

		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: Victory Centre of South Chicago SLF

Address: 3251 East 92nd Street Chicago 60617
Number City Zip Code

County: Cook

Telephone Number: 773-449-2600 Fax # 773-734-8022

Federal Employer ID Number: 36-4273297

Date Current Owners were Certified: 05/01/2009

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 type="checkbox"/> Limited Liability Co.	
	<input type="checkbox"/> Trust	
	<input checked="" type="checkbox"/> Other <u>Limited Partnership</u>	

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 5/1/2009 to 12/31/2009 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 Pfungsten Road, Suite 300 Deerfield, IL 60015

(Telephone) (847) 236-1111 Fax (847) 236-1155

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

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 Victory Centre Of South Chicago

Report Period Beginning: 5/1/2009 Ending: 12/31/2009

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	112	Single Unit Apartment	112	27,440	1
2		Double Unit Apartment			2
3		Other			3
4	112	TOTALS	112	27,440	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	9,920	163		10,083	5
6	Double Unit					6
7	Other					7
8	TOTALS	9,920	163		10,083	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 36.75%

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

482 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 20 (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: 12/31/2009 Fiscal Year: 12/31/2009

* All facilities other than governmental must report on the accrual basis.

J. Does the facility have any Illinois Housing Development Authority Loans outstanding?

Yes If yes, did the facility make all of the required payments of interest and principle? Yes

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: Victory Centre Of South Chicago

Report Period Beginning:

5/1/2009

Ending: 12/31/2009

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	88,574	55,654	443	144,671	(584)	144,087	1
2	Housekeeping, Laundry and Maintenance	41,843	12,647	80,775	135,265	1,315	136,580	2
3	Heat and Other Utilities			53,097	53,097	1,054	54,151	3
4	Other (specify):							4
5	TOTAL General Services	130,417	68,301	134,315	333,033	1,785	334,818	5
B. Health Care and Programs								
6	Health Care/ Personal Care	175,051	224	698	175,973		175,973	6
7	Activities and Social Services	19,980	812	1,267	22,059		22,059	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	195,031	1,036	1,965	198,032		198,032	9
C. General Administration								
10	Administrative and Clerical	142,951	12,774	602,378	758,103	(134,185)	623,918	10
11	Marketing Materials, Promotions and Advertising	64,483		17,123	81,606	61,680	143,286	11
12	Employee Benefits and Payroll Taxes			101,484	101,484	36,306	137,790	12
13	Insurance-Property, Liability and Malpractice			23,734	23,734	3,948	27,682	13
14	Other (specify):							14
15	TOTAL General Administration	207,434	12,774	744,719	964,927	(32,251)	932,676	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	532,882	82,111	880,999	1,495,992	(30,466)	1,465,526	16
Capital Expenses								
D. Ownership								
17	Depreciation			563,417	563,417	50,333	613,750	17
18	Interest			278,986	278,986	7,409	286,395	18
19	Real Estate Taxes			68,259	68,259		68,259	19
20	Rent -- Facility and Grounds					33,380	33,380	20
21	Rent -- Equipment			835	835		835	21
22	Other (specify):			44,077	44,077	2,914	46,991	22
23	TOTAL Ownership			955,574	955,574	94,036	1,049,610	23
24	GRAND TOTAL (Sum of lines 16 and 23)	532,882	82,111	1,836,573	2,451,566	63,571	2,515,137	24

Facility Name: Victory Centre Of South Chicago

Report Period Beginning 5/1/2009

Ending: 12/31/2009

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1.03	\$ 24.80	1
2	Licensed Practical Nurses	1.96	20.00	2
3	Certified Nurse Assistants	6.64	9.10	3
4	Activity Director & Assistants	1.01	14.12	4
5	Social Service Workers			5
6	Head Cook	1.49	11.52	6
7	Cook Helpers/Assistants	4.31	10.72	7
8	Dishwashers			8
9	Maintenance Workers	1.25	17.20	9
10	Housekeepers	0.98	8.53	10
11	Laundry			11
12	Managers			12
13	Other Administrative	5.57	18.33	13
14	Clerical			14
15	Marketing	1.96	23.56	15
16	Other			16
17	Total (lines 1 thru 16)	26.18	\$ 14.54	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	Brian Cloch	29%	5.45	\$ 6,183	1
2	Jerry Finis	29%	5.45	8,768	2
3	Robert Helle	13%			3
4	E Keledjian	29%			4
5					5
				Total	\$ 14951 6

VI. (B) Management fees paid to unrelated parties

	Amount of Fee		
1	N/A	\$ 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 Attached			

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5
See Attached					

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: N/A If yes, what is the value of those services? \$ N/A

(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: Victory Centre Of South Chicago

Report Period Beginning:

5/1/2009

Ending:

12/31/2009

VIII. OWNERSHIP COSTS

A. Purchase price of land 628,250 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	112		2009	2009	\$ 21,481,264	\$ 563,417	35	\$ 613,750	\$ 50,333	\$ 613,750	1	
2	Allocated from Pathway Senior Living, LLC					2,379			(2,379)		2	
3											3	
4											4	
5											5	
Improvement Type												
6	Total From Supplemental Page 5's											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)				\$ 21,481,264	\$ 565,796		\$ 613,750	\$ 47,954	\$ 613,750	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	\$	\$	\$	\$	10	\$ -	18
19	Vehicles					5	-	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 & ID Number Victory Centre Of South Chicago

Report Period Beginning:

5/1/2009

Ending:

12/31/2009

XI. OWNERSHIP COSTS (continued)

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

1	3	4	5	6	7	8	9		
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
1								1	
2								2	
3								3	
4								4	
5								5	
6								6	
7								7	
8								8	
9								9	
10								10	
11								11	
12								12	
13								13	
14								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)		\$	\$		\$	\$	34	

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

Facility Name & ID Number Victory Centre Of South Chicago

Report Period Beginning:

5/1/2009

Ending:

12/31/2009

XI. OWNERSHIP COSTS (continued)

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

1	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								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								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 Victory Centre Of South Chicago

Report Period Beginning:

5/1/2009

Ending:

12/31/2009

XI. OWNERSHIP COSTS (continued)

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

1	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								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								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: Victory Centre Of South Chicago

Report Period Beginning: 5/1/2009

Ending: 2/31/2009

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: N/A

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	Allocated from Pathway SL, LLC			/ /	33,380			6
7	TOTAL				\$ 33,380			7

8. Is movable equipment rental included in building rental? YES NO

9. Rental amount for movable equipment \$ 835

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	Berkadia		X	1st Mortgage	/ /	\$	1,861,207	/ /		\$ 274,545	1
2	Berkadia Commercial Mortgage		X	Construction Loan	/ /		807,284	/ /			2
3	Bridge			Bonds Payable	/ /		7,695,321	/ /			3
	Working Capital										
4	Pathway Development LLC	X			/ /		433,597	/ /		555	4
5	Allocated from Pathway SL, LLC		X		/ /			/ /		8,234	5
6			X	3rd Mortgage	/ /		750,000	/ /			6
7	TOTAL Facility Related					\$	11,547,409			\$ 283,334	7
	B. Non-Facility Related										
8	Interest Income		X		/ /			/ /		-825	8
9	Bank of America		X	Bond Interest	/ /			/ /		3,886	9
10	TOTALS (lines 7, 8 and 9)					\$	11,547,409			\$ 286,395	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: **Victory Centre Of South Chicago**Report Period Beginning: **5/1/2009**

Ending:

12/31/2009**XI. BALANCE SHEET - Unrestricted Operating Fund.**As of **12/31/09**

(last day of reporting year)

		1	2	
		Operating	After	
			Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 92,215	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	584,838		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	30,047		6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See Attached	(8,661,303)		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ (7,954,203)	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	628,250		13
14	Buildings, at Historical Cost	21,481,264		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost			16
17	Accumulated Depreciation (book methods)	(563,417)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(22,604)		20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See Attached	616,917		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 22,140,410	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 14,186,207	\$	25

*(See instructions.)

		1	2	
		Operating	After	
			Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 2,617,547	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	433,597		29
30	Accrued Salaries Payable	21,807		30
31	Accrued Taxes Payable	68,259		31
32	Accrued Interest Payable	555		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35				35
36	See Attached	(112,921)		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 3,028,844	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	807,284		38
39	Mortgage Payable	2,611,207		39
40	Bonds Payable	7,695,321		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)	\$ 11,113,812	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 14,142,656	\$	45
46	TOTAL EQUITY	\$ 43,551	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 14,186,207	\$	47

Facility Name: Victory Centre Of South Chicago

Report Period Beginning: 5/1/2009

Ending:

12/31/2009

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	\$ 937,339	1
2	Discounts and Allowances		2
SUBTOTAL Resident Care			
3	(line 1 minus line 2)	\$ 937,339	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	1,187	9
10	Laundry		10
SUBTOTAL OTHER OPERATING REVENUE			
11	(sum of lines 4 thru 10)	\$ 1,187	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	2,700	13
SUBTOTAL Non-Operating Revenue			
14	(sum of lines 12 and 13)	\$ 2,700	14
D. Other Revenue (specify):			
15	See Attached	21,011	15
16			16
SUBTOTAL Other Revenue			
17	(sum of lines 15 and 16)	\$ 21,011	17
TOTAL REVENUE			
18	(sum of lines 3, 11, 14 and 17)	\$ 962,237	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	333,033	19
20	Health Care/ Personal Care	198,032	20
21	General Administration	964,927	21
B. Capital Expense			
22	Ownership	955,574	22
C. Other Expenses			
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
TOTAL EXPENSES			
28	(sum of lines 19 thru 27)	\$ 2,451,566	28
Income Before Income Taxes			
29	(line 18 minus line 28)	\$ (1,489,329)	29
Income Taxes			
30		\$	30
NET INCOME OR LOSS FOR THE YEAR			
31	(line 29 minus line 30)	\$ (1,489,329)	31