of United Women in Faith; and Brooks-Howell Home (“BHH”), a retirement facility in Asheville, North Carolina, for UWFaith’s retired missionaries and deaconesses as well as seniors from the community.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements of UWFaith are prepared on the accrual basis of accounting. UWFaith considers the net appreciation or depreciation in fair value of investments, endowment contributions, perpetual trust contributions and change in value, property sale gains, and nonrecurring transactions to be nonoperating activities.

(b) Principles of Presentation

The financial statements present the financial position, changes in net assets, and cash flows of UWFaith and its controlled affiliates and operating divisions: CCUN, MR, and BHH. All significant intercompany accounts and transactions have been eliminated.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturity dates of 90 days or less that are readily convertible to known amounts of cash, except for short-term investments held by UWFaith’s investment manager as part of a long-term investment strategy.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(2) Summary of Significant Accounting Policies - Continued

(d) Investments

Securities purchased for investments and those received as gifts are carried at fair value. Except for certain investments in United Methodist Foundation of Western North Carolina, Inc. (the "Foundation") and the Funds of Wespath Benefits and Investments ("Wespath"), fair value is based upon quoted market prices. Investments in funds of the Foundation are stated at fair value, as determined by management of the Foundation, based on unitized market value of the fund portfolio. Investments in Wespath's Funds are stated at fair value primarily based on unitized market value of the respective fund portfolios.

(e) Inventories

Inventories consist primarily of publications and are valued at the lower of cost or net realizable value, with cost determined principally on the first-in, first-out basis. Inventories are presented net of an allowance for obsolescence of \$-0- at both December 31, 2024 and 2023.

(f) Land, Buildings and Equipment

Land, buildings, and equipment are recorded at the cost of acquisition, if purchased, or at fair value at the date of gift. It is UWFaith's policy to capitalize expenditures for equipment in excess of \$2,500; purchases, which do not exceed this amount, are expensed as incurred. Buildings, building improvements, and equipment are depreciated on a straight-line basis over their estimated useful lives of 30, 20, and 5 years, respectively.

UWFaith has granted use of certain properties (land and buildings) to related church organizations under leasing or other arrangements and, accordingly, these properties are not reflected in the accompanying financial statements. These arrangements may call for nominal payments and are typically renewed so long as the grantee continues to carry out the stated programs. The carrying value of such properties was reflected as program expenditure at the time the arrangements for indefinite use of the properties were made.

Renovation, repair and maintenance, and insurance costs incurred by UWFaith for such properties are recorded as program expenses in the accompanying financial statements. Such costs amounted to approximately \$538,000 and \$741,000 in 2024 and 2023, respectively.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(2) Summary of Significant Accounting Policies - Continued

(g) Contributions and Bequests

Contributions are recognized as revenue when received. Unconditional promises to give cash and other assets to UWFaith are reported at fair value at the date the promise is received. UWFaith reports contributions of cash and other assets as restricted support, if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period as received are reflected as contributions without donor restrictions in the accompanying financial statements. Contributions received on behalf of a specified beneficiary are recorded as a liability to the specified beneficiary concurrent with recognition of the assets received from the donor.

(h) Revenue Recognition

Rental and Service Fee Income

Resident service fees from BHH are reported at the amount that reflects consideration to which UWFaith expects to be entitled in exchange for providing rent, room charges, and related services. Rental income related to CCUN is reported at the amount that reflects consideration to which UWFaith expects to be entitled in exchange from providing rental space and related services in the CCUN building. Generally, rental charges are due at the beginning of each month. Revenue is recognized as the performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by BHH (resident services fees) and UWFaith (CCUN rental income). Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected or actual charges.

(i) Net Assets

For reporting purposes, UWFaith's financial statements have been prepared to focus on the organization as a whole. Resources are classified into two net asset categories based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of UWFaith and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of UWFaith. Net assets without donor restrictions represent resources over which the Board of Directors has full discretion with respect to use. The Board of Directors has designated certain net assets without donor restrictions for programs, retirement benefits, and to function as endowment (See Notes 9, 10, and 14).

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(2) Summary of Significant Accounting Policies - Continued

Net Assets With Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of UWFaith or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity but may permit UWFaith to use or expend part or all of the income derived from the donated assets.

Support is reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. New York State law (substantially in conformity with The Uniform Prudent Management of Institutional Funds Act) authorizes expenditures of appreciation (both realized and unrealized) in the value of endowment funds subject to a standard of business care and prudence. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donors or state law. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities as net assets released from restrictions.

In the event a donor makes changes to the nature of a restricted gift which affects its classification among the net asset categories, such amounts are reflected as reclassifications in the statements of activities.

(j) Federal Income Tax Exemption

UWFaith is covered under the General Council on Finance and Administration's ("GCFA") group determination letter from the Internal Revenue Service indicating that it is a nonprofit corporation and, except for taxes pertaining to unrelated business income, is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. UWFaith believes it had no unrelated business income during the years ended December 31, 2024 and 2023.

UWFaith accounts for the effect of any uncertain tax positions based on a more likely than not threshold to the recognition of the tax position being sustained based on the technical merits of the position under examination by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a cumulative probability assessment that aggregates the estimated tax liability for all uncertain tax positions. Tax positions for UWFaith include, but are not limited to, the tax-exempt status and determination of whether income is subject to unrelated business income tax; however, UWFaith has determined that such tax positions do not result in an uncertainty requiring recognition.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(2) Summary of Significant Accounting Policies - Continued

(k) Use of Estimates

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

(l) Financial Instruments and Fair Value Measurements

Assets recorded at fair value in the statements of financial position are categorized based on the level of judgment associated with the inputs used to measure their fair value. Level inputs, as defined by Financial Accounting Standards Board Accounting Standards Codification (“ASC”) 820, *Fair Value Measurements and Disclosures*, are as follows:

Level 1 - Values are unadjusted quoted prices for identical assets in active markets accessible at the measurement date.

Level 2 - Inputs include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect UWFaith’s best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

(m) Functional Allocation of Expenses

Costs of providing UWFaith’s ministries, programs, and services are summarized and reported on a functional basis. Program services expenses include costs directly associated with the program and other indirect costs determined to benefit that program. These costs have been allocated between program and supporting services based on estimates made by management.

(n) Reclassifications

Certain reclassifications have been made to the 2023 financial statement presentation to correspond to the current year’s presentation. Net assets and changes in net assets are unchanged due to these reclassifications.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(3) Liquidity and Availability of Resources

The table below represents financial assets available for general expenditures within one year at December 31, 2024 and 2023.

| | 2024 | 2023 |
|----------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Financial assets at year-end: | | |
| Cash and cash equivalents | \$ - | \$ 19,432 |
| Cash and cash equivalents - State of North Carolina operating reserve requirement for Brooks Howell Home | 2,402,000 | 1,842,000 |
| Receivables | 4,661,583 | 4,121,332 |
| Investments in debt securities of The United Methodist Development Fund | 5,500 | 5,500 |
| Investments | 104,806,191 | 102,957,199 |
| Perpetual trusts held by others | 1,848,578 | 1,715,276 |
| Total financial assets | 113,723,852 | 110,660,739 |
| Less amounts not available to be used for general expenditures within one year: | | |
| Cash and cash equivalents - State of North Carolina operating reserve requirement for Brooks-Howell Home | 2,402,000 | 1,842,000 |
| Perpetual trusts held by others | 1,848,578 | 1,715,276 |
| Assets held for others | 5,179,492 | 5,744,413 |
| Board designated funds | 36,113,608 | 36,335,043 |
| Subject to purpose restrictions | 44,281,711 | 43,343,688 |
| Donor restricted funds held in perpetuity | 27,310,613 | 25,876,957 |
| Financial assets not available to be used within one year | 117,136,002 | 114,857,377 |
| Financial assets available to meet general expenditures within one year | <u>\$(3,412,150)</u> | <u>\$(4,196,638)</u> |

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(3) Liquidity and Availability of Resources - Continued

As noted in Note 12, UWFaith is the provider for the operations of BHH, a retirement facility in Asheville, North Carolina. UWFaith must maintain an operating reserve requirement for BHH; therefore, the cash and cash equivalents set aside for this operating reserve requirement are not available for general expenditure. UWFaith is the beneficiary of various perpetual trusts created by donors, the assets of which are not in the possession of UWFaith. UWFaith has legally enforceable rights or claims to such assets including the right to income therefrom. UWFaith has recorded the asset and recognized contribution revenue with donor restrictions at the fair value of its beneficial interest in the perpetual trust assets. Distributions received on the perpetual trust assets are recorded as investment income in the statements of activities unless otherwise restricted by the donor. Subsequent changes in fair value of the perpetual trusts held by others are recorded as net unrealized gains or losses on perpetual trusts held by others in the net assets with donor restrictions classification. UWFaith receives significant support through restricted and unrestricted contributions and must maintain sufficient resources to meet responsibilities to its donors; therefore, these assets are limited to use for donor-restricted purposes.

Additionally, UWFaith maintains certain other board designated assets that are designated for specific purposes. These assets are limited to use, which are more fully described in Note 9 and are not available for general expenditures within the next year. However, the board-designated amounts could be made available, if necessary. UWFaith has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

(4) Related Parties

UWFaith is affiliated with the Scarritt-Bennett Center (the "Center"), a conference, retreat, and educational center in Nashville, Tennessee. UWFaith appoints certain members of the Center's Board and the Center operates on property, title to which is held by UWFaith. UWFaith retains sole ownership of the property, including the rights to sell and shares interest in the proceeds from the sale of property with GCFA. In March 2017, the UWFaith Board of Directors designated funds totaling \$5,000,000 for the Center's property reinvestment (see Note 13). As of December 31, 2024, UWFaith has approved and paid the Center 4,922,857 in property reinvestment grants. The remaining board designated funds for the Center's property reinvestment is \$77,143 as of December 31, 2024.

(5) Land, Buildings, and Equipment

Land, buildings, and equipment consist of the following at December 31, 2024 and 2023:

| | <u>2024</u> | <u>2023</u> |
|-------------------------------------|---------------------|---------------------|
| Land, buildings, and improvements | \$ 16,511,789 | \$ 16,199,315 |
| Equipment | <u>6,032,282</u> | <u>5,954,777</u> |
| | 22,544,071 | 22,154,092 |
| Accumulated depreciation | <u>(15,742,742)</u> | <u>(14,977,910)</u> |
| Land, buildings, and equipment, net | <u>\$ 6,801,329</u> | <u>\$ 7,176,182</u> |

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(6) Investments

At December 31, 2024 and 2023, the cost and fair value of investments are as follows:

| | <u>2024</u> | | <u>2023</u> | |
|--------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------------|-------------------|----------------------|
| | <u>Cost</u> | <u>Fair Value</u> | <u>Cost</u> | <u>Fair Value</u> |
| Short-term securities | \$ 147,592 | \$ 147,592 | \$ 152,456 | \$ 152,981 |
| Marketable equity securities | 561,055 | 561,055 | 491,194 | 491,194 |
| Wespath: | | | | |
| International Equities Fund | 19,900,813 | 20,444,165 | 21,942,291 | 22,297,291 |
| U.S. Equities Fund | 24,241,557 | 31,809,252 | 26,032,027 | 31,344,339 |
| Fixed Income Fund | 30,154,374 | 30,844,840 | 29,684,515 | 29,878,085 |
| Equity Social Values Fund | 8,736,544 | 11,406,388 | 6,758,873 | 8,133,740 |
| Inflation Protection Fund | 8,830,871 | 9,261,752 | 9,636,049 | 10,021,584 |
| Pooled investment funds | <u>671,515</u> | <u>671,515</u> | <u>637,985</u> | <u>637,985</u> |
| Sub-total investments | <u>93,244,321</u> | <u>105,146,559</u> | <u>95,335,390</u> | <u>102,957,199</u> |
| Less: Amount needed to cover the State of North Carolina operating reserve requirement for Brooks- Howell Home (Note 12) | | <u>(340,368)</u> | | <u>-</u> |
| Total investments | | <u>\$ 104,806,191</u> | | <u>\$102,957,199</u> |

Investments in international common stocks represent investments in stocks of international companies located primarily in Japan, United Kingdom, France, the Netherlands, and Germany. Such investments are subject to foreign currency risk as well as market risk.

Investments, at fair value, include \$16,402,972 and \$15,001,527 at December 31, 2024 and 2023, respectively, designated for UWFaith's retirement fund (See Notes 7 and 8).

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(6) Investments - Continued

Investment return for the years ended December 31, 2024 and 2023 consisted of the following:

| | 2024 | 2023 |
|---------------------------------------------------------|---------------------|---------------------|
| Interest and dividends | <u>\$ 2,146,101</u> | <u>\$ 1,978,224</u> |
| Net appreciation in fair value of investments: | | |
| Realized gains on investments | 4,111,018 | 561,734 |
| Increase in accumulated unrealized gains on investments | <u>1,929,413</u> | <u>10,438,756</u> |
| Net appreciation in fair value of investments | <u>6,040,431</u> | <u>11,000,490</u> |
| Total gain on investments | 8,186,532 | 12,978,714 |
| Investment management expenses | <u>-</u> | <u>-</u> |
| Gain on investments, net | <u>\$ 8,186,532</u> | <u>\$12,978,714</u> |

(7) Retirement Benefits

(a) Retirement Benefits Fund

UWFaith administers all pension plans (the “Plans”) for retired deaconesses and missionaries of UWFaith and its predecessor organizations. These Plans are closed to new participants. With respect to pension funds in existence prior to unification of UWFaith (for which all participants are currently retired and receiving a pension), UWFaith maintains a separate retirement fund. The assets designated for retirement benefits are included in UWFaith’s statements of financial position, principally relating to investments (See Note 6), as well as the assets of Brooks-Howell Home. The benefit obligation is included in accrued postretirement and pension benefit costs in statements of financial position. The difference of the assets designated for retirement benefits and the accrued postretirement and pension benefit costs is reported as unrestricted net assets designated for retirement benefits of missionaries and deaconesses (see below and Note 8). Missionary benefits expense in the accompanying statements of activities includes benefits paid under the pension plan plus the increase (decrease) in the actuarially calculated benefit obligation of the pension plan.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(7) Retirement Benefits - Continued

(a) Retirement Benefits Fund - Continued

The annual benefit level (per year of pension credit service) was \$679 and \$659 for the 2024 and 2023 actuarial valuations, respectively. The actuarial method is the Projected Unit Credit Method for both 2024 and 2023. The following are significant actuarial assumptions used in the valuations:

| | 2024 | 2023 |
|--------------------------|--------------------|--------------------|
| Discount rate | 5.14% | 4.58% |
| Mortality | Pri-2012 (MP-2021) | Pri-2012 (MP-2021) |
| Annual benefit increases | 3.00% | 2.00% |

Changes in assumptions used in the 2024 calculation were made to better reflect current market conditions, future anticipated mortality improvements, and revised administrative expense assumptions.

Participant data as of December 31 is summarized below:

| | 2024 | 2023 |
|-------------------------------|------|------|
| Number of Participants | | |
| Active | - | - |
| Separated vested | - | - |
| Retirees | 50 | 60 |
| Total | 50 | 60 |

The following table sets forth financial information about the plan as of and for the years ended December 31, 2024 and 2023:

| | 2024 | 2023 |
|-------------------------------------------------|---------------|---------------|
| Missionary and Deaconess Pension | | |
| Projected benefit obligation, beginning of year | \$(3,927,264) | \$(4,294,799) |
| Service cost | (14,000) | (12,000) |
| Interest cost | (149,399) | (190,258) |
| Actuarial gain (loss) | 315,506 | (77,500) |
| Administrative expense | 14,000 | 14,000 |
| Plan amendments | (1,044,872) | - |
| Benefits paid | 594,843 | 633,293 |
| Projected benefit obligation, end of year | \$(4,211,186) | \$(3,927,264) |

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(7) Retirement Benefits - Continued

(a) Retirement Benefits Fund - Continued

Estimated future benefit cash flows for the next five years and thereafter are as follows:

| <u>Year</u> | <u>Projected Benefits</u> |
|-------------|---------------------------|
| 2025 | \$ 660,633 |
| 2026 | 596,817 |
| 2027 | 537,570 |
| 2028 | 482,656 |
| 2029 | 431,833 |
| Thereafter | \$ 1,525,992 |

(b) Employee Benefits

Full-time laypersons and clergy employed by UWFaith participate in the Retirement Plan for General Agencies (“RPGA”). This defined contribution plan is administered by Wespath.

UWFaith makes semi-monthly contributions to each eligible employee’s account held by Wespath based on 8% of annual employee compensation. Additionally, UWFaith matches up to 2% of each employee’s contribution to their United Methodist Personal Investment Plan (“UMPIP”). Total contributions made by UWFaith for both components during 2024 and 2023 were \$483,034 and \$520,246, respectively.

UWFaith, through Brooks-Howell Home, also participates in the Cumulative Pension and Benefit Fund, which is administered by Wespath. All eligible employees of Brooks-Howell Home with more than two years of service participate in the plan. No employee contributions are required; however, voluntary employee contributions may be made. UWFaith pays 5% of eligible compensation into the plan with an additional 2% matching contribution. Effective January 1, 2021, the Organization reduced the contribution rate to 3% of eligible compensation into the Plan and eliminated the additional 2% matching contribution. During the years ended December 31, 2024 and 2023, UWFaith made contributions of \$48,114 and \$57,759, respectively.

(8) Health, Life and Other Employee Benefits

UWFaith provides health, life, and other employee benefits for its active employees and health, dental, and life benefits to retirees through a group plan, which qualifies for treatment as a multiemployer plan under ASC 715, *Compensation - Retirement Benefits*. Substantially all retired employees are eligible to participate in the plan if they have attained normal retirement age while in the employ of UWFaith.

Retirees are offered a group Health Reimbursement Account (“HRA”) plan in partnership with Via Benefits and Wespath. Substantially all retired employees are eligible to participate in the plan if they have attained normal retirement age while in the employ of UWFaith.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(8) Health, Life and Other Employee Benefits - Continued

The General Agencies of The United Methodist Church Benefit Plan (the “Plan”) provides medical, dental, life, and long and short-term disability defined benefits to participants of the General Agencies.

The total cost of benefits for active employees was approximately \$1,095,000 and \$1,111,000 in 2024 and 2023, respectively, exclusive of reimbursement from the General Agency Benefit Trust (the “Benefit Trust”).

Wespath has transferred certain excess pension assets to the Benefit Trust established by the 1996 General Conference as of December 31, 1996. Annually, the Benefit Trust allows a stated percentage, of 6% for both 2024 and 2023, of the fair market value of Benefit Trust assets at year-end to be available for distribution in the subsequent year in order to reimburse the participating agencies for their funding of active and retired employee benefits. UWFaith received distributions from the Benefit Trust through GCFA. The 2012 General Conference established UWFaith as a separate legal entity, and therefore, UWFaith may no longer be entitled to receive a distribution from the Benefit Trust. Distributions were discontinued to UWFaith in February 2017; however, UWFaith filed a request for reconsideration with GCFA to be reinstated as a beneficiary of the proceeds from the Benefit Trust, which was approved during 2017. Distributions received by UWFaith, from GCFA, totaled approximately \$1,039,000 and \$959,000 for 2024 and 2023, respectively.

UWFaith also sponsors an unfunded noncontributory postretirement welfare plan that covers all retired missionaries and deaconesses, with a minimum service requirement of five years, for their respective lifetime. This Plan is closed to new participants. As of both December 31, 2024 and 2023, there were 52 participants receiving benefits. Plan benefits include the following:

- Reimbursements for medical and dental care, medically related travel, Medicare premiums, and expenses for special medical care assistance. The level of benefits is based on the employee’s years of service: 25% reimbursement for retirees with five years of service, increasing proportionately to a level of 100% for retirees with 20 years of service and over.
- Medical and retirement home care provided through Brooks-Howell Home for retirees with a minimum of 15 years of service. Benefits provided are based on a shared-cost formula.
- UWFaith also offers a group Health Reimbursement Account (“HRA”) plan in partnership with Via Benefits and Wespath to retired missionaries and deaconesses, with a minimum service requirement of five years, for their respective lifetime. This Plan is closed to new participants.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(8) Health, Life and Other Employee Benefits - Continued

The following table sets forth financial information about the plan as of and for the years ended December 31, 2024 and 2023:

| | <u>2024</u> | <u>2023</u> |
|-------------------------------------------------|--------------------|----------------------|
| Projected benefit obligation, beginning of year | \$(1,335,748) | \$(4,567,925) |
| Employer service cost | (62,356) | (60,759) |
| Interest cost | (201,634) | (198,573) |
| Expected return on plan assets | 207,145 | - |
| Plan amendments | 621,957 | - |
| Divestitures (acquisitions) | - | 3,104,776 |
| Actuarial gain (loss) | 341,841 | (709,740) |
| Benefits paid | <u>319,265</u> | <u>1,096,473</u> |
| Projected benefit obligation, end of year | <u>\$(109,530)</u> | <u>\$(1,335,748)</u> |

The following table sets forth financial information breakdown between the Medical Plan and the Retirement Home Plan as of December 31, 2024 and 2023:

| | <u>Medical Plan</u> | <u>Retirement Home</u> | <u>Total</u> |
|------------------------------------------------------------------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| <u>2024:</u> | | | |
| Benefit obligation at December 31 | <u>\$(109,530)</u> | <u>\$ -</u> | <u>\$(109,530)</u> |
| Accrued benefit cost recognized in the statement of financial position | <u>\$(109,353)</u> | <u>\$ -</u> | <u>\$(109,530)</u> |
| Actuarial assumptions: | | | |
| Benefit obligation discount rate | 5.44% | | |
| Mortality | | Pri-2012 Generational Mortality Table (headcount-weighted), using separate rates for annuitants and contingent survivors (after the death of the original annuitant), with projected mortality improvement under Scale MP-2021 with separate rates for males and females. | |
| HRA utilization | | Retirees and spouses are assumed to utilize the full amount of their HRA with no forfeitures. | |
| HRA assumed increase | | The HRA contributions are assumed to increase at an annual rate of 2.00%. | |

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(8) Health, Life and Other Employee Benefits - Continued

| | <u>Medical Plan</u> | <u>Retirement Home</u> | <u>Total</u> |
|------------------------------------------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| <u>2023:</u> | | | |
| Benefit obligation at December 31 | <u>\$(1,107,385)</u> | <u>\$(228,363)</u> | <u>\$(1,335,748)</u> |
| Accrued benefit cost recognized in the statement of financial position | <u>\$(1,107,385)</u> | <u>\$(228,363)</u> | <u>\$(1,335,748)</u> |
| Actuarial assumptions: | | | |
| Benefit obligation discount rate | 4.750% | | |
| Mortality | | Pri-2012 Generational Mortality Table (headcount-weighted), using separate rates for annuitants and contingent survivors (after the death of the original annuitant), with projected mortality improvement under Scale MP-2021 with separate rates for males and females. | |
| HRA utilization | | Retirees and spouses are assumed to utilize the full amount of their HRA with no forfeitures. | |
| HRA assumed increase | | The HRA contributions are assumed to increase at an annual rate of 2.00%. | |

Future Benefit Payments: Estimated future benefit payments reflecting expected future service for the next five fiscal years and thereafter are as follows:

| <u>Year</u> | <u>Medical Plan</u> | <u>Retirement Home</u> | <u>Total</u> |
|-------------|---------------------|------------------------|--------------|
| 2025 | \$56,142 | \$226,213 | \$282,355 |
| 2026 | 50,513 | 232,646 | 283,159 |
| 2027 | 45,238 | 230,070 | 275,308 |
| 2028 | 40,321 | 231,903 | 272,224 |
| 2029 | 34,764 | 231,876 | 267,640 |
| Thereafter | 122,929 | 1,116,229 | 1,239,157 |

As of January 1, 2020, UWFaith changed the plan design from Medicare supplement premium sharing to a HRA subsidy model. With the HRA model, UWFaith is able to control the level of the subsidy. The HRA is assumed to grow annually at 2%. Any increases in medical premiums beyond the assumed 2% growth in the HRA subsidy is a cost that the participant is responsible for paying.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(9) Description of Net Assets

Net assets without donor restrictions include the following at December 31, 2024 and 2023:

| | <u>2024</u> | <u>2023</u> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Undesignated | \$ 1,222,129 | \$(1,216,089) |
| Board designated: | | |
| Board designated for programs: | | |
| Annuities | (112,040) | (116,102) |
| Other programs | <u>4,996,138</u> | <u>6,998,166</u> |
| Total board designated for programs | <u>4,884,098</u> | <u>6,882,064</u> |
| Board designated for retirement benefits of missionaries and deaconesses | <u>13,717,432</u> | <u>11,255,577</u> |
| Board designated funds functioning as endowment | <u>16,155,635</u> | <u>15,988,297</u> |
| Board designated for other: | | |
| Scarritt-Bennett property reinvestment | 77,143 | 101,912 |
| Racial Justice initiative, Immigration responses, Acts of Repentance follow through, and Leadership Initiatives with Central Conference Women and women around the world | 1,147,787 | 1,959,145 |
| TIC 15 th floor renovation | 49,276 | 65,811 |
| CCUN sprinkler, fire alarm, and air conditioning systems | 42,450 | 42,450 |
| CCUN renovations | <u>39,787</u> | <u>39,787</u> |
| Total board designated for other | <u>1,356,443</u> | <u>2,209,105</u> |
| Total board designated | <u>36,113,608</u> | <u>36,335,043</u> |
| Total net assets without donor restrictions | <u>\$ 37,335,737</u> | <u>\$ 35,118,954</u> |

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(9) Description of Net Assets - Continued

Net assets with donor restrictions include the following at December 31, 2024 and 2023:

| | <u>2024</u> | <u>2023</u> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Subject to purpose restrictions: | | |
| Projects and program activities to support Women, children, and youth; missionaries and Deaconesses pension and medical support; scholarships; and educational institutions | <u>\$44,281,711</u> | <u>\$43,343,688</u> |
| Endowments: | | |
| Contributions restricted to investment in perpetuity. Income from these funds is expendable to support the following purposes: | | |
| Projects and program activities to support Women, children, and youth; missionaries and Deaconesses pension and medical support; Scholarships; and educational institutions | <u>27,310,613</u> | <u>25,876,957</u> |
| Total net assets with donor restrictions | <u>\$71,592,324</u> | <u>\$69,220,645</u> |

Net assets of \$5,431,849 and \$6,711,363 for 2024 and 2023, respectively, were released from donor restrictions by incurring costs and expenses satisfying the restricted purposes or by the occurrence of other events specified by donors. The purpose restrictions accomplished were for program services.

(10) Endowments

UW Faith's endowment consists of approximately 595 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of UW Faith has interpreted the applicable state law as requiring the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, UW Faith classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(10) Endowments - Continued

UW Faith considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the endowment fund
- The purposes of UW Faith and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of UW Faith
- Alternatives to expenditure of the endowment fund
- The investment policies of the UW Faith

2024:

Endowment Net Asset Composition by Type of Fund as of December 31, 2024

| | Without Donor Restrictions | With Donor Restrictions | | Total |
|----------------------------------|-------------------------------------------|------------------------------------|------------------------------------|-------------------------|
| | | Temporary in Nature | Perpetual in Nature | |
| Donor-restricted endowment funds | \$ - | \$ 38,035,306 | \$ 27,310,613 | \$ 65,345,919 |
| Board-designated endowment funds | <u>16,155,635</u> | <u>-</u> | <u>-</u> | <u>16,155,635</u> |
| Total funds | <u>\$16,155,635</u> | <u>\$38,035,306</u> | <u>\$27,310,613</u> | <u>\$81,501,554</u> |

Changes in Endowment Net Assets for the Year Ended December 31, 2024

| | Without Donor Restrictions | With Donor Restrictions | | Total |
|----------------------------------------------------------------------------|-------------------------------------------|------------------------------------|------------------------------------|--------------------------|
| | | Temporary in Nature | Perpetual in Nature | |
| Endowment net assets, beginning of year | <u>\$ 15,988,297</u> | <u>\$ 37,250,744</u> | <u>\$ 25,876,957</u> | <u>\$ 79,115,998</u> |
| Investment income: | | | | |
| Investment income | 56,166 | 1,850,063 | - | 1,906,228 |
| Net appreciation (realized and unrealized) | <u>111,172</u> | <u>3,573,363</u> | <u>133,301</u> | <u>3,817,836</u> |
| Total investment income | <u>167,338</u> | <u>5,423,426</u> | <u>133,301</u> | <u>5,724,064</u> |
| Contributions | <u>-</u> | <u>-</u> | <u>1,300,355</u> | <u>1,300,355</u> |
| Appropriation of endowment assets for expenditure and reclassifications | <u>-</u> | <u>(4,638,864)</u> | <u>-</u> | <u>(4,638,864)</u> |
| Endowment net assets, end of year | <u>\$16,155,635</u> | <u>\$ 38,035,306</u> | <u>\$ 27,310,613</u> | <u>\$ 81,501,554</u> |

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(10) Endowments - Continued

2023:

Endowment Net Asset Composition by Type of Fund as of December 31, 2023

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> Temporary in Nature | <u>Perpetual in Nature</u> | <u>Total</u> |
|----------------------------------|--------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------|---------------------|
| Donor-restricted endowment funds | \$ - | \$37,250,744 | \$25,876,957 | \$63,127,701 |
| Board-designated endowment funds | <u>15,988,297</u> | <u>-</u> | <u>-</u> | <u>15,988,297</u> |
| Total funds | <u>\$15,988,297</u> | <u>\$37,250,744</u> | <u>\$25,876,957</u> | <u>\$79,115,998</u> |

Changes in Endowment Net Assets for the Year Ended December 31, 2023

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> Temporary in Nature | <u>Perpetual in Nature</u> | <u>Total</u> |
|----------------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------|----------------------|
| Endowment net assets, beginning of year | <u>\$15,790,124</u> | <u>\$ 32,409,097</u> | <u>\$ 24,698,926</u> | <u>\$ 72,898,147</u> |
| Investment income: | | | | |
| Investment income | 35,690 | 1,724,091 | 1,708 | 1,761,489 |
| Net appreciation (realized and unrealized) | <u>162,483</u> | <u>7,812,297</u> | <u>172,280</u> | <u>8,147,060</u> |
| Total investment income | <u>198,173</u> | <u>9,536,388</u> | <u>173,988</u> | <u>9,908,549</u> |
| Contributions | <u>-</u> | <u>-</u> | <u>1,004,043</u> | <u>1,004,043</u> |
| Appropriation of endowment assets for expenditure and reclassifications | <u>-</u> | <u>(4,694,741)</u> | <u>-</u> | <u>(4,694,741)</u> |
| Endowment net assets, end of year | <u>\$15,988,297</u> | <u>\$ 37,250,744</u> | <u>\$ 25,876,957</u> | <u>\$ 79,115,998</u> |

Return Objectives and Risk Parameters

UW Faith has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that UW Faith must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index and the Bank of New York Mellon 1 - 3-year Treasury Index while assuming a moderate level of investment risk. UW Faith expects its endowment funds, over time, to provide an average rate of return of between 6 - 8% annually. Actual returns in any given year may vary from this amount.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(10) Endowments - Continued

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, UWFaith relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). UWFaith targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

UWFaith has a formal spending policy. For 2024, after consideration of the factors noted above (under “*Interpretation of Relevant Law*”), a total spending rate of 7.0% was recommended as prudent, from which 1.0% was to be allocated for administrative expenses of UWFaith in managing and administrating the endowment fund portfolio. Further, distributions are made at the discretion of the Board of Directors when determining the annual budget. The Board of Directors approved \$1,847,000 and \$2,478,000 in appropriations from the endowment fund portfolio in 2024 and 2023, respectively. UWFaith considers the long-term expected return on its endowment. Accordingly, over the long term, UWFaith expects the current spending policy to allow its endowment to grow at an average of between 1 - 3% annually. This is consistent with UWFaith’s objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

(11) Fair Value of Financial Instruments

Disclosures concerning the estimated fair value of financial instruments are presented below. The estimated fair value amounts have been determined based on UWFaith’s assessment of available market information and appropriate valuation methodologies. The following table summarizes required fair value disclosures and measurements at December 31, 2024 and 2023 for assets measured at fair value on a recurring basis under ASC 820, *Fair Value Measurements and Disclosures*:

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(11) Fair Value of Financial Instruments - Continued

| | <u>Fair Value Measurements at Reporting Date Using</u> | | | |
|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-------------|
| <u>Assets (Liabilities)</u> <u>Measured</u> <u>at Fair Value</u> | <u>Quoted Prices in</u> <u>Active Markets for</u> <u>Identical Assets</u> <u>(Level 1)</u> | <u>Significant</u> <u>Other Observable</u> <u>Inputs</u> <u>(Level 2)</u> | <u>Significant</u> <u>Unobservable</u> <u>Inputs</u> <u>(Level 3)</u> | |
| <u>2024:</u> | | | | |
| Assets: | | | | |
| Investments: | | | | |
| Short-term securities | \$ 147,592 | \$ 147,592 | \$ - | \$ - |
| Marketable equity securities | 561,055 | 561,055 | - | - |
| International Equities Fund | 20,444,165 | - | 20,444,165 | - |
| U.S. Equities Fund | 31,809,252 | 31,809,252 | - | - |
| Fixed Income Fund | 30,844,840 | - | 30,844,840 | - |
| Equity Social Values Fund | 11,406,388 | - | 11,406,388 | - |
| Inflation Protection Fund | 9,261,752 | - | 9,261,752 | - |
| Pooled investment funds | <u>671,515</u> | <u>-</u> | <u>671,515</u> | <u>-</u> |
| Sub-total investments | 105,146,559 | 32,517,899 | 72,628,660 | - |
| Less: Amount needed to cover the State of North Carolina operating reserve requirement for Brooks-Howell Home (Note 12) | <u>(340,368)</u> | <u>(340,368)</u> | <u>-</u> | <u>-</u> |
| Total investments | <u>\$ 104,806,191</u> | <u>\$32,177,531</u> | <u>\$ 72,628,660</u> | <u>\$ -</u> |
| Perpetual trusts held by others | 1,848,578 | 1,848,578 | - | - |
| Liabilities: | | | | |
| Assets held for others | (5,179,492) | - | (5,179,492) | - |

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(11) Fair Value of Financial Instruments - Continued

| | <u>Fair Value Measurements at Reporting Date Using</u> | | | |
|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-------------|
| <u>Assets (Liabilities)</u> <u>Measured</u> <u>at Fair Value</u> | <u>Quoted Prices in</u> <u>Active Markets for</u> <u>Identical Assets</u> <u>(Level 1)</u> | <u>Significant</u> <u>Other Observable</u> <u>Inputs</u> <u>(Level 2)</u> | <u>Significant</u> <u>Unobservable</u> <u>Inputs</u> <u>(Level 3)</u> | |
| <u>2023:</u> | | | | |
| Assets: | | | | |
| Investments: | | | | |
| Short-term securities | \$ 152,981 | \$ 152,981 | \$ - | \$ - |
| Marketable equity securities | 491,194 | 491,194 | - | - |
| International Equities Fund | 22,297,291 | - | 22,297,291 | - |
| U.S. Equities Fund | 31,344,339 | 31,344,339 | - | - |
| Fixed Income Fund | 29,878,085 | - | 29,878,085 | - |
| Equity Social Values Fund | 8,133,740 | - | 8,133,740 | - |
| Inflation Protection Fund | 10,021,584 | - | 10,021,584 | - |
| Pooled investment funds | <u>637,985</u> | <u>-</u> | <u>637,985</u> | <u>-</u> |
| Sub-total investments | 102,957,199 | 31,988,514 | 70,968,685 | - |
| Less: Amount needed to cover the State of North Carolina operating reserve requirement for Brooks-Howell Home (Note 12) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total investments | <u>\$ 102,957,199</u> | <u>\$31,988,514</u> | <u>\$ 70,968,685</u> | <u>\$ -</u> |
| Perpetual trusts held by others | 1,715,276 | 1,715,276 | - | - |
| Liabilities: | | | | |
| Assets held for others | (5,744,413) | - | (5,744,413) | - |

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(11) Fair Value of Financial Instruments - Continued

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

Investments

The fair value of short-term securities and common stocks are determined using primarily Level 1 inputs in accordance with ASC 820. The fair values of corporate bonds, international equities, domestic bond fund, Multiple Asset Fund and other funds held by Wespath, and pooled investment funds with units are determined using primarily Level 2 inputs.

Other

The fair values of financial instruments for which estimated fair value amounts have not been specifically presented are estimated to approximate the related book values, primarily based on the short-term nature of these instruments.

(12) Operating Reserve Requirement for Brooks-Howell Home

UWFaith is the provider for the operations of BHH, a retirement facility in Asheville, North Carolina. BHH is operated as a program of UWFaith. BHH operates under a Certificate of Authority from the State of North Carolina. Pursuant to North Carolina statute for Continuing Care Retirement Communities, certain operating reserves must be maintained by the provider. The operating reserve must cover a percentage of the forecasted total operating expenses for the facility for the upcoming year, excluding depreciation, amortization, and extraordinary items. Specifically, according to statute §58-64-33, if a facility maintains an occupancy level in excess of ninety percent, a provider shall be required to maintain an operating reserve of twenty-five percent of operating expenses; however, if the occupancy levels fall below ninety percent, a fifty percent operating reserve must be maintained. As of December 31, 2024 and 2023, UWFaith held \$2,402,000 and \$1,842,000, respectively, in operating reserves for BHH based on actual occupancy levels of less than ninety percent and anticipated 2024 and 2023 operating expenses, respectively. As UWFaith is the provider for BHH, the operating reserves are reported in UWFaith's financial statements and not within BHH's financial statements.

UNITED WOMEN IN FAITH

Notes to Financial Statements

December 31, 2024 and 2023

(13) Alma Mathews House

UWFaith owned property located at 273-275 West 11th Street, New York, NY, known as Alma Mathews House. In 2016, UWFaith sold the property for \$34,500,000 (net \$33,869,501). Alma Mathews was a program of UWFaith; however, its operations are not considered to be material for separate disclosure as discontinued operations. Gain on sale of the property totaled \$33,771,291.

During March 2017, the UWFaith Board of Directors designated the use of the proceeds from the sale of Alma Mathews House for the following purposes:

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Renovation funds for UWFaith Headquarters | \$ 4,000,000 |
| Legacy Fund Endowment | 15,000,000 |
| Scarritt Bennett property reinvestment | 5,000,000 |
| Racial Justice initiative, Immigration responses, Acts of Repentance follow through, and Leadership initiatives with Central Conference women and women around the world | 3,000,000 |
| Strategic Plan Implementation | <u>1,000,000</u> |
| | <u>\$28,000,000</u> |

Since March 2017, the UWFaith Board of Directors has designated additional proceeds from the sale of the Alma Mathews House property to be used for severance for staff reduction and incentive (\$1,000,000), upgrading the sprinkler, fire alarm, and air conditioning systems in the CCUN building (\$1,310,400), renovating office space in the CCUN building (\$1,000,000), Phase II sprinkler renovation (\$600,000), net overage on the CCUN and headquarters projects (\$524,233), TIC 15th Floor renovation (\$446,000), 2022 budget (\$700,000), 2023 budget (\$190,658). In April 2023, the UWFaith Board of Directors undesignated \$793,545 of the \$3,000,000 previously designated above for the Racial Justice initiative, Immigration responses, Acts of Repentance follow through, and Leadership initiatives with Central Conference women and women around the world for the 2024 budget (\$443,545) and for the 2025 budget (\$350,000). Therefore, the entire \$33,771,291 of the Alma Mathews House proceeds have been designated by the Board as of December 31, 2024.

(14) Subsequent Events

Management has evaluated subsequent events through October 8, 2025, the date the financial statements were available for issuance, and has determined that there are no subsequent events requiring disclosure.

BROOKS-HOWELL HOME
FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

BROOKS-HOWELL HOME

Table of Contents

| | <u>Page</u> |
|----------------------------------------|-------------|
| INDEPENDENT AUDITOR’S REPORT | 1 - 2 |
| FINANCIAL STATEMENTS | |
| Statements of Financial Position | 3 |
| Statements of Activities | 4 |
| Statements of Cash Flows | 5 |
| Notes to Financial Statements | 6 - 20 |



Independent Auditor's Report

To the Board of Directors
Brooks-Howell Home
Asheville, North Carolina

Opinion

We have audited the accompanying financial statements of Brooks-Howell Home (the "Organization") (a nonprofit organization, which is a part of United Women in Faith), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the changes in net assets and its 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 generally accepted auditing standards 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 the Organization's 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's 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.

Crosslin, PLLC

Nashville, Tennessee
September 26, 2025

BROOKS-HOWELL HOME
STATEMENTS OF FINANCIAL POSITION

ASSETS

| | December 31, | |
|--------------------------------------------|---------------------|---------------------|
| | 2024 | 2023 |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 788,814 | \$ 800,774 |
| Assets limited as to use - current portion | - | 24,238 |
| Accounts receivable - residents | 546,001 | 108,546 |
| Accounts receivable - other | 14,418 | 14,017 |
| Inventories | 97,290 | 86,970 |
| | <u>1,446,523</u> | <u>1,034,545</u> |
| EQUIPMENT AND IMPROVEMENTS | | |
| Equipment and improvements | 4,618,135 | 4,552,450 |
| Construction in progress | 93,153 | 81,333 |
| Less: accumulated depreciation | (3,602,333) | (3,422,195) |
| | <u>1,108,955</u> | <u>1,211,588</u> |
| OTHER ASSETS | | |
| Investments | 585,301 | 512,904 |
| Assets limited as to use - long-term | 681,885 | 652,797 |
| | <u>1,267,186</u> | <u>1,165,701</u> |
| | <u>\$ 3,822,664</u> | <u>\$ 3,411,834</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 113,724 | \$ 184,451 |
| Accrued wages and related liabilities | 319,552 | 209,039 |
| Agency funds | - | 24,238 |
| | <u>433,276</u> | <u>417,728</u> |
| | <u>433,276</u> | <u>417,728</u> |
| NET ASSETS | | |
| Without donor restrictions | 2,637,488 | 2,266,507 |
| With donor restrictions: | | |
| Subject to purpose restrictions | 208,357 | 189,118 |
| Permanent endowments | 543,543 | 538,481 |
| Total with donor restrictions | <u>751,900</u> | <u>727,599</u> |
| | <u>3,389,388</u> | <u>2,994,106</u> |
| | <u>\$ 3,822,664</u> | <u>\$ 3,411,834</u> |

See accompanying notes to financial statements.

BROOKS-HOWELL HOME
STATEMENTS OF ACTIVITIES

| | Year Ended December 31, 2024 | | | Year Ended December 31, 2023 | | |
|----------------------------------------------------|-------------------------------|----------------------------|---------------------|-------------------------------|----------------------------|---------------------|
| | Without Donor Restrictions | With Donor Restrictions | Totals | Without Donor Restrictions | With Donor Restrictions | Totals |
| Revenue, gains, and other support: | | | | | | |
| Resident services | \$ 4,676,915 | \$ - | \$ 4,676,915 | \$ 3,936,813 | \$ - | \$ 3,936,813 |
| United Women in Faith support and grants | 169,999 | - | 169,999 | 929,430 | - | 929,430 |
| Contributions | - | 2,899 | 2,899 | - | 1,708 | 1,708 |
| Investment earnings | - | 2,163 | 2,163 | - | 6,172 | 6,172 |
| Other revenue available for operations | 96,810 | - | 96,810 | 238,641 | - | 238,641 |
| Resident estate donations | 38,724 | - | 38,724 | - | - | - |
| Net assets released from restrictions/transfers | 31,374 | (31,374) | - | 28,146 | (28,146) | - |
| | <u>5,013,822</u> | <u>(26,312)</u> | <u>4,987,510</u> | <u>5,133,030</u> | <u>(20,266)</u> | <u>5,112,764</u> |
| Total revenue, gains, and other support | | | | | | |
| Operating expenses: | | | | | | |
| Nursing services | 1,626,887 | - | 1,626,887 | 1,979,846 | - | 1,979,846 |
| Food services | 805,590 | - | 805,590 | 884,112 | - | 884,112 |
| Administration | 646,221 | - | 646,221 | 673,620 | - | 673,620 |
| Environmental services | 419,442 | - | 419,442 | 452,968 | - | 452,968 |
| Maintenance | 681,340 | - | 681,340 | 766,176 | - | 766,176 |
| Human resources | 180,293 | - | 180,293 | 162,203 | - | 162,203 |
| Marketing | 59,042 | - | 59,042 | 84,945 | - | 84,945 |
| Activities | 99,775 | - | 99,775 | 156,586 | - | 156,586 |
| Depreciation | 180,139 | - | 180,139 | 172,373 | - | 172,373 |
| Other | - | - | - | 25,865 | - | 25,865 |
| Staff House | 1,924 | - | 1,924 | 3,856 | - | 3,856 |
| Home Care | - | - | - | 1,842 | - | 1,842 |
| | <u>4,700,653</u> | <u>-</u> | <u>4,700,653</u> | <u>5,364,392</u> | <u>-</u> | <u>5,364,392</u> |
| Total operating expenses | | | | | | |
| Operating income (loss) | 313,169 | (26,312) | 286,857 | (231,362) | (20,266) | (251,628) |
| Unrealized gains on investments | 57,812 | 50,613 | 108,425 | 68,654 | 78,792 | 147,446 |
| Change in net assets | 370,981 | 24,301 | 395,282 | (162,708) | 58,526 | (104,182) |
| Net assets - beginning of year | <u>2,266,507</u> | <u>727,599</u> | <u>2,994,106</u> | <u>2,429,215</u> | <u>669,073</u> | <u>3,098,288</u> |
| Net assets - end of year | <u>\$ 2,637,488</u> | <u>\$ 751,900</u> | <u>\$ 3,389,388</u> | <u>\$ 2,266,507</u> | <u>\$ 727,599</u> | <u>\$ 2,994,106</u> |

See accompanying notes to financial statements.

BROOKS-HOWELL HOME
STATEMENTS OF CASH FLOWS

| | Year Ended December 31, | |
|------------------------------------------------------------------------------------------------------|-------------------------|-------------------|
| | 2024 | 2023 |
| Cash flows from operating activities: | | |
| Change in net assets | \$ 395,282 | \$ (104,182) |
| Adjustments to reconcile change in net assets to cash provided by (used in) operating activities: | | |
| Depreciation | 180,139 | 172,373 |
| Unrealized gains on investments | (108,425) | (147,446) |
| Changes in operating assets and liabilities: | | |
| Accounts receivable - residents | (437,455) | (53,442) |
| Accounts receivable - other | (401) | 4,632 |
| Inventories | (10,320) | 48,545 |
| Accounts payable | (70,727) | 25,470 |
| Accrued wages and related liabilities | 110,513 | 11,410 |
| | <u>58,606</u> | <u>(42,640)</u> |
| Net cash provided by (used in) operating activities | | |
| Cash flows from investing activities: | | |
| Change in assets limited as to use | (4,850) | (57,678) |
| Agency funds | (24,238) | 30 |
| Purchases of equipment and improvements | (77,506) | (187,105) |
| Sales of investments, net | 36,028 | 72,869 |
| | <u>(70,566)</u> | <u>(171,884)</u> |
| Net cash used in investing activities | | |
| Decrease in cash and cash equivalents | (11,960) | (214,524) |
| Cash and cash equivalents - beginning of year | <u>800,774</u> | <u>1,015,298</u> |
| Cash and cash equivalents - end of year | <u>\$ 788,814</u> | <u>\$ 800,774</u> |

See accompanying notes to financial statements.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of Brooks-Howell Home (the “Organization”) is presented to assist in understanding the Organization’s financial statements. The Organization’s management is responsible for the integrity and objectivity of the financial statements and notes. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Organization

The Organization is a part of United Women in Faith (“UWFaith”) and primarily provides housing, health care, and other related services to residents through the operation of a retirement facility containing 39 residential apartments, 21 suites, 1 cottage, and 58 licensed nursing care beds. The Organization is located in Asheville, North Carolina. UWFaith owns the property and provides operating support; however, no rent is paid to UWFaith for use of the property. Contracts for services provided by the Organization are in the name of UWFaith. The Organization manages the day-to-day operations under the direction of UWFaith. These financial statements reflect only those day-to-day operations at the Organization. Other transactions that occur between residents and UWFaith are not recorded within these financial statements. The Organization operates in the State of North Carolina under provisions of a Certificate of Authority.

The mission of the Organization is to affirm each resident’s dignity, independence, and value; to provide an atmosphere for an enriching lifestyle in a secure, stimulating Christian community; to encourage and assist residents in reaching and maintaining their full potential in the area of physical, social and spiritual well-being; to implement new programs and ministries which address current and future needs; and to operate on a fiscally sound basis. The Organization was originally established to provide a retirement community for United Methodist deaconesses and missionaries but has now evolved into a diverse community that welcomes all seniors.

Net Assets

For reporting purposes, the Organization’s financial statements have been prepared to focus on the organization as a whole. Resources are classified into two net asset categories based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and the board of directors.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Net Assets With Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity, but may permit the Organization to use or expend part or all of the income derived from the donated assets.

Included in net assets without donor restrictions are funds that have been designated by the Organization for particular purposes. The total of these funds are \$517,889 and \$596,242 as of December 31, 2024 and 2023, respectively.

Use of Estimates

The preparation of 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include certain investments in highly liquid instruments with original maturities of three months or less when purchased.

Investments

Investments in equity securities with readily determinable fair values and investments in debt securities are measured at fair value in the accompanying statements of financial position. Contributed investments are stated at the fair value at the date of receipt. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in operating income unless the donor or law restricts the income or loss. Unrealized gains and losses on investments are generally excluded from operating income and are shown as other changes in net assets in the statements of activities.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fair Value Measurements

The Financial Accounting Standards Board (“FASB”) issued authoritative guidance regarding fair value measurements, which defines fair value, establishes a framework for measuring fair value in U.S. generally accepted accounting principles and expands disclosures about fair value measurements. The Organization utilizes market data or assumptions that market participants would use in pricing the asset or liability. Generally accepted accounting principles establish a three-tier fair value hierarchy, which prioritizes the inputs used when measuring fair value based on the inputs to valuation techniques as follows (See Note D):

Level 1 - These are investments where values are based on unadjusted quoted prices for identical assets in an active market that the Organization has the ability to access.

Level 2 - These are investments where values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the investments.

Level 3 - These are investments where values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect assumptions of management about assumptions market participants would use in pricing the investments. The Organization has no investments categorized in Level 3.

Revenue Recognition

Contributions

Unconditional promises to give cash and other assets to the Organization are reported at fair value at the date the promise is received. The Organization reports contributions of cash and other assets as restricted support, if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period as received are reflected as contributions without donor restrictions in the accompanying financial statements.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The Organization reports contributions of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used and contributions of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long these assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Resident Revenue

Resident carrying charges are reported at the amount that reflects consideration to which the Organization expects to be entitled in exchange for providing rent, room charges, and related services. Generally, rental charges are due at the beginning of each month. Revenue is recognized as the performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in related to total expected or actual charges.

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or net realizable value of the inventory item.

Assets Limited as to Use

Assets limited as to use include assets whose corpus is restricted, and assets held on behalf of others representing agency funds related to funeral funds and resident medical funds (See Note C).

Equipment and Improvements

Equipment purchased prior to January 1, 2000 is carried at values established by an estimate of fair value at January 1, 2000. Purchases after January 1, 2000 are carried at cost. Certain donated asset values were recorded at a nominal amount since fair values were not determinable. Major renewals and improvements are capitalized to the equipment and improvement accounts while replacements, maintenance, and repairs, which do not improve or extend the life of the asset, are expensed as incurred. Betterments and renewals of facilities are capitalized as improvements as the Organization expects to benefit from such items over their useful lives. When assets are sold or retired, their cost is removed from the accounts.

Depreciation is provided by charges to operations using the straight-line method at rates designed to amortize the cost of the assets over their estimated useful lives, which range from 5 to 20 years.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Functional Expense Classifications

All expenses in the accompanying statements of activities were incurred for or related to the provision of services by the retirement center (See Note K).

Accounts Receivable - Residents and Allowance for Credit Losses

Accounts receivable are recorded based on the amounts due from residents. The allowance for credit losses is a valuation account that is deducted from accounts receivable to present the net amount expected to be collected under the terms of the resident contract agreement. Balances that are still outstanding after management has used reasonable collection efforts are written-off against the allowance. Recoveries on balances previously written-off are credited to the allowance for credit losses. Although the Organization does not require collateral for its resident contracts, management believes that credit risk with respect to net accounts receivable is limited due to performance of credit evaluations of the customers.

For accounts receivable, management estimates the allowance balance under the aging method using relevant available information from internal sources relating to past events, current conditions, and reasonable and supportable forecasts. Historical credit loss experience provides the basis for the estimation of expected credit losses. The Organization considers a range of information in determining credit loss estimates, including past-due status, internal, and external credit ratings. When management determines that default is probable or when the resident is experiencing financial difficulty, expected credit losses are adjusted for the contract amount not expected to be recovered. The key risk characteristics for accounts receivable are the credit worthiness of the residents. The Organization reviews and updates the allowance for credit losses monthly. Changes in the economic outlook and status can result in changes to management's credit loss estimates. As of December 31, 2024 and 2023, management had deemed no allowance for credit losses necessary for accounts receivable - residents.

Operating Income

The statements of activities includes operating income. Changes in net assets, which are excluded from operating income, consistent with industry practice, include unrealized gains and losses on investments, permanent transfers of assets to and from affiliates for other goods and services, and certain contributions of long-lived assets.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Donated Services

When contributed services that create or enhance non-financial assets or require specialized skills are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, the amounts are reflected in the financial statements as in-kind contributions and expenditures if the value of the donated services is ascertainable. There were no such donated services recorded in the accompanying financial statements. However, during the year, board members and volunteers donated time not meeting the above requirement for inclusion in the financial statements.

Concentrations

To limit its credit exposure, the Organization deposits its cash and cash equivalents with financial institutions, which management believes are high quality financial institutions. Management does not believe that there are significant credit risks related to these deposits.

The Organization also receives a high concentration of its revenues through UWFaith for the care of retired missionaries, deaconesses, and staff of UWFaith. Such revenues totaled approximately 3% and 18% of total revenue, gains, and other support for the years ended December 31, 2024 and 2023, respectively.

Tax Status

The Organization is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code because it is a part of UWFaith. Accordingly, the accompanying financial statements do not reflect a provision or liability for federal and state income taxes. The Organization has determined that it does not have any material unrecognized tax benefits or obligations as of December 31, 2024 and 2023.

The Organization accounts for the effect of any uncertain tax positions based on a more likely than not threshold to the recognition of the tax positions being sustained based on the technical merits of the position under examination by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a cumulative probability assessment that aggregates the estimated tax liability for all uncertain tax positions. Tax positions for the Organization include, but are not limited to, the tax-exempt status and determination of whether income is subject to unrelated business income tax; however, the Organization has determined that such tax positions do not result in an uncertainty requiring recognition.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

B. LIQUIDITY AND AVAILABILITY OF RESOURCES

The table below represents financial assets available for general expenditures within one year at December 31, 2024 and 2023:

| | December 31, | |
|------------------------------------------------------------------------------------|--------------|-------------|
| | 2024 | 2023 |
| Financial assets at year-end: | | |
| Cash and cash equivalents | \$ 788,814 | \$ 800,774 |
| Assets limited as to use - current portion | - | 24,238 |
| Accounts receivable - residents | 546,001 | 108,546 |
| Accounts receivable - other | 14,418 | 14,017 |
| Investments | 585,301 | 512,904 |
| Assets limited as to use - long-term | 681,885 | 652,797 |
| Total financial assets | 2,616,419 | 2,113,276 |
| Less amounts not available to be used for general expenditures within one year: | | |
| Assets limited as to use - current portion | - | 24,238 |
| Assets limited as to use - long-term | 681,885 | 652,797 |
| Financial assets not available to be used within one year | 681,885 | 677,035 |
| Financial assets available to meet general expenditures within one year | \$1,934,534 | \$1,436,241 |

As part of the Organization's liquidity management plan, it structures its financial assets to be available as its obligations come due.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

C. ASSETS LIMITED AS TO USE

Assets limited as to use are recorded at fair value based primarily upon quoted market rates and consist of the following:

| | December 31, | |
|----------------------------------|--------------|-----------|
| | 2024 | 2023 |
| Current portion: | | |
| Held on behalf of others | \$ - | \$ 24,238 |
| Comprised of: | | |
| Cash and cash equivalents | \$ - | \$ 13,910 |
| Land lots | - | 10,328 |
| | \$ - | \$ 24,238 |
| Long-term portion: | | |
| With donor restrictions | \$681,885 | \$652,797 |
| Comprised of: | | |
| Investments and cash equivalents | \$681,885 | \$652,797 |

D. INVESTMENTS

Investments are as follows, at fair value:

| | December 31, | |
|----------------------------------------------------------|--------------|------------|
| | 2024 | 2023 |
| Cash and cash equivalents | \$ 34,616 | \$ 25,157 |
| Marketable equity securities | 561,055 | 491,194 |
| Certificates of deposit | - | 11,365 |
| Pooled investment funds | 671,515 | 637,985 |
| Total investments | 1,267,186 | 1,165,701 |
| Less: Investments classified as assets limited as to use | 681,885 | 652,797 |
| Investments | \$ 585,301 | \$ 512,904 |

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

D. INVESTMENTS - Continued

Investment securities, in general, are exposed to various risks, such as interest rates, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Level inputs for fair value measurement of investments are as follows:

| | Fair Value Measurements at Reporting Date Using | | | |
|--------------------------------------------|-------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------|
| | Assets Measured at Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| <u>December 31, 2024:</u> | | | | |
| Investments: | | | | |
| Short-term and marketable securities | \$ 595,671 | \$595,671 | \$ - | \$ - |
| Pooled investment funds | <u>671,515</u> | <u>-</u> | <u>671,515</u> | <u>-</u> |
| Total investments | <u>\$1,267,186</u> | <u>\$595,671</u> | <u>\$671,515</u> | <u>\$ -</u> |
| <u>December 31, 2023:</u> | | | | |
| Investments: | | | | |
| Short-term and marketable securities | \$ 527,716 | \$527,716 | \$ - | \$ - |
| Pooled investment funds | <u>637,985</u> | <u>-</u> | <u>637,985</u> | <u>-</u> |
| Total investments | <u>\$1,165,701</u> | <u>\$527,716</u> | <u>\$637,985</u> | <u>\$ -</u> |

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

E. EQUIPMENT AND IMPROVEMENTS

Equipment consists of:

| | 2024 | 2023 |
|---------------------------------|--------------|--------------|
| Cost: | | |
| Equipment and improvements | \$ 4,618,135 | \$ 4,552,450 |
| Construction in progress | 93,153 | 81,333 |
| Accumulated depreciation | (3,602,333) | (3,422,195) |
| Equipment and improvements, net | \$ 1,108,955 | \$ 1,211,588 |

Depreciation expense charged to operations was \$180,139 and \$172,373 for 2024 and 2023, respectively.

Construction in progress relates to the generator. Estimated costs to complete are approximately \$1,307,000.

F. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2024 and 2023, have been restricted by the donors for the following purposes:

| | December 31, | |
|------------------------------------------|--------------|-----------|
| | 2024 | 2023 |
| Subject to purpose restrictions: | | |
| Scholarships | \$ - | \$ 13,228 |
| Miscellaneous resident needs | 208,357 | 175,890 |
| Total subject to purpose restrictions | 208,357 | 189,118 |
| Permanent endowments: | | |
| McLaughlin Endowment Fund | 179,410 | 177,739 |
| Lebedeff Endowment Fund | 364,133 | 360,742 |
| Total permanent endowments | 543,543 | 538,481 |
| Total net assets with donor restrictions | \$751,900 | \$727,599 |

Net assets with donor restrictions for the years ended December 31, 2024 and 2023 were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donors.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

F. NET ASSETS WITH DONOR RESTRICTIONS - Continued

Interpretation of Relevant Law

The Board of Directors of the Organization has interpreted the North Carolina Uniform Prudent Management of Institutional Funds Act (the “Act”) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization has classified as net assets with donor restrictions (a) the value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulated amount is added to the fund. The remaining portion of the donor-restricted endowment funds that are not classified as permanent endowments are classified as subject to purpose restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by the Act.

In accordance with the Act, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- The investment policies of the Organization

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that are intended to provide an ongoing stream of funding for resident services that are supported by the endowment. Endowment assets include assets of donor-restricted funds that the Organization must hold in perpetuity. Under this policy, as approved by the Board, the endowment assets are invested in a manner that is intended to produce a moderate level of total investment return consistent with a prudent level of portfolio risk.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that includes fixed income instruments and equity-based investments to achieve its long-term return objectives within prudent risk constraints.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

F. NET ASSETS WITH DONOR RESTRICTIONS - Continued

Spending Policy and How the Investment Objectives Relate to the Spending Policy

The Organization's policy is generally to appropriate for spending up to 90% of the investment returns. In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, over the long-term, the Organization expects the current spending policy to allow its endowment to grow by 10% of the investment income annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Changes in endowment net assets with donor restrictions for the years ended December 31, 2024 and 2023 are as follows:

| | <u>With Donor Restrictions</u> |
|----------------------------------------------------|------------------------------------|
| <u>December 31, 2024:</u> | |
| Endowment net assets - beginning of year | \$ 652,797 |
| Contributions | 2,899 |
| Investment earnings | 28,987 |
| Net appreciation | 23,789 |
| Appropriation of endowment assets for expenditures | <u>(26,587)</u> |
| Endowment net assets - end of year | <u>\$ 681,885</u> |
| <u>December 31, 2023:</u> | |
| Endowment net assets - beginning of year | \$ 595,149 |
| Contributions | 1,708 |
| Investment earnings | 17,077 |
| Net appreciation | 67,887 |
| Appropriation of endowment assets for expenditures | <u>(29,024)</u> |
| Endowment net assets - end of year | <u>\$ 652,797</u> |

G. AGENCY FUNDS

The Organization handles funds from some residents related to expenses and for funeral expenses. The balances of these funds are shown as agency funds and totaled \$-0- and \$24,238 at December 31, 2024 and 2023, respectively. Transactions on behalf of residents are not reflected on the financial statements of the Organization.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

H. EMPLOYEE BENEFIT PLANS

The Organization participates in the Cumulative Pension and Benefit Fund, which is supervised and administered by the General Board of Pensions and Health Benefits of The United Methodist Church. All eligible employees with more than two years of service, beginning July 1 2001, participate in the Plan. The Organization paid 9% of eligible compensation into the Plan through November 14, 2016, and no employee contributions were required; however, voluntary employee contributions could be made. Effective November 15, 2016, the Organization reduced the contribution rate to 5% of eligible compensation into the Plan with an additional 2% matching contribution. Effective January 1, 2021, the Organization reduced the contribution rate to 3% of eligible compensation into the Plan and eliminated the additional 2% matching contribution. During the years ended December 31, 2024 and 2023, the Organization made retirement plan contributions of \$48,114 and \$57,759, respectively.

I. UNITED WOMEN IN FAITH

UWFaith is the provider for the operations of the Organization. Pursuant to North Carolina statute for Continuing Care Retirement Communities, certain operating reserves must be maintained by the provider. The operating reserve must cover a percentage of the forecasted total operating expenses for the facility for the upcoming year, excluding depreciation, amortization, and extraordinary items. Specifically, according to statute § 58-64-33, if a facility maintains an occupancy level in excess of ninety percent, a provider shall be required to maintain an operating reserve of twenty-five percent of operating expenses; however, if the occupancy levels fall below ninety percent, a fifty percent operating reserve must be maintained. As of December 31, 2024 and 2023, UWFaith held \$2,402,000 and \$1,842,000, respectively, in operating reserves for the Organization based on actual occupancy levels of less than ninety percent and anticipated 2024 and 2023 operating expenses, respectively. As UWFaith is the provider for the Organization, the operating reserves are reported in UWFaith's financial statements and not within the accompanying financial statements of the Organization. See also Note A for additional information on the relationship of the Organization to UWFaith.

J. CONTINUING OPERATIONS

The Organization's capacity to meet its financial commitments and operational needs are dependent on the Organization's ability to secure ongoing revenues and funding for its activities, including regular contributions and donations, increased fee revenues from proposed changes to entrance requirements and other revenue generation plans, market performance of the endowment funds, and the continued support and grants from UWFaith. Significant changes in these sources or levels of funding, or inability to carry-out certain proposed changes to entrance requirements and other revenue generation plans, would materially affect the Organization's program activities and ability to operate.

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

K. FUNCTIONAL EXPENSE CLASSIFICATIONS

2024:

| | Nursing Services | Food Services | Administration | Environmental Services | Maintenance | Human Resources | Marketing | Activities | Depreciation | Other | Staff House | Home Care | Total |
|----------------------------------------|---------------------|-------------------|-------------------|------------------------|-------------------|-------------------|------------------|------------------|-------------------|-------------|-----------------|-------------|---------------------|
| Salaries, wages, and employee benefits | \$ 1,237,122 | \$ 542,113 | \$ 282,093 | \$ 325,890 | \$ 358,623 | \$ 109,315 | \$ 51,836 | \$ 98,246 | \$ - | \$ - | \$ - | \$ - | \$ 3,005,238 |
| Consulting and contractual services | 350,912 | 237,039 | 138,419 | 79,980 | 27,494 | 19,575 | (1,851) | 1,492 | - | - | - | - | 853,060 |
| Insurance | - | - | 134,615 | - | - | - | - | - | - | - | - | - | 134,615 |
| Maintenance | - | 5,674 | - | 1,537 | 71,157 | - | - | - | - | - | - | - | 78,368 |
| Depreciation | - | - | - | - | - | - | - | - | 180,139 | - | - | - | 180,139 |
| Utilities | - | - | - | - | 223,788 | - | - | - | - | - | - | - | 223,788 |
| Other | 38,853 | 20,764 | 91,094 | 12,035 | 278 | 51,403 | 9,057 | 37 | - | - | 1,924 | - | 225,445 |
| Total | \$ 1,626,887 | \$ 805,590 | \$ 646,221 | \$ 419,442 | \$ 681,340 | \$ 180,293 | \$ 59,042 | \$ 99,775 | \$ 180,139 | \$ - | \$ 1,924 | \$ - | \$ 4,700,653 |

2023:

| | Nursing Services | Food Services | Administration | Environmental Services | Maintenance | Human Resources | Marketing | Activities | Depreciation | Other | Staff House | Home Care | Total |
|----------------------------------------|---------------------|-------------------|-------------------|------------------------|-------------------|-------------------|------------------|-------------------|-------------------|------------------|-----------------|-----------------|---------------------|
| Salaries, wages, and employee benefits | \$ 1,239,266 | \$ 559,022 | \$ 287,857 | \$ 351,407 | \$ 362,206 | \$ 108,412 | \$ 65,062 | \$ 152,005 | \$ - | \$ - | \$ - | \$ - | \$ 3,125,237 |
| Consulting and contractual services | 672,097 | 280,746 | 107,454 | 71,627 | 130,942 | 20,484 | - | 4,025 | - | - | - | - | 1,287,375 |
| Insurance | - | - | 178,257 | - | - | - | - | - | - | - | - | - | 178,257 |
| Maintenance | 1,000 | 3,568 | - | 14,484 | 64,358 | - | - | - | - | - | - | - | 83,410 |
| Depreciation | - | - | - | - | - | - | - | - | 172,373 | - | - | - | 172,373 |
| Utilities | - | - | 19,934 | - | 206,081 | - | - | - | - | - | - | - | 226,015 |
| Other | 67,483 | 40,776 | 80,118 | 15,450 | 2,589 | 33,307 | 19,883 | 556 | - | 25,865 | 3,856 | 1,842 | 291,725 |
| Total | \$ 1,979,846 | \$ 884,112 | \$ 673,620 | \$ 452,968 | \$ 766,176 | \$ 162,203 | \$ 84,945 | \$ 156,586 | \$ 172,373 | \$ 25,865 | \$ 3,856 | \$ 1,842 | \$ 5,364,392 |

BROOKS-HOWELL HOME
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

L. CONTINGENCIES

The Organization has in place insurance coverage for possible litigation in the ordinary course of business related to general and professional liability claims including medical malpractice. Management believes that claims, if asserted, would be settled within the limits of coverage, which is on an occurrence basis.

The healthcare 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 healthcare program participation requirements, reimbursements for patient services, and fraud and abuse. Accordingly, the healthcare industry is subject to government activity with respect to investigations and/or allegations concerning possible violations of fraud and abuse statutes and/or regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Specifically, the Organization is licensed to operate under the Continuing Care Retirement Communities Statute of the state of North Carolina and is regulated by the North Carolina Department of Insurance.

Management believes that the Organization is in compliance with statutes, as well as other applicable government laws and regulations. While no regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretations as well as regulatory actions unknown or unassisted at this time. The Organization is not aware of any pending or threatened investigations involving allegations of potential wrongdoing.

M. SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 26, 2025, which is the date the financial statements were available to be issued, and has determined that there were no subsequent events requiring disclosure.

UNITED WOMEN IN FAITH

FINANCIAL FORECAST

**For Each of the Five Years Ending
December 31, 2029**

**(with Independent Accountant's
Compilation Report Thereon)**

UNITED WOMEN IN FAITH

Compilation of Financial Forecast

Table of Contents

| | <u>Page</u> |
|-------------------------------------------------------------------------------------------------|-------------|
| INDEPENDENT ACCOUNTANT’S COMPILATION REPORT..... | 1 |
| FINANCIAL STATEMENTS | |
| Forecasted Statements of Financial Position | 2 |
| Forecasted Statements of Activities..... | 3 |
| Forecasted Statements of Cash Flows | 4 |
| SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS AND ACCOUNTING POLICIES..... | 5 - 14 |
| SUPPLEMENTAL DISCLOSURE | |
| Brooks-Howell Home Forecasted Statements of Financial Position..... | 15 |
| Brooks-Howell Home Forecasted Statements of Activities | 16 |
| Brooks-Howell Home Forecasted Statements of Cash Flows..... | 17 |
| Brooks-Howell Home Summary of Significant Forecast Assumptions and Accounting Policies | 18 - 20 |



Independent Accountant's Compilation Report

The Board of Directors
United Women in Faith
New York City, New York

Management is responsible for the accompanying financial forecast of United Women in Faith ("UW Faith"), which comprises the forecasted statements of financial position as of December 31, 2025, 2026, 2027, 2028, and 2029, and the related forecasted statements of activities and cash flows for the years then ending, and the related summaries of significant assumptions and accounting policies in accordance with guidelines for the presentation of a financial forecast established by the American Institute of Certified Public Accountants ("AICPA"). We have performed a compilation engagement in accordance with 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 financial forecast nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on this financial forecast.

The forecasted results may not be achieved as there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

The accompanying supplementary disclosure for Brooks-Howell Home is presented for purposes of additional analysis and is not a required part of the prospective financial information. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not examined or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

The accompanying forecast and this report were prepared to comply with the requirements of North Carolina General Statutes, Chapter 58, Article 64 and should not be used for any other purpose.

Crosslin, PLLC

Nashville, Tennessee
October 8, 2025

UNITED WOMEN IN FAITH
FORECASTED STATEMENTS OF FINANCIAL POSITION
FOR EACH OF THE FIVE YEARS ENDING DECEMBER 31, 2029
(IN THOUSANDS OF DOLLARS)

| | December 31, | | | | |
|----------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2025 | 2026 | 2027 | 2028 | 2029 |
| <u>Assets</u> | | | | | |
| Current assets: | | | | | |
| Cash and investments | \$ 103,885 | \$ 102,479 | \$ 107,772 | \$ 112,795 | \$ 120,208 |
| Receivables | 6,668 | 7,304 | 7,162 | 7,883 | 8,037 |
| Inventories and other assets | 500 | 300 | 300 | 300 | 300 |
| Prepaid expenses | 340 | 340 | 340 | 340 | 340 |
| Total current assets | <u>111,393</u> | <u>110,423</u> | <u>115,574</u> | <u>121,318</u> | <u>128,885</u> |
| Restricted assets: | | | | | |
| Cash and cash equivalents - State of North Carolina operating reserve requirement for Brooks-Howell Home | 2,694 | 3,455 | 1,818 | 2,199 | 2,221 |
| Perpetual trusts held by others | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Total restricted assets | <u>4,494</u> | <u>5,255</u> | <u>3,618</u> | <u>3,999</u> | <u>4,021</u> |
| Long-term assets: | | | | | |
| Land, buildings, and equipment, net | 8,001 | 9,191 | 8,601 | 8,011 | 7,421 |
| Total long-term assets | <u>8,001</u> | <u>9,191</u> | <u>8,601</u> | <u>8,011</u> | <u>7,421</u> |
| Total assets | <u>\$ 123,888</u> | <u>\$ 124,869</u> | <u>\$ 127,793</u> | <u>\$ 133,328</u> | <u>\$ 140,327</u> |
| <u>Liabilities and Net Assets</u> | | | | | |
| Current liabilities: | | | | | |
| Accounts payable and accrued expenses | \$ 1,700 | \$ 2,000 | \$ 1,900 | \$ 1,900 | \$ 1,900 |
| Long-term debt - current portion | - | - | - | - | - |
| Total current liabilities | <u>1,700</u> | <u>2,000</u> | <u>1,900</u> | <u>1,900</u> | <u>1,900</u> |
| Long-term liabilities: | | | | | |
| Long-term debt - less current portion | - | - | - | - | - |
| Deferred revenue - refundable | - | - | - | - | - |
| Deferred revenue - nonrefundable | 1,320 | 120 | 120 | 120 | 120 |
| Annuities payable | 123 | 121 | 119 | 117 | 114 |
| Assets held for others | 5,180 | 5,180 | 5,180 | 5,180 | 5,180 |
| Accrued postretirement and pension benefit costs | 3,975 | 3,657 | 3,364 | 3,095 | 2,847 |
| Total long-term liabilities | <u>10,598</u> | <u>9,078</u> | <u>8,783</u> | <u>8,512</u> | <u>8,261</u> |
| Total liabilities | <u>12,298</u> | <u>11,078</u> | <u>10,683</u> | <u>10,412</u> | <u>10,161</u> |
| Net assets: | | | | | |
| Net assets without donor restrictions | 41,381 | 44,758 | 49,031 | 55,554 | 63,267 |
| Net assets with donor restrictions | 70,209 | 69,033 | 68,079 | 67,362 | 66,899 |
| Total net assets | <u>111,590</u> | <u>113,791</u> | <u>117,110</u> | <u>122,916</u> | <u>130,166</u> |
| Total liabilities and net assets | <u>\$ 123,888</u> | <u>\$ 124,869</u> | <u>\$ 127,793</u> | <u>\$ 133,328</u> | <u>\$ 140,327</u> |

See the accompanying Independent Accountant's Compilation Report and Summary of Significant Forecast Assumptions and Accounting Policies.

UNITED WOMEN IN FAITH
FORECASTED STATEMENTS OF ACTIVITIES
FOR EACH OF THE FIVE YEARS ENDING DECEMBER 31, 2029
(IN THOUSANDS OF DOLLARS)

| | Year Ending December 31, | | | | |
|----------------------------------------------------------|--------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2025 | 2026 | 2027 | 2028 | 2029 |
| Net Assets Without Donor Restrictions: | | | | | |
| Operating revenues and support: | | | | | |
| Conference Giving | \$ 4,900 | \$ 4,900 | \$ 4,900 | \$ 4,900 | \$ 4,900 |
| Benefits Trust reimbursement | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 |
| Bequests and contributions | 700 | 700 | 700 | 700 | 700 |
| Investment income | 5,176 | 5,636 | 6,136 | 6,678 | 7,265 |
| Brooks-Howell Home: | | | | | |
| Fee revenues | 6,688 | 6,815 | 8,047 | 10,777 | 10,860 |
| Health care revenues | - | - | - | - | - |
| Publications, rental income, and other program revenue | 2,935 | 4,135 | 2,788 | 2,649 | 2,649 |
| Amortization of entrance fees | - | - | - | - | - |
| Other revenues | 622 | 1,600 | 600 | 600 | 600 |
| Net assets released from restrictions | 6,570 | 6,570 | 6,570 | 6,570 | 6,570 |
| Total operating revenues and support | 28,991 | 31,756 | 31,141 | 34,274 | 34,944 |
| Operating expenses: | | | | | |
| Program services | 14,188 | 14,679 | 12,805 | 12,165 | 11,557 |
| Brooks-Howell Home: | | | | | |
| Operating expenses | 3,777 | 4,176 | 4,269 | 4,945 | 4,991 |
| Dietary expenses | 861 | 995 | 1,100 | 1,800 | 1,818 |
| Administrative expenses | 948 | 2,089 | 2,254 | 2,401 | 2,425 |
| Interest expense | - | - | - | - | - |
| Depreciation expense | 770 | 940 | 940 | 940 | 940 |
| Supporting services | 4,402 | 5,500 | 5,500 | 5,500 | 5,500 |
| Total operating expenses | 24,946 | 28,379 | 26,868 | 27,751 | 27,231 |
| Sale of properties | - | - | - | - | - |
| Increase in net assets without donor restrictions | 4,045 | 3,377 | 4,273 | 6,523 | 7,713 |
| Net Assets With Donor Restrictions: | | | | | |
| From United Methodist Women and other Agencies | 270 | 270 | 270 | 270 | 270 |
| Bequests and contributions | 1,958 | 1,958 | 1,958 | 1,958 | 1,958 |
| Rental and other program income | - | - | - | - | - |
| Investment income | 2,959 | 3,166 | 3,388 | 3,625 | 3,879 |
| Net assets released from restrictions | (6,570) | (6,570) | (6,570) | (6,570) | (6,570) |
| Decrease in net assets with donor restrictions | (1,383) | (1,176) | (954) | (717) | (463) |
| Increase in net assets | 2,662 | 2,201 | 3,319 | 5,806 | 7,250 |
| Net assets, beginning of year | 108,928 | 111,590 | 113,791 | 117,110 | 122,916 |
| Net assets, end of year | \$ 111,590 | \$ 113,791 | \$ 117,110 | \$ 122,916 | \$ 130,166 |

See the accompanying Independent Accountant's Compilation Report and Summary of Significant Forecast Assumptions and Accounting Policies.

UNITED WOMEN IN FAITH
FORECASTED STATEMENTS OF CASH FLOWS
FOR EACH OF THE FIVE YEARS ENDING DECEMBER 31, 2029
(IN THOUSANDS OF DOLLARS)

| | Year Ending December 31, | | | | |
|-------------------------------------------------------------------------------------------------------|--------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2025 | 2026 | 2027 | 2028 | 2029 |
| Cash flows from operating activities: | | | | | |
| Change in net assets | \$ 2,662 | \$ 2,201 | \$ 3,319 | \$ 5,806 | \$ 7,250 |
| Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities: | | | | | |
| Contributions restricted for long-term investment | (1,958) | (1,958) | (1,958) | (1,958) | (1,958) |
| Depreciation | 770 | 940 | 940 | 940 | 940 |
| Change in value of annuity obligations | (2) | (2) | (2) | (2) | (3) |
| Change in working capital | (2,143) | (1,654) | (251) | (990) | (402) |
| Net cash (used in) provided by operating activities | <u>(671)</u> | <u>(473)</u> | <u>2,048</u> | <u>3,796</u> | <u>5,827</u> |
| Cash flows from investing activities: | | | | | |
| Purchase of land, buildings, and equipment | (1,970) | (2,130) | (350) | (350) | (350) |
| Change in assets limited as to use | (243) | (761) | 1,637 | (381) | (22) |
| Net cash (used in) provided by investing activities | <u>(2,213)</u> | <u>(2,891)</u> | <u>1,287</u> | <u>(731)</u> | <u>(372)</u> |
| Cash flows from financing activities: | | | | | |
| Net cash provided by financing activities | <u>1,958</u> | <u>1,958</u> | <u>1,958</u> | <u>1,958</u> | <u>1,958</u> |
| (Decrease) increase in cash and investments | (926) | (1,406) | 5,293 | 5,023 | 7,413 |
| Cash and investments, beginning of year | <u>104,811</u> | <u>103,885</u> | <u>102,479</u> | <u>107,772</u> | <u>112,795</u> |
| Cash and investments, end of year | <u>\$ 103,885</u> | <u>\$ 102,479</u> | <u>\$ 107,772</u> | <u>\$ 112,795</u> | <u>\$ 120,208</u> |

See the accompanying Independent Accountant's Compilation Report and Summary of Significant Forecast Assumptions and Accounting Policies.

UNITED WOMEN IN FAITH

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

1. General

The accompanying financial forecast presents, to the best of the knowledge and belief of management of United Women in Faith (“UWFaith”) and Brooks-Howell Home (“BHH”) (collectively “management”), the expected financial position, results of operations, and cash flows of UWFaith For each of the five years ending December 31, 2029. Accordingly, the accompanying forecast reflects management’s judgment as of October 8, 2025, the date of completion of this forecast, of the expected conditions and its course of action.

Management’s purpose in releasing this financial forecast is for inclusion in UWFaith’s annual disclosure statement in accordance with Chapter 58, Article 64, of the North Carolina General Statutes. Accordingly, this report should not be used for any other purpose. The assumptions disclosed herein are those that management believes are significant to the prospective financial statements. UWFaith recognizes that there will usually be differences between prospective and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

Background of UWFaith - UWFaith is a tax-exempt, not-for-profit organization which operates under the *Book of Discipline* of The United Methodist Church (the “Church”), as it is, from time to time, promulgated by the General Conference of the Church, which is the ultimate governing body of the Church. UWFaith relates to United Women in Faith jurisdictions, conferences, districts, and local units that carry out the purpose of United Women in Faith by advocating for the oppressed and dispossessed, especially women, children, and youth. It works to build a supportive community among women and engages in activities, which foster growth in the Christian faith, mission education, and Christian social involvement throughout the Church.

Funding for UWFaith’s operations is principally pledged by United Women in Faith in local churches through undesignated and designated gifts and channeled to UWFaith via the districts and conferences. Contributions received from United Women in Faith conferences accounted for 34% and 38% of total operating revenue of UWFaith in 2024 and 2023, respectively. In addition to appropriating the funds of United Women in Faith, UWFaith operates the following program areas: Church Center for the United Nations building, a non-profit providing office space for religious and charitable groups working on issues related to the United Nations; UWFaith Mission Resources, a handling and distribution program for the distribution of UWFaith’s media resources; *Response* magazine, the official publication of United Women in Faith; and Brooks-Howell Home.

UNITED WOMEN IN FAITH

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

Brooks-Howell Home Description - UWFaith owns and operates the Brooks-Howell Home (“BHH”), a continuing care retirement community (“CCRC”) that principally provides housing, health care, and other related services to residents through the operation of a retirement facility containing 39 residential apartments, 21 suites, 1 cottage, and 58 licensed nursing care beds, located in Asheville, North Carolina. BHH’s mission is to serve retired missionaries, deaconesses, and staff of UWFaith, a certain number of retirees from other divisions of The United Methodist Church, and a limited number of health care patients from the surrounding area. UWFaith owns the property and provides operating support. No rent is paid to UWFaith for the property. BHH manages the day-to-day operations under the direction of UWFaith. UWFaith is licensed by the state of North Carolina to operate Brooks-Howell Home.

2. Related Parties

UWFaith is affiliated with the Scarritt-Bennett Center (the “Center”), a conference, retreat, and educational center in Nashville, Tennessee. UWFaith appoints certain of the Center’s board members and the Center operates on property, title to which is held by UWFaith. The General Council on Finance and Administration of The United Methodist Church and UWFaith each has an interest in the proceeds from any sale of property.

3. Significant Accounting Policies

Basis of Accounting - The prospective financial statements included in the forecast and supplemental disclosure information have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America and prospective reporting. Significant accounting policies are described in the appropriate assumptions and notes to the prospective financial statements. The assumptions described are not all-inclusive.

Use of Estimates - The preparation of prospective 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 prospective financial statements and the revenues and expenses during each reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents, and Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturity dates of 90 days or less that are readily convertible to known amounts of cash, except for short-term investments held by UWFaith’s investment manager as part of a long-term investment strategy.

UNITED WOMEN IN FAITH

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

Cash, Cash Equivalents, and Investments - Continued - Securities purchased for investment and those received as gifts are carried at fair value. Except for investments in United Methodist Foundation of Western North Carolina, Inc. (the “Foundation”) and Funds of Wespath Benefits and Investments (“Wespath”), fair value is based upon quoted market prices. Investments in funds of the Foundation and Wespath Funds are stated at fair value based on unitized market value of the fund portfolio, as determined by the Foundation and Wespath.

Fair Value of Financial Instruments - The Financial Accounting Standards Board (“FASB”) has issued authoritative guidance regarding fair value measurements, which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. Fair value as defined under generally accepted accounting principles is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The estimated fair value amounts are determined based on UWFaith’s assessment of available market information and appropriate valuation methodologies.

Inventories - Inventories consist primarily of publications and are valued at the lower of cost or net realizable value, with cost determined principally on the first-in, first-out basis.

Assets Limited as to Use - These assets include restricted investments consisting of endowment funds and investments held in perpetual trusts by others. Securities purchased for investment and those received as gifts are carried at fair value as determined by quoted market prices.

Assets limited as to use also include a statutory operating reserve related to North Carolina General Statute Section 58-64-33, which requires CCRC’s to maintain an operating reserve equal to 50 percent of the total operating expenses (adjusted for non-cash items) in a given year, or 25 percent of such total operating expenses (adjusted for non-cash items) if independent living occupancy exceeds 90 percent. UWFaith’s current operating reserve is 50 percent of expected operating expenses of BHH, as defined in the statute.

Land, Buildings, and Equipment - Land, buildings, and equipment are recorded at cost basis or at fair value at the date of gift, if donated. It is UWFaith’s policy to capitalize expenditures for equipment in excess of \$2,500; purchases that do not exceed this amount are expensed as incurred. Buildings, building improvements, and equipment are depreciated on straight-line basis over their estimated useful lives of 30, 20, and 5 years, respectively.

UNITED WOMEN IN FAITH

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

Land, Buildings, and Equipment - Continued - UWFaith has granted indefinite use of certain properties (land and buildings) to related church organizations under leasing or other arrangements and, accordingly, these properties are not reflected in the accompanying forecasted financial statements. These arrangements may call for nominal payments and are typically renewed so long as the grantee continues to carry out the stated programs. The carrying values of such properties are reflected as program expenditures at the time the arrangements for indefinite use of the property are made.

Leases - For operating leases, the lease liability is measured as the present value of the lease payments over the lease term using either the rate implicit in the lease, if it is determinable, or UWFaith's incremental borrowing rate if the implicit rate is not determinable. Operating ROU assets are calculated as the present value of the remaining lease payments plus unamortized initial direct costs and prepayments of rent, less any unamortized lease incentives received. Lease terms may include renewal or extension options to the extent they are reasonably certain to be exercised. Lease expense is recognized on a straight-line basis over the lease term. UWFaith has elected not to recognize a ROU asset and lease liability for leases with an initial term of 12 months or less but includes the expense associated with short-term leases in lease expense in the statements of activities.

Accrued Postretirement and Pension Benefit Costs - UWFaith has an obligation to provide postretirement and pension benefits to its retired missionaries and deaconesses who were once employees. Costs of these benefits are determined by an actuary and recorded as a liability. The residents of Brooks-Howell Home enter into contracts with UWFaith, which obligate UWFaith to provide housing and future services to the residents of Brooks-Howell Home.

Contributions and Bequests - Contributions are recognized as revenue when received. Unconditional promises to give cash and other assets to UWFaith are reported at fair value at the date the promise is received. UWFaith reports contributions of cash and other assets as restricted support, if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period as received are reflected as contributions without donor restrictions in the accompanying financial statements. Contributions received on behalf of a specified beneficiary are recorded as a liability to the specified beneficiary concurrent with recognition of the assets received from the donor.

UNITED WOMEN IN FAITH

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

Revenue Recognition

Rental and Service Fee Income - Resident service fees from BHH are reported at the amount that reflects consideration to which UWFaith expects to be entitled in exchange for providing rent, room charges, and related services. Rental income related to CCUN is reported at the amount that reflects consideration to which UWFaith expects to be entitled in exchange for providing rental space and related services in the CCUN building. Generally, rental charges are due at the beginning of each month. Revenue is recognized as the performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by BHH (resident services fees) and UWFaith (CCUN rental income). Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected or actual charges.

Net Assets - UWFaith classifies its funds for accounting and reporting purposes as net assets without donor restrictions and net assets with donor restrictions as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of UWFaith. These net assets may be used at the discretion of UWFaith's management and the board of directors.

Net Assets With Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of UWFaith or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity but may permit UWFaith to use or expend part or all of the income derived from the donated assets.

Support is reported as an increase in net assets without donor restrictions unless the use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. New York State law (substantially in conformity with The Uniform Prudent Management of Institutional Funds Act) authorizes expenditure of appreciation (both realized and unrealized) in the value of endowment funds subject to a standard of business care and prudence. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donors or state law. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying forecasted statements of activities as net assets released from restrictions.

UNITED WOMEN IN FAITH

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

4. Summary of Significant Statement of Activities Assumptions

Operating Revenue and Support

Management used primarily the 2025 budget approved by the Board of Directors as the basis for the forecasted operating revenue and support for 2025. All other years are forecasted based on the management assumptions below:

From United Women in Faith Conferences - Funding for UWFaith's operations is principally pledged by United Women in Faith in local churches through undesignated and designated gifts and channeled to UWFaith via the districts and conferences. Management expects operating revenue from United Women in Faith to increase to approximately \$6.1 million in 2025 and remain flat through 2029. UWFaith is expected to gain from some new initiatives around giving and branding but is also facing the impact of general church decisions on its membership.

Benefit Trust Reimbursement - Management assumes the Benefit Trust reimbursement to remain relatively consistent during the forecasted period based on the 2025 approved budget.

Bequests and Contributions - Management assumes unrestricted and restricted bequests and other contributions to remain relatively consistent during the forecasted period based on the 2025 approved budget.

Interest and Investment Income, Net of Fees - Management assumes interest and investment income, net of fees, to increase approximately nine percent annually to be in line with the five-year historical average.

Other Revenues - Other revenues are anticipated to remain minimal and consistent throughout the forecasted period based on the 2025 approved budget.

UNITED WOMEN IN FAITH

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

Brooks-Howell Home - Management assumes, in accordance with the strategic plan, that BHH will have 20 skilled nursing beds in use in 2025, 25 skilled nursing beds in use in 2026, and 30 skilled nursing beds in use in 2027 through 2029. Construction on the Medicare wing began during the third quarter of 2025 and will continue through the first quarter of 2026. BHH purchased a new generator using grant money of \$1,400,000 from GBGM and the project was completed during the third quarter of 2025. UWFaith will be providing varying support as needed through the forecasted period with the addition of grants totaling \$2,000,000 to be used for the Medicare wing construction. Of this amount, \$220,000 is expected to be received in 2025 and the remaining \$1,780,000 is expected to be received in 2026. The Medicare wing is expected to open in the first quarter of 2026 and generate an additional \$600,000 in revenue in 2026 and an additional \$1,700,000 in 2027 through 2029.

Publication Sales, Rental Income, and Other Program Revenue - During 2025, management assumes revenue will be consistent with the 2025 budget. During 2026, management assumes an increase of \$1,200,000 related to the recognition of the 2026 UWFaith Assembly registration fees collected and included in deferred revenue nonrefundable during 2025 as UWFaith Assembly registration fees only occur once every four years. Management then expects a decrease of \$1,200,000 in 2027 based on collecting Assembly registration fees in 2026, which will not occur in 2027, 2028 or 2029. Management assumes a 5% decrease in 2027, 2028 and 2029.

Operating Expenses

Management used the 2025 Board approved budget as the basis for the forecasted operating expenses for 2025. All other years are forecasted based on the management assumptions below:

Program Services - Program service expenses include grants to other organizations for mission purposes, scholarships, mission education and leadership development programs, advocacy and expenses related to pensions, property repairs and maintenance, and other service center expenses. Management assumes grants to other organizations to decrease slightly throughout the forecasted period. Management assumes mission programs to remain constant throughout the forecast period based on 2024 results. Management assumes pension expenses to decline eight percent annually during the forecasted period due to mortality in the closed plan. Management assumes all other program services expenses, to include property repairs and maintenance and other publication/distribution center expenses, to remain consistent with the 2025 budget during the forecast period. Management assumes an additional \$1,200,000 of other program services expenses in fiscal year 2026 related to UWFaith Assembly expenses.

UNITED WOMEN IN FAITH

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

Brooks-Howell Home - Expenses related to Brooks-Howell Home are recorded as incurred. Brooks-Howell Home expenses include primarily salaries, related employee benefits, and raw food costs. Management expects resident related operating expenses for BHH to increase at a rate consistent with that of resident service revenue. The primary resident service expenses are administration, food service, maintenance, environmental services, nursing services, social services, human resources, marketing, activities expenses, and ancillary services. Expenses for 2025 is based on the approved 2025 budget and expenses from 2026 through 2029 are based on the projected BHH budgets, which were prepared by management.

Depreciation Expense - Depreciation is expected to increase in 2026 and through the remaining forecasted period due to the addition of a new generator and Medicare wing for the BHH facility, which was approved by the UWFaith board in 2021 and 2022. BHH completed the generator project in the third quarter of 2025. The Medicare wing construction began in the third quarter of 2025 and is expected to be completed in the first quarter of 2026. The total cost of the generator and the Medicare construction is expected to be approximately \$1,400,000 and \$2,000,000, respectively; therefore, an increase to annual depreciation expense will be approximately \$170,000 per year. The assumption is for the construction in progress related to the Medicare wing to be placed in service at the beginning of 2026; therefore, a full year of depreciation expense will be added in 2027 as well as throughout the remaining of the forecasted period.

Supporting Services - Management assumes supporting services to be approximately \$4,402,000 in 2025 based on the 2025 budget and increase to \$5,500,000 throughout the remainder of the forecasted period.

Current Assets and Current Liabilities

Management has assumed working capital components based on UWFaith's historical trends, which are outlined in the following table:

Table 1
Working Capital

Approximate Historical % of Annual

| | | |
|---------------------------------------|-----|----------------------------|
| Receivables | 23% | certain operating revenues |
| Inventories and other assets | 2% | total operating expenses |
| Accounts payable and accrued expenses | 7% | total operating expenses |

Source: Management

UNITED WOMEN IN FAITH

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

5. Summary of Significant Statement of Financial Position Assumptions

Assets Limited as to Use - Management assumes assets limited as to use to be as follows for the years ending December 31, 2025 through 2029:

Table 2
Assets Limited as to Use
(in thousands of dollars)

| | <u>2025</u> | <u>2026</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| Restricted investments | \$1,800 | \$1,800 | \$1,800 | \$1,800 | \$1,800 |
| Statutory operating reserve (1) | <u>2,694</u> | <u>3,455</u> | <u>1,818</u> | <u>2,199</u> | <u>2,221</u> |
| Assets limited as to use | <u>\$4,494</u> | <u>\$5,255</u> | <u>\$3,618</u> | <u>\$3,999</u> | <u>\$4,021</u> |

Source: Management

Notes: (1) Management assumes the statutory operating reserve requirement to be 50% of BHH's operating expenses for fiscal years 2025 through 2026 (adjusted for non-cash items) based on an assumed occupancy rate for independent living units of BHH less than 90 percent through 2026. Management assumes the statutory operating reserve requirement to be 25% for fiscal years 2027 through 2029 (adjusted for non-cash items) based on an assumed occupancy rate for independent living units of BHH more than 90 percent for 2027 through 2029.

Land, Buildings, and Equipment - Management assumes no gain or loss from the sale or disposal of land, buildings, and equipment. Management assumes routine capital additions of \$250,000 and \$100,000 for UWFaith and BHH, respectively, in each of the years ending December 31, 2025 through 2029. In addition, management assumes significant BHH capital additions for a new generator of approximately \$1,400,000, which was placed in service in the third quarter of 2025. In addition, a new Medicare wing of approximately \$2,000,000 is expected to be constructed. The construction began in the third quarter of 2025 and is expected to continue through the first quarter of 2026. Therefore, \$220,000 of capital additions related to construction in progress are expected in 2025 and \$1,780,000 is expected in 2026. Forecasted activity for each of the years ending December 31, 2025 through 2029 as follows:

UNITED WOMEN IN FAITH

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

Table 3
Schedule of Property and Equipment
(in thousands of dollars)

| | <u>2025</u> | <u>2026</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Beginning balance | \$ 22,544 | \$ 24,514 | \$ 26,644 | \$ 26,994 | \$27,344 |
| Capital additions | <u>1,970</u> | <u>2,130</u> | <u>350</u> | <u>350</u> | <u>350</u> |
| Total capital costs | 24,514 | 26,644 | 26,994 | 27,344 | 27,694 |
| Accumulated depreciation | <u>(16,513)</u> | <u>(17,453)</u> | <u>(18,393)</u> | <u>(19,333)</u> | <u>(20,273)</u> |
| Property and equipment, net | <u>\$ 8,001</u> | <u>\$ 9,191</u> | <u>\$ 8,601</u> | <u>\$ 8,011</u> | <u>\$ 7,421</u> |

Source: Management

Deferred Revenue - Nonrefundable - Management assumes amounts related to deferred revenue - nonrefundable to be approximately \$120,000 in 2025, which is consistent with other years. In addition, management assumes that the \$1,400,000 currently in deferred revenue – nonrefundable at year end 2024 will be \$-0- at the end of 2025 due to the completion of the generator project, which would leave approximately \$120,000 in year end for 2026. Management then expects for deferred revenue - nonrefundable to remain constant throughout the forecasted period. Management assumes an additional \$1,200,000 of deferred revenue- nonrefundable during 2025 related to the collection of registration fees for the 2026 Assembly.

Annuities Payable - Management assumes amounts related to annuities payable to decrease two percent annually throughout the forecast period.

Assets Held for Others - Management assumes amounts related to assets held for others to remain constant throughout the forecast period.

Accrued Postretirement and Pension Benefit Costs - Management assumes amounts related to accrued postretirement and pension benefit costs to decrease eight percent annually throughout the forecasted period, based on a closed plan.

UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE**

BROOKS-HOWELL HOME
FORECASTED STATEMENTS OF FINANCIAL POSITION
FOR EACH OF THE FIVE YEARS ENDING DECEMBER 31, 2029
(IN THOUSANDS OF DOLLARS)

| | December 31, | | | | |
|--------------------------------------------|-----------------|-----------------|-----------------|------------------|------------------|
| | 2025 | 2026 | 2027 | 2028 | 2029 |
| <u>Assets</u> | | | | | |
| Current assets: | | | | | |
| Cash and cash equivalents | \$ 1,629 | \$ 2,286 | \$ 3,040 | \$ 5,029 | \$ 6,998 |
| Accounts receivable - residents | 125 | 135 | 155 | 209 | 211 |
| Accounts receivable - other | 14 | 14 | 14 | 14 | 14 |
| Inventories | 112 | 145 | 152 | 183 | 185 |
| Total current assets | <u>1,880</u> | <u>2,580</u> | <u>3,361</u> | <u>5,435</u> | <u>7,408</u> |
| Restricted assets: | | | | | |
| Assets limited as to use - current portion | - | - | - | - | - |
| Total restricted assets | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other assets: | | | | | |
| Investments | 626 | 670 | 717 | 767 | 821 |
| Assets limited as to use - long-term | 689 | 696 | 703 | 710 | 717 |
| Total other assets | <u>1,315</u> | <u>1,366</u> | <u>1,420</u> | <u>1,477</u> | <u>1,538</u> |
| Land, buildings, and equipment, net | <u>2,631</u> | <u>4,161</u> | <u>3,911</u> | <u>3,661</u> | <u>3,411</u> |
| Total assets | <u>\$ 5,826</u> | <u>\$ 8,107</u> | <u>\$ 8,692</u> | <u>\$ 10,573</u> | <u>\$ 12,357</u> |
| <u>Liabilities and Net Assets</u> | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | \$ 149 | \$ 194 | \$ 203 | \$ 244 | \$ 246 |
| Accrued wages and related liabilities | 237 | 308 | 323 | 388 | 392 |
| Agency funds | - | - | - | - | - |
| Long-term debt - current maturities | - | - | - | - | - |
| Total current liabilities | <u>386</u> | <u>502</u> | <u>526</u> | <u>632</u> | <u>638</u> |
| Long-term liabilities: | | | | | |
| Long-term debt - less current maturities | - | - | - | - | - |
| Deferred revenue - refundable | - | - | - | - | - |
| Deferred revenue - nonrefundable | - | - | - | - | - |
| Total long-term liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>386</u> | <u>502</u> | <u>526</u> | <u>632</u> | <u>638</u> |
| Net assets: | | | | | |
| Without donor restrictions | 4,685 | 6,847 | 7,405 | 9,177 | 10,952 |
| With donor restrictions | 755 | 758 | 761 | 764 | 767 |
| Total net assets | <u>5,440</u> | <u>7,605</u> | <u>8,166</u> | <u>9,941</u> | <u>11,719</u> |
| Total liabilities and net assets | <u>\$ 5,826</u> | <u>\$ 8,107</u> | <u>\$ 8,692</u> | <u>\$ 10,573</u> | <u>\$ 12,357</u> |

See the accompanying Independent Accountant's Compilation Report and
Summary of Significant Forecast Assumptions and Accounting Policies.

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE**

BROOKS-HOWELL HOME
FORECASTED STATEMENTS OF ACTIVITIES
FOR EACH OF THE FIVE YEARS ENDING DECEMBER 31, 2029
(IN THOUSANDS OF DOLLARS)

| | Year Ending December 31, | | | | |
|---------------------------------------------|--------------------------|-----------------|-----------------|-----------------|------------------|
| | 2025 | 2026 | 2027 | 2028 | 2029 |
| Operating revenues and support: | | | | | |
| Resident services | \$ 6,265 | \$ 6,733 | \$ 7,743 | \$ 10,471 | \$ 10,559 |
| United Women in Faith support and grants | 29 | 29 | 29 | 29 | 29 |
| United Methodist Women grant | 920 | 2,480 | - | - | - |
| Healthcare revenues | - | - | - | - | - |
| Amortization of entrance fees | - | - | - | - | - |
| Contributions | 3 | 3 | 3 | 3 | 3 |
| Investment earnings | 92 | 98 | 105 | 112 | 120 |
| Other operating revenue | 328 | 82 | 304 | 306 | 301 |
| Total operating revenues and support | 7,637 | 9,425 | 8,184 | 10,921 | 11,012 |
| Operating expenses: | | | | | |
| Nursing services | 1,889 | 1,925 | 2,000 | 2,200 | 2,222 |
| Food services | 861 | 995 | 1,100 | 1,800 | 1,818 |
| Administration | 948 | 2,089 | 2,254 | 2,401 | 2,425 |
| Environmental services | 458 | 469 | 525 | 750 | 758 |
| Maintenance | 808 | 1,071 | 985 | 1,200 | 1,212 |
| Social service | 50 | - | - | - | - |
| Human resources | 150 | 130 | 164 | 175 | 177 |
| Marketing | 82 | 115 | 125 | 140 | 141 |
| Activities | 122 | 96 | 100 | 110 | 111 |
| Depreciation | 198 | 350 | 350 | 350 | 350 |
| Other expense | - | - | - | - | - |
| Resident ancillary | 15 | 15 | 15 | 15 | 15 |
| Staff house | 5 | 5 | 5 | 5 | 5 |
| Home care | - | - | - | - | - |
| Total operating expenses | 5,586 | 7,260 | 7,623 | 9,146 | 9,234 |
| Increase in net assets | 2,051 | 2,165 | 561 | 1,775 | 1,778 |
| Net assets, beginning of year | 3,389 | 5,440 | 7,605 | 8,166 | 9,941 |
| Net assets, end of year | \$ 5,440 | \$ 7,605 | \$ 8,166 | \$ 9,941 | \$ 11,719 |

See the accompanying Independent Accountant's Compilation Report and
Summary of Significant Forecast Assumptions and Accounting Policies.

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE**

BROOKS-HOWELL HOME
FORECASTED STATEMENTS OF CASH FLOWS
FOR EACH OF THE FIVE YEARS ENDING DECEMBER 31, 2029
(IN THOUSANDS OF DOLLARS)

| | Year Ending December 31, | | | | |
|-----------------------------------------------------------------------------------------------|--------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2025 | 2026 | 2027 | 2028 | 2029 |
| Cash flows from operating activities: | | | | | |
| Increase in net assets | \$ 2,051 | \$ 2,165 | \$ 561 | \$ 1,775 | \$ 1,778 |
| Adjustments to reconcile increase in net assets to net cash provided by operating activities: | | | | | |
| Depreciation | 198 | 350 | 350 | 350 | 350 |
| Change in investments | (41) | (44) | (47) | (50) | (54) |
| Change in working capital | 359 | 73 | (3) | 21 | 2 |
| Net cash provided by operating activities | <u>2,567</u> | <u>2,544</u> | <u>861</u> | <u>2,096</u> | <u>2,076</u> |
| Cash flows from investing activities: | | | | | |
| Purchase of land, buildings, and equipment | (1,720) | (1,880) | (100) | (100) | (100) |
| Change in assets limited as to use | (7) | (7) | (7) | (7) | (7) |
| Net cash used in investing activities | <u>(1,727)</u> | <u>(1,887)</u> | <u>(107)</u> | <u>(107)</u> | <u>(107)</u> |
| Cash flows from financing activities: | | | | | |
| Net cash provided by financing activities | - | - | - | - | - |
| Increase in cash and cash equivalents | 840 | 657 | 754 | 1,989 | 1,969 |
| Cash and cash equivalents, beginning of year | 789 | 1,629 | 2,286 | 3,040 | 5,029 |
| Cash and cash equivalents, end of year | <u>\$ 1,629</u> | <u>\$ 2,286</u> | <u>\$ 3,040</u> | <u>\$ 5,029</u> | <u>\$ 6,998</u> |

See the accompanying Independent Accountant's Compilation Report and Summary of Significant Forecast Assumptions and Accounting Policies.

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE
BROOKS-HOWELL HOME**

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

1. General

Brooks-Howell Home (“BHH”) is a part of United Women in Faith (the “UWFaith”) and principally provides housing, health care, and other related services to residents through the operation of a retirement facility containing 39 residential apartments, 21 suites, 1 cottage, and 58 licensed nursing care beds, located in Asheville, North Carolina. UWFaith owns the property and provides operating support; however, no rent is paid to UWFaith for the use of the property. Contracts for services provided by BHH are in the name of United Women in Faith. BHH manages the day-to-day operations under the direction of UWFaith. The forecasted statements of activities of BHH includes only those day-to-day operations at BHH. Other transactions that occur between residents and UWFaith are not recorded on the BHH financial statements. BHH operates in the State of North Carolina under provisions of a Certificate of Authority.

The mission of BHH is to serve retired missionaries, deaconesses, and staff of UWFaith, a certain number of retirees from other divisions of The United Methodist Church, and a limited number of health care patients from the community.

BHH follows the same significant accounting policies as UWFaith.

2. Summary of Significant Statement of Activities Assumptions

Operating Revenue and Support

Management used the 2025 Board approved budget as the basis for the forecasted operating revenue for 2025. All other years are forecasted based on management assumptions below:

BHH Strategic Plan 2021-2024 - The strategic plan put in place by UWFaith and BHH during 2020 was a plan to transition BHH from being UWFaith subsidy-dependent to being self-sustaining. Over the course of four years, it was planned for BHH to reach levels of operational efficiency, establish a Medicare wing, and build reserves for unexpected expenses. Due to COVID-19, the supply chain issues, natural disasters in 2024 and the nursing industry staffing issues, this plan will take longer than initially planned.

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE
BROOKS-HOWELL HOME**

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

Resident Services & United Women in Faith Support - In accordance with the strategic plan, management expects to have 20 skilled nursing beds in use in 2025, 25 skilled nursing beds in use in 2026, and 30 skilled nursing beds in use in 2027 through 2029. Construction on the Medicare wing is expected to begin during the second half of 2025 and continue through all of 2026. BHH purchased the new generator using grant money from GBGM that approximates \$1,400,000 and the generator was placed in service during the third quarter of 2025. UWFaith will be providing varying support as needed through the forecasted period with the addition of grants totaling \$2,000,000 to be used for the Medicare wing construction. Of this amount, \$220,000 is expected to be received in 2025 and the remaining \$1,780,000 is expected to be received in 2026. The Medicare wing is expected to open in 2026 and generate an additional 600,000 in revenue in 2026 and an additional \$1,700,000 in 2027 through 2029.

Investment Earnings - Investment earnings for 2025 and throughout the remainder of the forecast have been forecasted to increase approximately seven percent annually to be in line with the five-year historical average.

Other Revenues - Other revenues are anticipated to remain consistent with the 2025 budget throughout the forecasted period.

Operating Expenses

Management used the 2025 Board approved budget as the basis for the forecasted operating expenses for 2025. All other years are forecasted based on management assumptions or management projections below:

Brooks-Howell Home Expenses - Expenses related to Brooks-Howell Home are recorded as incurred. Brooks-Howell Home expenses include primarily salaries, related employee benefits, and raw food costs. Management expects resident related operating expenses for BHH to increase at a rate consistent with that of resident service revenue. The primary resident service expenses are administration, food service, maintenance, environmental services, nursing services, social services, human resources, marketing, activities expenses, and ancillary services. Expenses for 2025 is based on the approved 2025 budget and expenses from 2026 through 2029 are based on the projected BHH budgets, which were prepared by management.

**UNITED WOMEN IN FAITH
SUPPLEMENTAL DISCLOSURE
BROOKS-HOWELL HOME**

Summary of Significant Forecast Assumptions and Accounting Policies

For Each of the Five Years Ending December 31, 2029

3. Summary of Significant Statement of Financial Position Assumptions

Accounts Receivable - Management assumes resident accounts receivable to be approximately 2% of total resident service revenue throughout the forecasted period based on historical average. Management assumes non-resident accounts receivable to remain consistent throughout the forecast period.

Inventories - Management assumes inventories to remain at approximately 1.70% of total operating expenses, based on historical average.

Land, Buildings, and Equipment - Management assumes routine capital additions of \$100,000 in each of the years ending December 31, 2025 through 2029. In addition, management assumes significant BHH capital additions for a new generator and Medicare wing of approximately \$1,400,000, and \$2,000,000, respectively, which was approved by the UWFaith board in 2022 and 2021, respectively. The generator was placed in service in the third quarter of 2025 and the capital additions will be recognized in 2025. The Medicare wing construction began in the third quarter of 2025 and is expected to be completed in the first quarter of 2026. The capital additions will be recognized in 2026. The corresponding depreciation is expected to increase in 2025 and 2026 and then remain consistent through the remainder of the forecasted period.

Assets Limited as to Use - Management assumes assets limited as to use to remain relatively consistent throughout the forecasted period, with increases of approximately one percent annually.

Investments - Management assumes investments to increase seven percent throughout the forecasted period, based on historical average.

Accounts Payable and Accrued Liabilities - Management assumes accounts payable will remain at approximately 6% of total non-payroll operating expenses based on historical average. Management also assumes accrued wages and related liabilities to remain at approximately 7% of total payroll expenses based on historical average. Based on a 5-year average, payroll has approximated 60% of total operating expense.

UNITED WOMEN IN FAITH
 Statements of Financial Position
 August 31, 2025 (Unaudited) and December 31, 2024

Assets

| | <u>2025</u> | <u>2024</u> |
|----------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| Cash and cash equivalents | \$ - | \$ - |
| Cash and cash equivalents - State of North Carolina operating reserve requirement for Brooks Howell Home | 2,694,000 | 2,402,000 |
| Receivables: | | |
| Due from conferences | 295,790 | 2,105,480 |
| Property sales | 872,310 | 151,872 |
| Other | 2,133,674 | 2,404,231 |
| Inventories and other assets | 468,944 | 440,006 |
| Prepaid expenses | 80,881 | 342,768 |
| Investments in debt securities of the United Methodist Development Fund | 5,500 | 5,500 |
| Investments | 110,582,748 | 104,806,191 |
| Land, buildings, and equipment, net | 7,409,713 | 6,801,329 |
| Perpetual trusts held by others | 1,848,578 | 1,848,578 |
| | <u>1,848,578</u> | <u>1,848,578</u> |
| Total assets | <u>\$ 126,392,138</u> | <u>\$ 121,307,955</u> |

Liabilities and Net Assets

| | | |
|--------------------------------------------------|---------------------------|---------------------------|
| Liabilities: | | |
| Accounts payable and accrued expenses | \$ 780,398 | \$ 1,285,593 |
| Deferred revenue | 1,569,081 | 1,469,081 |
| Annuities payable | 125,012 | 125,012 |
| Assets held for others | 5,624,716 | 5,179,492 |
| Accrued postretirement and pension benefit costs | 4,320,716 | 4,320,716 |
| | <u>4,320,716</u> | <u>4,320,716</u> |
| Total liabilities | <u>12,419,923</u> | <u>12,379,894</u> |
| Net assets: | | |
| Net assets without donor restrictions | 34,174,869 | 37,335,737 |
| Net assets with donor restrictions | 79,797,346 | 71,592,324 |
| | <u>79,797,346</u> | <u>71,592,324</u> |
| Total net assets | <u>113,972,215</u> | <u>108,928,061</u> |
| Total liabilities and net assets | <u>\$ 126,392,138</u> | <u>\$ 121,307,955</u> |

UNITED WOMEN IN FAITH
Statements of Activities
Eight Months Ended August 31, 2025 (Unaudited)
(with comparative totals for the year ended December 31, 2024)

| | Without Donor Restrictions | With Donor Restrictions | 2025 | 2024 |
|-----------------------------------------------------------|-------------------------------------------|----------------------------------------|-----------------------|-----------------------|
| Operating Revenues: | | | | |
| Mission Giving: | | | | |
| Pledge to Mission | \$ 1,840,324 | \$ - | \$ 1,840,324 | \$ 5,774,389 |
| Designated Giving | 39,864 | 172,286 | 212,150 | 378,632 |
| Interest Income: | | | | |
| Investment Income (Net of Fees) | 167,545 | 1,392,542 | 1,560,087 | 2,146,118 |
| Bequests, Trusts, Other Long-term Gifts | 330,628 | 55,478 | 386,106 | 408,271 |
| Publications: | | | | |
| response Magazine | 114,247 | - | 114,247 | 185,101 |
| MRC | 118,587 | - | 118,587 | 227,780 |
| Rental and Service Fee Income: | | | | |
| Resident Service Fees from Brooks Howell Home | 3,801,600 | - | 3,801,600 | 4,815,348 |
| CCUN | 1,589,480 | - | 1,589,480 | 2,660,206 |
| Other Income: | | | | |
| Benefits Trust | 918,063 | - | 918,063 | 1,038,735 |
| Miscellaneous Other Income | 200,423 | - | 200,423 | 398,088 |
| Total operating revenues | <u>9,120,761</u> | <u>1,620,306</u> | <u>10,741,067</u> | <u>18,032,668</u> |
| Operating Expenses: | | | | |
| Program Services: | | | | |
| Programs Administered by UMW: | | | | |
| Transformation | 494,104 | - | 494,104 | 453,650 |
| Position | 260,633 | - | 260,633 | 211,381 |
| Engage | 760,421 | - | 760,421 | 1,118,468 |
| Mobilize | 110,864 | - | 110,864 | 549,185 |
| Connectional | 289,276 | - | 289,276 | 476,161 |
| National Missions Office | 440,889 | - | 440,889 | 925,191 |
| International Missions Office | 422,461 | - | 422,461 | 891,935 |
| Mission Education | 438,782 | - | 438,782 | 592,484 |
| response Magazine | 186,040 | - | 186,040 | 279,922 |
| Mission Resources | 163,824 | - | 163,824 | 408,182 |
| Deaconess, Home Missioners Office and Network | 367,030 | - | 367,030 | 525,836 |
| Other Programs Administered by UMW | 576,223 | - | 576,223 | 946,012 |
| Programs Administered by Other Organizations: | | | | |
| United Methodist Organizations National Mission | 501,632 | - | 501,632 | 1,040,789 |
| United Methodist Organizations International Mission | 110,233 | - | 110,233 | 330,697 |
| Ecumenical Organization | 19,849 | - | 19,849 | 37,089 |
| Grants from Designated Funds | 1,494,728 | - | 1,494,728 | 1,047,691 |
| Program Support: | | | | |
| Church Center for the United Nations (CCUN) | 1,564,067 | - | 1,564,067 | 2,842,761 |
| Brooks-Howell Home (BHH) | 3,639,685 | - | 3,639,685 | 4,580,915 |
| Retired Deaconess, Missionary Pension and Health Benefits | 504,399 | - | 504,399 | 766,077 |
| Organization-wide Program Support | - | - | - | 161,456 |
| Total program services | <u>12,451,592</u> | <u>-</u> | <u>12,451,592</u> | <u>18,185,882</u> |
| Supporting Services: | | | | |
| Management and General | 2,231,605 | - | 2,231,605 | 2,806,276 |
| Fundraising | 622,082 | - | 622,082 | 868,431 |
| Total supporting services | <u>2,853,687</u> | <u>-</u> | <u>2,853,687</u> | <u>3,674,707</u> |
| Total operating expenses | <u>15,305,279</u> | <u>-</u> | <u>15,305,279</u> | <u>21,860,589</u> |
| (Decrease) increase in net assets from operations | <u>(6,184,518)</u> | <u>1,620,306</u> | <u>(4,564,212)</u> | <u>(3,827,921)</u> |
| Non-operating Activities: | | | | |
| Net appreciation in fair value of investments | 2,213,650 | 6,140,748 | 8,354,398 | 6,040,431 |
| Net appreciation in perpetual trusts held by others | - | - | - | 133,301 |
| Change in postretirement and pension benefit costs | - | - | - | 942,296 |
| Gain on sale of properties | 810,000 | - | 810,000 | - |
| Endowment contributions | - | 443,968 | 443,968 | 1,300,355 |
| Total non-operating activities | <u>3,023,650</u> | <u>6,584,716</u> | <u>9,608,366</u> | <u>8,416,383</u> |
| (Decrease) increase in net assets | <u>(3,160,868)</u> | <u>8,205,022</u> | <u>5,044,154</u> | <u>4,588,462</u> |
| Net assets at beginning of period/year | <u>37,335,737</u> | <u>71,592,324</u> | <u>108,928,061</u> | <u>104,339,599</u> |
| Net assets at end of period/year | <u>\$ 34,174,869</u> | <u>\$ 79,797,346</u> | <u>\$ 113,972,215</u> | <u>\$ 108,928,061</u> |

UNITED WOMEN IN FAITH

Statements of Cash Flows

Eight Months Ended August 31, 2025 (Unaudited) and Year Ended December 31, 2024

| | 2025 | 2024 |
|-------------------------------------------------------------------------------------------|--------------|--------------|
| Cash flows from operating activities: | | |
| Increase in net assets | \$ 5,044,154 | \$ 4,588,462 |
| Adjustments to reconcile increase in net assets to net cash used in operating activities: | | |
| Depreciation | - | 764,832 |
| Net appreciation in fair value of investments | (8,354,398) | (6,040,431) |
| Net appreciation in perpetual trusts held by others | - | (133,301) |
| Gain on sale of properties | (810,000) | - |
| Contributions and investment return restricted for long-term investment | (443,968) | (1,300,355) |
| Actuarial gain on annuity obligations | - | 36,041 |
| Change in receivables | 1,359,809 | (540,251) |
| Change in inventories and other assets | (28,938) | 86,169 |
| Change in prepaid expenses | 261,887 | 170,586 |
| Change in accounts payable and accrued expenses | (505,195) | (642,192) |
| Change in deferred revenue | 100,000 | - |
| Change in assets held for others | 445,224 | (564,921) |
| Change in accrued postretirement and pension benefit costs | - | (942,296) |
| Net cash used in operating activities | (2,931,425) | (4,517,657) |
| Cash flows from investing activities: | | |
| Proceeds from sale of properties | 810,000 | - |
| Purchases of equipment and improvements | (608,384) | (389,979) |
| Proceeds from sales of investments | 6,463,332 | 7,990,283 |
| Purchases of investments | (3,885,491) | (3,798,844) |
| Net cash provided by investing activities | 2,779,457 | 3,801,460 |
| Cash flows from financing activities: | | |
| Contributions and investment return restricted for long-term investment | 443,968 | 1,300,355 |
| Payments of annuity obligations | - | (43,590) |
| Net cash provided by financing activities | 443,968 | 1,256,765 |
| Net increase in cash and cash equivalents | 292,000 | 540,568 |
| Cash and cash equivalents at beginning of period/year | 2,402,000 | 1,861,432 |
| Cash and cash equivalents at end of period/year | \$ 2,694,000 | \$ 2,402,000 |



ADMISSION AGREEMENT FOR
OUTREACH MINISTRY
HEALTH CENTER RESIDENT

266 Merrimon Avenue
Asheville, NC 28801-1218

Telephone (828) 348.7270
FAX (828) 367-7978
Email: angela@brookshowell.org

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

**ADMISSION AGREEMENT FOR OUTREACH
MINISTRY HEALTH CENTER RESIDENT
AT
BROOKS-HOWEL HOME
266 MERRIMON AVENUE
ASHEVILLE, NORTH CAROLINA 28801-1218**

This is an agreement between “UNITED METHODIST WOMEN dba United Women in Faith”, hereinafter referred to as **UMW**, a New York not-for-profit corporation, which maintains its principal office at 777 United Nations Plaza, 11th Floor New York, New York 10017 and RESIDENT NAME (hereinafter referred to as “**Resident**”), concerning the provision of health care accommodations and services at **Brooks-Howell Home**, hereinafter referred to as **BHH** located at 266 Merrimon Avenue, Asheville, North Carolina 28801-1218.

Whereas the parties in this agreement wish to admit to the Health Center, and thereby agree to the following:

RELIGIOUS AFFILIATION/RELATIONSHIP

UMW dba United Women in Faith “and only UMW dba United Women in Faith”, is legally responsible for the operation of BHH. THE UNITED METHODIST CHURCH is not responsible for the operation of BHH nor is any other organization that is affiliated with that church. UMW dba United Women in Faith is the owner and ultimate operator of BHH. Actions taken by and directions given by BHH are to be considered the actions and directions of UMW.

CANCELLATION OF CONTRACT

Resident may cancel this agreement within thirty days following execution. In the event **Resident** cancels this agreement within that thirty-day period, **BHH**, shall repay to **Resident** any money or property that has been paid to it pursuant to this agreement by **Resident**, other than periodic charges specified in this agreement and applicable only for the period that a nursing care unit was occupied by **Resident**.

ENTRY OF RESIDENT

Resident is not required to move into **BHH** before the expiration of the aforesaid thirty-day period.

Resident is expected to enter **BHH** for health care residency on _____. However, the provision of this agreement will be based on the actual date of entry.

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

ACCOMMODATIONS

BHH shall provide accommodations in a nursing care unit in accordance with the health needs of **Resident** and shall provide three meals a day and snacks as scheduled.

HEALTH CARE

BHH shall provide nursing care in accordance with **BHH** procedures, rules, and regulations. **BHH**, in consultation with its medical consultants, reserves the right to designate **Resident's** level of care as required by medical necessity and the state and/or federal rules and regulations governing the operation of nursing facilities.

MEDICAL SERVICES

Resident shall have the right to select a physician, provided that said physician agrees to follow the policies and procedures of the **BHH**, laws and licensure of the State of North Carolina, and the federal guidelines as applicable. **BHH** maintains a professional relationship with **BHH's** Medical Director, a licensed North Carolina physician who makes routine rounds at **BHH**. If **Resident's** present physician is not willing to come to **BHH** and upon **Resident's** request, **BHH** will recommend **Resident** to **BHH's** Medical Director for consideration as a new patient.

CONSULTATION SERVICES

BHH shall provide the following, at **Resident's** expense, primary physician care, medical supplies, prescription drugs, consultative services (mental health, dental, optometry, podiatry, and wound care), occupational therapy, speech therapy, physical therapy, and other special services. If any of these services are ordered by the primary care physician, **Resident** will be made aware of this referral, and provided an opportunity to decline the service.

USE OF PRIVATE DUTY STAFF

If **Resident** chooses to use private duty staff at any time during his/her stay at **Brooks-Howell Home**, **Resident** will inform the Director of Nursing. **Resident** understands that the private duty staff must be approved by **BHH**, in accordance with the Private Duty/Sitter Policy established by **BHH** and will act under the supervision of **BHH** Director of Nursing. A copy of this policy and requirements may be obtained from the Admissions Director. Compensation for such services shall be the responsibility of the **Resident**.

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

PHARMACY SERVICES

BHH contracts with a Long Term Care Pharmacy for the provisions of medications. (It is understood that **Resident** may purchase drug items at an alternative pharmacy of their choice if it delivers to the facility and conforms to state regulations related to nursing homes and complies with the facility medication distribution system.)

FINANCIAL OBLIGATIONS OF RESIDENT

Resident, in consideration of the services to be provided by **BHH** as set forth in this agreement, shall pay to **BHH** the following fees and charges:

- A. Initial pro rata fee: \$XXXX first month fee. (Number of days remaining in the month times the daily rate) *RESPITE STAY MUST BE PAID IN FULL AT TIME OF ADMISSION.*
- B. Monthly service charges are based on the daily rate of \$XXXX times the number of days in the month.
(BBH is not a licensed Medicare/Medicaid facility. Payment is by private funds and/or private LTC insurance coverage.)
- C. Minimum Monthly Service Charge. The minimum monthly service charge shall be the sum of \$XXXX due on DATE.
Representing the equivalent charge for thirty (30) days is \$11,340.00. The minimum charge is appropriate considering the intake and discharge expenses related to care at **BHH**.
- D. Charges for care are based primarily on what it costs **BHH** to operate. These charges may increase from time to time and when this occurs, the **Resident** will be given thirty (30) days' notice.
- E. **Resident shall pay for his/her telephone, WIFI, regular charges for personal laundry, and other miscellaneous charges incurred at the request of Resident.**
- F. All monthly service charges and other periodic payments will be adjusted on a pro rata basis should an agreement commence or desist other than on the 1st day of a month. Charges will cease on the day following the discharge of **Resident**.

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

MEDICAL SUPPLIES

_____(Initial) **Resident** understands that **BHH** will provide medical supplies and medical equipment needed to ensure **Resident’s** care needs are met. These supplies and equipment will be billed to **Resident** at the current market value. Some medical equipment may have a daily/weekly/or monthly charge.

PHONE/INTERNET SERVICE

The following services are also offered at a fee.

1. Accept _____ Decline _____ Phone Service through Verizon Charges dependent upon elected services. Disconnection fee is approximately \$134 (per Verizon).

2. Accept _____ Decline _____ Wi-Fi Service (\$30.00 a month)

LAUNDRY SERVICE

BHH provides bed linens, towels and daily laundry service for Health Center residents. The resident’s family or **BHH** may do the laundry.

ALL CLOTHING BROUGHT INTO THE HEALTH CENTER MUST BE CLEARLY LABELED WITH THE RESIDENT’S NAME (regardless of who does the laundry).

_____(Initial) Family/Responsible Party will do laundry (I understand that I must provide a fire-retardant plastic hamper with lid in the room), if not handled timely, the facility will do laundry for 0.75 cents per day.

OR

_____(Initial) Brooks-Howell will perform laundry services for \$45.00 monthly, and this will appear on Resident’s monthly bill.

BEAUTY SALON SERVICES

_____(Initial) **Resident** understands that **BHH** has beautician services onsite. **Resident** is aware that these services are an additional charge. If **Resident** chooses to use the salon at **BHH**, the charges for these services will appear on my **BHH** bill.

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

HOSPITALIZATION AND OTHER ABSENCES FROM BHH

Residents who leave the Health Center on a temporary basis, whether to seek additional medical or surgical care, or for personal reasons, will continued to be billed at the daily room rate.

POLICIES CONCERNING NONPAYMENT OF FEES OR CHARGES

Residence in **BHH** is pursuant to this agreement and on a month-to-month basis. In the event **Resident** becomes unable, refuses or fails to pay any monthly charges or any other fees or charges, **BHH**, after giving **Resident** written notice of the default and the opportunity to cure the default within thirty (30) days of notice, may terminate this agreement, in which case, **Resident** shall vacate the nursing unit and be entitled to no further services of **BHH** under this agreement.

PERSONAL AND FINANCIAL MANAGEMENT

If **Resident** presently has in effect a power of attorney for the management of his/her financial and/or health care matters and a current North Carolina Living Will, the **Resident** agrees to provide **BHH** with copy(ies). If **Resident** presently does not have a power of attorney for financial and/or health care matters in effect, **BHH** requires the **Resident** to do so prior to entering **BHH** and recommends **Resident** sign a North Carolina Living Will if **Resident** is in agreement with the purpose of a Living Will.

TRANSFER OR DISCHARGE FROM THE FACILITY

BHH's procedures regarding transfer, discharge and the provision of services are the same for all residents regardless of source of payment. After proper notice (30 days) to **Resident** by **BHH** of an impending transfer or discharge, **Resident** has the right to appeal the transfer or discharge decision.

NOTICE OF PRIVACY PRACTICES

_____ (Initial) **Resident** has been given a copy of **BHH's** *Notice of Privacy Practices* ("*Notice*"). **Resident** understands that **BHH** has the right to change the "*Notice*" at any time and a current copy is located in the Health Center Resident Handbook.

PROPERTY RIGHTS OF RESIDENT

Other than ownership of **Resident's** personal property, Resident has absolutely no property rights in any assets of the UMW, **BHH** or any living unit.

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

ADDITIONAL OBLIGATIONS OF RESIDENT

Resident shall accept full responsibility for personal possessions brought into **BHH** and shall conform to and abide by the rules and regulations of the **BHH** now or hereafter adopted by **BHH** for the conduct and care of residents under its supervision.

RECEIPT OF HEALTH CENTER RESIDENT HANDBOOK

_____ (Initial) **Resident** has been provided a copy of the Health Center Resident Handbook and understands that this handbook contains important facility policies regarding **Resident's** stay in the Health Center at **BHH**. Any questions about the Resident Handbook should be discussed with the Director of Nursing.

RECEIPT OF RESIDENT RIGHTS

_____ (Initial) **Resident** acknowledges that he/she has received a copy of, has reviewed, and understands the Resident Rights. It is important for all residents of Health Care Facilities to be familiar with their Resident Rights. Resident Rights are located in the Health Center Resident Handbook and posted throughout the facility.

CPR ACKNOWLEDGEMENT

_____ (Initial) In compliance with North Carolina regulations, **BHH** will ensure that nursing staff are trained and up to date with CPR training either through the American Heart Association or the American Red Cross programs and will maintain current staff certifications on file. A copy of the CPR policy is included in the Health Center Resident Handbook.

ADVANCE DIRECTIVES

Advance Directives are legal documents that enable **Resident** to give direction for his/her future medical care if **Resident** becomes physically or mentally unable to do for themselves. Advance Directives include the Living Will, Health Care Power of Attorney, Do Not Resuscitate Orders and the MOST form. **BHH** has the above documents and will gladly work with **Resident's** physician in having these forms completed if requested. **BHH** can also assist with "end of life" planning.

BHH is required to have on record a preferred funeral home.

Funeral Home Selection: _____

_____ (Initial) **Resident** has provided **BHH** with copies of **Resident's** Advance Directives.

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

SMOKE FREE/TOBACCO FREE CAMPUS ACKNOWLEDGEMENT

_____ (Initial) **Resident** acknowledges that **BHH** is a Smoke Free / Tobacco Free campus and understands that the use of tobacco products on the campus is prohibited for residents, resident families, and staff. If anyone wishes to use tobacco products, they must leave the campus to do so.

RESIDENT’S HEALTH AND CONDUCT

Resident acknowledges that **BHH** is the residence of retired persons who have agreed to live in a community setting which requires consideration for the privacy of other residents as well as for their wellbeing and safety. **BHH** may terminate this agreement in the event:

- a) **Resident** conduct invades the privacy of other residents or disturbs their peaceful occupation of their living units or endangers their safety or the property of **BHH** or **Resident** conduct creates a danger to the life, health, safety or peace of other residents or staff or interferes with the functioning of staff.
- b) **Resident** becomes afflicted with a dangerous or contagious disease, becomes mentally ill or emotionally disturbed to the point of posing a threat to the peace and welfare of other residents.
- c) **Resident** becomes afflicted with a condition for which **BHH** is not able or by virtue of its licensure not permitted to provide care. Termination for any such cause is not to be done lightly and will not be invoked without consultation with **Resident** and/or, at the option of **Resident**, **Resident’s** representative as noted, however, any decision by **BHH** as to the **Resident** remaining at **BHH** shall be conclusive.

CONSENT FOR SCREENING FOR TUBERCULOSIS

_____ (Initial) **Resident** understands that it is a requirement of **BHH** to administer a screening test upon admission as well as annually.

PNEUMONIA VACCINE

BHH offers pneumonia vaccines to all residents residing in the Health Center, in accordance with current CDC guidance.

_____ (Initial) **Resident** agrees to receive the Pneumonia Vaccine(s) as recommended / ordered by **Resident’s** physician.

OR

_____ (Initial) **Resident** **DOES NOT CONSENT** to the Pneumonia Vaccine(s).

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

FLU VACCINE

BHH offers flu vaccines annually to residents residing in the Health Center.

_____(Initial) **Resident** agrees to receive a yearly Flu Vaccine, as directed by **Resident’s** physician.

OR

_____(Initial) **Resident** **DOES NOT** agree to the Flu Vaccine as **Resident** has a known:

Allergy to eggs | Previous Flu Vaccine Reaction | MD advised against |

Guillian-Barre Syndrome

COVID VACCINE/ BOOSTER

BHH offers COVID vaccines/BOOSTERS to all residents residing in the Health Center, in accordance with current CDC guidance.

_____(Initial) **Resident** agrees to receive the Covid Vaccine/Booster (s) as recommended / ordered by **Resident’s** physician.

OR

_____(Initial) **Resident** **DOES NOT CONSENT** to the Covid Vaccine(s)/Booster.

SIGNING OUT PROCESS

_____(Initial) **Resident** has reviewed the “Signing Out Process” located in the Health Center Resident Handbook and it is understood that **Resident** or responsible party of **Resident** must formally sign out any time he/she leaves the unit. This ensures that staff members are aware of location/destination of the **Resident** and best way to reach him/her. This process is in place to guarantee the safety of the Health Center residents.

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

SAFEKEEPING OF PERSONAL PROPERTY

_____(Initial) **BHH** is committed to the safekeeping of **Resident's** personal property and therefore strongly discourages residents from keeping valuable possessions, such as jewelry, cash, credit card, etc., in their rooms. **BHH** shall not be responsible for the loss of any property belonging to **Resident** due to theft, mysterious disappearance, fire or any other cause. **BHH** is not responsible for any missing or damaged hearing aids, dentures, or glasses. It is strongly recommended that personal insurance is obtained on these small items as they can easily be misplaced or damaged during the Health Center stay.

MEDICATIONS IN THE DINING ROOM

_____(Initial) **Resident** consents to receive oral medications in the dining room.

OR

_____(Initial) **Resident** **DOES NOT CONSENT** to receive oral medications in the dining room.

NURSING STUDENTS

_____(Initial) **Resident** consents to having nursing students.

OR

_____(Initial) **Resident** **DOES NOT CONSENT** to having nursing students

MEDICAL RECORD REVIEW

_____(Initial) **Resident** understands that as part of his/her rights under North Carolina regulations, **Resident** can refuse to have personal medical record information reviewed by the North Carolina Department of Health Service Regulation. These reviews are conducted routinely as part of the Health Center survey process. **Resident** consents to have his/her records reviewed.

OR

_____(Initial) **Resident** **DOES NOT CONSENT** to have my records reviewed by the North Carolina Department of Health Service Regulation.

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

BIRTHDAY POSTINGS

_____ (Initial) **Resident AGREES** to allow **BHH** to share his/her birthday with the **BHH** community, be part of community postings, announcements, and the monthly birthday celebration. (Birth Date: _____)

OR

_____ (Initial) **Resident DOES NOT WANT BHH** to share his/her birthday with the community.

CELEBRATION OF LIFE NOTICES

_____ (Initial) **Resident AGREES** to allow **BHH** to share with the **BHH** community the date of **Resident's** passing and information about his/her memorial/funeral arrangements.

OR

_____ (Initial) **I Resident DOES NOT WANT BHH** to share **Resident's** passing or memorial arrangements with the community

HOSPITALIZATIONS

_____ (Initial) **Resident AGREES** to allow **BHH** to share with the residents of **BHH** (only if directly asked), if **Resident** has been sent to the hospital or long-term care facility and what that room number is.

OR

_____ (Initial) **Resident DOES NOT WANT BHH** to share any information about **Resident's** hospitalization or long-term care facility placement.

PHOTO/MEDIA RELEASE

_____ (Initial) **Photo/Media Release: Resident** understands that for identification purposes **Resident's** photo will be obtained and attached to his/her medical record at **BHH**. In addition to this required photo, **Resident is** aware that **BHH** may use photos, video, and **Resident's** name/ministry/profession in print, digital, and social media marketing materials for **BHH**.

OR

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

_____ (Initial) **Resident DOES NOT WANT** to have his/her photo used for any purpose other than for medical record purposes.

PERSONAL HISTORY

Nickname _____

Likes _____ Dislikes _____

Significant Other _____ Living or Deceased _____

Children _____ Past Pets _____

Hobbies (Past & Current) _____

Previous Work History: _____ Previous School/Education: _____

Food/Drink Preference _____

CLINICAL PREFERENCES

Communication Difficulties _____ Weight Schedule _____

Up for Meals _____ Meal Intake _____

Nap Time _____ Alarms _____

Bathroom Habits _____

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

Comments/Things we should know about the resident _____

LONG TERM CARE INSURANCE

_____ (Initial) **Resident** understands that **BHH** will file billing claims to Long-Term Care Insurance if requested by **Resident**. **The initial claim must be submitted by the beneficiary or responsible party.** Subsequent claims can be submitted by **BHH**.

Long-Term Care Insurance is as follows:

Policy Holder:

| | | |
|-----------|------------|---------|
| | | |
| Last Name | First Name | Initial |

Insurance Company Name: _____

| | | |
|---------------|--------------|--------------|
| | | |
| Policy Number | Group Number | Claim Number |

| | |
|------------------------|----------------------|
| | |
| Insurance Phone Number | Insurance Fax Number |

Claim Mailing Address:

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

RESIDENT REPRESENTATIVE

Resident hereby designates his/her HEALTH CARE POWER OF ATTORNEY or GENERAL DURABLE POWER OF ATTORNEY to be his/her representative regarding consultation concerning **Resident's** needs for nursing care or other medical care at **BHH**, the need for **Resident** to be transferred to another health care facility, and/or termination of this agreement.

Name: _____ Relationship: _____

Address: _____

City, State, Zip: _____

Home Number: _____ Cell Number: _____

Email: _____

PRIMARY CONTACT DESIGNATION (If *different* from Resident's Representative)

_____(Initial) **Resident** understands that communication is important, and in the event of changes in condition, order changes, and general communication purposes, a primary contact must be designated. The primary contact will be responsible for receiving all communications from **BHH** related to medical updates and will update any other family members as needed. **Resident** also understands that he/she can request a change in the primary contact in writing at any time.

Primary Contact: _____ Relationship: _____

Phone: _____ Email: _____

CONSENT TO BE TREATED

I, __ (Resident/Representative) hereby give consent and authorize **BHH** to provide (medical, nursing, and skilled therapy {Physical, Occupational, Speech}) treatment and services to Elizabeth Jarrell (**Resident**) as ordered by **Resident's** physician.

Resident/Representative Signature: _____

Resident Name: _____ MR#: _____ Admission Date: _____

Resident Representative: _____ Relationship: _____

RELEASE OF INFORMATION

Resident hereby authorizes the release of medical records from **all previous and current health care providers** to be disclosed to **BROOKS-HOWELL HOME**. This release is to ensure continuity of care and treatment. **Resident** understands that the specific type of information to be disclosed includes:

History & Physical, Progress Notes, Immunization Records, Allergies, Labs, Cultures, Diagnostic Studies, Current Medication Listing, Medication Administration Records, Treatment Records, Consultations, Nurses Notes, Therapy Notes, Diagnosis Listing, Surgical Reports, and Discharge Summary.

Resident also authorizes release of information to Medicare, Medicaid, Social Security, or Private Insurance. **Resident** understands that he/she can cancel this consent at any time except to the extent that action has already been taken.

Resident/Representative Signature: _____

Print Name: ____ Relationship to Resident: __ Date: _____

RESIDENT ADMISSION AGREEMENT SIGNATURES

Resident agrees to the above stated consents, authorizations, acknowledgements, and polices that are adopted by **BHH**, and the administrators of **BHH** with regard to the use and operation of **BHH** and agree that this document stands for this admission and all subsequent admissions until amended.

Resident/Representative Signature: _____

Print Name: __ Relationship to Resident: ____

Date: _____

BROOKS-HOWELL HOME REPRESENTATIVE

By: _____ Date: _____