

		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: Heritage Woods of Ottawa

Address: 801 East Etna Road Ottawa 61350
 Number City Zip Code

County: LaSalle

Telephone Number: (815) 431-1400 Fax # (815) 431-9147

Federal Employer ID Number: 20-8971882

Date Current Owners were Certified: 10-25-07

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 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 01/01/2008 to 12/31/2008 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) David J. Mitchell

(Title) CFO

Paid Preparer

(Signed) _____ (Date) _____

(Print Name and Title) _____

(Firm Name & Address) _____

(Telephone) () _____ Fax # () _____

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

Name: Selena Edgington Telephone Number: 815-935-1992 EXT 232
 Email Address: selena.edgington@bma-mgmt.com

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 Ottawa

Report Period Beginning: 01/01/2008 Ending: 12/31/2008

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	76	Single Unit Apartment	76	27,816	1
2	8	Double Unit Apartment	8	2,928	2
3		Other		1,167	3
4	84	TOTALS	84	31,911	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	10,661	19,800		30,461	5
6	Double Unit					6
7	Other					7
8	TOTALS	10,661	19,800		30,461	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 95.46%

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

96 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 0 (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

ACCRUAL MODIFIED CASH* CASH*

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

Tax Year: 2008 Fiscal Year: 2008

* 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. _____

Facility Name: Heritage Woods of Ottawa

Report Period Beginning:

01/01/2008

Ending: 12/31/2008

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	188,877	156,726	1,649	347,252		347,252	1
2	Housekeeping, Laundry and Maintenance	71,618	14,338	40,406	126,362		126,362	2
3	Heat and Other Utilities			134,805	134,805	(15,387)	119,418	3
4	Other (specify):			6,258	6,258		6,258	4
5	TOTAL General Services	260,495	171,064	183,118	614,677	(15,387)	599,290	5
B. Health Care and Programs								
6	Health Care/ Personal Care	346,824	2,736		349,560		349,560	6
7	Activities and Social Services	20,197	7,944		28,141		28,141	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	367,021	10,680		377,701		377,701	9
C. General Administration								
10	Administrative and Clerical	89,106	10,888	878,758	978,752	(26,547)	952,205	10
11	Marketing Materials, Promotions and Advertising	34,664	5,660	46,667	86,991		86,991	11
12	Employee Benefits and Payroll Taxes				197,617		197,617	12
13	Insurance-Property, Liability and Malpractice			12,231	12,231		12,231	13
14	Other (specify):			22,696	22,696		22,696	14
15	TOTAL General Administration	123,770	16,548	960,352	1,298,287	(26,547)	1,271,740	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	751,286	198,292	1,143,470	2,290,665	(41,934)	2,248,731	16
Capital Expenses								
D. Ownership								
17	Depreciation							17
18	Interest							18
19	Real Estate Taxes							19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify):			2,067	2,067		2,067	22
23	TOTAL Ownership			2,067	2,067		2,067	23
24	GRAND TOTAL (Sum of lines 16 and 23)	751,286	198,292	1,145,537	2,292,732	(41,934)	2,250,798	24

Facility Name: Heritage Woods of Ottawa

Report Period Beginning 01/01/2008

Ending:

12/31/2008

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1	\$ 22.13	1
2	Licensed Practical Nurses	0	17.00	2
3	Certified Nurse Assistants	14	10.07	3
4	Activity Director & Assistants			4
5	Social Service Workers	1	10.50	5
6	Head Cook	1	18.41	6
7	Cook Helpers/Assistants	8	8.72	7
8	Dishwashers			8
9	Maintenance Workers	1	15.04	9
10	Housekeepers	3	8.52	10
11	Laundry			11
12	Managers	1	23.35	12
13	Other Administrative	1	12.43	13
14	Clerical			14
15	Marketing	1	17.96	15
16	Other			16
17	Total (lines 1 thru 16)	33	\$	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				\$	1
2					2
3					3
4					4
5					5
Total				\$	6

VI. (B) Management fees paid to unrelated parties

Amount of Fee

1	BMA Management, LTD	\$ 125,900	1
2			2
Total		\$ 125,900	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
DSI Flora Operator LLC		Flora	
DSI Manteno Operator LLC		Manteno	
DSI Watseka Operator LLC		Watseska	

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).

Facility Name: Heritage Woods of Ottawa

Report Period Beginning:

01/01/2008

Ending:

12/31/2008

VIII. OWNERSHIP COSTS

A. Purchase price of land _____ Year land was acquired _____

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					\$	\$		\$	\$	\$	1
2											2
3											3
4											4
5											5
	Improvement Type										
6											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)				\$	\$		\$	\$	\$	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	\$	\$	\$	\$		\$	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$	\$	\$	\$		\$	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: Heritage Woods of Ottawa

Report Period Beginning: 01/01/2008

Ending: 2/31/2008

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: DSI Ottawa Owner, LLC

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	1999	84	/ /	\$ Variable	30 yrs		3
4	Additions			/ /				4
5				/ /				5
6				/ /				6
7	TOTAL		84		\$			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	Name of Lender	2		3	4	6		7	8	9	
			Related**	YES			NO	Purpose of Loan				
							Original	Balance				
A. Directly Facility Related												
Long-Term												
1						/ /	\$	\$	/ /		\$	1
2						/ /			/ /			2
3						/ /			/ /			3
Working Capital												
4		Country Bank		X	Line of Credit	11/1/08	250,000		11/1/09	Variable		4
5						/ /			/ /			5
6						/ /			/ /			6
7		TOTAL Facility Related					\$ 250,000	\$			\$	7
B. Non-Facility Related												
8						/ /			/ /			8
9						/ /			/ /			9
10		TOTALS (lines 7, 8 and 9)					\$ 250,000	\$			\$	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 Ottawa

Report Period Beginning: 01/01/2008

Ending:

12/31/2008

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2008

(last day of reporting year)

		1	2	
		Operating	After	
			Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 131,482	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	238,529		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	5,897		6
7	Other Prepaid Expenses	5,846		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 381,754	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost			16
17	Accumulated Depreciation (book methods)			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): <u>CIP</u>			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 381,754	\$	25

*(See instructions.)

		1	2	
		Operating	After	
			Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 32,720	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	31,596		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	<u>See Page 7 Attachment</u>	74,773		35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 139,089	\$	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				42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 139,089	\$	45
46	TOTAL EQUITY	\$ 242,665	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 381,754	\$	47

Facility Name: Heritage Woods of Ottawa

Report Period Beginning: 01/01/2008

Ending:

12/31/2008

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

		1	
Revenue		Amount	
A. SLF Resident Care			
1	Gross SLF Resident Revenue	\$ 2,683,484	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 2,683,484	3
B. Other Operating Revenue			
4	Special Services	78,549	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	32,706	8
9	Non-Resident Meals	3,124	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 114,379	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	1,095	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 1,095	14
D. Other Revenue (specify):			
15	See Page 8 Attachment	4,563	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 4,563	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 2,803,521	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	614,677	19
20	Health Care/ Personal Care	377,701	20
21	General Administration	1,298,287	21
B. Capital Expense			
22	Ownership	2,067	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)	\$ 2,292,732	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 510,789	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 510,789	31