

		FOR BHF USE			

LL2

Supportive Living Facility

2011

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2011)

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: 1000118

Facility Name: Heritage Woods of South Elgin LLC

Address: 700 N. McLean Blvd. South Elgin 60177

Number City Zip Code

County: Kane

Telephone Number: (847) 531-8360 Fax # (847) 531-8362

Federal Employer ID Number:

Date Current Owners were Certified: 06/17/2009

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	

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/2011 to 12/31/2011 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 # ()

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

Name: Grenshinka Osborne Telephone Number: (815) 935-1992 EXT 257

Email Address:

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 South Elgin LLC
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Report Period Beginning: 01/01/2011 Ending: 12/31/2011

III. STATISTICAL DATA

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

Date of change in certified units

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	132	Single Unit Apartment	132	48,180	1		
2		Double Unit Apartment			2		
3		Other			3		
4	132	TOTALS	132	48,180	4		

B. Census-For the entire report period.

	1 Type of Unit	2 Medicaid Recipient	3 Private Pay	4 Other	5 Total	
Resident Days by Unit and Primary Source of Payment						
5	Single Unit	33,603	13,068		46,671	5
6	Double Unit					6
7	Other					7
8	TOTALS	33,603	13,068		46,671	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 96.87%

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

827 Also, indicate the number of unpaid bed-hold days the SLF
had during this year. **310 (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)**

H. ACCOUNTING BASIS

ACCUAL	X	MODIFIED		
CASH*		CASH*		

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

Tax Year: 12/31/2011 **Fiscal Year:** 12/31/2011

* 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 the facility make all of the required payments of interest and principle? _____
If no, explain.

Facility Name: Heritage Woods of South Elgin LLC

Report Period Beginning:

01/01/2011

Ending:

12/31/2011

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	306,241	234,495	2,367	543,103		543,103	1
2	Housekeeping, Laundry and Maintenance	131,333	24,009	40,847	196,189		196,189	2
3	Heat and Other Utilities			162,914	162,914	(38,109)	124,805	3
4	Other (specify):			18,528	18,528		18,528	4
5	TOTAL General Services	437,574	258,504	224,656	920,734	(38,109)	882,625	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	589,141	2,293		591,434		591,434	6
7	Activities and Social Services	33,835	5,843		39,678		39,678	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	622,976	8,136		631,112		631,112	9
	C. General Administration							
10	Administrative and Clerical	148,778	17,417	350,133	516,328	(26,633)	489,695	10
11	Marketing Materials, Promotions and Advertising	86,035	4,194	37,627	127,856		127,856	11
12	Employee Benefits and Payroll Taxes			244,587	244,587		244,587	12
13	Insurance-Property, Liability and Malpractice			53,018	53,018		53,018	13
14	Other (specify):			72,700	72,700		72,700	14
15	TOTAL General Administration	234,813	21,611	758,065	1,014,489	(26,633)	987,856	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,295,363	288,251	982,721	2,566,335	(64,742)	2,501,593	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			945,136	945,136		945,136	17
18	Interest			825,217	825,217		825,217	18
19	Real Estate Taxes			130,661	130,661		130,661	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify):			19,116	19,116		19,116	22
23	TOTAL Ownership			1,920,130	1,920,130		1,920,130	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,295,363	288,251	2,902,851	4,486,465	(64,742)	4,421,723	24

Facility Name: Heritage Woods of South Elgin LLC

Report Period Beginning 01/01/2011 Ending: 12/31/2011

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1	\$ 21.52	1
2	Licensed Practical Nurses	1	19.43	2
3	Certified Nurse Assistants	20	12.04	3
4	Activity Director & Assistants	1	16.20	4
5	Social Service Workers			5
6	Head Cook	1	19.03	6
7	Cook Helpers/Assistants	14	9.31	7
8	Dishwashers			8
9	Maintenance Workers	2	15.86	9
10	Housekeepers	4	8.73	10
11	Laundry			11
12	Managers	1	43.86	12
13	Other Administrative			13
14	Clerical	2	15.63	14
15	Marketing	2	19.22	15
16	Other			16
17	Total (lines 1 thru 16)	48	\$	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? \$

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	\$ 249,746	1
2			2
Total		\$ 249,746	3

Facility Name: Heritage Woods of South Elgin LLC

Report Period Beginning:

01/01/2011

Ending:

12/31/2011

VIII. OWNERSHIP COSTS

A. Purchase price of land 1,285,525 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	132			2009	\$ 10,035,057	\$ 364,911	28	\$ 358,395	\$ (6,516)	\$ 912,278	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Land Improvements				514,828	34,322	15	34,322	(0)	85,805	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)				\$ 10,549,885	\$ 399,233		\$ 392,717	\$ (6,516)	\$ 998,083	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	\$ 2,729,513	\$ 545,903	\$ 545,903	(0)	5	\$ 1,364,757	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 2,729,513	\$ 545,903	\$ 545,903	(0)		\$ 1,364,757	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 South Elgin LLC

Report Period Beginning: 01/01/2011 Ending: 2/31/2011

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 Year Constructed	2 Number of Units	3 Date of Lease	4 Rental Amount	5 Total Yrs. of Lease	6 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 \$

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	Old Second Bank		X	First Mortgage	7/7/08	\$ 12,870,000	\$ 12,651,832	7/7/13	0.0639	\$ 823,891	1
2					/ /			/ /			2
3					/ /			/ /			3
	Working Capital										
4	Old Second Bank		X	Line of Credit	7/27/10	300,000		7/7/11	Variable	382	4
5	Peoples National Bank		X	Line of Credit	8/23/11	950,000	152,300	8/21/12	Variable	944	5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 14,120,000	\$ 12,804,132			\$ 825,217	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 14,120,000	\$ 12,804,132			\$ 825,217	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 South Elgin LLC

Report Period Beginning: 01/01/2011

Ending: 12/31/2011

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2011

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ (451,029)	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance 125,010)	1,143,610		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	32,353		6
7	Other Prepaid Expenses	4,025		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 728,959	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	1,800,353		13
14	Buildings, at Historical Cost	10,035,057		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	2,729,513		16
17	Accumulated Depreciation (book methods)	(2,362,840)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	73,918		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(55,439)		20
21	Restricted Funds	92,533		21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 12,313,095	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 13,042,054	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 66,445	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	152,300		29
30	Accrued Salaries Payable	69,197		30
31	Accrued Taxes Payable	116,476		31
32	Accrued Interest Payable	17,987		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	SEE ATTACHMENTS PG 7	49,708		35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 472,114	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	12,651,832		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)	\$ 12,651,832	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 13,123,946	\$	45
46	TOTAL EQUITY	\$ (81,893)	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 13,042,054	\$	47

*(See instructions.)

Facility Name: Heritage Woods of South Elgin LLC

Report Period Beginning: 01/01/2011 Ending: 12/31/2011

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	\$ 4,864,931	1
2	Discounts and Allowances	(30,927)	2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 4,834,004	3
	B. Other Operating Revenue		
4	Special Services	151,976	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	29,822	8
9	Non-Resident Meals	4,181	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 185,979	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	226	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 226	14
	D. Other Revenue (specify):		
15	Deposit Fee/Contract Service	1,500	15
16	Insurance Dividend	6,014	16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 7,514	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 5,027,723	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	920,734	19
20	Health Care/ Personal Care	631,112	20
21	General Administration	1,014,489	21
	B. Capital Expense		
22	Ownership	1,920,130	22
	C. Other Expenses		
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
28	TOTAL EXPENSES (sum of lines 19 thru 27)	\$ 4,486,465	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 541,258	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 541,258	31

COST CENTER EXPENSES

A. General Services - Other

Exterminating	3,315
Rubbish Removal	8,611
Vehicle Expense	1,433
Transportation Service	-
Water Softener	5,169
Misc Operating	
Total	18,528

C. General Administration - Other

Consulting	318
Legal	4,031
Accounting	60
Audit	10,110
Contract labor	1,200
Bad Debt	56,981
Total	72,700

D. Ownership

Assessment Income	
Financing Fees	636
Mortgage Insurance Premium	
Partnership Management Fee	
Asset Management Fee	
Incentive Manangement Fee	
Tax Credit Fee & Incentive Fee	
Amortization Expense	18,480
Remarketing and Trustee Fee	
Property Damage Loss	
Interest Income	
Total	19,116

Reclassifications and Adjustments

Heat & Other Utilities (38,109) Cable

Administrative and Clerical (26,633) Telephone Revenue

C. Current Liabilities

Accrued Liabilities	7,900
Reservation Deposit	9,550
Unclaimed Property	983
Unearned Revenue	<u>31,276</u>
Total Other Current Liabilities	<u><u>49,708</u></u>