

		FOR BHF USE			

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Supportive Living Facility

**2011
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE & FAMILY SERVICES
COST REPORT FOR
SUPPORTIVE LIVING FACILITIES
(FISCAL YEAR 2011)**

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>1000101</u></p> <p>Facility Name: <u>Heritage Woods of McHenry</u></p> <p>Address: <u>4609 W. Crystal Lake Road</u> <u>McHenry</u> <u>60050</u> <small>Number City Zip Code</small></p> <p>County: <u>McHenry</u></p> <p>Telephone Number: <u>815-344-2690</u> Fax # <u>815-344-2691</u></p> <p>Federal Employer ID Number: _____</p> <p>Date Current Owners were Certified: <u>07/23/08</u></p> <p>Type of Ownership:</p> <table style="width:100%"> <tr> <td><input type="checkbox"/> VOLUNTARY, NON-PROFIT</td> <td><input 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 checked="" 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 type="checkbox"/> Other</td> <td>_____</td> </tr> </table> <p>In the event there are further questions about this report, please contact: Name: <u>Selena Edgington</u> Telephone Number: <u>815-935-1992 EXT 232</u> Email Address: _____</p>	<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 checked="" 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 type="checkbox"/> Other	_____	<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>01/01/11</u> to <u>12/31/11</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 style="width:100%"> <tr> <td style="width:20%; vertical-align: top;"> Officer or Administrator of Provider </td> <td> (Signed) _____ (Type or Print Name) <u>David J. Mitchell</u> (Title) <u>CFO, BMA Management, LTD.</u> </td> </tr> <tr> <td style="vertical-align: top;"> Paid Preparer </td> <td> (Signed) _____ (Date) _____ (Print Name and Title) _____ (Firm Name & Address) _____ (Telephone) <u>()</u> _____ Fax # <u>()</u> _____ </td> </tr> </table> <p align="right"> 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 </p>	Officer or Administrator of Provider	(Signed) _____ (Type or Print Name) <u>David J. Mitchell</u> (Title) <u>CFO, BMA Management, LTD.</u>	Paid Preparer	(Signed) _____ (Date) _____ (Print Name and Title) _____ (Firm Name & Address) _____ (Telephone) <u>()</u> _____ Fax # <u>()</u> _____
<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL																											
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Facility Name Heritage Woods of McHenry

Report Period Beginning: 01/01/11 Ending: 12/31/11

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	100	Single Unit Apartment	100	36,500	1
2		Double Unit Apartment			2
3		Other			3
4	100	TOTALS	100	36,500	4

B. Census-For the entire report period.

	1 Type of Unit	2 3 4 Resident Days by Unit and Primary Source of Payment			5	
		Medicaid Recipient	Private Pay	Other		
5	Single Unit	30,492	5,381		35,873	5
6	Double Unit					6
7	Other					7
8	TOTALS	30,492	5,381		35,873	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 98.28%

D. Indicate the number of paid bed-hold days the SLF had during this year 469 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 138 (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: 12/31/11 Fiscal Year: 12/31/11

* 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 McHenry

Report Period Beginning:

01/01/11

Ending:

12/31/11

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		177,919	1,946	179,865		179,865	1
2	Housekeeping, Laundry and Maintenance		15,940	38,201	54,141		54,141	2
3	Heat and Other Utilities			133,295	133,295	(33,037)	100,258	3
4	Other (specify):			13,183	13,183		13,183	4
5	TOTAL General Services		193,859	186,625	380,484	(33,037)	347,447	5
B. Health Care and Programs								
6	Health Care/ Personal Care		2,535		2,535		2,535	6
7	Activities and Social Services		10,351		10,351		10,351	7
8	Other (specify):							8
9	TOTAL Health Care and Programs		12,886		12,886		12,886	9
C. General Administration								
10	Administrative and Clerical		14,787	226,110	240,897	(19,010)	221,887	10
11	Marketing Materials, Promotions and Advertising		5,098	34,553	39,651		39,651	11
12	Employee Benefits and Payroll Taxes							12
13	Insurance-Property, Liability and Malpractice			16,979	16,979		16,979	13
14	Other (specify):			1,680,525	1,680,525		1,680,525	14
15	TOTAL General Administration		19,885	1,958,167	1,978,052	(19,010)	1,959,042	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)		226,630	2,144,792	2,371,422	(52,047)	2,319,375	16
Capital Expenses								
D. Ownership								
17	Depreciation			641,898	641,898		641,898	17
18	Interest			750,528	750,528		750,528	18
19	Real Estate Taxes			82,816	82,816		82,816	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify):			472,297	472,297		472,297	22
23	TOTAL Ownership			1,947,539	1,947,539		1,947,539	23
24	GRAND TOTAL (Sum of lines 16 and 23)		226,630	4,092,331	4,318,961	(52,047)	4,266,914	24

Facility Name: Heritage Woods of McHenry

Report Period Beginning 01/01/11 Ending: 12/31/11

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1	\$ 31.94	1
2	Licensed Practical Nurses	1	21.68	2
3	Certified Nurse Assistants	14	11.07	3
4	Activity Director & Assistants	1	15.71	4
5	Social Service Workers			5
6	Head Cook	2	16.27	6
7	Cook Helpers/Assistants	8	9.25	7
8	Dishwashers			8
9	Maintenance Workers	1	20.84	9
10	Housekeepers	3	9.31	10
11	Laundry			11
12	Managers	1	37.60	12
13	Other Administrative	3	14.37	13
14	Clerical			14
15	Marketing	1	28.29	15
16	Other			16
17	Total (lines 1 thru 16)	35	\$	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	\$ 159,278	1
2			2
Total		\$ 159,278	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

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 McHenry

Report Period Beginning:

01/01/11

Ending:

12/31/11

VIII. OWNERSHIP COSTS

A. Purchase price of land 1,030,680 Year land was acquired 2008

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	100			2008	\$ 11,273,977	\$ 409,968	28	\$ 402,642	\$ (7,326)	\$ 1,451,950	1
2											2
3											3
4											4
5											5
Improvement Type											
6	LAND IMPROVEMENTS				1,504,099	156,928	15	100,273	(56,655)	475,295	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)				\$ 12,778,076	\$ 566,896		\$ 502,915	\$ (63,981)	\$ 1,927,245	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	\$ 651,059	\$ 75,002	\$ 130,212	55,210	5	\$ 538,556	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 651,059	\$ 75,002	\$ 130,212	55,210		\$ 538,556	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 McHenry

Report Period Beginning: 01/01/11

Ending:

12/31/11

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/11

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 140,761	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	946,251		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	5,232		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,092,244	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	2,534,779		13
14	Buildings, at Historical Cost	11,273,977		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	651,059		16
17	Accumulated Depreciation (book methods)	(2,465,801)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	522,927		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(59,952)		20
21	Restricted Funds	1,693,367		21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 14,150,356	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 15,242,600	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 86,398	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable			30
31	Accrued Taxes Payable	82,157		31
32	Accrued Interest Payable	62,600		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	See Page 7 Attachment	496,112		35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 727,267	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	12,170,000		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)	\$ 12,170,000	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 12,897,267	\$	45
46	TOTAL EQUITY	\$ 2,345,333	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 15,242,600	\$	47

*(See instructions.)

Facility Name: Heritage Woods of McHenry

Report Period Beginning: 01/01/11

Ending:

12/31/11

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	\$ 3,787,946	1
2	Discounts and Allowances	(3,332)	2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,784,614	3
B. Other Operating Revenue			
4	Special Services	183,447	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	8,785	8
9	Non-Resident Meals	6,977	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 199,209	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	308	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 308	14
D. Other Revenue (specify):			
15	Contract Services	2,325	15
16	Insurance Credit	760	16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 3,085	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 3,987,216	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	380,484	19
20	Health Care/ Personal Care	12,886	20
21	General Administration	1,978,052	21
B. Capital Expense			
22	Ownership	1,947,539	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)	\$ 4,318,961	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (331,745)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (331,745)	31

COST CENTER EXPENSES

A. General Services - Other

Exterminating	2,415
Rubbish Removal	4,119
Vehicle Expense	-
Transportation Service	-
Water Softener	6,649
Misc Operating	-
Total	13,183

C. General Administration - Other

Consulting	19,000
Legal	5,527
Accounting	60
Audit	10,010
Contract labor	1,635,157
Bad Debt	10,771
Total	1,680,525

D. Ownership

Letter of Credit	
Bond & Draw Fee	3,200
Mortgage Service Fee	
Partnership Management Fee	50,000
Asset Management Fee	5,004
Incentive Manangement Fee	394,989
Tax Credit Fee & Incentive Fee	1,975
Amortization Expense	17,129
Remarketing and Trustee Fee	
Property Damage Loss	
Interest Income	
Total	472,297

Reclassifications and Adjustments

Heat & Other Utilities (33,037) Cable

Administrative and Clerical (19,010) Telephone Revenue

BALANCE SHEET

C. Current Liabilities

Accrued Liabilities	15,778
Accrued Asset Mgmt Fee	-
Accrued Partnership Fee	50,000
Accrued Incentive Mgmt Fee	415,590
Unclaimed Property	212
Unearned Revenue	13,632
Accrued MIP	
Reservation Deposit	900
Total Other Current Liabilities	496,112