

Presbyterian Senior Living

Statements of Financial Position
December 31, 2023 and December 31, 2022

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Assets		
Cash and cash equivalents	\$ 18,270,338	\$ 13,167,189
Investments	103,938,742	89,527,686
Statutory Liquid Reserve	16,783,072	12,777,451
Restricted deposits and funded reserves	12,230,796	12,822,792
Accounts receivable, net	19,306,449	14,406,576
Assets whose use is limited	46,606,102	45,354,286
Assets held for sale	-	4,187,517
Property and equipment, net	619,444,116	536,199,925
Funds held in trust by others	18,867,774	17,559,350
Other assets	51,661,907	23,788,690
Total assets	<u>\$ 907,109,295</u>	<u>\$ 769,791,463</u>
Liabilities and Net Assets		
Accounts payable	\$ 11,549,707	\$ 8,631,260
Accrued expenses	26,009,552	20,484,024
Lines of credit	22,184,392	21,642,167
Resident deposits	4,279,017	3,149,105
Entrance fees payable	27,014,526	20,655,825
Other liabilities	9,462,604	10,010,785
Cares act funding liabilities	56,828	20,520
Long-term debt, senior living	366,620,232	276,288,390
Long-term debt, low income housing	27,904,017	32,657,125
Deferred revenue from entrance fees	157,713,741	129,748,658
Total liabilities	<u>652,794,617</u>	<u>523,287,858</u>
Net Assets		
Without donor restriction	224,019,628	218,869,736
With donor restriction	30,295,050	27,633,869
Total net assets (deficit)	<u>254,314,678</u>	<u>246,503,605</u>
Total liabilities, net assets and equity	<u>\$ 907,109,296</u>	<u>\$ 769,791,463</u>

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Statements of Operations and Changes in Net Assets

Period ended December 31, 2023 and year ended December 31, 2022

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 227,492,599	\$ 207,079,096
Amortization of entrance fees	21,245,015	18,266,884
Total resident services	<u>248,737,615</u>	<u>225,345,980</u>
Sales of other services and materials	109,660	22,573
Net rental income and developers' fees	150,252	194,123
Contributions, gifts, grants and bequests	1,039,758	903,232
Government grants	811,173	2,000,000
Government stimulus	198,169	1,557,893
FEMA funding	29,790	2,236,500
Net assets released from restrictions	<u>848,776</u>	<u>837,136</u>
Total operating revenues and other support	<u>251,925,192</u>	<u>233,097,438</u>
Expenses:		
Nursing services	63,217,709	56,636,881
Rehabilitation	16,953,462	17,400,265
Recreation and special services	4,612,964	4,405,663
Pharmacy	2,947,729	2,905,223
Social Services	1,512,181	1,445,705
Physician Services	651,737	730,113
Dining Services	26,462,421	23,204,497
Building operations and maintenance	38,792,599	37,868,853
Housekeeping	4,313,240	3,743,362
Laundry	1,339,473	1,067,340
Management and general	42,600,575	34,364,375
Employee Benefits	12,699,844	12,218,053
Interest	13,950,534	8,988,322
Depreciation	32,402,918	32,048,396
Amortization	2,592,774	1,595,160
Fundraising	<u>802,076</u>	<u>929,676</u>
Total expenses before non-recurring expenses	<u>265,852,236</u>	<u>239,551,884</u>
Non-recurring expenses, COVID-19	<u>14,787</u>	<u>1,195,082</u>
Operating income (loss) before gains and losses	(13,941,831)	(7,649,529)
Gain (loss) on sale and disposal of property	4,710,531	(151,279)
Loss on impairment of asset	<u>(635,166)</u>	<u>(836,603)</u>
Operating income (loss)	<u>(9,866,466)</u>	<u>(8,637,411)</u>
Other income (loss):		
Investment income, net of investment expense	4,733,312	2,768,446
Realized gain on investments	190,521	2,186,261
Unrealized gain (loss) on investments	10,150,607	(18,324,321)
Loss on early extinguishment of debt	<u>(931,193)</u>	<u>-</u>
Total other income (loss)	<u>14,143,246</u>	<u>(13,369,614)</u>
Revenues in excess of (less than) expenses	4,276,780	(22,007,025)
Equity received from tax credit partners	873,112	1,696,063
Grant revenue - capital	-	681,303
Increase (decrease) in net assets without donor restrictions	<u>5,149,892</u>	<u>(19,629,659)</u>

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Statements of Operations and Changes in Net Assets

Period ended December 31, 2023 and year ended December 31, 2022

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	1,705,145	1,596,663
Investment income, net of investment expense	110,088	131,343
Unrealized gain (loss) on investments	1,694,724	(4,474,792)
Net assets released from restrictions	<u>(848,776)</u>	<u>(837,136)</u>
Increase (decrease) in net assets with donor restrictions	<u>2,661,182</u>	<u>(3,583,921)</u>
Increase (decrease) in net assets	7,811,074	(23,213,580)
Net Assets (Deficit), Beginning	<u>246,503,605</u>	<u>269,717,185</u>
Net Assets (Deficit), Ending	<u>\$ 254,314,678</u>	<u>\$ 246,503,605</u>

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Statements of Cash Flows

Period ended December 31, 2023 and year ended December 31, 2022

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$ 7,811,074	\$ (23,213,580)
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	32,402,918	32,048,396
Provision for doubtful collections	2,465,720	1,083,298
Proceeds from non-refundable fees and deposits	27,908,633	27,586,314
Amortization of entrance fees	(21,245,015)	(18,266,884)
Loss on early extinguishment of debt	931,193	-
Unrealized (gain) loss on investments and change in fair value of funds held in trust by other	(11,845,331)	22,799,113
Realized gain on investments	(190,521)	(2,186,261)
(Gain) loss on sale of community and disposals of property and equipment	(4,710,531)	151,279
Equity received from tax credit partners	(873,112)	(1,696,063)
Contributions restricted for long-term purposes	(103,167)	(222,477)
Amortization of deferred financing costs	(299,526)	179,050
Amortization of bond premium	(400,757)	(407,025)
Amortization of bond discount	83,210	-
Loss on impairment of asset	635,166	836,603
Changes in assets and liabilities		
Accounts receivable	(7,739,545)	(1,435,836)
Entrance fee receivable	373,952	(1,360,151)
Other assets	3,210,948	1,416,155
Accounts payable	2,918,743	(3,754,162)
Accrued expenses	5,525,528	782,857
Other liabilities	(1,023,731)	1,359,582
CARES act funding liabilities	36,308	(4,594,830)
Net cash provided by operating activities	<u>35,872,160</u>	<u>31,105,378</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(38,724,228)	(32,700,380)
Proceeds from sale of property and equipment	12,900,000	200,211
Amounts paid in acquisitions	(79,764,976)	-
Purchases of investments	(39,314,881)	(50,683,550)
Proceeds from sale of investments	<u>38,044,463</u>	<u>51,364,422</u>
Net cash used in investing activities	<u>(106,859,621)</u>	<u>(31,819,297)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(7,512,166)	(5,756,049)
Proceeds from refundable entrance fees and deposits, resales	2,344,279	3,453,453
Proceeds from refundable entrance fees and deposits, new units	1,554,032	798,668
Principal payments on redemptions of long-term debt	(19,495,944)	(14,595,062)
Proceeds from issuance of long-term debt	216,996,702	2,414,926
Early payoff of long-term debt	(105,695,958)	(5,923,268)
Financing costs incurred	(6,540,186)	-
Borrowings on lines of credit	542,225	1,048,724
Equity received from tax credit partners	873,112	1,696,063
Contributions restricted for long-term purposes	<u>103,167</u>	<u>222,477</u>
Net cash provided by (used in) financing activities	<u>83,169,262</u>	<u>(16,640,069)</u>
Net change in cash, cash equivalents and restricted cash	12,181,801	(17,353,988)
Cash, cash equivalents and restricted cash, beginning	<u>68,244,368</u>	<u>85,598,355</u>
Cash, cash equivalents and restricted cash, ending	<u>\$ 80,426,170</u>	<u>\$ 68,244,368</u>
Cash and cash equivalents	\$ 18,270,338	13,167,189
Restricted cash in investments	62,155,832	55,077,180
Total cash, cash equivalents and restricted cash	<u>\$ 80,426,170</u>	<u>\$ 68,244,368</u>