

		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: 1000137 Facility Name: <u>Victory Centre of Vernon Hills</u> Address: <u>97 West Phillip Road</u> <u>Vernon Hills</u> <u>60061</u> Number City Zip Code County: <u>Lake</u> Telephone Number: <u>847-549-6070</u> Fax # <u>847-367-5530</u> Federal Employer ID Number: _____ Date Current Owners were Certified: <u>3/19/2012</u> Type of Ownership: ☐ VOLUNTARY, NON-PROFIT ☐ Charitable Corp. ☐ Trust IRS Exemption Code _____ ☒ PROPRIETARY ☐ Individual ☐ Partnership ☐ Corporation ☐ "Sub-S" Corp. ☐ Limited Liability Co. ☒ Other <u>Limited Partnership</u> ☐ GOVERNMENTAL ☐ State ☐ County ☐ Other _____				
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In the event there are further questions about this report, please contact:
Name: Steve Lavenda **Telephone Number:** (847) 236 - 1111
Email Address: _____

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	120	Single Unit Apartment	120	43,800	1
2		Double Unit Apartment			2
3		Other			3
4	120	TOTALS	120	43,800	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	18,684	10,061		28,745	5
6	Double Unit					6
7	Other					7
8	TOTALS	18,684	10,061		28,745	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 65.63%

D. Indicate the number of paid bed-hold days the SLF had during this year 479 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 17 (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: 12/31/13 Fiscal Year: 12/31/13
* 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

HFS 3745C (N-4-05)

IL478-2471

STATE OF ILLINOIS

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Facility Name: Victory Centre of Vernon Hills

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	196,418	203,497	124,449	524,364	(4,677)	519,687	1
2	Housekeeping, Laundry and Maintenance	123,751	19,717	71,823	215,291	8,944	224,235	2
3	Heat and Other Utilities			118,134	118,134	226	118,360	3
4	Other (specify):							4
5	TOTAL General Services	320,169	223,214	314,406	857,789	4,493	862,282	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	454,927	6,286	8,638	469,851	8,530	478,381	6
7	Activities and Social Services	40,765	4,281	18,983	64,029	8,063	72,092	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	495,692	10,567	27,621	533,880	16,593	550,473	9
	C. General Administration							
10	Administrative and Clerical	180,928	26,288	495,035	702,251	(164,708)	537,543	10
11	Marketing Materials, Promotions and Advertising	74,476	1,356	96,905	172,737	27,463	200,200	11
12	Employee Benefits and Payroll Taxes			182,913	182,913		182,913	12
13	Insurance-Property, Liability and Malpractice			37,405	37,405	749	38,154	13
14	Other (specify):					22,403	22,403	14
15	TOTAL General Administration	255,404	27,644	812,258	1,095,306	(114,094)	981,212	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,071,265	261,425	1,154,285	2,486,975	(93,008)	2,393,967	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			969,766	969,766	(202,190)	767,576	17
18	Interest			618,756	618,756	(13,327)	605,429	18
19	Real Estate Taxes			105,240	105,240		105,240	19
20	Rent -- Facility and Grounds			374	374	13,891	14,265	20
21	Rent -- Equipment			1,154	1,154	154	1,308	21
22	Other (specify):			52,310	52,310		52,310	22
23	TOTAL Ownership			1,747,600	1,747,600	(201,472)	1,546,128	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,071,265	261,425	2,901,885	4,234,575	(294,479)	3,940,096	24

Victory Centre of Vernon Hills

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

NON-ALLOWABLE EXPENSES			Sch. V Line	
		Amount	Reference	
1	Non-Straight Line Depreciation	\$ (202,190)	17	1
2	Meal Program Income	(392)	01	2
3	Guest Meals	(3,141)	01	3
4	Employee Meals	(1,157)	01	4
5	Maintenance Fees	(220)	02	5
6	Damage Recovery	(2,395)	10	6
7	NSF Fees	(30)	10	7
8	Other Income	(2,430)	10	8
9	Meals & Entertainment	(1,308)	11	9
10	Bank Service Charges	(2,250)	10	10
11	Charitable Contributions	(788)	10	11
12	Resident Gifts	(36)	10	12
13	Resident Reimbursables	(68)	10	13
14	Bad Debt-Tenant	(873)	10	14
15	Bad Debt - Medicaid	(14,985)	10	15
16	Cable TV	(130)	10	16
17	Interest Income - Escrows	(1,067)	18	17
18	Interest Income	(12,260)	18	18
19	Service Fee	(5,603)	10	19
20	Forgiveness of Debt	(45,332)	10	20
21	Asset Management Fee	(30,900)	10	21
22				22
23				23
24				24
25	Pathway Management LLC			25
26	Dietary	13	01	26
27	Maintenance	5,872	02	27
28	Utilities	226	03	28

29	Health Care / Personal Care	5,725	06	29
30	Community Life	1,560	07	30
31	Administrative	86,239	10	31
32	Marketing	13,802	11	32
33	Insurance	2	13	33
34	Employee Benefits	11,086	14	34
35	Rent - Building	12,977	20	35
36	Rent - Equipment	57	21	36
37				37
38	Pathway Senior Living LLC			38
39	Management Fees	(48,332)	10	39
40	Service Provider Fee	(184,760)	10	40
41	Maintenance	3,292	02	41
42	Health Care / Personal Care	2,805	06	42
43	Community Life	6,503	07	43
44	Administrative	87,964	10	44
45	Marketing	14,969	11	45
46	Insurance	747	13	46
47	Employee Benefits	11,317	14	47
48	Rent - Building	914	20	48
49	Rent - Equipment	97	21	49
50				50
51				51
52				52
	Total	(294,479)		101

Facility Name: Victory Centre of Vernon Hills

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	0.86	\$ 29.75	1
2	Licensed Practical Nurses	2.70	23.16	2
3	Certified Nurse Assistants	11.91	10.97	3
4	Activity Director & Assistants	1.23	15.92	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	9.17	10.30	7
8	Dishwashers			8
9	Maintenance Workers	2.53	16.11	9
10	Housekeepers	2.04	9.15	10
11	Laundry			11
12	Managers			12
13	Other Administrative	4.13	21.06	13
14	Clerical			14
15	Marketing	1.04	34.48	15
16	Other			16
17	Total (lines 1 thru 16)	35.61	\$ 14.46	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%	2.07	\$ 2,047	1
2					2
3					3
4					4
5					5
Total				\$ 2,047	6

VI. (B) Management fees paid to unrelated parties

Amount of Fee

1	N/A	\$		1
2				2
Total		\$		3

Facility Name: Victory Centre of Vernon Hills

Report Period Beginning:

1/1/2013

Ending:

12/31/2013

VIII. OWNERSHIP COSTS

A. Purchase price of land 600,000 Year land was acquired 2012

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	120		2012		\$ 18,937,617	\$ 969,766	28	\$ 676,343	\$ (293,423)	\$ 1,364,984	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Total From Supplemental Page 5's				165,395			8,270	8,270	16,540	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)				\$ 19,103,012	\$ 969,766		\$ 684,613	\$ (285,153)	\$ 1,381,524	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	\$ 829,627	\$	\$ 82,963	82,963	10	\$ 165,926	18
19	Vehicles					5	-	19
20	TOTAL (lines 18 and 19)	\$ 829,627	\$	\$ 82,963	82,963		\$ 165,926	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

STATE OF ILLINOIS

Facility Name & ID Number Victory Centre of Vernon Hills Report Period Beginning: 1/1/2013 Ending:

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	Ac De
1								
2	Land Improvements	2012	165,395		20	8,270	8,270	
3								
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33	Total Book Depreciation							
34	TOTAL (lines 1 thru 33)		\$ 165,395	\$		\$ 8,270	\$ 8,270	\$

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

9	
Accumulated depreciation	1
16,540	2
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	33
16,540	34

STATE OF ILLINOIS

Facility Name & ID Number Victory Centre of Vernon Hills Report Period Beginning: 1/1/2013 Ending:

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	
Improvement Type**		Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Ac De
1								
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4								
5								
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34	TOTAL (lines 1 thru 33)		\$	\$		\$	\$	\$

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

9 Accumulated Depreciation	
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STATE OF ILLINOIS

Facility Name & ID Number Victory Centre of Vernon Hills Report Period Beginning: 1/1/2013 Ending:

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	
Improvement Type**		Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Ac De
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34	TOTAL (lines 1 thru 33)		\$	\$		\$	\$	\$

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

9 Accumulated depreciation	
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Facility Name: Victory Centre of Vernon Hills

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? 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			/ /	374			5
6	Pathway SL & Mgmt Alloc.			/ /	13,891			6
7	TOTAL				\$ 14,265			7

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

9. Rental amount for movable equipment \$ 1,308

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	Centennial Mortgage		X	1st Mortgage - Interest	10/1/10	\$ 12,101,000	\$ 11,933,825	3/1/52	5.1500	\$ 616,912	1
2	IHDA Loan		X	2nd Mortgage	10/1/10	1,246,626	1,163,518	/ /			2
3					/ /			/ /			3
	Working Capital										
4	Other Interest		X		/ /			/ /		1,844	4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 13,347,626	\$ 13,097,343			\$ 618,756	7
	B. Non-Facility Related										
8	Interest Income		X		/ /			/ /		-12,260	8
9	Interest Income - Escrows		X		/ /			/ /		-1,067	9
10	TOTALS (lines 7, 8 and 9)					\$ 13,347,626	\$ 13,097,343			\$ 605,429	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 Vernon Hills

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	\$ 859,360	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	1,027,086		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	41,313		6
7	Other Prepaid Expenses	3,461		7
8	Accounts Receivable (owners or related parties)	57		8
9	Other(specify):	1,849,335		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 3,780,612	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	600,000		13
14	Buildings, at Historical Cost	18,937,617		14
15	Leasehold Improvements, at Historical Cost	165,395		15
16	Equipment, at Historical Cost	829,627		16
17	Accumulated Depreciation (book methods)	(1,691,093)		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):	691,306		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 19,532,852	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 23,313,464	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 917,232	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	72,483		30
31	Accrued Taxes Payable	205,814		31
32	Accrued Interest Payable	51,216		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35				35
36	See Attached	63,150		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 1,309,895	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	13,097,343		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)	\$ 13,097,343	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 14,407,238	\$	45
46	TOTAL EQUITY	\$ 8,906,226	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 23,313,464	\$	47

*(See instructions.)

Facility Name: Victory Centre of Vernon Hills

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	\$ 4,067,064	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 4,067,064	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	4,690	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 4,690	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	13,327	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 13,327	14
	D. Other Revenue (specify):		
15	See Attached	51,069	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 51,069	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 4,136,150	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	857,789	19
20	Health Care/ Personal Care	533,880	20
21	General Administration	1,095,306	21
	B. Capital Expense		
22	Ownership	1,747,600	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)	\$ 4,234,575	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (98,425)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (98,425)	31

