

		FOR BHF USE			

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2018
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2018)

IMPORTANT NOTICE
 THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

<p>I. IDPH License ID Number: <u>0025577</u></p> <p>Facility Name: <u>Covenant Health Care Center - Batavia</u></p> <p>Address: <u>831 North Batavia Avenue</u> <u>Batavia</u> <u>60510</u> Number City Zip Code</p> <p>County: <u>Kane</u></p> <p>Telephone Number: <u>(630) 879 - 4000</u> Fax # <u>(630) 879 - 8483</u></p> <p>HFS ID Number: _____</p> <p>Date of Initial License for Current Owners: <u>05/09/80</u></p> <p>Type of Ownership:</p> <table style="width:100%; border: none;"> <tr> <td style="border: none;"><input checked="" type="checkbox"/> VOLUNTARY, NON-PROFIT</td> <td style="border: none;"><input type="checkbox"/> PROPRIETARY</td> <td style="border: none;"><input type="checkbox"/> GOVERNMENTAL</td> </tr> <tr> <td style="border: none;"><input checked="" type="checkbox"/> Charitable Corp.</td> <td style="border: none;"><input type="checkbox"/> Individual</td> <td style="border: none;"><input type="checkbox"/> State</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Trust</td> <td style="border: none;"><input type="checkbox"/> Partnership</td> <td style="border: none;"><input type="checkbox"/> County</td> </tr> <tr> <td style="border: none;">IRS Exemption Code <u>501(c)(3)</u></td> <td style="border: none;"><input type="checkbox"/> Corporation</td> <td style="border: none;"><input type="checkbox"/> Other <u> </u></td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;"><input type="checkbox"/> "Sub-S" Corp.</td> <td style="border: none;"><input type="checkbox"/> <u> </u></td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;"><input type="checkbox"/> Limited Liability Co.</td> <td style="border: none;"><input type="checkbox"/> <u> </u></td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;"><input type="checkbox"/> Trust</td> <td style="border: none;"><input type="checkbox"/> <u> </u></td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;"><input type="checkbox"/> Other</td> <td style="border: none;"><input type="checkbox"/> <u> </u></td> </tr> </table> <p>In the event there are further questions about this report, please contact: Name: <u>Jeremy M. Brune, CPA</u> Telephone Number: <u>(779) 875 - 3979</u> Email Address: _____</p>	<input checked="" type="checkbox"/> VOLUNTARY, NON-PROFIT	<input type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL	<input checked="" 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 <u>501(c)(3)</u>	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other <u> </u>		<input type="checkbox"/> "Sub-S" Corp.	<input type="checkbox"/> <u> </u>		<input type="checkbox"/> Limited Liability Co.	<input type="checkbox"/> <u> </u>		<input type="checkbox"/> Trust	<input type="checkbox"/> <u> </u>		<input type="checkbox"/> Other	<input type="checkbox"/> <u> </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>02/01/17</u> to <u>01/31/18</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%; border-collapse: collapse;"> <tr> <td style="width:25%; text-align: center; vertical-align: middle;">Officer or Administrator of Provider</td> <td>(Signed) _____ (Type or Print Name) <u>Jody Holt, CPA</u> (Title) <u>CFO</u></td> </tr> <tr> <td style="width:25%; text-align: center; vertical-align: middle;">Paid Preparer</td> <td>(Signed) _____ (Print Name and Title) <u>Jeremy M. Brune, CPA</u> <u>CEO</u> (Firm Name & Address) <u>Jeremy Brune & Associates, LLC</u> <u>2508 Riverwalk Drive Plainfield, Illinois 60586</u> (Telephone) <u>(779) 875 - 3979</u> Fax # <u>(866) 216 - 5355</u></td> </tr> </table> <p style="text-align: center;">MAIL TO: BUREAU OF HEALTH FINANCE ILLINOIS 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>Jody Holt, CPA</u> (Title) <u>CFO</u>	Paid Preparer	(Signed) _____ (Print Name and Title) <u>Jeremy M. Brune, CPA</u> <u>CEO</u> (Firm Name & Address) <u>Jeremy Brune & Associates, LLC</u> <u>2508 Riverwalk Drive Plainfield, Illinois 60586</u> (Telephone) <u>(779) 875 - 3979</u> Fax # <u>(866) 216 - 5355</u>
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SEE ACCOUNTANTS' PREPARATION REPORT

Facility Name & ID Number Covenant Health Care Center - Batavia

0025577 Report Period Beginning: 02/01/17 Ending: 01/31/18

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds N/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	99	Skilled (SNF)	99	36,135	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	99	TOTALS	99	36,135	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF	3,127	18,293	8,353	29,773	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	3,127	18,293	8,353	29,773	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 82.39%

D. How many bed reserve days during this year were paid by the Department? 0 (Do not include bed reserve days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)
N/A

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES NO

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES NO

I. On what date did you start providing long term care at this location?
Date started 05/06/80

J. Was the facility purchased or leased after January 1, 1978?
YES Date 05/06/80 NO

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 99 and days of care provided 4,631

Medicare Intermediary National Government Services, Inc.

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

Is your fiscal year identical to your tax year? YES NO

Tax Year: 01/31/18 Fiscal Year: 01/31/18

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

SEE ACCOUNTANTS' PREPARATION REPORT

Facility Name & ID Number Covenant Health Care Center - Batavia # 0025577 Report Period Beginning: 02/01/17 Ending: 01/31/18

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	A. General Services										
1	Dietary	341,573	43,994	104,458	490,025		490,025		490,025		1
2	Food Purchase		255,295		255,295		255,295	(13,169)	242,126		2
3	Housekeeping	118,597	23,812	4,398	146,807		146,807		146,807		3
4	Laundry	53,261	7,263	39,157	99,681		99,681		99,681		4
5	Heat and Other Utilities			171,495	171,495		171,495		171,495		5
6	Maintenance	102,571	12,601	140,832	256,004		256,004	(1,743)	254,261		6
7	Other (specify):* See Supplemental										7
8	TOTAL General Services	616,002	342,965	460,340	1,419,307		1,419,307	(14,912)	1,404,395		8
	B. Health Care and Programs										
9	Medical Director			11,000	11,000		11,000		11,000		9
10	Nursing and Medical Records	3,168,508	104,697	185,507	3,458,712		3,458,712		3,458,712		10
10a	Therapy			310	310		310		310		10a
11	Activities	100,844	3,358	15,825	120,027		120,027		120,027		11
12	Social Services	189,482	410	20,406	210,298		210,298		210,298		12
13	CNA Training										13
14	Program Transportation	13,107		817	13,924		13,924	(12,607)	1,317		14
15	Other (specify):* See Supplemental										15
16	TOTAL Health Care and Programs	3,471,941	108,465	233,865	3,814,271		3,814,271	(12,607)	3,801,664		16
	C. General Administration										
17	Administrative	140,367			140,367		140,367		140,367		17
18	Directors Fees										18
19	Professional Services			952,180	952,180		952,180	(187,830)	764,350		19
20	Dues, Fees, Subscriptions & Promotions			85,559	85,559		85,559		85,559		20
21	Clerical & General Office Expenses	301,401	25,302	463,875	790,578		790,578	(405,669)	384,909		21
22	Employee Benefits & Payroll Taxes			897,842	897,842		897,842		897,842		22
23	Inservice Training & Education			2,230	2,230		2,230		2,230		23
24	Travel and Seminar			4,176	4,176		4,176		4,176		24
25	Other Admin. Staff Transportation			8,163	8,163		8,163	(3,250)	4,913		25
26	Insurance-Prop.Liab.Malpractice			80,955	80,955		80,955		80,955		26
27	Other (specify):* See Supplemental										27
28	TOTAL General Administration	441,768	25,302	2,494,980	2,962,050		2,962,050	(596,749)	2,365,301		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	4,529,711	476,732	3,189,185	8,195,628		8,195,628	(624,268)	7,571,360		29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' PREPARATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			663,200	663,200		663,200		663,200			30
31	Amortization of Pre-Op. & Org.			13,445	13,445		13,445	(13,445)				31
32	Interest			593,432	593,432		593,432	(262,419)	331,013			32
33	Real Estate Taxes											33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles											35
36	Other (specify):* See Supplemental											36
37	TOTAL Ownership			1,270,077	1,270,077		1,270,077	(275,864)	994,213			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		374,416	757,522	1,131,938		1,131,938		1,131,938			39
40	Barber and Beauty Shops		28	17,165	17,193		17,193		17,193			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			213,818	213,818		213,818		213,818			42
43	Other (specify):* See Supplemental		351	11,839	12,190		12,190	(12,190)				43
44	TOTAL Special Cost Centers		374,795	1,000,344	1,375,139		1,375,139	(12,190)	1,362,949			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	4,529,711	851,527	5,459,606	10,840,844		10,840,844	(912,322)	9,928,522			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' PREPARATION REPORT

Covenant Health Care Center - Batavia
 Medicaid Cost Report
 02/01/17 - 01/31/18

Page 4 Supplemental Schedule

Description	Salaries	Supplies	Other	Total
Line 36 - Other Capital Costs				
				-
				-
				-
				-
				-
				-
				-
Sub-Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Line 43 - Other Special Cost Centers				
Marketing		351	11,839	12,190
				-
				-
				-
				-
				-
Sub-Total	<u>-</u>	<u>351</u>	<u>11,839</u>	<u>12,190</u>

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

		1	2	3	
	NON-ALLOWABLE EXPENSES	Amount	Refer- ence	BHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(13,169)	02		4
5	Telephone, TV & Radio in Resident Rooms	(16,859)	21		5
6	Rented Facility Space	(1,371)	06		6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income	(262,419)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax				13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(373,262)	21		24
25	Fund Raising, Advertising and Promotional				25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Supplemental	(57,412)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (724,492)		\$	30

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1	2	
		Amount	Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(187,830)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (187,830)		36
37	TOTAL ADJUSTMENTS (A) and (B) (sum of SUBTOTALS)	\$ (912,322)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1	2	3	4	
		Yes	No	Amount	Reference	
38	Medically Necessary Transport.			\$		38
39						39
40	Gift and Coffee Shops					40
41	Barber and Beauty Shops					41
42	Laboratory and Radiology					42
43	Prescription Drugs					43
44						44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	TOTAL (C): (sum of lines 38-46)			\$		47

BHF USE ONLY							
48		49		50		51	52

SEE ACCOUNTANTS' PREPARATION REPORT

ID# 0025577
 Report Period Beginning: 02/01/17
 Ending: 01/31/18

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Transportation Revenue	\$ (12,607)	14	1
2	Maintenance Revenue	(372)	06	2
3	Other Operating Revenue	(1,255)	21	3
4	Sales Tax	(14,293)	21	4
5	Travel	(3,250)	25	5
6	Amortization	(13,445)	31	6
7	Marketing	(12,190)	43	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				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(57,412)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Covenant Health Care Center - Batavia# 0025577 Report Period Beginning:

02/01/17

Ending:

01/31/18

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(13,169)	0	0	0	0	0	0	0	0	0	0	(13,169)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	(1,743)	0	0	0	0	0	0	0	0	0	0	(1,743)	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	(14,912)	0	0	0	0	0	0	0	0	0	0	(14,912)	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	(12,607)	0	0	0	0	0	0	0	0	0	0	(12,607)	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	TOTAL Health Care and Programs	(12,607)	0	0	0	0	0	0	0	0	0	0	(12,607)	16
	C. General Administration													
17	Administrative	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	0	(187,830)	0	0	0	0	0	0	0	0	0	(187,830)	19
20	Fees, Subscriptions & Promotions	0	0	0	0	0	0	0	0	0	0	0	0	20
21	Clerical & General Office Expenses	(405,669)	0	0	0	0	0	0	0	0	0	0	(405,669)	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Other Admin. Staff Transportation	(3,250)	0	0	0	0	0	0	0	0	0	0	(3,250)	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	0	0	0	0	0	0	0	0	0	26
27	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	27
28	TOTAL General Administration	(408,919)	(187,830)	0	0	0	0	0	0	0	0	0	(596,749)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(436,438)	(187,830)	0	0	0	0	0	0	0	0	0	(624,268)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Covenant Health Care Center - Batavia # 0025577 Report Period Beginning: 02/01/17 Ending: 01/31/18

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)
	D. Ownership												
30	Depreciation	0	0	0	0	0	0	0	0	0	0	0	0 30
31	Amortization of Pre-Op. & Org.	(13,445)	0	0	0	0	0	0	0	0	0	0	(13,445) 31
32	Interest	(262,419)	0	0	0	0	0	0	0	0	0	0	(262,419) 32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0 33
34	Rent-Facility & Grounds	0	0	0	0	0	0	0	0	0	0	0	0 34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0 35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0 36
37	TOTAL Ownership	(275,864)	0	0	0	0	0	0	0	0	0	0	(275,864) 37
	Ancillary Expense												
	E. Special Cost Centers												
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0 38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0 39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0 40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0 41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0 42
43	Other (specify):*	(12,190)	0	0	0	0	0	0	0	0	0	0	(12,190) 43
44	TOTAL Special Cost Centers	(12,190)	0	0	0	0	0	0	0	0	0	0	(12,190) 44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(724,492)	(187,830)	0	0	0	0	0	0	0	0	0	(912,322) 45

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Use Page 6-Supplemental as necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Covenant Retirement Communities, Inc.	100.00%	See Page 6 -Supplemental				

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
1	V	19 Home Office	\$ 913,761	Covenant Retirement Communities, Inc.	100.00%	\$ 725,931	\$	(187,830)	1
2	V								2
3	V								3
4	V								4
5	V								5
6	V								6
7	V								7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total		\$ 913,761			\$ 725,931	\$ *	(187,830)	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' PREPARATION REPORT

VII. RELATED PARTIES

A. (Continued) Enter below the names of ALL owners and related organizations (parties) as defined in the instructions

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1								1
2	Non-Profit Board of Directors							2
3								3
4	Jon Aagaard, MD		Brandel Manor	Turlock , CA	Covenant Ministries			4
5	Sarah Bentley		Covenant Health Care Ctr - Northbrook	Northbrook, IL	of Benevolence	Chicago, IL	Corporate Office	5
6	Pamela Christensen		Colonial Acres Healthcare	Golden Valley, MN	Covenant Retirement			6
7	Kara Davis, MD		Covenant Shores HC	Mercer Island, WA	Communities	Skokie, IL	Home Office	7
8	Mark Eastburg		Covenant Village Care Center	Plantation, FL	Brandel Manor	Turlock, CA	Asst. Living	8
9	Marc Espinosa		Covenant Village of Turlock	Turlock, CA	Covenant Village			9
10	Donald Hodgkinson		Covenant Village of Colorado	Westminister, CO	of Northbrook	Northbrook, IL	Asst. & Ind. Living	10
11	Scott Macdonald		Covenant Health Care Ctr - Batavia	Batavia, IL	Covenant Villae			11
12	Matthew Manlove		Mount Miguel Covenant Village	Spring Valley, CA	of Golden Valley	Golden Valley, MN	Asst. & Ind. Living	12
13	Dale Rinard		The Samarkand	Santa Barbara, CA	Covenant Shores	Mercer Island, WA	Asst. & Ind. Living	13
14	Marlene Stante		Windsor Park Manor	Carol Stream, IL	Covenant Village			14
15	Andrew Vanover		Covenant Village of Great Lakes	Grand Rapids, MI	of Florida	Plantation, FL	Asst. & Ind. Living	15
16	Anne Vining				Covenant Village			16
17					of Turlock	Turlock, CA	Asst. & Ind. Living	17
18					Covenant Village			18
19					of Colorado	Westminister, CO	Asst. & Ind. Living	19
20					The Holmstad	Batavia, IL	Asst. & Ind. Living	20
21					Mount Miguel			21
22					Covenant Village	Spring Valley, CA	Asst. & Ind. Living	22
23					The Samarkand	Santa Barbara, CA	Asst. & Ind. Living	23
24					Windsor Park Manor	Carol Stream, IL	Asst. & Ind. Living	24
25					Covenant Village			25
26					of Great Lakes	Grand Rapids, MI	Asst. & Ind. Living	26
27					Covenant Home			27
28					of Chicago	Chicago, IL	Supportive Living	28
29					Est. of Windsor Park	Carol Stream, IL	Ind. Living	29
30					Cov. Care at Home		HH & Hospice	30

SEE ACCOUNTANTS' PREPARATION REPORT

Facility Name & ID Number Covenant Health Care Center - Batavia # 0025577 Report Period Beginning: 02/01/17 Ending: 01/31/18

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference
						Hours	Percent	Description	Amount	
1									\$	1
2	N/A									2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13								TOTAL	\$	13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

SEE ACCOUNTANTS' PREPARATION REPORT

Facility Name & ID Number Covenant Health Care Center - Batavia

0025577

Report Period Beginning:

02/01/17

Ending: 01/31/18

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization Covenant Retirement Communities, Inc.
 Street Address 5700 Old Orchard Road
 City / State / Zip Code Skokie, Illinois 60077
 Phone Number (773) 878 - 2294
 Fax Number (773) 878 - 2289

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	19	Home Office	Operating Expenses	333,335,000	\$ 23,307,647	\$ 9,005,675	10,381,921	\$ 725,931	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	TOTALS				\$ 23,307,647	\$ 9,005,675		\$ 725,931	25

SEE ACCOUNTANTS' PREPARATION REPORT

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1	2	3	4	5	6	7	8	9	10											
										Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
											YES	NO				Original	Balance			
A. Directly Facility Related																				
Long-Term																				
1	2012A Colorado Rev Bonds		X	Capital Imp. / Debt Refinance		2012	\$	\$ 10,251,205	2034	4.5 - 5.0%	\$ 507,871	1								
2	2012C Colorado Rev Bonds		X	Capital Imp. / Debt Refinance		2012		1,267,969	2023	2.0 - 5.0%	72,516	2								
3	2017 Illinois Rev Bonds		X	Capital Imp. / Debt Refinance		2017		196,395	2029	2.46%	11,139	3								
4												4								
5												5								
Working Capital																				
6	Loss on Ext. of Debt		X								1,906	6								
7												7								
8												8								
9	TOTAL Facility Related						\$	\$ 11,715,569			\$ 593,432	9								
B. Non-Facility Related*																				
10	Interest Income										(262,419)	10								
11												11								
12												12								
13												13								
14	TOTAL Non-Facility Related						\$	\$			\$ (262,419)	14								
15	TOTALS (line 9+line14)						\$	\$ 11,715,569			\$ 331,013	15								

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 0 Line # N/A

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
 (See instructions.) SEE ACCOUNTANTS' PREPARATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
 (See instructions.)

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.

1. Real Estate Tax accrual used on 2017 report.		\$	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		\$	2
3. Under or (over) accrual (line 2 minus line 1).		\$	3
4. Real Estate Tax accrual used for 2018 report. (Detail and explain your calculation of this accrual on the lines below.)		\$	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)		\$	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)		\$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		\$	7
Real Estate Tax History:			
Real Estate Tax Bill for Calendar Year:	2013	8	
	2014	9	
	2015	10	
	2016	11	
	2017	12	
N/A - Covenant Health Care Center - Northbrook is a non-profit corporation that is not subject to real estate taxes.			

FOR BHF USE ONLY			
13	FROM R. E. TAX STATEMENT FOR 2017	\$	13
14	PLUS APPEAL COST FROM LINE 5	\$	14
15	LESS REFUND FROM LINE 6	\$	15
16	AMOUNT TO USE FOR RATE CALCULATION	\$	16

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

SEE ACCOUNTANTS' PREPARATION REPORT

2017 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Covenant Health Care Center - Batavia COUNTY Kane
 FACILITY IDPH LICENSE NUMBER 0025577
 CONTACT PERSON REGARDING THIS REPORT Jeremy M. Brune, CPA
 TELEPHONE (779) 875 - 3979 FAX #: (866) 216 - 5355

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2017 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2017.

(A)	(B)	(C)	(D) <u>Tax</u> <u>Applicable to</u> <u>Nursing Home</u>
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	
1. <u>N/A</u>	<u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
2. <u>_____</u>	<u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
3. <u>_____</u>	<u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
4. <u>_____</u>	<u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
5. <u>_____</u>	<u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
6. <u>_____</u>	<u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
7. <u>_____</u>	<u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
8. <u>_____</u>	<u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
9. <u>_____</u>	<u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
10. <u>_____</u>	<u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
TOTALS		\$ <u>=====</u>	\$ <u>=====</u>

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES X NO

If YES, attach an explanation and a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. Tax Bills

Attach a copy of the original 2017 tax bills which were listed in Section A to this statement. Be sure to use the 2017 tax bill which is normally paid during 2018.

PLEASE NOTE: Payment information from the Internet or otherwise is *not considered acceptable tax bill documentation* . Facilities located in Cook County are required to provide copies of their original **second installment tax bill.**

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 36,884 B. General Construction Type: Exterior Brick Masonry Frame Steel Number of Stories 1

C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? (a) Own the Equipment (b) Rent equipment from a Related Organization. (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.)

List entity name, type of business, square footage, and number of beds/units available (where applicable).

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? YES NO

If so, please complete the following:

1. Total Amount Incurred: _____ 2. Number of Years Over Which it is Being Amortized: _____
 3. Current Period Amortization: _____ 4. Dates Incurred: _____

Nature of Costs: _____
 (Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	<u>Facility</u>		<u>1980</u>	<u>\$ 85,758</u>	1
2					2
3	TOTALS			\$ 85,758	3

SEE ACCOUNTANTS' PREPARATION REPORT

XI. OWNERSHIP COSTS (continued)

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

	1	2	3	4	5	6	7	8	9		
	Bed ^s *	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	99		1980	1980	\$ 2,546,788	\$		\$	\$	\$	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	Various		1982		4,706						9
10	Various		1983		16,662						10
11	Various		1984		832						11
12	Various		1986		14,644						12
13	Various		1987		12,021						13
14	Various		1988		9,128						14
15	Various		1989		15,226						15
16	Various		1990		40,083						16
17	Various		1991		18,354						17
18	Various		1992		18,931						18
19	Various		1993		90,076						19
20	Various		1994		56,935						20
21	Various		1995		84,370						21
22	Various		1996		9,674						22
23	Various		1997		4,570						23
24	Various		1998		5,750						24
25	Various		1999		5,092						25
26	Various		2000		9,810						26
27	Various		2002		1,541						27
28	Various		2004		8,747,969						28
29	Various		2005		20,996						29
30	Various		2008		126,294						30
31	Various		2009		56,450						31
32	Various		2010		117,342						32
33	Various		2011		88,571						33
34	Various		2012		235,902						34
35	Various		2013		17,392						35
36											36

*Total beds on this schedule must agree with page 2.

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

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' PREPARATION REPORT

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	
37			\$	\$		\$	\$	\$	37
38	MHC 1st Floor Cross Corridor - Smoke Barrier Detection System	2014	19,569						38
39	MHC Lobby and Private Meeting Space -								39
40	Steel Framing, Drywall, Electrical, Ceiling Tiles, Carpet, Light Fixtures,								40
41	Paint, Counterop, and Fire Supression System	2014	154,098						41
42	MHC Speech Therapy Office - Flooring, Painting	2015	6,328						42
43	MHC Main Entry - Call System	2015	5,499						43
44	MHC Employee Lounge - Flooring, Walls, Lighting	2015	39,916						44
45	MHC Laundry Room (1st Floor / West Hall) - Flooring, Plumbing, Exha	2016	6,902						45
46	MHC Resident Rooms and Halls (2nd Floor) - Floorinig, Curtains, Paint,								46
47	Lighting, Fixtures, and Grab Bars	2016	338,453						47
48	MHC Electrical Room (1st Floor) - Emergency Electrical System Circuit	2016	20,752						48
49	MHC Laundry Room, Soiled Linen, Supplies (1st Floor) - Fire Rated Do	2016	5,762						49
50	MHC Lobby Roof - Heat Exchanger	2016	3,946						50
51	MHC Exterior Sidewalk - Memorial Building	2018	6,534						51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65	Disposals		(10,560)						65
66									66
67									67
68	Depreciation - Covenant Health Care Center - Batavia			663,200		663,200		10,746,855	68
69									69
70	TOTAL (lines 4 thru 69)		\$ 12,973,308	\$ 663,200		\$ 663,200	\$	\$ 10,746,855	70

SEE ACCOUNTANTS' PREPARATION REPORT

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

XI. OWNERSHIP COSTS (continued)

C. Equipment Costs-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 615,935	\$	\$	\$		\$	71
72	Current Year Purchases	120,582						72
73	Fully Depreciated Assets							73
74	Disposals	(44,501)						74
75	TOTALS	\$ 692,016	\$	\$	\$		\$	75

D. Vehicle Costs. (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77										77
78										78
79										79
80	TOTALS			\$	\$	\$	\$		\$	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 13,751,082	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 663,200	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 663,200	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 10,746,855	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92		\$	92
93			93
94			94
95		\$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

SEE ACCOUNTANTS' PREPARATION REPORT

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

- 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
If NO, see instructions.

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6								6
7	TOTAL				\$			7

10. Effective dates of current rental agreement:
Beginning _____
Ending _____

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	<u>/2019</u>	\$ _____
13.	<u>/2020</u>	\$ _____
14.	<u>/2021</u>	\$ _____

8. List separately any amortization of lease expense included on page 4, line 34. This amount was calculated by dividing the total amount to be amortized by the length of the lease _____.

9. Option to Buy: YES NO Terms: _____*

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

- 15. Is Movable equipment rental included in building rental? YES NO
- 16. Rental Amount for movable equipment: \$ _____ Description: N/A

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18					18
19					19
20					20
21	TOTAL		\$	\$	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

SEE ACCOUNTANTS' PREPARATION REPORT

XIII. EXPENSES RELATING TO CERTIFIED NURSE AIDE (CNA) TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility.)

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?</p> <p><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
---	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

		Facility			
		1	2	3	4
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities.

\$

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
- (c) For in-house training programs only. Do not include fringe benefits.
- (d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
 - (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.
- SEE ACCOUNTANTS' PREPARATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39 - 03	hrs	\$		\$ 254,344	\$		\$ 254,344	1
2	Licensed Speech and Language Development Therapist	39 - 03	hrs			91,089			91,089	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39 - 03	hrs			369,978			369,978	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39 - 02	# of prescripts				255,412		255,412	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): <u>See Supplemental</u>	39 - 02					119,004		119,004	12
13	Other (specify): <u>See Supplemental</u>	39 - 03				42,111			42,111	13
14	TOTAL			\$		\$ 757,522	\$ 374,416		\$ 1,131,938	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' PREPARATION REPORT

Covenant Health Care Center - Batavia
 Medicaid Cost Report
 02/01/17 - 01/31/18

Page 16 Supplemental Schedule

Description	Salaries	Supplies	Other	Total
Medical Supplies		97,524		97,524
Oxygen		21,480		21,480
Laboratory and Radiology			42,111	42,111
				-
				-
				-
				-
				-
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				-
Total	-	119,004	42,111	161,115

Facility Name & ID Number Covenant Health Care Center - Batavia# 0025577Report Period Beginning: 02/01/17Ending: 01/31/18

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 01/31/18

(last day of reporting year)

This report must be completed even if financial statements are attached.

		1	2	
		Operating	After	
			Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ 150	\$	1
2	Cash-Patient Deposits	14,613		2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>78,199</u>)	1,002,012		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	3,691		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>See Supplemental Schedule</u>			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,020,466	\$	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	85,758		13
14	Buildings, at Historical Cost	12,270,505		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	705,637		16
17	Accumulated Depreciation (book methods)	(10,746,855)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	236,591		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(89,881)		20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): <u>See Supplemental Schedule</u>	8,276,422		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 10,738,177	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 11,758,643	\$	25

		1	2	
		Operating	After	
			Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 149,914	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	14,613		28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable			30
31	Accrued Taxes Payable (excluding real estate taxes)			31
32	Accrued Real Estate Taxes(Sch.IX-B)			32
33	Accrued Interest Payable	95,659		33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>See Supplemental Schedule</u>	272,249		36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 532,435	\$	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable			40
41	Bonds Payable	11,715,569		41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43	<u>See Supplemental Schedule</u>			43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 11,715,569	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 12,248,004	\$	46
47	TOTAL EQUITY(page 18, line 24)	\$ (489,361)	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 11,758,643	\$	48

SEE ACCOUNTANTS' PREPARATION REPORT

*(See instructions.)

Covenant Health Care Center - Batavia
 Medicaid Cost Report
 02/01/17 - 01/31/18

Page 17 Supplemental Schedule

Description	Operating	Building	Total
Line 9 - Other Current Assets			
			-
			-
			-
			-
Sub-Total	<u>-</u>	<u>-</u>	<u>-</u>
Line 23 - Long Term Assets			
Bond Funds	489,591		489,591
Capital Reserve Fund	107,024		107,024
Benevolent Care Fund	237,806		237,806
Asset Clearing	96,103		96,103
Due From Affiliated Entities	7,345,898		7,345,898
Sub-Total	<u>8,276,422</u>	<u>-</u>	<u>8,276,422</u>
Line 36 - Other Current Liability			
Bond Premium (Net of Amortization)	272,249		272,249
			-
			-
			-
Sub-Total	<u>272,249</u>	<u>-</u>	<u>272,249</u>
Line 43 - Long term Liabilities			
			-
			-
			-
			-
Sub-Total	<u>-</u>	<u>-</u>	<u>-</u>

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (940,453)	1
2	Restatements (describe):		2
3	<u>Rounding</u>	(1)	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (940,454)	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	451,093	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ 451,093	17
B. Transfers (Itemize):			
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (489,361)	24 *

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' PREPARATION REPORT

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense

I. Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 10,811,187	1
2	Discounts and Allowances for all Levels	()	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,811,187	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	163,626	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 163,626	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	21,506	13
14	Non-Patient Meals	13,169	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space	1,371	16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services		21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 36,046	23
D. Non-Operating Revenue			
24	Contributions	4,424	24
25	Interest and Other Investment Income***	262,419	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 266,843	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>See Supplemental Schedule</u>	14,235	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 14,235	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 11,291,937	30

II. Expenses		Amount	
A. Operating Expenses			
31	General Services	1,419,307	31
32	Health Care	3,814,271	32
33	General Administration	2,962,050	33
B. Capital Expense			
34	Ownership	1,270,077	34
C. Ancillary Expense			
35	Special Cost Centers	1,161,321	35
36	Provider Participation Fee	213,818	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 10,840,844	40
41	Income before Income Taxes (line 30 minus line 40)**	451,093	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 451,093	43

III. Net Inpatient Revenue detailed by Payer Source		Amount	
44	Medicaid - Net Inpatient Revenue	\$ 560,611	44
45	Private Pay - Net Inpatient Revenue	7,000,207	45
46	Medicare - Net Inpatient Revenue	2,408,341	46
47	Other-(specify) <u>Insurance - Net Inpatient Revenue</u>	842,028	47
48	Other-(specify) <u>Hospice - Net Inpatient Revenue</u>		48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	\$ 10,811,187	49

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? Not Final If not, please attach a reconciliation.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

SEE ACCOUNTANTS' PREPARATION REPORT

Covenant Health Care Center - Batavia
 Medicaid Cost Report
 02/01/17 - 01/31/18

Page 19 Supplemental Schedule

Description		Amount	Total
Transportation Revenue		12,608	12,608
Maintenance Revenue		372	372
Other Revenue		1,255	1,255
		-	-
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Total		<u>14,235</u>	<u>14,235</u>

Facility Name & ID Number Covenant Health Care Center - Batavia

0025577

Report Period Beginning:

02/01/17

Ending:

01/31/18

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

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	1,439	1,648	\$ 78,431	\$ 47.59	1
2	Assistant Director of Nursing					2
3	Registered Nurses	39,203	42,104	1,496,638	35.55	3
4	Licensed Practical Nurses	3,921	4,372	134,895	30.85	4
5	CNAs & Orderlies	77,653	82,849	1,358,852	16.40	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director					9
10	Activity Assistants	5,974	6,468	100,844	15.59	10
11	Social Service Workers	6,218	6,935	189,482	27.32	11
12	Dietician					12
13	Food Service Supervisor	952	1,073	20,629	19.23	13
14	Head Cook					14
15	Cook Helpers/Assistants	23,538	24,794	320,944	12.94	15
16	Dishwashers					16
17	Maintenance Workers	3,671	4,115	102,571	24.93	17
18	Housekeepers	8,159	9,060	118,597	13.09	18
19	Laundry	3,578	4,084	53,261	13.04	19
20	Administrator	1,592	1,872	106,576	56.93	20
21	Assistant Administrator					21
22	Other Administrative	288	338	33,791	99.97	22
23	Office Manager					23
24	Clerical	10,180	11,276	301,401	26.73	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	3,688	4,110	99,692	24.26	31
32	Other Health Care(specify)					32
33	Other(specify) <u>See Supplemental</u>	833	883	13,107	14.84	33
34	TOTAL (lines 1 - 33)	190,887	205,981	\$ 4,529,711 *	\$ 21.99	34

B. CONSULTANT SERVICES

	1	2	3	
	Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	\$		35
36	Medical Director	11,000	09 - 03	36
37	Medical Records Consultant			37
38	Nurse Consultant	92,693	10 - 03	38
39	Pharmacist Consultant	5,525	10 - 03	39
40	Physical Therapy Consultant			40
41	Occupational Therapy Consultant			41
42	Respiratory Therapy Consultant			42
43	Speech Therapy Consultant			43
44	Activity Consultant	2,484	11 - 03	44
45	Social Service Consultant	840	12 - 03	45
46	Other(specify)			46
47	<u>See Supplemental Schedule</u>	134,403		47
48				48
49	TOTAL (lines 35 - 48)	\$ 246,945		49

C. CONTRACT NURSES

	1	2	3	
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	\$		50
51	Licensed Practical Nurses			51
52	Certified Nurse Assistants/Aides	10,262	10 - 03	52
53	TOTAL (lines 50 - 52)	\$ 10,262		53

SEE ACCOUNTANTS' PREPARATION REPORT

* This total must agree with page 4, column 1, line 45.

** See instructions.

Covenant Health Care Center - Batavia
 Medicaid Cost Report
 02/01/17 - 01/31/18

Page 20 Supplemental Schedule

Description	CC Reference	Hours Worked	Hours Paid	Salary	Average Rate	Hours Paid	Contracted Cost
Nursing Home Employees							
Transportation	14	833	883	13,107	14.84		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
					-		
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					-		
					-		
					-		
Total		<u>833</u>	<u>883</u>	<u>13,107</u>	<u>14.84</u>		

Contracted Services							
Dietary Management	01						117,985
Chaplain	12						16,418
Total							<u>-</u> <u>134,403</u>

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
Marya Jordan	Administrator	0	\$ 106,576	Workers' Compensation Insurance	\$ 73,537	IDPH License Fee	\$ 1,990	
Amanda Gosnell	Exec. Dir.	0	26,042	Unemployment Compensation Insurance	29,256	Advertising: Employee Recruitment	30,949	
Dan Stegbauer	Assc. Exec. Dir	0	2,321	FICA Taxes	330,258	Health Care Worker Background Check	12,916	
Ryan Hust	Assc. Exec. Dir	0	5,428	Employee Health Insurance	318,160	(Indicate # of checks performed)		
				Employee Meals		<u>Patient Background Checks</u>		
				Illinois Municipal Retirement Fund (IMRF)*		<u>Dues and Subscriptions</u>	19,715	
				Retirement Benefits	126,142	<u>Licenses and Permits</u>	19,989	
				Group Life and Disability Insurance	6,787			
				Other Benefits	13,702			
TOTAL (agree to Schedule V, line 17, col. 1)			\$ 140,367					
(List each licensed administrator separately.)								
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
Description			Amount	Description	Line #	Amount	Description	Amount
			\$			\$	Out-of-State Travel	\$
							In-State Travel	
							Seminar Expense	4,176
TOTAL (agree to Schedule V, line 17, col. 3)			\$	TOTAL			\$	
(Attach a copy of any management service agreement)							(agree to Sch. V, line 24, col. 8)	
C. Professional Services								
Vendor/Payee	Type	Amount						
		\$						
Cov. Ret. Communities, Inc.	Home Office	913,761						
Plante & Moran, PLLC	Audit	11,582						
Jeremy Brune & Assoc., LLC	Consulting	9,020						
WIPFLI	Consulting	93						
Mix Solutions	Consulting	1,230						
Holleran Consulting	Consulting	2,863						
Shirley Weh	Consulting	200						
Polsinelli	Legal	13,431						
TOTAL (agree to Schedule V, line 19, column 3)			\$ 952,180				TOTAL	
(For legal fee disclosure, see page 39 of instructions)							4,176	

* Attach copy of IMRF notifications
 SEE ACCOUNTANTS' PREPARATION REPORT

**See instructions.

Covenant Health Care Center - Batavia
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 02/01/17 - 01/31/18

Page 21 Supplemental Schedule - Legal Invoice Detail

Vendor	Service Description	Invoice Date	Amount	Non-Allowable	Allowable
Polsinelli	IDPH Survey / Resident Matters	05/10/17	2,618		2,618
Polsinelli	IDPH Survey / Resident Matters	08/08/17	1,805		1,805
Polsinelli	IDPH Survey / Resident Matters	08/31/17	3,183		3,183
Polsinelli	IDPH Survey / Resident Matters	09/08/17	5,825		5,825
					-
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Total			<u>13,431</u>	-	<u>13,431</u>

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. Leading Age
- (3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report? N/A
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 5 - 10 Yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 56,776 Line 10 - 02
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 213,818
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.

SEE ACCOUNTANTS' PREPARATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 0 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 13,169
- (16) Travel and Transportation
 - a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
 - b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A
 - c. What percent of all travel expense relates to transportation of nurses and patients? Ln. 14
 - d. Have vehicle usage logs been maintained? Yes
 - e. Are all vehicles stored at the nursing home during the night and all other times when not in use? Yes
 - f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes
 - g. Does the facility transport residents to and from day training? No**
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? Yes
Firm Name: Plante & Moran, PLLC (Consolidated Basis)
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) Has a schedule for the legal fees reported on the cost report been provided by the facility? See page 39 of the instructions for details. Yes
Attach invoices and a summary of services for all architect and appraisal fees