

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

Consolidated Statements of Financial Position
March 31, 2021 and 2020

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 52,540,023	\$ 33,657,460
Patient accounts receivable, less allowance for doubtful accounts of \$2,117,629 in 2021 and \$3,297,250 in 2020	81,950,829	97,075,124
Current portion of contributions receivable	22,398,777	1,507,653
Other current assets	<u>11,080,135</u>	<u>12,680,720</u>
Total current assets	167,969,764	144,920,957
Investments	392,284,816	261,716,960
Assets limited as to use	3,790,102	3,108,978
Property and equipment, at cost less accumulated depreciation	134,030,392	134,181,602
Contributions receivable, less current portion and discount of \$10,425,342 in 2021 and \$471,937 in 2020	60,150,452	3,647,154
Other assets	<u>16,246,975</u>	<u>15,939,178</u>
Total assets	<u><u>\$ 774,472,501</u></u>	<u><u>\$ 563,514,829</u></u>
Liabilities and Net Assets		
Current liabilities:		
Current portion of annuities payable	\$ 492,791	\$ 419,791
Current portion of long-term debt	2,400,000	2,300,000
Accounts payable	4,897,203	6,336,826
Accrued compensation and expenses	26,138,841	20,480,290
Deferred revenue and other liabilities	<u>8,185,656</u>	<u>1,965,004</u>
Total current liabilities	42,114,491	31,501,911
Annuities payable, less current portion	5,367,213	5,272,059
Long-term debt, less current portion and unamortized bond issuance costs	<u>45,725,226</u>	<u>48,101,129</u>
Total liabilities	93,206,930	84,875,099
Net assets:		
Without donor restrictions	431,447,371	362,359,510
With donor restrictions	<u>249,818,200</u>	<u>116,280,220</u>
Total net assets	681,265,571	478,639,730
Total liabilities and net assets	<u><u>\$ 774,472,501</u></u>	<u><u>\$ 563,514,829</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

During October 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. In April 2020, the line was extended and the maximum borrowing capacity was increased to \$30,000,000. On May 7, 2021, the line was extended and the maximum borrowing capacity was reduced to \$20,000,000.

The line matures on August 31, 2022, at which time the balance, if any, plus accrued interest is due. Outstanding borrowings bear interest at one-month LIBOR plus 1.05%. As of March 31, 2021 and 2020, there was no outstanding balance. Interest expense, which included certain legal and commitment fees, totaled \$183,029 and \$31,193 for 2021 and 2020, respectively.

The Center is subject to certain financial and nonfinancial covenants under the various Bond and line of credit agreements. At March 31, 2021, the Center was in compliance with these covenants.

Note 9: Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at March 31, 2021 and 2020:

	2021	2020
Net Assets With Donor Restrictions - Non-Endowment:		
Pursuing Possible	\$ 92,395,580	\$ -
Share Initiative	15,005,343	11,949,802
Capital Projects and Maintenance	6,095,147	9,152,687
Jesse Crawford Research Fund	5,535,384	4,002,645
Charitable Gift Annuity Program	4,686,429	1,397,514
Other Miscellaneous Funds	4,028,710	2,805,487
Shepherd Center Fund	3,519,887	2,427,194
Housing/Transportation Fund	2,777,605	1,792,771
Therapeutic Recreation Fund	2,584,974	2,045,721
MS General Fund	2,544,036	1,775,191
MS Rehab and Wellness Fund	1,939,717	1,606,322
Andee's Army	1,671,493	1,183,160
Animal Therapy Fund	1,292,414	881,835
SCI Research Program	1,150,636	920,748
Chaplaincy Fund	1,120,947	819,755
Assistive Technology Fund	988,537	706,887
Transition Support	849,753	585,357
Patient Assistance	570,260	191,642
Acquired Brain Injury Fund	269,693	174,161
SCI Program	251,148	180,491
CCC Peer Mentoring	45,796	189,694
Prevention Fund	44,977	-
Patient Equipment	34,295	-
	<u>149,402,761</u>	<u>44,789,064</u>

	2021	2020
Net Assets With Donor Restrictions - Endowment Principal:		
Charity Care	8,059,309	8,054,200
Recreation Therapy	6,495,480	6,965,464
Anniversary Fund	5,258,876	5,258,876
Patient Equipment	4,650,721	4,650,721
Assistive Technology	3,267,087	3,267,087
Research	2,733,890	2,723,890
Housing/Transportation	2,380,937	2,380,937
Professional Development	2,160,517	2,160,517
Capital Projects and Maintenance	1,684,084	1,684,084
Other Miscellaneous Funds	1,529,189	1,518,006
Vocational Services	1,374,207	1,374,207
MS Research	1,260,111	1,960,111
Noble Learning Resource Center	1,208,704	1,208,704
Injury Prevention Program	709,161	709,161
MS Rehab and Wellness Program	700,000	-
Advocacy	512,509	512,509
Animal Therapy Fund	284,576	-
Chaplaincy	198,110	-
Wishing Wall	106,017	106,017
	<u>44,573,485</u>	<u>44,534,491</u>
Net Assets With Donor Restrictions - Endowment Earnings:		
Charity Care	9,244,224	4,557,078
Anniversary Fund	8,391,171	4,131,166
Patient Equipment	8,320,163	4,618,037
Recreation Therapy	5,896,701	2,679,285
Assistive Technology	3,907,510	1,737,459
Professional Development	3,555,603	1,792,456
Capital Projects and Maintenance	2,910,670	1,476,706
Research	2,658,975	1,174,283
Other Miscellaneous Funds	2,270,575	1,117,451
Housing/Transportation	2,188,232	930,208
MS Research	1,350,721	1,004,970
Vocational Services	1,328,032	586,698
Noble Learning Resource Center	1,174,810	521,184
MS Rehab and Wellness Program	816,272	-
Injury Prevention Program	724,044	332,409
Advocacy	496,498	219,735
Animal Therapy Fund	244,244	-
Chaplaincy	205,015	-
Wishing Wall	158,494	77,540
	<u>55,841,954</u>	<u>26,956,665</u>
	<u>\$ 249,818,200</u>	<u>\$ 116,280,220</u>