

Shepherd Center, Inc. and Subsidiaries
(A Not-for-Profit Organization)

Consolidated Statements of Financial Position
March 31, 2020 and 2019

	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 33,657,460	\$ 19,750,149
Patient accounts receivable, less allowance for doubtful accounts of \$3,297,250 in 2020 and \$2,734,358 in 2019	97,075,124	64,902,919
Current portion of contributions receivable	1,507,653	3,379,315
Other current assets	<u>12,680,720</u>	<u>8,798,451</u>
Total current assets	144,920,957	96,830,834
Investments	261,716,960	299,462,211
Assets limited as to use	3,108,978	3,113,800
Property and equipment, at cost less accumulated depreciation	134,181,602	134,021,448
Contributions receivable, less current portion and discount of \$471,937 in 2020 and \$186,974 in 2019	3,647,154	809,026
Other assets	<u>15,939,178</u>	<u>11,148,678</u>
Total assets	<u><u>\$ 563,514,829</u></u>	<u><u>\$ 545,385,997</u></u>
Liabilities and Net Assets		
Current liabilities:		
Current portion of annuities payable	\$ 419,791	\$ 432,203
Current portion of long-term debt	2,300,000	600,000
Accounts payable	6,336,826	4,301,782
Accrued compensation and expenses	20,480,290	19,929,898
Deferred revenue and other liabilities	<u>1,965,004</u>	<u>516,086</u>
Total current liabilities	<u>31,501,911</u>	<u>25,779,969</u>
Annuities payable, less current portion	5,272,059	5,358,474
Long-term debt, less current portion and unamortized bond issuance costs	<u>48,101,129</u>	<u>50,360,772</u>
Total liabilities	<u>84,875,099</u>	<u>81,499,215</u>
Net assets:		
Without donor restrictions	362,359,510	345,823,133
With donor restrictions	<u>116,280,220</u>	<u>118,063,649</u>
Total net assets	<u>478,639,730</u>	<u>463,886,782</u>
Total liabilities and net assets	<u><u>\$ 563,514,829</u></u>	<u><u>\$ 545,385,997</u></u>

See accompanying notes to consolidated financial statements.

In addition, the Center entered into a remarketing agent agreement with a financial institution. The remarketing agent determines the weekly variable interest rate and remarkets all Bonds redeemed at the option of the Bond holders for an annual fee of 0.08% of the weighted average daily principal amount of Bonds outstanding.

Line of Credit

On October 5, 2015, the Center entered into an unsecured revolving loan agreement with a financial institution that allows for borrowings up to \$15,000,000, which matured on October 1, 2016. The line was extended and matures on April 29, 2021, at which time the balance, if any, plus accrued interest is due. Outstanding borrowings bear interest at one-month LIBOR plus 0.85%. As of March 31, 2020 and 2019, there was no outstanding balance. Interest expense, which included certain legal and commitment fees, totaled \$31,193 and \$30,865 for 2020 and 2019, respectively.

The Center is subject to certain financial and nonfinancial covenants under the various Bond and line of credit agreements. At March 31, 2020, the Center was in compliance with these covenants.

Note 8: Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at March 31, 2020 and 2019:

	2020	2019
Net Assets With Donor Restrictions:		
Share Initiative	\$ 11,949,802	\$ 8,125,077
Capital Projects and Maintenance	9,152,687	7,846,122
Jesse Crawford Research Fund	4,002,645	4,279,043
Other Miscellaneous Funds	2,805,487	5,000,051
Shepherd Center Fund	2,427,194	2,259,742
Therapeutic Recreation Fund	2,045,721	1,390,662
Housing/Transportation Fund	1,792,771	2,320,585
MS General Fund	1,775,191	1,605,714
MS Rehab and Wellness Fund	1,606,322	2,040,634
Charitable Gift Annuity Program	1,397,514	2,340,465
Andee's Army	1,183,160	1,259,243
SCI Research Program	920,748	993,465
Animal Therapy Fund	881,835	-
Chaplaincy Fund	819,755	-
Assistive Technology Fund	706,887	360,092
Transition Support	585,357	626,771
Patient Assistance	191,642	-
CCC Peer Mentoring	189,694	-
SCI Program	180,491	-
Acquired Brain Injury Fund	174,161	195,409
Prevention Fund	-	47,289
	<u>44,789,064</u>	<u>40,690,364</u>

	2020	2019
Net Assets With Donor Restrictions - Endowment Principal:		
Charity Care	8,054,200	8,034,070
Recreation Therapy	6,965,464	6,963,779
Anniversary Fund	5,258,876	5,225,280
Patient Equipment	4,650,721	4,650,721
Assistive Technology	3,267,087	3,267,087
Research	2,723,890	2,713,690
Housing/Transportation	2,380,937	2,380,937
Professional Development	2,160,517	2,160,517
MS Research	1,960,111	1,960,111
Capital Projects and Maintenance	1,684,084	1,684,084
Other Miscellaneous Funds	1,518,006	1,502,506
Vocational Services	1,374,207	1,372,704
Noble Learning Resource Center	1,208,704	1,208,704
Injury Prevention Program	709,161	709,161
Advocacy	512,509	512,509
Wishing Wall	106,017	106,017
	<u>44,534,491</u>	<u>44,451,877</u>

Net Assets With Donor Restrictions - Endowment Earnings:		
Patient Equipment	4,618,037	5,296,378
Charity Care	4,557,078	5,806,367
Anniversary Fund	4,131,166	4,764,586
Recreation Therapy	2,679,285	3,556,618
Professional Development	1,792,456	2,117,415
Assistive Technology	1,737,459	2,194,994
Capital Projects and Maintenance	1,476,706	1,689,425
Research	1,174,283	1,443,333
Other Miscellaneous Funds	1,117,451	1,314,731
MS Research	1,004,970	1,243,501
Housing/Transportation	930,208	1,232,182
Vocational Services	586,698	769,141
Noble Learning Resource Center	521,184	682,337
Injury Prevention Program	332,409	431,229
Advocacy	219,735	287,865
Wishing Wall	77,540	91,306
	<u>26,956,665</u>	<u>32,921,408</u>
	<u>\$ 116,280,220</u>	<u>\$ 118,063,649</u>