

## Presbyterian Senior Living

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

	<u>March 31, 2023</u>	<u>December 31, 2022</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 7,379,037	\$ 13,167,189
Investments	97,267,343	89,527,686
Statutory Liquid Reserve	12,777,451	12,777,451
Restricted deposits and funded reserves	12,738,114	12,822,792
Accounts receivable, net	14,609,267	14,410,576
Assets whose use is limited	43,736,787	45,354,286
Assets held for sale	5,327,747	4,187,517
Property and equipment, net	531,069,898	536,199,925
Funds held in trust by others	17,917,933	17,559,350
Other assets	<u>24,283,736</u>	<u>23,784,690</u>
Total assets	<u>\$ 767,107,313</u>	<u>\$ 769,791,463</u>
<b>Liabilities and Net Assets</b>		
Accounts payable	\$ 10,906,400	\$ 8,631,260
Accrued expenses	19,649,433	20,484,024
Lines of credit	15,963,268	21,642,167
Resident deposits	3,646,796	3,149,105
Entrance fees payable	20,464,053	20,655,825
Other liabilities	9,263,427	10,010,785
Cares act funding liabilities	223,113	20,520
Long-term debt, senior living	273,055,475	276,288,390
Long-term debt, low income housing	30,313,908	32,657,125
Deferred revenue from entrance fees	<u>128,815,085</u>	<u>129,748,658</u>
Total liabilities	<u>512,300,957</u>	<u>523,287,858</u>
<b>Net Assets</b>		
Without donor restriction	226,581,918	218,869,736
With donor restriction	<u>28,224,439</u>	<u>27,633,869</u>
Total net assets (deficit)	<u>254,806,357</u>	<u>246,503,605</u>
Total liabilities, net assets and equity	<u>\$ 767,107,313</u>	<u>\$ 769,791,463</u>

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### Statements of Operations and Changes in Net Assets

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

	<u>March 31, 2023</u>	<u>December 31, 2022</u>
<b>Net Assets Without Donor Restrictions</b>		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 53,676,569	\$ 207,079,096
Amortization of entrance fees	6,089,233	18,266,884
Total resident services	<u>59,765,802</u>	<u>225,345,980</u>
Sales of other services and materials	14,025	22,573
Net rental income and developers' fees	38,779	194,123
Contributions, gifts, grants and bequests	124,011	903,232
Government grants	-	2,000,000
Government stimulus	6,729	1,557,893
FEMA funding	-	2,236,500
Net assets released from restrictions	<u>276,555</u>	<u>837,136</u>
Total operating revenues and other support	<u>60,225,901</u>	<u>233,097,438</u>
Expenses:		
Nursing services	14,245,168	56,636,881
Rehabilitation	4,170,346	17,400,265
Recreation and special services	1,045,269	4,405,663
Pharmacy	665,158	2,905,223
Social Services	377,720	1,445,705
Physician Services	190,875	730,113
Dining Services	5,907,628	23,204,497
Building operations and maintenance	9,527,838	37,868,853
Housekeeping	990,444	3,743,362
Laundry	305,163	1,067,340
Management and general	9,017,868	34,364,375
Employee Benefits	3,259,352	12,218,053
Interest	2,731,319	8,988,322
Depreciation	8,057,270	32,048,396
Amortization	397,825	1,595,160
Fundraising	<u>168,941</u>	<u>929,676</u>
Total expenses before non-recurring expenses	<u>61,058,186</u>	<u>239,551,884</u>
Non-recurring expenses, COVID-19	<u>38,200</u>	<u>1,195,082</u>
Operating income (loss) before gains and losses	(870,484)	(7,649,529)
Gain (loss) on sale and disposal of property	3,722,781	(151,279)
Loss on impairment of asset	<u>-</u>	<u>(836,603)</u>
Operating income (loss)	<u>2,852,297</u>	<u>(8,637,411)</u>
Other income (loss):		
Investment income, net of investment expense	883,746	2,768,446
Realized gain (loss) on investments	(3,546)	2,186,261
Unrealized gain (loss) on investments	<u>3,979,686</u>	<u>(18,324,321)</u>
Total other income (loss)	<u>4,859,885</u>	<u>(13,369,614)</u>
Revenues in excess of (less than) expenses	7,712,182	(22,007,025)
Equity received from tax credit partners	-	1,696,063
Grant revenue - capital	<u>-</u>	<u>681,303</u>
Increase (decrease) in net assets without donor restrictions	<u>7,712,182</u>	<u>(19,629,659)</u>

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## Statements of Operations and Changes in Net Assets

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

	<u>March 31, 2023</u>	<u>December 31, 2022</u>
<b>Net Assets With Donor Restrictions</b>		
Contributions, gifts, grants and bequests	346,251	1,596,663
Investment income, net of investment expense	27,512	131,343
Unrealized gain on investments	493,362	(4,474,792)
Net assets released from restrictions	<u>(276,555)</u>	<u>(837,136)</u>
Increase in net assets with donor restrictions	<u>590,570</u>	<u>(3,583,921)</u>
Increase (decrease) in net assets	8,302,752	(23,213,580)
<b>Net Assets (Deficit), Beginning</b>	<u>246,503,605</u>	<u>269,717,185</u>
<b>Net Assets (Deficit), Ending</b>	<u>\$ 254,806,357</u>	<u>\$ 246,503,605</u>

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## Statements of Cash Flows

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

	<u>March 31, 2023</u>	<u>December 31, 2022</u>
<b>Cash Flows From Operating Activities</b>		
Increase (decrease) in net assets	\$ 8,302,752	\$ (23,213,580)
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	8,057,270	32,048,396
Provision for doubtful collections	297,631	1,083,298
Proceeds from non-refundable fees and deposits	6,048,286	27,586,314
Amortization of entrance fees	(6,089,233)	(18,266,884)
Unrealized (gain) loss on investments and change in fair value of funds held in trust by other	(4,473,048)	22,799,113
Realized loss (gain) on investments	3,546	(2,186,261)
(Gain) loss on sale of community and disposals of property and equipment	(3,722,781)	151,279
Equity received from tax credit partners	-	(1,696,063)
Contributions restricted for long-term purposes	(18,442)	(222,477)
Amortization of deferred financing costs	41,330	179,050
Amortization of bond premium	(100,189)	(407,025)
Loss on impairment of asset	-	836,603
Changes in assets and liabilities		
Accounts receivable	(1,525,818)	(1,435,836)
Entrance fee receivable	1,029,497	(1,360,151)
Other assets	(499,046)	1,416,155
Accounts payable	2,275,140	(3,754,162)
Accrued expenses	(834,591)	782,857
Other liabilities	(747,358)	1,359,582
CARES act funding liabilities	202,593	(4,594,830)
Net cash provided by operating activities	<u>8,247,538</u>	<u>31,105,378</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property and equipment	(6,644,691)	(32,700,380)
Proceeds from sale of property and equipment	6,300,000	200,211
Purchases of investments	(3,410,521)	(50,683,550)
Proceeds from sale of investments	1,483,959	51,364,422
Net cash used in investing activities	<u>(2,271,252)</u>	<u>(31,819,297)</u>
<b>Cash Flows From Financing Activities</b>		
Refunds of entrance fees and deposits	(1,019,837)	(5,756,049)
Proceeds from refundable entrance fees and deposits, resales	261,263	3,453,453
Proceeds from refundable entrance fees and deposits, new units	171,868	798,668
Principal payments on redemptions of long-term debt	(3,195,693)	(14,595,062)
Proceeds from issuance of long-term debt	-	2,414,926
Early payoff of long-term debt	(2,321,580)	(5,923,268)
(Repayments) borrowings on lines of credit	(5,678,899)	1,048,724
Equity received from tax credit partners	-	1,696,063
Contributions restricted for long-term purposes	18,442	222,477
Net cash used in financing activities	<u>(11,764,437)</u>	<u>(16,640,069)</u>
Net change in cash, cash equivalents and restricted cash	(5,788,152)	(17,353,988)
<b>Cash, cash equivalents and restricted cash, beginning</b>	<u>68,244,368</u>	<u>85,598,355</u>
<b>Cash, cash equivalents and restricted cash, ending</b>	<u>\$ 62,456,217</u>	<u>\$ 68,244,368</u>
Cash and cash equivalents	\$ 7,379,037	13,167,189
Restricted cash in investments	55,077,180	55,077,180
Total cash, cash equivalents and restricted cash	<u>\$ 62,456,217</u>	<u>\$ 68,244,368</u>