

Presbyterian Senior Living

Statements of Financial Position
September 30, 2024 and December 31, 2023

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Assets		
Cash and cash equivalents	\$ 11,297,902	\$ 18,270,338
Investments	113,987,264	103,938,742
Statutory Liquid Reserve	17,176,327	16,783,072
Restricted deposits and funded reserves	12,371,664	12,230,796
Accounts receivable, net	19,585,133	19,306,449
Assets whose use is limited	37,799,448	46,606,102
Assets held for sale	4,337,846	-
Property and equipment, net	615,769,339	619,444,116
Funds held in trust by others	20,097,182	18,867,774
Other assets	50,804,369	51,661,907
Total assets	<u>\$ 903,226,473</u>	<u>\$ 907,109,295</u>
Liabilities and Net Assets		
Accounts payable	\$ 7,762,012	\$ 11,549,707
Accrued expenses	24,988,228	26,009,552
Lines of credit	8,124,840	22,184,392
Resident deposits	6,578,605	4,279,017
Entrance fees payable	27,232,272	27,014,526
Other liabilities	7,546,655	9,519,432
Long-term debt, senior living	355,800,881	366,620,232
Long-term debt, low income housing	27,709,610	27,904,017
Deferred revenue from entrance fees	166,641,370	157,713,741
Total liabilities	<u>632,384,473</u>	<u>652,794,617</u>
Net Assets		
Without donor restriction	238,454,024	224,019,628
With donor restriction	32,387,977	30,295,050
Total net assets (deficit)	<u>270,842,001</u>	<u>254,314,678</u>
Total liabilities, net assets and equity	<u>\$ 903,226,473</u>	<u>\$ 907,109,295</u>

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Statements of Operations and Changes in Net Assets

Period ended September 30, 2024 and year ended December 31, 2023

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 197,673,219	\$ 227,489,432
Amortization of entrance fees	17,663,163	21,245,015
Total resident services	<u>215,336,382</u>	<u>248,734,448</u>
Sales of other services and materials	-	109,660
Net rental income and developers' fees	118,591	153,419
Contributions, gifts, grants and bequests	1,416,045	1,039,758
Government grants	-	811,173
Government stimulus	724,297	198,169
FEMA funding	-	29,790
Net assets released from restrictions	<u>465,079</u>	<u>848,776</u>
Total operating revenues and other support	<u>218,060,395</u>	<u>251,925,192</u>
Expenses:		
Nursing services	55,066,881	63,217,709
Rehabilitation	13,188,910	16,953,462
Recreation and special services	4,026,023	4,612,964
Pharmacy	2,079,489	2,947,729
Social Services	1,174,303	1,512,181
Physician Services	293,033	651,737
Dining Services	22,543,361	26,462,421
Building operations and maintenance	32,264,175	38,792,599
Housekeeping	3,672,833	4,313,240
Laundry	1,081,931	1,339,473
Management and general	29,820,081	42,600,575
Employee Benefits	11,463,725	12,699,844
Interest	13,653,427	13,950,534
Depreciation	25,559,286	32,402,918
Amortization	3,449,638	2,592,774
Fundraising	<u>647,444</u>	<u>802,076</u>
Total expenses before non-recurring expenses	<u>219,984,541</u>	<u>265,852,236</u>
Non-recurring expenses, COVID-19	<u>-</u>	<u>14,787</u>
Operating income (loss) before gains and losses	(1,924,146)	(13,941,831)
Gain on sale and disposal of property	68,925	4,710,531
Loss on impairment of asset	<u>-</u>	<u>(635,166)</u>
Operating income (loss)	<u>(1,855,221)</u>	<u>(9,866,466)</u>
Other income (loss):		
Investment income, net of investment expense	5,108,899	4,733,312
Realized (loss) gain on investments	(64,553)	190,521
Unrealized gain on investments	11,158,883	10,150,607
Loss on early extinguishment of debt	<u>(27,594)</u>	<u>(931,193)</u>
Total other income (loss)	<u>16,175,635</u>	<u>14,143,246</u>
Revenues in excess of expenses	14,320,414	4,276,780
Equity received from tax credit partners	<u>113,982</u>	<u>873,112</u>
Increase in net assets without donor restrictions	<u>14,434,396</u>	<u>5,149,892</u>

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Statements of Operations and Changes in Net Assets

Period ended September 30, 2024 and year ended December 31, 2023

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	872,200	1,705,145
Investment income, net of investment expense	87,490	110,088
Unrealized gain on investments	1,598,315	1,694,724
Net assets released from restrictions	<u>(465,079)</u>	<u>(848,776)</u>
Increase in net assets with donor restrictions	<u>2,092,927</u>	<u>2,661,182</u>
Increase in net assets	16,527,322	7,811,074
Net Assets (Deficit), Beginning	<u>254,314,678</u>	<u>246,503,605</u>
Net Assets (Deficit), Ending	<u>\$ 270,842,001</u>	<u>\$ 254,314,678</u>

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Statements of Cash Flows

Period ended September 30, 2024 and year ended December 31, 2023

	September 30, 2024	December 31, 2023
Cash Flows From Operating Activities		
Increase in net assets	\$ 16,527,324	\$ 7,811,074
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	25,559,286	32,402,918
Provision for doubtful collections	1,135,178	2,465,720
Proceeds from non-refundable fees and deposits	28,810,018	27,683,883
Amortization of entrance fees	(17,663,163)	(21,245,015)
Loss on early extinguishment of debt	27,594	931,193
Unrealized gain on investments and change in fair value of funds held in trust by others	(12,757,199)	(11,845,331)
Realized loss (gain) on investments	64,553	(190,521)
Gain on sale of community and disposals of property and equipment	(68,925)	(4,710,531)
Equity received from tax credit partners	(113,982)	(873,112)
Contributions restricted for long-term purposes	(77,709)	(103,167)
Amortization of deferred financing costs	200,540	196,694
Amortization of bond premium	(299,927)	(400,757)
Amortization of bond discount	129,941	83,210
Loss on impairment of asset	-	635,166
Changes in assets and liabilities		
Accounts receivable	(650,528)	(7,739,545)
Entrance fee receivable	(763,671)	373,952
Other assets	857,539	3,439,948
Accounts payable	(3,787,361)	2,918,743
Accrued expenses	(1,021,324)	5,525,528
Other liabilities	(1,972,777)	(987,422)
Net cash provided by operating activities	<u>34,135,408</u>	<u>36,372,630</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(26,153,430)	(38,724,228)
Proceeds from sale of property and equipment	-	12,900,000
Amounts paid in acquisitions	-	(79,764,976)
Purchases of investments	(10,832,908)	(38,891,786)
Proceeds from sale of investments	<u>20,520,155</u>	<u>38,151,277</u>
Net cash used in investing activities	<u>(16,466,183)</u>	<u>(106,329,712)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(5,576,532)	(7,520,666)
Proceeds from refundable entrance fees and deposits, resales	3,330,795	2,348,529
Proceeds from refundable entrance fees and deposits, new units	2,543,845	1,554,032
Principal payments on redemptions of long-term debt	(9,484,262)	(19,774,190)
Proceeds from issuance of long-term debt	-	213,223,228
Early payoff of long-term debt	(1,488,060)	(105,913,931)
Financing costs incurred	(99,585)	(2,766,713)
Borrowings on lines of credit	(14,059,552)	542,225
Equity received from tax credit partners	113,982	873,112
Contributions restricted for long-term purposes	<u>77,709</u>	<u>103,167</u>
Net cash (used in) provided by financing activities	<u>(24,641,661)</u>	<u>82,668,792</u>
Net change in cash, cash equivalents and restricted cash	(6,972,436)	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>\$ 73,983,643</u>	<u>\$ 80,956,079</u>
Cash and cash equivalents	\$ 11,297,902	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>\$ 73,983,643</u>	<u>\$ 80,956,079</u>