

		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: 1000056

Facility Name: THE FORT ARMSTRONG

Address: 1900 3RD AVENUE ROCK ISLAND 61201

Number City Zip Code

County: ROCK ISLAND

Telephone Number: (309) 786-0400 Fax # (309) 788-9729

Federal Employer ID Number:

Date Current Owners were Certified: 02/05

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: SANFORD BOKOR Telephone Number: (847) 675-3585

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 01/01/2013 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) MARCI HALPERT

(Title) MANAGER

Paid Preparer (Signed) (SEE ATTACHED ACCOUNTANTS' REPORT) (Date)

(Print Name and Title) SANFORD BOKOR PRESIDENT

(Firm Name & Address) KBKB, LTD. 8140 RIVER DRIVE, MORTON GROVE, IL 60053

(Telephone) (847) 675-3585 Fax (847) 675-5777

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 THE FORT ARMSTRONG

Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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	116	Single Unit Apartment	116	42,340	1
2	14	Double Unit Apartment	14	5,110	2
3		Other			3
4	130	TOTALS	130	47,450	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	23,082	12,389		35,471	5
6	Double Unit					6
7	Other					7
8	TOTALS	23,082	12,389		35,471	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 74.75%

D. Indicate the number of paid bed-hold days the SLF had during this year 716 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 X

F. Does the BALANCE SHEET reflect any non-SLF assets?

YES NO X

G. List all services provided by your facility for non-residents. (E.g., day care, "meals on wheels", outpatient therapy)

H. ACCOUNTING BASIS

ACCRUAL X MODIFIED CASH* CASH*

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

Tax Year: 12/31/13 Fiscal Year:

* 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: THE FORT ARMSTRONG

Report Period Beginning:

01/01/2013

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	265,554	252,219		517,773		517,773	1
2	Housekeeping, Laundry and Maintenance	159,998	9,313	101,114	270,425		270,425	2
3	Heat and Other Utilities			144,473	144,473	(20,610)	123,863	3
4	Other (specify):			16,620	16,620		16,620	4
5	TOTAL General Services	425,552	261,532	262,207	949,291	(20,610)	928,681	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	572,454	9,045		581,499		581,499	6
7	Activities and Social Services	43,252	4,704		47,956		47,956	7
8	Other (specify):auto & bus			15,784	15,784		15,784	8
9	TOTAL Health Care and Programs	615,706	13,749	15,784	645,239		645,239	9
	C. General Administration							
10	Administrative and Clerical	151,968	18,302	286,645	456,915	(174)	456,741	10
11	Marketing Materials, Promotions and Advertising	70,893		51,055	121,948		121,948	11
12	Employee Benefits and Payroll Taxes			152,999	152,999		152,999	12
13	Insurance-Property, Liability and Malpractice			56,956	56,956	20,192	77,148	13
14	Other (specify):							14
15	TOTAL General Administration	222,861	18,302	547,655	788,818	20,018	808,836	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,264,119	293,583	825,646	2,383,348	(592)	2,382,756	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			10,305	10,305	109,213	119,518	17
18	Interest			1,702	1,702	282,886	284,588	18
19	Real Estate Taxes					67,075	67,075	19
20	Rent -- Facility and Grounds			561,600	561,600	(561,600)		20
21	Rent -- Equipment							21
22	Other (specify):							22
23	TOTAL Ownership			573,607	573,607	(102,426)	471,181	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,264,119	293,583	1,399,253	2,956,955	(103,018)	2,853,937	24

Facility Name: THE FORT ARMSTRONG

Report Period Beginning 01/01/2013 Ending: 12/31/2013

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1.00	\$ 29.56	1
2	Licensed Practical Nurses	3.25	20.03	2
3	Certified Nurse Assistants	15.62	10.03	3
4	Activity Director & Assistants	1.84	10.58	4
5	Social Service Workers			5
6	Head Cook	2.81	12.60	6
7	Cook Helpers/Assistants	9.13	8.51	7
8	Dishwashers			8
9	Maintenance Workers	1.48	12.89	9
10	Housekeepers	5.39	9.25	10
11	Laundry			11
12	Managers	1.00	35.22	12
13	Other Administrative			13
14	Clerical	3.08	10.85	14
15	Marketing	1.06	28.55	15
16	Other			16
17	Total (lines 1 thru 16)	45.66	\$	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
MEDTAK LTD		CHICAGO		MANAGEMENT	
ABE STERN		SKOKIE		BOOKKEEPING	

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	MEDTAK LTD			\$ 204,582	1
2	ABE STERN			30,000	2
3					3
4					4
5					5
Total				\$ 234582	6

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

1		\$		1
2				2
Total		\$		3

Facility Name: THE FORT ARMSTRONG

Report Period Beginning:

01/01/2013

Ending:

12/31/2013

VIII. OWNERSHIP COSTS

A. Purchase price of land 387,740 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	130		2003		\$ 1,000,000	\$ 36,364	27.5	\$ 36,364	\$	\$ 374,246	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	RENOVATIONS				896,825	32,612	27.5	32,612		298,876	6
7	RENOVATIONS			2004	32,239	1,172	27.5	1,172		10,499	7
8	WOODWORK			2007	8,558	311	27.5	311		2,035	8
9	BOILER			2007	12,955	471	27.5	471		3,081	9
10	FIRE ALARM			2007	6,625	241	27.5	241		1,576	10
11	ROOF			2007	16,000	582	27.5	582		3,807	11
12	CARPET			2007	46,040	4,127	7.0	6,577	2,450	44,066	12
13	WALLPAPER			2007	2,096	172	7.0	299	127	2,004	13
14	A/C GENERATOR			2008	13,150	478	27.5	478		2,649	14
15	CARPET			2008	8,051	359	7.0	1,150	791	6,327	15
16	PARKING LOT			2009	9,072	605	15.0	605		2,722	16
17	TOTAL (lines 1 thru 16)				\$ 2,051,611	\$ 77,494		\$ 80,862	\$ 3,368	\$ 751,888	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	\$	\$	\$	\$		\$	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$	\$	\$	\$		\$	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: THE FORT ARMSTRONG Report Period Beginning: 01/01/2013 Ending: 12/31/2013

VIII. OWNERSHIP COSTS

A. Purchase price of land 387,740 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					\$	\$		\$	\$	\$
2										
3										
4										
5										
	Improvement Type									
6	TOTALS FROM PAGE 5				2,051,611	77,494		80,862	3,368	751,888
7	CARPET TILE			2009	35,692	4,112	5.00	7,138	3,026	30,082
8	RAILING,CR MOLDING,DOORS & FRAMES			2009	6,502	236	27.50	236		1,062
9	PLASTER & DRYWALL			2010	22,382	814	27.50	814		2,849
10	CARPET & TILE			2010	4,984	287	5.00	997	710	3,489
11	BOILER			2011	5,911	1,182	5.00	1,182		2,955
12	CARPET & SIGNS			2011	12,395	2,380	5.00	2,479	99	6,198
13	NURSE CALL SYSTEM			2012	8,628	1,380	5.00	1,726	346	2,588
14	CARPET & WINDOW TREATMENTS			2012	11,897	1,903	5.00	2,380	477	3,569
15	CARPET & WINDOW TREATMENTS			2013	29,153	17,492	5.00	2,915	(14,577)	2,915
16	LANDSCAPING & SPRINKLERS			2013	19,439	756	15	648	(108)	648
17	TOTAL (lines 1 thru 16)				\$ 2,208,594	\$ 108,036		\$ 101,377	\$ (6,659)	\$ 808,243

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	\$ 971,518	\$ 15,704	\$ 18,141	2,437	5 - 10	\$ 944,015
19	Vehicles						
20	TOTAL (lines 18 and 19)	\$ 971,518	\$ 15,704	\$ 18,141	2,437		\$ 944,015

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

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Facility Name: THE FORT ARMSTRONG

Report Period Beginning: 01/01/2013 Ending: 2/31/2013

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease:

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	Midland Serve Inc		x	Mortgage property	12/1/09	\$ 5,553,500	\$ 5,322,538	1/1/45	0.0545	\$ 282,886	1
2					/ /			/ /			2
3					/ /			/ /			3
	Working Capital										
4				working capital	/ /			/ /		1,702	4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 5,553,500	\$ 5,322,538			\$ 284,588	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 5,553,500	\$ 5,322,538			\$ 284,588	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: THE FORT ARMSTRONG

Report Period Beginning: 01/01/2013

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	\$ 90,517	\$ 95,637	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	426,054	426,054	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	65,552	65,552	6
7	Other Prepaid Expenses	9,053	9,053	7
8	Accounts Receivable (owners or related parties)	104,930		8
9	Other(specify):mip/re escrow/ hud reserve		572,540	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 696,106	\$ 1,168,836	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		387,740	13
14	Buildings, at Historical Cost		1,000,000	14
15	Leasehold Improvements, at Historical Cost	32,239	1,043,747	15
16	Equipment, at Historical Cost	4,667	1,136,365	16
17	Accumulated Depreciation (book methods)	(16,338)	(1,840,253)	17
18	Deferred Charges		253,294	18
19	Organization & Pre-Operating Costs	35,782	35,782	19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify):	30,634	108,864	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 86,984	\$ 2,125,539	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 783,090	\$ 3,294,375	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 100,438	\$ 100,438	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	100,000	100,000	29
30	Accrued Salaries Payable	61,243	61,243	30
31	Accrued Taxes Payable	55,417	125,603	31
32	Accrued Interest Payable		24,173	32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35				35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 317,098	\$ 411,457	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable		5,322,538	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)	\$	\$ 5,322,538	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 317,098	\$ 5,733,995	45
46	TOTAL EQUITY	\$ 465,992	\$ (2,439,620)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 783,090	\$ 3,294,375	47

*(See instructions.)

Facility Name: THE FORT ARMSTRONG

Report Period Beginning: 01/01/2013 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	\$ 3,358,977	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,358,977	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	2,750	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 2,750	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	47,982	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 47,982	14
	D. Other Revenue (specify):		
15			15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 3,409,709	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	949,291	19
20	Health Care/ Personal Care	645,239	20
21	General Administration	788,818	21
	B. Capital Expense		
22	Ownership	573,607	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)	\$ 2,956,955	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 452,754	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 452,754	31

FORT ARMSTRONG SUPPORTIVE LIVING LLC
ATTACHMENT #1
ADJUSTMENT RECAP

DESCRIPTION	AMOUNT	LINE
BANK CHARGES	(174.00)	10
CABLE RESIDENT ROOMS	(20,610.00)	3
STRAIGHT LINE DEPRECIATION	(3,167.00)	17
RELATED PARTY	(79,067.00) SEE ATTACHED	

TOTAL	----- (103,018.00) =====
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FORT ARMSTRONG SUPPORTIVE LIVING LLC
ATTACHMENT #2
REALTED PARTY ADJUSTMENT

DESCRIPTION	AMOUNT	LINE #
RENT	(561,600.00)	20
INSURANCE	20,192.00	13
DEPRECIATION (S/L)	112,380.00	17
INTEREST (NET OF INTEREST INCOME AND ANTENNA RENTAL)	282,886.00	18
REAL ESTATE TAXES	67,075.00	19
	----- (79,067.00) =====	

