

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

Consolidated Statements of Financial Position
March 31, 2022 and December 31, 2021

	March 31 2022	December 31 2021
Assets		
Cash and cash equivalents	\$ 19,263,597	\$ 18,168,017
Investments	102,554,458	109,337,247
Restricted deposits and funded reserves	24,834,891	24,981,579
Accounts receivable, net	11,834,073	12,697,887
Assets whose use is limited	54,421,954	55,954,944
Assets held for sale	3,138,722	900,000
Property and equipment, net	537,178,154	540,023,548
Funds held in trust by others	20,165,228	21,414,680
Other assets	23,874,339	25,200,846
Total assets	<u>\$ 797,265,415</u>	<u>\$ 808,678,748</u>
Liabilities and Net Assets		
Accounts payable	\$ 10,753,124	\$ 12,756,185
Accrued expenses	19,892,072	18,398,390
Lines of credit	21,262,978	20,593,443
Resident deposits	3,193,109	3,362,691
Entrance fee payable	20,586,750	20,773,675
Other liabilities	8,797,524	9,583,218
Cares act funding liabilities	1,067,179	4,615,350
Long-term debt, senior living	293,282,945	294,450,289
Long-term debt, low income housing	32,803,407	32,826,604
Deferred revenue from entrance fees	121,807,277	121,601,721
Total liabilities	<u>533,446,366</u>	<u>538,961,566</u>
Net Assets		
Without donor restriction (including tax credit equity of \$66,329,527 and \$67,295,958, respectively)	233,582,050	238,499,391
With donor restriction	<u>30,236,999</u>	<u>31,217,791</u>
Total net assets	263,819,049	269,717,182
Total liabilities and net assets	<u>\$ 797,265,415</u>	<u>\$ 808,678,748</u>

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

Consolidated of Operations and Changes in Net Assets

Periods ended March 31 2022 and year ended December 31, 2021

	<u>March 31</u> <u>2022</u>	<u>December 31</u> <u>2021</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 47,023,592	\$ 200,148,787
Amortization of entrance fees	4,361,889	20,386,341
Total resident services	51,385,481	220,535,128
Sales of other services and materials	2,714,466	76,575
Net rental income and developers' fees	175,268	1,073,752
Contributions, gifts, grants and bequests	153,099	7,879,638
Other revenues	706,528	5,742,262
Government grant	2,000,000	11,823,109
Revenues from provider relief funds	84,266	5,511,023
Net assets released from restrictions	150,494	1,055,711
Total operating revenues and other support	57,369,602	253,697,198
Expenses:		
Nursing services	13,427,446	57,977,833
Rehabilitation	4,310,048	13,672,434
Recreation and special services	1,028,844	4,643,400
Pharmacy	646,402	2,755,771
Social services	364,551	1,584,163
Physician services	178,659	767,482
Food services	5,491,464	24,256,149
Building operations and maintenance	9,390,251	37,388,810
Housekeeping	890,507	4,209,356
Laundry and linen	256,890	1,224,705
Management and general	7,762,715	34,819,466
Employee benefits	3,066,606	9,880,143
Interest	2,052,659	8,730,930
Depreciation	7,911,397	30,872,924
Amortization	397,427	483,389
Fundraising	257,113	887,982
Total expenses before non-recurring expenses	57,432,979	234,154,937
Non-recurring expenses, COVID-19	813,662	2,244,313
Operating income (loss) before gains and losses	(877,039)	17,297,948
Gain on sale of community and disposals of property and equipment	12,237	10,962,063
Loss on impairment of asset	-	(3,550,230)
Operating income (loss)	(864,802)	24,709,781
Other income (loss):		
Investment income	440,910	2,973,283
Realized gain on investments	47,700	3,833,422
Unrealized gain on investments	(5,384,716)	11,847,575
Loss on early extinguishment of debt	-	(1,518,104)
Equity from acquisition	795,902	1,689,406
Total other income (loss)	(4,100,205)	18,825,582
Revenues in excess of (less than) expenses	(4,965,007)	43,535,363
Equity received from tax credit limited partners	187,227	12,360,537
(Decrease) increase in net assets without donor restrictions	(4,777,780)	55,895,900

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Consolidated of Operations and Changes in Net Assets

Periods ended March 31 2022 and year ended December 31, 2021

	<u>March 31</u> <u>2022</u>	<u>December 31</u> <u>2021</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	\$ 305,106	\$ 750,006
Investment income, net of investment expense	31,541	91,951
Unrealized (loss) gain on investments	(1,306,505)	1,664,177
Net assets released from restrictions	<u>(150,494)</u>	<u>(1,055,711)</u>
(Decrease) increase in net assets with donor restrictions	<u>(1,120,352)</u>	<u>1,450,423</u>
(Decrease) increase in net assets	(5,898,132)	57,346,323
Net Assets, Beginning	<u>269,717,182</u>	<u>212,370,859</u>
Net Assets, Ending	<u>\$ 263,819,050</u>	<u>\$ 269,717,182</u>

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

Consolidated Statements of Cash Flows

Periods ended March 31, 2022 and year ended December 31, 2021

	March 31 2022	December 31 2021
Cash Flows From Operating Activities		
(Decrease) increase in net assets	\$ (5,898,132)	\$ 57,346,323
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	7,911,397	30,872,924
Provision for doubtful collections	324,122	1,439,800
Proceeds from non-refundable entrance fees and deposits	5,061,494	22,095,931
Amortization of entrance fees	(4,361,889)	(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	6,691,220	(13,511,752)
Realized gain on investments	(47,700)	(3,833,422)
Gain on sale of communities and property and equipment	(12,237)	(10,962,063)
Contributions restricted for long-term purposes	(4,777)	(74,871)
Amortization of deferred financing costs	46,201	187,427
Amortization of bond premium	(102,182)	(218,313)
Loss on impairment of asset	-	3,550,230
Changes in assets and liabilities:		
Accounts receivable	538,907	(1,672,211)
Entrance fee receivable	784	1,167,573
Other assets	1,326,574	(1,320,398)
Accounts payable	(4,358,634)	(3,077,662)
Accrued expenses	(750,875)	(3,643,823)
Other liabilities	(772,499)	1,173,839
Cares act funding liabilities	(3,548,171)	(12,545,783)
Net cash provided by operating activities	<u>2,043,605</u>	<u>48,105,512</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(7,211,948)	(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	(5,180,152)	(48,732,820)
Proceeds from sale of investments	<u>12,754,880</u>	<u>43,598,858</u>
Net cash provided by (used in) investing activities	<u>362,780</u>	<u>(26,019,379)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(1,580,481)	(6,542,091)
Proceeds from refundable entrance fees and deposits, resales	440,700	1,708,110
Proceeds from refundable entrance fees and deposits, new units	289,225	8,779,487
Principal payments on redemptions of long-term debt	(3,324,283)	(16,641,931)
Proceeds from issuance of long-term debt	2,189,723	33,951,071
Proceeds from bond premium	-	7,151,245
Refunding, refinancing or payoff of long-term debt	-	(18,160,721)
Redemption of treasury bonds	-	(225,000)
Financing costs paid	-	(1,093,589)
Borrowings on lines of credit	669,535	1,381,031
Contributions restricted for long-term purposes	<u>4,777</u>	<u>74,871</u>
Net cash (used in) provided by financing activities	<u>(1,310,804)</u>	<u>10,382,483</u>
Net change in cash, cash equivalents and restricted cash	1,095,581	32,468,616
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Beginning	<u>85,598,355</u>	<u>53,129,739</u>
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Ending		
Unrestricted	19,263,598	18,168,017
Restricted	67,430,338	67,430,338
Cash and cash equivalents included in investments	<u>\$ 86,693,936</u>	<u>\$ 85,598,355</u>