

		FOR BHF USE			

LL2

Supportive Living Facility

2010

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2010)

IMPORTANT NOTICE

THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN SECTION 146.265 OF THE 89 IL ADMIN CODE. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS.

I. Facility ID Number: 1000101

Facility Name: Heritage Woods of McHenry

Address: 4609 West Crystal Lake Road McHenry 60050

Number City Zip Code

County: McHenry

Telephone Number: 815-344-2690 Fax # 815-344-2691

Federal Employer ID Number:

Date Current Owners were Certified: 07-23-08

Type of Ownership:

☐	VOLUNTARY, NON-PROFIT	☐	PROPRIETARY	☐	GOVERNMENTAL
☐	Charitable Corp.	☐	Individual	☐	State
☐	Trust	☒	Partnership	☐	County
IRS Exemption Code		☐	Corporation	☐	Other
		☐	"Sub-S" Corp.		
		☐	Limited Liability Co.		
		☐	Trust		
		☐	Other		

In the event there are further questions about this report, please contact:

Name: Selena Edgington Telephone Number: 815-935-1992

Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/2010 to 12/31/2010 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider	(Signed)		(Date)
	(Type or Print Name)	David J. Mitchell	
	(Title)	CFO, BMA Management, LTD.	
Paid Preparer	(Signed)		(Date)
	(Print Name and Title)		
	(Firm Name & Address)		
	(Telephone)	()	Fax # ()
	MAIL TO: BUREAU OF HEALTH FINANCE IL DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630		

Facility Name	Heritage Woods of McHenry
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Report Period Beginning: 01/01/2010 Ending: 12/31/2010

III. STATISTICAL DATA

A. Certified units; enter number of units and unit days

Date of change in certified units 09/01/2009

	1	2	3	4	
	Units at Beginning of Report Period	Type of Apartment	Units at End of Report Period	Unit Days During Report Period	
1	100	Single Unit Apartment	100	36,500	1
2		Double Unit Apartment			2
3		Other			3
4	100	TOTALS	100	36,500	4

B. Census-For the entire report period.

	1 Type of Unit	2 3 4 5 Resident Days by Unit and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
5	Single Unit	29,694	6,082		35,776	5
6	Double Unit					6
7	Other					7
8	TOTALS	29,694	6,082		35,776	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 98.02%

D. Indicate the number of paid bed-hold days the SLF had during this year
681 Also, indicate the number of unpaid bed-hold days the SLF
 had during this year. zero **(Do not include bed-hold days in Section B.)**

E. Does page 3 include expenses for services or investments not directly related to SLF services?

YES ☐ NO ☒

F. Does the BALANCE SHEET reflect any non-SLF assets?

YES ☐ NO ☒

G. List all services provided by your facility for non-residents.

(E.g., day care, "meals on wheels", outpatient therapy)

NONE

H. ACCOUNTING BASIS

ACCUAL		MODIFIED	
		CASH*	CASH*
	X		

I. Is your fiscal year identical to your tax year? ☒ YES ☐ NO

Tax Year: 12/31/2010 **Fiscal Year:** 12/31/2010

*** All facilities other than governmental must report on the accrual basis.**

J. Does the facility have any Illinois Housing Development Authority Loans outstanding? NO If yes, did the facility make all of the

required payments of interest and principle?

If no, explain.

K. Does the facility have any loans from the Federal Home Loan Bank outstanding? NO If yes, did the facility make all of the

required payments of interest and principle?

If no, explain.

L. Does the facility have any loans from the IL Dept of Commerce and Economic Opportunity outstanding? NO If yes, did

make all of the required payments of interest and principle?

If no, explain. _____

Facility Name: Heritage Woods of McHenry

Report Period Beginning:

01/01/2010

Ending:

12/31/2010

IV. COST CENTER EXPENSES (please round to the nearest dollar)

Operating Expenses		Costs Per General Ledger				Reclassifications and Adjustments	Adjusted Total	
		Salary/Wage	Supplies	Other	Total			
	A. General Services	1	2	3	4	5	6	
1	Dietary and Food Purchase	247,385	167,437	1,658	416,480		416,480	1
2	Housekeeping, Laundry and Maintenance	97,154	18,504	47,705	163,363		163,363	2
3	Heat and Other Utilities			130,620	130,620	(30,819)	99,801	3
4	Other (specify):			14,238	14,238		14,238	4
5	TOTAL General Services	344,539	185,941	194,221	724,701	(30,819)	693,882	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	438,125	1,955		440,080		440,080	6
7	Activities and Social Services	29,274	5,421		34,695		34,695	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	467,399	7,376		474,775		474,775	9
	C. General Administration							
10	Administrative and Clerical	155,229	14,222	262,582	432,033	(19,734)	412,299	10
11	Marketing Materials, Promotions and Advertising	61,073	3,384	31,608	96,065		96,065	11
12	Employee Benefits and Payroll Taxes			231,116	231,116		231,116	12
13	Insurance-Property, Liability and Malpractice			39,349	39,349		39,349	13
14	Other (specify):			38,282	38,282		38,282	14
15	TOTAL General Administration	216,302	17,606	602,937	836,845	(19,734)	817,111	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,028,240	210,923	797,158	2,036,321	(50,553)	1,985,768	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			635,239	635,239		635,239	17
18	Interest			759,450	759,450		759,450	18
19	Real Estate Taxes			80,476	80,476		80,476	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify):			602,850	602,850		602,850	22
23	TOTAL Ownership			2,078,015	2,078,015		2,078,015	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,028,240	210,923	2,875,173	4,114,336	(50,553)	4,063,783	24

Facility Name: Heritage Woods of McHenry

Report Period Beginning: 01/01/2010 Ending: 12/31/2010

V. STAFFING AND SALARY COSTS (Please report each line separately.)

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1	\$ 31.39	1
2	Licensed Practical Nurses	1	22.99	2
3	Certified Nurse Assistants			3
4	Activity Director & Assistants	1	15.28	4
5	Social Service Workers			5
6	Head Cook	1	22.48	6
7	Cook Helpers/Assistants			7
8	Dishwashers			8
9	Maintenance Workers	1	20.42	9
10	Housekeepers	3	9.05	10
11	Laundry			11
12	Managers	1	36.02	12
13	Other Administrative			13
14	Clerical			14
15	Marketing	1	26.33	15
16	Other			16
17	Total (lines 1 thru 16)	10	\$	17

VII. RELATED ORGANIZATIONS

A. Enter below the names of all related organizations. Attach an additional schedule if necessary.

RELATED SLF's & HEALTH CARE BUSINESSES

Name	1	City	2

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5

B. Does your facility receive services from a parent organization or home office; the costs for which were not included on page 3? YES ☐ NO ☒
Name of related entity: _____ If yes, what is the value of those services? \$ _____
(Please attach a separate schedule itemizing those services.)

C. Does page 3 include any costs derived from transactions (including rent) with related parties? YES ☐ NO ☒
If so, please attach a separate schedule detailing the nature of those services, their costs as they appear on your books and the underlying cost to the related party (i.e., not including markup).

VI. (A) STATEMENT OF COMPENSATION AND OTHER PAYMENTS TO OWNERS, RELATIVES AND MEMBERS OF THE BOARD OF DIRECTORS.

	NAME and FUNCTION	Ownership Interest	Average Hours Per Work Week Devoted to this Business	Amount of Compensation for this Reporting Period	
1				\$	1
2					2
3					3
4					4
5					5
Total				\$	6

VI. (B) Management fees paid to unrelated parties

Amount of Fee

1	BMA MANAGEMENT, LTD.	\$ 155,096	1
2			2
Total		\$ 155,096	3

Facility Name: Heritage Woods of McHenry Report Period Beginning: 01/01/2010 Ending: 12/31/2010

VIII. OWNERSHIP COSTS

A. Purchase price of land 1,030,680 Year land was acquired 2008

B. Building Depreciation -- Including Fixed Equipment. Round all numbers to the nearest dollar. *Total units on this schedule must agree with page 2.

	1 Units*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	100			2008	\$ 11,273,977	\$ 409,963	28	\$ 409,963	\$ (0)	\$ 1,041,982	1
2											2
3											3
4											4
5											5
6	Improvement Type										
6	LAND IMPROVEMENTS				1,504,099	100,273	15	100,273	0	318,367	6
7											7
8											8
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17	TOTAL (lines 1 thru 16)				\$ 12,778,076	\$ 510,236		\$ 510,236	\$ 0	\$ 1,360,349	17

C. Equipment Depreciation -- Including Transportation.

	Type	1 Cost	2 Current Book Depreciation	3 Straight Line Depreciation	4 Adjustments	5 Life in Years	6 Accumulated Depreciation	
18	Movable Equipment	\$ 651,059	\$ 125,000	\$ 130,212	5,212	5	\$ 463,554	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 651,059	\$ 125,000	\$ 130,212	5,212		\$ 463,554	20

D. Depreciable Non-Care Assets Included in General Ledger.

	1 Description and Year Acquired	2 Cost	3 Current Book Depreciation	4 Accumulated Depreciation	
21		\$	\$	\$	21
22					22
23					23
24	TOTALS (lines 21, 22 and 23)	\$	\$	\$	24

Facility Name: Heritage Woods of McHenry

Report Period Beginning: 01/01/2010 Ending: 2/31/2010

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? ☐ YES ☐ NO

		1	2	3	4	5	6		
		Year Constructed	Number of Units	Date of Lease	Rental Amount	Total Yrs. of Lease	Total Years Renewal Option*		8. Is movable equipment rental included in building rental?
									☐ YES ☐ NO
3	Original Building			/ /	\$			3	9. Rental amount for movable equipment \$ _____
4	Additions			/ /				4	
5				/ /				5	
6				/ /				6	
7	TOTAL				\$			7	10. If the facility rents any vehicles which are used for care-related purposes, please attach a schedule detailing the model year and make, the rental expense for this period and the use of the vehicle.

X. INTEREST EXPENSE

1		2		3	4	6		7	8	9	
	Name of Lender	Related**		Purpose of Loan	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Int. Expense	
		YES	NO			Original	Balance				
	A. Directly Facility Related										
	Long-Term										
1	AMALGAMTED BANK		X	FIRST MORTGAGE/BOND	7/1/07	\$ 12,450,000	\$ 12,315,000	12/1/41	0.0610	\$ 759,450	1
2					/ /			/ /			2
3					/ /			/ /			3
	Working Capital										
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 12,450,000	\$ 12,315,000			\$ 759,450	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 12,450,000	\$ 12,315,000			\$ 759,450	10

* If there is an option to buy the building, please provide complete details on an attached schedule.
** If there is any overlap in ownership between the facility and the lender, this must be indicated in column 2.

Facility Name: **Heritage Woods of McHenry**Report Period Beginning: **01/01/2010**Ending: **12/31/2010****XI. BALANCE SHEET - Unrestricted Operating Fund.**As of **12/31/2010**

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 198,477	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	223,197		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	31,634		6
7	Other Prepaid Expenses	3,997		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Utility Security Deposit	12,820		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 470,125	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	2,534,779		13
14	Buildings, at Historical Cost	11,273,977		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	651,059		16
17	Accumulated Depreciation (book methods)	(1,823,903)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	522,927		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(42,823)		20
21	Restricted Funds	2,297,677		21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 15,413,693	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 15,883,818	\$	25

*(See instructions.)

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 44,589	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	49,949		30
31	Accrued Taxes Payable	77,585		31
32	Accrued Interest Payable	63,287		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	See Page 7 Attachment	597,936		35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 833,346	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable			39
40	Bonds Payable	12,315,000		40
41	Deferred Compensation			41
	Other Long-Term Liabilities(specify):			
42				42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 12,315,000	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 13,148,346	\$	45
46	TOTAL EQUITY	\$ 2,735,472	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 15,883,818	\$	47

Facility Name: Heritage Woods of McHenry

Report Period Beginning: 01/01/2010

Ending:

12/31/2010

XII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this Schedule to Schedule IV.)

		1	
	Revenue	Amount	
	A. SLF Resident Care		
1	Gross SLF Resident Revenue	\$ 3,690,328	1
2	Discounts and Allowances	(12,765)	2
	SUBTOTAL Resident Care		
3	(line 1 minus line 2)	\$ 3,677,563	3
	B. Other Operating Revenue		
4	Special Services	156,681	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	13,556	8
9	Non-Resident Meals	8,306	9
10	Laundry		10
	SUBTOTAL OTHER OPERATING REVENUE		
11	(sum of lines 4 thru 10)	\$ 178,543	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	265	13
	SUBTOTAL Non-Operating Revenue		
14	(sum of lines 12 and 13)	\$ 265	14
	D. Other Revenue (specify):		
15			15
16			16
	SUBTOTAL Other Revenue		
17	(sum of lines 15 and 16)	\$	17
	TOTAL REVENUE		
18	(sum of lines 3, 11, 14 and 17)	\$ 3,856,371	18

		2	
	Expenses	Amount	
	A. Operating Expenses		
19	General Services	724,701	19
20	Health Care/ Personal Care	474,775	20
21	General Administration	836,845	21
	B. Capital Expense		
22	Ownership	2,078,015	22
	C. Other Expenses		
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
	TOTAL EXPENSES		
28	(sum of lines 19 thru 27)	\$ 4,114,336	28
	Income Before Income Taxes		
29	(line 18 minus line 28)	\$ (257,965)	29
	Income Taxes		
30		\$	30
	NET INCOME OR LOSS FOR THE YEAR		
31	(line 29 minus line 30)	\$ (257,965)	31

COST CENTER EXPENSES

A. General Services - Other

Exterminating	1,890
Rubbish Removal	3,884
Vehicle Expense	1,852
Transportation Service	-
Water Softener	6,612
Total	14,238

C. General Administration - Other

Consulting	21,000
Legal	2,147
Accounting	-
Audit	10,340
Contract labor	1,000
Bad Debt	3,795
Total	38,282

D. Ownership

Assessment Income	-
Bond and Draw Fee	3,200
Mortgage Insurance Premium	-
Partnership Management Fee	50,000
Asset Management Fee	5,004
Incentive Manangement Fee	525,542
Tax Credit Fee & Incentive Fee	1,975
Amortization Expense	17,129
Business Interruption	-
Property Damage Loss	-
Total	602,850

Reclassifications and Adjustments

Heat & Other Utilities (30,819) Cable

Administrative and Clerical (19,734) Telephone Revenue

BALANCE SHEET

C. Current Liabilities

Accrued Liabilities	13,483
Accrued Asset Mgmt Fee	
Accrued Partnership Fee	45,496
Accrued Incentive Mgmt Fee	525,542
Accrued Developer Fee	
Unearned Revenue	12,515
Accrued MIP	
Reservation Deposit	900
Total Other Current Liabilities	597,936