

Resident Disclosure Statement

Under Pennsylvania Act 82

June 30, 2026

Foxdale Village

A Life Plan Community Guided by Quaker Values

Note: Issuance of a Certificate of Authority by the Pennsylvania Insurance Department does not constitute approval, recommendation or endorsement of Foxdale Village Corporation by the department, nor does it attest to the accuracy or completeness of the information set out in this disclosure statement.

TABLE OF CONTENTS

Information Summary	Page
1. Facility	2
2. Licensed provider	2
3. Admissions	2
4. Facility description	2
5. Minimum age for admission	2
6. Affiliation with religious organization	3
7. Resident population	3
8. Fees for one-bedroom unit	3
9. Loan Agreements	3
Responses to Section 7 of PA Act 82	
1. Address	4
2. Board of directors	4
3. Board member information	4
4. Affiliation	5
5. Facility description	5
6. List of services	5
7. Fees	8
8. Applying for Admission to Foxdale Village	12
9. Reserves	13
10. Budgeted Income Statement vs. Actual with the Pro forma income statement	14
Audited Financial Statement (Attachment I)	
Independent auditor's opinion	1
Financial statements	4
Notes to the financial statements	9

RESIDENT DISCLOSURE STATEMENT
(Section 151.7 of Regulations)

Information Summary

(1) **Facility**

Foxdale Village Corporation
500 East Marylyn Avenue
State College, Pennsylvania 16801-6269

(2) **Licensed Provider**

Foxdale Village Corporation
500 East Marylyn Avenue
State College, Pennsylvania 16801-6269

(3) **Contact Person for Admissions**

Lisa Harrington
500 East Marylyn Avenue
State College, Pennsylvania 16801-6269
(814)-238-3322
(800) 253-4951
lharrington@foxdalevillage.org

(4) **Description of Physical Property of the Facility**

Foxdale Village is a suburban retirement community occupying 23 acres on the edge of the Borough of State College, Pennsylvania. The community's residential living facilities consist of 148 single-level, ranch-style cottages and 57 single-level apartments in a three-story building. These units range in size from 635 square feet to 1450 square feet. In addition, there is a Community Center with full dining and recreational facilities. Adjacent to the Community Center building is the healthcare wing with 46 nursing care rooms and 55 personal care rooms.

(5) **Minimum Age for Admission**

The minimum age for admission into a residential living unit is sixty-two years of age.

There is no minimum entry age for individuals entering our personal care or skilled nursing facilities.

(6) **Affiliation with Religious Organization**

The concept of Foxdale Village originated among members of the State College Friends Meeting. Although Foxdale Village is an independent corporation with no formal ties to State College Friends Meeting, a majority of the regular members of the Board of Trustees must be members of the Religious Society of Friends. Individuals otherwise qualified will be admitted to Foxdale regardless of race, color, national origin, familial status, ancestry, sex, sexual orientation, gender identity, religion, handicap, or disability.

(7) **Resident Population**

As of June 30, 2026, there were 265 residents living in the residential living area, 41 residents living in personal care, and 34 residents living in skilled nursing at Foxdale Village, for a total of 340 residents.

(8) **Sample Fees**

Effective July 1, 2026, our fees for a one-bedroom cottage under a Lifecare agreement, not including meals are:

Unit	Entrance Fees	Monthly Charge
One bedroom cottage (845 sq. ft.)		
Single occupancy	$255,200	$4,393
Double occupancy	$294,700	$6,138

(9) **Loan Agreements**

The details of Foxdale Village's outstanding loan agreements may be found on pages 19-20 of the financial statements, which are attached to the back of the disclosure statement.

Responses to Section 7 of Pennsylvania Act 82 of June 18, 1984.

The numbers correspond to the paragraphs of Section 7(a) which list the requirements for this disclosure statement.

(1) **The Provider**

Foxdale Village Corporation
500 East Marylyn Avenue
State College, Pennsylvania 16801-6269

Foxdale Village is a not-for-profit Pennsylvania corporation exempt from federal income tax under Section 50l(c)(3) of the Internal Revenue Code.

(2) **Board of Trustees**

No officer, trustee, nor any other person had any equity or beneficial interest in the Provider.

Lorna Arocena	1219 South Pugh Street, State College, PA 16801
Glen Blume	500 E. Marylyn Avenue, L-198, State College, PA 16801
Brosi Bradley	250 Bradley Road, Port Matilda, PA 16870
Nancy Eaton	500 E. Marylyn Avenue, I-135, State College, PA 16801
Eric Ian Farmer	647 Royal Circle, State College, PA 16801
Lisa Marshall	503 Oliver Court, Belleville, PA 17004
Peter Marshall	500 E. Marylyn Avenue, H-127, State College, PA 16801
Ken Martin	105 Irish Hollow Road, Bellefonte, PA 16823
Margaret Moose	763 Sowards Place, State College, PA 16803
Emma Myers	4843 Spruce Creek Road, Spruce Creek, PA 16683
Rob Nicholas	1316 South Pugh Street, State College, PA 16801
Beth Resko	126 Limerock Terrace, State College, PA 16801
Tom Schrack	332 Glengarry Lane, State College, PA 16801

(3) **Further information concerning Foxdale Village as the Provider Agency and its Board of Trustees:**

(A) Business experience of the provider and board members in the operation of facilities similar to Foxdale:

The Board of Trustees consists of individuals who possess a wide variety of experience in the business community, with some members having specific experience in the health care and service-oriented sectors. The Board also has three members who are residents of Foxdale Village.

(B) The names and addresses of any business organization in which the provider or board members may hold a 10% or greater interest and which will or may provide goods, leases, or services to the facility of a value of $500 or more within any year, and specific information about any such services:

None

(C) A description of certain types of criminals, civil or administrative charges, convictions, injunctions, or suspensions of licenses:

None

(4) **Affiliation of the provider with a religious organization**

(i & ii) The concept of Foxdale Village originated among members of the State College Friends Meeting. Although it is an independent corporation with no formal ties to State College Friends Meeting, the majority of the regular members of the Board of Trustees must be members of the Religious Society of Friends. Individuals otherwise qualified will be admitted to Foxdale Village regardless of race, color, national origin, familial status, ancestry, sex, sexual orientation, gender identity, religion, handicap, or disability. Foxdale Village is a member of AQORD, a group of values-aligned organizations, some of which are Quaker, many of which serve seniors in the United States.

(iii) The State College Friends Meeting is in no way responsible for the financial or contractual obligations of Foxdale Village.

(iv) Foxdale Village has been granted tax-exempt status under Section 501(c)(3) of the Federal Internal Revenue Code.

(5) **Location and Description of Physical Property of Facility**

Foxdale Village is a suburban retirement community occupying 23 acres on the edge of the Borough of State College, Pennsylvania. The community's residential living facilities consist of 148 single-level, ranch-style cottages, and 57 single-level apartments in a three-story building. These units range in size from 635 square feet to 1450 square feet. In addition, there is a Community Center with full dining and recreational facilities. Adjacent to the Community Center building is the healthcare facility with 46 nursing care rooms and 55 personal care rooms.

(6) **Services Provided**

Continuing health care services are available with the approval of the community physician.

Residential living services and amenities included at no additional charge as part of the monthly fee are as follows:

- Basic window coverings and wall-to-wall carpeting or tile
- Bathrooms with grab bars, tubs, and showers
- Modern kitchen with standard appliances including a microwave
- Housekeeping services
- Washer and dryer in each apartment/cottage
- Area pick-up service of trash and recycling
- Sunroom
- Patio gardens for flowers and vegetables
- 24-hour on-call assistance
- Ample lighted parking areas
- Maintenance and supervision of all buildings
- Landline telephone services including long-distance service

- High definition / digital TV service
- Campus-wide WIFI internet access
- Free public transportation to Penn State University and downtown State College
- Medical bill management
- Transportation to grocery stores on scheduled dates and times
- Transportation to medical appointments within a fifteen-mile radius
- Access to Wellness Center amenities and classes including those offered in the therapy pool
- Individually controlled and metered electric air conditioning and heating units*

* Cottage residents are responsible for their electric bill. This service is included in the apartment building monthly fees.

Personal Care (Darlington House) services included at no additional charge as part of the monthly healthcare fee are as follows:

- Housekeeping and maintenance services
- Personal care services determined by the Medical Director in consultation with the resident's personal physician
- 24-hour on-call assistance
- Use of self-service laundry facilities for personal laundry
- Medical bill management
- Free public transportation to Penn State University and downtown State College
- Transportation to grocery stores on scheduled dates and times
- Transportation to medical appointments within a fifteen-mile radius
- Life Enrichment services
- Landline telephone services including long-distance service
- High definition / digital TV service
- Campus-wide WIFI internet access
- Access to a common kitchen and greenhouse
- Access to Wellness Center amenities and classes including those offered in the therapy pool

Skilled Nursing Care (Anthony House) services included at no additional charge as part of the monthly healthcare fee are as follows:

- Housekeeping and maintenance services
- 24-hour general nursing care
- Skilled care services determined by the Medical Director in consultation with the resident's personal physician
- Use of self-service laundry facilities for personal laundry
- Medical bill management
- Free public transportation is available to Penn State University and downtown State College
- Transportation to grocery stores on scheduled dates and times
- Transportation to medical appointments within a fifteen-mile radius
- Life Enrichment services
- Landline telephone services including long-distance service
- High definition / digital TV service
- Campus-wide WIFI internet access
- Access to Wellness Center amenities and classes including those offered in the therapy pool

Community Building services for all at no charge are as follows:

- Use of the meeting room, auditorium, library, and recreational space
- Resident Association which plans social, recreational and community activities
- Craft areas for activities such as art, weaving, woodworking, etc.
- Nearby shops, supermarkets, restaurants, and banks
- Use of the Wellness Center and Therapy Pool, along with scheduled classes

The following services are available at extra cost across all levels of care:

- Private dining room & catering for special occasions
- Reserved carports available on the grounds (no charge for open parking)
- Storage units – One storage unit is included in the monthly fee for Anthony and Darlington House at no additional charge.
- Chiropractic, Massage Therapy, Acupuncture, and other services, through contracted providers
- Guest meals and guest rooms for overnight accommodations
- Resident-operated gift shop
- Beauty Shop/Barber Shop
- Transportation to many nearby cultural, educational, and recreational activities both in town and on the campus of Penn State is available
- Laundry services
- Transportation to medical appointments farther than fifteen miles from campus
- Physician services
- Physical, occupational, speech and language therapy
- Dietician services (per consultation)
- Personal care items
- Personalized training sessions with a Wellness Specialist
- Home Care Services
- Individualized IT support
- Electric Vehicle (EV) Charging Stations on Campus

(7) **Fees**

See pages 9, 10 and 11. Please note the following:

*Residents residing in personal care or skilled nursing are provided with 3 meals a day at no additional charge. Residents residing in apartments/cottages have the flexibility of eating meals as often or as little as they choose. Apartment and cottage residents are charged on a per meal and a la carte basis when they eat in one of the Foxdale venues.

**Additional entrance fee plans are available for a premium including plans with a guaranteed refund of 50% and 90% of the original entrance fee. Please ask our Residency Planning Counselors if you are interested in one of these options

Fees are subject to change as the cost of providing services changes due to inflation and other factors.

Contract Types

Lifecare: Foxdale Village currently offers residents a Lifecare Contract. This contract includes what is essentially long-term care insurance and is designed to provide residents with the assurance that their healthcare, if needed, does not result in a substantial increase in their monthly fees. With Lifecare, the resident(s) pay upfront for future healthcare costs so that when a healthcare room is required, the care is provided at rates which are lower than the direct admission/Fee-for-Service rates. These lower rates apply for as long as the resident needs healthcare.

Fee-for-Service: Foxdale Village also offers a Fee-for-Service Contract. Unlike the Lifecare Contract, residents on a Fee-for-Service Contract pay the full daily/direct admission charge if they need to use a room in the healthcare area on a temporary or permanent basis. Residents under this agreement pay less in the entrance fee and the monthly fee when residing in a cottage/apartment but substantially more when using a healthcare room. This contract offers no long-term care insurance to residents and places the entire cost of healthcare on the resident.

Direct Admission: Foxdale Village offers individuals the option of moving directly into our personal care or skilled nursing unit. Currently, the daily rates for these units are:

Darlington House Room (personal care): $266-323 per day

Anthony House Room (skilled nursing care): $530 per day

Please contact our Residency Planning Department for more information related to contract options.

Fee Schedule July 1, 2026 to June 30, 2027

ENTRANCE FEES AND MONTHLY FEES

Foxdale Village

A Life Plan Community Guided by Quaker Values

Cottage Homes — A-1 to I-148 in neighborhoods A through I

Cottage Size	# of units of this size	Square Footage	Occupancy	Lifecare Entrance Fee	Lifecare Monthly Fee	Fee-For-Service Entrance Fee	Fee-For-Service Monthly Fee
Ash Studio	3	635 sq. ft.	Single Only	$148,400	$3,918	$117,500	$2,688
Chestnut One Bedroom	34	845 sq. ft.	Single	$255,200	$4,393	$202,100	$3,074
Hickory One Bedroom with Den*	30	1037 sq. ft.	Single	$360,500	$4,866	$304,700	$3,408
Dogwood Two Bedroom, One Bath*	32	1041 sq. ft.	Single	$360,500	$4,866	$304,700	$3,408
Sycamore Two Bedroom, Two Bath	49	1181 sq. ft.	Single	$461,600	$5,355	$365,800	$3,746
			Second Person For All Floorplans (except Ash)	Add $39,500	Add $1,745	Add $24,500	Add $1,221

* The amenity of a half-bath increases the entrance fee by $24,000.

FOXDALE VILLAGE MEAL PRICING: Meal prices are based on a per-meal cost and residents are charged only for meals purchased in the previous calendar month. Guest meals will incur a 25% surcharge. Residents may pay for guests on their accounts. Alternatively, guests may pay for meals using a credit card. Special dining events may have an additional charge, and all menu options are available à la carte.

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EQUAL HOUSING OPPORTUNITY

Fee Schedule July 1, 2026 to June 30, 2027

ENTRANCE FEES AND MONTHLY FEES

Foxdale Village

A Life Plan Community Guided by Quaker Values

Apartments	J-149 to L-205 in 3-story attached apartment building						
Apartment Size	**# of units of this size**	**Square Footage**	**Occupancy**	**Lifecare Entrance Fee**	**Lifecare Monthly Fee**	**Fee-For-Service Entrance Fee**	**Fee-For-Service Monthly Fee**
Pine 1 Bedroom	3	900 sq. ft.	Single	$314,100	$4,934	$249,100	$3,455
Elm and Maple 1 Bedroom and Den	10 Elm 11 Maple	1050 sq. ft.	Single	$417,000	$5,357	$330,500	$3,751
Birch and Walnut 2 Bedroom	5 Birch 11 Walnut	1200 sq. ft.	Single	$521,700	$5,900	$413,600	$4,130
Hemlock 2 Bedroom and Den	6	1350 sq. ft.	Single	$582,700	$6,593	$461,600	$4,616
Oak Two Bedroom with Sunroom	11	1450 sq. ft.	Single	$622,700	$7,081	$493,600	$4,956
			Second Person For All Floorplans	Add $39,500	Add $1,745	Add $24,500	Add $1,221

Entrance fees and monthly fees are subject to change as the cost of providing services changes due to inflation or other factors. The entrance fee serves many community purposes, some of which include: initial construction, retirement of long-term debt, repair and replacement funding. For residents on a Lifecare contract, the amount applied to ensure the future cost of the resident's health care is described in the Resident Continuing Care Agreement. For both Lifecare and Fee-for-Service contracts, the monthly fees are adjusted each year to cover the levels of programs and services provided on a daily basis throughout the Foxdale Village community. Foxdale Village also has an Entrance Fee Assistance Program for qualified applicants. Lifecare fees may have a tax benefit associated with them (IRS Pub. 502). Please consult your tax preparer and/or financial planner.

REFUNDABLE OPTIONS: Two refundable entry fee plans are available to prospective residents under 80 years of age. *The Refundable Plan* will have a minimum guaranteed refund of 50% (add 35% to Classic Entrance Fees) and the *Estate Preservation Plan* will have a minimum guaranteed refund of 90% (add 90% to Classic Entrance Fees).

R043026

EQUAL HOUSING OPPORTUNITY

Fee Schedule July 1, 2026 to June 30, 2027

HEALTHCARE FEES Includes 3 meals a day

Foxdale Village

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Lifecare Resident Healthcare Fees

	# of units	Square Footage	Occupancy	**Monthly Fee** *based on 31-day month* (Includes meals)	*Average* **Daily Fee** (Includes Meals)
Darlington House	55				
Personal Care Room		200 sq. ft.	Single	$5,511	$178
Anthony House	46				
Licensed Nursing Room		200 sq. ft.	Single	$5,802	$187
Memory Support Room		200 sq. ft.	Single	$5,950	$192

Under the Lifecare Contract if a resident occupies a health center room and an independent living residence for *more than* a 90-day period without a break in stay of at least two weeks straight, the resident will be required to pay both the published rate for the healthcare room and the published rate for the independent living residence they occupy until one of them is vacated. Stays of *less than* 90 days do not incur additional residential fees and a continuous two-week break in stay resets the 90-day calendar.

Fee-For-Service Resident Healthcare Fees

	# of units	Square Footage	Occupancy	**Monthly Fee** *based on 31-day month* (Includes meals)	**Daily Fee** (Includes Meals)
Darlington House	55				
Personal Care Room		200 sq. ft.	Single	$8,246 to $10,013	$266 to $323
Anthony House	46				
Licensed Nursing Room		200 sq. ft.	Single	$16,430	$530

Residents requiring healthcare services in either Anthony or Darlington House are required to pay the Daily Per Diem Rate for each day they occupy a healthcare room. This applies to residents occupying a room on either a temporary or permanent basis. These charges will also be levied for residents who are holding a room for potential future use. The resident will be required to pay for all locations they occupy. This includes the Second Person Fee until that resident no longer resides in both locations. Any remaining resident living in a cottage or apartment will be required to pay the Single Occupancy Monthly Fee as long as he/she resides in that residence.

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EQUAL HOUSING OPPORTUNITY

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Fee Increases

The following shows increases for a one bedroom with den cottage under a Lifecare Contract.

Increase Effective Date	Fee	Amount	Percent
July 1, 2026	$4,866	$210	4.5%
July 1, 2025	$4,656	$243	5.5%
July 1, 2024	$4,413	$230	5.5%
July 1, 2023	$4,183	$237	6.0%
July 1, 2022	$3,946	$223	6.0%

Rate Changes

Fees may be adjusted from time to time as the costs of services change due to factors such as increased costs of labor, staff benefits, food, energy, and medical care; greater need for nursing care; and/or changes in the earnings of investments. Under ordinary circumstances, these adjustments are announced in April and are effective on the first day of July, the first month of the fiscal year. While extremely rare there may be occasions when fees may need to be adjusted at other intervals. In such cases, the Community provides a 60-day notice to residents.

(8) **Applying for Admission to Foxdale Village**

Applying for entrance into Foxdale Village

The first step when applying for entrance into Foxdale Village is to join the Foxdale Village Priority List by submitting a Priority List Agreement along with a check for $1,200 (for a single person or a couple), of which $1,000 is refundable.

While some applicants may wish to move into Foxdale Village right away (providing immediate availability is possible), others may prefer to wait several years. To identify applicants who are ready to move into Foxdale and to expedite the admissions process, the Ready List was formed. The Ready List contains the names of applicants who are actively completing the admissions process and who wish to enter Foxdale as soon as possible. For final approval and admission, prospective residents must have a medical and financial evaluation. Each applicant is reviewed for admission by an interdisciplinary team.

The Ready List order is determined by an applicant's Priority List deposit date.

Having one's name on the Priority List does not guarantee admission to Foxdale Village. Admission approval is made at the sole discretion of the Foxdale Village interdisciplinary team.

When an offer for a unit is made and accepted by the applicant, they submit a completed Reservation Agreement along with a $20,000 deposit. This removes the cottage/apartment from available inventory and, depending on the level of refurbishment, begins a 90 to 120-day timeframe to complete the admissions process. The balance of the entrance fee is due at the end of this 90 to 120-day period or when the resident moves into the unit, whichever comes first. Monthly fees begin accruing at the end of the 90 to 120-day period or at the time of move-in, whichever comes first.

(9) **Reserve funding**

A reserve fund of $2,618,000 as of June 30, 2026, is established as required by Pennsylvania law (Section 9 of Act 1984-82).

(10) **Pro forma income statement for the next fiscal year**

Foxdale Village Corporation
Income Statement

	June 30, 2026			June 30, 2027
	Budgeted	**Actual**	**Favorable (Unfavorable) Variance**	**Budgeted**
Operating Revenue				
Net resident service revenue	21,811,658	21,985,538	173,880	23,301,155
Amortization of entrance fees	4,310,695	4,427,844	117,149	4,613,058
Other revenues	224,480	524,395	299,915	354,057
Net assets released from restrictions	175,015	468,705	293,690	234,905
Total Operating Revenue	26,521,848	27,406,482	884,634	28,503,175
Operating Expenses				
Healthcare	8,788,075	8,464,838	323,237	10,290,857
Depreciation & Amortization	3,679,271	3,949,019	(269,748)	4,116,530
Plant Operations	3,749,725	4,063,501	(313,776)	2,544,445
Dietary	4,088,696	4,029,535	59,161	4,290,926
General and administrative	3,289,748	4,509,548	(1,219,800)	4,571,741
Interest	996,169	1,036,335	(40,166)	890,880
Housekeeping and Laundry	1,759,629	1,121,531	638,098	1,563,329
Total Operating Expenses	26,351,313	27,174,307	(822,994)	28,268,708
Operating Income (Loss)	170,535	232,175	61,640	234,467
Non-Operating Income				
Interest, dividends, and capital gain distr	1,200,000	1,337,446	137,446	1,400,000
Net realized gain on sales of investments		-	-	
Net unrealized gain (loss)on investments	-	4,218,455	4,218,455	
Net assets released from restriction for nonoperating purposes		-	-	
Unrestricted contributions		135,539	135,539	
Total Non-Operating Income	1,200,000	5,691,440	4,491,440	1,400,000
Excess of Revenue Over Expenses	**1,370,535**	**5,923,615**	**4,553,080**	**1,634,467**

Notes to the budget to actual presentation for the 2025/2026 fiscal year and the 2026/2027 budget

Foxdale Village's overall total operating revenue for fiscal year ending June 30, 2026, was $884K greater than budgeted due to strong census, and insurance dividend payments. Expenses were less than budget for the fiscal year. Foxdale Village ended fiscal year June 30, 2026, with an operating income of $232,175 compared to a budget expectation of $170,535.

The fiscal year 2026/2027 budget reflects consistent resident census and consistent staffing.

Please contact our Chief Financial Officer, Patrick Cannonie, at 814-272-2114 or email him at pcannonie@foxdalevillage.org, if you would like to discuss the financial picture at Foxdale Village in further detail.

rkl ADVISORS for WHAT'S NEXT

Foxdale Village Corporation

Financial Statements and Supplementary Information

June 30, 2026 and 2025

Foxdale Village Corporation

Table of Contents
June 30, 2026 and 2025

	Page
INDEPENDENT AUDITOR'S REPORT	1 to 3
FINANCIAL STATEMENTS	
Balance Sheet	4 and 5
Statement of Operations	6
Statement of Changes in Net Assets	7
Statement of Cash Flows	8
Notes to Financial Statements	9 to 23
SUPPLEMENTARY INFORMATION	
Schedule of Balance Sheet - Community Fund	24
Schedule of Operations and Changes in Net Assets - Community Fund	25

rkl ADVISORS for WHAT'S NEXT

Independent Auditor's Report

To the Board of Trustees
Foxdale Village Corporation
State College, Pennsylvania

Opinion

We have audited the financial statements of Foxdale Village Corporation (the Corporation), which comprise the balance sheet as of June 30, 2026 and 2025, the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of June 30, 2026 and 2025, and the results of its operations 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 (GAAS). 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 Corporation 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 Corporation's ability to continue as a going concern for one year after the date that the financial statements are issued or available to be issued.

1800 Fruitville Pike, Lancaster, PA 17601 717.394.5666 717.394.0693 rklcpa.com

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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the 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 Corporation'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 Corporation'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

RKL LLP

October 15, 2026
Lancaster, Pennsylvania

Foxdale Village Corporation

Balance Sheet

	June 30, 2026	2025
Assets		
Current Assets		
Cash and cash equivalents	**$ 2,232,682**	$ 1,473,385
Accounts receivable		
Residents	**319,093**	387,430
Other	**7,550**	6,303
Notes receivable - residents	**141,000**	144,000
Prepaid expenses	**486,967**	508,398
Total Current Assets	**3,187,292**	2,519,516
Investments	**36,144,092**	30,473,280
Assets Whose Use is Limited		
Board-designated	**3,111,145**	2,680,836
Donor-restricted	**8,752,190**	7,497,420
Statutory minimum liquid reserve requirement	**2,618,000**	2,663,000
Held by trustee under trust indenture for unemployment benefit claims	**73,144**	72,927
Total Assets Whose Use is Limited	**14,554,479**	12,914,183
Property and Equipment, Net	**57,977,918**	57,411,383
Other Assets	**150,107**	99,594
Beneficial Interest in Perpetual Trust	**249,658**	225,670
Total Assets	**$ 112,263,546**	$ 103,643,626

See accompanying notes.

Foxdale Village Corporation

Balance Sheet (continued)

	June 30, 2026	2025
Liabilities and Net Assets		
Current Liabilities		
Current portion of long-term debt	**$ 1,680,793**	$ 1,620,492
Accounts payable	**720,284**	592,283
Accrued expenses	**1,173,036**	1,053,405
Unearned resident fees	**316,166**	297,518
Total Current Liabilities	**3,890,279**	3,563,698
Long-Term Debt, Net of Current Portion and Unamortized Deferred Financing Costs	**24,622,364**	26,303,157
Refundable Deposits	**456,000**	1,037,400
Refundable Entrance Fees	**1,066,128**	1,066,127
Deferred Revenues from Entrance Fees	**33,126,270**	29,822,314
Total Liabilities	**63,161,041**	61,792,696
Net Assets		
Without donor restrictions	**40,011,729**	34,088,114
With donor restrictions	**9,090,776**	7,762,816
Total Net Assets	**49,102,505**	41,850,930
Total Liabilities and Net Assets	**$ 112,263,546**	$ 103,643,626

See accompanying notes.

Foxdale Village Corporation

Statement of Operations

	Years Ended June 30, 2026	2025
Operating Revenues		
Net resident service revenues	**$ 21,985,538**	$ 20,888,964
Amortization of entrance fees	**4,427,844**	4,312,825
Other revenues	**524,395**	301,295
Net assets released from restrictions	**468,705**	395,521
Total Operating Revenues	**27,406,482**	25,898,605
Operating Expenses		
Healthcare	**8,464,838**	7,699,717
Depreciation	**3,949,019**	3,588,085
Plant operations	**4,063,501**	3,791,699
Dietary	**4,029,535**	3,947,540
General and administrative	**4,509,548**	4,339,835
Interest	**1,036,335**	1,097,294
Housekeeping and laundry	**1,121,531**	1,064,188
Total Operating Expenses	**27,174,307**	25,528,358
Operating Income	**232,175**	370,247
Other Changes in Net Assets without Donor Restrictions		
Interest, dividends, and capital gain distributions	**1,337,446**	1,263,753
Net unrealized gain on investments	**4,218,455**	2,027,450
Contributions	**135,539**	103,647
Total Other Changes in Net Assets without Donor Restrictions	**5,691,440**	3,394,850
Changes in Net Assets without Donor Restrictions	**$ 5,923,615**	$ 3,765,097

See accompanying notes.

Foxdale Village Corporation

Statement of Changes in Net Assets

	Years Ended June 30, 2026	2025
Net Assets without Donor Restrictions		
Changes in net assets without donor restrictions	**$ 5,923,615**	$ 3,765,097
Net Assets with Donor Restrictions		
Interest, dividends, and capital gain distributions	**332,244**	270,321
Net realized gain on sales of investments	**-**	1,750
Net unrealized gain on investments	**1,223,954**	535,568
Contributions	**216,479**	162,178
Net assets released from restrictions for resident monthly fee financial assistance	**(417,314)**	(375,861)
Net assets released from restrictions for education	**(51,391)**	(19,660)
Change in value of beneficial interest in perpetual trust	**23,988**	12,150
Changes in Net Assets with Donor Restrictions	**1,327,960**	586,446
Changes in Net Assets	**7,251,575**	4,351,543
Net Assets at Beginning of Year	**41,850,930**	37,499,387
Net Assets at End of Year	**$ 49,102,505**	$ 41,850,930

See accompanying notes.

Foxdale Village Corporation

Statement of Cash Flows

	Years Ended June 30, 2026	2025
Cash Flows from Operating Activities		
Changes in net assets	**$ 7,251,575**	$ 4,351,543
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation	**3,949,019**	3,588,085
Amortization of debt issuance costs	**46,486**	46,486
Proceeds from entrance fees and deposits	**7,731,801**	6,846,183
Refunds of entrance fees and deposits	**-**	(264,693)
Amortization of entrance fees	**(4,427,844)**	(4,312,825)
Net realized and unrealized gains on investments	**(5,442,409)**	(2,564,768)
Change in value of beneficial interest in perpetual trust	**(23,988)**	(12,150)
Changes in assets and liabilities		
Accounts receivable	**67,090**	(50,105)
Notes receivable - residents	**3,000**	102,413
Prepaid expense	**21,431**	(74,242)
Accounts payable	**(19,901)**	266,529
Accrued expenses	**119,631**	30,161
Unearned resident fees	**18,648**	21,002
Refundable deposits	**(581,400)**	577,400
Net Cash Provided by Operating Activities	**8,713,139**	8,551,019
Cash Flows from Investing Activities		
Purchases of investments and assets whose use is limited	**(1,618,699)**	(1,546,731)
Purchase of property and equipment	**(4,367,652)**	(3,934,893)
Purchase of investment	**(250,000)**	-
Decrease in other assets	**(50,513)**	(2,385)
Net Cash Used in Investing Activities	**(6,286,864)**	(5,484,009)
Cash Flows from Financing Activities		
Repayment of long-term debt	**(1,666,978)**	(1,608,782)
Net Cash Used in Financing Activities	**(1,666,978)**	(1,608,782)
Net Increase in Cash and Cash Equivalents	**759,297**	1,458,228
Cash and Cash Equivalents at Beginning of Year	**1,473,385**	15,157
Cash and Cash Equivalents at End of Year	**$ 2,232,682**	$ 1,473,385
Supplementary Disclosure of Cash Flows Information		
Interest paid	**$ 990,922**	$ 1,059,447
Capital expenditures in accounts payable and accrued expenses	**$ 241,391**	$ 93,489

See accompanying notes.

Note 1 - Nature of Operations

Foxdale Village Corporation (the Corporation) operates a not-for-profit continuing care retirement community providing housing, healthcare, and other related services to residents on a campus containing 205 independent living units, 55 personal care units, and a 46-bed skilled nursing facility. The Corporation's operations are located in State College, Pennsylvania.

The Board of Trustees oversees the Corporation. As specified in the by-laws of the Corporation, a majority of the regular members of the Board of Trustees are members of the Religious Society of Friends.

Note 2 - Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Use of Estimates

The preparation of financial statements in accordance 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. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include investments in highly-liquid debt instruments purchased with an original maturity of three months or less, excluding investments and assets whose use is limited.

Accounts Receivable and Notes Receivable - Residents

Receivables are stated at amounts management expects to collect on balances outstanding at year end. If collection becomes doubtful, an allowance for credit losses will be established, or the receivables will be charged to operations when that determination is made by management. Management regularly evaluates individual accounts based on past experience, aging of the receivables, adverse situations that may affect a customer's ability to pay, current economic conditions, and other relevant factors. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off receivables are recorded to operations when received. At June 30, 2026 and 2025, the Corporation considers all receivables to be fully collectible and no losses are expected. As such, at June 30, 2026 and 2025, no allowance for credit losses was recorded.

Contributions and Contributions Receivable

Contributions are recorded at fair value as revenues when the donor makes a promise to give that is unconditional. Depending on the existence and nature of any donor restrictions, contributions are reflected as increases in net assets without donor restrictions and with donor restrictions. When restrictions expire due to passage of time or when the purpose is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of operations as net assets released from restrictions.

Note 2 - Summary of Significant Accounting Policies (continued)

Contributions and Contributions Receivable (continued)

The Corporation uses the allowance method to determine uncollectible contributions receivable, which is based on management's periodic assessment of each account. There was no allowance for uncollectible accounts at June 30, 2026 and 2025.

Investments and Investment Risk

Investments include assets without donor restrictions that are available for the general use and purposes of the Corporation.

Investments in marketable equity securities with readily determinable fair value and all investments in debt securities are measured at fair value in the balance sheet. Investment income or loss (including realized and unrealized gain and loss on investments, interest, dividends, and capital gain distributions) is included in changes in net assets without donor restrictions unless the income or loss is restricted by donor or law. Purchases and sales of securities and realized gain and loss are recorded on a trade-date basis.

The Corporation's investments are comprised of a variety of financial instruments. The fair values reported in the balance sheet are subject to various risks including changes in the equity markets, the interest rate environment, and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the accompanying balance sheet could change materially in the future.

Assets Whose Use is Limited

Assets whose use is limited include assets designated by the Board of Trustees for the provision of benevolent care and future capital expenditures; assets designated by the Board of Trustees to meet the statutory reserve requirements (see Note 5); assets that have been restricted by donors, primarily for the provision of benevolent care; and assets held by a trustee under a trust indenture, which are reserved for unemployment benefit claims.

Property and Equipment

Property and equipment with a cost of $500 or more are recorded at cost. Construction-in-progress is stated at cost and represents costs incurred on projects that were not completed as of the balance sheet date. These costs are not being depreciated until the underlying assets are placed into service. Expenditures for maintenance and repairs are charged to expense and major renewals and betterments are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Net interest incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of those constructed assets. For the years ended June 30, 2026 and 2025, no interest was capitalized.

Gifts of long-lived assets such as land, buildings, or equipment are reported as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets, with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets, are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Note 2 - Summary of Significant Accounting Policies (continued)

Long-Lived Assets

The Corporation reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. In that event, the Corporation calculates the estimated future value of net cash flows to be generated by the asset. If those future net cash flows are less than the carrying value of the asset, an impairment loss is recognized for the difference between the estimated fair value and the carrying value of the asset. There were no impairment losses reported in the years ended June 30, 2026 and 2025.

Deferred Financing Costs

Costs incurred in connection with the issuance of long-term debt have been deferred and are being amortized over the term of the related debt using the straight-line method, which approximates the effective interest method. Such costs totaled $709,823 at June 30, 2026 and 2025. Accumulated amortization was $653,904 and $607,418 at June 30, 2026 and 2025, respectively. During the next two years, amortization expense will be approximately $46,500 for the first year and $9,400 in the final year.

Beneficial Interest in Perpetual Trust

Under the terms of a perpetual trust arrangement, the Corporation recorded assets and recognized contribution revenues with donor restrictions at the fair value of the Corporation's beneficial interest in the trust assets. Income earned on the trust assets and distributed to the Corporation is recorded as investment income on the accompanying statement of operations, unless otherwise restricted by the donor. Subsequent changes in fair value are recorded as change in value of beneficial interest in perpetual trust in net assets with donor restrictions.

Entrance Fees

Under entrance fee plans for independent living units, the Corporation receives payments in advance. Residents have several entrance plan options, which include refundable options and a nonrefundable option. The refundable options have a guaranteed refund component, which is either 50% or 90% of the advance fee paid with the balance, if any, refundable on a decreasing basis for 17 weeks or 4 months, respectively. The nonrefundable option has no guaranteed refund component; however, fees are generally refundable on a decreasing basis for 36 months.

In the event the Corporation terminates the agreement, refunds are paid within 30 days. If the resident terminates the agreement, a refund will be paid 30 days after the unit has been reoccupied. If a resident is permanently transferred to personal care or skilled nursing care, no refund of any portion of the entrance fee is made until the resident permanently leaves the Corporation. Contractual refund obligations under residency agreements were $8,393,130 and $6,913,460 at June 30, 2026 and 2025, respectively.

The entrance fees are amortized to income using the straight-line method over annually adjusted estimated remaining life expectancies of the residents. The unamortized entrance fees are classified as deferred revenues from entrance fees in the accompanying balance sheet.

The Corporation also received deposits from prospective independent living residents of $456,000 and $1,037,400 as of June 30, 2026 and 2025, respectively. These amounts are classified as refundable deposits in the accompanying balance sheet.

Note 2 - Summary of Significant Accounting Policies (continued)

Entrance Fees (continued)

Under the majority of existing residency agreements, independent living residents are entitled to personal care or skilled nursing care, as needed, with only minor increases in the current monthly service fees.

Obligation to Provide Future Services

The Corporation periodically calculates the present value of the net cost of future services and use of facilities that is expected to be provided to current residents. The amount is compared to the balances of refundable deposits and deferred revenues from entrance fees recorded on the balance sheet. If the present value of these future costs exceeds the liabilities on the balance sheet, an additional liability would be recorded. As of the most recent calculations, because no excess was calculated, no additional liabilities were recorded at June 30, 2026 and 2025.

Revenue Recognition

Net resident service revenues are reported at the estimated net realizable amounts from residents, third-party payors, and others for services rendered.

The Corporation provides skilled nursing and intermediate care services under daily service fees for service agreements. The Corporation considers the daily service fees to represent performance obligations, which are satisfied over the time period the services are provided to residents. Ancillary resident services and chargeable therapy and prescription services are recognized at the time the service is provided to residents.

The Corporation is reimbursed for ancillary resident services provided to Medicare Part B beneficiaries at the lesser of a published fee schedule or actual charges.

The Corporation has determined (at a contract level) that contracts for resident services do not contain a significant financing component and has elected the practical expedient within Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*, to exclude from adjustment performance obligations that are expected to be satisfied within one year of customer payment. The Corporation has also elected the practical expedient within ASC 340, *Accounting for Other Assets and Deferred Costs*, to expense incremental costs of obtaining contracts when the related amortization period is one year or less.

Net resident service revenue by payor is summarized as follows for the years ended June 30:

	2026	2025
Private pay	**$ 20,330,153**	$ 19,170,104
Medicare	**1,322,600**	1,407,296
Other	**332,785**	311,564
	$ 21,985,538	$ 20,888,964

Note 2 - Summary of Significant Accounting Policies (continued)

Donor-Restricted Gifts and Net Assets

The Corporation reports gifts of cash and other assets as support with donor restrictions 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 as net assets without donor restrictions and reported in the statement of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as contributions in the accompanying statement of operations and recorded as unrestricted contributions.

Net assets, and changes therein, are classified based on the existence or absence of donor-imposed restrictions and are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - Net assets that are subject to donor-imposed stipulations. Some donor imposed stipulations may be met either by actions of the Corporation and/or passage of time. Other donor-imposed stipulations are perpetual in nature and generally allow the Corporation to use all or a portion of the income earned on the related resources for general or specified purposes.

Income Taxes

The Corporation is a not-for-profit organization described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes under Section 501(a), except to the extent of unrelated business taxable income. The Corporation is also exempt from applicable state income taxes.

The Corporation follows the standards for accounting for uncertainty in income taxes according to the principles of ASC 740, *Income Taxes*, which prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Corporation, including whether the entity is exempt from income taxes. Management evaluated the tax positions taken and concluded that the Corporation had taken no uncertain tax positions that require recognition or disclosure in the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the Corporation is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities for years before 2023.

Operating Indicator

The statement of operations includes the determination of operating income. Other changes in net assets without donor restrictions, which are excluded from operating income, consistent with industry practice, include interest, dividends, capital gain distributions, net realized gain (loss) on sales of investments, net unrealized gain (loss) on investments, and unrestricted contributions of long-lived assets (including assets acquired using contributions, which by donor restriction were to be used for the purposes of acquiring such assets).

Note 3 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor restrictions or other designations limiting their use, within one year of the balance sheet date, comprise the following as of June 30:

	2026	2025
Cash and cash equivalents	**$ 2,232,682**	$ 1,473,385
Accounts receivables and notes receivable - residents	**467,643**	537,733
Investments	**36,144,092**	30,473,280
Investments with board designations	**5,729,145**	5,343,836
Investments with donor restrictions	**8,752,190**	7,497,420
Total Financial Assets	**53,325,752**	45,325,654
Amounts that are internally designated or externally restricted		
Investments with board designations	**(3,111,145)**	(2,680,836)
Investments with donor restrictions	**(8,752,190)**	(7,497,420)
Statutory minimum liquid reserve requirement	**(2,618,000)**	(2,663,000)
Refundable deposits	**(456,000)**	(1,037,400)
Refundable entrance fees	**(1,066,128)**	(1,066,127)
Financial Assets Available to be Used for General Expenditures within One Year	**$ 37,322,289**	$ 30,380,871

As part of the Corporation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Corporation manages its resources available to meet general expenditures by operating within a prudent range of financial stability, sustaining adequate liquid assets among cash and investments, and maintaining a working capital line of credit totaling $1,500,000 (see Note 9).

Note 4 - Net Resident Service Revenues

The Corporation has an agreement with the Medicare program that provides for payments at amounts different from its established rates. Nursing and ancillary resident services provided to Medicare Part A beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident-specific classification system that is based on clinical, diagnostic, and other factors and the reimbursement methodology is subject to various limitations and adjustments. The Corporation is reimbursed for therapy services provided to Medicare Part B beneficiaries at the lesser of a published fee schedule or actual charges.

As described above, the Medicare Part A rates are based, in part, on clinical, diagnostic, and other factors. The Corporation is required to clinically assess its residents at predetermined time periods throughout the year. The documented assessments are subject to review and adjustment by the Medicare program.

Note 5 - Investments and Assets Whose Use is Limited

The Corporation's investments and assets whose use is limited are as follows as of June 30:

	2026	2025
Investments	**$ 36,144,092**	$ 30,473,280
Assets Whose Use is Limited		
Board-designated		
Community fund	**2,069,397**	1,763,603
Entrance fee assistance fund	**150,000**	150,000
Undesignated contribution fund	**891,748**	767,233
Total Board-Designated	**3,111,145**	2,680,836
Donor-restricted		
Community fund	**6,974,025**	5,991,839
Givers of Care and Training and Tuition fund	**1,189,822**	1,027,785
Outreach fund	**481,385**	430,746
Entrance fee assistance fund	**28,093**	24,732
Garden fund	**78,865**	22,318
Total Donor-Restricted	**8,752,190**	7,497,420
Statutory minimum liquid reserve requirement	**2,618,000**	2,663,000
Held by trustee under trust indenture for unemployment benefit claims	**73,144**	72,927
Total Assets Whose Use is Limited	**14,554,479**	12,914,183
Total Investments and Assets Whose Use is Limited	**$ 50,698,571**	$ 43,387,463

The composition of the Corporation's investments and assets whose use is limited consisted of mutual funds and certificates of deposit in the amount of $50,698,571 and $43,387,463 as of June 30, 2026 and 2025, respectively.

Note 5 - Investments and Assets Whose Use is Limited (continued)

Statutory Reserve Requirement of Act 82

In compliance with Section 9 of the Commonwealth of Pennsylvania's Continuing Care Provider Registration and Disclosure Act (Act 82), the Board of Trustees designated a portion of board-designated assets reserved to meet the requirements of Act 82. The amount designated was $2,618,000 at June 30, 2026 and was calculated as follows:

Budgeted operating expenses for the year ending June 30, 2027	$ 28,269,000	
Budgeted depreciation and amortization expense	(4,117,000)	
Expenses Subject to Minimum Liquid Reserve Requirement	24,152,000	
Statutory requirement	10%	
Statutory Minimum Liquid Reserve Requirement	$ 2,415,000	(a)
Debt Service Requirements for the Year Ended June 30, 2027		
Principal payments due on notes payable	$ 1,727,000	
Budgeted interest payments on notes payable	891,000	
Statutory Minimum Liquid Reserve Requirement	$ 2,618,000	(b)
Greater of (a) and (b)	$ 2,618,000	

Note 6 - Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value based on the transparency of the inputs to the valuation of an asset or liability as follows:

Level 1 - Fair value is based on unadjusted quoted prices in active markets that are accessible to the Corporation for identical assets. These generally provide the most reliable evidence and are used to measure fair value whenever available.

Level 2 - Fair value is based on significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the full term of the asset through corroboration with observable market data. Level 2 inputs include quoted market prices in active markets for similar assets, quoted market prices in markets that are not active for identical or similar assets, and other observable inputs.

Level 3 - Fair value would be based on significant unobservable inputs. Examples of valuation methodologies that would result in Level 3 classification include option pricing models, discounted cash flows, and other similar techniques.

Note 6 - Fair Value Measurements (continued)

The asset's or liability's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following are descriptions of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying balance sheet, as well as general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the years ended June 30, 2026 and 2025.

Investments included in investments and assets whose use is limited are valued at quoted market prices in active markets for similar securities (Level 2 measurements).

Certificates of deposit are valued using observable inputs other than quoted prices in active markets for identical instruments and are classified as Level 2 measurements.

The beneficial interest in perpetual trust is valued at fair value using the Corporation's percentage of the income from the underlying assets applied to the fair value of those assets, which approximates the present value of estimated future cash flows to be received from the trust.

The following tables present the fair value measurements of assets recognized in the accompanying balance sheet measured at fair value on a recurring basis and the level within fair value hierarchy in which the fair value measurements fall at June 30:

	2026			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments and Assets Whose Use is Limited				
Mutual funds	$ -	$ 50,448,571	$ -	$ 50,448,571
Certificates of deposit	-	250,000	-	250,000
Beneficial Interest in Perpetual Trust	-	-	249,658	249,658
	$ -	$ 50,698,571	$ 249,658	$ 50,948,229

Note 6 - Fair Value Measurements (continued)

	2025			
	Level 1	Level 2	Level 3	Total
Investments and Assets Whose Use is Limited				
Mutual funds	$ -	$ 43,387,463	$ -	$ 43,387,463
Beneficial Interest in Perpetual Trust	-	-	225,670	225,670
	$ -	$ 43,387,463	$ 225,670	$ 43,613,133

Note 7 - Property and Equipment

Property and equipment consists of the following as of June 30:

	2026	2025
Land	**$ 3,066,721**	$ 2,953,344
Buildings and building improvements	**92,679,119**	88,156,989
Furniture and equipment	**5,067,549**	4,583,148
	100,813,389	95,693,481
Accumulated depreciation	**(43,043,604)**	(39,094,585)
	57,769,785	56,598,896
Construction-in-progress	**208,133**	812,487
	$ 57,977,918	$ 57,411,383

Construction-in-progress costs are primarily related to facility and campus improvement projects. Certain real estate and business assets are named as collateral for specific debt obligations.

Note 8 - Long-Term Debt

A summary of long-term debt is as follows as of June 30:

	2026	2025
Notes Payable		
Series of 2010	**$ 16,796,793**	$ 17,860,713
Series of 2011	**5,434,553**	5,776,589
Series of 2012	**4,127,730**	4,388,752
Total Notes Payable	**26,359,076**	28,026,054
Deferred finance costs, net of accumulated amortization	**(55,919)**	(102,405)
Current portion	**(1,680,793)**	(1,620,492)
	$ 24,622,364	$ 26,303,157

Scheduled principal payments of long-term debt are as follows for the two years ending June 30:

	Principal	Deferred Financing Cost	Net
2027	**$ 1,727,279**	**$ (46,486)**	**$ 1,680,793**
2028	**24,631,797**	**(9,433)**	**24,622,364**

Note Payable - Series of 2010

In October 2010, the Corporation entered into a loan agreement (the 2010 Note) with Centre County Industrial Development Authority (the Authority), whereby the Authority issued a $30,000,000 tax-exempt revenue bond, the Centre County Industrial Development Authority Revenue Bond, Series of 2010 (Foxdale Village Project), which was privately placed with Northwest Savings Bank (the Bank). The proceeds of the 2010 Note were used to pay for construction costs of the Future of Foxdale Project and to pay for costs of issuance.

The 2010 Note is due in monthly installments of $140,195, including interest, through September 2027. A final balloon payment will be due for the remaining balance in October 2027. In August 2017, the Corporation entered into an agreement with the Bank to adjust the applicable interest rate to 3.51% through maturity.

The 2010 Note is secured by a first security interest in the Corporation's gross revenues.

Note Payable - Series of 2011

In July 2011, the Corporation entered into a loan agreement (the 2011 Note) with the Authority, whereby the Authority issued a $9,640,000 tax-exempt revenue bond, the Centre County Industrial Authority Revenue Bond, Series of 2011 (Foxdale Village Project), which was privately placed with the Bank. The proceeds of the 2011 Note were used to pay for construction costs of the Future of Foxdale Project and to pay for costs of issuance.

Note 8 - Long-Term Debt (continued)

Note Payable - Series of 2011 (continued)

The 2011 Note is due in monthly installments of $45,174, including interest, through September 2027. A final balloon payment will be due for the remaining balance in October 2027. In August 2017, the Corporation entered into an agreement with the Bank to adjust the applicable interest rate to 3.51% through maturity.

The 2011 Note is secured by a first security interest in the Corporation's gross revenues.

Note Payable - Series of 2012

In February 2012, the Corporation entered into a loan agreement (the 2012 Note) with the Authority, whereby the Authority issued a $9,355,690 tax-exempt revenue bond, the Centre County Industrial Authority Revenue Bond, Series of 2012 (Foxdale Village Project), which was privately placed with the Bank. The proceeds of the 2012 Note were used to pay for construction costs of the Future of Foxdale Project and to pay for costs of issuance.

The 2012 Note is due in monthly installments of $34,416, including interest, through September 2027. A final balloon payment will be due for the remaining balance in October 2027. In August 2017, the Corporation entered into an agreement with the Bank to adjust the applicable interest rate to 3.51% through maturity.

The 2012 Note is secured by a first security interest in the Corporation's gross revenues.

Note 9 - Line of Credit

The Corporation has a revolving line of credit with a bank in the maximum amount of $1,500,000 with interest charged at the prime rate (6.75% and 7.50% at June 30, 2026 and 2025, respectively). There was no outstanding balance against the line of credit as of June 30, 2026 and 2025. The line of credit is secured by assets of the Corporation.

Note 10 - Accrued Expenses

Accrued expenses are as follows at June 30:

	2026	2025
Paid time off	**$ 726,191**	$ 680,801
Payroll and related expenses	**256,904**	249,169
Other	**189,941**	123,435
	$ 1,173,036	$ 1,053,405

Note 11 - Retirement Plan

The Corporation sponsors a defined contribution retirement plan. The Corporation's contributions to the plan were $561,040 and $491,593 in the years ended June 30, 2026 and 2025, respectively.

Note 12 - Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following as of June 30:

	2026	2025
Subject to the Passage of Time or Expenditure for a Specified Purpose		
Community fund	**$ 6,974,025**	$ 5,991,839
Givers of Care and Training and Tuition fund	**1,189,822**	1,027,785
Outreach fund	**481,385**	430,746
Other	**195,886**	86,776
	8,841,118	7,537,146
Perpetual in Nature		
Beneficial interest in perpetual trust	**249,658**	225,670
	$ 9,090,776	$ 7,762,816

The Corporation released $468,705 and $395,521 in the years ended June 30, 2026 and 2025, respectively, of net assets with donor restrictions subject to the passage of time or expenditure for a specified purpose. Perpetual in nature net assets consist of the Corporation's beneficial interest in a perpetual trust held by a foundation serving as trustee. The terms of the trust are such that the Corporation receives a portion of the income earned on the trust assets as earned in perpetuity. The income of the trust is expendable for the benefit of employees of the Corporation.

Note 13 - Medical Malpractice Claims Coverage

The Corporation maintains professional liability coverage on a claims-made basis through a commercial insurance carrier. Other than for premiums paid under this policy, no provision has been made for estimated losses. Management believes no incidents occurred or will be asserted that will exceed the Corporation's insurance coverage or will have a material adverse effect on the financial statements.

Note 14 - Concentrations of Credit Risk

The Corporation grants credit without collateral to its residents, some of whom are insured under third-party payors agreements, primarily with Medicare and various commercial insurance companies.

The Corporation maintains cash accounts that, at times, exceed federally insured limits. The Corporation has not experienced any losses from maintaining cash accounts in excess of federally insured limits. Management believes it is not subject to any significant credit risk on its cash accounts.

Note 15 - Commitments and Contingencies

The senior living services industry is subject to numerous laws, regulations, and administrative directives of federal, state, and local governments and agencies. Compliance with these laws, regulations, and administrative directives is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for resident services previously billed. Management is not aware of any material incidents of noncompliance; however, the possible future financial effects of this matter on the Corporation, if any, are not determinable.

Note 16 - Functional Expenses

The financial statements report certain categories of expenses that are attributable to one or more program and supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Accordingly, certain costs have been allocated among the program and supporting services benefited using a reasonable and applicable basis that may include square footage or estimated usage. Allocation of the Corporation's functional expenses were as follows for the years ended June 30:

	2026			
		Supporting Services		
	Program Services	General and Administrative	Fundraising	Total
Salaries and wages	$ 8,896,406	$ 1,034,651	$ 7,951	$ 9,939,008
Depreciation	3,909,529	39,490	-	3,949,019
Payroll taxes and employee benefits	2,905,847	221,505	1,251	3,128,603
Professional fees	1,240,868	566,397	-	1,807,265
Other purchased services	637,981	707,403	-	1,345,384
Raw food	1,303,546	-	-	1,303,546
Interest	1,025,972	10,363	-	1,036,335
Real estate taxes	971,804	9,816	-	981,620
Therapy	941,963	-	-	941,963
Utilities	815,997	8,242	-	824,239
Information technology	403,093	85,504	-	488,597
Repairs and maintenance	479,433	4,843	-	484,276
Insurance	320,035	3,233	-	323,268
Pharmaceuticals	169,242	-	-	169,242
Supplies	149,947	2,269	76	152,292
Nursing home assessment	134,898	-	-	134,898
Marketing and outreach	105,176	-	-	105,176
Medical copays	59,576	-	-	59,576
	$ 24,471,313	$ 2,693,716	$ 9,278	$ 27,174,307

Note 16 - Functional Expenses (continued)

	2025			
		Supporting Services		
	Program Services	General and Administrative	Fundraising	Total
Salaries and wages	$ 8,758,339	$ 1,018,594	$ 7,828	$ 9,784,761
Depreciation	3,552,204	35,881	-	3,588,085
Payroll taxes and employee benefits	2,747,345	209,423	1,183	2,957,951
Professional fees	767,645	350,393	-	1,118,038
Other purchased services	601,971	667,475	-	1,269,446
Raw food	1,156,778	-	-	1,156,778
Interest	1,086,321	10,973	-	1,097,294
Real estate taxes	886,054	8,950	-	895,004
Therapy	955,758	-	-	955,758
Utilities	809,494	8,177	-	817,671
Information technology	373,124	79,148	-	452,272
Repairs and maintenance	461,099	4,658	-	465,757
Insurance	298,754	3,018	-	301,772
Pharmaceuticals	197,351	-	-	197,351
Supplies	165,188	2,500	84	167,772
Nursing home assessment	135,914	-	-	135,914
Marketing and outreach	103,008	-	-	103,008
Medical copays	63,726	-	-	63,726
	$ 23,120,073	$ 2,399,190	$ 9,095	$ 25,528,358

Note 17 - Health Insurance Coverage

The Corporation maintains health insurance coverage through a cooperative agreement with Friends Mutual Health Group, a Pennsylvania nonprofit cooperative formed to self-insure Quaker organizations throughout the United States of America. Other than amounts paid for a subvention certificate and premiums under this policy, no provision has been made for estimated losses. Management believes all costs related to this program have been properly accounted and accrued for at and during the years ended June 30, 2026 and 2025. Further, management believes no incidents occurred or will be asserted that will exceed the Corporation's insurance coverage or will have a material adverse effect on the financial statements.

Note 18 - Subsequent Events

The Corporation has evaluated subsequent events through October 15, 2026. This date is the date the financial statements were available to be issued. No material events subsequent to June 30, 2026 were noted.

Foxdale Village Corporation

Schedule of Balance Sheet - Community Fund

	June 30, 2026	2025
Assets		
Assets Whose Use is Limited		
Board-designated, including entrance fee assistance fund	**$ 2,219,397**	$ 1,913,600
Donor-restricted	**6,974,025**	5,991,839
Total Assets	**$ 9,193,422**	$ 7,905,439
Liabilities and Net Assets		
Liabilities		
Due to operations	**$ 20,486**	$ 20,863
Net Assets		
Without donor restrictions	**2,219,397**	1,913,600
With donor restrictions	**6,953,539**	5,970,976
Total Net Assets	**9,172,936**	7,884,576
Total Liabilities and Net Assets	**$ 9,193,422**	$ 7,905,439

Foxdale Village Corporation

Schedule of Operations and Changes in Net Assets - Community Fund

	Years Ended June 30, 2026	2025
Net Assets without Donor Restrictions		
Changes in net assets without donor restrictions	**$ 5,257**	$ 14,918
Interest, dividends, and capital gain distributions	**69,597**	66,329
Net unrealized gain on investments	**230,943**	90,723
Changes in Net Assets without Donor Restrictions	**305,797**	171,970
Net Assets with Donor Restrictions		
Interest, dividends, and capital gain distributions	**229,242**	217,920
Net unrealized gain on investments	**1,071,985**	477,420
Contributions	**98,650**	118,123
Net assets released from restrictions for resident monthly fee financial assistance	**(417,314)**	(375,861)
Changes in Net Assets with Donor Restrictions	**982,563**	437,602
Changes in Net Assets	**1,288,360**	609,572
Net Assets at Beginning of Year	**7,884,576**	7,275,004
Net Assets at End of Year	**$ 9,172,936**	$ 7,884,576