

		FOR BHF USE			

LL2

Supportive Living Facility

2014

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2014)

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: 1000126

Facility Name: Covenant Home of Chicago

Address: 2720 West Foster Ave Chicago 60625

County: Cook

Telephone Number: (773) 506-6900 Fax # (773) 878-4530

Federal Employer ID Number:

Date Current Owners were Certified: 09/30/2010

Type of Ownership:

☒

VOLUNTARY, NON-PROFIT

☐

PROPRIETARY

☐

GOVERNMENTAL

☒ Charitable Corp.

☐ Trust

IRS Exemption Code 501c3

☐ Individual

☐ Partnership

☐ Corporation

☐ "Sub-S" Corp.

☐ Limited Liability Co.

☐ Trust

☐ Other

☐ State

☐ County

☐ Other

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

Name: Dan Lowe Telephone Number: (773) 596-2217

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 02/01/13 to 01/31/14 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) Bill Lowe

(Title) President

Paid Preparer

(Signed)

(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

Report Period Beginning: 02/01/13 Ending: 01/31/14

Date of change in certified units

If no, explain.

IL478-2471

STATE OF ILLINOIS

Page 3

Facility Name: Covenant Home of Chicago

Report Period Beginning:

02/01/13

Ending:

01/31/14

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	160,894	148,311	62,491	371,696	(38,724)	332,972	1
2	Housekeeping, Laundry and Maintenance	35,281	51,171	30,732	117,184		117,184	2
3	Heat and Other Utilities			139,717	139,717	(19,115)	120,602	3
4	Other (specify): Rubbish Disposal and Landscaping			16,932	16,932		16,932	4
5	TOTAL General Services	196,175	199,482	249,872	645,529	(57,839)	587,690	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	105,429	2,807	217	108,453		108,453	6
7	Activities and Social Services	293,854	2,297	4,601	300,752		300,752	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	399,283	5,104	4,818	409,205		409,205	9
	C. General Administration							
10	Administrative and Clerical	175,447	7,930	177,419	360,796	(14,391)	346,405	10
11	Marketing Materials, Promotions and Advertising	49,950	2,748	18,855	71,553		71,553	11
12	Employee Benefits and Payroll Taxes			191,310	191,310		191,310	12
13	Insurance-Property, Liability and Malpractice			102,642	102,642		102,642	13
14	Other (specify): Bad Debts			(20,000)	(20,000)	20,000		14
15	TOTAL General Administration	225,397	10,678	470,226	706,301	5,609	711,910	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	820,855	215,264	724,916	1,761,035	(52,230)	1,708,805	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			212,415	212,415		212,415	17
18	Interest			121,140	121,140	(121,140)		18
19	Real Estate Taxes							19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment			1,130	1,130		1,130	21
22	Other (specify):							22
23	TOTAL Ownership			334,685	334,685	(121,140)	213,545	23
24	GRAND TOTAL (Sum of lines 16 and 23)	820,855	215,264	1,059,601	2,095,720	(173,370)	1,922,350	24

Facility Name: Covenant Home of Chicago

Report Period Beginning 02/01/13 Ending: 01/31/14

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	2	\$ 23.83	1
2	Licensed Practical Nurses	0	24.01	2
3	Certified Nurse Assistants	11	10.60	3
4	Activity Director & Assistants			4
5	Social Service Workers			5
6	Head Cook	1	14.85	6
7	Cook Helpers/Assistants	3	13.25	7
8	Dishwashers	3	9.38	8
9	Maintenance Workers	1	19.16	9
10	Housekeepers	1	12.33	10
11	Laundry			11
12	Managers	1	31.89	12
13	Other Administrative	3	15.59	13
14	Clerical	2	10.98	14
15	Marketing	1	29.36	15
16	Other	1	25.72	16
17	Total (lines 1 thru 16)	28	\$	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
Covenant Retirement Communities		Skokie, IL	
Covenant Ministries of Benevolence		Chicago, IL	

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5

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				\$	1
2					2
3					3
4					4
5					5
Total				\$	6

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

1	Sodexo Services - Dietary Management/Galter Life Center	\$ 57,321	1
2	Chicagoland Methodist Senior Services	99,849	2
Total		\$ 157,170	3

Facility Name: Covenant Home of Chicago

Report Period Beginning:

02/01/13

Ending:

01/31/14

VIII. OWNERSHIP COSTSA. Purchase price of land 552,188 Year land was acquired 1992

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	56		1992		\$	\$		\$	\$	\$	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Balance Forward				7,193,580	187,052		187,052		2,999,565	6
7	2011 - see attached			2011	12,576	1,258	10	1,258		3,145	7
8	2012 - see attached			2012	14,670	1,467	10	1,467		2,201	8
9	Resident Room Restoration			2013	9,920	496	10	496		496	9
10	HVAC Chiller			2013	14,385	720	10	720		720	10
11	Remodeling Project Consulting/Design			2013	44,130	2,207	10	2,207		2,207	11
12	Retaining Wall Repair			2013	12,450	624	10	624		624	12
13	Air Compressor Controller			2013	5,367	265	10	265		265	13
14	Roof Repair			2013	4,378	219	10	219		219	14
15	Wireless Monitoring			2013	9,113	456	10	456		456	15
16											16
17	TOTAL (lines 1 thru 16)				\$ 7,320,569	\$ 194,764		\$ 194,764	\$	\$ 3,009,898	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	\$ 552,511	\$ 17,651	\$ 17,651	\$	10	\$ 462,152	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 552,511	\$ 17,651	\$ 17,651	\$		\$ 462,152	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: Covenant Home of Chicago

Report Period Beginning: 02/01/13

Ending: 01/31/14

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 \$ 1,130

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 Name of Lender	2 Related**		3 Purpose of Loan	4 Date of Note	6 Amount of Note		7 Maturity Date	8 Interest Rate (4 Digits)	9 Reporting Period Int. Expense	
		YES	NO			Original	Balance				
	A. Directly Facility Related										
	Long-Term										
1				Advance From Parent Corp	/ /	\$	\$	/ /	0.0500	\$ 121,140	1
2				Interest Income Offset	/ /			/ /		-121,140	2
3					/ /			/ /			3
	Working Capital										
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$	\$			\$	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$	\$			\$	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.

STATE OF ILLINOIS

Page 7

Facility Name: Covenant Home of Chicago

Report Period Beginning: 02/01/13

Ending:

01/31/14

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 01/31/14

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 89,190	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	100,492		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	3,000		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 192,682	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	3,534,779		12
13	Land	552,188		13
14	Buildings, at Historical Cost	7,320,569		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	552,511		16
17	Accumulated Depreciation (book methods)	(3,472,050)		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):Charitable Trust Remainder Interest	225,931		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 8,713,928	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 8,906,610	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 28,712	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	60,649		28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	33,002		30
31	Accrued Taxes Payable			31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	Due to Affiliates	4,188,204		35
36	Accrued Expenses	400		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 4,310,967	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable			39
40	Bonds Payable			40
41	Deferred Compensation			41
	Other Long-Term Liabilities(specify):			
42	Unexpended Restricted Gifts	1,712		42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 1,712	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 4,312,679	\$	45
46	TOTAL EQUITY	\$ 4,593,931	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 8,906,610	\$	47

*(See instructions.)

Facility Name: Covenant Home of Chicago

Report Period Beginning: 02/01/13

Ending:

01/31/14

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	\$ 1,999,202	1
2	Discounts and Allowances	(385,200)	2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 1,614,002	3
	B. Other Operating Revenue		
4	Special Services	64,597	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	2,368	8
9	Non-Resident Meals	2,304	9
10	Laundry	4,734	10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 74,003	11
	C. Non-Operating Revenue		
12	Contributions	11,919	12
13	Interest and Other Investment Income	143,920	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 155,839	14
	D. Other Revenue (specify):		
15	Entrance Fee/Amortization/Late Fee/Misc	25,030	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 25,030	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 1,868,874	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	645,529	19
20	Health Care/ Personal Care	409,205	20
21	General Administration	706,301	21
	B. Capital Expense		
22	Ownership	334,685	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)	\$ 2,095,720	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (226,846)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (226,846)	31

2013 Cost Report, Page 3, Report IV, Column 5

<u>Line</u>	<u>Column</u>	<u>Amount</u>	<u>Description</u>
1	5	36,420	Dietary Income
1	5	2,304	Employee Meal Income
3	5	19,115	Cable Television - Resident's Rooms
10	5	7,386	Fundraising Expense
10	5	480	Transportation Fees
10	5	6,471	Telephone Revenue
10	5	54	Guest Fees
14	5	(20,000)	Bad Debts
18	5	<u>121,140</u>	Investment Income
		<u><u>173,370</u></u>	Total

<u>Line</u>	<u>Column</u>	<u>Amount</u>	<u>Description</u>
12	1	11,919	Contributions
13	1	143,920	Interest and Other Investment Income
15	1	25,030	Entrance Fee/Amortization/Late Fee/Misc

<u>Improvement Type</u>	<u>Year Constructed</u>	<u>Cost</u>	<u>Current Book Depreciation</u>	<u>Life in Years</u>	<u>Straight Line Depreciation</u>	<u>Adjustments</u>	<u>Accumulated Depreciation</u>
Exterior-Awning	2011	2,890	288	10	288		720
Interior-Sprinkler Heads/Wall Guards/Security Car	2011	6,093	610	10	610		1,525
Pump Motor	2011	3,593	360	10	360		900
Total		12,576	1,258		1,258		3,145
Awning	2012	3,125	314	10	314		471
Resident Room Restoration	2012	4,265	426	10	426		639
Sprinkler Heads	2012	7,280	727	10	727		1,091
Total		14,670	1,467		1,467		2,201