

		FOR BHF USE			

LL2

Supportive Living Facility

2013

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2013)

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: 1000036

Facility Name: COLES SUPPORTIVE LIVING

Address: 7419 SOUTH EXCHANGE CHICAGO 60649

Number City Zip Code

County: COOK

Telephone Number: (773) 721-6600 Fax # (773) 721-6602

Federal Employer ID Number:

Date Current Owners were Certified: 5/19/2004

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 1/1/2013 to 12/31/2013 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)

(Title)

Paid Preparer

(Signed) (Date)

(Print Name and Title) ANDREW B. CUTLER MANAGING DIRECTOR

(Firm Name & Address) FGMK, LLC 2801 LAKESIDE DRIVE BANNOCKBURN, IL 60015

(Telephone) (847) 374-0400 Fax (847) 374-0420

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

Name: ANDREW B. CUTLER Telephone Number: (847) 374-0400

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

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	129	Single Unit Apartment	129	47,085	1
2	10	Double Unit Apartment	10	3,650	2
3		Other			3
4	139	TOTALS	139	50,735	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	30,694	1,731		32,425	5
6	Double Unit					6
7	Other					7
8	TOTALS	30,694	1,731		32,425	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 63.91%

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

747 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 54 (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)

N/A

H. ACCOUNTING BASIS

ACCRUAL ☒ MODIFIED CASH* ☐ CASH* ☐

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

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

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

STATE OF ILLINOIS

Page 3

Facility Name: COLES SUPPORTIVE LIVING

Report Period Beginning:

1/1/2013

Ending:

12/31/2013

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	155,027	185,737	82,797	423,561		423,561	1
2	Housekeeping, Laundry and Maintenance	126,826	34,458	50,875	212,159	(24,321)	187,838	2
3	Heat and Other Utilities			149,763	149,763		149,763	3
4	Other (specify):							4
5	TOTAL General Services	281,853	220,195	283,435	785,483	(24,321)	761,162	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	424,809		9,914	434,723		434,723	6
7	Activities and Social Services	59,726	6,085		65,811		65,811	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	484,535	6,085	9,914	500,534		500,534	9
	C. General Administration							
10	Administrative and Clerical	203,429	2,805	384,445	590,679	(39,838)	550,841	10
11	Marketing Materials, Promotions and Advertising	16,125		1,350	17,475		17,475	11
12	Employee Benefits and Payroll Taxes			225,925	225,925	33,410	259,335	12
13	Insurance-Property, Liability and Malpractice			79,815	79,815	(1,208)	78,607	13
14	Other (specify):							14
15	TOTAL General Administration	219,554	2,805	691,535	913,894	(7,636)	906,258	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	985,942	229,085	984,884	2,199,911	(31,957)	2,167,954	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			31,974	31,974	232,835	264,809	17
18	Interest			160,704	160,704	210,499	371,203	18
19	Real Estate Taxes			151,736	151,736		151,736	19
20	Rent -- Facility and Grounds			843,360	843,360	(839,623)	3,737	20
21	Rent -- Equipment			8,023	8,023	692	8,715	21
22	Other (specify):							22
23	TOTAL Ownership			1,195,797	1,195,797	(395,597)	800,200	23
24	GRAND TOTAL (Sum of lines 16 and 23)	985,942	229,085	2,180,681	3,395,708	(427,554)	2,968,154	24

Detail lines 29 and 35 of Page 5 starting in C12. DO NOT DRAG AND DROP CELLS.

The amounts in column F will transfer to the Adj. Summary column automatically.
The amounts in the Adj. Summary column are linked to pages Summary A and B.

STATE OF ILLINOISPage 3A

COLES SUPPORTIVE LIVING

Report Period Beginning: 1/1/2013
Ending: 12/31/2013

NON-ALLOWABLE EXPENSES		Amount	Sch. IV Line Reference	
1	Non-Straight Line Depreciation	\$ (17,991)	17	1
2	Interest Income	(4)	18	2
3	Cable TV	(21,737)	10	3
4	Bank Charges	(13,981)	10	4
5	Bad Debts	(32,465)	10	5
6	Non-Allowable Interest Expense	(160,704)	18	6
7	Non-Allowable Legal	(15,605)	10	7
8	Non-Allowable R&M Expense - Stujac	(24,998)	2	8
9	Misc. Income	(1,097)	10	9
10				10
11	BUILDING COMPANY:			11
12	Rent Income	(843,360)	20	12
13	Interest Expense	376,995	18	13
14	Legal & Accounting Fees	1,750	10	14
15	Other Professional Fees	200	10	15
16	Interest Income	(5,788)	18	16
17	Depreciation	249,282	17	17
18				18
19				19
20				20
21	MANAGEMENT OFFICE ALLOCATION:			21
22	Management Office Allocation	(17,610)	10	22
23	General and Administrative Expenses	21,125	10	23
24				24
25				25
26				26
27				27
28				28
29	APEX HEALTHCARE ALLOCATION:			29
30	Administrative Salaries	106,516	10	30
31	Emp. Ben. - Gen. Admin.	33,410	12	31
32	General and Administrative Expenses	14,647	10	32
33	Seminars	1,131	10	33
34	Auto & Travel	27,057	10	34
35	Insurance	6	13	35
36	Depreciation	1,544	17	36
37	Rent	3,737	20	37
38	Equipment Rental	692	21	38
39	Facility Wages reimbursed	677	02	39
40	Management Office Allocation	(109,769)	10	40
41				41
42				42
43				43
44				44
45	PPD Insurance	(1,214)	13	45
46				46
47				47
48				48
49				49
50				50
51	Total	(427,554)		51

Facility Name: COLES SUPPORTIVE LIVING

Report Period Beginning 1/1/2013 Ending: 12/31/2013

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses		\$	1
2	Licensed Practical Nurses	4.87	21.09	2
3	Certified Nurse Assistants	10.38	9.78	3
4	Activity Director & Assistants	2.18	13.18	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	7.89	9.45	7
8	Dishwashers			8
9	Maintenance Workers	1.04	13.95	9
10	Housekeepers	5.70	8.16	10
11	Laundry			11
12	Managers			12
13	Other Administrative	3.66	12.51	13
14	Clerical	1.57	34.32	14
15	Marketing	0.43	17.92	15
16	Other			16
17	Total (lines 1 thru 16)	37.71	\$ 12.62	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		
Coles Property, LLC		Building Co.

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	Aaron Mann Administrative	Relative	3	\$ 23,257	1
2					2
3					3
4					4
5					5
Total				\$ 23257	6

VI. (B) Management fees paid to unrelated parties

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

Facility Name: COLES SUPPORTIVE LIVING

Report Period Beginning:

1/1/2013

Ending:

12/31/2013

VIII. OWNERSHIP COSTS

A. Purchase price of land _____ Year land was acquired _____

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	139		2004	2004	\$ 6,855,929	\$ 249,282	35	\$ 195,884	\$ (53,398)	\$ 2,165,085	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Leasehold Improvements			2005	39,296		20	1,965	1,965	17,334	6
7	Leasehold Improvements			2006	76,634		20	3,834	3,834	25,147	7
8	Leasehold Improvements			2007	262,435		20	13,123	13,123	69,278	8
9	Leasehold Improvements			2008	266,438		20	13,323	13,323	59,733	9
10	Leasehold Improvements			2009	32,807		20	1,641	1,641	7,831	10
11	Leasehold Improvements			2010	40,068		20	2,004	2,004	6,816	11
12	Leasehold Improvements			2011	3,840		20	192	192	400	12
13	Leasehold Improvements			2012	3,836		20	80	80	160	13
14											14
15											15
16	Current Year Book Depreciation					9,652			(9,652)	9,652	16
17	TOTAL (lines 1 thru 16)				\$ 7,581,283	\$ 258,934		\$ 232,046	\$ (26,888)	\$ 2,361,436	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	\$ 312,195	\$ 22,322	\$ 31,220	8,898	10	\$ 239,759	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 312,195	\$ 22,322	\$ 31,220	8,898		\$ 239,759	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: COLES SUPPORTIVE LIVING Report Period Beginning: 1/1/2013 Ending: 2/31/2013

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? [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 \$ 8,023
4	Additions			/ /				4	
5	Alloc. Management Co.			/ /	692			5	
6				/ /				6	
7	TOTAL				\$ 692			7	

8. Is movable equipment rental included in building rental?

[] YES [X] NO

9. Rental amount for movable equipment \$ 8,023

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	Private Bank & Trust		X	Mortgage	/ /	\$	4,426,655	/ /		\$ 376,995	1
2					/ /			/ /			2
3					/ /			/ /			3
	Working Capital										
4	Arlene Ventures, LLC	X		Working Capital	/ /		2,000,000	/ /		147,638	4
5	Venture Fund, LLC	X		Working Capital	/ /		2,605,638	/ /		13,066	5
6					/ /			/ /			6
7	TOTAL Facility Related					\$	9,032,293			\$ 537,699	7
	B. Non-Facility Related										
8	Interest Income		X		/ /			/ /		-5,792	8
9	Non-Allowable Interest	X			/ /			/ /		-160,704	9
10	TOTALS (lines 7, 8 and 9)					\$	9,032,293			\$ 371,203	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: COLES SUPPORTIVE LIVING

Report Period Beginning: 1/1/2013

Ending: 12/31/2013

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2013

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 183,025	\$ 962,397	1
2	Cash-Patient Deposits	9,669	9,669	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	344,431	344,431	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	76,971	76,971	6
7	Other Prepaid Expenses	959	959	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 615,055	\$ 1,394,427	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		214,665	13
14	Buildings, at Historical Cost		6,855,929	14
15	Leasehold Improvements, at Historical Cost	115,580	115,580	15
16	Equipment, at Historical Cost	183,447	327,411	16
17	Accumulated Depreciation (book methods)	(174,856)	(2,697,544)	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): <u>See attached</u>	21,255	82,063	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 145,426	\$ 4,898,104	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 760,481	\$ 6,292,531	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 463,233	\$ 463,233	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	44,549	44,549	30
31	Accrued Taxes Payable	17,890	17,890	31
32	Accrued Interest Payable	320,874	320,874	32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35				35
36	Unclaimed Property Holding	1,375	1,375	36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 847,921	\$ 847,921	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	2,427,745	4,605,638	38
39	Mortgage Payable		4,426,655	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)	\$ 2,427,745	\$ 9,032,293	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 3,275,666	\$ 9,880,214	45
46	TOTAL EQUITY	\$ (2,515,185)	\$ (3,587,683)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 760,481	\$ 6,292,531	47

*(See instructions.)

Facility Name: COLES SUPPORTIVE LIVING

Report Period Beginning: 1/1/2013

Ending:

12/31/2013

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	\$ 3,168,758	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,168,758	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
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	4	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 4	14
	D. Other Revenue (specify):		
15	Misc. Income	1,097	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 1,097	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 3,169,859	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	785,483	19
20	Health Care/ Personal Care	500,534	20
21	General Administration	913,894	21
	B. Capital Expense		
22	Ownership	1,195,797	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)	\$ 3,395,708	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (225,849)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (225,849)	31

Page 6

Copier	7,440
Postage Meter	583
Allocated Management Co.	692
Total Equipment Rental	8,715

Page 7: Line 23 Other (specify)	Operating	Consolidated
Deposits	21,255	21,255
Permanent Mortgage Costs	-	91,212
Amort. Permanent Mortgage Costs	-	(30,404)
Total	21,255	82,063

