



Inter-Faith Renewed: Stronger Care, Preserved Community, Secured Future.

When Certus Financial became involved in November 2022, Inter-Faith Care Center was insolvent, COVID induced operating losses in excess of \$100,000 per month, reserves depleted, and in significant defaults on its bond obligations.

Declining occupancy, staffing challenges, weak financial controls, deferred maintenance, and an abrupt leadership transition placed the organization at risk of regulatory intervention, receivership, or closure. At stake was not only a senior healthcare campus, but an essential community resource serving vulnerable residents throughout Cloquet and the surrounding Carlton County region in Northern Minnesota.

Certus assessed best course of action, concluding that the community can be saved, but not without significant change. We coordinated the installation of experienced third-party management, preserved uninterrupted licensure and resident care, negotiated a comprehensive forbearance agreement, and implemented disciplined cash-flow forecasting and financial oversight. Supporting the effort with management and onsite leadership, unnecessary costs were removed, labor and spending controls were strengthened, employee confidence rebuilt, parts of the campus reopened, occupancy increased, supplemental state funding procured, and accountability throughout the organization was restored.

The results were transformative; saving jobs, preserving a senior care community, and providing 100% recovery of bondholder's principal.

KEY INDIVIDUALS AND FIRMS

Certus Financial, LLC



William Haase
Transaction team leader
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