FOR BHF USE

LL2

Supportive Living Facility

2015

STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE & FAMILY SERVICES
COST REPORT FOR
SUPPORTIVE LIVING FACILITIES
(FISCAL YEAR 2015)

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: 1000050

Facility Name: Rockford Supportive Lvg Ctr

Address: 2114 Kishwaukee St (Number) Rockford (City) 61104 (Zip Code)

County: Winnebago

Telephone Number: (815) 966-1030 **Fax #** (815) 966-1090

Federal Employer ID Number:

Date Current Owners were Certified: 07/12/2005

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: Andrew B. Cutler **Telephone Number:** (847) 374-0400
Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/2015 to 12/31/2015 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) Andrew B. Cutler, Managing Director
(Firm Name & Address) FGMK, LLC, 2801 Lakeside Dr., 3rd Floor, Bannockburn, IL 60015
(Telephone) (847) 374-0400 Fax # (847) 374-0420

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 Rockford Supportive Lvg Ctr Report Period Beginning: 01/01/2015 Ending: 12/31/2015

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	123	Single Unit Apartment	123	44,895	1
2	13	Double Unit Apartment	13	4,745	2
3		Other			3
4	136	TOTALS	136	49,640	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	31,591	5,352		36,943	5
6	Double Unit					6
7	Other					7
8	TOTALS	31,591	5,352		36,943	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 74.42%

D. Indicate the number of paid bed-hold days the SLF had during this year 577 **Also, indicate the number of unpaid bed-hold days the SLF had during this year.** 100 **(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 [X] MODIFIED CASH* [ ] CASH* [ ]

I. Is your fiscal year identical to your tax year? [X] YES [ ] NO

Tax Year: 12/31 Fiscal Year: 12/31

* 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?** N/A

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?** N/A

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?** N/A

If no, explain.

Facility Name: Rockford Supportive Lvg Ctr **Report Period Beginning: 01/01/2015 Ending: 12/31/2015**

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	172,800	204,510	2,200	379,510		379,510	1
2	Housekeeping, Laundry and Maintenance	129,060	40,562	79,974	249,596	(30,799)	218,797	2
3	Heat and Other Utilities			130,922	130,922		130,922	3
4	Other (specify): Scavenger/Alarm Services			14,336	14,336		14,336	4
5	**TOTAL General Services**	301,860	245,072	227,432	774,364	(30,799)	743,565	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	615,913			615,913		615,913	6
7	Activities and Social Services	52,430	15,994		68,424		68,424	7
8	Other (specify):							8
9	**TOTAL Health Care and Programs**	668,343	15,994		684,337		684,337	9
	C. General Administration							
10	Administrative and Clerical	126,525	3,623	411,421	541,569	(41,846)	499,723	10
11	Marketing Materials, Promotions and Advertising	47,084		4,390	51,474		51,474	11
12	Employee Benefits and Payroll Taxes			389,628	389,628	61,621	451,249	12
13	Insurance-Property, Liability and Malpractice			62,282	62,282	130	62,412	13
14	Other (specify):							14
15	**TOTAL General Administration**	173,609	3,623	867,721	1,044,953	19,905	1,064,858	15
16	**TOTAL Operating Expense (Sum of lines 5, 9 and 15)**	1,143,812	264,689	1,095,153	2,503,654	(10,894)	2,492,760	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			34,444	34,444	226,443	260,887	17
18	Interest			17,461	17,461	238,548	256,009	18
19	Real Estate Taxes			88,010	88,010		88,010	19
20	Rent -- Facility and Grounds			847,999	847,999	(842,401)	5,598	20
21	Rent -- Equipment			9,171	9,171	522	9,693	21
22	Other (specify):							22
23	**TOTAL Ownership**			997,085	997,085	(376,888)	620,197	23
24	**GRAND TOTAL (Sum of lines 16 and 23)**	1,143,812	264,689	2,092,238	3,500,739	(387,782)	3,112,957	24

Detail lines 29 and 35 of Page 5 starting in C12. **DO NOT DRAG AND DROP CELLS.**

The amounts in column F will transfer to the Adj. Summary column automatically.
The amounts in the Adj. Summary column are linked to pages Summary A and B.

STATE OF ILLINOIS **Page 3A**

COLES SUPPORTIVE LIVING

Report Period Beginning: **1/1/2013**
Ending: **12/31/2013**

	NON-ALLOWABLE EXPENSES	Amount	Sch. IV Line Reference	
1	Non-Straight Line Depreciation	$ (22,749)	17	1
2				2
3	Cable TV	(18,236)	10	3
4	Bank Charges	(5,009)	10	4
5	Bad Debts	(94,167)	10	5
6	Non-Allowable Interest Expense	(17,461)	18	6
7	Penalties and Fines	2,498	10	7
8	Non-Allowable R&M Expense - Stujac	(31,248)	2	8
9	Interest Income	(618)	18	9
10	Franchise Tax	(250)	10	10
11	BUILDING COMPANY:			11
12	Rent Expense	(847,999)	20	12
13	Interest Expense	301,798	18	13
14	Accounting Fees	38,802	10	14
15	Non-Allowable Interest Expense	(44,877)	18	15
16	Interest Income	(294)	18	16
17	Depreciation	248,739	17	17
18				18
19				19
20				20
21	MANAGEMENT OFFICE ALLOCATION:			21
22	Management Office Allocation	(19,548)	10	22
23	General and Administrative Expenses	14,011	10	23
24	Employee Benefits	3,963	12	24
25				25
26				26
27				27
28				28
29	APEX HEALTHCARE ALLOCATION:			29
30	Administrative Salaries	178,862	10	30
31	Emp. Ben. - Gen. Admin.	57,658	12	31
32	General and Administrative Expenses	23,287	10	32
33	Seminars	55	10	33
34	Auto & Travel	11,900	10	34
35	Insurance	130	13	35
36	Depreciation	453	17	36
37	Rent	5,598	20	37
38	Equipment Rental	522	21	38
39	Building Supplies	449	02	39
40	Management Office Allocation	(174,051)	10	40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49				49
50				50
51	**Total**	(387,782)		51

Facility Name: Rockford Supportive Lvg Ctr **Report Period Beginning: 01/01/2015 Ending: 12/31/2015**

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	2	$ 26.88	1
2	Licensed Practical Nurses	4	20.45	2
3	Certified Nurse Assistants	17	9.59	3
4	Activity Director & Assistants	2	12.57	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	8	10.15	7
8	Dishwashers			8
9	Maintenance Workers	2	9.85	9
10	Housekeepers	4	11.32	10
11	Laundry			11
12	Managers			12
13	Other Administrative	1	30.35	13
14	Clerical	4	7.93	14
15	Marketing	1	22.64	15
16	Other			16
17	Total (lines 1 thru 16)	45	$ 12.25	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	Aaron Mann Administrative	Relative	8	$ 64,281	1
2					2
3					3
4					4
5					5
			Total	$ 64281	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

Name 1	City 2
See Attached	

OTHER RELATED BUSINESS ENTITIES

Name 3	City 4	Type of Business 5
See Attached		
Rockford Property, LLC		Building Co.

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: 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 [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: Rockford Supportive Lvg Ctr Report Period Beginning: 01/01/2015 Ending: 12/31/2015

VIII. OWNERSHIP COSTS

A. Purchase price of land 170,811 Year land was acquired 2005

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	136		2005	2005	$ 6,841,013	$ 248,739	35	$ 195,458	$ (53,281)	$ 2,105,590	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Leashold Improvements			2006	18,561		20	928	928	8,868	6
7	Leashold Improvements			2007	48,962		20	2,448	2,448	19,630	7
8	Leashold Improvements			2008	430,247		20	21,512	21,512	160,740	8
9	Leashold Improvements			2009	183,343		20	9,167	9,167	61,228	9
10	Leashold Improvements			2010	58,827		20	2,941	2,941	14,709	10
11	Leashold Improvements			2011	15,240		20	762	762	3,394	11
12	Leashold Improvements			2015	20,291		20	1,015	1,015	1,015	12
13											13
14											14
15	Allocated APEX					453		453			15
16	Book Depreciation					34,444			(34,444)		16
17	TOTAL (lines 1 thru 16)				$ 7,616,484	$ 283,636		$ 234,684	$ (48,952)	$ 2,375,175	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	$ 363,992	$	$ 26,203	26,203	10	$ 415,759	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	$ 363,992	$	$ 26,203	26,203		$ 415,759	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: Rockford Supportive Lvg Ctr **Report Period Beginning:** 01/01/2015 **Ending:** 2/31/2015

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? [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	Alloc. Management Co.			/ /	522			5
6				/ /				6
7	TOTAL				$ 522			7

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

9. Rental amount for movable equipment $ 9,693

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	Walker & Dunlop		X	Mortgage	/ /	$	$ 6,461,252	/ /		$ 256,921	1
2					/ /			/ /			2
3					/ /			/ /			3
	Working Capital										
4	Venture Fund, LLC	X		Working Capital	/ /		3,238,835	/ /		62,338	4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					$	$ 9,700,087			$ 319,259	7
	B. Non-Facility Related										
8	Non-Allowable Interest				/ /			/ /		-62,338	8
9	Interest Income/Allocated Interest				/ /			/ /		-912	9
10	TOTALS (lines 7, 8 and 9)					$	$ 9,700,087			$ 256,009	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: Rockford Supportive Lvg Ctr **Report Period Beginning:** 01/01/2015 **Ending:** 12/31/2015

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2015 **(last day of reporting year)**

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 321,044	550,688	1
2	Cash-Patient Deposits	77	77	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	174,490	174,490	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	103,010	103,010	6
7	Other Prepaid Expenses	3,420	3,420	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):	459,262	1,166,638	9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 1,061,303	$ 1,998,323	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		236,796	13
14	Buildings, at Historical Cost		6,841,013	14
15	Leasehold Improvements, at Historical Cost	71,012	71,012	15
16	Equipment, at Historical Cost	245,818	399,328	16
17	Accumulated Depreciation (book methods)	(226,231)	(2,528,812)	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):	24,773	894,540	23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 115,372	$ 5,913,877	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 1,176,675	$ 7,912,200	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 995,768	995,768	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	300,000	300,000	29
30	Accrued Salaries Payable	93,161	93,161	30
31	Accrued Taxes Payable	10,367	10,367	31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35		1,897	396,377	35
36	See Attached			36
37	**TOTAL Current Liabilities (sum of lines 26 thru 36)**	$ 1,401,193	$ 1,795,673	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	1,605,513	1,333,322	38
39	Mortgage Payable		6,461,252	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)**	$ 1,605,513	$ 7,794,574	44
45	**TOTAL LIABILITIES (sum of lines 37 and 44)**	$ 3,006,706	$ 9,590,247	45
46	**TOTAL EQUITY**	$ (1,830,031)	$ (1,678,047)	46
47	**TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)**	$ 1,176,675	$ 7,912,200	47

***(See instructions.)**

Coles Supportive Living
Page 6 & 7 Supplemental
1/1/15-12-31/15

Page 6

Description	Amount
Copier	6,060
Postage Meter	825
Maint. Equipment Rental	2,286
Allocated Management Co.	522
Total Equipment Rental	9,693

Page 7: Line 9 Other (Specify

Description	Operating	Consolidated
Wage Assignments	-84	-84
Real Estate Escrow	(64,973)	-64973
Insurance Escrow	(47,090)	-47090
Replacement Reserve	571,409	571409
Escrows Building Co.		707376
Total	459,262	1,166,638

Page 7: Line 23 Other (specify)

Description	Operating	Consolidated
Deposits	24,773	24,773
Permanent Mortgage Costs	-	101,773
Amort. Permanent Mortgage Costs	-	(9,540)
N/R TODO Holdings		750,000
Capitalized Legal Expense		27,534
Total	24,773	894,540

Page 7: Line 36 Other (specify)

Description	Operating	Consolidated
Unclaimed Property Withholding	1897	1897
Lessee Escrow - RET		-136284
Lessee Escrow - INS		-17549
Lessee Escrow - Replacement Reserve		548313
Total	1,897	396,377

Facility Name: Rockford Supportive Lvg Ctr **Report Period Beginning: 01/01/2015 Ending: 12/31/2015**

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	$ 3,575,186	1
2	Discounts and Allowances		2
3	**SUBTOTAL Resident Care (line 1 minus line 2)**	$ 3,575,186	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	618	13
14	**SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)**	$ 618	14
	D. Other Revenue (specify):		
15			15
16			16
17	**SUBTOTAL Other Revenue (sum of lines 15 and 16)**	$	17
18	**TOTAL REVENUE (sum of lines 3, 11, 14 and 17)**	$ 3,575,804	18

	Expenses	2 Amount	
	A. Operating Expenses		
19	General Services	774,364	19
20	Health Care/ Personal Care	684,337	20
21	General Administration	1,044,953	21
	B. Capital Expense		
22	Ownership	997,085	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)**	$ 3,500,739	28
29	**Income Before Income Taxes (line 18 minus line 28)**	$ 75,065	29
30	**Income Taxes**	$	30
31	**NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)**	$ 75,065	31