

		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: 1000142

Facility Name: HERITAGE WOODS OF FREEPORT

Address: 1500 SOUTH FOREST RD FREEPORT 61032

County: STEPHENSON

Telephone Number: ( 815 ) 801-3900 Fax # 815 801-3901

Federal Employer ID Number:

Date Current Owners were Certified: 6/26/2013

Type of Ownership:

<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL
<input type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State
<input type="checkbox"/> Trust	<input checked="" type="checkbox"/> Partnership	<input type="checkbox"/> County
IRS Exemption Code	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other
	<input type="checkbox"/> "Sub-S" Corp.	
	<input type="checkbox"/> Limited Liability Co.	
	<input type="checkbox"/> Trust	
	<input type="checkbox"/> Other	

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

Name: Danel Erickson Telephone Number: (779) 771-6947

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 01/01/2021 to 12/31/2021 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) Greg Echols	
Paid Preparer	(Title) CFO, Gardant Management Solutions	
	(Signed) _____	(Date) _____
	(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



Facility Name: HERITAGE WOODS OF FREEPORT

Report Period Beginning:

01/01/2021

Ending:

12/31/2021

## 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	232,858	159,638	1,728	394,224	0	394,224	1
2	Housekeeping, Laundry and Maintenance	85,857	24,090	91,229	201,175	0	201,175	2
3	Heat and Other Utilities			96,183	96,183	(18,272)	77,911	3
4	Other (specify):	9,585	0	42,964	52,549	0	52,549	4
5	<b>TOTAL General Services</b>	328,300	183,728	232,104	744,132	(18,272)	725,861	5
	<b>B. Health Care and Programs</b>							
6	Health Care/ Personal Care	446,260	15,348	0	461,608	0	461,608	6
7	Activities and Social Services	30,409	10,954	0	41,363	0	41,363	7
8	Other (specify):	0	0	0	0	0	0	8
9	<b>TOTAL Health Care and Programs</b>	476,669	26,301	0	502,971	0	502,971	9
	<b>C. General Administration</b>							
10	Administrative and Clerical	155,326	35,543	250,527	441,396	(21,793)	419,603	10
11	Marketing Materials, Promotions and Advertising	45,367	8,963	50,154	104,484	0	104,484	11
12	Employee Benefits and Payroll Taxes	0	0	212,440	212,440	0	212,440	12
13	Insurance-Property, Liability and Malpractice	0	0	70,815	70,815	0	70,815	13
14	Other (specify):	0	0	439,408	439,408	(36,232)	403,176	14
15	<b>TOTAL General Administration</b>	200,693	44,506	1,023,344	1,268,543	(58,026)	1,210,518	15
16	<b>TOTAL Operating Expense (Sum of lines 5, 9 and 15)</b>	1,005,663	254,535	1,255,448	2,515,646	(76,297)	2,439,349	16
	<b>Capital Expenses</b>							
	<b>D. Ownership</b>							
17	Depreciation			464,894	464,894	0	464,894	17
18	Interest			163,215	163,215	(2,784)	160,431	18
19	Real Estate Taxes			86,654	86,654	0	86,654	19
20	Rent -- Facility and Grounds			0	0	0	0	20
21	Rent -- Equipment			10,657	10,657	0	10,657	21
22	Other (specify):	0	0	677,998	677,998	0	677,998	22
23	<b>TOTAL Ownership</b>	0	0	1,403,417	1,403,417	(2,784)	1,400,633	23
24	<b>GRAND TOTAL (Sum of lines 16 and 23)</b>	1,005,663	254,535	2,658,865	3,919,063	(79,081)	3,839,982	24

Facility Name: HERITAGE WOODS OF FREEPORT

Report Period Beginning: 01/01/2021 Ending: 12/31/2021

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	Inc line 12	\$ Inc line 12	1
2	Licensed Practical Nurses	1	28.37	2
3	Certified Nurse Assistants	12	12.47	3
4	Activity Director & Assistants	Inc line 12	Inc line 12	4
5	Social Service Workers	0	0.00	5
6	Head Cook	0	0.00	6
7	Cook Helpers/Assistants	8	11.91	7
8	Dishwashers	0	0.00	8
9	Maintenance Workers	Inc line 12	Inc line 12	9
10	Housekeepers	2	12.27	10
11	Laundry	0	0.00	11
12	Managers	5	22.40	12
13	Other Administrative	3	22.32	13
14	Clerical	Inc line 13	Inc line 13	14
15	Marketing	Inc line 12	Inc line 12	15
16	Other	0	0.00	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
none			

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? \$

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				\$ 0	6

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

1	Gardant Management Solutions	\$ 198,270	1
2			2
Total		\$ 198,270	3

Facility Name: HERITAGE WOODS OF FREEPORT

Report Period Beginning:

01/01/2021

Ending:

12/31/2021

VIII. OWNERSHIP COSTS

A. Purchase price of land 327,202 Year land was acquired 2011

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	76			2011	\$ 9,525,193	\$ 290,370	27.5	\$ 346,371	\$ 56,001	\$ 2,971,983	1
2									0		2
3									0		3
4									0		4
5									0		5
	Improvement Type										
6	Leasehold Improvements				1,542,204	102,814	15.0	102,814	0	881,258	6
7									0		7
8									0		8
9									0		9
10									0		10
11									0		11
12									0		12
13									0		13
14									0		14
15									0		15
16									0		16
17	TOTAL (lines 1 thru 16)				\$ 11,067,397	\$ 393,183		\$ 449,184	\$ 56,001	\$ 3,853,241	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	\$ 907,162	\$ 15,710	\$ 90,716	75,006	10	\$ 817,636	18
19			0	0	\$	5	-	19
20	TOTAL (lines 18 and 19)	\$ 907,162	\$ 15,710	\$ 90,716	75,006		\$ 817,636	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

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		0		\$ 0			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	Merchants Capital		X	FIRST MORTGAGE	8/1/12	\$ 6,650,000	\$ 5,773,319	7/1/52	0.0275	\$ 160,551	1
2											2
3											3
	Working Capital										
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 6,650,000	\$ 5,773,319			\$ 160,551	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 6,650,000	\$ 5,773,319			\$ 160,551	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: HERITAGE WOODS OF FREEPORT

Report Period Beginning: 01/01/2021

Ending: 12/31/2021

## XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2021

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	<b>A. Current Assets</b>			
1	Cash on Hand and in Banks	\$ 782,408	\$	1
2	Cash-Patient Deposits	0		2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance (123,445) )	627,698		3
4	Supply Inventory (priced at )	0		4
5	Short-Term Investments	0		5
6	Prepaid Insurance	29,466		6
7	Other Prepaid Expenses	5,166		7
8	Accounts Receivable (owners or related parties)	3,239		8
9	Other(specify): See Page 7 Attachment	44		9
10	<b>TOTAL Current Assets (sum of lines 1 thru 9)</b>	\$ 1,448,021	\$ 0	10
	<b>B. Long-Term Assets</b>			
11	Long-Term Notes Receivable	0		11
12	Long-Term Investments	0		12
13	Land	327,202		13
14	Buildings, at Historical Cost	9,525,193		14
15	Leasehold Improvements, at Historical Cost	1,542,204		15
16	Equipment, at Historical Cost	907,162		16
17	Accumulated Depreciation (book methods)	(4,670,876)		17
18	Deferred Charges	278		18
19	Organization & Pre-Operating Costs	176,053		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(151,110)		20
21	Restricted Funds	1,308,771		21
22	Other Long-Term Assets (specify):	0		22
23	Other(specify): See Page 7 Attachment	133,274		23
24	<b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>	\$ 9,098,150	\$ 0	24
25	<b>TOTAL ASSETS (sum of lines 10 and 24)</b>	\$ 10,546,171	\$ 0	25

		1 Operating	2 After Consolidation*	
	<b>C. Current Liabilities</b>			
26	Accounts Payable	\$ 26,073	\$	26
27	Officer's Accounts Payable	0		27
28	Accounts Payable-Patient Deposits	0		28
29	Short-Term Notes Payable	0		29
30	Accrued Salaries Payable	0		30
31	Accrued Taxes Payable	91,236		31
32	Accrued Interest Payable	0		32
33	Deferred Compensation	0		33
34	Federal and State Income Taxes	0		34
	<b>Other Current Liabilities(specify):</b>			
35	See Page 7 Attachment	960,802		35
36		0		36
37	<b>TOTAL Current Liabilities (sum of lines 26 thru 36)</b>	\$ 1,078,111	\$ 0	37
	<b>D. Long-Term Liabilities</b>			
38	Long-Term Notes Payable	0		38
39	Mortgage Payable	5,542,500		39
40	Bonds Payable	0		40
41	Deferred Compensation	0		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>	\$ 5,542,500	\$ 0	44
45	<b>TOTAL LIABILITIES (sum of lines 37 and 44)</b>	\$ 6,620,611	\$ 0	45
46	<b>TOTAL EQUITY</b>	\$ 3,925,560	\$	46
47	<b>TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)</b>	\$ 10,546,171	\$ 0	47

\*(See instructions.)

Facility Name: HERITAGE WOODS OF FREEPORT

Report Period Beginning: 01/01/2021

Ending:

12/31/2021

**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	\$ 3,524,431	1
2	Discounts and Allowances	(20,548)	2
3	<b>SUBTOTAL Resident Care (line 1 minus line 2)</b>	\$ 3,503,883	3
	<b>B. Other Operating Revenue</b>		
4	Special Services	193,664	4
5	Other Health Care Services	0	5
6	Special Grants	275,587	6
7	Gift and Coffee Shop	0	7
8	Barber and Beauty Care	2,646	8
9	Non-Resident Meals	0	9
10	Laundry	0	10
11	<b>SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)</b>	\$ 471,897	11
	<b>C. Non-Operating Revenue</b>		
12	Contributions	0	12
13	Interest and Other Investment Income	2,784	13
14	<b>SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)</b>	\$ 2,784	14
	<b>D. Other Revenue (specify):</b>		
15	See Page 8 Attachment	1,667	15
16		0	16
17	<b>SUBTOTAL Other Revenue (sum of lines 15 and 16)</b>	\$ 1,667	17
18	<b>TOTAL REVENUE (sum of lines 3, 11, 14 and 17)</b>	\$ 3,980,231	18

		2	
	II. Expenses	Amount	
	<b>A. Operating Expenses</b>		
19	General Services	744,132	19
20	Health Care/ Personal Care	502,971	20
21	General Administration	1,268,543	21
	<b>B. Capital Expense</b>		
22	Ownership	1,403,417	22
	<b>C. Other Expenses</b>		
23	Special Cost Centers	0	23
24	Non-Operating Expenses	0	24
25	Other (specify):	0	25
26			26
27			27
28	<b>TOTAL EXPENSES (sum of lines 19 thru 27)</b>	\$ 3,919,063	28
29	<b>Income Before Income Taxes (line 18 minus line 28)</b>	\$ 61,168	29
30	<b>Income Taxes</b>	\$	30
31	<b>NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)</b>	\$ 61,168	31
	<b>III. Net Resident Care Revenue detailed by Payer Source</b>		
32	Medicaid - Net Inpatient Revenue	\$ 1,992,483	32
33	Private Pay - Net Inpatient Revenue	1,511,400	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>	\$ 3,503,883	37



Operating Expenses PG 3 Other			
<b>A. General Services</b>		<b>D. Ownership</b>	
Labor Other (specify):		Other (specify):	
Extraordinary COVID Labor	\$ 9,585	Interest & Dividend Income	\$ -
<b>PG3-4.1</b>	<b>\$ 9,585</b>	Assessment Income	\$ -
		Assessment Expense	\$ -
<b>A. General Services</b>		Amortization - Loan Fees	\$ 8,220
Other (specify):		Financing Fees	\$ -
Exterminating	\$ 2,340	Mortgage Interest Premium	\$ -
Rubbish Removal	\$ 3,791	Mortgage Service Fee	\$ -
Vehicle Expense	\$ 1,490	Mortgage Insurance Prem	\$ 29,512
Transportation Service	\$ -	Letter of Credit Fee	\$ -
Security & Monitoring	\$ 12,848	Bond & Draw Fee	\$ -
Extraordinary COVID - Supplies & Equipment	\$ 18,650	Remarketing and Trustee Fee	\$ -
Extraordinary COVID - Other	\$ 3,845	Interest Expense-Note	\$ -
<b>PG3-4.3</b>	<b>\$ 42,964</b>	Interest Expense-LP	\$ -
		Debt Write-Off	\$ -
<b>C. General Administration</b>		Partnership/Priority Mgmt Fee	\$ 95,008
Other (specify):		Asset Mgmt/Investor Service Fee	\$ 9,996
Consulting	\$ 163,703	Incentive Management	\$ 565,180
Legal	\$ 8,541	Incentive Asset Mgmt Fee	\$ -
Audit & Accounting	\$ 14,767	Tax Credit Fees	\$ 1,525
Contract Labor-Serv Prov	\$ 191,645	Organizational Expense	\$ -
Contract Labor	\$ 24,520	Developer Fees	\$ -
Bad Debt - Resident	\$ 33,247	Amortization Expense	\$ 17,605
Bad Debt - Resident - Recovery	\$ (3,217)	Prior Period Adjustments	\$ -
Bad Debt - Medicaid Pending Denial	\$ 2,108	Loss (Gain) on Sale of Assets	\$ -
Bad Debt - Medicaid Pending - Recovery	\$ -	Settlement	\$ -
Bad Debt - Medicaid	\$ -	Property Damage Loss	\$ (49,048)
Bad Debt - Medicaid Recovery	\$ -	Abandonment Loss	\$ -
Bad Debt - Medicaid MCO	\$ 4,095	Grant Income	\$ -
<b>PG3-14.3</b>	<b>\$ 439,408</b>	<b>PG3-22.3</b>	<b>\$ 677,998</b>

Operating Expenses - Reclassifications and Adjustments PG3			
<b>A. General Services</b>			
Heat and Other Utilities			
Cable	\$ 18,272		
<b>PG3-3.5</b>	<b>\$ 18,272</b>		
<b>C. General Administration</b>			
Administrative and Clerical			
Beauty Salon & Manicure	\$ 2,646		
Internet Access	\$ 1,491		
Telephone- Connection	\$ 14,758		
Telephone- Usage	\$ 398		
Contributions	\$ 2,500		
<b>PG3-10.5</b>	<b>\$ 21,793</b>		
<b>C. General Administration</b>			
Other (specify):			
Bad Debt - Resident	\$ 33,247		
Bad Debt - Resident - Recovery	\$ (3,217)		
Bad Debt - Medicaid Pending Denial	\$ 2,108		
Bad Debt - Medicaid Pending - Recovery	\$ -		
Bad Debt - Medicaid	\$ -		
Bad Debt - Medicaid Recovery	\$ -		
Bad Debt - Medicaid MCO	\$ 4,095		
<b>PG3-14.5</b>	<b>\$ 36,232</b>		
<b>D. Ownership</b>			
Interest:			
Interest Income	\$ 734		
Interest Income - Reserves	\$ 2,050		
<b>PG3-18.5</b>	<b>\$ 2,784</b>		
<b>D. Ownership</b>			
Other (specify):			
Goodwill Amortization	\$ -		
Remarketing and Trustee Fee	\$ -		
<b>PG3-22.5</b>	<b>\$ -</b>		



Income Statement PG 8 Other			
D. Other Revenue			Notes
Contract Service-Serv Prov	\$	-	
Other	\$	779	Call pendants
Property Tax Adjustments	\$	-	
Property Lease Income	\$	888	
Insurance Adjustments	\$	-	
Developer Fee Income	\$	-	
Home Office Rent Income	\$	-	
Food & Meal Prep	\$	-	
PG8-15.1	\$	1,667	