

		FOR BHF USE			

LL2

Supportive Living Facility

2019

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2019)

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: 100X126

Facility Name: Covenant Home of Chicago

Address: 2720 West Foster Avenue 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

☒ Charitable Corp.

☐ Trust

IRS Exemption Code 501c3

☐ PROPRIETARY

☐ Individual

☐ Partnership

☐ Corporation

☐ "Sub-S" Corp.

☐ Limited Liability Co.

☐ Trust

☐ Other _____

☐ GOVERNMENTAL

☐ 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 02/01/19 to 09/30/19 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

HFS 3745C (N-4-05)

IL478-2471

Report Period Beginning: 02/01/19 Ending: 09/30/19

A. Certified units; enter number of units and unit days

/ /

E. Does page 3 include expenses for services or investments not directly related to SLF services?

X

NO ☐

YES ☒ NO ☐

(E.g., day care, "meals on wheels", outpatient therapy)

MODIFIED

ACCRUAL	X
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CASH*	
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CASH*	
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I. Is your fiscal year identical to your tax year? ☒ YES ☐ NO

Tax Year: 09/30/19 **Fiscal Year:** 09/30/19

*** 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 principal?

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 principal?

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 principal?

If no, explain.

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 83.35%

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

566 Also, indicate the number of unpaid bed-hold days the SLF had during this year. **(Do not include bed-hold days in Section B.)**

STATE OF ILLINOIS

Facility Name: Covenant Home of Chicago

Report Period Beginning:

02/01/19

Ending:

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09/30/19

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	154,252	129,478	10,196	293,926	(575)	293,351	1
2	Housekeeping, Laundry and Maintenance	37,695	57,219	57,296	152,210		152,210	2
3	Heat and Other Utilities			107,920	107,920	(19,292)	88,628	3
4	Other (specify): Rubbish Disposal and Landscaping			13,925	13,925		13,925	4
5	TOTAL General Services	191,947	186,697	189,337	567,981	(19,867)	548,114	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	133,656	5,181	344	139,181		139,181	6
7	Activities and Social Services	296,573	9,085	21,677	327,335		327,335	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	430,229	14,266	22,021	466,516		466,516	9
	C. General Administration							
10	Administrative and Clerical	236,719	7,020	168,147	411,886	(8,736)	403,150	10
11	Marketing Materials, Promotions and Advertising	37,588	2,247	26,180	66,015		66,015	11
12	Employee Benefits and Payroll Taxes			182,442	182,442		182,442	12
13	Insurance-Property, Liability and Malpractice			68,908	68,908		68,908	13
14	Other (specify): Bad Debts			17,362	17,362	(17,362)		14
15	TOTAL General Administration	274,307	9,267	463,039	746,613	(26,098)	720,515	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	896,483	210,230	674,397	1,781,110	(45,965)	1,735,145	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			210,916	210,916		210,916	17
18	Interest			100,718	100,718	(87,057)	13,661	18
19	Real Estate Taxes							19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment			60	60		60	21
22	Other (specify):							22
23	TOTAL Ownership			311,694	311,694	(87,057)	224,637	23
24	GRAND TOTAL (Sum of lines 16 and 23)	896,483	210,230	986,091	2,092,804	(133,022)	1,959,782	24

Facility Name: Covenant Home of Chicago

Report Period Beginning: 02/01/19 Ending: 09/30/19

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	3	\$ 28.96	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants	13	14.25	3
4	Activity Director & Assistants	1	20.06	4
5	Social Service Workers			5
6	Head Cook	2	16.09	6
7	Cook Helpers/Assistants	1	15.31	7
8	Dishwashers	3	13.64	8
9	Maintenance Workers	1	21.40	9
10	Housekeepers	1	12.72	10
11	Laundry			11
12	Managers	2	40.97	12
13	Other Administrative	2	28.05	13
14	Clerical	2	14.16	14
15	Marketing	1	38.01	15
16	Other	1	26.47	16
17	Total (lines 1 thru 16)	33	\$	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 Living 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	Cynthia Chow & Associates - Dietary Management/Galter Life Center	\$ 784	1
2	Chicago Methodist Senior Services	82,039	2
Total		\$ 82,823	3

Facility Name: Covenant Home of Chicago

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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	120,750		120,750		4,052,505	6
7	2011 - see attached			2011	12,576	839		839		10,274	7
8	2012 - see attached			2012	14,670	978		978		10,514	8
9	2013 - see attached			2013	99,743	6,649		6,649		61,506	9
10	2014 - see attached			2014	288,403	19,227		19,227		149,007	10
11	2015 - see attached			2015	193,564	12,904		12,904		80,650	11
12	2016 - see attached			2016	46,475	3,099		3,099		14,716	12
13	2017 - see attached			2017	123,385	8,226		8,226		26,736	13
14	2018 - see attached			2018	145,796	9,720		9,720		17,010	14
15	Flooring/HVAC - Floors 1,2,3,4,5			2019	49,101	2,455		2,455		2,455	15
16											16
17	TOTAL (lines 1 thru 16)				\$ 8,167,293	\$ 184,847		\$ 184,847	\$	\$ 4,425,373	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	\$ 851,599	\$ 26,069	\$ 26,069	\$	10	\$ 631,611	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 851,599	\$ 26,069	\$ 26,069	\$		\$ 631,611	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 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 \$ 60

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	\$ 100,718	1
2				Interest Income Offset	/ /			/ /		-87,057	2
3					/ /			/ /			3
	Working Capital										
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$	\$			\$ 13,661	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$	\$			\$ 13,661	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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Facility Name: Covenant Home of Chicago

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XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 09/30/19

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 221,945	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	204,287		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	5,952		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)	\$ 435,184	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	4,212,230		12
13	Land	552,188		13
14	Buildings, at Historical Cost	8,167,293		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	851,599		16
17	Accumulated Depreciation (book methods)	(5,056,984)		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	117,149		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 8,843,475	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 9,278,659	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 27,739	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	230,082		28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	97,946		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	5,124,134		35
36	Accrued Expenses	7,260		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 5,487,161	\$	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)	\$ 5,488,873	\$	45
46	TOTAL EQUITY	\$ 3,789,786	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 9,278,659	\$	47

*(See instructions.)

Facility Name: Covenant Home of Chicago

Report Period Beginning: 02/01/19

Ending:

09/30/19

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	\$ 1,949,464	1
2	Discounts and Allowances	(127,308)	2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 1,822,156	3
	B. Other Operating Revenue		
4	Special Services	13,418	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop	150	7
8	Barber and Beauty Care	1,542	8
9	Non-Resident Meals	575	9
10	Laundry	6,453	10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 22,138	11
	C. Non-Operating Revenue		
12	Contributions	4,852	12
13	Interest and Other Investment Income	87,057	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 91,909	14
	D. Other Revenue (specify):		
15	Entrance Fees/Miscellaneous	13,222	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 13,222	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 1,949,425	18

2			
	II. Expenses	Amount	
	A. Operating Expenses		
19	General Services	567,981	19
20	Health Care/ Personal Care	466,516	20
21	General Administration	746,613	21
	B. Capital Expense		
22	Ownership	311,694	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)	\$ 2,092,804	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (143,379)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (143,379)	31
	III. Net Resident Care Revenue detailed by Payer Source		
32	Medicaid - Net Inpatient Revenue	\$ 169,820	32
33	Private Pay - Net Inpatient Revenue	1,652,336	33
34	Medicare - Net Inpatient Revenue		34
34	Other-(specify)		35
36	Other-(specify)		36
37	TOTAL (This total must agree to Line 3)	\$ 1,822,156	37

2019 Cost Report, Page 3, Report IV, Column 5

<u>Line</u>	<u>Column</u>	<u>Amount</u>	<u>Description</u>
1	5	575	Employee Meal Income
3	5	19,292	Cable Television - Resident's Rooms
10	5	4,241	Transportation Fees
10	5	4,273	Telephone Revenue
10	5	222	Miscellaneous Income
14	5	17,362	Bad Debts
18	5	<u>87,057</u>	Investment Income
		<u><u>133,022</u></u>	Total

<u>Line</u>	<u>Column</u>	<u>Amount</u>	<u>Description</u>
12	1	4,852	Contributions
13	1	87,057	Interest and Other Investment Income
15	1	13,222	Entrance Fees/Miscellaneous

2019 Cost Report, Page 5, Report VIII

<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 Adjustments Depreciation</u>
Exterior-Awning	2011	2,890	192	10	192	2,352
Interior-Sprinkler Heads/Wall Guards/Security Can	2011	6,093	407	10	407	4,982
Pump Motor	2011	3,593	240	10	240	2,940
Total		12,576	839		839	10,274
Awning	2012	3,125	209	10	209	2,250
Resident Room Restoration	2012	4,265	284	10	284	3,053
Sprinkler Heads	2012	7,280	485	10	485	5,211
Total		14,670	978		978	10,514
Resident Room Restoration	2013	9,920	661	10	661	6,117
HVAC Chiller	2013	14,385	959	10	959	8,869
Remodeling Project Consulting/Design	2013	44,130	2,942	10	2,942	27,214
Retaining Wall Repair	2013	12,450	830	10	830	7,679
Air Compressor Controller	2013	5,367	358	10	358	3,308
Roof Repair	2013	4,378	292	10	292	2,701
Wireless Monitoring	2013	9,113	607	10	607	5,618
Total		99,743	6,649		6,649	61,506
Remodeling Project Consulting/Design	2014	244,084	16,275	10	16,275	126,129
Flooring - Resident Rooms - 2nd, 3rd, 4th Floor	2014	15,287	1,016	10	1,016	7,874
Access Control System - HVAC	2014	29,032	1,936	10	1,936	15,004
Total		288,403	19,227		19,227	149,007
Construction/Painting/Flooring - Floors 1,2,3,4,5	2015	177,411	11,827	10	11,827	73,115
Walk-In Cooler - Kitchen	2015	8,629	576	10	576	4,028
Security System - Building	2015	7,524	501	10	501	3,507
Total		193,564	12,904		12,904	80,650
Construction/Painting/Flooring - Floors 2,3,4,5	2016	46,475	3,099	10	3,099	14,716
Total		46,475	3,099		3,099	14,716
Nurse Call System	2017	94,555	6,304	10	6,304	20,489
Construction/Painting/Flooring - Floors 3,4	2017	28,830	1,922	10	1,922	6,247
Total		123,385	8,226		8,226	26,736
HVAC	2018	36,861	2,457	10	2,457	4,300
Construction/Painting/Flooring - Floors 1,2,3,4,5	2018	108,935	7,263	10	7,263	12,710
Total		145,796	9,720		9,720	17,010