

## Presbyterian Senior Living

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 5,190,073	\$ 13,167,189
Investments	93,216,976	89,527,686
Statutory Liquid Reserve	15,777,451	12,777,451
Restricted deposits and funded reserves	12,414,489	12,822,792
Accounts receivable, net	17,550,019	14,410,576
Assets whose use is limited	50,414,231	45,354,286
Assets held for sale	4,528,936	4,187,517
Property and equipment, net	634,591,097	536,199,925
Funds held in trust by others	17,625,692	17,559,350
Other assets	37,860,124	23,784,690
	<u>889,169,087</u>	<u>769,791,463</u>
Total assets	<u>\$ 889,169,087</u>	<u>\$ 769,791,463</u>
<b>Liabilities and Net Assets</b>		
Accounts payable	\$ 15,255,854	\$ 8,631,260
Accrued expenses	19,512,440	20,484,024
Lines of credit	13,531,852	21,642,167
Resident deposits	6,566,206	3,149,105
Entrance fees payable	27,094,154	20,655,825
Other liabilities	8,674,041	10,010,785
Cares act funding liabilities	56,828	20,520
Long-term debt, senior living	368,091,311	276,288,390
Long-term debt, low income housing	29,946,542	32,657,125
Deferred revenue from entrance fees	154,218,282	129,748,658
	<u>642,947,509</u>	<u>523,287,858</u>
Total liabilities	<u>642,947,509</u>	<u>523,287,858</u>
<b>Net Assets</b>		
Without donor restriction	217,189,590	218,869,736
With donor restriction	29,031,988	27,633,869
Total net assets (deficit)	<u>246,221,578</u>	<u>246,503,605</u>
Total liabilities, net assets and equity	<u>\$ 889,169,087</u>	<u>\$ 769,791,463</u>

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## Statements of Operations and Changes in Net Assets

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
<b>Net Assets Without Donor Restrictions</b>		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 163,867,996	\$ 207,079,096
Amortization of entrance fees	15,374,697	18,266,884
Total resident services	<u>179,242,692</u>	<u>225,345,980</u>
Sales of other services and materials	60,606	22,573
Net rental income and developers' fees	113,157	194,123
Contributions, gifts, grants and bequests	463,746	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>593,252</u>	<u>837,136</u>
Total operating revenues and other support	<u>180,682,987</u>	<u>233,097,438</u>
Expenses:		
Nursing services	45,091,956	56,636,881
Rehabilitation	12,597,279	17,400,265
Recreation and special services	3,307,294	4,405,663
Pharmacy	2,209,694	2,905,223
Social Services	1,115,919	1,445,705
Physician Services	525,705	730,113
Dining Services	18,783,862	23,204,497
Building operations and maintenance	28,122,173	37,868,853
Housekeeping	3,125,638	3,743,362
Laundry	944,865	1,067,340
Management and general	29,835,289	34,364,375
Employee Benefits	9,615,123	12,218,053
Interest	9,281,374	8,988,322
Depreciation	24,093,498	32,048,396
Amortization	1,295,005	1,595,160
Fundraising	<u>549,568</u>	<u>929,676</u>
Total expenses before non-recurring expenses	<u>190,494,242</u>	<u>239,551,884</u>
Non-recurring expenses, COVID-19	<u>11,937</u>	<u>1,195,082</u>
Operating income (loss) before gains and losses	(9,823,193)	(7,649,529)
Gain (loss) on sale and disposal of property	2,881,217	(151,279)
Loss on impairment of asset	<u>(776,012)</u>	<u>(836,603)</u>
Operating income (loss)	<u>(7,717,988)</u>	<u>(8,637,411)</u>
Other income (loss):		
Investment income, net of investment expense	2,979,045	2,768,446
Realized gain on investments	21,670	2,186,261
Unrealized gain (loss) on investments	2,719,713	(18,324,321)
Loss on early extinguishment of debt	<u>(765,698)</u>	<u>-</u>
Total other income (loss)	<u>4,954,729</u>	<u>(13,369,614)</u>
Revenues less than expenses	(2,763,259)	(22,007,025)
Equity received from tax credit partners	1,083,112	1,696,063
Grant revenue - capital	-	681,303
Increase (decrease) in net assets without donor restrictions	<u>(1,680,146)</u>	<u>(19,629,659)</u>

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## Statements of Operations and Changes in Net Assets

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
<b>Net Assets With Donor Restrictions</b>		
Contributions, gifts, grants and bequests	1,697,971	1,596,663
Investment income, net of investment expense	82,254	131,343
Unrealized gain (loss) on investments	211,147	(4,474,792)
Net assets released from restrictions	<u>(593,252)</u>	<u>(837,136)</u>
Increase (decrease) in net assets with donor restrictions	<u>1,398,120</u>	<u>(3,583,921)</u>
Decrease in net assets	(282,027)	(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>\$ 246,221,578</u>	<u>\$ 246,503,605</u>

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## Statements of Cash Flows

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
<b>Cash Flows From Operating Activities</b>		
Decrease in net assets	\$ (282,027)	\$ (23,213,580)
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	24,093,498	32,048,396
Provision for doubtful collections	1,006,226	1,083,298
Proceeds from non-refundable fees and deposits	20,066,766	27,586,314
Amortization of entrance fees	(15,374,697)	(18,266,884)
Loss on early extinguishment of debt	765,698	-
Unrealized (gain) loss on investments and change in fair value of funds held in trust by other	(2,930,860)	22,799,113
Realized gain on investments	(21,670)	(2,186,261)
(Gain) loss on sale of community and disposals of property and equipment	(2,881,217)	151,279
Equity received from tax credit partners	(1,083,112)	(1,696,063)
Contributions restricted for long-term purposes	(66,777)	(222,477)
Amortization of deferred financing costs	(141,526)	179,050
Amortization of bond premium	(300,567)	(407,025)
Amortization of bond discount	20,802	-
Loss on impairment of asset	776,012	836,603
Changes in assets and liabilities		
Accounts receivable	(4,025,558)	(1,435,836)
Entrance fee receivable	(120,111)	(1,360,151)
Other assets	(745,998)	1,416,155
Accounts payable	5,818,890	(3,754,162)
Accrued expenses	(971,584)	782,857
Other liabilities	(1,812,294)	1,359,582
CARES act funding liabilities	36,308	(4,594,830)
Net cash provided by operating activities	<u>21,826,205</u>	<u>31,105,378</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property and equipment	(26,671,154)	(32,700,380)
Proceeds from sale of property and equipment	6,300,000	200,211
Amounts paid in acquisitions	(79,764,976)	-
Purchases of investments	(46,834,510)	(50,683,550)
Proceeds from sale of investments	<u>38,379,765</u>	<u>51,364,422</u>
Net cash used in investing activities	<u>(108,590,875)</u>	<u>(31,819,297)</u>
<b>Cash Flows From Financing Activities</b>		
Refunds of entrance fees and deposits	(5,678,099)	(5,756,049)
Proceeds from refundable entrance fees and deposits, resales	1,378,716	3,453,453
Proceeds from refundable entrance fees and deposits, new units	1,299,432	798,668
Principal payments on redemptions of long-term debt	(17,999,374)	(14,595,062)
Proceeds from issuance of long-term debt	216,842,213	2,414,926
Early payoff of long-term debt	(103,613,202)	(5,923,268)
Financing costs incurred	(6,481,705)	-
Borrowings on lines of credit	(8,110,315)	1,048,724
Equity received from tax credit partners	1,083,112	1,696,063
Contributions restricted for long-term purposes	<u>66,777</u>	<u>222,477</u>
Net cash provided by (used in) financing activities	<u>78,787,554</u>	<u>(16,640,069)</u>
Net change in cash, cash equivalents and restricted cash	(7,977,116)	(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>\$ 66,399,833</u>	<u>\$ 68,244,368</u>
Cash and cash equivalents	\$ 5,190,073	13,167,189
Restricted cash in investments	55,077,180	55,077,180
Total cash, cash equivalents and restricted cash	<u>\$ 60,267,253</u>	<u>\$ 68,244,368</u>