

Facility Name	Covenant Home of Chicago
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Report Period Beginning: 02/01/16 Ending: 01/31/17

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	40	Single Unit Apartment	40	14,640	1		
2	16	Double Unit Apartment	16	5,856	2		
3		Other			3		
4	56	TOTALS	56	20,496	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	4,585	9,889		14,474	5
6	Double Unit		1,996		1,996	6
7	Other					7
8	TOTALS	4,585	11,885		16,470	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.)	80.36%
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D. Indicate the number of paid bed-hold days the SLF had during this year

585 Also, indicate the number of unpaid bed-hold days the SLF
had during this year. **322 (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: 01/31/17 **Fiscal Year:** 01/31/17

* 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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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	221,975	178,836	11,933	412,744	(2,746)	409,998	1
2	Housekeeping, Laundry and Maintenance	38,961	73,136	18,636	130,733		130,733	2
3	Heat and Other Utilities			171,300	171,300	(24,767)	146,533	3
4	Other (specify): Rubbish Disposal and Landscaping			15,838	15,838		15,838	4
5	TOTAL General Services	260,936	251,972	217,707	730,615	(27,513)	703,102	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	129,950	3,407	240	133,597		133,597	6
7	Activities and Social Services	365,822	4,701	19,828	390,351		390,351	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	495,772	8,108	20,068	523,948		523,948	9
	C. General Administration							
10	Administrative and Clerical	242,231	6,520	223,881	472,632	(11,564)	461,068	10
11	Marketing Materials, Promotions and Advertising	51,173	991	70,935	123,099		123,099	11
12	Employee Benefits and Payroll Taxes			221,544	221,544		221,544	12
13	Insurance-Property, Liability and Malpractice			103,928	103,928		103,928	13
14	Other (specify): Bad Debts			42,156	42,156	(42,156)		14
15	TOTAL General Administration	293,404	7,511	662,444	963,359	(53,720)	909,639	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,050,112	267,591	900,219	2,217,922	(81,233)	2,136,689	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			278,715	278,715		278,715	17
18	Interest			141,072	141,072	(135,807)	5,265	18
19	Real Estate Taxes							19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment			282	282		282	21
22	Other (specify):							22
23	TOTAL Ownership			420,069	420,069	(135,807)	284,262	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,050,112	267,591	1,320,288	2,637,991	(217,040)	2,420,951	24

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1	\$ 27.39	1
2	Licensed Practical Nurses	1	24.04	2
3	Certified Nurse Assistants	11	11.42	3
4	Activity Director & Assistants	1	23.14	4
5	Social Service Workers			5
6	Head Cook	2	13.31	6
7	Cook Helpers/Assistants	1	13.51	7
8	Dishwashers	4	10.75	8
9	Maintenance Workers	1	17.56	9
10	Housekeepers	2	11.83	10
11	Laundry			11
12	Managers	2	24.98	12
13	Other Administrative	2	16.18	13
14	Clerical	2	10.62	14
15	Marketing	1	31.72	15
16	Other	1	25.87	16
17	Total (lines 1 thru 16)	31	\$	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

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	Cynthia Chow & Associates - Dietary Management	\$ 1,482	1
2	Chicago Methodist Senior Services	108,768	2
Total		\$ 110,250	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).

VIII. OWNERSHIP COSTS

A. 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	186,782		186,782		3,559,951	6
7	2011 - see attached			2011	12,576	1,258	10	1,258		6,919	7
8	2012 - see attached			2012	14,670	1,467	10	1,467		6,602	8
9	2013 - see attached			2013	99,743	9,974	10	9,974		34,909	9
10	2014 - see attached			2014	288,403	28,840	10	28,840		72,100	10
11	2015 - see attached			2015	193,564	19,356	10	19,356		29,034	11
12	Construction/Painting/Flooring - Floors 2,3,4,5			2016	46,475	2,323	10	2,323		2,323	12
13											13
14											14
15											15
16											16
17	TOTAL (lines 1 thru 16)				\$ 7,849,011	\$ 250,000		\$ 250,000	\$	\$ 3,711,838	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	\$ 730,342	\$ 28,715	\$ 28,715	\$	10	\$ 539,737	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 730,342	\$ 28,715	\$ 28,715	\$		\$ 539,737	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

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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		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 ☒ NO
3	Original Building			/ /	\$			3	9. Rental amount for movable equipment \$ <u>282</u>
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 \$ 282

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				Advance From Parent Corp	/ /	\$	\$	/ /	0.0500	\$ 141,072	1
2				Interest Income Offset	/ /			/ /		-135,807	2
3					/ /			/ /			3
	Working Capital										
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$	\$			\$ 5,265	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$	\$			\$ 5,265	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.

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XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 01/31/17

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 133,822	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	325,094		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	19,962		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)	\$ 481,878	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	3,691,798		12
13	Land	552,188		13
14	Buildings, at Historical Cost	7,849,011		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	730,342		16
17	Accumulated Depreciation (book methods)	(4,251,575)		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	295,159		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 8,866,923	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 9,348,801	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 22,614	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	146,693		28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	55,176		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	4,803,267		35
36	Accrued Expenses	4,400		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 5,032,150	\$	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)	\$ 5,033,862	\$	45
46	TOTAL EQUITY	\$ 4,314,939	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 9,348,801	\$	47

*(See instructions.)

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

		1	
	I. Revenue	Amount	
	A. SLF Resident Care		
1	Gross SLF Resident Revenue	\$ 2,511,927	1
2	Discounts and Allowances	(261,268)	2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 2,250,659	3
	B. Other Operating Revenue		
4	Special Services	40,772	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop	198	7
8	Barber and Beauty Care	3,052	8
9	Non-Resident Meals	2,746	9
10	Laundry	11,916	10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 58,684	11
	C. Non-Operating Revenue		
12	Contributions	10,205	12
13	Interest and Other Investment Income	135,807	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 146,012	14
	D. Other Revenue (specify):		
15	Entrance Fees/Miscellaneous	9,470	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 9,470	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 2,464,825	18

		2	
	II. Expenses	Amount	
	A. Operating Expenses		
19	General Services	730,615	19
20	Health Care/ Personal Care	523,948	20
21	General Administration	963,359	21
	B. Capital Expense		
22	Ownership	420,069	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)	\$ 2,637,991	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (173,166)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (173,166)	31
	III. Net Resident Care Revenue detailed by Payer Source		
32	Medicaid - Net Inpatient Revenue	\$ 423,847	32
33	Private Pay - Net Inpatient Revenue	1,826,812	33
34	Medicare - Net Inpatient Revenue		34
35	Other-(specify)		35
36	Other-(specify)		36
37	TOTAL (This total must agree to Line 3)	\$ 2,250,659	37

2016 Cost Report, Page 3, Report IV, Column 5

<u>Line</u>	<u>Column</u>	<u>Amount</u>	<u>Description</u>
1	5	2,746	Employee Meal Income
3	5	24,767	Cable Television - Resident's Rooms
10	5	3,370	Transportation Fees
10	5	7,724	Telephone Revenue
10	5	470	Miscellaneous Income
14	5	42,156	Bad Debts
18	5	<u>135,807</u>	Investment Income
		<u><u>217,040</u></u>	Total

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<u>Line</u>	<u>Column</u>	<u>Amount</u>	<u>Description</u>
12	1	10,205	Contributions
13	1	135,807	Interest and Other Investment Income
15	1	9,470	Entrance Fees/Miscellaneous

<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>Accumulated Depreciation</u>
Exterior-Awning	2011	2,890	288	10	288	1,584
Interior-Sprinkler Heads/Wall Guards/Security Cam	2011	6,093	610	10	610	3,355
Pump Motor	2011	3,593	360	10	360	1,980
Total		12,576	1,258		1,258	6,919
Awning	2012	3,125	314	10	314	1,413
Resident Room Restoration	2012	4,265	426	10	426	1,917
Sprinkler Heads	2012	7,280	727	10	727	3,272
Total		14,670	1,467		1,467	6,602
Resident Room Restoration	2013	9,920	992	10	992	3,472
HVAC Chiller	2013	14,385	1,438	10	1,438	5,034
Remodeling Project Consulting/Design	2013	44,130	4,413	10	4,413	15,446
Retaining Wall Repair	2013	12,450	1,245	10	1,245	4,359
Air Compressor Controller	2013	5,367	537	10	537	1,876
Roof Repair	2013	4,378	438	10	438	1,533
Wireless Monitoring	2013	9,113	911	10	911	3,189
Total		99,743	9,974		9,974	34,909
Remodeling Project Consulting/Design	2014	244,084	24,412	10	24,412	61,030
Flooring - Resident Rooms - 2nd, 3rd, 4th Floor	2014	15,287	1,524	10	1,524	3,810
Access Control System - HVAC	2014	29,032	2,904	10	2,904	7,260
Total		288,403	28,840		28,840	72,100
Construction/Painting/Flooring - Floors 1,2,3,4,5	2015	177,411	17,740	10	17,740	25,808
Walk-In Cooler - Kitchen	2015	8,629	864	10	864	1,724
Security System - Building	2015	7,524	752	10	752	1,502
Total		193,564	19,356		19,356	29,034