ACTS Retirement Services, Inc. and Subsidiaries

Consolidated Financial Statements
and Supplementary Information

December 31, 2021 and 2020

ACTS Retirement Services, Inc. and Subsidiaries

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December 31, 2021 and 2020

Independent Auditors' Report

To the Board of Directors of
ACTS Retirement Services, Inc. and Subsidiaries

Opinion

We have audited the consolidated financial statements of ACTS Retirement Services, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information for 2021 on pages 30 through 33 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Baker Tilly US, LLP

Philadelphia, Pennsylvania
May 26, 2022

ACTS Retirement Services, Inc. and Subsidiaries

Consolidated Balance Sheets
December 31, 2021 and 2020
(In Thousands)

	2021	2020
Assets		
Cash and cash equivalents	$ 32,085	$ 35,573
Investments	517,116	530,442
Accounts receivable, entrance fee receivables and other receivables, net	26,598	39,209
Prepaid expenses, inventory and deposits	13,865	11,995
Assets held for sale	2,701	6,749
Property and equipment, net	1,628,355	1,556,465
Goodwill	109,464	109,464
Intangible asset	4,450	-
Deferred costs, net	8,759	6,281
Total assets	$ 2,343,393	$ 2,296,178
Liabilities and Net Assets		
Accounts payable and accrued expenses	$ 104,024	$ 105,531
Resident monthly fees paid in advance	4,600	3,931
Short-term indebtedness	67,993	46,880
Nonrecourse indebtedness	17,912	11,740
Long-term indebtedness	952,761	977,100
Charitable gift annuity obligations	2,661	2,493
Entrance fee deposits	18,331	14,102
Refundable portion of entrance fees	99,776	109,194
Deferred revenue from entrance fees	874,284	824,186
Accumulated loss on investment contracts	8,049	11,045
Total liabilities	2,150,391	2,106,202
Net Assets		
Without donor restrictions	149,175	135,496
With donor restrictions	43,827	54,480
Total net assets	193,002	189,976
Total liabilities and net assets	$ 2,343,393	$ 2,296,178

See notes to consolidated financial statements

ACTS Retirement Services, Inc. and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets
Years Ended December 31, 2021 and 2020
(In Thousands)

	2021	2020
Operating Revenue		
Resident services revenue, net of amortization of entrance fees	$ 395,635	$ 394,942
Patient revenue from third-party payors	47,765	48,411
Investment income	15,538	11,562
Net assets released from restrictions to provide resident services	2,726	3,694
Other revenue	8,775	7,129
Total operating revenue before amortization of entrance fees	470,439	465,738
Amortization of entrance fees	122,200	121,563
Total operating revenue	592,639	587,301
Operating Expenses		
Salaries, wages and benefits	311,524	308,970
Contracted services	31,052	29,872
Utilities	28,381	28,478
Food	27,670	28,727
Supplies	24,099	25,260
Real estate taxes	13,424	13,274
Insurance	7,977	6,276
Other	20,109	22,193
Total operating expenses before depreciation, amortization and interest	464,236	463,050
Depreciation and amortization	91,253	88,183
Interest, net	30,906	30,791
Total operating expenses	586,395	582,024
Operating income	6,244	5,277

See notes to consolidated financial statements

ACTS Retirement Services, Inc. and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets (continued)
Years Ended December 31, 2021 and 2020
(In Thousands)

	2021	2020
Changes in Net Assets Without Donor Restrictions		
Operating income	$ 6,244	$ 5,277
Net unrealized (loss) gain on investments and investment contracts	(4,094)	10,528
Loss on early extinguishment of debt	-	(4,741)
Other valuation adjustments	(2,185)	(1,730)
Net loss on nonoperating events	(184)	-
Net operating (loss) income	(219)	9,334
Net assets released from restrictions to acquire property and equipment	1,637	474
Reclassification of prior years investment return	12,261	-
Change in net assets without donor restrictions	13,679	9,808
Changes in Net Assets With Donor Restrictions		
Contributions	5,252	3,837
Interest and dividend income	513	2,737
Net unrealized gain on investments	77	1,610
Change in split interest agreements	110	109
Change in beneficial interest in the investments of Community Foundation of South Alabama (CFSA)	19	21
Net assets released from restrictions to:		
Provide resident services	(2,726)	(3,694)
Acquire property and equipment	(1,637)	(474)
Reclassification of prior years investment return	(12,261)	-
Change in net assets with donor restrictions	(10,653)	4,146
Increase in net assets	3,026	13,954
Net Assets, Beginning	189,976	176,022
Net Assets, Ending	$ 193,002	$ 189,976

See notes to consolidated financial statements

ACTS Retirement Services, Inc. and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended December 31, 2021 and 2020
(In Thousands)

	2021	2020
Cash Flows From Operating Activities		
Increase in net assets	$ 3,026	$ 13,954
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	91,253	88,183
Gain on sale of assets held for sale	-	(166)
Amortization of entrance fees	(122,200)	(121,563)
Other valuation adjustments	2,185	1,730
Amortization of bond discount and premium, net	(4,108)	(4,151)
Amortization of deferred financing costs	704	946
Entrance fees and deposits from nonrefundable resale contracts	187,395	153,261
Refunds of nonrefundable entrance fees and deposits from resale contracts	(15,265)	(14,303)
Administrative fee included in gross entrance fees	(9,431)	(7,796)
Net realized and unrealized loss (gain) on investments	3,518	(16,682)
Change in fair value of investment contracts	(2,996)	1,806
Loss on early extinguishment of debt	-	4,741
Increase in deferred costs	(3,482)	(2,152)
Change in beneficial interest in the investments of CFSA	(19)	(21)
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable	7,676	(3,666)
Increase in prepaid expenses, inventory and deposits	(1,870)	(2,287)
(Decrease) increase in accounts payable and accrued expenses and resident monthly fees paid in advance	(12,295)	13,118
Net cash provided by operating activities	124,091	104,952
Cash Flows From Investing Activities		
Net proceeds from sale of assets held for sale	-	19,413
Increase in intangible asset	(4,450)	-
Purchase of property and equipment	(128,810)	(102,374)
(Increase) decrease in investments	(8,283)	6,952
Net cash used in investing activities	(141,543)	(76,009)
Cash Flows From Financing Activities		
Entrance fee deposits from initial sale contracts	16,863	12,823
Refunds of entrance fees and deposits from initial sale contracts	(1,643)	(728)
Entrance fees from refundable contracts	202	4,420
Refunds of refundable entrance fees	(9,147)	(12,256)
Payment of accounts payable, construction	(16,939)	(31,076)
Proceeds from short-term indebtedness	61,416	69,076
Proceeds from nonrecourse indebtedness	6,463	-
Proceeds from long-term indebtedness	-	159,306
Increase in deferred financing costs	-	(2,641)
Increase in charitable gift annuity obligations	874	535
Payments on charitable gift annuity obligations	(706)	(657)
Payments to terminate interest swap agreement	-	(2,029)
Payments on short-term indebtedness	(40,303)	(111,516)
Payments on nonrecourse indebtedness	(291)	-
Payments on long-term indebtedness	(20,935)	(34,734)
Net cash (used in) provided by financing activities	(4,146)	50,523
Net (decrease) increase in cash, cash equivalents and restricted cash and cash equivalents	(21,598)	79,466
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Beginning	175,401	95,935
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Ending	$ 153,803	$ 175,401
Supplemental Disclosure of Cash Flow Information		
Interest paid, net of amounts capitalized	$ 34,621	$ 33,844
Supplemental Disclosure of Noncash Investing and Financing Activities		
Obligations incurred for the acquisition of property and equipment	$ 29,281	$ 16,939
Proceeds from long-term debt deposited in trustee-held escrow	$ -	$ 87,594
Proceeds from nonrecourse indebtedness to repay other nonrecourse indebtedness	$ 11,740	$ -
Proceeds from long-term debt to repay long-term debt and short-term debt	$ -	$ 102,365

See notes to consolidated financial statements

1. Nature of Operations and Organizational Matters

ACTS Retirement Services, Inc. (ARS) is a not-for-profit Pennsylvania corporation that serves as the parent organization providing the highest level of governance and control over all of its controlled entities.

The following is a listing of ARS' controlled entities:

ACTS Management Services, Inc. (AMS), a not-for-profit Pennsylvania corporation providing management, marketing and development services to ACTS and affiliated entities. AMS is the sole member of ACTS Alliance Management, LLC (AAM), a Pennsylvania limited liability company that provides management and related services to senior living providers.

ACTS Signature Community Services, Inc. (ASCS), a not-for-profit Pennsylvania corporation providing home and community-based services to ACTS and affiliated entities.

ACTS Legacy Foundation, Inc. (ALF), a not-for-profit Delaware corporation that provides fundraising, supports all charitable programs and manages the donor restricted funds for ACTS (as herein defined) and affiliated entities.

ACTS Retirement-Life Communities, Inc. (ACTS), a not-for-profit Pennsylvania corporation that, along with the Affiliates (as herein defined), provides residential, assisted living and skilled care services to senior adults in its 26 continuing care retirement communities (CCRCs), located in Alabama (2), Delaware (3), Florida (4), Georgia (1), Maryland (4), New Jersey (1), North Carolina (2), Pennsylvania (8) and South Carolina (1). ACTS operates 20 CCRCs as divisions within the legal entity of ACTS, and 6 CCRCs within 4 separate, related legal entities (the Affiliates). ACTS is also the sole member of ACTS Acquisition and Development Company, LLC (AADC), a Florida limited liability company that engages in acquisition and development related activity on behalf of ACTS. AADC is the sole corporate member of the following Affiliates:

Heron Point of Chestertown, Inc. (HP), a not-for-profit Maryland corporation which operates a CCRC located in Chestertown, Maryland.

Presbyterian Retirement Corporation, Inc. (PRC), a not-for-profit Alabama corporation which operates Westminster Village, a CCRC located in Spanish Fort, Alabama.

The Evergreens (EG), a not-for-profit New Jersey corporation which operates a CCRC located in Moorestown, New Jersey.

Integrace, Inc. (IG), a not-for-profit Maryland corporation which operates 3 CCRCs as a result of the mergers of FH, BC and BAY (as herin defined) into IG on March 31, 2020. IG is also the sole member of Copper Ridge, Inc., and was the sole member of Integrace Health, Inc. until it was dissolved on March 31, 2020 and its activities moved to IG.

Copper Ridge, Inc. (CR), is a not-for-profit Maryland corporation which operated a memory support residence located in Sykesville, Maryland until July 1, 2020 when CR sold its assets and operating licenses to an unrelated entity. CR remains a separate legal entity.

Integrace Health, Inc. (IH) was a not-for-profit Maryland corporation which arranged for the provision of medical services to residents of FH, CR, BC and BAY.

Fairhaven, Inc. (FH) was a not-for-profit Maryland corporation which operated a CCRC located in Sykesville, Maryland. FH was merged into IG on March 31, 2020 as an operating division.

Buckingham's Choice, Inc. (BC) was a not-for-profit Maryland corporation which operated a CCRC located in Adamstown, Maryland. BC was merged into IG on March 31, 2020 as an operating division.

Bayleigh Chase, Inc. (BAY) was a not-for-profit Maryland corporation which operated a CCRC located in Easton, Maryland. BAY was merged into IG on March 31, 2020 as an operating division.

Principles of Consolidation

The consolidated financial statements include the accounts for ARS, AMS, AAM, ASCS, ALF, ACTS, AADC, HP, PRC, EG, IG, CR, FH, BC, BAY and IH, (collectively, the Company). All significant intercompany accounts and transactions have been eliminated.

2. Summary of Significant Accounting Policies

Cash, Cash Equivalents and Restricted Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash, cash equivalents and restricted cash and cash equivalents include working capital accounts invested in highly liquid instruments purchased with an original maturity of three months or less. The cash and cash equivalents included in investments were comprised of debt related reserves and state reserves. The following table provides a reconciliation of cash, cash equivalents and restricted cash and cash equivalents reported within the consolidated balance sheets that sum to the total of the same such amounts reported in the consolidated statements of cash flows.

	2021	2020
	(In Thousands)	
Cash and cash equivalents	$ 32,085	$ 35,573
Cash and cash equivalents included in investments	121,718	139,828
Total cash, cash equivalents and restricted cash and cash equivalents	$ 153,803	$ 175,401

Investments and Investment Risk

Investments with readily determinable fair values are measured at fair value in the consolidated balance sheets. Investment income (including realized and unrealized gains and losses on investments, interest and dividends) is included in net operating (loss) income in the consolidated statements of operations and changes in net assets unless the income is restricted by donor or law. Interest income is measured as earned on the accrual basis. Dividends are measured based on the ex-dividend date. Purchases and sales of securities and realized gains and losses are recorded on a trade-date basis.

The Company's investments are comprised of a variety of financial instruments. The fair values reported in the consolidated balance sheets are subject to various risks including changes in the equity markets, the interest rate environment and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported on the consolidated balance sheets could materially change in the near term.

Investments include assets without restrictions and assets with restrictions. Assets without restrictions represent assets that are available for the general use and purposes of the Company and assets that are used to meet statutory reserve requirements. Assets with restrictions include amounts held in trust to meet debt related requirements and amounts restricted by donors for specific purposes or time periods.

Accounts Receivable and Entrance Fee Receivables

The Company assesses collectability on all resident accounts prior to providing services. An allowance for uncollectible accounts is recognized to reduce accounts receivable to its net realizable value for impairment of revenues for changes in resident credit worthiness. The allowance is estimated by management based on factors such as aging of the accounts receivable, and anticipated collection of the consideration. Accounts are written off through bad debt expense when the Company has exhausted all collection efforts and accounts are deemed impaired.

Entrance fee receivables are evaluated for collectability prior to residents being admitted to the communities based on the resident's credit worthiness. The terms and conditions of each entrance fee receivable are determined when a resident agreement is executed.

Property and Equipment

Property and equipment are stated at cost. Donated assets are recorded at their fair value at the date of donation. Depreciation is computed using the straight-line method based on the following estimated useful lives:

Land improvements	10 to 25 years
Building and improvements	8 to 50 years
Furniture, fixtures and equipment	3 to 10 years

When assets are sold or retired, the asset values and related accumulated depreciation are eliminated from the accounts and any gain or loss is included in the consolidated statements of operations and changes in net assets. The cost of maintenance and repairs is charged to expense as incurred. Significant renewals and betterments are capitalized.

Gifts of long-lived assets such as land, buildings or equipment are reported as other revenue unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted contributions. Expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Depreciation expense was $90,249,000 in 2021 and $87,181,000 in 2020.

Interest is capitalized for assets that require a period of time to be constructed or to prepare them for their intended use. The amount of interest capitalized was $5,740,000 in 2021 and $5,533,000 in 2020.

Goodwill

In connection with the recording of the assets and liabilities of HP; PRC; and IG, CR, FH, BC, BAY, and IH (collectively, the Integrace Companies) as part of the affiliation with ACTS in 2010, 2017 and 2019, respectively, the fair value of the assets was less than the fair value of the liabilities. As a result, goodwill of $115,903,000 was recorded in connection with these transactions and allocated to each reporting unit; $6,439,000 was allocated to CR and was included in the disposal group when CR's assets were sold during 2020.

The Company evaluates goodwill for impairment on an annual basis. In 2020, the Company chose to perform a quantitative test and engaged an independent consultant to evaluate goodwill for impairment, and the Company concluded that the fair value, as estimated by the independent valuation firm, of HP, PRC and the Integrace Companies exceeded their carrying amounts, including goodwill. In 2021, the Company assessed qualitative factors (events and circumstances) to determine whether it was more likely than not (that is, a likelihood of more than 50%) that the fair value of HP, PRC and the Integrace Companies was less than their carrying amount, including goodwill. Based on the assessment of qualitative factors, the Company concluded that it was more likely than not that the fair value of HP, PRC and the Integrace Companies exceeded their carrying amounts, including goodwill. Therefore, additional testing to identify potential impairment was unnecessary. As such, no impairment losses were recorded in 2021 and 2020.

Deferred Costs

Deferred costs include incremental costs of obtaining agreements that would not have been incurred if the agreements were not obtained and are recorded at cost. Deferred costs are amortized over the estimated life expectancy of the residents using the straight-line method, which approximates the period of time that services are expected to be transferred to residents. Amortization of deferred costs was $1,004,000 in 2021 and $1,002,000 in 2020.

Deferred Financing Costs

Deferred financing costs are amortized straight-line over the terms of the related debt, which approximates using the effective interest method and are classified net with the related debt. Amortization expense, which is included as a component of interest expense, was $704,000 in 2021 and $946,000 in 2020. The Company wrote off $556,000 of deferred financing costs during 2020, which is classified as loss on early extinguishment of debt on the consolidated statements of operations and changes in net assets.

Derivative Financial Instruments

The Company uses interest rate swap agreements which are considered derivative financial instruments, to manage its interest rate risk on its long-term debt. The interest rate swap agreements are reported at fair value in the consolidated balance sheets and related changes in fair value are reported on the consolidated statements of operations and changes in net assets as a component of net unrealized (loss) gain on investments and investment contracts.

Deferred Revenue From Entrance Fees

Under a continuing care contract (resident agreement) for a residential living unit, the Company receives entrance fee payments in advance. The Company offers both nonrefundable and refundable resident agreements. As of December 31, 2021 and 2020, the majority of the Company's resident agreements are nonrefundable.

Under the majority of nonrefundable resident agreements, residents who terminate their contracts will generally be entitled to a full refund less an administrative fee of up to 5%, and less 1%-2% (based on the resident agreement) of the remaining entrance fee per each month of residency. Under refundable resident agreements, the entrance fee is reduced to no less than the guaranteed refund, as specified in the resident agreement and refunds to residents are generally paid by the Company after a new resident occupies the residential living unit vacated by the former resident.

The nonrefundable portion of entrance fees is amortized to revenue over the actuarially computed life expectancy of the residents using the straight-line method, which approximates the period of time that services under the resident agreements are expected to be transferred to residents and the Company's performance obligation to the residents is satisfied, and is classified as deferred revenue from entrance fees on the consolidated balance sheets. Amortization of nonrefundable entrance fees was $122,200,000 in 2021 and $121,563,000 in 2020.

The guaranteed refundable portion of entrance fees is classified as refundable portion of entrance fees on the consolidated balance sheets and is not amortized to revenue.

The gross contractual refund obligations under existing resident agreements were approximately $446,343,000 and $441,546,000 at December 31, 2021 and 2020, respectively.

Under the majority of existing resident agreements, residential living residents are entitled to assisted living or skilled care services, as needed, with no increases in the current monthly service fees as a result of transferring to a higher level of care.

Obligation to Provide Future Services

The Company engages an independent actuary once every three years to calculate the present value of the net cost of future services and the use of facilities to be provided to current residents and compares that amount with the balance of deferred revenue from entrance fees. Based upon the last calculation performed (as of December 31, 2020), the present value of the net cost of future services and the use of facilities, based on a discount rate of 5%, did not exceed the balance of deferred revenue from entrance fees. Based upon this calculation, and the analysis of management, no liability for the obligation to provide future services has been recorded at December 31, 2021 and 2020.

Charitable Gift Annuity Obligations

The Company entered into arrangements with certain donors whereby the donor contributes assets to the Company and, in return, is entitled to receive a series of annuity payments. Under the terms of the arrangements, the estimated liability is to be held in a segregated fund or account until the death of the donor. Upon receipt, the contribution is recorded as a restricted asset, and the present value of the future annuity payments is recorded as a liability. The difference between the asset and the liability is reported as a contribution with donor restriction or directly to other revenue on the consolidated statements of operations and changes in net assets if the gift is designated for a purpose without donor restriction.

Net Assets

Net assets, revenues, gains and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - net assets available for use in general operations and not subject to donor restrictions. All revenue not restricted by donors and donor restricted contributions whose restrictions are met in the same period in which they are received are accounted for in net assets without donor restrictions.

Net Assets With Donor Restrictions - net assets subject to donor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. All revenues restricted by donors as to either timing or purpose of the related expenditures or required to be maintained in perpetuity as a source of investment income are accounted for in net assets with donor restrictions. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Resident Services and Patient Revenues

Resident services and patient revenues are reported at the amount that reflects the consideration the Company expects to receive in exchange for the services provided. These amounts are due from residents or third-party payors and include variable consideration for retroactive adjustments, if any, under reimbursement programs. Performance obligations are determined based on the nature of the services provided. Resident services and patient revenues are recognized as performance obligations are satisfied.

Payment terms and conditions for the Company's resident agreements vary by contract type and payor source, although terms generally include payment to be made within 30 days. Resident services and patient revenues for recurring and routine monthly services due from self-pay residents are generally billed monthly in advance. Resident services and patient revenues for ancillary services due from self-pay residents are generally billed monthly in arrears. Patient revenues due from Medicare and other third-party payor programs are billed monthly in arrears.

Resident services and patient revenues are primarily comprised of skilled nursing, assisted living and independent living revenue streams, which are primarily derived from providing nursing, assisted living and housing services to residents at a stated daily or monthly fee, net of any explicit or implicit price concessions. The Company has determined that the services included in the stated daily or monthly fee for each level of care represents a series of distinct services that have the same timing and pattern of transfer. Therefore, the Company considers the services provided to residents in each level of care to be one performance obligation which is satisfied over time as services are provided. As such, skilled nursing, assisted living and independent living revenues are recognized on a daily or month-to-month basis as services are rendered.

The Company receives revenue for services under third-party payor programs, including Medicare, Medicaid and other third-party payors. Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are included in the determination of the estimated transaction price for providing services. The Company estimates the transaction price based on the terms of the contract and correspondence with the third-party payor and historical payment trends, and retroactive adjustments are recognized in future periods as final settlements are determined.

Financial Support from Provider Relief Funds

The Company received financial support from federal and state funding sources related to the COVID-19 pandemic. The Company accounts for this funding in accordance with the Financial Accounting Standards Board Accounting Standards Codification 958-605 guidance for conditional contributions and, accordingly, support is measured and recognized when barriers are substantially met, which occurs when the Company complies with the terms and conditions related to the purpose of the grant rather than those that are administrative in nature.

The Coronavirus Aid, Relief and Economic Security Act and the American Rescue Plan Act were signed into law and created Provider Relief Funds (PRF) to combat the financial effects of COVID-19. The Company received $3,075,000 in 2021 and $22,833,000 in 2020 related to these Acts. In accordance with the terms and conditions, the Company could apply the funding against eligible expenses and lost revenues. The Company incurred eligible expenses and lost revenues in accordance with the terms and conditions of the PRF of $3,075,000 in 2021 and $22,833,000 in 2020.

Management believes that the Company complied with all terms and conditions of the PRF. However, the PRF is subject to future reporting and audit requirements. Noncompliance with the terms and conditions of the PRF could result in repayment of some or all of the support received, which can be subject to future government review and interpretation. An estimate of the possible effects cannot be made as of the date these consolidated financial statements were issued.

During 2021 and 2020, the PRF was reported in the consolidated statements of operations and changes in net assets in the functional line impacted by the lost revenue or eligible expense incurred as set forth in the following table:

	2021	2020
	(In Thousands)	
Resident services revenue	$ 281	$ 566
Patient revenue from third-party payors	243	427
Salary, wages and benefits	611	15,365
Contracted services	1,123	2,103
Supplies	817	4,372
Total	$ 3,075	$ 22,833

Income Taxes

ARS, AMS, ASCS, ALF, ACTS, HP, PRC, EG, IG and CR are not-for-profit corporations and AADC and AAM are limited liability companies. Each is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code and other income taxes under similar statutes. Accordingly, no provision for income taxes has been recorded in the consolidated financial statements. FH, BC and BAY were not-for-profit corporations prior to March 31, 2020 when they were merged into IG as an operating division. IH was a not-for-profit corporation until it was dissolved on March 31, 2020. Accordingly, no provision for income taxes had been recorded in the consolidated financial statements for FH, BC, BAY and IH.

Measure of Operations and Performance Indicator

The consolidated statements of operations and changes in net assets include the determination of operating income and net operating (loss) income (the performance indicator). Operating income includes only those operating revenues and expenses that are an integral part of the Company's program activities and net assets released from donor restrictions to provide resident services. Net operating (loss) income includes all operating activities, as well as changes in unrealized gains and losses on investments and investment contracts, loss on early extinguishment of debt, other valuation adjustments and net loss on nonoperating events.

Changes in net assets without donor restrictions which are excluded from the determination of the performance indicator, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets, if any).

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Company evaluated subsequent events for recognition or disclosure through May 26, 2022, the date the consolidated financial statements were issued.

3. Liquidity and Availability of Resources

As of December 31, the Company has financial assets available for general expenditure within one year of the date of the consolidated balance sheets, consisting of the following:

	2021	2020
	(In Thousands)	
Cash and cash equivalents	$ 32,085	$ 35,573
Accounts receivable, entrance fee receivables and other receivables, net	26,598	39,209
Investments without donor restrictions	279,058	254,590
Total	$ 337,741	$ 329,372

The Company has other assets restricted as to use: state reserves, interest in investments of CFSA, debt related reserves, debt service reserve funds, real estate held for investment at cost, assets held for other donor restricted purposes. These amounts have been excluded from the amounts above.

As part of the Company's liquidity management, cash in excess of daily requirements is invested in short-term investments and money market funds. The Company may designate a portion of any operating surplus to a general reserve. This fund may be drawn upon to meet unexpected liquidity needs.

Donor-restricted funds of $34,656,000 and $46,649,000 at December 31, 2021 and 2020, respectively, can be made available based on the passage of time or other events specified by the donor. The Company has certain investments without donor restrictions that have been internally designated for long-term purposes of $14,005,000 and $11,724,000 at December 31, 2021 and 2020, respectively, which have been excluded from the amounts above.

Additionally, the Company maintains lines of credit, as discussed in more detail in Note 7.

4. Investments, Fair Value Measurements and Financial Instruments

Investments

The classification of the Company's investments as of December 31 is set forth in the following table:

	2021	2020
	(In Thousands)	
Investments without donor restrictions	$ 293,063	$ 266,314
State reserves	64,949	58,446
Interest in investments of CFSA	215	196
Donor-restricted funds	46,335	56,777
Debt related reserves	100,674	136,831
Debt service reserve funds	7,162	7,160
Real estate held for investment at cost	4,718	4,718
Total	$ 517,116	$ 530,442

Investment performance is as follows:

	2021	2020
	(In Thousands)	
Without donor restrictions:		
Interest and dividend income	$ 11,904	$ 8,824
Net realized gain on investments	3,634	2,738
Total investment income	15,538	11,562
Net unrealized (loss) gain on investments	(7,090)	12,334
With donor restrictions:		
Interest and dividend income	513	2,737
Net unrealized gain on investments	77	1,610
Total investment return	$ 9,038	$ 28,243

Fair Value Measurements

The Company measures its investments and derivative financial instruments at fair value on a recurring basis in accordance with accounting principles generally accepted in the United States of America.

Fair value is defined as the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework that the authoritative guidance establishes for measuring fair value includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs used in determining valuations into three levels. The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement.

The levels of the fair value hierarchy are as follows:

Level 1 - Fair value is based on unadjusted quoted prices in active markets that are accessible to the Company for identical assets or liabilities. These generally provide the most reliable evidence and are used to measure fair value whenever available.

Level 2 - Fair value is based on significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the full term of the asset or liability through corroboration with observable market data. Level 2 inputs include quoted market prices in active markets for similar assets or liabilities, quoted market prices in markets that are not active for identical or similar assets or liabilities and other observable inputs.

Level 3 - Fair value would be based on significant unobservable inputs. Examples of valuation methodologies that would result in Level 3 classification include option pricing models, discounted cash flows and other similar techniques.

The fair value of the Company's investments (including alternative investments and beneficial interest in perpetual trusts) and derivative financial instruments were measured using the following inputs at December 31:

	2021			
	Total	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Other Unobservable Inputs (Level 3)
	(In Thousands)			
Instruments measured and reported at fair value:				
Investments:				
Money market funds	$ 122,865	$ 122,865	$ -	$ -
U.S. government securities	105,462	-	105,462	-
Mutual and exchange traded funds, fixed income	92,181	92,181	-	-
Corporate debt securities	90,129	-	90,129	-
Equities	41,866	41,866	-	-
Mutual and exchange traded funds, equity	33,693	33,693	-	-
Other	7,426	-	7,426	-
Municipal bonds	7,478	-	7,478	-
Guaranteed investment contracts	6,743	-	-	6,743
Time deposits	1,700	1,700	-	-
Beneficial interest in perpetual trusts	1,189	-	-	1,189
Investment in CFSA	215	-	215	-
Alternative investments	14	-	-	14
Total	$ 510,961	$ 292,305	$ 210,710	$ 7,946
Reconciliation of investments to the consolidated balance sheet:				
Cash and cash equivalents	$ 1,437			
Real estate held for investment at cost	4,718			
Investments measured at fair value	510,961			
Total investments	$ 517,116			
Liabilities:				
Accumulated loss on investment contracts	$ 8,049	$ -	$ 8,049	$ -

	2020			
	Total	**Quoted Prices in Active Markets (Level 1)**	**Other Observable Inputs (Level 2)**	**Other Unobservable Inputs (Level 3)**
	(In Thousands)			
Instruments measured and reported at fair value:				
Investments:				
Money market funds	$ 154,814	$ 154,814	$ -	$ -
U.S. government securities	126,007	-	126,007	-
Corporate debt securities	119,453	-	119,453	-
Mutual and exchange traded funds, fixed income	56,792	56,792	-	-
Equities	31,165	31,165	-	-
Mutual and exchange traded funds, equity	11,935	11,935	-	-
Other	8,867	-	8,867	-
Guaranteed investment contracts	6,250	-	-	6,250
Municipal bonds	5,286	-	5,286	-
Time deposits	1,601	1,601	-	-
Beneficial interest in perpetual trusts	1,050	-	-	1,050
Investment in CFSA	196	-	196	-
Alternative investments	11	-	-	11
Total	$ 523,427	$ 256,307	$ 259,809	$ 7,311
Reconciliation of investments to the consolidated balance sheet:				
Cash and cash equivalents	$ 2,297			
Real estate held for investment at cost	4,718			
Investments measured at fair value	523,427			
Total investments	$ 530,442			
Liabilities:				
Accumulated loss on investment contracts	$ 11,045	$ -	$ 11,045	$ -

The Company's guaranteed investment contracts increased $493,000 in 2021 and decreased $4,347,000 in 2020, due to net deposits and withdrawals and the dissolution of certain debt service reserve funds.

Financial Instruments

Money market funds, mutual funds and exchange traded funds, time deposits and equities are valued based on quoted market prices in active markets, which are considered Level 1 inputs. U.S. government securities, corporate debt securities, other investments and municipal bonds are generally valued using quoted market prices of similar securities, which are considered Level 2 inputs.

The guaranteed investment contracts are reported at contract value, which approximates fair value, based on the ability of the counterparties to pay the guaranteed claims in accordance with the terms of the contracts. The credit ratings of the counterparties as of the measurement date uphold the guaranteed investment contracts ability to meet obligations set forth in the contracts. Contract value is the aggregation of contributions, plus interest, less withdrawals. Contract value approximates a discounted cash flow value calculated using an appropriate risk-adjusted market discount rate which correlates closely with the counterparties historical credit rates. The guaranteed investment contracts have redemption restrictions based on the terms of the underlying contracts. The redemption restrictions do not have a material impact on the contract value of the guaranteed investment contracts.

The Company measures its accumulated loss on investment contracts at fair value based on proprietary models of an independent third-party valuation specialist. The fair value takes into consideration the prevailing interest rate environment and the specific terms and conditions of the derivative financial instruments and considers the credit risk of the counterparty to the agreements and the Company. The method used to determine the fair value calculates the estimated future payments required by the derivative financial instruments and discounts these payments using an appropriate discount rate. The value represents the estimated exit price the Company would pay to terminate the agreements.

5. Accounts Receivable, Entrance Fee Receivables and Other Receivables

Accounts receivable, entrance fee receivables and other receivables are comprised of the following at December 31:

	2021	2020
	(In Thousands)	
Resident monthly fees	$ 5,412	$ 5,662
Resident entrance fees	6,881	11,816
Third-party accounts	15,704	17,293
Other	3,131	8,788
Total receivables	31,128	43,559
Allowance for uncollectible accounts	(4,530)	(4,350)
Accounts receivable, entrance fee receivables and other receivables, net	$ 26,598	$ 39,209

6. Property and Equipment

Property and equipment is comprised of the following at December 31:

	2021	2020
	(In Thousands)	
Land and improvements	$ 136,299	$ 135,436
Building and improvements	2,216,132	2,113,539
Furniture, fixtures and equipment	178,654	169,769
Construction in progress	127,143	92,896
Total property and equipment	2,658,228	2,511,640
Accumulated depreciation	(1,029,873)	(955,175)
Property and equipment, net	$ 1,628,355	$ 1,556,465

7. Short-Term Indebtedness

ACTS has an available $85,000,000 revolving line of credit with a financial institution allowing for cash advances. Interest on amounts outstanding on the line of credit was 1.25% at December 31, 2021. Interest is calculated monthly based on changes to the LIBOR Rate, as defined. Borrowings were $44,650,000 and $40,900,000 at December 31, 2021 and 2020, respectively. The line of credit is set to expire in October 2024.

ACTS also has an available $90,000,000 revolving line of credit with another financial institution allowing for cash advances. Interest on amounts outstanding on the line of credit was 1.31% at December 31, 2021. Interest is calculated monthly based on changes to the LIBOR Rate, as defined. Borrowings were $23,343,000 and $5,980,000 at December 31, 2021 and 2020, respectively. The line of credit is set to expire in June 2024.

ACTS' obligations under the line of credit agreements are secured under the terms of a Master Trust Indenture dated December 1, 1996, as supplemented, on a parity basis by a pledge of gross revenues (as defined), a covenant not to create or allow to exist upon its property any lien except for permitted liens and a promise to deliver mortgages and/or deeds of trust granting liens upon and security interest in its facilities to the Master Trustee if certain events occur, as defined.

8. Nonrecourse Indebtedness

In May 2019, ACTS purchased a corporate services center located in Pennsylvania. The purchase was financed by an $11,740,000 loan secured by the building. The loan was nonrecourse indebtedness under the Master Trust Indenture (Note 9) and was refinanced during 2021.

In February 2021, ACTS closed on a $13,800,000 debt financing consisting of a nonrecourse, nonbank qualified tax-free mortgage loan. The proceeds from the financing were used to refinance the existing nonrecourse indebtedness, reimburse for the costs of capital improvements and finance closing costs. The nonbank qualified tax-free mortgage loan amortizes over 25 years and has a 2.61% fixed rate of interest for five years. The outstanding balance was $13,549,000 (which is reported net of deferred financing costs of $137,000 on the consolidated balance sheets) at December 31, 2021.

In addition, in December, 2021, ACTS established a $4,500,000 promissory note with an unrelated third party in connection with an asset purchase transaction (Note 17). The noninterest bearing note amortizes over 3 years with the final payment due on May 1, 2025. The outstanding balance was $4,500,000 at December 31, 2021.

9. Long-Term Indebtedness

The Company's long-term indebtedness has been issued under five separate structures.

Acts Obligated Group (ACTS OG)

A Master Trust Indenture dated December 1, 1996, as supplemented, secures the obligations of the ACTS OG and includes a pledge of gross revenues (as defined), a covenant not to create or allow to exist upon its property any lien except for permitted liens and a promise to deliver mortgages and/or deeds of trust granting liens upon and security interest in its facilities to the Master Trustee if certain events occur, as defined. ACTS OG is required to maintain certain reserves with a trustee. Such reserves are included in investments. ACTS OG includes ACTS, AMS, AAM and ASCS under the terms of the Master Trust Indenture.

HP

HP's long-term indebtedness has been issued under a Master Trust Indenture, as supplemented, dated September 1, 2013, which includes a Deed of Trust Agreement, including a lien on the underlying property and assignment of pledged revenues, as defined. HP is also required to meet certain financial covenants.

EG

EG's long-term indebtedness has been issued under a Master Trust Indenture, dated August 1, 2019, which includes a Deed of Trust Agreement, including a lien on the underlying property and assignment of pledged revenues, as defined. EG is also required to meet certain financial covenants.

PRC

PRC's long-term indebtedness has been issued under a Master Trust Indenture, as supplemented, dated March 1, 2019, which includes a lien on the underlying property and assignment of pledged revenues, as defined. PRC is also required to meet certain financial covenants.

Integrace Obligated Group (Integrace OG)

Integrace OG's long-term indebtedness has been issued under a Master Trust Indenture, as supplemented, dated February 1, 2020, which includes a lien on the underlying property and assignment of pledged revenues, as defined. Integrace OG is also required to meet certain financial covenants. IG is the only member of the Integrace OG.

The Company's long-term indebtedness consists of the following at December 31:

	2021	2020
	(In Thousands)	
ACTS OG		
Public Finance Authority Retirement Communities Revenue Bonds Series 2020A. The interest rates range from 4% to 5% and principal matures in varying amounts from 2037 through 2041 (yield to maturity 3.16% at December 31, 2021).	$ 48,460	$ 48,460
Palm Beach County Health Facilities Authority (FL) Retirement Communities Revenue Bonds Series 2020B. The interest rates range from 4% to 5% and principal of $9,480,000 and $9,880,000 matures in 2041 and 2042, respectively (yield to maturity 3.99% at December 31, 2021).	19,360	19,360
Montgomery County Industrial Development Authority (PA) Retirement Communities Revenue Bonds Series 2020C. The interest rates range from 4% to 5% and principal matures in varying amounts from 2042 through 2045 (yield to maturity 4.10% at December 31, 2021).	47,290	47,290
Montgomery County Industrial Development Authority (PA) Retirement Communities Revenue Bonds Series 2020D (Taxable). The interest rates range from 2.3% to 3.2% and principal matures in varying amounts through 2029.	83,275	84,295

	2021	2020
	(In Thousands)	
Palm Beach County Health Facilities Authority (FL) Retirement Communities Revenue Bonds Series 2018A. The interest rate is 5% and principal matures in varying amounts from 2042 through 2045 (yield to maturity 4.40% at December 31, 2021).	$ 46,815	$ 46,815
Delaware Economic Development Authority Retirement Communities Revenue Bonds Series 2018B. The interest rate is 5% and principal of $17,325,000 and $18,450,000 matures in 2047 and 2048, respectively (yield to maturity 4.45% at December 31, 2021).	35,775	35,775
South Carolina Jobs-Economic Development Authority Retirement Communities Revenue Bonds Series 2018C. The interest rate is 5% and principal matures in varying amounts from 2045 through 2047 (yield to maturity 4.43% at December 31, 2021).	21,540	21,540
Public Finance Authority Retirement Communities Revenue Bonds Series 2018D. The interest rate is 3.51% and resets in June 2025. Principal matures in varying amounts from 2037 through 2040.	32,065	32,065
Montgomery County Industrial Development Authority (PA) Retirement Communities Revenue Bonds Series 2018E. The interest rate is 3.51% and resets in June 2025. Principal matures in varying amounts from 2040 through 2042.	31,615	31,615
Montgomery County Industrial Development Authority (PA) Retirement Communities Revenue Bonds Series 2016. The interest rate is 5% and principal matures in varying amounts from 2033 through 2036 (yield to maturity 4.09% at December 31, 2021).	97,165	97,165
Palm Beach County Health Facilities Authority (FL) Retirement Communities Revenue Bonds Series 2016. The interest rates range from 3% to 5% and principal matures in varying amounts through 2032 (yield to maturity 3.79% at December 31, 2021).	79,150	88,930
Gainesville and Hall County Development Authority (GA) Retirement Community Revenue Refunding Bonds Series 2016. The interest rates range from 4% to 5% and principal of $435,000 and $6,755,000 matures in 2032 and 2033, respectively (yield to maturity 3.89% at December 31, 2021).	7,190	7,190
Taxable Term Loan dated December 19, 2013. The interest rate is 4.07% and resets in December 2023. Principal is anticipated to mature in varying amounts through November 2038.	19,276	20,068
Taxable Term Loan dated December 19, 2013. The interest rate is 1.45% and resets in December 2023 and every five years thereafter. Principal matures in varying amounts through 2038.	11,520	12,830
Palm Beach County Health Facilities Authority (FL) Retirement Communities Revenue Refunding Bonds Series 2012. The interest rate is 5% and principal of $5,735,000 and $7,595,000 matures in 2022 and 2023, respectively (yield to maturity 4.72% at December 31, 2021).	13,330	13,330

	2021	2020
	(In Thousands)	
Gainesville and Hall County Development Authority (GA) Retirement Community Revenue Refunding Bonds Series 2012. The interest rate is 5% and principal matures in varying amounts through 2022 (yield to maturity 2.73% at December 31, 2021).	$ 5,115	$ 6,150
Delaware Economic Development Authority Variable Rate Demand Revenue Bonds Series 2007A. The interest rate is fixed at 3.32% and resets in December 2023 on $32,560,000 of the bonds, and variable at 0.89% at December 31, 2021 on $13,550,000 of the bonds. Principal matures in varying amounts through 2037.	46,110	47,675
Gainesville and Hall County Development Authority (GA) Senior Living Facility Variable Rate Demand Revenue Bonds Series 2003B. The interest rate was 0.72% at December 31, 2021 and principal matures in varying amounts through 2033. Security is provided through a bond insurance commitment enhanced by a standby bond purchase agreement.	26,280	27,505
Escambia County Health Facilities Authority (FL) Healthcare Facilities Variable Rate Revenue Refunding Bonds Series 2003B. The interest rate was 0.72% at December 31, 2021 and principal matures in varying amounts through 2029. Security is provided through a bond insurance commitment enhanced by a standby bond purchase agreement.	16,100	17,795
Montgomery County Industrial Development Authority (PA) Retirement Community Variable Rate Demand Revenue Bonds Series 2002. The interest rate was 0.72% at December 31, 2021 and principal matures in varying amounts through 2029. Security is provided through a bond insurance commitment enhanced by a standby bond purchase agreement.	8,340	9,020
Total ACTS OG	695,771	714,873
HP		
The Town of Chestertown Economic Development Refunding Revenue Bond Series 2018A (Taxable).	-	1,000
The Town of Chestertown Economic Development Refunding Revenue Bond Series 2018B. The interest rate is 3.70% and principal matures in varying amounts through 2038.	22,390	22,390
Total HP	22,390	23,390

	2021	2020
	(In Thousands)	
PRC		
Special Care Facilities Financing Authority of the City of Daphne Retirement Communities Revenue Bond Series 2019A (Taxable). The interest rate is 4.35% and principal matures in varying amounts through 2043.	$ 17,452	$ 17,975
Public Finance Authority Retirement Communities Revenue Bond Series 2019B. The interest rate is 3.52% and principal matures in varying amounts from 2043 through 2046.	5,100	5,100
Total PRC	22,552	23,075
EG		
Public Finance Authority Retirement Communities Revenue Bonds Series 2019A. The interest rate is 5% and principal matures in varying amounts through 2049 (yield to maturity 4.49% at December 31, 2021).	23,910	23,910
Public Finance Authority Retirement Communities Revenue Bond Series 2019B. The interest rate is 2.69% and principal matures in varying amounts through 2039.	22,690	23,000
Total EG	46,600	46,910
Integrace OG		
Maryland Health and Higher Educational Facilities Authority Revenue Bonds Integrace Issue Series 2020A. The interest rate is 5% and principal matures in varying amounts from 2028 through 2049 (yield to maturity 5.16% at December 31, 2021).	87,110	87,110
Maryland Health and Higher Educational Facilities Authority Taxable Revenue Bonds Integrace Issue Series 2020B. The interest rate was 3.3% at December 31, 2021 and principal matures in varying amounts through 2027.	12,195	12,195
Total Integrace OG	99,305	99,305
Total	886,618	907,553
Bond premiums and discounts, net	75,652	79,760
Unamortized deferred financing costs	(9,509)	(10,213)
Total long-term indebtedness	$ 952,761	$ 977,100

Variable rates are determined based on prevailing market rates and general financial conditions. They may include letter of credit and remarketing fees. Letter of credit fees may be subject to change based on the rating for ACTS OG. Certain debt provisions require the maintenance of standby bond purchase agreements with a five-year repayment term.

Anticipated principal repayments on long-term indebtedness are as follows (in thousands):

Years ending December 31:	
2022	$ 24,899
2023	43,642
2024	25,799
2025	26,581
2026	27,391
2027-2031	155,947
2032-2036	189,367
2037-2041	155,809
2042-2046	175,348
2047-2049	61,835
Total	$ 886,618

Loss on Early Extinguishment of Debt

During 2020, ACTS OG completed financing transactions through the issuance of four series of revenue bonds to provide for overall debt service savings, while also establishing a project fund for certain capital projects in the Pennsylvania, Florida and North Carolina CCRCs. A portion of the proceeds from the bonds were used to refund the Series 2012 (PA) bonds. In conjunction with this transaction, ACTS OG recorded a loss on early extinguishment of debt that is included in the consolidated statements of operations and changes in net assets. The loss consists of $(2,944,000) of unamortized bond premium, $467,000 in unamortized deferred financing costs and $7,129,000 in amounts held in escrow for the refunding.

During 2020, CR completed a financing transaction and recorded a loss on early extinguishment of debt that is included in the 2020 consolidated statement of operations and changes in net assets. The loss consists of $89,000 in unamortized deferred financing costs.

10. Derivative Instruments and Hedging Activities

The Company has interest rate swap agreements with financial institutions that are considered derivative financial instruments. The objective of the swap agreements is to minimize the risks associated with financing activities by reducing the impact of changes in the interest rates on variable rate debt. The swap agreements are contracts to exchange variable rate for fixed rate payments over the terms of the swap agreements without the exchange of the underlying notional amount. The notional amount of the swap agreements is used to measure the interest to be paid or received and does not represent the amount of exposure to credit loss. Exposure to credit loss is limited to the receivable amount, if any, which may be generated as a result of the swap agreements. Management believes that losses related to credit risk are remote and that the swap agreements are continuing to function as intended.

The net cash paid or received under the swap agreements is recognized as an adjustment to interest expense. The Company does not utilize interest rate swap agreements or other financial instruments for trading or other speculative purposes.

In February 2020, in connection with a debt financing, FH and CR paid $2,029,000 to terminate their interest rate swap that had a notional amount of $9,290,000.

Changes in fair value of the interest rate swap agreements are recorded as a component of net unrealized (loss) gain on investments and investment contracts. The change in fair value was $2,996,000 in 2021 and $(1,806,000) in 2020.

At December 31, 2021, the Company had the following interest rate swaps in effect:

Debt Series	Notional Amount	Maturity Date	Effective Interest Rate	Accumulated Unrealized Loss
Series 2002 (PA)	$ 8,340,000	2029	3.64 %	$ 1,146,000
Series 2003B (GA)	26,280,000	2033	3.54	5,133,000
Series 2003B (FL)	16,100,000	2029	3.35	1,770,000

The fair value of the Company's interest rate swap agreements was $(8,049,000) and $(11,045,000) at December 31, 2021 and 2020, respectively, and was obtained from an independent third-party valuation specialist.

11. Net Assets

Net assets with donor restrictions are available for the following purposes at December 31:

	2021	2020
	(In Thousands)	
Financial assistance to residents	$ 15,168	$ 18,296
Purchase of property and equipment	8,256	9,677
Resident services	940	1,788
Other	7,569	14,395
Restricted in perpetuity	11,894	10,324
Total net assets with donor restrictions	$ 43,827	$ 54,480

The income distributions from net assets held in perpetuity are available to fund financial assistance to residents and other donor restricted purposes.

Net assets were released from donor restrictions by incurring costs satisfying the restricted purpose or by occurrence of other events specified by donors.

12. Resident Services and Patient Revenues

The Company disaggregates revenue from contracts with residents and patients by type of service and payor source as this depicts the nature, amount, timing and uncertainty of its revenue and cash flows as affected by economic factors. Resident services and patient revenues consist of the following for the years ended December 31:

	2021			
	Independent Living	Assisted Living	Skilled Nursing	Total
	(In Thousands)			
Self-pay	$ 292,319	$ 43,032	$ 60,284	$ 395,635
Medicare and other	6,450	2	34,407	40,859
Medicaid	-	-	6,906	6,906
Total resident services and patient revenues	$ 298,769	$ 43,034	$ 101,597	$ 443,400
Amortization of nonrefundable entrance fees				$ 122,200

	2020			
	Independent Living	**Assisted Living**	**Skilled Nursing**	**Total**
		(In Thousands)		
Self-pay	$ 282,813	$ 46,903	$ 65,226	$ 394,942
Medicare and other	4,869	35	33,937	38,841
Medicaid	-	-	9,570	9,570
Total resident services and patient revenues	$ 287,682	$ 46,938	$ 108,733	$ 443,353
Amortization of nonrefundable entrance fees				$ 121,563

13. Retirement Plans

The Company participates in a 401(k) Plan (the ACTS 401(k) Plan) covering substantially all full-time employees. The ACTS 401(k) Plan allows for qualified employees to voluntarily contribute up to the IRS maximum. In accordance with the terms of the ACTS 401(k) Plan, the Company matches up to 100% of the first 3% of the employee's contribution, plus an additional 50% of the next 2% of the employee's contribution. Plan expense was $6,110,000 in 2021 and $6,299,000 in 2020.

AMS provides a nonqualified Supplemental Executive Retirement Plan (SERP) to certain members of senior executive management in addition to those benefits available under the ACTS 401(k) Plan. Retirement benefits, as defined in the plan document and amendments, are based on age, years of service and average compensation during the last five years of employment. SERP expense was $1,423,000 in 2021 and $1,037,000 in 2020. The SERP liability is included in accounts payable and accrued expenses on the consolidated balance sheets and was $6,038,000 and $4,615,000 at December 31, 2021 and 2020, respectively.

14. Concentrations of Credit Risk

The Company grants credit without collateral to its residents, some of whom are insured under third-party payor arrangements, primarily related to providing residential and healthcare related services.

The Company maintains cash accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses resulting from this, and management believes it is not subject to any significant credit risk related to cash accounts.

15. Commitments and Contingencies

Senior Living Services Industry

The senior living services industry is subject to numerous laws, regulations and administrative directives of federal, state and local governments and agencies. Compliance is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for resident services previously billed. Management is not aware of any material incidents of noncompliance.

Workers Compensation

The Company maintains a self-insured workers compensation program with a per occurrence retention limit of $600,000. As of December 31, 2021 and 2020, the reserve for workers compensation liability claims was $4,205,000 and $4,233,000, respectively, and is included in accounts payable and accrued expenses on the consolidated balance sheets. Reserves are based upon fully developed cases and are actuarially determined. These estimates are based on historical loss experience along with certain assumptions about future events. Changes in assumptions for such things as medical costs, as well as changes in actual loss experience could cause these estimates to change in the near term.

Construction Agreements

The Company entered into construction agreements for certain development and renovation activities at various communities. Commitments were approximately $114,198,000 as of December 31, 2021.

Litigation

The Company operates in an industry where various suits and claims arise in the normal course of business. Management is not currently aware of any claims that have been or will be asserted that will, after consideration of applicable insurance coverages, have a material adverse effect on the consolidated financial statements.

COVID-19

The spread of COVID-19 around the world has caused volatility in the U.S. market, supply chains, businesses and communities. The Company's evaluation of the effects of these events is ongoing as of the date the accompanying consolidated financial statements were issued. COVID-19 may impact various parts of the Company's 2022 operations and financial performance, including but not limited to additional costs for emergency preparedness, disease control and containment, potential shortages of personnel, supply chain disruption, sales of independent living units or declines in revenue related to decreases in occupancy or volumes of certain revenue streams. The extent of the impact will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions.

16. Functional Expenses

The Company provides housing, healthcare and other related services to residents within its geographic locations. The consolidated financial statements report certain expense categories that are attributable to more than one program service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, including depreciation and amortization, interest and other occupancy costs, are allocated to a function based on usage of space. Expenses relating to providing these services are approximately as follows for 2021 and 2020:

	2021			
	Program Services	General and Administrative	Fundraising	Total
	(In Thousands)			
Salaries, wages and benefits	$ 287,508	$ 23,413	$ 603	$ 311,524
Contracted services	27,788	3,249	15	31,052
Utilities	28,124	75	182	28,381
Food	27,123	525	22	27,670
Supplies	15,756	8,192	151	24,099
Real estate taxes	12,590	834	-	13,424
Insurance	7,948	29	-	7,977
Other	9,796	9,733	580	20,109
Depreciation and amortization	86,040	5,213	-	91,253
Interest, net	30,837	69	-	30,906
Total	$ 533,510	$ 51,332	$ 1,553	$ 586,395

	2020			
	Program Services	General and Administrative	Fundraising	Total
	(In Thousands)			
Salaries, wages and benefits	$ 283,260	$ 24,720	$ 990	$ 308,970
Contracted services	26,165	3,701	6	29,872
Utilities	28,195	84	199	28,478
Food	28,079	638	10	28,727
Supplies	15,709	9,402	149	25,260
Real estate taxes	12,498	776	-	13,274
Insurance	6,224	52	-	6,276
Other	10,995	11,134	64	22,193
Depreciation and amortization	83,084	5,099	-	88,183
Interest, net	30,737	54	-	30,791
Total	$ 524,946	$ 55,660	$ 1,418	$ 582,024

17. Subsequent Event

In November 2021, ARS and Willow Valley Communities (WVC) entered into a definitive agreement to create a Strategic Alliance. This relationship brings the two organizations together in a mutually beneficial relationship and enhances the ability of both organizations to serve seniors and advance their shared missions. The Strategic Alliance provides for mutual representation on WVC's board of directors, with ARS serving as sole corporate member of WVC.

WVC is a Pennsylvania not-for-profit corporation that primarily operates 3 CCRCs in Lancaster, Pennsylvania; Willow Valley Manor, Willow Valley Lakes Manor and Willow Valley Manor North. WVC operates approximately 1,600 residential units and 600 healthcare beds across its 3 CCRCs.

In connection with the Strategic Alliance, AAM purchased the management contract of WVC's previous management company on December 31, 2021. As a result of this transaction, AMS, through its affiliate AAM, assumed overall management responsibilities for WVC on December 31, 2021.

The Strategic Alliance commenced on May 1, 2022. No cash consideration was paid or received by ARS in connection with the Strategic Alliance.

ACTS Retirement Services, Inc. and Subsidiaries

Consolidating Balance Sheet Schedule
December 31, 2021
(In Thousands)

	ACTS Obligated Group	Heron Point of Chestertown, Inc.	Presbyterian Retirement Corporation, Inc.	The Evergreens	Integrace Companies	ACTS Legacy Foundation, Inc.	ACTS Acquisition and Development Company, LLC	Eliminations	Consolidated
Assets									
Cash and cash equivalents	$ 18,417	$ 1,827	$ 473	$ 1,996	$ 9,287	$ 30	$ 55	$ -	$ 32,085
Investments	404,415	5,105	369	40,142	51,659	40,538	-	(25,112)	517,116
Accounts receivable, entrance fee receivables and other receivables, net	19,582	834	1,616	725	3,591	-	250	-	26,598
Prepaid expenses, inventory and deposits	11,718	466	241	340	1,100	-	-	-	13,865
Assets held for sale	2,701	-	-	-	-	-	-	-	2,701
Property and equipment, net	1,353,361	39,883	38,806	56,857	139,448	-	-	-	1,628,355
Goodwill	-	22,551	4,926	-	81,987	-	-	-	109,464
Intangible asset	4,450	-	-	-	-	-	-	-	4,450
Deferred costs, net	6,745	182	502	294	1,036	-	-	-	8,759
Due from affiliated organizations	26,880	-	-	-	4,432	-	-	(31,312)	-
Total assets	$ 1,848,269	$ 70,848	$ 46,933	$ 100,354	$ 292,540	$ 40,568	$ 305	$ (56,424)	$ 2,343,393
Liabilities and Net Assets									
Liabilities									
Accounts payable and accrued expenses	$ 89,906	$ 1,440	$ 1,689	$ 3,128	$ 7,793	$ -	$ 68	$ -	$ 104,024
Resident monthly fees paid in advance	-	-	-	-	4,600	-	-	-	4,600
Short-term indebtedness	67,993	-	-	-	-	-	-	-	67,993
Nonrecourse indebtedness	17,912	-	-	-	-	-	-	-	17,912
Long-term indebtedness	740,274	22,142	22,316	49,066	118,963	-	-	-	952,761
Charitable gift annuity obligations	-	49			39	2,573	-	-	2,661
Entrance fee deposits	17,334	304	281	148	264	-	-	-	18,331
Refundable portion of entrance fees	5,268	1,765	3,471	4,756	84,516	-	-	-	99,776
Deferred revenue from entrance fees	750,469	29,720	16,678	25,817	51,600	-	-	-	874,284
Accumulated loss on investment contracts	8,049	-	-		-	-	-	-	8,049
Due to affiliated organizations	-	436	4,802	415	12,194	13,274	191	(31,312)	-
Total liabilities	1,697,205	55,856	49,237	83,330	279,969	15,847	259	(31,312)	2,150,391
Net Assets (Deficit)									
Without donor restrictions	125,955	13,806	(2,522)	13,686	(1,405)	(391)	46	-	149,175
With donor restrictions	25,109	1,186	218	3,338	13,976	25,112	-	(25,112)	43,827
Total net assets (deficit)	151,064	14,992	(2,304)	17,024	12,571	24,721	46	(25,112)	193,002
Total liabilities and net assets (deficit)	$ 1,848,269	$ 70,848	$ 46,933	$ 100,354	$ 292,540	$ 40,568	$ 305	$ (56,424)	$ 2,343,393

ACTS Retirement Services, Inc. and Subsidiaries

Consolidating Statement of Operations and Changes in Net Assets (Deficit) Schedule
Year Ended December 31, 2021
(In Thousands)

	ACTS Obligated Group	Heron Point of Chestertown, Inc.	Presbyterian Retirement Corporation, Inc.	The Evergreens	Integrace Companies	ACTS Legacy Foundation, Inc.	ACTS Acquisition and Development Company, LLC	Eliminations	Consolidated
Operating Revenue									
Resident services revenue, net of amortization of entrance fees	$ 318,599	$ 12,142	$ 10,871	$ 13,446	$ 40,582	$ -	$ -	$ (5)	$ 395,635
Patient revenue from third-party payors	34,271	862	1,514	1,488	10,512	-	-	(882)	47,765
Investment income	12,889	283	-	1,702	664	-	-	-	15,538
Net assets released from restrictions to provide resident services	1,870	77	12	271	496	-	-	-	2,726
Other revenue	15,528	711	94	196	503	280	465	(9,002)	8,775
Total operating revenue before amortization of entrance fees	383,157	14,075	12,491	17,103	52,757	280	465	(9,889)	470,439
Amortization of entrance fees	101,964	4,118	2,674	4,137	9,307	-	-	-	122,200
Total operating revenue	485,121	18,193	15,165	21,240	62,064	280	465	(9,889)	592,639
Operating Expenses									
Salaries, wages and benefits	254,974	7,202	8,487	8,194	32,265	-	402	-	311,524
Contracted services	24,895	2,646	2,254	2,820	8,046	280	-	(9,889)	31,052
Utilities	22,554	933	839	925	3,130	-	-	-	28,381
Food	22,706	734	665	705	2,860	-	-	-	27,670
Supplies	19,862	522	600	572	2,542	-	1	-	24,099
Real estate taxes	11,335	433	-	814	842	-	-	-	13,424
Insurance	6,598	163	190	293	733	-	-	-	7,977
Other	16,289	376	739	834	1,855	-	16	-	20,109
Total operating expenses before depreciation, amortization and interest	379,213	13,009	13,774	15,157	52,273	280	419	(9,889)	464,236
Depreciation and amortization	79,632	2,409	1,826	2,739	4,647	-	-	-	91,253
Interest, net	24,795	872	952	1,555	2,732	-	-	-	30,906
Total operating expenses	483,640	16,290	16,552	19,451	59,652	280	419	(9,889)	586,395
Operating income (loss)	1,481	1,903	(1,387)	1,789	2,412	-	46	-	6,244

ACTS Retirement Services, Inc. and Subsidiaries

Consolidating Statement of Operations and Changes in Net Assets (Deficit) Schedule (continued)
Year Ended December 31, 2021
(In Thousands)

	ACTS Obligated Group	Heron Point of Chestertown, Inc.	Presbyterian Retirement Corporation, Inc.	The Evergreens	Integrace Companies	ACTS Legacy Foundation, Inc.	ACTS Acquisition and Development Company, LLC	Eliminations	Consolidated
Changes in Net Assets (Deficit) Without Donor Restrictions									
Operating income (loss)	$ 1,481	$ 1,903	$ (1,387)	$ 1,789	$ 2,412	$ -	$ 46	$ -	$ 6,244
Net unrealized (loss) gain on investments and investment contracts	(4,649)	12	-	(243)	786	-	-	-	(4,094)
Other valuation adjustments	-	-	-	(351)	(1,834)	-	-	-	(2,185)
Net loss on nonoperating events	(184)	-	-	-	-	-	-	-	(184)
Net operating (loss) income	(3,352)	1,915	(1,387)	1,195	1,364	-	46	-	(219)
Net assets released from restrictions to acquire property and equipment	1,473	22	-	43	99	-	-	-	1,637
Reclassification of prior years investment return	10,344	602	3	398	914	-	-	-	12,261
Change in net assets (deficit) without donor restrictions	8,465	2,539	(1,384)	1,636	2,377	-	46	-	13,679
Changes in Net Assets With Donor Restrictions									
Contributions	-	157	-	281	288	4,526	-	-	5,252
Investment income	-	66	-	6	125	316	-	-	513
Net unrealized gain (loss) on investments	-	-	-	139	(62)	-	-	-	77
Change in split interest agreements	-	(8)	-	1	5	112	-	-	110
Net assets released from restrictions to:									
Provide resident services	-	(77)	-	(271)	(496)	(1,882)	-	-	(2,726)
Acquire property and equipment	-	(22)	-	(43)	(99)	(1,473)	-	-	(1,637)
Change in beneficial interest in the investments of Community Foundation of South Alabama (CFSA)	-	-	19	-	-	-	-	-	19
Change in beneficial interest in the investments of ACTS Legacy Foundation, Inc. (ALF)	1,597	-	2	-	-	-	-	(1,599)	-
Reclassification of prior years investment return	(10,344)	(602)	(3)	(398)	(914)	(10,347)	-	10,347	(12,261)
Change in net assets with donor restrictions	(8,747)	(486)	18	(285)	(1,153)	(8,748)	-	8,748	(10,653)
Change in net assets (deficit)	(282)	2,053	(1,366)	1,351	1,224	(8,748)	46	8,748	3,026
Net Assets (Deficit), Beginning	151,346	12,939	(938)	15,673	11,347	33,469	-	(33,860)	189,976
Net Assets (Deficit), Ending	$ 151,064	$ 14,992	$ (2,304)	$ 17,024	$ 12,571	$ 24,721	$ 46	$ (25,112)	$ 193,002

ACTS Retirement Services, Inc. and Subsidiaries

Consolidating Statement of Cash Flows Schedule
Year Ended December 31, 2021
(In Thousands)

	ACTS Obligated Group	Heron Point of Chestertown, Inc.	Presbyterian Retirement Corporation, Inc.	The Evergreens	Integrace Companies	ACTS Legacy Foundation, Inc.	ACTS Acquisition and Development Company, LLC	Eliminations	Consolidated
Cash Flows From Operating Activities									
Change in net assets (deficit)	$ (282)	$ 2,053	$ (1,366)	$ 1,351	$ 1,224	$ (8,748)	$ 46	$ 8,748	$ 3,026
Adjustments to reconcile change in net assets to net cash provided by operating activities:									
Depreciation and amortization	79,632	2,409	1,826	2,739	4,647	-	-	-	91,253
Amortization of entrance fees	(101,964)	(4,118)	(2,674)	(4,137)	(9,307)	-	-	-	(122,200)
Other valuation adjustments	-	-	-	351	1,834	-	-	-	2,185
Amortization of bond discount and premium, net	(3,245)	-	-	(84)	(779)	-	-	-	(4,108)
Amortization of deferred financing costs	605	25	11	28	35	-	-	-	704
Entrance fees and deposits from non-refundable resale contracts	149,430	6,917	6,172	6,795	18,081	-	-	-	187,395
Refunds of nonrefundable entrance fees and deposits from resale contracts	(10,665)	(132)	(858)	(980)	(2,630)	-	-	-	(15,265)
Administrative fee included in gross entrance fees	(7,441)	(377)	(294)	(297)	(1,022)	-	-	-	(9,431)
Net realized and unrealized loss (gain) on investments	5,353	(111)	-	(860)	(864)	-	-	-	3,518
Change in fair value of investment contracts	(2,996)	-	-	-	-	-	-	-	(2,996)
Change in beneficial interest in the investments of ALF	8,747	-	1	-	-	-	-	(8,748)	-
Increase in deferred costs	(2,663)	(79)	(312)	(172)	(256)	-	-	-	(3,482)
Change in beneficial interest in the investments of CFSA	-	-	(19)	-	-	-	-	-	(19)
Net change in due from/to affiliated organizations	(8,967)	(1,199)	1,809	226	(4,889)	12,829	191	-	-
Changes in assets and liabilities:									
Decrease (increase) in accounts receivable and other receivables	4,836	54	(501)	(44)	3,581	-	(250)	-	7,676
(Increase) decrease in prepaid expenses, inventory and deposits	(1,990)	(167)	184	(144)	247	-	-	-	(1,870)
(Decrease) increase in accounts payable and accrued expenses and resident monthly fees paid in advance	(10,645)	(297)	(279)	(440)	(702)	-	68	-	(12,295)
Net cash provided by operating activities	97,745	4,978	3,700	4,332	9,200	4,081	55	-	124,091
Cash Flows From Investing Activities									
Increase in intangible asset	(4,450)	-	-	-	-	-	-	-	(4,450)
Purchase of property and equipment	(109,314)	(2,721)	(3,991)	(3,700)	(9,084)	-	-	-	(128,810)
(Increase) decrease in investments	(12,424)	(287)	21	(492)	9,181	(4,282)	-	-	(8,283)
Net cash (used in) provided by investing activities	(126,188)	(3,008)	(3,970)	(4,192)	97	(4,282)	-	-	(141,543)
Cash Flows From Financing Activities									
Entrance fee deposits from initial sale contracts	16,863	-	-	-	-	-	-	-	16,863
Refunds of entrance fees and deposits from initial sale contracts	(1,643)	-	-	-	-	-	-	-	(1,643)
Entrance fees from refundable contracts	202	-	-	-	-	-	-	-	202
Refunds of refundable entrance fees	(955)	-	(602)	(1,573)	(6,017)	-	-	-	(9,147)
Payment of accounts payable, construction	(14,057)	(380)	(535)	(737)	(1,230)	-	-	-	(16,939)
Proceeds from short-term indebtedness	61,416	-	-	-	-	-	-	-	61,416
Proceeds from nonrecourse indebtedness	6,463	-	-	-	-	-	-	-	6,463
Increase in charitable gift annuity obligations	-	10	-	-	(2)	866	-	-	874
Payments on charitable gift annuity obligations	-	(13)	-	-	(4)	(689)	-	-	(706)
Payments on short-term indebtedness	(40,303)	-	-	-	-	-	-	-	(40,303)
Payments on nonrecourse debt	(291)	-	-	-	-	-	-	-	(291)
Payments on long-term indebtedness	(19,102)	(1,000)	(523)	(310)	-	-	-	-	(20,935)
Net cash provided by (used in) financing activities	8,593	(1,383)	(1,660)	(2,620)	(7,253)	177	-	-	(4,146)
Net (decrease) increase in cash, cash equivalents and restricted cash and cash equivalents	(19,850)	587	(1,930)	(2,480)	2,044	(24)	55	-	(21,598)
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Beginning	126,453	1,472	2,554	12,351	32,517	54	-	-	175,401
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Ending	$ 106,603	$ 2,059	$ 624	$ 9,871	$ 34,561	$ 30	$ 55	$ -	$ 153,803
Supplementary Disclosure of Cash Flow Information									
Interest paid, net of amounts capitalized	$ 27,620	$ 847	$ 943	$ 1,612	$ 3,599	$ -	$ -	$ -	$ 34,621
Supplemental Disclosure of Noncash Investing and Financing Activities									
Obligations incurred for the acquisition of property and equipment	$ 26,041	$ 265	$ 258	$ 1,395	$ 1,322	$ -	$ -	$ -	$ 29,281
Proceeds from nonrecourse indebtedness to repay other nonrecourse indebtedness	$ 11,740	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,740