

UNAUDITED CONSOLIDATING FINANCIAL STATEMENTS
DRAFT – PENDING COMPLETION OF ANNUAL AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2020

The Cleveland Clinic Foundation d.b.a. Cleveland Clinic Health System

CLEVELAND CLINIC HEALTH SYSTEM
UNAUDITED CONSOLIDATING FINANCIAL STATEMENTS
December 31, 2020

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Cleveland Clinic Health System

Consolidating Balance Sheet

UNAUDITED

(In Thousands)

	December 31, 2020			
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Assets				
Current assets:				
Cash and cash equivalents	\$ 792,399	\$ 252,994	\$	\$ 1,045,393
Patient receivables	1,074,672	209,326	(28,317)	1,255,681
Due from affiliates	31,287	56	(31,343)	—
Investments for current use	122,668	54,721	—	177,389
Other current assets	539,922	79,167	(72,367)	546,722
Total current assets	2,560,948	596,264	(132,027)	3,025,185
Investments:				
Long-term investments	9,178,758	1,175,119	—	10,353,877
Funds held by trustees	110,307	—	—	110,307
Assets held for self-insurance	—	179,300	—	179,300
Donor-restricted assets	946,735	66,695	—	1,013,430
	10,235,800	1,421,114	—	11,656,914
Property, plant, and equipment, net	4,462,295	1,404,679	—	5,866,974
Other assets:				
Pledges receivable, net	117,987	7,654	—	125,641
Trusts and interests in foundations	63,956	48,469	—	112,425
Operating lease right-of-use assets	136,712	224,129	—	360,841
Other noncurrent assets	736,665	139,281	(231,376)	644,570
	1,055,320	419,533	(231,376)	1,243,477
Total assets	<u>\$ 18,314,363</u>	<u>\$ 3,841,590</u>	<u>\$ (363,403)</u>	<u>\$ 21,792,550</u>

	December 31, 2020			
	Obligated	Non-Obligated	Consolidating	
	Group	Group	Adjustments	
			and Eliminations	Consolidated
Liabilities and net assets				
Current liabilities:				
Accounts payable	\$ 440,176	\$ 89,094	\$ (476)	\$ 528,794
Compensation and amounts withheld from payroll	417,175	47,074	–	464,249
Current portion of long-term debt	94,264	6,742	–	101,006
Variable rate debt classified as current	537,644	52,247	–	589,891
Due to affiliates	56	31,287	(31,343)	–
Other current liabilities	650,107	191,617	(103,401)	738,323
Total current liabilities	2,139,422	418,061	(135,220)	2,422,263
Long-term debt	3,664,878	1,144,179	(226,063)	4,582,994
Other liabilities:				
Professional and general liability insurance reserves	65,703	150,397	–	216,100
Accrued retirement benefits	296,218	1,523	–	297,741
Operating lease liabilities	102,196	221,486	–	323,682
Other noncurrent liabilities	652,509	55,406	–	707,915
	1,116,626	428,812	–	1,545,438
Total liabilities	6,920,926	1,991,052	(361,283)	8,550,695
Net assets:				
Without donor restrictions	10,195,011	1,728,866	(2,120)	11,921,757
With donor restrictions	1,198,426	121,672	–	1,320,098
Total net assets	11,393,437	1,850,538	(2,120)	13,241,855
Total liabilities and net assets	\$ 18,314,363	\$ 3,841,590	\$ (363,403)	\$ 21,792,550

Cleveland Clinic Health System

Consolidating Balance Sheet

UNAUDITED

(In Thousands)

	December 31, 2019			
	Obligated	Non-Obligated	Consolidating	
	Group	Group	Adjustments	Consolidated
			and Eliminations	
Assets				
Current assets:				
Cash and cash equivalents	\$ 302,455	\$ 203,274	\$ —	\$ 505,729
Patient receivables	1,139,314	195,186	(35,244)	1,299,256
Due from affiliates	44,160	10	(44,170)	—
Investments for current use	119,445	59,355	—	178,800
Other current assets	438,946	78,142	(28,420)	488,668
Total current assets	2,044,320	535,967	(107,834)	2,472,453
Investments:				
Long-term investments	8,155,876	1,116,411	—	9,272,287
Funds held by trustees	225,097	110	—	225,207
Assets held for self-insurance	—	157,972	—	157,972
Donor-restricted assets	796,476	63,644	—	860,120
	9,177,449	1,338,137	—	10,515,586
Property, plant, and equipment, net	4,659,169	1,206,421	—	5,865,590
Other assets:				
Pledges receivable, net	143,352	11,566	—	154,918
Trusts and interests in foundations	67,570	45,867	—	113,437
Operating lease right-of-use assets	107,174	218,786	—	325,960
Other noncurrent assets	658,193	97,464	(229,217)	526,440
	976,289	373,683	(229,217)	1,120,755
Total assets	<u>\$ 16,857,227</u>	<u>\$ 3,454,208</u>	<u>\$ (337,051)</u>	<u>\$ 19,974,384</u>

December 31, 2019				
	Obligated	Non-Obligated	Consolidating	
	Group	Group	Adjustments	
			and Eliminations	Consolidated
Liabilities and net assets				
Current liabilities:				
Accounts payable	\$ 431,124	\$ 105,616	\$ (60)	\$ 536,680
Compensation and amounts withheld from payroll	386,325	44,596	–	430,921
Current portion of long-term debt	88,803	6,674	(72)	95,405
Variable rate debt classified as current	475,297	54,544	–	529,841
Due to affiliates	10	44,160	(44,170)	–
Other current liabilities	477,697	162,589	(66,363)	573,923
Total current liabilities	1,859,256	418,179	(110,665)	2,166,770
Long-term debt	3,807,383	1,115,456	(224,191)	4,698,648
Other liabilities:				
Professional and general liability insurance reserves	65,677	98,331	–	164,008
Accrued retirement benefits	329,599	17,465	–	347,064
Operating lease liabilities	83,326	213,342	–	296,668
Other noncurrent liabilities	500,478	41,688	(75)	542,091
	979,080	370,826	(75)	1,349,831
Total liabilities	6,645,719	1,904,461	(334,931)	8,215,249
Net assets:				
Without donor restrictions	9,115,205	1,427,771	(2,120)	10,540,856
With donor restrictions	1,096,303	121,976	–	1,218,279
Total net assets	10,211,508	1,549,747	(2,120)	11,759,135
Total liabilities and net assets	\$ 16,857,227	\$ 3,454,208	\$ (337,051)	\$ 19,974,384

Cleveland Clinic Health System

Consolidating Statements of Operations and Changes in Net Assets

UNAUDITED

(In Thousands)

Operations

Three Months Ended December 31, 2020				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Unrestricted revenues				
Net patient service revenue	\$ 2,257,126	\$ 396,887	\$ (68,653)	\$ 2,585,360
Other	384,267	78,839	(67,785)	395,321
Total unrestricted revenues	2,641,393	475,726	(136,438)	2,980,681
Expenses				
Salaries, wages, and benefits	1,296,354	262,989	(81,085)	1,478,258
Supplies	241,891	43,092	—	284,983
Pharmaceuticals	316,274	36,158	—	352,432
Purchased services and other fees	170,143	59,838	(29,891)	200,090
Administrative services	15,425	33,614	(5,830)	43,209
Facilities	67,268	21,518	(414)	88,372
Insurance	19,781	14,538	(19,193)	15,126
	2,127,136	471,747	(136,413)	2,462,470
Operating income before interest, depreciation and amortization	514,257	3,979	(25)	518,211
Interest	30,508	7,469	—	37,977
Depreciation and amortization	120,092	19,941	(25)	140,008
Operating income (loss)	363,657	(23,431)	—	340,226
Nonoperating gains and losses				
Investment income	818,964	106,860	—	925,824
Derivative gains (losses)	12,702	(617)	—	12,085
Other, net	(769)	(1,429)	—	(2,198)
Net nonoperating gains	830,897	104,814	—	935,711
Excess of revenues over expenses	1,194,554	81,383	—	1,275,937

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Changes in Net Assets

Three Months Ended December 31, 2020				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Changes in net assets without donor restrictions:				
Excess of revenues over expenses	\$ 1,194,554	\$ 81,383	\$	\$ 1,275,937
Donated capital	(7,883)	—	—	(7,883)
Net assets released from restriction for capital purposes	27,005	8,123	—	35,128
Retirement benefits adjustment	(7,198)	1,209	—	(5,989)
Foreign currency translation	—	6,416	—	6,416
Other	14,051	(18,062)	—	(4,011)
Increase in net assets without donor restrictions	1,220,529	79,069	—	1,299,598
Changes in net assets with donor restrictions:				
Gifts and bequests	45,940	2,509	—	48,449
Net investment income	65,965	4,530	—	70,495
Net assets released from restrictions used for operations included in other unrestricted revenues	(14,993)	(2,723)	—	(17,716)
Net assets released from restriction for capital purposes	(27,005)	(8,123)	—	(35,128)
Change in interests in foundations	1,923	—	—	1,923
Change in value of perpetual trusts	251	1,098	—	1,349
Other	(76)	40	—	(36)
Increase (decrease) in net assets with donor restrictions	72,005	(2,669)	—	69,336
Increase in net assets	1,292,534	76,400	—	1,368,934
Net assets at beginning of period	10,100,903	1,774,138	(2,120)	11,872,921
Net assets at end of period	\$ 11,393,437	\$ 1,850,538	\$ (2,120)	\$ 13,241,855

Cleveland Clinic Health System

Consolidating Statements of Operations and Changes in Net Assets

UNAUDITED

(In Thousands)

Operations

Three Months Ended December 31, 2019				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Unrestricted revenues				
Net patient service revenue	\$ 2,151,504	\$ 362,792	\$ (69,538)	\$ 2,444,758
Other	238,608	102,956	(48,338)	293,226
Total unrestricted revenues	2,390,112	465,748	(117,876)	2,737,984
Expenses				
Salaries, wages, and benefits	1,258,633	264,555	(81,851)	1,441,337
Supplies	233,295	47,604	(400)	280,499
Pharmaceuticals	313,521	31,218	—	344,739
Purchased services and other fees	156,788	37,781	(8,052)	186,517
Administrative services	35,590	36,709	(8,239)	64,060
Facilities	72,878	21,873	(687)	94,064
Insurance	17,868	18,298	(18,622)	17,544
	2,088,573	458,038	(117,851)	2,428,760
Operating income before interest, depreciation and amortization	301,539	7,710	(25)	309,224
Interest	32,963	8,354	—	41,317
Depreciation and amortization	126,490	18,814	(25)	145,279
Operating income (loss)	142,086	(19,458)	—	122,628
Nonoperating gains and losses				
Investment income	306,682	289,731	—	596,413
Derivative gains (losses)	36,751	(479)	—	36,272
Other, net	(2,752)	2,313	—	(439)
Net nonoperating gains	340,681	291,565	—	632,246
Excess of revenues over expenses	482,767	272,107	—	754,874

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Changes in Net Assets

Three Months Ended December 31, 2019				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Changes in net assets without donor restrictions:				
Excess of revenues over expenses	\$ 482,767	\$ 272,107	\$ —	\$ 754,874
Donated capital	38	—	—	38
Net assets released from restriction for capital purposes	12,830	4,193	—	17,023
Retirement benefits adjustment	(8,768)	4,368	—	(4,400)
Foreign currency translation	—	(2,747)	—	(2,747)
Other	14,054	(13,997)	—	57
Increase in net assets without donor restrictions	500,921	263,924	—	764,845
Changes in net assets with donor restrictions:				
Gifts and bequests	42,851	3,260	—	46,111
Net investment income	22,326	2,798	—	25,124
Net assets released from restrictions used for operations included in other unrestricted revenues	(16,131)	(2,347)	—	(18,478)
Net assets released from restriction for capital purposes	(12,831)	(4,192)	—	(17,023)
Change in interests in foundations	523	—	—	523
Change in value of perpetual trusts	259	471	—	730
Other	(781)	793	—	12
Increase in net assets with donor restrictions	36,216	783	—	36,999
Increase in net assets	537,137	264,707	—	801,844
Net assets at beginning of period	9,674,371	1,285,040	(2,120)	10,957,291
Net assets at end of period	<u>\$ 10,211,508</u>	<u>\$ 1,549,747</u>	<u>\$ (2,120)</u>	<u>\$ 11,759,135</u>

Cleveland Clinic Health System

Consolidating Statements of Operations and Changes in Net Assets

UNAUDITED

(In Thousands)

Operations

	Year Ended December 31, 2020			
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Unrestricted revenues				
Net patient service revenue	\$ 7,964,677	\$ 1,427,556	\$ (257,548)	\$ 9,134,685
Other	1,327,134	369,446	(203,359)	1,493,221
Total unrestricted revenues	9,291,811	1,797,002	(460,907)	10,627,906
Expenses				
Salaries, wages, and benefits	5,157,213	1,055,097	(309,788)	5,902,522
Supplies	941,618	164,184	(92)	1,105,710
Pharmaceuticals	1,169,357	129,728	—	1,299,085
Purchased services and other fees	616,669	164,245	(48,610)	732,304
Administrative services	67,616	135,217	(23,628)	179,205
Facilities	268,927	83,893	(1,917)	350,903
Insurance	75,362	80,239	(76,772)	78,829
	8,296,762	1,812,603	(460,807)	9,648,558
Operating income (loss) before interest, depreciation and amortization	995,049	(15,601)	(100)	979,348
Interest	126,569	30,455	—	157,024
Depreciation and amortization	509,788	80,266	(100)	589,954
Operating income (loss)	358,692	(126,322)	—	232,370
Nonoperating gains and losses				
Investment income	989,304	138,639	—	1,127,943
Derivative losses	(59,211)	(2,262)	—	(61,473)
Other, net	24,447	1,957	—	26,404
Net nonoperating gains	954,540	138,334	—	1,092,874
Excess of revenues over expenses	1,313,232	12,012	—	1,325,244

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Changes in Net Assets

Year Ended December 31, 2020				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Changes in net assets without donor restrictions:				
Excess of revenues over expenses	\$ 1,313,232	\$ 12,012	\$	\$ 1,325,244
Donated capital	1,819	–	–	1,819
Net assets released from restriction for capital purposes	42,718	13,796	–	56,514
Retirement benefits adjustment	(9,173)	1,037	–	(8,136)
Foreign currency translation	–	9,004	–	9,004
Transfers (to) from affiliates	(266,974)	266,974	–	–
Other	(1,816)	(1,728)	–	(3,544)
Increase in net assets without donor restrictions	1,079,806	301,095	–	1,380,901
Changes in net assets with donor restrictions:				
Gifts and bequests	121,754	10,627	–	132,381
Net investment income	75,581	7,272	–	82,853
Net assets released from restrictions used for operations included in other unrestricted revenues	(56,209)	(5,256)	–	(61,465)
Net assets released from restriction for capital purposes	(42,718)	(13,796)	–	(56,514)
Change in interests in foundations	2,395	–	–	2,395
Change in value of perpetual trusts	(4)	751	–	747
Other	1,324	98	–	1,422
Increase (decrease) in net assets with donor restrictions	102,123	(304)	–	101,819
Increase in net assets	1,181,929	300,791	–	1,482,720
Net assets at beginning of year	10,211,508	1,549,747	(2,120)	11,759,135
Net assets at end of year	\$ 11,393,437	\$ 1,850,538	\$ (2,120)	\$ 13,241,855

Cleveland Clinic Health System

Consolidating Statements of Operations and Changes in Net Assets

UNAUDITED

(In Thousands)

Operations

	Year Ended December 31, 2019			
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Unrestricted revenues				
Net patient service revenue	\$ 8,389,714	\$ 1,423,627	\$ (297,058)	\$ 9,516,283
Other	864,219	385,065	(206,046)	1,043,238
Total unrestricted revenues	9,253,933	1,808,692	(503,104)	10,559,521
Expenses				
Salaries, wages, and benefits	5,013,136	1,027,930	(343,151)	5,697,915
Supplies	881,337	168,882	(963)	1,049,256
Pharmaceuticals	1,191,156	116,363	—	1,307,519
Purchased services and other fees	565,536	138,291	(28,994)	674,833
Administrative services	122,203	121,549	(24,791)	218,961
Facilities	294,027	87,123	(2,661)	378,489
Insurance	75,787	106,909	(102,444)	80,252
	8,143,182	1,767,047	(503,004)	9,407,225
Operating income before interest, depreciation and amortization	1,110,751	41,645	(100)	1,152,296
Interest	132,230	29,042	—	161,272
Depreciation and amortization	522,825	78,094	(100)	600,819
Operating income (loss)	455,696	(65,491)	—	390,205
Nonoperating gains and losses				
Investment income	904,375	345,006	—	1,249,381
Derivative losses	(34,148)	(2,046)	—	(36,194)
Other, net	228,851	192,979	—	421,830
Net nonoperating gains	1,099,078	535,939	—	1,635,017
Excess of revenues over expenses	1,554,774	470,448	—	2,025,222

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Changes in Net Assets

Year Ended December 31, 2019				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Changes in net assets without donor restrictions:				
Excess of revenues over expenses	\$ 1,554,774	\$ 470,448	\$ —	\$ 2,025,222
Donated capital	38	—	—	38
Net assets released from restriction for capital purposes	55,341	2,502	—	57,843
Retirement benefits adjustment	(10,456)	4,196	—	(6,260)
Foreign currency translation	—	(1,395)	—	(1,395)
Transfers (to) from affiliates	(28,483)	28,483	—	—
Other	(3,822)	3,762	—	(60)
Increase in net assets without donor restrictions	1,567,392	507,996	—	2,075,388
Changes in net assets with donor restrictions:				
Gifts and bequests	100,434	28,066	—	128,500
Net investment income	65,932	6,142	—	72,074
Net assets released from restrictions used for operations included in other unrestricted revenues	(47,917)	(4,936)	—	(52,853)
Net assets released from restriction for capital purposes	(55,341)	(2,502)	—	(57,843)
Change in interests in foundations	1,521	—	—	1,521
Change in value of perpetual trusts	(602)	1,213	—	611
Member substitution contribution	31,488	40,260	—	71,748
Other	(993)	1,095	—	102
Increase in net assets with donor restrictions	94,522	69,338	—	163,860
Increase in net assets	1,661,914	577,334	—	2,239,248
Net assets at beginning of year	8,549,594	972,413	(2,120)	9,519,887
Net assets at end of year	<u>\$ 10,211,508</u>	<u>\$ 1,549,747</u>	<u>\$ (2,120)</u>	<u>\$ 11,759,135</u>

Cleveland Clinic Health System

Consolidating Statement of Cash Flows

UNAUDITED
(In Thousands)

Year Ended December 31, 2020				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Operating activities and net nonoperating gains and losses				
Increase in net assets	\$ 1,181,929	\$ 300,791	\$	\$ 1,482,720
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities and net nonoperating gains and losses:				
Retirement benefits adjustment	9,173	(1,037)	-	8,136
Net realized and unrealized gains on investments	(1,013,514)	(141,878)	-	(1,155,392)
Depreciation and amortization	509,788	80,266	(100)	589,954
Foreign currency translation gain	-	(9,004)	-	(9,004)
Donated capital	(1,819)	-	-	(1,819)
Restricted gifts, bequests, investment income, and other	(199,726)	(18,650)	-	(218,376)
Transfers to (from) affiliates	266,974	(266,974)	-	-
Amortization of bond premiums and debt issuance costs	(6,134)	178	-	(5,956)
Net loss in value of derivatives	25,878	-	-	25,878
Pension funding	(15,076)	(16,603)	-	(31,679)
Changes in operating assets and liabilities:				
Patient receivables	64,642	(14,140)	(6,927)	43,575
Other current assets	(113,155)	3,149	31,120	(78,886)
Other noncurrent assets	(108,375)	(40,059)	2,259	(146,175)
Accounts payable and other current liabilities	241,341	(4,567)	(24,627)	212,147
Other liabilities	115,700	68,428	75	184,203
Net cash provided by (used in) operating activities and net nonoperating gains and losses	957,626	(60,100)	1,800	899,326
Financing activities				
Proceeds from short-term borrowings	225,000	-	-	225,000
Payments on short-term borrowings	(225,000)	-	-	(225,000)
Proceeds from long-term borrowings	16,408	1,872	(1,872)	16,408
Payments for advance refunding and redemption of long-term debt	(12,660)	-	-	(12,660)
Principal payments on long-term debt	(91,903)	(6,667)	72	(98,498)
Debt issuance costs	(30)	-	-	(30)
Change in pledges receivables, trusts and interests in foundations	46,139	(811)	-	45,328
Restricted gifts, bequests, investment income, and other	199,726	18,650	-	218,376
Net cash provided by financing activities	157,680	13,044	(1,800)	168,924
Investing activities				
Expenditures for property, plant, and equipment	(332,871)	(245,013)	-	(577,884)
Proceeds from sale of property, plant, and equipment	22,543	-	-	22,543
Net change in cash equivalents reported in long-term investments	384,447	57,059	-	441,506
Purchases of investments	(5,527,771)	(733,159)	-	(6,260,930)
Sales of investments	5,100,313	730,771	-	5,831,084
Transfers (to) from affiliates	(266,974)	266,974	-	-
Net cash (used in) provided by investing activities	(620,313)	76,632	-	(543,681)
Effect of exchange rate changes on cash	-	11,280	-	11,280
Increase in cash, cash equivalents and restricted cash	494,993	40,856	-	535,849
Cash, cash equivalents and restricted cash at beginning of year	\$ 422,598	\$ 214,688	\$ -	\$ 637,286
Cash, cash equivalents and restricted cash at end of year	\$ 917,591	\$ 255,544	\$ -	\$ 1,173,135

Cleveland Clinic Health System

Consolidating Statement of Cash Flows

UNAUDITED (In Thousands)

Year Ended December 31, 2019				
	Obligated Group	Non-Obligated Group	Consolidating Adjustments and Eliminations	Consolidated
Operating activities and net nonoperating gains and losses				
Increase in net assets	\$ 1,661,914	\$ 577,334	\$ —	\$ 2,239,248
Adjustments to reconcile increase in net assets to net cash provided by operating activities and net nonoperating gains and losses:				
Loss on extinguishment of debt	6,340	—	—	6,340
Retirement benefits adjustment	10,456	(4,196)	—	6,260
Net realized and unrealized gains on investments	(910,851)	(345,612)	—	(1,256,463)
Depreciation and amortization	522,825	78,074	(100)	600,799
Foreign currency translation loss	—	1,395	—	1,395
Donated capital	(38)	—	—	(38)
Restricted gifts, bequests, investment income, and other	(167,285)	(35,421)	—	(202,706)
Transfers to (from) affiliates	28,483	(28,483)	—	—
Amortization of bond premiums and debt issuance costs	(6,455)	188	—	(6,267)
Net loss (gain) in value of derivatives	21,073	(5)	—	21,068
Member substitution contribution	(266,389)	(233,766)	—	(500,155)
Pension funding	(145,438)	(37,655)	—	(183,093)
Changes in operating assets and liabilities:				
Patient receivables	(71,218)	217	(1,197)	(72,198)
Other current assets	(79,811)	10,727	66,967	(2,117)
Other noncurrent assets	(145,393)	(220,986)	31,680	(334,699)
Accounts payable and other current liabilities	74,200	74,874	(66,264)	82,810
Other liabilities	11,986	188,505	76	200,567
Net cash provided by operating activities and net nonoperating gains and losses	544,399	25,190	31,162	600,751
Financing activities				
Proceeds from long-term borrowings	1,253,000	352,503	(31,162)	1,574,341
Payments for advance refunding and redemption of long-term debt	(511,218)	—	—	(511,218)
Principal payments on long-term debt	(264,007)	(40,154)	—	(304,161)
Debt issuance costs	(8,889)	(42)	—	(8,931)
Change in pledges receivables, trusts and interests in foundations	10,330	(8,193)	—	2,137
Restricted gifts, bequests, investment income, and other	167,285	35,421	—	202,706
Net cash provided by financing activities	646,501	339,535	(31,162)	954,874
Investing activities				
Expenditures for property, plant, and equipment	(741,647)	(180,595)	—	(922,242)
Proceeds from sale of property, plant, and equipment	85,348	—	—	85,348
Cash acquired through member substitution	18	16,384	—	16,402
Net change in cash equivalents reported in long-term investments	(58,431)	(422,775)	—	(481,206)
Purchases of investments	(4,740,908)	(542,299)	—	(5,283,207)
Sales of investments	4,435,621	759,903	—	5,195,524
Transfers (to) from affiliates	(28,483)	28,483	—	—
Net cash used in investing activities	(1,048,482)	(340,899)	—	(1,389,381)
Effect of exchange rate changes on cash	—	25,921	—	25,921
Increase in cash, cash equivalents and restricted cash	142,418	49,747	—	192,165
Cash, cash equivalents and restricted cash at beginning of year	280,180	164,941	—	445,121
Cash, cash equivalents and restricted cash at end of year	<u>\$ 422,598</u>	<u>\$ 214,688</u>	<u>\$ —</u>	<u>\$ 637,286</u>