

		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: 1000101

Facility Name: Heritage Woods of McHenry

Address: 4609 W Crystal Lake Rd McHenry 60050

Number City Zip Code

County: McHenry

Telephone Number: 815-344-2690 Fax # 815-344-2691

Federal Employer ID Number:

Date Current Owners were Certified: 07/23/08

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 01/01/13 to 12/31/13 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	
Paid Preparer	(Title)	CFO, BMA Management, LTD	
	(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 McHenry
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Report Period Beginning: 01/01/13 Ending: 12/31/13

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	100	Single Unit Apartment	100	36,500	1		
2		Double Unit Apartment			2		
3		Other			3		
4	100	TOTALS	100	36,500	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	33,180	3,281		36,461	5
6	Double Unit					6
7	Other					7
8	TOTALS	33,180	3,281		36,461	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.)	99.89%
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D. Indicate the number of paid bed-hold days the SLF had during this year

947 Also, indicate the number of unpaid bed-hold days the SLF
had during this year. None (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	☒	MODIFIED		
CASH*	☐	CASH*	☐	

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

Tax Year: 2013 **Fiscal Year:** 2013

* 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.

STATE OF ILLINOIS

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Facility Name: Heritage Woods of McHenry

Report Period Beginning:

01/01/13

Ending:

12/31/13

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		187,041	1,705	188,746		188,746	1
2	Housekeeping, Laundry and Maintenance		22,288	52,658	74,946		74,946	2
3	Heat and Other Utilities			137,856	137,856	(34,411)	103,445	3
4	Other (specify):			14,781	14,781		14,781	4
5	TOTAL General Services		209,329	207,000	416,329	(34,411)	381,918	5
	B. Health Care and Programs							
6	Health Care/ Personal Care		6,342		6,342	(16,248)	(9,906)	6
7	Activities and Social Services		7,294		7,294		7,294	7
8	Other (specify):							8
9	TOTAL Health Care and Programs		13,636		13,636	(16,248)	(2,612)	9
	C. General Administration							
10	Administrative and Clerical		17,294	224,194	241,488		241,488	10
11	Marketing Materials, Promotions and Advertising		4,235	40,749	44,984		44,984	11
12	Employee Benefits and Payroll Taxes							12
13	Insurance-Property, Liability and Malpractice			16,285	16,285		16,285	13
14	Other (specify):			1,879,700	1,879,700		1,879,700	14
15	TOTAL General Administration		21,529	2,160,928	2,182,457		2,182,457	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)		244,494	2,367,928	2,612,422	(50,659)	2,561,763	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			547,042	547,042		547,042	17
18	Interest			732,406	732,406		732,406	18
19	Real Estate Taxes			94,297	94,297		94,297	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify):			372,794	372,794		372,794	22
23	TOTAL Ownership			1,746,539	1,746,539		1,746,539	23
24	GRAND TOTAL (Sum of lines 16 and 23)		244,494	4,114,467	4,358,961	(50,659)	4,308,302	24

Facility Name: Heritage Woods of McHenry

Report Period Beginning 01/01/13 Ending: 12/31/13

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1	\$ 32.96	1
2	Licensed Practical Nurses	1	23.09	2
3	Certified Nurse Assistants	15	11.32	3
4	Activity Director & Assistants			4
5	Social Service Workers	1	16.67	5
6	Head Cook	1	20.99	6
7	Cook Helpers/Assistants	10	9.87	7
8	Dishwashers			8
9	Maintenance Workers	1	20.34	9
10	Housekeepers	3	9.62	10
11	Laundry			11
12	Managers	1	39.75	12
13	Other Administrative	3	16.11	13
14	Clerical			14
15	Marketing	1	28.07	15
16	Other			16
17	Total (lines 1 thru 16)	38	\$	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

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	\$ 156,169	1
2			2
Total		\$ 156,169	3

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).

Facility Name: Heritage Woods of McHenry Report Period Beginning: 01/01/13 Ending: 12/31/13

VIII. OWNERSHIP COSTS

A. Purchase price of land 1,030,680 Year land was acquired 2008

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	100			2008	\$ 11,273,977	\$ 409,963	28	\$ 409,963	\$ (0)	\$ 2,271,877	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	LAND IMPROVEMENTS				1,504,099	93,705	15	100,273	6,568	673,234	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)				\$ 12,778,076	\$ 503,668		\$ 510,236	\$ 6,568	\$ 2,945,111	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	\$ 680,425	\$ 43,374	\$ 136085	92,711	5	\$ 656,932	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 680,425	\$ 43,374	\$ 136,085	92,711		\$ 656,932	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 McHenry

Report Period Beginning: 01/01/13

Ending: 12/31/13

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 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	AMALGAMATED BANK		X	FIRST MORTGAGE/BOND	7/1/07	\$ 12,450,000	\$ 11,860,000	12/1/41	0.0610	\$ 732,406	1
2					/ /			/ /			2
3					/ /			/ /			3
	Working Capital										
4	ILLINOIS NATIONAL BANK		X	LINE OF CREDIT	12/20/12	500,000		12/20/13	VARIABLE		4
5	ILLINOIS NATIONAL BANK		X	LINE OF CREDIT	12/20/13	500,000	15,600	12/20/14	VARIABLE		5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 13,450,000	\$ 11,875,600			\$ 732,406	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 13,450,000	\$ 11,875,600			\$ 732,406	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 McHenry

Report Period Beginning: 01/01/13

Ending:

12/31/13

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/13

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 185,905	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	646,939 (80,683)		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	334		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 752,495	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	1,030,680		13
14	Buildings, at Historical Cost	11,273,976		14
15	Leasehold Improvements, at Historical Cost	1,504,099		15
16	Equipment, at Historical Cost	680,425		16
17	Accumulated Depreciation (book methods)	(3,602,043)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	522,927		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(94,205)		20
21	Restricted Funds	2,084,253		21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 13,400,112	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 14,152,607	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 48,547	\$	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	93,717		31
32	Accrued Interest Payable	60,288		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	See Page 7 Attachment	615,034		35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 817,586	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	11,186,000		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)	\$ 11,860,000	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 12,677,586	\$	45
46	TOTAL EQUITY	\$ 1,475,021	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 14,152,607	\$	47

*(See instructions.)

Facility Name: Heritage Woods of McHenry

Report Period Beginning: 01/01/13

Ending:

12/31/13

XII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this Schedule to Schedule IV.)

		1	
	Revenue	Amount	
	A. SLF Resident Care		
1	Gross SLF Resident Revenue	\$ 3,794,158	1
2	Discounts and Allowances	(23,930)	2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,770,228	3
	B. Other Operating Revenue		
4	Special Services	181,211	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	8,780	8
9	Non-Resident Meals	7,218	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 197,209	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	17,475	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 17,475	14
	D. Other Revenue (specify):		
15	Insurance Adjustments	9,281	15
16	Late Fees/NSF Fees/Contract Service Reimb	684	16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 9,965	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 3,994,876	18

		2	
	Expenses	Amount	
	A. Operating Expenses		
19	General Services	416,329	19
20	Health Care/ Personal Care	13,636	20
21	General Administration	2,182,457	21
	B. Capital Expense		
22	Ownership	1,746,539	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)	\$ 4,358,961	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (364,085)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (364,085)	31

COST CENTER EXPENSES

A. General Services - Other

Exterminating	2,415
Rubbish Removal	4,528
Vehicle Expense	
Transportation Service	
Water Softener	7,838
Misc Operating	
Total	14,781

C. General Administration - Other

Consulting	31,083
Legal	385
Accounting	145
Audit	11,140
Contract labor-Serv Prov	1,751,903
Bad Debt	85,044
Contract labor	
Total	1,879,700

D. Ownership

Letter of Credit	675
Mortgage Insurance Premium	
Bond & Draw Fee	3,200
Partnership Management Fee	50,000
Asset Management Fee	5,004
Incentive Manangement Fee	292,316

Tax Credit Fee & Incentive Fee	1,975
Amortization Expense	17,124
Remarketing and Trustee Fee	
Property Damage Loss	2,500
Gain on Sale	
Total	372,794

Reclassifications and Adjustments

Heat & Other Utilities (34,411) Cable

Administrative and Clerical (16,248) Telephone Revenue

BALANCE SHEET

C. Current Liabilities

Accrued Liabilities	14,078
Accrued Asset Mgmt Fee	
Accrued Partnership Fee	50,000
Accrued Incentive Mgmt Fee	526,491
Unclaimed Property	584
Unearned Revenue	8,181
Line of Credit	15,600
Accrued MIP	
Reservation Deposit	100

Total Other Current Liabilities 615,034