

		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: 1000109		II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER	
Facility Name: Morris Senior Living		I have examined the contents of the accompanying report to the State of Illinois, for the period from 1/1/2010 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.	
Address: 1221 South Edgewater Drive Morris 60450			
County: Grundy			
Telephone Number: (815-416-6200 Fax # 815-416-6201			
Federal Employer ID Number:			
Date Current Owners were Certified: 1/23/2009		Officer or Administrator of Provider	
Type of Ownership:			
☐ VOLUNTARY, NON-PROFIT		Paid Preparer	
☒ PROPRIETARY			
☐ GOVERNMENTAL		(Signed) _____ (Date) _____ (Type or Print Name) _____ (Title) _____ (Signed) _____ (Date) _____ (Print Name and Title) Steven N. Lavenda, C.P.A. (Firm Name & Address) Frost, Ruttenberg & Rothblatt, P.C. 111 Pfingsten Road, Suite 300 Deerfield, IL 60015 (Telephone) (847) 236-1111 Fax (847) 236-1155	
☐ Charitable Corp.			
☐ Trust			
IRS Exemption Code _____			
☒ Individual			
☐ Partnership			
☐ Corporation			
☐ "Sub-S" Corp.			
☒ Limited Liability Co.			
☐ Trust			
☐ Other _____			
In the event there are further questions about this report, please contact:		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	
Name: Steve Lavenda Telephone Number: (847) 236 - 1111			
Email Address: slavenda@frronline.com			

III. STATISTICAL DATA

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

Date of change in certified units N/A

	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	58	Single Unit Apartment	58	21,170	1
2		Double Unit Apartment			2
3		Other			3
4	58	TOTALS	58	21,170	4

B. Census-For the entire report period.

	1	2	3	4	5	
	Type of Unit	Resident Days by Unit and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
5	Single Unit	7,140	10,730		17,870	5
6	Double Unit	1,068	899		1,967	6
7	Other					7
8	TOTALS	8,208	11,629		19,837	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 93.70%

D. Indicate the number of paid bed-hold days the SLF had during this year

 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 0 (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

ACCRUAL ☒ MODIFIED CASH* ☐ CASH* ☐

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

Tax Year: 12/31/10 Fiscal Year: 12/31/10

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

J. Does the facility have any Illinois Housing Development Authority Loans outstanding?

N/A If yes, did the facility make all of the required payments of interest and principle? N/A
If no, explain. N/A

K. Does the facility have any loans from the Federal Home Loan Bank outstanding?

N/A If yes, did the facility make all of the required payments of interest and principle? N/A
If no, explain. N/A

L. Does the facility have any loans from the IL Dept of Commerce and Economic Opportunity outstanding?

N/A If yes, did the facility make all of the required payments of interest and principle? N/A
If no, explain. N/A

STATE OF ILLINOIS

Page 3

Facility Name: Morris Senior Living

Report Period Beginning:

1/1/2010

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 1	Supplies 2	Other 3	Total 4			
	A. General Services							
1	Dietary and Food Purchase	133,910	47,907	55,696	237,513	(2,865)	234,648	1
2	Housekeeping, Laundry and Maintenance	95,861	10,564	61,784	168,209	329	168,538	2
3	Heat and Other Utilities			67,202	67,202	(533)	66,669	3
4	Other (specify):							4
5	TOTAL General Services	229,771	58,471	184,682	472,924	(3,069)	469,855	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	143,400	3,209	103,056	249,665		249,665	6
7	Activities and Social Services	18,094	1,501		19,595		19,595	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	161,494	4,710	103,056	269,260		269,260	9
	C. General Administration							
10	Administrative and Clerical	125,917	1,001	418,410	545,328	(147,045)	398,283	10
11	Marketing Materials, Promotions and Advertising	18,119		68,949	87,068		87,068	11
12	Employee Benefits and Payroll Taxes			86,313	86,313		86,313	12
13	Insurance-Property, Liability and Malpractice			9,728	9,728		9,728	13
14	Other (specify):							14
15	TOTAL General Administration	144,036	1,001	583,400	728,437	(147,045)	581,392	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	535,301	64,182	871,138	1,470,621	(150,114)	1,320,507	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			288,145	288,145	(4,541)	283,604	17
18	Interest			109,264	109,264	(353)	108,911	18
19	Real Estate Taxes			72,000	72,000		72,000	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment			7,586	7,586		7,586	21
22	Other (specify):			30,644	30,644		30,644	22
23	TOTAL Ownership			507,639	507,639	(4,894)	502,745	23
24	GRAND TOTAL (Sum of lines 16 and 23)	535,301	64,182	1,378,777	1,978,260	(155,008)	1,823,252	24

Morris Senior Living

Report Period Beginning:	1/1/2010
Ending:	12/31/2010

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Non-Straight Line Depreciation	\$ (4,541)	17	1
2	Bank Service Charges	(9,480)	10	2
3	Donation	(10,000)	10	3
4	Financing Fees	(124,589)	10	4
5	Revenue - Cable	(533)	03	5
6	Revenue - Phone	(2,976)	10	6
7	Revenue - Meals	(2,865)	01	7
8	Additional R&M	329	02	8
9	Interest Income	(353)	18	9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
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95				95
96				96
97				97
98				98
99				99
100				100
101	Total	(155,008)		101

Facility Name: Morris Senior Living

Report Period Beginning 1/1/2010 Ending: 12/31/2010

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	0.36	\$ 23.60	1
2	Licensed Practical Nurses	0.21	14.06	2
3	Certified Nurse Assistants	6.07	9.50	3
4	Activity Director & Assistants	1.03	8.43	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	8.09	7.96	7
8	Dishwashers			8
9	Maintenance Workers	0.79	15.90	9
10	Housekeepers	4.49	7.46	10
11	Laundry			11
12	Managers			12
13	Other Administrative	0.87	27.29	13
14	Clerical	4.58	8.05	14
15	Marketing	0.73	12.00	15
16	Other			16
17	Total (lines 1 thru 16)	27.21	\$ 9.46	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
Morris Healthcare & Rehab Cntr	Morris, IL
Amboy Healthcare & Rehab Cntr	Amboy, IL
Dixon Healthcare & Rehab Cntr	Dixon, IL
Mattoon Healthcare & Rehab Cntr	Mattoon, IL

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	Lewis Borsellinoi	75%	2	\$ 14,953	1
2	Kimberly Westerkamp	20%	6	33,501	2
3	Rita Bonnici-Borsellino	5%	9	18,749	3
4					4
5					5
Total				\$ 67203	6

VI. (B) Management fees paid to unrelated parties

	Amount of Fee	
1	\$	1
2		2
Total		\$ 3

OTHER RELATED BUSINESS ENTITIES

Name 3	City 4	Type of Business 5
Prism Healthcare Mgmt	Wesmont, IL	Management Co.
	Wesmont, IL	

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: Prism Healthcare Service, Westmont IL If yes, what is the value of 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).

Facility Name: Morris Senior Living Report Period Beginning: 1/1/2010 Ending: 12/31/2010

VIII. OWNERSHIP COSTS

A. Purchase price of land 358,000 Year land was acquired 2009

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					\$ 8,044,034	\$ 288,145	39	\$ 206,257	\$ (81,888)	\$ 412,514	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Total From Supplemental Page 5's				893,299			44,665	44,665	89,060	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)				\$ 8,937,333	\$ 288,145		\$ 250,922	\$ (37,223)	\$ 501,574	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	\$ 326,821	\$	\$ 32,682	32,682	10	\$ 65,364	18
19	Vehicles					5	-	19
20	TOTAL (lines 18 and 19)	\$ 326,821	\$	\$ 32,682	32,682		\$ 65,364	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 & ID Number Morris Senior Living

Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XI. OWNERSHIP COSTS (continued)
B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1 Improvement Type**		3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1									1
2	Unit Blinds	2009	7,740		20	387	387	774	2
3	Phone System	2009	23,474		20	1,174	1,174	2,347	3
4	Window Treatments	2009	7,152		20	358	358	715	4
5	Fencing	2009	63,578		20	3,179	3,179	6,358	5
6	Concrete	2009	262,852		20	13,143	13,143	26,285	6
7	Gypsum Cem Underlayment	2009	16,752		20	838	838	1,675	7
8	Earth Work, Storm, Sewer, Water	2009	232,469		20	11,623	11,623	23,247	8
9	Lawn Irrigation	2009	27,453		20	1,373	1,373	2,745	9
10	Asphalt Paving	2009	118,747		20	5,937	5,937	11,875	10
11	Landscaping	2009	70,074		20	3,504	3,504	7,007	11
12	Phone System	2009	11,039		20	552	552	1,104	12
13	T1 Phone/Line/Cable Installation	2009	3,562		20	178	178	356	13
14	Information System Network	2009	43,004		20	2,150	2,150	4,300	14
15	Intall 5 Ladders On Outside Of Building	2010	5,403		20	270	270	270	15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33	Total Book Depreciation								33
34	TOTAL (lines 1 thru 33)		\$ 893,299	\$		\$ 44,665	\$ 44,665	\$ 89,060	34

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1		3	4	5	6	7	8	9	
Improvement Type**		Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1									1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
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26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$	\$		\$	\$	\$	34

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1		3	4	5	6	7	8	9	
Improvement Type**		Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1									1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
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24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$	\$		\$	\$	\$	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name: Morris Senior Living Report Period Beginning: 1/1/2010 Ending: 2/31/2010

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: Morris Health Care Properties, LLC

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

		1	2	3	4	5	6		8. Is movable equipment rental included in building rental?
		Year Constructed	Number of Units	Date of Lease	Rental Amount	Total Yrs. of Lease	Total Years Renewal Option*		[] YES [X] NO
3	Original Building			/ /	\$			3	9. Rental amount for movable equipment \$ 7,586
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	First Chicago Operating		X	Mortgage	/ /	\$ 8,000,000	\$ 8,172,467	/ /		\$ 91,663	1
2					/ /			/ /			2
3					/ /			/ /			3
	Working Capital										
4	First Chicago Operating		X	Line of Credit	/ /	110,000	357,771	/ /		17,601	4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 8,110,000	\$ 8,530,238			\$ 109,264	7
	B. Non-Facility Related										
8	Interest Income		X		/ /			/ /		-353	8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 8,110,000	\$ 8,530,238			\$ 108,911	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.

STATE OF ILLINOIS

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Facility Name: **Morris Senior Living**Report Period Beginning: **1/1/2010**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	\$ 61,419	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	18,603		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See Attached	11,578		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 91,600	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	358,000		13
14	Buildings, at Historical Cost	8,044,034		14
15	Leasehold Improvements, at Historical Cost	797,327		15
16	Equipment, at Historical Cost	429,784		16
17	Accumulated Depreciation (book methods)	(576,290)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See Attached	308,396		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 9,361,251	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 9,452,851	\$	25

*(See instructions.)

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 80,346	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	530,238		29
30	Accrued Salaries Payable	13,112		30
31	Accrued Taxes Payable	108,000		31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35				35
36	See Attached	476,472		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 1,208,168	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	8,000,000		39
40	Bonds Payable			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)	\$ 8,000,000	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 9,208,168	\$	45
46	TOTAL EQUITY	\$ 244,683	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 9,452,851	\$	47

Facility Name: Morris Senior Living

Report Period Beginning: 1/1/2010

Ending:

12/31/2010

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

	Revenue	Amount	
	A. SLF Resident Care		
1	Gross SLF Resident Revenue	\$ 2,070,416	1
2	Discounts and Allowances		2
	SUBTOTAL Resident Care		
3	(line 1 minus line 2)	\$ 2,070,416	3
	B. Other Operating Revenue		
4	Special Services		4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care		8
9	Non-Resident Meals	2,865	9
10	Laundry		10
	SUBTOTAL OTHER OPERATING REVENUE		
11	(sum of lines 4 thru 10)	\$ 2,865	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	353	13
	SUBTOTAL Non-Operating Revenue		
14	(sum of lines 12 and 13)	\$ 353	14
	D. Other Revenue (specify):		
15	See Attached	22,146	15
16			16
	SUBTOTAL Other Revenue		
17	(sum of lines 15 and 16)	\$ 22,146	17
	TOTAL REVENUE		
18	(sum of lines 3, 11, 14 and 17)	\$ 2,095,780	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	472,924	19
20	Health Care/ Personal Care	269,260	20
21	General Administration	728,437	21
	B. Capital Expense		
22	Ownership	507,639	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)	\$ 1,978,260	28
	Income Before Income Taxes		
29	(line 18 minus line 28)	\$ 117,520	29
30	Income Taxes	\$	30
	NET INCOME OR LOSS FOR THE YEAR		
31	(line 29 minus line 30)	\$ 117,520	31