

PHI (D.B.A. Presbyterian Senior Living)Consolidated Statements of Financial Position
September 30, 2021 and December 31, 2020

	September 30 2021	December 31 2020
Assets		
Cash and cash equivalents	\$ 9,839,917	\$ 17,630,395
Investments	91,445,701	86,277,104
Restricted deposits and funded reserves	28,231,668	28,362,783
Accounts receivable, net	11,172,512	13,579,598
Assets whose use is limited	46,341,723	22,380,883
Assets held for sale	18,350,066	4,450,618
Property and equipment, net	539,351,766	550,792,961
Funds held in trust by others	20,868,154	20,257,550
Other assets	13,900,412	13,136,091
Total assets	<u>\$ 779,501,921</u>	<u>\$ 756,867,983</u>
Liabilities and Net Assets		
Accounts payable	\$ 6,393,059	\$ 14,471,620
Accrued expenses	19,439,121	21,472,839
Lines of credit	19,512,192	19,212,412
Resident deposits	3,389,832	7,210,046
Entrance fee payable	21,440,275	23,304,009
Other liabilities	7,596,443	8,797,344
Cares act funding liabilities	7,206,678	17,161,133
Long-term debt, senior living	296,698,073	276,799,001
Long-term debt, low income housing	32,587,930	43,910,457
Deferred revenue from entrance fees	123,331,570	112,158,263
Total liabilities	<u>537,595,173</u>	<u>544,497,124</u>
Net Assets		
Without donor restriction (including tax credit equity of \$65,670,974 and \$60,087,745, respectively)	210,992,617	182,603,491
With donor restriction	<u>30,914,131</u>	<u>29,767,368</u>
Total net assets	<u>241,906,748</u>	<u>212,370,859</u>
Total liabilities and net assets	<u>\$ 779,501,921</u>	<u>\$ 756,867,983</u>

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

Consolidated of Operations and Changes in Net Assets

Quarters ended September 30, 2021 and year ended December 31, 2020

	<u>September 30</u> <u>2021</u>	<u>December 31</u> <u>2020</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 152,729,236	\$ 209,684,750
Amortization of entrance fees	14,501,069	18,850,991
Total resident services	167,230,305	228,535,741
Sales of other services and materials	54,392	197,654
Net rental income and developers' fees	784,263	1,042,407
Contributions, gifts, grants and bequests	3,981,172	1,755,226
Government grant	10,654,100	-
Revenues from provider relief funds	2,847,946	12,991,034
Net assets released from restrictions	407,842	1,075,665
Total operating revenues and other support	185,960,021	245,597,727
Expenses:		
Nursing services	44,066,029	62,397,686
Rehabilitation	10,425,572	14,873,119
Recreation and special services	3,498,935	4,775,818
Pharmacy	2,092,551	3,069,580
Social services	1,209,851	1,646,334
Physician services	582,983	752,903
Food services	18,372,093	25,597,924
Building operations and maintenance	28,231,016	36,049,988
Housekeeping	3,240,740	4,230,361
Laundry and linen	937,124	1,310,355
Management and general	25,413,753	36,431,711
Employee benefits	9,059,896	13,266,700
Interest	6,614,487	8,541,652
Depreciation	23,057,694	29,714,156
Amortization	362,537	483,378
Fundraising	600,157	829,501
Total expenses before non-recurring expenses	177,765,418	243,971,166
Non-recurring expenses, COVID-19	2,424,119	16,766,401
Operating gain (loss)	5,770,484	(15,139,840)
Other income (loss):		
Investment income	1,339,896	2,297,607
Realized gain on investments	1,964,748	5,235,059
Unrealized gain on investments	10,896,040	2,941,432
Gain (loss) on sale of property	205	(176,432)
Loss on early extinguishment of debt	(1,423,468)	(75,093)
Total other income	12,777,421	10,222,573
Revenues in excess (less than) of expenses	18,547,905	(4,917,267)
Equity received from tax credit limited partners	9,841,221	2,251,289
Increase (decrease) in net assets without donor restrictions	28,389,126	(2,665,978)

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

Consolidated of Operations and Changes in Net Assets

Quarters ended September 30, 2021 and year ended December 31, 2020

	September 30 2021	December 31 2020
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	\$ 651,876	\$ 1,271,429
Investment income, net of investment expense	71,898	178,246
Unrealized gain on investments	830,831	1,316,949
Net assets released from restrictions	<u>(407,842)</u>	<u>(1,075,665)</u>
Increase in net assets with donor restrictions	<u>1,146,763</u>	<u>1,690,959</u>
Increase (decrease) in net assets	29,535,889	(975,019)
Net Assets, Beginning	<u>212,370,859</u>	<u>213,345,878</u>
Net Assets, Ending	<u><u>\$ 241,906,748</u></u>	<u><u>\$ 212,370,859</u></u>

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

Consolidated Statements of Cash Flows

Quarters ended September 30, 2021 and year ended December 31, 2020

	September 30 2021	December 31 2020
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$ 29,535,889	\$ (975,019)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	23,057,694	29,714,156
Provision for doubtful collections	1,166,731	1,829,978
Proceeds from non-refundable entrance fees and deposits	15,802,085	16,334,032
Amortization of entrance fees	(14,501,069)	(18,850,991)
Loss on early extinguishment of debt	1,423,468	75,093
Unrealized gain on investments and change in fair value of funds held in trust by others	(11,726,871)	(4,258,381)
Realized gain on investments	(1,964,748)	(5,235,059)
(Gain) loss on sale of property and equipment	(205)	176,432
Contributions restricted for long-term purposes	(29,019)	(28,411)
Amortization of deferred financing costs	254,760	198,995
Amortization of bond premium	(335,803)	(26,761)
Changes in assets and liabilities:		
Accounts receivable	743,290	2,793,118
Entrance fee receivable	497,065	(203,782)
Other assets	(764,321)	1,888,636
Accounts payable	(8,078,564)	(7,394,633)
Accrued expenses	(2,033,718)	471,488
Other liabilities	(1,200,901)	1,958,259
Cares act funding liabilities	(9,954,455)	17,161,133
Net cash provided by operating activities	<u>21,891,309</u>	<u>35,628,283</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(25,515,743)	(53,138,694)
Proceeds from sale of property and equipment	-	1,023,316
Purchases of investments	(54,217,997)	(36,188,577)
Proceeds from sale of investments	<u>36,229,043</u>	<u>38,979,514</u>
Net cash used in investing activities	<u>(43,504,698)</u>	<u>(49,324,441)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(4,904,172)	(7,128,315)
Proceeds from refundable entrance fees and deposits, resales	1,503,210	1,874,262
Proceeds from refundable entrance fees and deposits, new units	7,589,307	7,349,318
Principal payments on redemptions of long-term debt	(13,262,583)	(15,231,445)
Proceeds from issuance of long-term debt	71,604,617	39,272,252
Proceeds from bond premium	7,151,245	-
Refunding, refinancing or payoff of long-term debt	(57,054,321)	(3,430,000)
Redemption of treasury bonds	(225,000)	-
Financing costs paid	(979,838)	(279,159)
Borrowings (repayments) on lines of credit	299,780	(986,378)
Contributions restricted for long-term purposes	<u>29,019</u>	<u>28,411</u>
Net cash provided by financing activities	<u>11,751,264</u>	<u>21,468,946</u>
Net change in cash, cash equivalents and restricted cash	(9,862,124)	7,772,788
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Beginning	<u>54,419,025</u>	<u>46,646,237</u>
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Ending		
Unrestricted	9,839,918	17,630,395
Restricted	<u>34,716,983</u>	<u>36,788,630</u>
Cash and cash equivalents included in investments	<u>\$ 44,556,901</u>	<u>\$ 54,419,025</u>