

		FOR BHF USE			

LL2

Supportive Living Facility

2021

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2021)

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: 1000158

Facility Name: Cottages at Salem

Address: 339 South Hotze Rd Salem 62881

County: Marion

Telephone Number: ( 618 ) 740-0372 Fax # (618) 740-0373

Federal Employer ID Number:

Date Current Owners were Certified: 02/14/2020

Type of Ownership:

VOLUNTARY, NON-PROFIT Charitable Corp. Trust IRS Exemption Code

X PROPRIETARY Individual Partnership Corporation X "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: Deborah J. Edwards Telephone Number: ( 618 ) 233-1001 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 01/01/21 to 12/31/21 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) J. Michael Greer
(Title) President

Paid Preparer

(Signed) (Date)
(Print Name and Title) Deborah J. Edwards CPA
(Firm Name & Address) Creason-Edwards & Cimarolli, PC 2810 Frank Scott Pkwy, Ste 704, Belleville, IL 62223
(Telephone) (618) 233-1001 Fax (618) 233-6009

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 Cottages at Salem

Report Period Beginning: 01/01/21 Ending: 12/31/21

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	15	Single Unit Apartment	15	5,475	1
2		Double Unit Apartment			2
3		Other			3
4	15	TOTALS	15	5,475	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	1,693	1,931		3,624	5
6	Double Unit					6
7	Other					7
8	TOTALS	1,693	1,931		3,624	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified  
bed days on line 4, column 4.) 66.19%

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

56 Also, indicate the number of unpaid bed-hold days the SLF  
had during this year. 74 (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

ACCRAUAL ☒ MODIFIED CASH\* ☐ CASH\* ☐

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

Tax Year: 2021 Fiscal Year: \_\_\_\_\_

\* 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. \_\_\_\_\_

## STATE OF ILLINOIS

Facility Name: Cottages at Salem

Report Period Beginning:

01/01/21

Ending:

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12/31/21

## 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			
	<b>A. General Services</b>							
1	Dietary and Food Purchase	23,138	29,489	1,540	54,167		54,167	1
2	Housekeeping, Laundry and Maintenance		3,857	9,443	13,300		13,300	2
3	Heat and Other Utilities			21,901	21,901	(2,386)	19,515	3
4	Other (specify): Waste Removal			400	400		400	4
5	<b>TOTAL General Services</b>	23,138	33,346	33,284	89,768	(2,386)	87,382	5
	<b>B. Health Care and Programs</b>							
6	Health Care/ Personal Care	312,468	927	752	314,147		314,147	6
7	Activities and Social Services		1,932		1,932		1,932	7
8	Other (specify):							8
9	<b>TOTAL Health Care and Programs</b>	312,468	2,859	752	316,079		316,079	9
	<b>C. General Administration</b>							
10	Administrative and Clerical	94,663	1,428	34,781	130,872		130,872	10
11	Marketing Materials, Promotions and Advertising		3,353	12,894	16,247		16,247	11
12	Employee Benefits and Payroll Taxes			48,310	48,310		48,310	12
13	Insurance-Property, Liability and Malpractice			7,648	7,648		7,648	13
14	Other (specify): COVID-19 Expenses			7	7		7	14
15	<b>TOTAL General Administration</b>	94,663	4,781	103,640	203,084		203,084	15
16	<b>TOTAL Operating Expense (Sum of lines 5, 9 and 15)</b>	430,269	40,986	137,676	608,931	(2,386)	606,545	16
	<b>Capital Expenses</b>							
	<b>D. Ownership</b>							
17	Depreciation			66,767	66,767	(995)	65,772	17
18	Interest			51,504	51,504		51,504	18
19	Real Estate Taxes			750	750		750	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify): See Attachment 1			35,673	35,673	(35,243)	430	22
23	<b>TOTAL Ownership</b>			154,694	154,694	(36,238)	118,456	23
24	<b>GRAND TOTAL (Sum of lines 16 and 23)</b>	430,269	40,986	292,370	763,625	(38,624)	725,001	24

Facility Name: Cottages at Salem

Report Period Beginning 01/01/21 Ending: 12/31/21

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1	\$ 25.50	1
2	Licensed Practical Nurses	2	23.45	2
3	Certified Nurse Assistants	7	14.68	3
4	Activity Director & Assistants			4
5	Social Service Workers			5
6	Head Cook	1	13.81	6
7	Cook Helpers/Assistants			7
8	Dishwashers			8
9	Maintenance Workers			9
10	Housekeepers			10
11	Laundry			11
12	Managers	1	28.07	12
13	Other Administrative			13
14	Clerical	1	18.47	14
15	Marketing			15
16	Other			16
17	Total (lines 1 thru 16)	13	\$	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
Clinton Manor Nursing Home	New Baden
Manor at Craig Farms	Chester
Manor at Salem Woods	Salem
See Attachment 2	

OTHER RELATED BUSINESS ENTITIES

Name 3	City 4	Type of Business 5
Greer Management Services	Carlyle	Management Co.

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		\$	1
2			2
Total		\$	3

Facility Name: Cottages at Salem

Report Period Beginning:

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## VIII. OWNERSHIP COSTS

A. Purchase price of land 15,000 Year land was acquired 2018

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	15		2018	2018	\$ 1,450,449	\$ 54,941	28	\$ 52,744	\$ (2,197)	\$ 184,603	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Landscaping		2018	2018	23,163	1,782	15	1,544	(238)	5,405	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)				\$ 1,473,612	\$ 56,723		\$ 54,288	\$ (2,435)	\$ 190,008	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	\$ 80,389	\$ 10,044	\$ 11,484	1,440	7	\$ 40,979	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)		\$ 80,389	\$ 10,044	\$ 11,484		\$ 40,979	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: Cottages at Salem

Report Period Beginning: 01/01/21

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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	
		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				/ /				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	Marion County Savings		X	Mortgage	4/18/18	\$ 1,260,000	\$ 1,100,410	4/18/28	0.0418	\$ 47,062	1
2	City of Salem		X	Mortgage	5/23/17	150,000	128,266	9/1/23	0.0300	4,442	2
3					/ /			/ /			3
	Working Capital										
4	GMS II	X		Working Capital	3/28/19	200,000	200,000	3/28/24			4
5	J. Michael Greer	X		Working Capital	1/1/19	400,000	400,000	1/1/24			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 2,010,000	\$ 1,828,676			\$ 51,504	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 2,010,000	\$ 1,828,676			\$ 51,504	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: Cottages at Salem

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## XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/21

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	<b>A. Current Assets</b>			
1	Cash on Hand and in Banks	\$ 99,427	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance )	57,613		3
4	Supply Inventory (priced at )			4
5	Short-Term Investments			5
6	Prepaid Insurance	6,453		6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	882		8
9	Other(specify):			9
10	<b>TOTAL Current Assets (sum of lines 1 thru 9)</b>	\$ 164,375	\$	10
	<b>B. Long-Term Assets</b>			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	15,000		13
14	Buildings, at Historical Cost	1,450,449		14
15	Leasehold Improvements, at Historical Cost	23,163		15
16	Equipment, at Historical Cost	80,389		16
17	Accumulated Depreciation (book methods)	(254,641)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	6,484		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(1,726)		20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	<b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>	\$ 1,319,118	\$	24
25	<b>TOTAL ASSETS (sum of lines 10 and 24)</b>	\$ 1,483,493	\$	25

		1 Operating	2 After Consolidation*	
	<b>C. Current Liabilities</b>			
26	Accounts Payable	\$ 8,681	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	19,157		30
31	Accrued Taxes Payable	168		31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	<b>Other Current Liabilities(specify):</b>			
35	<b>Other Accrued Liabilities</b>	73,002		35
36				36
37	<b>TOTAL Current Liabilities (sum of lines 26 thru 36)</b>	\$ 101,008	\$	37
	<b>D. Long-Term Liabilities</b>			
38	Long-Term Notes Payable	600,000		38
39	Mortgage Payable	1,228,676		39
40	Bonds Payable			40
41	Deferred Compensation			41
	<b>Other Long-Term Liabilities(specify):</b>			
42				42
43				43
44	<b>TOTAL Long-Term Liabilities (sum of lines 38 thru 43)</b>	\$ 1,828,676	\$	44
45	<b>TOTAL LIABILITIES (sum of lines 37 and 44)</b>	\$ 1,929,684	\$	45
46	<b>TOTAL EQUITY</b>	\$ (446,191)	\$	46
47	<b>TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)</b>	\$ 1,483,493	\$	47

\*(See instructions.)

Facility Name: Cottages at Salem

Report Period Beginning: 01/01/21

Ending:

12/31/21

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

1			
	I. Revenue	Amount	
	<b>A. SLF Resident Care</b>		
1	Gross SLF Resident Revenue	\$ 540,525	1
2	Discounts and Allowances		2
3	<b>SUBTOTAL Resident Care (line 1 minus line 2)</b>	\$ 540,525	3
	<b>B. Other Operating Revenue</b>		
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		9
10	Laundry		10
11	<b>SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)</b>	\$	11
	<b>C. Non-Operating Revenue</b>		
12	Contributions		12
13	Interest and Other Investment Income		13
14	<b>SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)</b>	\$	14
	<b>D. Other Revenue (specify):</b>		
15	Sundry Income	1,626	15
16	See Attachment 1	381,519	16
17	<b>SUBTOTAL Other Revenue (sum of lines 15 and 16)</b>	\$ 383,145	17
18	<b>TOTAL REVENUE (sum of lines 3, 11, 14 and 17)</b>	\$ 923,670	18

2			
	II. Expenses	Amount	
	<b>A. Operating Expenses</b>		
19	General Services	89,768	19
20	Health Care/ Personal Care	316,079	20
21	General Administration	203,084	21
	<b>B. Capital Expense</b>		
22	Ownership	154,694	22
	<b>C. Other Expenses</b>		
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
28	<b>TOTAL EXPENSES (sum of lines 19 thru 27)</b>	\$ 763,625	28
29	<b>Income Before Income Taxes (line 18 minus line 28)</b>	\$ 160,045	29
30	<b>Income Taxes</b>	\$	30
31	<b>NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)</b>	\$ 160,045	31
	<b>III. Net Resident Care Revenue detailed by Payer Source</b>		
32	Medicaid - Net Inpatient Revenue	\$ 87,960	32
33	Private Pay - Net Inpatient Revenue	452,565	33
34	Medicare - Net Inpatient Revenue		34
35	Other-(specify)		35
36	Other-(specify)		36
37	<b>TOTAL (This total must agree to Line 3)</b>	\$ 540,525	37



**Cottages at Salem, Inc.  
2021**

**Page 3, Schedule IV, Section D - Other Ownership Expenses**

Line	Amount	Description
	430.00	Loan Costs Amortization
	35,243.00	Bad Debt
	-	Replacement Tax
22	<u>35,673.00</u>	

**Page 3, Schedule IV - Adjustments**

Line	Amount	Description
7	-	Entertainment
3	(2,386.00)	Cable TV Expense
17	(995.00)	Depreciation S/L Adjustment
22	<u>(35,243.00)</u>	Bad Debts & Replacement Tax
	<u>(38,624.00)</u>	

**Page 8, Schedule XII - Other Revenue**

Line	Amount	Description
	53,400	PPP Loan Forgiveness
	<u>328,119</u>	CARES Act Income
16	<u><u>381,519</u></u>	

Cottages at Salem, Inc.  
2021

VII: RELATED ORGANIZATIONS

A.	RELATED SLF's & HEALTH CARE BUSINESSES			
	<u>Name</u> <u>1</u>	<u>City</u> <u>2</u>		
	Jerseyville Estates	Jerseyville		
	Cottages at Carlinville	Carlinville		
	Manor at Mason Woods	Pinckneyville		

  

C.	Related Organization	Nature of Expenditure	Facility Book Value	Actual Cost
	Greer Management Services, Inc.	Mgmt Srv/Payroll Srv/Vehicle Lse	\$            5,978	\$    5,609