

		FOR BHF USE			

LL2

Supportive Living Facility

**2008
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE & FAMILY SERVICES
COST REPORT FOR
SUPPORTIVE LIVING FACILITIES
(FISCAL YEAR 2008)**

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 Name: Eastgate Manor of Algonquin

Address: 101 Eastgate Court Algonquin 60102
Number City Zip Code

County: McHenry

Telephone Number: (847) 458-2800 Fax # (847) 458-0017

Federal Employer ID Number: 364368806001

Date Current Owners were Certified: 2/27/06

Type of Ownership:

<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input checked="" 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 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 checked="" type="checkbox"/> Limited Liability Co.	
	<input type="checkbox"/> Trust	
	<input type="checkbox"/> Other _____	

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/08 to 12/31/08 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) _____

(Title) _____

Paid Preparer

(Signed) _____ (Date) _____

(Print Name and Title) See Accountants' Compilation Report

(Firm Name & Address) McGladrey & Pullen, LLP
20 North Martingale Suite 500, Schaumburg IL 60173

(Telephone) (217) 789-7700 Fax (217) 753-1654

In the event there are further questions about this report, please contact:
Name: Michael W. Martin Telephone Number: (217) 789-7700
Email Address: _____

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 Eastgate Manor of Algonquin

Report Period Beginning: 01/01/08 Ending: 12/31/08

III. STATISTICAL DATA

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

Date of change in certified units N/A

	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	90	Single Unit Apartment	90	32,940	1
2	16	Double Unit Apartment	16	5,856	2
3		Other		5,124	3
4	106	TOTALS	106	43,920	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	9,375	21,333		30,708	5
6	Double Unit	8,809	583		9,392	6
7	Other					7
8	TOTALS	18,184	21,916		40,100	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 91.30%

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

734 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 118 (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)

None

H. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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

Tax Year: 12/31/08 Fiscal Year: 12/31/08

* 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? N/A
If no, explain. N/A

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? N/A
If no, explain. N/A

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? N/A
If no, explain. N/A

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning:

01/01/08

Ending:

12/31/08

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	255,074	329,870	2,446	587,390	(85)	587,305	1
2	Housekeeping, Laundry and Maintenance	92,034	12,937	119,326	224,297		224,297	2
3	Heat and Other Utilities			153,572	153,572		153,572	3
4	Other (specify): Cable			412	412		412	4
5	TOTAL General Services	347,108	342,807	275,756	965,671	(85)	965,586	5
B. Health Care and Programs								
6	Health Care/ Personal Care	524,978		2,033	527,011		527,011	6
7	Activities and Social Services	59,033	4,974	16,671	80,678		80,678	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	584,011	4,974	18,704	607,689		607,689	9
C. General Administration								
10	Administrative and Clerical	268,694		302,064	570,758	161,986	732,744	10
11	Marketing Materials, Promotions and Advertising			23,662	23,662	(23,662)		11
12	Employee Benefits and Payroll Taxes			157,788	157,788		157,788	12
13	Insurance-Property, Liability and Malpractice							13
14	Other (specify):			45,078	45,078	(45,078)		14
15	TOTAL General Administration	268,694		528,592	797,286	93,246	890,532	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,199,813	347,781	823,052	2,370,646	93,161	2,463,807	16
Capital Expenses								
D. Ownership								
17	Depreciation			19,028	19,028	302,382	321,410	17
18	Interest			89,270	89,270	481,553	570,823	18
19	Real Estate Taxes					131,836	131,836	19
20	Rent -- Facility and Grounds			966,734	966,734	(966,734)		20
21	Rent -- Equipment			567	567		567	21
22	Other (specify):			12,573	12,573		12,573	22
23	TOTAL Ownership			1,088,172	1,088,172	(50,963)	1,037,209	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,199,813	347,781	1,911,224	3,458,818	42,198	3,501,016	24

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning 01/01/08 Ending: 12/31/08

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	3.55	\$ 29.19	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants			3
4	Activity Director & Assistants	2.27	12.49	4
5	Social Service Workers			5
6	Head Cook	3.80	13.92	6
7	Cook Helpers/Assistants	9.72	8.05	7
8	Dishwashers			8
9	Maintenance Workers	1.22	13.74	9
10	Housekeepers	3.16	8.74	10
11	Laundry			11
12	Managers Administrator	1.03	39.30	12
13	Other Administrative	7.20	12.46	13
14	Clerical			14
15	Marketing			15
16	Other Caregivers	13.56	11.00	16
17	Total (lines 1 thru 16)	45.52	\$ 12.75	17

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	See Attachment 1		See Attachment 4	See Attachment 4	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

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
See Attachment 1			

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).

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Ending:

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VIII. OWNERSHIP COSTS

A. Purchase price of land 311,565 Year land was acquired 2000

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	106			2000	\$ 4,679,221	\$	40	\$ 116,981	\$ 116,981	\$ 963,987	1
2				2001	3,852,173		40	96,304	96,304	746,358	2
3											3
4											4
5											5
Improvement Type											
6	Flagpoles			2001	2,637	176	10	177	1	1,320	6
7	Tub Conversion			2001	1,185	119	10	119		889	7
8	Nurses Station			2001	6,183	309	20	309		2,319	8
9	2nd Floor Carpet			2001	1,339	134	10	134		1,004	9
10	Fire Alarm Doors			2001	835	83	10	83		626	10
11	2 Exterior Signs			2001	2,432	243	10	243		1,824	11
12	Nurse Call Station			2004	21,485	1,074	20	1,074		4,476	12
13	Asphalt Paving			2005	19,397	1,940	10	1,940		6,304	13
14	Apartments			2005	18,224	911	20	911		2,734	14
15	Nurse Call Station			2006	2,761	138	20	138		380	15
16	See Attachment 2				540,167	5,747		29,438	23,691	217,841	16
17	TOTAL (lines 1 thru 16)				\$ 9,148,039	\$ 10,874		\$ 247,851	\$ 236,977	\$ 1,950,062	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	\$ 710,080	\$ 8,154	\$ 73,559	65,405		\$ 576,131	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 710,080	\$ 8,154	\$ 73,559	65,405		\$ 576,131	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		N/A			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: N/A2. 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	N/A		/ /	\$			3
4	Additions			/ /				4
5				/ /				5
6				/ /				6
7	TOTAL				\$			7

8. Is movable equipment rental included in building rental?

 YES NO9. Rental amount for movable equipment \$ N/A

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	Lexington Financial Services	X		Mortgage	5/29/02	\$ 8,500,000	\$			\$ 224,583	1
2	LLC	X		Mortgage	5/22/08	9,395,000	9,292,836	1/1/33	Variable	341,917	2
3				Amortization of Mortgage Costs	/ /			/ /		5,210	3
	Working Capital										
4	Members loans-East Gate	X		Working Capital	Various	1,792,483	1,978,667	/ /	Variable	89,270	4
5	Members loans-Samvest	X		Working Capital	Various	2,540,438	285,179	/ /	Variable	52,713	5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 22,227,921	\$ 11,556,682			\$ 713,693	7
	B. Non-Facility Related										
8					/ /	Less interest income		/ /		(887)	8
9					/ /	Related party interest		/ /		(141,983)	9
10	TOTALS (lines 7, 8 and 9)					\$ 22,227,921	\$ 11,556,682			\$ 570,823	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: Eastgate Manor of Algonquin

Report Period Beginning: 01/01/08

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XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/08

(last day of reporting year)

		1	2	
		Operating	After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 277,978	\$ 432,940	1
2	Cash-Patient Deposits	159,767	159,767	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 100,217)	412,412	412,412	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	48,130	48,130	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	# 54,833	111,698	8
9	Other(specify): See attachment 3	34,509	234,716	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 987,629	\$ 1,399,663	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable	94,552	94,552	11
12	Long-Term Investments			12
13	Land		311,565	13
14	Buildings, at Historical Cost		4,679,221	14
15	Leasehold Improvements, at Historical Cost	185,329	4,468,818	15
16	Equipment, at Historical Cost	62,732	710,080	16
17	Accumulated Depreciation (book methods)	(75,083)	(2,526,193)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs		78,944	20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):	519,799	519,799	22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 787,329	\$ 8,336,786	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,774,958	\$ 9,736,449	25

*(See instructions.)

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 48,170	\$ 48,170	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	73,672	73,672	30
31	Accrued Taxes Payable	2,041	140,041	31
32	Accrued Interest Payable		54,767	32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	See attachment 3	224,363	434,754	35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 348,246	\$ 751,404	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	1,978,667	2,263,846	38
39	Mortgage Payable		9,292,836	39
40	Bonds Payable			40
41	Deferred Compensation			41
	Other Long-Term Liabilities(specify):			
42				42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 1,978,667	\$ 11,556,682	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 2,326,913	\$ 12,308,086	45
46	TOTAL EQUITY	\$ (509,885)	\$ (2,571,637)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 1,817,028	\$ 9,736,449	47

Facility Name: Eastgate Manor of Algonquin

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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	\$ 3,772,725	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,772,725	3
	B. Other Operating Revenue		
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	17,829	8
9	Non-Resident Meals	1,880	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 19,709	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	1,489	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 1,489	14
	D. Other Revenue (specify):		
15	Carpet Proration	8,207	15
16	Vending Commission-\$85, Misc Income- \$926	1,011	16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 9,218	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 3,803,141	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	965,671	19
20	Health Care/ Personal Care	607,689	20
21	General Administration	797,286	21
	B. Capital Expense		
22	Ownership	1,088,172	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)	\$ 3,458,818	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 344,323	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 344,323	31