FOR BHF USE

LL2

Supportive Living Facility

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

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN SECTION 146.265 OF THE 89 IL ADMIN CODE. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS.

I. Facility ID Number: 1000056

Facility Name: FORT ARMSTRONG SUPPORTIVE LIVING

Address: 1900 THIRD AVENUE (Number) ROCK ISLAND (City) 61201 (Zip Code)

County: ROCK ISLAND

Telephone Number: (309) 786-0400 **Fax #** (309) 788-9729

Federal Employer ID Number:

Date Current Owners were Certified: 02/2005

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: BOB KAGDA **Telephone Number:** (847) 675-3585
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 01/01/2011 to 12/31/2011 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) MARCI HALPERT
(Title) MANAGER

Paid Preparer

(Signed) (Date)
(Print Name and Title) BOB KAGDA, VICE PRESIDENT
(Firm Name & Address) KRUPNICK BOKOR KAGDA & BROOKS, LTD., 3750 W DEVON, LINCOLNWOOD, IL 60712
(Telephone) (847) 675-3585 Fax (847) 675-5777

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 FORT ARMSTRONG SUPPORTIVE LIVING Report Period Beginning: 01/01/2011 Ending: 12/31/2011

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	116	Single Unit Apartment	116	42,340	1
2	14	Double Unit Apartment	14	5,110	2
3		Other			3
4	130	TOTALS	130	47,450	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	27,326	10,862		38,188	5
6	Double Unit					6
7	Other					7
8	TOTALS	27,326	10,862		38,188	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 80.48%

D. Indicate the number of paid bed-hold days the SLF had during this year 755 **Also, indicate the number of unpaid bed-hold days the SLF had during this year.** 27 **(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: 12/31/11 Fiscal Year:

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

J. Does the facility have any Illinois Housing Development Authority Loans outstanding? NO **If yes, did the facility make all of the required payments of interest and principle?** **If no, explain.**

K. Does the facility have any loans from the Federal Home Loan Bank outstanding? NO **If yes, did the facility make all of the required payments of interest and principle?** **If no, explain.**

L. Does the facility have any loans from the IL Dept of Commerce and Economic Opportunity outstanding? NO **If yes, did the facility make all of the required payments of interest and principle?** **If no, explain.**

Facility Name: FORT ARMSTRONG SUPPORTIVE LIVING **Report Period Beginning: 01/01/2011 Ending: 12/31/2011**

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	278,126	237,867		515,993		515,993	1
2	Housekeeping, Laundry and Maintenance	156,282	69,262	39,334	264,878		264,878	2
3	Heat and Other Utilities			144,295	144,295	(19,002)	125,293	3
4	Other (specify):Scavenger & Exterminator			20,785	20,785		20,785	4
5	**TOTAL General Services**	434,408	307,129	204,414	945,951	(19,002)	926,949	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	554,194	4,746		558,940		558,940	6
7	Activities and Social Services	47,012	4,676		51,688		51,688	7
8	Other (specify):			14,772	14,772		14,772	8
9	**TOTAL Health Care and Programs**	601,206	9,422	14,772	625,400		625,400	9
	C. General Administration							
10	Administrative and Clerical	173,245	15,836	312,899	501,980	(14,612)	487,368	10
11	Marketing Materials, Promotions and Advertising	63,749		79,178	142,927		142,927	11
12	Employee Benefits and Payroll Taxes			174,032	174,032		174,032	12
13	Insurance-Property, Liability and Malpractice			53,891	53,891		53,891	13
14	Other (specify):			1,672	1,672		1,672	14
15	**TOTAL General Administration**	236,994	15,836	621,672	874,502	(14,612)	859,890	15
16	**TOTAL Operating Expense (Sum of lines 5, 9 and 15)**	1,272,608	332,387	840,858	2,445,853	(33,614)	2,412,239	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			11,861	11,861	162,865	174,726	17
18	Interest			19	19	297,495	297,514	18
19	Real Estate Taxes					71,185	71,185	19
20	Rent -- Facility and Grounds			456,000	456,000	(456,000)		20
21	Rent -- Equipment							21
22	Other (specify):							22
23	**TOTAL Ownership**			467,880	467,880	75,545	543,425	23
24	**GRAND TOTAL (Sum of lines 16 and 23)**	1,272,608	332,387	1,308,738	2,913,733	41,931	2,955,664	24

Facility Name: FORT ARMSTRONG SUPPORTIVE LIVING Report Period Beginning 01/01/2011 Ending: 12/31/2011

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1.10	$ 27.11	1
2	Licensed Practical Nurses	2.96	21.13	2
3	Certified Nurse Assistants	17.03	10.24	3
4	Activity Director & Assistants	2.14	10.58	4
5	Social Service Workers			5
6	Head Cook	3.09	12.97	6
7	Cook Helpers/Assistants	10.75	8.84	7
8	Dishwashers			8
9	Maintenance Workers	1.70	12.53	9
10	Housekeepers	5.78	9.39	10
11	Laundry			11
12	Managers	1.00	44.60	12
13	Other Administrative	0.88	15.47	13
14	Clerical	2.82	9.69	14
15	Marketing	1.00	30.51	15
16	Other			16
17	Total (lines 1 thru 16)	50.25	$	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	MEDTAK LTD			$ 216,305	1
2					2
3					3
4					4
5					5
			Total	$ 216305	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

OTHER RELATED BUSINESS ENTITIES

Name 3	City 4	Type of Business 5
MEDTAK LTD	CHICAGO	MANAGEMENT

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 [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: FORT ARMSTRONG SUPPORTIVE LIVING Report Period Beginning: 01/01/2011 Ending: 12/31/2011

VIII. OWNERSHIP COSTS

A. Purchase price of land 387,740 Year land was acquired _____

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	130		2003		$ 1,000,000	$ 36,364	27.5	$ 36,364	$	$ 301,518	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	RENOVATIONS				1,295,873	47,123	27.5	47,123		233,652	6
7	RENOVATIONS			2004	32,239	1,172	27.5	1,172		8,155	7
8	WOODWORK			2007	8,558	311	27.5	311		1,413	8
9	BOILER			2007	12,955	471	27.5	471		2,139	9
10	FIRE ALARM			2007	6,625	241	27.5	241		1,094	10
11	ROOF			2007	16,000	582	27.5	582		2,643	11
12	CARPET			2007	46,040	4,112	7.0	6,577	2,465	30,912	12
13	WALLPAPER			2007	2,096	187	7.0	299	112	1,406	13
14	A/C GENERATOR			2008	13,150	478	27.5	478		1,693	14
15	CARPET			2008	8,051	503	7.0	1,150	647	4,027	15
16	TOTAL FROM PAGE 5A				96,938	13,628		9,582	(4,046)		16
17	TOTAL (lines 1 thru 16)				$ 2,538,525	$ 105,172		$ 104,350	$ (822)	$ 588,652	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	$	$	$	$		$	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	$	$	$	$		$	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: FORT ARMSTRONG SUPPORTIVE LIVING Report Period Beginning: 01/01/2011 Ending: 12/31/2011

VIII. OWNERSHIP COSTS

A. Purchase price of land 387,740 Year land was acquired _____

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					$	$		$	$	$	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	PARKING LOT			2009	9,072	605	15.0	605		1,512	6
7	CARPET & TILE			2009	35,692	6,853	5.0	5,099	(1,754)	15,806	7
8	RAILING, CR. MOLDING, DOORS & FRAMES			2009	6,502	236	27.5	236		590	8
9	PLASTER & DRYWALL			2010	22,382	814	27.5	814		1,221	9
10	CARPET & TILING			2010	4,984	3,289	5.0	997	(2,292)	1,495	10
11	BOLIER			2011	5,911	591	27.5	591		591	11
12	CARPETING & SIGNS			2011	12,395	1,240	5.0	1,240			12
13											13
14											14
15											15
16											16
17	TOTAL (lines 1 thru 16)				$ 96,938	$ 13,628		$ 9,582	$ (4,046)	$ 21,215	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	$ 879,667	$ 1,556	$ 89,056	87,500	10	$ 746,489	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	$ 879,667	$ 1,556	$ 89,056	87,500		$ 746,489	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: FORT ARMSTRONG SUPPORTIVE LIVING Report Period Beginning: 01/01/2011 Ending: 2/31/2011

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 ☐ 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 ☐ 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					/ /	$	$	/ /		$	1
2	Midland Serve Inc		x	Mortgage Property	12/1/09	5,553,500	5,446,612	1/1/45	0.0545	297,495	2
3					/ /			/ /			3
	Working Capital										
4					/ /			/ /		19	4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					$ 5,553,500	$ 5,446,612			$ 297,514	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					$ 5,553,500	$ 5,446,612			$ 297,514	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: FORT ARMSTRONG SUPPORTIVE LIVING **Report Period Beginning:** 01/01/2011 **Ending:** 12/31/2011

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2011 **(last day of reporting year)**

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 81,476	$ 98,544	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	628,154	628,154	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	61,197	61,197	6
7	Other Prepaid Expenses	217	217	7
8	Accounts Receivable (owners or related parties)	5,915	5,915	8
9	Other(specify):Escrows :MIP,R/E TAX , HUD RES		435,682	9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 776,959	$ 1,229,709	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		387,740	13
14	Buildings, at Historical Cost		1,000,000	14
15	Leasehold Improvements, at Historical Cost	32,239	1,538,525	15
16	Equipment, at Historical Cost	4,667	879,667	16
17	Accumulated Depreciation (book methods)	(12,439)	(1,572,370)	17
18	Deferred Charges		204,009	18
19	Organization & Pre-Operating Costs	50,914	50,914	19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):cancel of debt		(477,112)	22
23	Other(specify):	33,768	235,138	23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 109,149	$ 2,246,511	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 886,108	$ 3,476,220	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 117,382	$ 117,382	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	49,596	49,596	30
31	Accrued Taxes Payable	60,223	130,700	31
32	Accrued Interest Payable		24,737	32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	Due to Landlord	238,486		35
36				36
37	**TOTAL Current Liabilities (sum of lines 26 thru 36)**	$ 465,687	$ 322,415	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable		5,446,612	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)**	$	$ 5,446,612	44
45	**TOTAL LIABILITIES (sum of lines 37 and 44)**	$ 465,687	$ 5,769,027	45
46	**TOTAL EQUITY**	$ 420,421	$ (2,292,807)	46
47	**TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)**	$ 886,108	$ 3,476,220	47

***(See instructions.)**

Facility Name: FORT ARMSTRONG SUPPORTIVE LIVING **Report Period Beginning: 01/01/2011 Ending: 12/31/2011**

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	$ 3,608,188	1
2	Discounts and Allowances		2
3	**SUBTOTAL Resident Care (line 1 minus line 2)**	$ 3,608,188	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	4,568	9
10	Laundry		10
11	**SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)**	$ 4,568	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	547	13
14	**SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)**	$ 547	14
	D. Other Revenue (specify):		
15	**Antenna Rental Income**	8,625	15
16			16
17	**SUBTOTAL Other Revenue (sum of lines 15 and 16)**	$ 8,625	17
18	**TOTAL REVENUE (sum of lines 3, 11, 14 and 17)**	$ 3,621,928	18

	Expenses	2 Amount	
	A. Operating Expenses		
19	General Services	945,951	19
20	Health Care/ Personal Care	625,400	20
21	General Administration	874,502	21
	B. Capital Expense		
22	Ownership	467,880	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)**	$ 2,913,733	28
29	**Income Before Income Taxes (line 18 minus line 28)**	$ 708,195	29
30	**Income Taxes**	$	30
31	**NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)**	$ 708,195	31

FORT ARMSTRONG SUPPORTIVE LIVING LLC
ATTACHMENT #1 ADJUSTMENT RECAP
ADJUSTMENT RECAP

DESCRIPTION	AMOUNT	LINE #
BANK OVERDRAFTS	(978)	10
PENALTIES	(12,979)	10
CONTRIBUTIONS	(655)	10
CABLE TV RESIDENT ROOMS	(19,002)	3
STRAIGHT LINE DEPRCIATION	(9,133)	17
RELATED PARTY	84,678	SEE ATTACHED
TOTAL ADJUSTMENTS	41,931	

FORT ARMSTRONG SUPPORTIVE LIVING LLC
ATTACHMENT 2
RELATED PARTY ADJUSTMENT

DESCRIPTION	AMOUNT	LINE #
RENT	(456,000.00)	20
DEPRCIATION (S/L)	171,998.00	17
INTEREST NET OF INCOME	297,495.00	18
REAL ESTATE TAXES	71,185.00	19
TOTAL RELATED PARTY ADJ	84,678.00	