

		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: 1000112		II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER																									
Facility Name: <u>Timberlake Senior Living</u>		I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>1/1/2010</u> to <u>12/31/2010</u> 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: <u>2521 Empowerment Drive</u> <u>Springfield</u> <u>62703</u>																											
County: <u>Sangamon</u>																											
Telephone Number: <u>217-321-2100</u> Fax # <u>217-321-2130</u>																											
Federal Employer ID Number: <u>20-5914607</u>																											
Date Current Owners were Certified: <u>11/17/2006</u>		Officer or Administrator of Provider																									
Type of Ownership:																											
<table><tr><td>☐ VOLUNTARY, NON-PROFIT</td><td>☒ PROPRIETARY</td><td>☐ GOVERNMENTAL</td></tr><tr><td>☐ Charitable Corp.</td><td>☐ Individual</td><td>☐ State</td></tr><tr><td>☐ Trust</td><td>☒ Partnership</td><td>☐ County</td></tr><tr><td>IRS Exemption Code _____</td><td>☐ Corporation</td><td>☐ Other _____</td></tr><tr><td></td><td>☐ "Sub-S" Corp.</td><td></td></tr><tr><td></td><td>☐ Limited Liability Co.</td><td></td></tr><tr><td></td><td>☐ Trust</td><td></td></tr><tr><td></td><td>☐ Other _____</td><td></td></tr></table>		☐ 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 _____		Paid Preparer	
☐ VOLUNTARY, NON-PROFIT	☒ PROPRIETARY	☐ GOVERNMENTAL																									
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	☐ Limited Liability Co.																										
	☐ Trust																										
	☐ Other _____																										
In the event there are further questions about this report, please contact:																											
Name: <u>Steve Lavenda</u> Telephone Number: <u>(847) 236 - 1111</u>																											
Email Address: <u>slavenda@frronline.com</u>																											
		(Signed) _____ (Date) _____ (Type or Print Name) _____ (Title) _____ (Signed) _____ (Date) _____ (Print Name and Title) <u>Steven N. Lavenda, C.P.A.</u> (Firm Name & Address) <u>Frost, Ruttenberg & Rothblatt, P.C.</u> <u>111 Pfingsten Road, Suite 300 Deerfield, IL 60015</u> (Telephone) <u>(847) 236-1111</u> Fax <u>(847) 236-1155</u> 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																									

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	60	Single Unit Apartment	60	21,900	1
2		Double Unit Apartment			2
3		Other			3
4	60	TOTALS	60	21,900	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	13,706	3,385		17,091	5
6	Double Unit					6
7	Other					7
8	TOTALS	13,706	3,385		17,091	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 78.04%

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

None Also, indicate the number of unpaid bed-hold days the SLF had during this year. (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?

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

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? N/A
If no, explain. N/A

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

No 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: Timberlake 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					5	6	
1	Dietary and Food Purchase	95,779	54,698	192,629	343,106	(8,951)	334,155	1
2	Housekeeping, Laundry and Maintenance	31,188	1,966	76,244	109,398	4,092	113,490	2
3	Heat and Other Utilities			96,059	96,059	(2,487)	93,572	3
4	Other (specify):							4
5	TOTAL General Services	126,967	56,664	364,932	548,563	(7,346)	541,217	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	282,856	3,684	36	286,576		286,576	6
7	Activities and Social Services	44,725			44,725		44,725	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	327,581	3,684	36	331,301		331,301	9
	C. General Administration							
10	Administrative and Clerical	128,273		183,443	311,716	(12,325)	299,391	10
11	Marketing Materials, Promotions and Advertising	37,303		98,979	136,282		136,282	11
12	Employee Benefits and Payroll Taxes			10,490	10,490		10,490	12
13	Insurance-Property, Liability and Malpractice			38,413	38,413		38,413	13
14	Other (specify):							14
15	TOTAL General Administration	165,576		331,325	496,901	(12,325)	484,576	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	620,124	60,348	696,293	1,376,765	(19,671)	1,357,094	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			377,402	377,402	(103,792)	273,610	17
18	Interest			317,338	317,338	(731)	316,607	18
19	Real Estate Taxes			35,000	35,000		35,000	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment			2,401	2,401		2,401	21
22	Other (specify):			2,904	2,904		2,904	22
23	TOTAL Ownership			735,045	735,045	(104,523)	630,522	23
24	GRAND TOTAL (Sum of lines 16 and 23)	620,124	60,348	1,431,338	2,111,810	(124,194)	1,987,616	24

Report Period Beginning:1/1/2010

Ending:12/31/2010

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Non-Straight Line Depreciation	\$ (103,792)	17	1
2	Bank Service Charges	(1,142)	10	2
3	Annual Corporate Filing	(110)	10	3
4	Interest Income	(731)	18	4
5	Additional R&M	4,092	02	5
6	Misc. Income - Meal Revenue	(8,951)	01	6
7	Misc. Income - Telephone Revenue	(8,088)	10	7
8	Misc. Income - Cable TV Revenue to extent of cost	(2,487)	03	8
9	Misc. Income - General Administrative Revenue	(947)	10	9
10	Non Allowable Legal	(2,038)	10	10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
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96			96
97			97
98			98
99			99
100			100
101	Total	(124,194)	101

Facility Name: Timberlake 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	1.87	\$ 21.00	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants	9.87	9.79	3
4	Activity Director & Assistants	2.09	10.30	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	4.54	10.13	7
8	Dishwashers			8
9	Maintenance Workers	1.06	14.13	9
10	Housekeepers			10
11	Laundry			11
12	Managers			12
13	Other Administrative	1.92	19.14	13
14	Clerical	2.47	10.11	14
15	Marketing	0.98	18.27	15
16	Other			16
17	Total (lines 1 thru 16)	24.81	\$ 12.02	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

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	Prism Healthcare	\$ 96,000	1
2			2
Total		\$ 96,000	3

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? \$

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: Timberlake Senior Living Report Period Beginning: 1/1/2010 Ending: 12/31/2010

VIII. OWNERSHIP COSTS

A. Purchase price of land 75,000 Year land was acquired 2007

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	60		2009	2009	\$ 7,810,693	\$ 377,402	35	\$ 223,163	\$ (154,239)	\$ 446,326	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Total From Supplemental Page 5's				109,252			5,463	5,463	9,587	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)				\$ 7,919,945	\$ 377,402		\$ 228,625	\$ (148,777)	\$ 455,913	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	\$ 426,798	\$	\$ 42,680	42,680	10	\$ 85,360	18
19	Vehicles	11,523		2,305	2,305	5	4,609	19
20	TOTAL (lines 18 and 19)	\$ 438,321	\$	\$ 44,984	44,984		\$ 89,969	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

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	Landscaping, Engineering & Soil Survey	2009	82,491		20	4,125	4,125	8,249	2
3	Attorney Construction Fees	2010	19,411		20	971	971	971	3
4	Grading, Seeding, Drain Tile	2010	7,350		20	368	368	368	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	Total Book Depreciation								33
34	TOTAL (lines 1 thru 33)		\$ 109,252	\$		\$ 5,463	\$ 5,463	\$ 9,587	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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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.

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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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: Timberlake 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: 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*	
3	Original Building			/ /	\$			3
4	Additions			/ /				4
5				/ /				5
6				/ /				6
7	TOTAL				\$			7

8. Is movable equipment rental included in building rental?

☐ YES ☒ NO

9. Rental amount for movable equipment \$ 2,401

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	Liberty Bank		X	Mortgage	12/27/07	\$ 3,400,000	\$ 3,341,311	/ /		\$ 294,374	1
2	IHDA		X	Mortgage	/ /		221,480	/ /		8,392	2
3					/ /			/ /			3
	Working Capital										
4	Liberty Bank		X	Line of Credit	/ /	835,000	835,000	/ /		14,572	4
5	Abundant Faith Ministry	X			/ /		75,000	/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 4,235,000	\$ 4,472,791			\$ 317,338	7
	B. Non-Facility Related										
8	Interest Income		X		/ /			/ /		-731	8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 4,235,000	\$ 4,472,791			\$ 316,607	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: **Timberlake 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	\$ 138,424	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	(4,303)		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	19,988		6
7	Other Prepaid Expenses	38,925		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See Attached	852		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 193,886	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	75,000		13
14	Buildings, at Historical Cost	7,810,693		14
15	Leasehold Improvements, at Historical Cost	111,084		15
16	Equipment, at Historical Cost	464,643		16
17	Accumulated Depreciation (book methods)	(678,174)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	32,501		19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds	60,709		21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See Attached	89,616		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 7,966,072	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 8,159,958	\$	25

*(See instructions.)

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 158,984	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	10,567		30
31	Accrued Taxes Payable	36,416		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	637,739		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 843,706	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	296,480		38
39	Mortgage Payable	4,176,311		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)	\$ 4,472,791	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 5,316,497	\$	45
46	TOTAL EQUITY	\$ 2,843,461	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 8,159,958	\$	47

Facility Name: Timberlake 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	\$ 1,552,959	1
2	Discounts and Allowances		2
	SUBTOTAL Resident Care		
3	(line 1 minus line 2)	\$ 1,552,959	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		9
10	Laundry		10
	SUBTOTAL OTHER OPERATING REVENUE		
11	(sum of lines 4 thru 10)	\$	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	731	13
	SUBTOTAL Non-Operating Revenue		
14	(sum of lines 12 and 13)	\$ 731	14
	D. Other Revenue (specify):		
15	See Attached	29,126	15
16			16
	SUBTOTAL Other Revenue		
17	(sum of lines 15 and 16)	\$ 29,126	17
	TOTAL REVENUE		
18	(sum of lines 3, 11, 14 and 17)	\$ 1,582,816	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	548,563	19
20	Health Care/ Personal Care	331,301	20
21	General Administration	496,901	21
	B. Capital Expense		
22	Ownership	735,045	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)	\$ 2,111,810	28
	Income Before Income Taxes		
29	(line 18 minus line 28)	\$ (528,994)	29
	Income Taxes		
30		\$	30
	NET INCOME OR LOSS FOR THE YEAR		
31	(line 29 minus line 30)	\$ (528,994)	31