

		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: 1000114

Facility Name: Heritage Woods of Sterling

Address: 2205 Oak Grove Avenue Sterling 61081
Number City Zip Code

County: Whiteside

Telephone Number: 815-625-7045 Fax # 815-625-7054

Federal Employer ID Number: _____

Date Current Owners were Certified: 03/16/09

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 EXT 232
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 01/01/11 to 12/31/11 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 Sterling Report Period Beginning: 01/01/11 Ending: 12/31/11

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	76	Single Unit Apartment	76	27,740	1
2		Double Unit Apartment			2
3		Other			3
4	76	TOTALS	76	27,740	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	15,777	11,425		27,202	5
6	Double Unit					6
7	Other					7
8	TOTALS	15,777	11,425		27,202	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 98.06%

D. Indicate the number of paid bed-hold days the SLF had during this year 329 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 70 (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

ACCRUAL ☒ MODIFIED CASH* ☐ CASH* ☐

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

Tax Year: 12/31/11 Fiscal Year: 12/31/11

* 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. _____

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. _____

STATE OF ILLINOIS

Page 3

Facility Name: Heritage Woods of Sterling

Report Period Beginning:

01/01/11

Ending:

12/31/11

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		135,712	2,094	137,806		137,806	1
2	Housekeeping, Laundry and Maintenance		13,184	35,393	48,577		48,577	2
3	Heat and Other Utilities			101,790	101,790	(22,903)	78,887	3
4	Other (specify):			9,184	9,184		9,184	4
5	TOTAL General Services		148,896	148,461	297,357	(22,903)	274,454	5
	B. Health Care and Programs							
6	Health Care/ Personal Care		2,191		2,191		2,191	6
7	Activities and Social Services		3,052		3,052		3,052	7
8	Other (specify):							8
9	TOTAL Health Care and Programs		5,243		5,243		5,243	9
	C. General Administration							
10	Administrative and Clerical		11,532	196,210	207,742	(17,237)	190,505	10
11	Marketing Materials, Promotions and Advertising		1,507	36,377	37,884		37,884	11
12	Employee Benefits and Payroll Taxes							12
13	Insurance-Property, Liability and Malpractice			10,822	10,822		10,822	13
14	Other (specify):			1,070,272	1,070,272		1,070,272	14
15	TOTAL General Administration		13,039	1,313,681	1,326,720	(17,237)	1,309,483	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)		167,178	1,462,142	1,629,320	(40,140)	1,589,180	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			449,082	449,082		449,082	17
18	Interest			217,148	217,148		217,148	18
19	Real Estate Taxes			14,630	14,630		14,630	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify):			497,350	497,350		497,350	22
23	TOTAL Ownership			1,178,210	1,178,210		1,178,210	23
24	GRAND TOTAL (Sum of lines 16 and 23)		167,178	2,640,352	2,807,530	(40,140)	2,767,390	24

Facility Name: Heritage Woods of Sterling

Report Period Beginning 01/01/11 Ending: 12/31/11

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1	\$ 23.44	1
2	Licensed Practical Nurses	1	16.90	2
3	Certified Nurse Assistants	13	10.46	3
4	Activity Director & Assistants			4
5	Social Service Workers	1	12.64	5
6	Head Cook	1	15.87	6
7	Cook Helpers/Assistants	8	8.81	7
8	Dishwashers			8
9	Maintenance Workers	1	14.62	9
10	Housekeepers	2	15.56	10
11	Laundry			11
12	Managers	1	28.07	12
13	Other Administrative	2	12.54	13
14	Clerical			14
15	Marketing	1	16.86	15
16	Other			16
17	Total (lines 1 thru 16)	32	\$	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	\$ 130,285	1
2			2
Total		\$ 130,285	3

Facility Name: Heritage Woods of Sterling Report Period Beginning: 01/01/11 Ending: 12/31/11

VIII. OWNERSHIP COSTS

A. Purchase price of land 140,336 Year land was acquired 2006

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	76			2009	\$ 7,604,546	\$ 276,528	28	\$ 271,591	\$ (4,937)	\$ 783,497	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	LAND IMPROVEMENTS				803,857	51,600	15	53,590	1,990	146,201	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)				\$ 8,408,403	\$ 328,128		\$ 325,181	\$ (2,947)	\$ 929,698	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	\$ 629,965	\$ 120,954	\$ 125,993	5,039	5	\$ 448,538	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 629,965	\$ 120,954	\$ 125,993	5,039		\$ 448,538	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 Sterling Report Period Beginning: 01/01/11 Ending: 12/31/11

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 \$

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	Country Bank		X	First Mortgage	7/13/09	\$ 2,240,000	\$ 2,190,455	8/1/29	0.0738	\$ 159,966	1
2	IHDA		X	Home Loan Mortgage	5/1/08	2,000,000	1,798,594	8/1/29	0.0200	36,891	2
3	IHDA		X	Trust Fund Loan Mortgage	5/1/08	1,100,000	989,227	8/1/29	0.0200	20,291	3
	Working Capital										
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 5,340,000	\$ 4,978,276			\$ 217,148	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 5,340,000	\$ 4,978,276			\$ 217,148	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 Sterling

Report Period Beginning: 01/01/11

Ending:

12/31/11

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/11

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 98,495	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	491,571		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	1,717		6
7	Other Prepaid Expenses	1,805		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 593,588	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	944,193		13
14	Buildings, at Historical Cost	7,604,546		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	629,965		16
17	Accumulated Depreciation (book methods)	(1,378,236)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	88,438		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(16,452)		20
21	Restricted Funds	907,571		21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 8,780,025	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 9,373,613	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 20,534	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable			30
31	Accrued Taxes Payable	12,096		31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	See Page 7 Attachment	507,571		35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 540,201	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	4,978,276		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)	\$ 4,978,276	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 5,518,477	\$	45
46	TOTAL EQUITY	\$ 3,855,136	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 9,373,613	\$	47

*(See instructions.)

Facility Name: Heritage Woods of Sterling

Report Period Beginning: 01/01/11

Ending:

12/31/11

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	\$ 2,562,879	1
2	Discounts and Allowances	(39,906)	2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 2,522,973	3
	B. Other Operating Revenue		
4	Special Services	102,062	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	11,467	8
9	Non-Resident Meals	3,550	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 117,079	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	5,996	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 5,996	14
	D. Other Revenue (specify):		
15	Deposit Revenue	500	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 500	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 2,646,548	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	297,357	19
20	Health Care/ Personal Care	5,243	20
21	General Administration	1,326,720	21
	B. Capital Expense		
22	Ownership	1,178,210	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)	\$ 2,807,530	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (160,982)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (160,982)	31

COST CENTER EXPENSES

A. General Services - Other

Exterminating	1,175
Rubbish Removal	2,294
Vehicle Expense	-
Transportation Service	-
Water Softener	4,318
Misc Operating	1,397
Total	9,184

C. General Administration - Other

Consulting	20,000
Legal	1,531
Accounting	119
Audit	12,310
Contract labor	1,027,241
Bad Debt	9,071
Total	1,070,272

D. Ownership

Mortgage Insurance Premium	-
Mortgage Service Fee	-
Partnership Management Fee	15,000
Asset Management Fee	20,000
Incentive Manangement Fee	455,366
Tax Credit Fee & Incentive Fee	1,500
Amortization Expense	5,484
Remarketing and Trustee Fee	-
Property Damage Loss	-
Interest Income	-
Total	497,350

Reclassifications and Adjustments

Heat & Other Utilities (22,903) Cable

Administrative and Clerical (17,237) Telephone Revenue

BALANCE SHEET

C. Current Liabilities

Accrued Liabilities	9,210
Accrued Asset Mgmt Fee	20,000
Accrued Partnership Fee	15,000
Accrued Incentive Mgmt Fee	455,366
Security Deposits	
Unearned Revenue	7,995
Accrued MIP	
Reservation Deposit	
Total Other Current Liabilities	507,571