

Presbyterian Senior Living

Statements of Financial Position
March 31, 2024 and December 31, 2023

| | <u>March 31, 2024</u> | <u>December 31, 2023</u> |
|--|-----------------------|--------------------------|
| Assets | | |
| Cash and cash equivalents | \$ 11,749,160 | \$ 18,270,338 |
| Investments | 102,490,359 | 103,938,742 |
| Statutory Liquid Reserve | 16,933,407 | 16,783,072 |
| Restricted deposits and funded reserves | 12,295,378 | 12,230,796 |
| Accounts receivable, net | 22,511,907 | 19,306,449 |
| Assets whose use is limited | 42,053,688 | 46,606,102 |
| Assets held for sale | 4,313,491 | - |
| Property and equipment, net | 616,030,353 | 619,444,116 |
| Funds held in trust by others | 19,613,123 | 18,867,774 |
| Other assets | 50,837,439 | 51,661,907 |
| Total assets | <u>\$ 898,828,307</u> | <u>\$ 907,109,295</u> |
| Liabilities and Net Assets | | |
| Accounts payable | \$ 7,323,507 | \$ 11,549,707 |
| Accrued expenses | 27,617,605 | 26,009,552 |
| Lines of credit | 11,798,915 | 22,184,392 |
| Resident deposits | 3,801,786 | 4,279,017 |
| Entrance fees payable | 27,296,589 | 27,014,526 |
| Other liabilities | 9,413,332 | 9,519,432 |
| Long-term debt, senior living | 362,637,939 | 366,620,232 |
| Long-term debt, low income housing | 27,883,752 | 27,904,017 |
| Deferred revenue from entrance fees | 159,870,709 | 157,713,741 |
| Total liabilities | <u>637,644,134</u> | <u>652,794,617</u> |
| Net Assets | | |
| Without donor restriction | 229,862,699 | 224,019,628 |
| With donor restriction | 31,321,474 | 30,295,050 |
| Total net assets (deficit) | <u>261,184,173</u> | <u>254,314,678</u> |
| Total liabilities, net assets and equity | <u>\$ 898,828,307</u> | <u>\$ 907,109,295</u> |

Presbyterian Senior Living

Statements of Operations and Changes in Net Assets

Period ended March 31, 2024 and year ended December 31, 2023

| | <u>March 31, 2024</u> | <u>December 31, 2023</u> |
|---|-----------------------|--------------------------|
| Net Assets Without Donor Restrictions | | |
| Revenues, gains and other support: | | |
| Resident services: | | |
| Resident services | \$ 64,908,829 | \$ 227,489,432 |
| Amortization of entrance fees | 6,042,543 | 21,245,015 |
| Total resident services | <u>70,951,372</u> | <u>248,734,448</u> |
| Sales of other services and materials | - | 109,660 |
| Net rental income and developers' fees | 39,128 | 153,419 |
| Contributions, gifts, grants and bequests | 719,643 | 1,039,758 |
| Government grants | - | 811,173 |
| Government stimulus | 249,316 | 198,169 |
| FEMA funding | - | 29,790 |
| Net assets released from restrictions | <u>289,343</u> | <u>848,776</u> |
| Total operating revenues and other support | <u>72,248,802</u> | <u>251,925,192</u> |
| Expenses: | | |
| Nursing services | 17,751,398 | 63,217,709 |
| Rehabilitation | 4,397,362 | 16,953,462 |
| Recreation and special services | 1,283,434 | 4,612,964 |
| Pharmacy | 779,192 | 2,947,729 |
| Social Services | 385,580 | 1,512,181 |
| Physician Services | 95,354 | 651,737 |
| Dining Services | 7,369,035 | 26,462,421 |
| Building operations and maintenance | 10,987,388 | 38,792,599 |
| Housekeeping | 1,148,361 | 4,313,240 |
| Laundry | 364,830 | 1,339,473 |
| Management and general | 9,088,600 | 42,600,575 |
| Employee Benefits | 3,776,436 | 12,699,844 |
| Interest | 4,637,910 | 13,950,534 |
| Depreciation | 8,635,286 | 32,402,918 |
| Amortization | 1,149,813 | 2,592,774 |
| Fundraising | <u>375,065</u> | <u>802,076</u> |
| Total expenses before non-recurring expenses | <u>72,225,043</u> | <u>265,852,236</u> |
| Non-recurring expenses, COVID-19 | <u>-</u> | <u>14,787</u> |
| Operating income (loss) before gains and losses | 23,759 | (13,941,831) |
| Gain on sale and disposal of property | 21,760 | 4,710,531 |
| Loss on impairment of asset | <u>-</u> | <u>(635,166)</u> |
| Operating income (loss) | <u>45,519</u> | <u>(9,866,466)</u> |
| Other income (loss): | | |
| Investment income, net of investment expense | 1,339,220 | 4,733,312 |
| Realized (loss) gain on investments | (28,979) | 190,521 |
| Unrealized gain on investments | 4,487,310 | 10,150,607 |
| Loss on early extinguishment of debt | <u>-</u> | <u>(931,193)</u> |
| Total other income (loss) | <u>5,797,552</u> | <u>14,143,246</u> |
| Revenues in excess of expenses | 5,843,071 | 4,276,780 |
| Equity received from tax credit partners | <u>-</u> | <u>873,112</u> |
| Increase in net assets without donor restrictions | <u>5,843,071</u> | <u>5,149,892</u> |

Presbyterian Senior Living

Statements of Operations and Changes in Net Assets

Period ended March 31, 2024 and year ended December 31, 2023

| | <u>March 31, 2024</u> | <u>December 31, 2023</u> |
|--|-----------------------|--------------------------|
| Net Assets With Donor Restrictions | | |
| Contributions, gifts, grants and bequests | 394,408 | 1,705,145 |
| Investment income, net of investment expense | 28,484 | 110,088 |
| Unrealized gain on investments | 892,875 | 1,694,724 |
| Net assets released from restrictions | <u>(289,343)</u> | <u>(848,776)</u> |
| Increase in net assets with donor restrictions | <u>1,026,424</u> | <u>2,661,182</u> |
| Increase in net assets | 6,869,494 | 7,811,074 |
| Net Assets (Deficit), Beginning | <u>254,314,678</u> | <u>246,503,605</u> |
| Net Assets (Deficit), Ending | <u>\$ 261,184,173</u> | <u>\$ 254,314,678</u> |

Presbyterian Senior Living

Statements of Cash Flows

Period ended March 31, 2024 and year ended December 31, 2023

| | March 31, 2024 | December 31, 2023 |
|---|----------------------|----------------------|
| Cash Flows From Operating Activities | | |
| Increase in net assets | \$ 6,869,495 | \$ 7,811,074 |
| Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities | | |
| Depreciation | 8,635,286 | 32,402,918 |
| Provision for doubtful collections | 217,330 | 2,465,720 |
| Proceeds from non-refundable fees and deposits | 7,637,434 | 27,683,883 |
| Amortization of entrance fees | (6,042,543) | (21,245,015) |
| Loss on early extinguishment of debt | - | 931,193 |
| Unrealized gain on investments and change in fair value of funds held in trust by others | (5,380,185) | (11,845,331) |
| Realized loss (gain) on investments | 28,979 | (190,521) |
| Gain on sale of community and disposals of property and equipment | (21,760) | (4,710,531) |
| Equity received from tax credit partners | - | (873,112) |
| Contributions restricted for long-term purposes | (2,409) | (103,167) |
| Amortization of deferred financing costs | 63,241 | 196,694 |
| Amortization of bond premium | (99,976) | (400,757) |
| Amortization of bond discount | 43,314 | 83,210 |
| Loss on impairment of asset | - | 635,166 |
| Changes in assets and liabilities | | |
| Accounts receivable | (1,842,669) | (7,739,545) |
| Entrance fee receivable | (1,580,120) | 373,952 |
| Other assets | 824,468 | 3,439,948 |
| Accounts payable | (4,226,200) | 2,918,743 |
| Accrued expenses | 1,608,053 | 5,525,528 |
| Other liabilities | (106,100) | (987,422) |
| Net cash provided by operating activities | <u>6,625,638</u> | <u>36,372,630</u> |
| Cash Flows From Investing Activities | | |
| Acquisition of property and equipment | (9,513,254) | (38,724,228) |
| Proceeds from sale of property and equipment | - | 12,900,000 |
| Amounts paid in acquisitions | - | (79,764,976) |
| Purchases of investments | (2,745,482) | (38,891,786) |
| Proceeds from sale of investments | <u>13,137,218</u> | <u>38,151,277</u> |
| Net cash provided by (used in) investing activities | <u>878,481</u> | <u>(106,329,712)</u> |
| Cash Flows From Financing Activities | | |
| Refunds of entrance fees and deposits | (1,327,543) | (7,520,666) |
| Proceeds from refundable entrance fees and deposits, resales | 893,864 | 2,348,529 |
| Proceeds from refundable entrance fees and deposits, new units | 800,588 | 1,554,032 |
| Principal payments on redemptions of long-term debt | (3,933,799) | (19,774,190) |
| Proceeds from issuance of long-term debt | (0) | 213,223,228 |
| Early payoff of long-term debt | - | (105,913,931) |
| Financing costs incurred | (75,338) | (2,766,713) |
| Borrowings on lines of credit | (10,385,477) | 542,225 |
| Equity received from tax credit partners | - | 873,112 |
| Contributions restricted for long-term purposes | <u>2,409</u> | <u>103,167</u> |
| Net cash (used in) provided by financing activities | <u>(14,025,298)</u> | <u>82,668,792</u> |
| Net change in cash, cash equivalents and restricted cash | (6,521,178) | 12,711,710 |
| Cash, cash equivalents and restricted cash, beginning | <u>80,956,079</u> | <u>68,244,368</u> |
| Cash, cash equivalents and restricted cash, ending | <u>\$ 74,434,900</u> | <u>\$ 80,956,079</u> |
| Cash and cash equivalents | \$ 11,749,160 | 18,270,338 |
| Restricted cash in investments | <u>62,685,740</u> | <u>62,685,740</u> |
| Total cash, cash equivalents and restricted cash | <u>\$ 74,434,900</u> | <u>\$ 80,956,079</u> |