

		FOR BHF USE			

LL2

Supportive Living Facility

2012

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2012)

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: 1000117

Facility Name: Victory Centre Of South Chicago

Address: 3251 East 92Nd Street Chicago 60617

NumberCityZip Code

County: Cook

Telephone Number: 773-449-2600 Fax # 773-734-8022

Federal Employer ID Number:

Date Current Owners were Certified: 5/1/2009

Type of Ownership:

VOLUNTARY, NON-PROFIT

Charitable Corp.

Trust

IRS Exemption Code

X PROPRIETARY

Individual

Partnership

Corporation

"Sub-S" Corp.

Limited Liability Co.

Trust

X Other Limited Partnership

GOVERNMENTAL

State

County

Other

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

Name: Steve Lavenda

Telephone Number: (847) 236 - 1111

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 1/1/2012 to 12/31/2012 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)

(Type or Print Name)

(Title)

Paid Preparer

(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

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

HFS 3745C (N-4-05)

IL478-2471

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	<u>112</u>	Single Unit Apartment	<u>112</u>	<u>40,992</u>	1
2		Double Unit Apartment			2
3		Other			3
4	<u>112</u>	TOTALS	<u>112</u>	<u>40,992</u>	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	<u>30,862</u>	<u>630</u>		<u>31,492</u>	5
6	Double Unit					6
7	Other					7
8	TOTALS	<u>30,862</u>	<u>630</u>		<u>31,492</u>	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 76.82%

D. Indicate the number of paid bed-hold days the SLF had during this year 0 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: 12/31/2012 Fiscal Year: 12/31/2012
* 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: Victory Centre Of South Chicago

Report Period Beginning:

1/1/2012

Ending:

12/31/2012

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	172,011	158,340	127,205	457,556	(2,964)	454,592	1
2	Housekeeping, Laundry and Maintenance	112,200	32,768	127,443	272,411	2,238	274,649	2
3	Heat and Other Utilities			104,127	104,127	288	104,415	3
4	Other (specify):							4
5	TOTAL General Services	284,211	191,108	358,775	834,094	(438)	833,656	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	441,385	686	16,785	458,856		458,856	6
7	Activities and Social Services	26,918	1,591	18,314	46,823	(1,084)	45,739	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	468,303	2,277	35,099	505,679	(1,084)	504,595	9
	C. General Administration							
10	Administrative and Clerical	154,953	17,204	499,239	671,396	(124,314)	547,082	10
11	Marketing Materials, Promotions and Advertising	66,597	112	33,079	99,788	29,019	128,807	11
12	Employee Benefits and Payroll Taxes			168,517	168,517		168,517	12
13	Insurance-Property, Liability and Malpractice			41,620	41,620	577	42,197	13
14	Other (specify):					18,135	18,135	14
15	TOTAL General Administration	221,550	17,316	742,455	981,321	(76,583)	904,738	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	974,064	210,701	1,136,329	2,321,094	(78,104)	2,242,990	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			650,009	650,009	203,876	853,885	17
18	Interest			656,923	656,923	(14,898)	642,025	18
19	Real Estate Taxes			(30,824)	(30,824)		(30,824)	19
20	Rent -- Facility and Grounds			566	566	11,598	12,164	20
21	Rent -- Equipment			13,171	13,171	138	13,309	21
22	Other (specify):			75,223	75,223		75,223	22
23	TOTAL Ownership			1,365,068	1,365,068	200,714	1,565,782	23
24	GRAND TOTAL (Sum of lines 16 and 23)	974,064	210,701	2,501,397	3,686,162	122,609	3,808,771	24

Report Period Beginning:1/1/2012

Ending:12/31/2012

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Non-Straight Line Depreciation	\$ 203,876	17	1
2	Guest Meals	(180)	01	2
3	Employee Meals	(933)	01	3
4	Unidine Adjustment	(1,851)	01	4
5	Telephone Service	(20,920)	10	5
6	NSF Fees	(120)	10	6
7	Other Income	(500)	10	7
8	Bank Service Charges	(2,850)	10	8
9	Charitable Contributions	(1,660)	10	9
10	Resident Gifts	(962)	10	10
11	Bad Debt	(43,487)	10	11
12	Pet Care	(1,084)	07	12
13	Cable TV	(8,725)	10	13
14	Interest Income	(14,898)	18	14
15	Meals & Entertainment	(2,281)	10	15
16				16
17				17
18	PATHWAY MANAGEMENT LLC			18
19	Maintenance	146	02	19
20	Utilities	243	03	20
21	Administrative	75,712	10	21
22	Marketing	16,394	11	22
23	Insurance	49	13	23
24	Employee Benefits	9,605	14	24
25	Rent - Building	8,055	20	25
26	Rent - Equipment	65	21	26
27				27
28				28
29	PATHWAY SENIOR LIVING LLC			29
30	Maintenance	2,092	2	30
31	Utilities	45	03	31
32	Administrative	86,715	10	32
33	Marketing	12,625	11	33
34	Insurance	528	13	34
35	Employee Benefits	8,530	14	35
36	Rent - Building	3,543	20	36
37	Rent - Equipment	73	21	37
38	Management Fees	(43,006)	10	38
39	Service Provider Fees	(162,229)	10	39
40				40
41				41
42				42
43				43
44				44
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99				99
100				100
101	Total	122,609		101

Facility Name: Victory Centre Of South Chicago

Report Period Beginning 1/1/2012 Ending: 12/31/2012

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1.91	\$ 23.00	1
2	Licensed Practical Nurses	1.80	22.54	2
3	Certified Nurse Assistants	11.94	10.69	3
4	Activity Director & Assistants	0.86	15.07	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	7.87	10.50	7
8	Dishwashers			8
9	Maintenance Workers	2.00	15.89	9
10	Housekeepers	2.40	9.19	10
11	Laundry			11
12	Managers			12
13	Other Administrative	4.56	16.32	13
14	Clerical			14
15	Marketing	0.88	36.35	15
16	Other			16
17	Total (lines 1 thru 16)	34.24	\$ 13.68	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
See Attached			

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5
See Attached					

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: N/A If yes, what is the value of those services? \$ N/A
(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	Jerry Finis	25%	1.84	\$ 7,083	1
2					2
3					3
4					4
5					5
Total				\$ 7083	6

VI. (B) Management fees paid to unrelated parties Amount of Fee

1		\$		1
2				2
Total		\$		3

Facility Name: Victory Centre Of South Chicago

Report Period Beginning:

1/1/2012

Ending:

12/31/2012

VIII. OWNERSHIP COSTS

A. Purchase price of land 628,250 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	112		2009	2009	\$ 21,481,264	\$ 650,009	35	\$ 613,750	\$ (36,259)	\$ 2,455,000	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Total From Supplemental Page 5's				5,081			254	254	393	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)				\$ 21,486,345	\$ 650,009		\$ 614,004	\$ (36,005)	\$ 2,455,394	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	\$ 2,398,806	\$	\$ 239,881	239,881	10	\$ 959,031	18
19	Vehicles					5	-	19
20	TOTAL (lines 18 and 19)	\$ 2,398,806	\$	\$ 239,881	239,881		\$ 959,031	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 Victory Centre Of South Chicago

Report Period Beginning:

1/1/2012

Ending:

12/31/2012

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	2011	2,785		20	139	139	279	2
3	2012	2,296		20	115	115	115	3
4								4
5								5
6								6
7								7
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19								19
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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		\$ 5,081	\$		\$ 254	\$ 254	\$ 393	34

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

Facility Name & ID Number Victory Centre Of South Chicago

Report Period Beginning: 1/1/2012 Ending: 12/31/2012

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									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
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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 & ID Number Victory Centre Of South Chicago

Report Period Beginning: 1/1/2012 Ending: 12/31/2012

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									2
3									3
4									4
5									5
6									6
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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: Victory Centre Of South Chicago Report Period Beginning: 1/1/2012 Ending: 2/31/2012

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	Storage Rental			/ /	566			5
6	Pathway SL & Pathway Mgmt Alloc.			/ /	11,598			6
7	TOTAL				\$ 12,164			7

8. Is movable equipment rental included in building rental? YES NO

9. Rental amount for movable equipment \$ 13,309

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	Berkadia		X	1st Mortgage	12/1/07	\$ 10,685,000	\$ 10,429,622	5/1/49	6.0200	\$ 630,007	1
2	City of Chicago Dept of Housing		X	2nd Mortgage	12/1/07	2,000,000	2,000,000	5/1/49	1.0000	20,000	2
3	IDHS Trust Fund Loan		X	3rd Mortgage	12/1/07	750,000	691,580	5/1/49	1.0000	6,916	3
	Working Capital										
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 13,435,000	\$ 13,121,202			\$ 656,923	7
	B. Non-Facility Related										
8	Interest Income		X		/ /			/ /		-14,898	8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 13,435,000	\$ 13,121,202			\$ 642,025	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: Victory Centre Of South Chicago

Report Period Beginning: 1/1/2012

Ending: 12/31/2012

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2012

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 548,650	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	531,824		3
4	Supply Inventory (priced at)	5,237		4
5	Short-Term Investments			5
6	Prepaid Insurance	48,674		6
7	Other Prepaid Expenses	19,451		7
8	Accounts Receivable (owners or related parties)	1,718		8
9	Other(specify): See Attached	756,907		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,912,461	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	628,250		13
14	Buildings, at Historical Cost	19,343,615		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	2,401,101		16
17	Accumulated Depreciation (book methods)	(2,472,146)		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	609,670		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 20,510,490	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 22,422,951	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 1,212,923	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	82,364		30
31	Accrued Taxes Payable	133,890		31
32	Accrued Interest Payable	144,140		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35				35
36	See Attached	111,175		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 1,684,492	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	13,121,202		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)	\$ 13,121,202	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 14,805,694	\$	45
46	TOTAL EQUITY	\$ 7,617,257	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 22,422,951	\$	47

*(See instructions.)

Facility Name: Victory Centre Of South Chicago

Report Period Beginning: 1/1/2012

Ending:

12/31/2012

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	\$ 3,450,679	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,450,679	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	2,964	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 2,964	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	14,899	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 14,899	14
	D. Other Revenue (specify):		
15	See Attached	36,020	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 36,020	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 3,504,562	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	834,094	19
20	Health Care/ Personal Care	505,679	20
21	General Administration	981,321	21
	B. Capital Expense		
22	Ownership	1,365,068	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)	\$ 3,686,162	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (181,600)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (181,600)	31

