FOR BHF USE

LL2

Supportive Living Facility

2009
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE & FAMILY SERVICES
COST REPORT FOR
SUPPORTIVE LIVING FACILITIES
(FISCAL YEAR 2009)

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: Morris Senior Living

Address: 1221 South Edgewater (Number) Morris (City) 60450 (Zip Code)

County: Grundy

Telephone Number: 815-416-6200 **Fax #** 815-416-6201

Federal Employer ID Number:

Date Current Owners were Certified: 1/23/09

Type of Ownership:

	VOLUNTARY, NON-PROFIT	X	PROPRIETARY		GOVERNMENTAL
	Charitable Corp.		Individual		State
	Trust		Partnership		County
IRS Exemption Code			Corporation		Other
			"Sub-S" Corp.		
		X	Limited Liability Co.		
			Trust		
			Other		

In the event there are further questions about this report, please contact:
Name: Steve Lavenda **Telephone Number:** (847) 236 - 1111
Email Address: slavenda@frronline.com

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 1/23/09 to 12/31/09 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) Steven N. Lavenda, C.P.A.
(Firm Name & Address) Frost, Ruttenberg & Rothblatt, P.C.
111 Pfingsten Road, Suite 300 Deerfield, IL 60015
(Telephone) (847) 236-1111 Fax (847) 236-1155

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 Morris Senior Living Llc Report Period Beginning: Ending: 12/31/09

III. STATISTICAL DATA

A. Certified units; enter number of units and unit days
Date of change in certified units N/A

	1 Units at Beginning of Report Period	2 Type of Apartment	3 Units at End of Report Period	4 Unit Days During Report Period	
1	58	Single Unit Apartment	58	19,894	1
2		Double Unit Apartment			2
3		Other			3
4	58	TOTALS	58	19,894	4

B. Census-For the entire report period.

	1 Type of Unit	2 Resident Days by Unit and Primary Source of Payment: Medicaid Recipient	3 Private Pay	4 Other	5 Total	
5	Single Unit	3,201	5,395		8,596	5
6	Double Unit					6
7	Other					7
8	TOTALS	3,201	5,395		8,596	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 43.21%

D. Indicate the number of paid bed-hold days the SLF had during this year 13 **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 [X]

F. Does the BALANCE SHEET reflect any non-SLF assets?
YES [ ] NO [X]

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*
[X]	[ ]	[ ]

I. Is your fiscal year identical to your tax year? [X] YES [ ] NO
Tax Year: 12/31/09 **Fiscal Year:** 12/31/09
*** All facilities other than governmental must report on the accrual basis.**

J. Does the facility have any Illinois Housing Development Authority Loans outstanding? N/A **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? N/A **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? N/A **If yes, did the facility make all of the required payments of interest and principle?** N/A
If no, explain. N/A

Facility Name: Morris Senior Living Llc **Report Period Beginning:** **Ending: 12/31/09**

IV. COST CENTER EXPENSES (please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclassifications and Adjustments	Adjusted Total	
		Salary/Wage	Supplies	Other	Total			
	A. General Services	1	2	3	4	5	6	
1	Dietary and Food Purchase	97,000	49,540	800	147,340		147,340	1
2	Housekeeping, Laundry and Maintenance	59,273	4,262	35,203	98,738	6,662	105,400	2
3	Heat and Other Utilities			55,899	55,899	(3,050)	52,849	3
4	Other (specify):							4
5	**TOTAL General Services**	156,273	53,802	91,902	301,977	3,612	305,589	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	129,508	1,696		131,204		131,204	6
7	Activities and Social Services	14,348	114	461	14,923		14,923	7
8	Other (specify):							8
9	**TOTAL Health Care and Programs**	143,856	1,810	461	146,127		146,127	9
	C. General Administration							
10	Administrative and Clerical	103,159	9,771	201,212	314,142	(127,773)	186,369	10
11	Marketing Materials, Promotions and Advertising	26,148		57,087	83,235		83,235	11
12	Employee Benefits and Payroll Taxes			105,596	105,596		105,596	12
13	Insurance-Property, Liability and Malpractice							13
14	Other (specify):							14
15	**TOTAL General Administration**	129,307	9,771	363,895	502,973	(127,773)	375,200	15
16	**TOTAL Operating Expense (Sum of lines 5, 9 and 15)**	429,436	65,383	456,258	951,077	(124,161)	826,916	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			440,973	440,973	(157,639)	283,334	17
18	Interest			312,000	312,000		312,000	18
19	Real Estate Taxes			70,104	70,104		70,104	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment			6,269	6,269		6,269	21
22	Other (specify):			25,144	25,144		25,144	22
23	**TOTAL Ownership**			854,490	854,490	(157,639)	696,851	23
24	**GRAND TOTAL (Sum of lines 16 and 23)**	429,436	65,383	1,310,748	1,805,567	(281,799)	1,523,768	24

Facility Name: Morris Senior Living Llc **Report Period Beginning** **Ending: 12/31/09**

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	2.00	$ 23.21	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants	1.67	9.50	3
4	Activity Director & Assistants	0.69	10.01	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	5.36	8.69	7
8	Dishwashers			8
9	Maintenance Workers	0.95	11.42	9
10	Housekeepers	2.15	8.20	10
11	Laundry			11
12	Managers			12
13	Other Administrative	3.95	12.57	13
14	Clerical			14
15	Marketing	1.05	12.02	15
16	Other			16
17	**Total (lines 1 thru 16)**	17.81	$ 11.59	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	Lewis Borsellino	80%	4	$ 30,210	1
2	Kimberly Westerkamp	20%	4	29,731	2
3					3
4					4
5					5
			Total	$ 59,941	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		OTHER RELATED BUSINESS ENTITIES		
Name 1	City 2	Name 3	City 4	Type of Business 5
Morris Healthcare & Rehab Cntr	Morris, IL	Prism Healthcare Mgmt	Wesmont, IL	Management Co.
Amboy Healthcare & Rehab Cntr	Amboy, IL			
Dixon Healthcare & Rehab Cntr	Dixon, IL			
Mattoon Healthcare & Rehab Cntr	Mattoon, IL			

B. Does your facility receive services from a parent organization or home office; the costs for which were not included on page 3? YES [X] NO [ ]
Name of related entity: Prism Healthcare Service, Westmont IL **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 [X] 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: Morris Senior Living Llc **Report Period Beginning:** **Ending:** 12/31/09

VIII. OWNERSHIP COSTS

A. Purchase price of land 358,000 **Year land was acquired** 2009

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					$ 8,044,034	$ 440,973	39	$ 206,257	$ (234,716)	$ 206,257	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Total From Supplemental Page 5's				887,896			44,395	44,395	44,395	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)				$ 8,931,930	$ 440,973		$ 250,652	$ (190,321)	$ 250,652	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	$ 326,821	$	$ 32,682	32,682	10	$ 32,682	18
19	Vehicles					5	-	19
20	TOTAL (lines 18 and 19)	$ 326,821	$	$ 32,682	32,682		$ 32,682	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 & ID Number Morris Senior Living Llc Report Period Beginning: Ending: 12/31/09

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	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	Unit Blinds	2009	7,740		20	387	387	387	2
3	Phone System	2009	23,474		20	1,174	1,174	1,174	3
4	Window Treatments	2009	7,152		20	358	358	358	4
5	Fencing	2009	63,578		20	3,179	3,179	3,179	5
6	Concrete	2009	262,852		20	13,143	13,143	13,143	6
7	Gypsum Cem Underlayment	2009	16,752		20	838	838	838	7
8	Earth Work, Storm, Sewer, Water	2009	232,469		20	11,623	11,623	11,623	8
9	Lawn Irrigation	2009	27,453		20	1,373	1,373	1,373	9
10	Asphalt Paving	2009	118,747		20	5,937	5,937	5,937	10
11	Landscaping	2009	70,074		20	3,504	3,504	3,504	11
12	Phone System	2009	11,039		20	552	552	552	12
13	T1 Phone/Line/Cable Installation	2009	3,562		20	178	178	178	13
14	Information System Network	2009	43,004		20	2,150	2,150	2,150	14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33	Total Book Depreciation								33
34	TOTAL (lines 1 thru 33)		$ 887,896	$		$ 44,395	$ 44,395	$ 44,395	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Morris Senior Living Llc Report Period Beginning: Ending: 12/31/09

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	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
6									6
7									7
8									8
9									9
10									10
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25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$	$		$	$	$	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Morris Senior Living Llc Report Period Beginning: Ending: 12/31/09

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	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
6									6
7									7
8									8
9									9
10									10
11									11
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24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$	$		$	$	$	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name: Morris Senior Living Llc Report Period Beginning: Ending: 12/31/09

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: Morris Health Care Properties, LLC

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? [X] 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 [X] NO

9. Rental amount for movable equipment $ 6,269

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

	Name of Lender	2 Related** YES	2 Related** NO	3 Purpose of Loan	4 Date of Note	6 Amount of Note Original	6 Amount of Note Balance	7 Maturity Date	8 Interest Rate (4 Digits)	9 Reporting Period Int. Expense	
	A. Directly Facility Related										
	Long-Term										
1	First Chicago Operating		X	Mortgage	/ /	$ 8,000,000	$ 8,000,000	/ /		$ 312,000	1
2					/ /			/ /			2
3					/ /			/ /			3
	Working Capital										
4	First Chicago Operating		X	Line of Credit	/ /	110,000	110,000	/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					$ 8,110,000	$ 8,110,000			$ 312,000	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					$ 8,110,000	$ 8,110,000			$ 312,000	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: Morris Senior Living Llc **Report Period Beginning:** **Ending:** 12/31/09

XI. BALANCE SHEET - Unrestricted Operating Fund. **As of** 12/31/09 **(last day of reporting year)**

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 24,131	$	1
2	Cash-Patient Deposits	19,719		2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	218,512		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 262,362	$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	358,000		13
14	Buildings, at Historical Cost	8,044,034		14
15	Leasehold Improvements, at Historical Cost	791,924		15
16	Equipment, at Historical Cost	429,456		16
17	Accumulated Depreciation (book methods)	(440,973)		17
18	Deferred Charges	353,479		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):			23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 9,535,920	$	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 9,798,282	$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 79,938	$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	110,000		29
30	Accrued Salaries Payable			30
31	Accrued Taxes Payable	66,412		31
32	Accrued Interest Payable	156,000		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35				35
36	See Attached	1,255,858		36
37	**TOTAL Current Liabilities (sum of lines 26 thru 36)**	$ 1,668,208	$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	8,000,000		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)**	$ 8,000,000	$	44
45	**TOTAL LIABILITIES (sum of lines 37 and 44)**	$ 9,668,208	$	45
46	**TOTAL EQUITY**	$ 130,074	$	46
47	**TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)**	$ 9,798,282	$	47

***(See instructions.)**

Facility Name: Morris Senior Living Llc **Report Period Beginning:** **Ending: 12/31/09**

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

	Revenue	1 Amount	
	A. SLF Resident Care		
1	Gross SLF Resident Revenue	$ 939,047	1
2	Discounts and Allowances		2
3	**SUBTOTAL Resident Care (line 1 minus line 2)**	$ 939,047	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		8
9	Non-Resident Meals		9
10	Laundry		10
11	**SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)**	$	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income		13
14	**SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)**	$	14
	D. Other Revenue (specify):		
15	**See Attached**	3,050	15
16			16
17	**SUBTOTAL Other Revenue (sum of lines 15 and 16)**	$ 3,050	17
18	**TOTAL REVENUE (sum of lines 3, 11, 14 and 17)**	$ 942,097	18

	Expenses	2 Amount	
	A. Operating Expenses		
19	General Services	301,977	19
20	Health Care/ Personal Care	146,127	20
21	General Administration	502,973	21
	B. Capital Expense		
22	Ownership	854,490	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)**	$ 1,805,567	28
29	**Income Before Income Taxes (line 18 minus line 28)**	$ (863,470)	29
30	**Income Taxes**	$	30
31	**NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)**	$ (863,470)	31