

QUINCY VILLAGE

Statements of Financial Position

December 31, 2016 and 2015

Assets	2016	2015
Cash and cash equivalents	\$ 42,094	32,020
Investments	4,342,239	4,008,399
Statutory liquid reserves	895,543	830,543
Accounts receivable, net	2,337,461	2,333,178
Prepaid and other current expenses	458,511	446,283
Assets whose use is limited	258,303	249,672
Assets whose use is limited, capital assets held by trustee	2,925,784	—
Pledges receivable	18,000	5,000
Property and equipment (net of accumulated depreciation of \$33,967,840 and \$32,917,991, respectively)	22,458,118	13,227,684
Assets under capital leases (net of accumulated depreciation of \$138,485 and \$108,803, respectively)	38,635	34,203
Due from affiliates	5,397,046	4,360,882
Funds held in trust by others	<u>5,595,370</u>	<u>5,551,807</u>
Total assets	<u>\$ 44,767,104</u>	<u>31,079,671</u>

QUINCY VILLAGE

Statements of Financial Position

December 31, 2016 and 2015

Liabilities and Net Assets	2016	2015
Accounts payable	\$ 2,500,020	852,866
Accrued expenses	1,437,578	929,710
Resident deposits	66,863	126,623
Entrance fee payable	971,360	1,056,815
Deferred revenue – entrance fees	10,012,155	9,369,792
Annuities payable	33,363	35,256
Obligations under capital leases	39,945	36,454
Long-term debt	15,589,669	5,872,201
Total liabilities	<u>30,650,953</u>	<u>18,279,717</u>
Net assets:		
Unrestricted	8,117,876	6,952,253
Temporarily restricted	144,601	46,222
Permanently restricted	5,853,674	5,801,479
Total net assets	<u>14,116,151</u>	<u>12,799,954</u>
Total liabilities and net assets	<u>\$ 44,767,104</u>	<u>31,079,671</u>

QUINCY VILLAGE

Statements of Operations and Changes in Net Assets

Years ended December 31, 2016 and 2015

	2016	2015
Operating revenues, gains, and other support:		
Resident services, including amortization of entrance fees of \$1,176,324 and \$1,177,783	\$ 19,420,004	19,882,058
Interest and dividend income	395,612	396,275
Realized gain (loss) on investments	38,034	(94,363)
Contributions, gifts and bequests	115,338	183,039
Net assets released from restrictions	53,541	104,112
Total operating revenues, gains, and other support	20,022,528	20,471,121
Expenses:		
Nursing services	5,887,819	5,791,798
Rehabilitation	1,331,474	1,538,103
Recreation and special services	636,293	600,121
Pharmacy	513,907	415,887
Social services	74,940	82,176
Physician services	42,058	47,416
Food services	1,664,447	1,677,042
Building operations and maintenance	2,089,262	2,150,392
Housekeeping	319,912	277,491
Laundry and linen	185,413	182,981
General and administrative	3,056,299	2,904,403
Employee benefits	1,493,787	1,430,679
Interest	237,583	252,650
Depreciation	1,347,687	1,354,904
Amortization	2,505	2,714
Fundraising and investment fee	77,098	72,008
Total expenses	18,960,484	18,780,765
Operating income	1,062,044	1,690,356
Other changes:		
Unrealized gain (loss) on investments	103,580	(250,016)
Total other changes	103,580	(250,016)
Increase in unrestricted net assets	1,165,624	1,440,340

QUINCY VILLAGE

Statements of Operations and Changes in Net Assets

Years ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Temporarily restricted net assets:		
Contributions, gifts and bequests	150,170	72,615
Interest and dividend income	1,040	-
Unrealized gain on investments	710	-
Net assets released from restrictions	<u>(53,541)</u>	<u>(104,112)</u>
Change in temporarily restricted net assets	98,379	(31,497)
Permanently restricted net assets:		
Contributions, gifts and bequests	8,632	-
Change in fair value of assets held in trust by others	<u>43,563</u>	<u>(312,971)</u>
Change in permanently restricted net assets	52,195	(312,971)
Change in net assets	1,316,198	1,095,872
Net assets, beginning of year	<u>12,799,954</u>	<u>11,704,082</u>
Net assets, end of year	<u>\$ 14,116,152</u>	<u>12,799,954</u>

QUINCY VILLAGE

Statements of Cash Flows

Years ended December 31, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ 1,316,198	1,095,872
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,347,687	1,354,904
Provision for bad debts	174,307	171,641
Proceeds from entrance fees and deposits	2,176,275	2,485,753
Amortization of entrance fees	(1,176,324)	(1,177,783)
Unrealized (gain) loss on investments	(147,853)	562,987
Realized (gain) loss on investments	(38,034)	94,363
Contributions restricted for long-term purposes	(8,632)	—
Amortization of deferred costs	2,505	2,714
Change in assets and liabilities:		
Accounts receivable	(279,320)	116,526
Entrance fee receivable	100,730	345,937
Pledges receivable	(13,000)	(5,000)
Other assets	(12,228)	114,196
Accounts payable	1,647,154	133,084
Accrued expenses and deferred revenue other	507,867	37,019
Net cash provided by operating activities	5,597,332	5,332,213
Cash flows used in investing activities:		
Acquisition of property and equipment	(10,582,553)	(1,214,955)
Net proceeds from sale of investments of investments	(3,190,931)	(462,381)
Net cash used in investing activities	(13,773,484)	(1,677,336)
Cash flows from financing activities:		
Refunds of entrance fees and deposits	(417,348)	(171,873)
Change in entrance fee payable	(85,455)	(109,430)
Principal payments on long-term debt	(266,287)	(257,916)
Proceeds on the issuance of bonds	10,000,000	—
Financing costs incurred	(18,750)	—
Repayments on capital lease obligations	3,491	(34,971)
Contributions restricted for long-term purposes	8,632	—
Change in annuities payable	(1,893)	(5,358)
Net change in due to/from affiliate	(1,036,164)	(3,076,922)
Net cash provided by (used in) financing activities	8,186,226	(3,656,470)
Net increase (decrease) in cash and cash equivalents	10,075	(1,593)
Cash and cash equivalents, beginning of year	32,020	33,613
Cash and cash equivalents, end of year	\$ 42,095	32,020