FOR BHF USE

LL2

Supportive Living Facility

2012
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE & FAMILY SERVICES
COST REPORT FOR
SUPPORTIVE LIVING FACILITIES
(FISCAL YEAR 2012)

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 ID Number: 1000085

Facility Name: Heritage Woods of Rockford

Address: 202 North Showplace Drive (Number) Rockford (City) 61107 (Zip Code)

County: Winnebago

Telephone Number: 815-332-5777 **Fax #** 815-332-3407

Federal Employer ID Number:

Date Current Owners were Certified: 09/03/08

Type of Ownership:

	VOLUNTARY, NON-PROFIT		PROPRIETARY		GOVERNMENTAL
	Charitable Corp.		Individual		State
	Trust	X	Partnership		County
IRS Exemption Code			Corporation		Other
			"Sub-S" Corp.		
			Limited Liability Co.		
			Trust		
			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 01/01/12 to 12/31/12 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) 4/29/2013

(Type or Print Name) David J. Mitchell

(Title) CFO, BMA Management, LTD.

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:

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

III. STATISTICAL DATA

A. Certified units; enter number of units and unit days

Date of change in certified units / /

	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	99	Single Unit Apartment	99	36,234	1
2		Double Unit Apartment			2
3		Other			3
4	99	TOTALS	99	36,234	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	25,988	10,107		36,095	5
6	Double Unit					6
7	Other					7
8	TOTALS	25,988	10,107		36,095	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 99.62%

D. Indicate the number of paid bed-hold days the SLF had during this year 503 **Also, indicate the number of unpaid bed-hold days the SLF had during this year.** 1 **(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)

H. ACCOUNTING BASIS

ACCRUAL [X] MODIFIED CASH* [ ] CASH* [ ]

I. Is your fiscal year identical to your tax year? [X] YES [ ] NO
Tax Year: 2012 Fiscal Year: 2012
* 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.

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 Rockford **Report Period Beginning: 01/01/12 Ending: 12/31/12**

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		187,244	2,253	189,497		189,497	1
2	Housekeeping, Laundry and Maintenance		20,503	45,280	65,783		65,783	2
3	Heat and Other Utilities			129,228	129,228	(26,061)	103,167	3
4	Other (specify):			18,236	18,236		18,236	4
5	**TOTAL General Services**		207,747	194,997	402,744	(26,061)	376,683	5
	B. Health Care and Programs							
6	Health Care/ Personal Care		2,786		2,786		2,786	6
7	Activities and Social Services		8,099		8,099		8,099	7
8	Other (specify):							8
9	**TOTAL Health Care and Programs**		10,885		10,885		10,885	9
	C. General Administration							
10	Administrative and Clerical		16,169	238,858	255,027	(20,689)	234,338	10
11	Marketing Materials, Promotions and Advertising		10,016	26,971	36,987		36,987	11
12	Employee Benefits and Payroll Taxes							12
13	Insurance-Property, Liability and Malpractice			16,070	16,070		16,070	13
14	Other (specify):			1,684,684	1,684,684		1,684,684	14
15	**TOTAL General Administration**		26,185	1,966,583	1,992,768	(20,689)	1,972,079	15
16	**TOTAL Operating Expense (Sum of lines 5, 9 and 15)**		244,817	2,161,580	2,406,397	(46,750)	2,359,647	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			501,159	501,159		501,159	17
18	Interest			415,695	415,695		415,695	18
19	Real Estate Taxes			95,458	95,458		95,458	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify):			827,170	827,170		827,170	22
23	**TOTAL Ownership**			1,839,482	1,839,482		1,839,482	23
24	**GRAND TOTAL (Sum of lines 16 and 23)**		244,817	4,001,062	4,245,879	(46,750)	4,199,129	24

Facility Name: Heritage Woods of Rockford **Report Period Beginning 01/01/12 Ending: 12/31/12**

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses		$	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants			3
4	Activity Director & Assistants			4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants			7
8	Dishwashers			8
9	Maintenance Workers			9
10	Housekeepers			10
11	Laundry			11
12	Managers			12
13	Other Administrative			13
14	Clerical			14
15	Marketing			15
16	Other			16
17	**Total (lines 1 thru 16)**		$	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**	$ 142,266	1
2			2
	Total	$ 142,266	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** [X]

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** [X]

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 Rockford **Report Period Beginning:** 01/01/12 **Ending:** 12/31/12

VIII. OWNERSHIP COSTS

A. Purchase price of land 416,192 **Year land was acquired** 2007

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	99			2007	$ 9,896,859	$ 359,885	28	$ 353,459	$ (6,426)	$ 1,871,704	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Land Improvements				662,486	42,929	15	44,166	1,237	276,257	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)				$ 10,559,345	$ 402,814		$ 397,625	$ (5,189)	$ 2,147,961	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	$ 620,675	$ 98,345	$ 124,135	25,790	5	$ 619,898	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	$ 620,675	$ 98,345	$ 124,135	25,790		$ 619,898	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 Rockford Report Period Beginning: 01/01/12 Ending: 12/31/12

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: _____

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? [ ] YES [X] 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 $ _____

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 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	IHDA		X	FIRST MORTGAGE	8/24/06	$ 7,850,000	$ 7,271,249	3/1/38	0.0540	$ 396,554	1
2	IHDA		X	SECOND MORTGAGE	8/24/06	1,914,283	1,914,283	3/1/38	0.0100	19,141	2
3					/ /			/ /			3
	Working Capital										
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					$ 9,764,283	$ 9,185,532			$ 415,695	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					$ 9,764,283	$ 9,185,532			$ 415,695	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 Rockford **Report Period Beginning:** 01/01/12 **Ending:** 12/31/12

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/12 **(last day of reporting year)**

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 956,985	$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	821,538		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	15,548		6
7	Other Prepaid Expenses	31,438		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Utility deposit	157		9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 1,825,666	$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	416,192		13
14	Buildings, at Historical Cost	9,896,859		14
15	Leasehold Improvements, at Historical Cost	662,486		15
16	Equipment, at Historical Cost	620,675		16
17	Accumulated Depreciation (book methods)	(2,767,859)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	367,185		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(72,207)		20
21	Restricted Funds	1,342,651		21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 10,465,982	$	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 12,291,648	$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 177,593	$	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	96,454		31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	See Page 7 Attachment	1,180,456		35
36				36
37	**TOTAL Current Liabilities (sum of lines 26 thru 36)**	$ 1,454,503	$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	9,185,532		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)**	$ 9,185,532	$	44
45	**TOTAL LIABILITIES (sum of lines 37 and 44)**	$ 10,640,035	$	45
46	**TOTAL EQUITY**	$ 1,651,613	$	46
47	**TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)**	$ 12,291,648	$	47

***(See instructions.)**

Facility Name: Heritage Woods of Rockford **Report Period Beginning: 01/01/12 Ending: 12/31/12**

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	$ 3,432,062	1
2	Discounts and Allowances	(14,583)	2
3	**SUBTOTAL Resident Care (line 1 minus line 2)**	$ 3,417,479	3
	B. Other Operating Revenue		
4	Special Services	170,928	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	36,885	8
9	Non-Resident Meals	9,579	9
10	Laundry		10
11	**SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)**	$ 217,392	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	17,602	13
14	**SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)**	$ 17,602	14
	D. Other Revenue (specify):		
15	**Contract Services**	750	15
16			16
17	**SUBTOTAL Other Revenue (sum of lines 15 and 16)**	$ 750	17
18	**TOTAL REVENUE (sum of lines 3, 11, 14 and 17)**	$ 3,653,223	18

	Expenses	2 Amount	
	A. Operating Expenses		
19	General Services	402,744	19
20	Health Care/ Personal Care	10,885	20
21	General Administration	1,992,768	21
	B. Capital Expense		
22	Ownership	1,839,482	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)**	$ 4,245,879	28
29	**Income Before Income Taxes (line 18 minus line 28)**	$ (592,656)	29
30	**Income Taxes**	$	30
31	**NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)**	$ (592,656)	31

COST CENTER EXPENSES

A. General Services - Other

Exterminating	2,286
Rubbish Removal	7,470
Vehicle Expense	
Transportation Service	
Water Softener	8,480
Misc Operating	
Total	**18,236**

C. General Administration - Other

Consulting	79,674
Legal	1,461
Accounting	90
Audit	12,560
Contract labor - Serv Prov	1,574,940
Bad Debt	14,759
Contract labor	1,200
Total	**1,684,684**

D. Ownership

Letter of Credit	
Mortgage Insurance Premium	36,868
Mortgage Service Fee	
Partnership Management Fee	
Asset Management Fee	40,900
Incentive Manangement Fee	731,675
Tax Credit Fee & Incentive Fee	1,975

Amortization Expense	13,752
Remarketing and Trustee Fee	
Property Damage Loss	
Organizational expense	2,000
Total	**827,170**

Reclassifications and Adjustments

Heat & Other Utilities	(26,061)	Cable
Administrative and Clerical	(20,689)	Telephone Revenue

BALANCE SHEET

C. Current Liabilities

Accrued Liabilities	21,439
Asset Management Fees	40,900
Partnership Management Fees	
Accrued Incentive Mgmt Fee	1,076,535
Unclaimed Property	23,248
Unearned Revenue	18,334
Accrued Developer Fee	
Reservation Deposit	
Total Other Current Liabilities	**1,180,456**