



INDEPENDENT AUDITORS' REPORT

Board of Directors
Tarrant County Senior Living Center, Inc.
Des Moines, Iowa

We have audited, in accordance with auditing standards generally accepted in the United States of America, the balance sheets of Tarrant County Senior Living Center, Inc. (dba The Stayton at Museum Way) (the Organization) as of December 31, 2022, and the related statements of operations and changes in net assets without donor restrictions, and cash flows for the year ended December 31, 2022 and have issued our report thereon dated April 26, 2023.

In connection with our audit, it was noted that the Organization failed to comply with the provisions of the Amended and Restated Master Trust Indenture dated January 1, 2020 between BOKF, N.A. (the Master Trustee), and Tarrant County Senior Living Center, Inc. relating to the \$112,261,464 Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds, Series 2020 (The Stayton at Museum Way Project) relating to the requirements to maintain a historical debt service coverage ratio of greater than 1.20 to 1.00 and the requirement to maintain days cash on hand in excess of 120 days. Our audit was not directed primarily toward obtaining knowledge of such noncompliance, insofar as they relate to accounting or auditing matters.

Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The calculation of historical debt service coverage and days cash on hand is presented for the purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of the board of directors and management of the Organization and BOKF, N.A. and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
April 26, 2023

TARRANT COUNTY SENIOR LIVING CENTER, INC.
CALCULATION OF THE HISTORICAL DEBT SERVICE COVERAGE RATIO
CONTAINED IN THE MASTER TRUST INDENTURE
Year Ended December 31, 2022
(In Thousands)

Deficit of revenues over expenses	\$	(46,440)
Less:		
Entrance fees earned		(1,436)
Add:		
Depreciation		3,766
Amortization		10,229
Interest expense		6,455
Unrealized loss on securities		473
Gain on disposal of assets		(42)
Impairment loss		31,543
Change in future service obligation		(3,234)
Entrance fee proceeds (less refunds)		(2,344)
Income available for debt service	<u>\$</u>	<u>(1,030)</u>
Annual debt service requirement	\$	6,455
Debt service coverage ratio		(0.16)
Requirement		1.20

TARRANT COUNTY SENIOR LIVING CENTER, INC.
CALCULATION OF DAYS CASH ON HAND
CONTAINED IN THE MASTER TRUST INDENTURE
Year Ended December 31, 2022
(In Thousands)

Unrestricted cash and investments	\$ 489
Liquidity Support Agreement	5,400
	<u>\$ 5,889</u>
Total expenses	\$ 69,897
Less:	
Depreciation	(3,766)
Amortization	(10,229)
Gain on Disposal Of Assets	42
Impairment loss	(31,543)
Change in Future Service Obligation	3,234
	<u>\$ 27,635</u>
Daily Expense	76
Days Cash on Hand	78
Requirement	120