

Presbyterian Senior Living

Statements of Financial Position
June 30, 2023 and December 31, 2022

	June 30, 2023	December 31, 2022
Assets		
Cash and cash equivalents	\$ 11,019,943	\$ 13,167,189
Investments	98,858,215	89,527,686
Statutory Liquid Reserve	12,777,451	12,777,451
Restricted deposits and funded reserves	12,539,626	12,822,792
Accounts receivable, net	16,840,610	14,410,576
Assets whose use is limited	30,279,329	45,354,286
Assets held for sale	4,520,844	4,187,517
Property and equipment, net	532,279,947	536,199,925
Funds held in trust by others	18,356,572	17,559,350
Other assets	23,398,246	23,784,690
Total assets	<u>\$ 760,870,783</u>	<u>\$ 769,791,463</u>
Liabilities and Net Assets		
Accounts payable	\$ 9,592,278	\$ 8,631,260
Accrued expenses	19,460,237	20,484,024
Lines of credit	21,919,011	21,642,167
Resident deposits	3,725,100	3,149,105
Entrance fees payable	19,984,547	20,655,825
Other liabilities	9,534,362	10,010,785
Cares act funding liabilities	56,828	20,520
Long-term debt, senior living	262,504,530	276,288,390
Long-term debt, low income housing	29,975,123	32,657,125
Deferred revenue from entrance fees	129,676,050	129,748,658
Total liabilities	<u>506,428,066</u>	<u>523,287,858</u>
Net Assets		
Without donor restriction	225,686,857	218,869,736
With donor restriction	28,755,860	27,633,869
Total net assets (deficit)	<u>254,442,717</u>	<u>246,503,605</u>
Total liabilities, net assets and equity	<u>\$ 760,870,783</u>	<u>\$ 769,791,463</u>

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Statements of Operations and Changes in Net Assets

Period ended June 30, 2023 and year ended December 31, 2022

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 107,319,482	\$ 207,079,096
Amortization of entrance fees	10,770,827	18,266,884
Total resident services	<u>118,090,309</u>	<u>225,345,980</u>
Sales of other services and materials	20,664	22,573
Net rental income and developers' fees	69,615	194,123
Contributions, gifts, grants and bequests	389,390	903,232
Government grants	-	2,000,000
Government stimulus	179,742	1,557,893
FEMA funding	29,790	2,236,500
Net assets released from restrictions	<u>416,191</u>	<u>837,136</u>
Total operating revenues and other support	<u>119,195,701</u>	<u>233,097,438</u>
Expenses:		
Nursing services	28,886,685	56,636,881
Rehabilitation	8,389,188	17,400,265
Recreation and special services	2,116,062	4,405,663
Pharmacy	1,357,472	2,905,223
Social Services	722,238	1,445,705
Physician Services	359,210	730,113
Dining Services	11,965,535	23,204,497
Building operations and maintenance	18,366,946	37,868,853
Housekeeping	2,005,846	3,743,362
Laundry	612,873	1,067,340
Management and general	18,816,094	34,364,375
Employee Benefits	6,353,949	12,218,053
Interest	5,549,808	8,988,322
Depreciation	16,115,812	32,048,396
Amortization	794,945	1,595,160
Fundraising	<u>347,375</u>	<u>929,676</u>
Total expenses before non-recurring expenses	<u>122,760,038</u>	<u>239,551,884</u>
Non-recurring expenses, COVID-19	<u>8,643</u>	<u>1,195,082</u>
Operating income (loss) before gains and losses	(3,572,980)	(7,649,529)
Gain (loss) on sale and disposal of property	2,889,065	(151,279)
Loss on impairment of asset	<u>(740,666)</u>	<u>(836,603)</u>
Operating income (loss)	<u>(1,424,581)</u>	<u>(8,637,411)</u>
Other income (loss):		
Investment income, net of investment expense	1,985,181	2,768,446
Realized gain (loss) on investments	44,734	2,186,261
Unrealized gain (loss) on investments	<u>6,204,923</u>	<u>(18,324,321)</u>
Total other income (loss)	<u>8,234,838</u>	<u>(13,369,614)</u>
Revenues in excess of (less than) expenses	6,810,257	(22,007,025)
Equity received from tax credit partners	6,862	1,696,063
Grant revenue - capital	-	681,303
Increase (decrease) in net assets without donor restrictions	<u>6,817,119</u>	<u>(19,629,659)</u>

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Statements of Operations and Changes in Net Assets

Period ended June 30, 2023 and year ended December 31, 2022

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	459,080	1,596,663
Investment income, net of investment expense	49,009	131,343
Unrealized gain (loss) on investments	1,030,095	(4,474,792)
Net assets released from restrictions	<u>(416,191)</u>	<u>(837,136)</u>
Increase (decrease) in net assets with donor restrictions	<u>1,121,993</u>	<u>(3,583,921)</u>
Increase (decrease) in net assets	7,939,112	(23,213,580)
Net Assets (Deficit), Beginning	<u>246,503,605</u>	<u>269,717,185</u>
Net Assets (Deficit), Ending	<u>\$ 254,442,717</u>	<u>\$ 246,503,605</u>

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Statements of Cash Flows

Period ended June 30, 2023 and year ended December 31, 2022

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$ 7,939,112	\$ (23,213,580)
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	16,115,812	32,048,396
Provision for doubtful collections	628,680	1,083,298
Proceeds from non-refundable fees and deposits	12,759,538	27,586,314
Amortization of entrance fees	(10,770,827)	(18,266,884)
Unrealized (gain) loss on investments and change in fair value of funds held in trust by other	(7,235,017)	22,799,113
Realized gain on investments	(44,734)	(2,186,261)
(Gain) loss on sale of community and disposals of property and equipment	(2,889,065)	151,279
Equity received from tax credit partners	(6,862)	(1,696,063)
Contributions restricted for long-term purposes	(47,591)	(222,477)
Amortization of deferred financing costs	84,642	179,050
Amortization of bond premium	(200,378)	(407,025)
Loss on impairment of asset	740,666	836,603
Changes in assets and liabilities		
Accounts receivable	(3,614,278)	(1,435,836)
Entrance fee receivable	555,564	(1,360,151)
Other assets	386,444	1,416,155
Accounts payable	961,313	(3,754,162)
Accrued expenses	(1,023,787)	782,857
Other liabilities	(476,422)	1,359,582
CARES act funding liabilities	36,308	(4,594,830)
Net cash provided by operating activities	<u>13,899,118</u>	<u>31,105,378</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(16,680,762)	(32,700,380)
Proceeds from sale of property and equipment	6,300,000	200,211
Purchases of investments	(5,095,862)	(50,683,550)
Proceeds from sale of investments	<u>17,605,985</u>	<u>51,364,422</u>
Net cash provided by (used in) investing activities	<u>2,129,361</u>	<u>(31,819,297)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(3,564,992)	(5,756,049)
Proceeds from refundable entrance fees and deposits, resales	667,388	3,453,453
Proceeds from refundable entrance fees and deposits, new units	740,708	798,668
Principal payments on redemptions of long-term debt	(14,028,546)	(14,595,062)
Proceeds from issuance of long-term debt	23,750	2,414,926
Early payoff of long-term debt	(2,321,580)	(5,923,268)
Financing costs incurred	(23,750)	-
Borrowings on lines of credit	276,844	1,048,724
Equity received from tax credit partners	6,862	1,696,063
Contributions restricted for long-term purposes	<u>47,591</u>	<u>222,477</u>
Net cash used in financing activities	<u>(18,175,725)</u>	<u>(16,640,069)</u>
Net change in cash, cash equivalents and restricted cash	(2,147,246)	(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>\$ 66,399,833</u>	<u>\$ 68,244,368</u>
Cash and cash equivalents	\$ 11,019,943	13,167,189
Restricted cash in investments	55,077,180	55,077,180
Total cash, cash equivalents and restricted cash	<u>\$ 66,097,123</u>	<u>\$ 68,244,368</u>