

Cathedral Village

Statements of Financial Position

October 31, 2022 and December 31, 2021

	<u>October 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
Assets		
Cash and cash equivalents	\$ 1,000	\$ 1,000
Investments	14,749,399	19,000,895
Statutory liquid reserves	1,756,227	1,756,227
Accounts receivable, net	1,458,889	1,160,029
Assets whose use is limited	8,075,804	8,515,352
Property and equipment, net	55,063,988	50,382,973
Due from affiliates, net	2,929,687	4,414,650
Funds held in trust by others	2,307,079	2,862,419
Other assets	1,169,704	1,512,556
	<u>\$ 87,511,777</u>	<u>\$ 89,606,101</u>
Liabilities and Net Assets		
Accounts payable	\$ 451,006	\$ 811,466
Accrued expenses	2,820,070	2,958,220
Resident deposits	791,651	914,150
Entrance fees payable	614,750	237,287
Other liabilities	1,126,136	1,863,875
Cares act funding liabilities	-	2,284,819
Long-term debt	29,158,899	30,254,991
Deferred revenues from entrance fees	28,708,282	24,847,693
	<u>63,670,794</u>	<u>64,172,501</u>
Net Assets		
Without donor restriction	21,179,290	22,406,799
With donor restrictions	2,661,693	3,026,801
	<u>23,840,983</u>	<u>25,433,600</u>
	<u>\$ 87,511,777</u>	<u>\$ 89,606,101</u>

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Statements of Operations and Changes in Net Assets

Period ended October 31, 2022 and year ended December 31, 2021

	<u>October 31, 2022</u>	<u>December 31, 2021</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 19,670,143	\$ 22,356,575
Amortization of entrance fees	3,203,270	4,265,154
Total resident services	22,873,413	26,621,729
Contributions, gifts, grants and bequests	2,699	6,405
Other revenues	108,200	50,519
Government grants	2,000,000	1,945,800
Government stimulus	-	307,690
Net assets released from restrictions	66,464	20,094
Total operating revenues and other support	<u>25,050,776</u>	<u>28,952,237</u>
Expenses:		
Nursing services	4,579,415	5,456,666
Rehabilitation	638,257	772,865
Recreation and special services	387,788	453,508
Pharmacy	122,678	131,552
Social services	111,943	132,746
Physician services	287,011	344,406
Food Services	3,028,571	4,089,068
Building operations and maintenance	3,652,479	4,544,864
Housekeeping	547,538	610,482
Laundry and linen	130,840	168,987
General and administrative	3,025,806	3,588,801
Employee benefits	818,021	1,084,831
Interest	656,627	826,410
Depreciation	4,084,704	4,662,571
Amortization	235,501	282,601
Fundraising	47,114	159,878
Total expenses	<u>22,354,293</u>	<u>27,310,236</u>
Unusual non-recurring expenses - COVID-19	<u>57,329</u>	<u>148,681</u>
Operating income before gains	<u>2,639,154</u>	<u>1,493,320</u>
Operating income	2,639,154	1,493,320
Other income (loss):		
Investment income, net of investment expense	346,760	597,331
Realized gain on investments	628,393	327,552
Unrealized (loss) gain on investments	(4,841,816)	1,630,738
Loss on early extinguishment of debt	-	(521,401)
Total other income (loss)	<u>(3,866,663)</u>	<u>2,034,220</u>
Revenues (less than) in excess of expenses	<u>(1,227,509)</u>	<u>3,527,540</u>
(Decrease) increase in net assets without donor restrictions	(1,227,509)	3,527,540

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Statements of Operations and Changes in Net Assets

Period ended October 31, 2022 and year ended December 31, 2021

	<u>October 31, 2022</u>	<u>December 31, 2021</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	\$ 253,320	\$ 77,128
Investment income, net of investment expense	3,376	48
Unrealized (loss) gain on investments	(555,340)	107,127
Net assets released from restrictions	<u>(66,464)</u>	<u>(20,094)</u>
(Decrease) increase in net assets with donor restrictions	<u>(365,108)</u>	<u>164,209</u>
Change in net assets	(1,592,617)	3,691,749
Net Assets, Beginning	<u>25,433,600</u>	<u>21,741,851</u>
Net Assets, Ending	<u><u>\$ 23,840,983</u></u>	<u><u>\$ 25,433,600</u></u>

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Statements of Cash Flows

Period ended October 31, 2022 and year ended December 31, 2021

	<u>October 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
Cash Flows From Operating Activities		
(Decrease) increase in net assets	\$ (1,592,617)	\$ 3,691,749
Adjustments to reconcile (decrease) increase in net deficit to net cash provided by operating activities:		
Depreciation	4,084,704	4,662,571
Provision for doubtful collections	44,315	30,363
Proceeds from non-refundable entrance fees and deposits	7,520,352	5,615,149
Amortization of entrance fees	(3,203,270)	(4,265,154)
Loss on early extinguishment of debt	-	521,401
Unrealized loss (gain) on investments	5,397,156	(1,737,865)
Realized gain on investments	(628,393)	(327,552)
Contributions restricted for long-term purposes	(185,814)	-
Amortization of deferred financing costs	10,538	12,086
Amortization of bond premium	(568)	(235,040)
Changes in assets and liabilities:		
Accounts receivable	44,290	71,915
Entrance fees receivable	(387,465)	(184,925)
Other assets	342,852	587,407
Accounts payable	(360,460)	(327,719)
Accrued expenses	(138,150)	237,224
Other liabilities	(737,739)	(60,511)
Cares act funding liabilities	(2,284,819)	(188,407)
Net cash provided by operating activities	<u>7,924,912</u>	<u>8,102,692</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(8,765,719)	(3,893,812)
Purchases of investments	(13,756,251)	(11,544,680)
Proceeds from sale of investments	14,233,872	3,843,088
Change in due from affiliates	1,484,963	(3,321,495)
Net cash used in investing activities	<u>(6,803,135)</u>	<u>(14,916,899)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(377,529)	(185,185)
Proceeds from refundable entrance fees and deposits, resales	176,000	-
Principal payments on long-term debt	(831,062)	(1,479,942)
Proceeds from issuance of long-term debt	-	17,757,500
Refunding, refinancing or payoff of long-term debt	(275,000)	(9,720,729)
Financing costs incurred	-	(96,433)
Contributions restricted for long-term purposes	185,814	-
Net cash (used in) provided by financing activities	<u>(1,121,777)</u>	<u>6,275,211</u>
Net change in cash, cash equivalents and restricted cash	0	(538,996)
Cash, Cash Equivalents and Restricted Cash, Beginning	<u>1,000</u>	<u>539,996</u>
Cash, Cash Equivalents and Restricted Cash, Ending		
Unrestricted	\$ 1,000	\$ 1,000
	<u>\$ 1,000</u>	<u>\$ 1,000</u>