

**PHI (D.B.A. Presbyterian Senior Living)**Consolidated Statements of Financial Position  
June 30, 2022 and December 31, 2021

	<b>June 30 2022</b>	<b>December 31 2021</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 16,740,875	\$ 18,168,017
Investments	93,397,995	109,337,247
Restricted deposits and funded reserves	24,846,907	24,981,579
Accounts receivable, net	9,867,567	12,697,887
Assets whose use is limited	53,278,741	55,954,944
Assets held for sale	3,019,143	900,000
Property and equipment, net	536,273,693	540,023,548
Funds held in trust by others	18,097,966	21,414,680
Other assets	22,143,095	25,200,846
Total assets	<u>\$ 777,665,980</u>	<u>\$ 808,678,748</u>
<b>Liabilities and Net Assets</b>		
Accounts payable	\$ 11,244,550	\$ 12,756,185
Accrued expenses	16,633,405	18,398,390
Lines of credit	19,413,191	20,593,443
Resident deposits	2,793,221	3,362,691
Entrance fee payable	20,709,004	20,773,675
Other liabilities	8,047,202	9,583,218
Cares act funding liabilities	477,420	4,615,350
Long-term debt, senior living	290,309,972	294,450,289
Long-term debt, low income housing	32,726,396	32,826,604
Deferred revenue from entrance fees	125,123,244	121,601,721
Total liabilities	<u>527,477,606</u>	<u>538,961,566</u>
<b>Net Assets</b>		
Without donor restriction (including tax credit equity of \$66,329,527 and \$67,295,958, respectively)	221,714,057	238,499,391
With donor restriction	<u>28,474,318</u>	<u>31,217,791</u>
Total net assets	250,188,375	269,717,182
Total liabilities and net assets	<u>\$ 777,665,981</u>	<u>\$ 808,678,748</u>

**PHI (D.B.A. Presbyterian Senior Living)**Consolidated of Operations and Changes in Net Assets  
Periods ended June 30 2022 and year ended December 31, 2021

	<u>June 30 2022</u>	<u>December 31 2021</u>
<b>Net Assets Without Donor Restrictions</b>		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 95,914,715	\$ 200,148,787
Amortization of entrance fees	8,827,445	20,386,341
Total resident services	104,742,160	220,535,128
Sales of other services and materials	5,775,248	76,575
Net rental income and developers' fees	211,612	1,073,752
Contributions, gifts, grants and bequests	425,485	7,879,638
Other revenues	771,128	5,742,262
Government grant	2,000,000	11,823,109
Revenues from provider relief funds	125,428	5,511,023
Net assets released from restrictions	277,194	1,055,711
Total operating revenues and other support	114,328,256	253,697,198
Expenses:		
Nursing services	27,700,701	57,977,833
Rehabilitation	8,649,412	13,672,434
Recreation and special services	2,102,968	4,643,400
Pharmacy	1,415,576	2,755,771
Social services	718,748	1,584,163
Physician services	359,826	767,482
Food services	11,254,723	24,256,149
Building operations and maintenance	18,488,859	37,388,810
Housekeeping	1,843,739	4,209,356
Laundry and linen	507,083	1,224,705
Management and general	16,139,442	34,819,466
Employee benefits	6,246,845	9,880,143
Interest	4,197,468	8,730,930
Depreciation	15,850,199	30,872,924
Amortization	794,855	483,389
Fundraising	467,121	887,982
Total expenses before non-recurring expenses	116,737,564	234,154,937
Non-recurring expenses, COVID-19	1,072,020	2,244,313
Operating income (loss) before gains and losses	(3,481,328)	17,297,948
Gain on sale of community and disposals of property and equipment	103,464	10,962,063
Loss on impairment of asset	-	(3,550,230)
Operating income (loss)	(3,377,865)	24,709,781
Other income (loss):		
Investment income	1,188,426	2,973,283
Realized gain on investments	1,163,819	3,833,422
Unrealized (loss) gain on investments	(15,932,885)	11,847,575
Loss on early extinguishment of debt	-	(1,518,104)
Equity from acquisition	-	1,689,406
Total other income (loss)	(13,580,640)	18,825,582
Revenues (less than) in excess of expenses	(16,958,505)	43,535,363
Equity received from tax credit limited partners	183,349	12,360,537
(Decrease) increase in net assets without donor restrictions	(16,775,156)	55,895,900

**PHI (D.B.A. Presbyterian Senior Living)**

Consolidated of Operations and Changes in Net Assets  
Periods ended June 30 2022 and year ended December 31, 2021

	<u>June 30</u> <u>2022</u>	<u>December 31</u> <u>2021</u>
<b>Net Assets With Donor Restrictions</b>		
Contributions, gifts, grants and bequests	\$ 767,429	\$ 750,006
Investment income, net of investment expense	64,507	91,951
Unrealized (loss) gain on investments	(3,310,058)	1,664,177
Net assets released from restrictions	<u>(275,529)</u>	<u>(1,055,711)</u>
(Decrease) increase in net assets with donor restrictions	<u>(2,753,651)</u>	<u>1,450,423</u>
(Decrease) increase in net assets	(19,528,807)	57,346,323
<b>Net Assets, Beginning</b>	<u>269,717,182</u>	<u>212,370,859</u>
<b>Net Assets, Ending</b>	<u>\$ 250,188,375</u>	<u>\$ 269,717,182</u>

**PHI (D.B.A. Presbyterian Senior Living)**

## Consolidated Statements of Cash Flows

Periods ended June 30, 2022 and year ended December 31, 2021

	<b>June 30 2022</b>	<b>December 31 2021</b>
<b>Cash Flows From Operating Activities</b>		
(Decrease) increase in net assets	\$ (19,528,807)	\$ 57,346,323
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	15,850,199	30,872,924
Provision for doubtful collections	601,992	1,439,800
Proceeds from non-refundable entrance fees and deposits	11,990,795	22,095,931
Amortization of entrance fees	(8,827,445)	(20,386,341)
Loss on early extinguishment of debt	-	1,518,104
Unrealized loss (gain) on investments and change in fair value of funds held in trust by others	19,242,942	(13,511,752)
Realized gain on investments	(1,163,819)	(3,833,422)
Gain on sale of communities and property and equipment	(103,464)	(10,962,063)
Contributions restricted for long-term purposes	-	(74,871)
Amortization of deferred financing costs	92,402	187,427
Amortization of bond premium	(203,796)	(218,313)
Loss on impairment of asset	-	3,550,230
Changes in assets and liabilities:		
Accounts receivable	2,708,008	(1,672,211)
Entrance fee receivable	(479,680)	1,167,573
Other assets	3,057,884	(1,320,398)
Accounts payable	(3,867,177)	(3,077,662)
Accrued expenses	(1,454,553)	(3,643,823)
Other liabilities	1,195,362	1,173,839
Cares act funding liabilities	(4,137,930)	(12,545,783)
Net cash provided by operating activities	<u>14,972,914</u>	<u>48,105,512</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property and equipment	(13,952,818)	(35,090,417)
Proceeds from sale of communities and property and equipment	-	25,300,000
Amounts paid in acquisitions	-	(11,095,000)
Purchases of investments	(35,145,270)	(48,732,820)
Proceeds from sale of investments	<u>38,283,414</u>	<u>43,598,858</u>
Net cash used in investing activities	<u>(10,814,674)</u>	<u>(26,019,379)</u>
<b>Cash Flows From Financing Activities</b>		
Refunds of entrance fees and deposits	(2,464,803)	(6,542,091)
Proceeds from refundable entrance fees and deposits, resales	1,524,360	1,708,110
Proceeds from refundable entrance fees and deposits, new units	664,475	8,779,487
Principal payments on redemptions of long-term debt	(6,259,267)	(16,641,931)
Proceeds from issuance of long-term debt	2,405,106	33,951,071
Proceeds from bond premium	-	7,151,245
Refunding, refinancing or payoff of long-term debt	(275,000)	(18,160,721)
Redemption of treasury bonds	-	(225,000)
Financing costs paid	-	(1,093,589)
Borrowings on lines of credit	(1,180,252)	1,381,031
Contributions restricted for long-term purposes	-	74,871
Net cash (used in) provided by financing activities	<u>(5,585,381)</u>	<u>10,382,483</u>
Net change in cash, cash equivalents and restricted cash	(1,427,141)	32,468,616
<b>Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Beginning</b>	<u>85,598,355</u>	<u>53,129,739</u>
<b>Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Ending</b>		
Unrestricted	16,740,876	18,168,017
Restricted	67,430,338	67,430,338
Cash and cash equivalents included in investments	<u>\$ 84,171,214</u>	<u>\$ 85,598,355</u>