

		FOR BHF USE			

LL2

Supportive Living Facility

**2016
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE & FAMILY SERVICES
COST REPORT FOR
SUPPORTIVE LIVING FACILITIES
(FISCAL YEAR 2016)**

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.

<p>I. Facility ID Number: <u>1000014</u></p> <p>Facility Name: <u>Victory Centre of River Oaks</u></p> <hr/> <p>Address: <u>1370 Ring Road</u> <u>Calumet City</u> <u>60409</u></p> <p align="center">Number City Zip Code</p> <p>County: <u>Cook</u></p> <p>Telephone Number: (<u>(708) 730-0994</u> Fax # _____)</p> <p>Federal Employer ID Number: _____</p> <p>Date Current Owners were Certified: <u>7/30/2003</u></p> <p>Type of Ownership:</p> <table style="width:100%"> <tr> <td><input type="checkbox"/> VOLUNTARY, NON-PROFIT</td> <td><input checked="" type="checkbox"/> PROPRIETARY</td> <td><input type="checkbox"/> GOVERNMENTAL</td> </tr> <tr> <td><input type="checkbox"/> Charitable Corp.</td> <td><input type="checkbox"/> Individual</td> <td><input type="checkbox"/> State</td> </tr> <tr> <td><input type="checkbox"/> Trust</td> <td><input type="checkbox"/> Partnership</td> <td><input type="checkbox"/> County</td> </tr> <tr> <td>IRS Exemption Code _____</td> <td><input type="checkbox"/> Corporation</td> <td><input type="checkbox"/> Other _____</td> </tr> <tr> <td></td> <td><input type="checkbox"/> "Sub-S" Corp.</td> <td>_____</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Limited Liability Co.</td> <td>_____</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Trust</td> <td></td> </tr> <tr> <td></td> <td><input checked="" type="checkbox"/> Other <u>Limited Partnership</u></td> <td></td> </tr> </table>	<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>		<p>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</p> <p>I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>1/1/2016</u> to <u>12/31/2016</u> 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.</p> <p>Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.</p> <table border="1" style="width:100%"> <tr> <td rowspan="3" style="width:15%; vertical-align: top;">Officer or Administrator of Provider</td> <td>(Signed) _____</td> <td>(Date) _____</td> </tr> <tr> <td colspan="2">(Type or Print Name) _____</td> </tr> <tr> <td colspan="2">(Title) _____</td> </tr> </table> <table border="1" style="width:100%"> <tr> <td rowspan="4" style="width:15%; vertical-align: top;">Paid Preparer</td> <td>(Signed) _____ *</td> <td>(Date) _____</td> </tr> <tr> <td colspan="2">* Subject to the attached Accountants Consulting Report</td> </tr> <tr> <td colspan="2">(Print Name and Title) _____</td> </tr> <tr> <td colspan="2">(Firm Name & Address) <u>Marcum LLP</u> <u>111 Pfingsten Road, Suite 300 Deerfield, IL 60015</u></td> </tr> <tr> <td colspan="2">(Telephone) <u>(847) 282-6300</u></td> <td>Fax <u>(847) 282-6301</u></td> </tr> </table>	Officer or Administrator of Provider	(Signed) _____	(Date) _____	(Type or Print Name) _____		(Title) _____		Paid Preparer	(Signed) _____ *	(Date) _____	* Subject to the attached Accountants Consulting Report		(Print Name and Title) _____		(Firm Name & Address) <u>Marcum LLP</u> <u>111 Pfingsten Road, Suite 300 Deerfield, IL 60015</u>		(Telephone) <u>(847) 282-6300</u>		Fax <u>(847) 282-6301</u>
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<p>In the event there are further questions about this report, please contact:</p> <p>Name: <u>Steve Lavenda</u> Telephone Number: <u>(847) 282 - 6300</u></p> <p>Email Address: _____</p>		<p align="center">MAIL TO: BUREAU OF HEALTH FINANCE IL DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001</p> <p align="right">Phone # (217) 782-1630</p>																																										

Facility Name Victory Centre of River Oaks

Report Period Beginning: 1/1/2016 Ending: 12/31/2016

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	103	Single Unit Apartment	103	37,698	1
2	6	Double Unit Apartment	6	2,196	2
3		Other		813	3
4	109	TOTALS	109	40,707	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	30,358	1,742		32,100	5
6	Double Unit	1,202	71		1,273	6
7	Other	813			813	7
8	TOTALS	32,373	1,813		34,186	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 83.98%

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

1,113 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 47 (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: 12/31/16 Fiscal Year: 12/31/16

* 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 River Oaks

Report Period Beginning:

1/1/2016

Ending: 12/31/2016

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	274,190	211,631	27,615	513,436	2,543	515,979	1
2	Housekeeping, Laundry and Maintenance	139,842	38,054	123,115	301,011	(1,895)	299,116	2
3	Heat and Other Utilities			118,513	118,513	243	118,756	3
4	Other (specify):							4
5	TOTAL General Services	414,032	249,685	269,243	932,960	891	933,851	5
B. Health Care and Programs								
6	Health Care/ Personal Care	494,344	794	45,293	540,431	14,752	555,183	6
7	Activities and Social Services	34,455	4,997	28,565	68,017	5,603	73,620	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	528,799	5,791	73,858	608,448	20,355	628,803	9
C. General Administration								
10	Administrative and Clerical	191,612	13,840	775,504	980,956	(328,790)	652,166	10
11	Marketing Materials, Promotions and Advertising	60,577	5,909	59,588	126,074	32,235	158,309	11
12	Employee Benefits and Payroll Taxes			266,178	266,178		266,178	12
13	Insurance-Property, Liability and Malpractice			56,970	56,970	2,237	59,207	13
14	Other (specify):					28,609	28,609	14
15	TOTAL General Administration	252,189	19,749	1,158,240	1,430,178	(265,709)	1,164,469	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,195,020	275,225	1,501,341	2,971,586	(244,463)	2,727,123	16
Capital Expenses								
D. Ownership								
17	Depreciation			468,470	468,470	(119,171)	349,299	17
18	Interest			382,265	382,265	(1,404)	380,861	18
19	Real Estate Taxes			203,924	203,924		203,924	19
20	Rent -- Facility and Grounds			1,019	1,019	9,391	10,410	20
21	Rent -- Equipment			17,414	17,414	348	17,762	21
22	Other (specify): Mortgage Insurance/Amortization			32,685	32,685		32,685	22
23	TOTAL Ownership			1,105,777	1,105,777	(110,836)	994,941	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,195,020	275,225	2,607,118	4,077,363	(355,299)	3,722,064	24

Report Period Beginning: 1/1/2016
 Ending: 12/31/2016

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line
			Reference
1	Non-Straight Line Depreciation	\$ (121,690)	17 1
2	Guest Meals	(1,510)	01 2
3	Employee Meals	(1,080)	01 3
4	Damage Recovery	(1,171)	10 4
5	NSF Fee	(715)	10 5
6	Late Fees	(170)	10 6
7	Termination Fees	(822)	10 7
8	Other Income	(172)	10 8
9	Meals and Entertainment	(217)	10 9
10	Bank Service Charges	(1,215)	10 10
11	Late Fees/Finance Charges	(116)	10 11
12	Charitable Contributions	(1,598)	10 12
13	Resident Gifts	(503)	07 13
14	Bad Debt	(103,785)	10 14
15	Cable TV	(10)	02 15
16	Management Fees	(227,557)	10 16
17	Partnership Accounting Ex	(1,500)	10 17
18	Asset management Fee	(22,191)	10 18
19	Partnership Mgmt. Fee	(25,000)	10 19
20	Incentive Management Fee	(104,430)	10 20
21	Partnership Misc Expense	(9,975)	10 21
22	Interest Income - Escrows	(896)	18 22
23	Interest Income	(586)	18 23
24	Additional R&M	2,711	02 24
25	Capitalized R&M	(9,358)	02 25
26	Resident Reimbursibles	(339)	10 26
27	Service Fee	(19,433)	10 27
28			28
29	PATHWAY MANAGEMENT LLC		29
30	Maintenance	3,771	02 30
31	Utilities	243	03 31
32	Health Care/Personal Care	6,029	06 32
33	Administrative	104,613	10 33
34	Marketing	11,788	11 34
35	Insurance	940	13 35
36	Employee Benefits	14,384	14 36
37	Depreciation	2,519	17 37
38	Rent - Building	8,332	20 38
39	Rent - Equipment	55	21 39
40			40
41	PATHWAY SENIOR LIVING LLC		41
42	Dietary	4,133	01 42
43	Maintenance	991	02 43
44	Health Care/Personal Care	8,723	06 44
45	Community Life	6,106	07 45
46	Administrative	87,003	10 46
47	Marketing	20,447	11 47
48	Insurance	1,297	13 48
49	Employee Benefits	14,225	14 49
50	Rent - Building	1,059	20 50
51	Rent - Equipment	293	21 51
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99			99
100			100
101	Total	(365,299)	101

Facility Name: Victory Centre of River Oaks

Report Period Beginning: 1/1/2016 Ending: 12/31/2016

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	0.91	\$ 27.29	1
2	Licensed Practical Nurses	2.28	24.73	2
3	Certified Nurse Assistants	12.41	12.61	3
4	Activity Director & Assistants	1.08	15.41	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	10.58	12.46	7
8	Dishwashers			8
9	Maintenance Workers	1.96	16.25	9
10	Housekeepers	3.28	10.80	10
11	Laundry			11
12	Managers			12
13	Other Administrative	4.96	18.59	13
14	Clerical			14
15	Marketing	0.99	29.43	15
16	Other			16
17	Total (lines 1 thru 16)	38.44	\$ 14.95	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	Jerry Finis	0.001415%	1.73	\$ 8,642	1
2					2
3					3
4					4
5					5
				Total	\$ 8642 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 River Oaks

Report Period Beginning:

1/1/2016

Ending:

12/31/2016

VIII. OWNERSHIP COSTS

A. Purchase price of land 541,601 Year land was acquired 2002

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	109		2002	2002	\$ 9,842,367	\$ 470,989	35	\$ 281,210	\$ (189,779)	\$ 4,714,369	1
2											2
3											3
4											4
5											5
Improvement Type											
6	Total From Supplemental Page 5's				484,219			24,261	24,261	91,629	6
7	Various		2002		246,335		20	12,317	12,317	211,234	7
8	Various		2005		15,186		20	759	759	11,390	8
9	Various		2007		6,888		20	344	344	3,444	9
10	Various		2008		31,114		20	1,556	1,556	14,002	10
11											11
12											12
13											13
14											14
15											15
16											16
17	TOTAL (lines 1 thru 16)				\$ 10,626,109	\$ 470,989		\$ 320,447	\$ (150,542)	\$ 5,046,068	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	\$ 719,686	\$	\$ 28,852	28,852		\$ 558,679	18
19	Vehicles	16,646					16,646	19
20	TOTAL (lines 18 and 19)	\$ 736,332	\$	\$ 28,852	28,852		\$ 575,325	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 River Oaks

Report Period Beginning:

1/1/2016

Ending:

12/31/2016

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

1	2	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	Boiler	2009	8,880		20	444	444	3,552	2
3	Locks	2009	7,843		20	392	392	3,137	3
4	Land Improvements	2009	14,000		20	700	700	5,600	4
5	Paint	2009	9,332		20	467	467	3,733	5
6	Carpet	2009	40,000		20	2,000	2,000	16,000	6
7	Paint	2009	18,664		20	933	933	7,465	7
8	Kitchened Drain Line Repair	2009	2,740		20	137	137	1,096	8
9	Paving	2010	7,200		20	360	360	2,520	9
10	Hp Pump	2010	1,816		20	91	91	636	10
11	Boiler Replacement	2010	14,023		20	701	701	4,908	11
12	Door Frame Guards	2010	3,714		20	186	186	1,300	12
13	Carpet	2010	1,055		20	53	53	370	13
14	Repair Entrance Door	2010	1,260		20	63	63	441	14
15	Heating System Flushing And Replaced Heating Controllers	2011	6,448		20	322	322	1,934	15
16	Hot Water System	2012	5,243		20	262	262	1,311	16
17	Hot Gas Line Repair	2012	2,692		20	135	135	673	17
18	Crack Hot Gas Bypass Line	2012	2,936		20	147	147	734	18
19	Rooftop Unit	2013	8,850		20	443	443	1,770	19
20	Sign	2013	5,436		20	272	272	1,087	20
21	Heat Exchangers	2013	3,300		20	165	165	660	21
22	Shrubbery	2013	3,508		20	175	175	702	22
23	Dining Room Painting	2014	4,950		20	248	248	743	23
24	1St Floor Bathroom Renovation	2014	17,510		20	876	876	2,627	24
25	Dvr System	2014	3,700		20	185	185	555	25
26	Compressor	2014	2,780		20	139	139	417	26
27	Dining Room Window Treatments	2014	4,812		20	241	241	722	27
28	Hot Water Heater	2014	10,440		20	522	522	1,566	28
29	Nurse Call System	2015	74,794		20	3,740	3,740	7,479	29
30	Phone System	2015	20,442		20	1,022	1,022	2,044	30
31	Doors	2015	3,233		20	162	162	323	31
32	Sealcoating	2015	5,349		20	267	267	535	32
33	Windows	2015	122,530		20	6,127	6,127	12,253	33
34	TOTAL (lines 1 thru 33)		\$ 439,480	\$		\$ 21,974	\$ 21,974	\$ 88,892	34

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

Facility Name & ID Number Victory Centre of River Oaks

Report Period Beginning:

1/1/2016

Ending:

12/31/2016

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	Shower Apt 406	2015	3,695		20	185	185	370	2
3	New Bearing Assembly	2015	2,804		20	140	140	280	3
4	Raise Sidewalks	2015	2,515		20	126	126	252	4
5	Phone System- Adj Of 2015 Asset	2016	(315)		20	(16)	(16)	(16)	5
6	Ada Power Adapter	2016	2,547		20	127	127	127	6
7	Generator- Replaced Coolant Crossover Tube	2016	3,102		20	155	155	155	7
8	Replace Broken Circulator	2016	4,925		20	246	246	246	8
9	Replaced Rtu	2016	10,260		20	513	513	513	9
10	Red Hardwood Mulch	2016	5,848		20	292	292	292	10
11	Repaired Leak	2016	2,691		20	135	135	135	11
12	Laundry & Wellness Outlets	2016	2,581		20	179	179	179	12
13	Hvac Repairs	2016	4,086		20	204	204	204	13
14									14
15									15
16									16
17									17
18									18
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31									31
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33									33
34	TOTAL (lines 1 thru 33)		\$ 44,739	\$		\$ 2,287	\$ 2,287	\$ 2,738	34

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

Facility Name & ID Number Victory Centre of River Oaks

Report Period Beginning:

1/1/2016

Ending:

12/31/2016

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
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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 River Oaks

Report Period Beginning: 1/1/2016

Ending: 12/31/2016

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	Storage Rental			/ /	1,019			5
6	Allocated from Pathway			/ /	9,391			6
7	TOTAL				\$ 10,410			7

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

9. Rental amount for movable equipment \$ 17,762

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**				Purpose of Loan	Date of Note				
			YES	NO			Original	Balance				
		A. Directly Facility Related										
		Long-Term										
1		IHDA		X	1st Mortgage	10/1/02	\$ 6,150,000	\$ 5,443,489	9/1/42	6.7000	\$ 367,050	1
2		Amerinational		X	2nd Mortgage	10/1/02	2,000,000	1,381,075	11/1/42	1.0000	15,215	2
3									/ /			3
		Working Capital										
4						/ /			/ /			4
5						/ /			/ /			5
6						/ /			/ /			6
7		TOTAL Facility Related					\$ 8,150,000	\$ 6,824,564			\$ 382,265	7
		B. Non-Facility Related										
8		Interest Income		X		/ /			/ /		(508)	8
9		Interest Income - Escrows		X		/ /			/ /		(896)	9
10		TOTALS (lines 7, 8 and 9)					\$ 8,150,000	\$ 6,824,564			\$ 380,861	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 River Oaks

Report Period Beginning: 1/1/2016

Ending: 12/31/2016

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2016

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 303,235	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	543,187		3
4	Supply Inventory (priced at)	5,356		4
5	Short-Term Investments			5
6	Prepaid Insurance	84,835		6
7	Other Prepaid Expenses	20,958		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):	1,043,039		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,000,610	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	541,601		13
14	Buildings, at Historical Cost	9,842,367		14
15	Leasehold Improvements, at Historical Cost	506,895		15
16	Equipment, at Historical Cost	978,048		16
17	Accumulated Depreciation (book methods)	(6,336,579)		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):	175,730		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 5,708,062	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 7,708,672	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 194,870	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	49,041		30
31	Accrued Taxes Payable	213,219		31
32	Accrued Interest Payable	32,959		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35				35
36	See Attached	223,842		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 713,931	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	6,824,564		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)	\$ 6,824,564	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 7,538,495	\$	45
46	TOTAL EQUITY	\$ 170,177	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 7,708,672	\$	47

*(See instructions.)

Facility Name: Victory Centre of River Oaks

Report Period Beginning: 1/1/2016

Ending:

12/31/2016

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

		1	
I. Revenue		Amount	
A. SLF Resident Care			
1	Gross SLF Resident Revenue	\$ 3,850,013	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,850,013	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	1,590	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 1,590	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	1,404	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 1,404	14
D. Other Revenue (specify):			
15		2,835	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 2,835	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 3,855,842	18

		2	
II. Expenses		Amount	
A. Operating Expenses			
19	General Services	932,960	19
20	Health Care/ Personal Care	608,448	20
21	General Administration	1,430,178	21
B. Capital Expense			
22	Ownership	1,105,777	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)	\$ 4,077,363	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (221,521)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (221,521)	31
III. Net Resident Care Revenue detailed by Payer Source			
32	Medicaid - Net Inpatient Revenue	\$ 1,920,875	32
33	Private Pay - Net Inpatient Revenue	220,436	33
34	Medicare - Net Inpatient Revenue		34
35	Other-(specify) <u>Managed Care</u>	1,708,702	35
36	Other-(specify)		36
37	TOTAL (This total must agree to Line 3)	\$ 3,850,013	37