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: 1000060

Facility Name: Shabbona Supportive Living Facility, LLC

Address: 407 W. Commanche Ave. (Number) Shabbona (City) 60550 (Zip Code)

County: DeKalb

Telephone Number: (815) 824-4800 **Fax #** ( )

Federal Employer ID Number:

Date Current Owners were Certified: 3/30/06

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: Michael W. Martin **Telephone Number:** (217) 258-8888
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)
(Title)

Paid Preparer
(Signed)
(Date)
(Print Name and Title) See Accountants' Preparation Report
(Firm Name & Address) McGladrey & Pullen, LLP, 20 N. Martingale, Suite 500, Schaumburg, IL 60173
(Telephone) (847) 517-7070 Fax (847) 517-7067

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: Shabbona Supportive Living Facility, LLC 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: 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	29	Single Unit Apartment	29	10,585	1
2	7	Double Unit Apartment	7	2,555	2
3		Other			3
4	36	TOTALS	36	13,140	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	3,911	5,786		9,697	5
6	Double Unit		1,381		1,381	6
7	Other					7
8	TOTALS	3,911	7,167		11,078	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 84.31%

D. Indicate the number of paid bed-hold days the SLF had during this year N/A **Also, indicate the number of unpaid bed-hold days the SLF had during this year.** N/A **(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 [X] NO [ ] **eliminated in Schedule IV, Column 5.**

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: 12/31/11 Fiscal Year: 12/31/11
* All facilities other than governmental must report on the accrual basis.

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

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. N/A

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. N/A

Facility Name: Shabbona Supportive Living Facility, LLC **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 1	Supplies 2	Other 3	Total 4	5	6	
	A. General Services							
1	Dietary and Food Purchase	124,492	123,369	1,849	249,710		249,710	1
2	Housekeeping, Laundry and Maintenance	75,738	26,026	2,623	104,387		104,387	2
3	Heat and Other Utilities			51,419	51,419		51,419	3
4	Other (specify):							4
5	**TOTAL General Services**	200,230	149,395	55,891	405,516		405,516	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	257,970	318	2,400	260,688		260,688	6
7	Activities and Social Services	53,244	3,788		57,032		57,032	7
8	Other (specify):							8
9	**TOTAL Health Care and Programs**	311,214	4,106	2,400	317,720		317,720	9
	C. General Administration							
10	Administrative and Clerical	29,419		34,279	63,698	1,791	65,489	10
11	Marketing Materials, Promotions and Advertising			10,684	10,684	(10,684)		11
12	Employee Benefits and Payroll Taxes			81,041	81,041		81,041	12
13	Insurance-Property, Liability and Malpractice			24,798	24,798		24,798	13
14	Other (specify):							14
15	**TOTAL General Administration**	29,419		150,802	180,221	(8,893)	171,328	15
16	**TOTAL Operating Expense (Sum of lines 5, 9 and 15)**	540,863	153,501	209,093	903,457	(8,893)	894,564	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			2,813	2,813	101,245	104,058	17
18	Interest			25,599	25,599	141,308	166,907	18
19	Real Estate Taxes			23,730	23,730		23,730	19
20	Rent -- Facility and Grounds			168,000	168,000	(168,000)		20
21	Rent -- Equipment							21
22	Other (specify):							22
23	**TOTAL Ownership**			220,142	220,142	74,553	294,695	23
24	**GRAND TOTAL (Sum of lines 16 and 23)**	540,863	153,501	429,235	1,123,599	65,660	1,189,259	24

Facility Name: Shabbona Supportive Living Facility, LLC 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	0.39	$ 25.09	1
2	Licensed Practical Nurses	0.81	26.07	2
3	Certified Nurse Assistants	8.75	10.63	3
4	Activity Director & Assistants	0.94	10.15	4
5	Social Service Workers	0.72	22.37	5
6	Head Cook	0.78	12.61	6
7	Cook Helpers/Assistants	5.65	8.85	7
8	Dishwashers			8
9	Maintenance Workers	1.03	14.21	9
10	Housekeepers	1.59	8.56	10
11	Laundry	0.96	8.51	11
12	Managers			12
13	Other Administrative	1.18	11.99	13
14	Clerical			14
15	Marketing			15
16	Other			16
17	Total (lines 1 thru 16)	22.80	$ 11.40	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	Albert Milstein	45%		$ N/A	1
2	Sheldon Wolfe	43%	1.5	N/A	2
3	Mo Herman	10%	1.5	N/A	3
4	Jeremy Amster	2%		N/A	4
5					5
			Total	$	6

VI. (B) Management fees paid to unrelated parties

		Amount of Fee	
1	N/A	$	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				OTHER RELATED BUSINESS ENTITIES					
Name	1	City	2	Name	3	City	4	Type of Business	5
See attached schedule 4A									

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 [ ] NO [X]
If so, please attach a separate schedule detailing the nature of those services, their costs as they appear on your books and the underlying cost to the related party (i.e., not including markup).

Facility Name: Shabbona Supportive Living Facility, LLC Report Period Beginning: 01/01/2011 Ending: 12/31/2011

VIII. OWNERSHIP COSTS

A. Purchase price of land 33,632 Year land was acquired 2006

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	36		2006	2006	$ 2,605,419	$	27.5	$ 95,231	$ 95,231	$ 542,546	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Laundry Room			2007	12,716	462	27.5	462		2,176	6
7	Carpet			2007	4,998	182	27.5	182		751	7
8	Check Valve			2008	5,435	198	27.5	198		619	8
9	Fence			2008	2,434	97	15	97		340	9
10	Elevator Motor			2009	8,133	296	27.5	296		728	10
11	Carpet			2009	2,799	102	27.5	102		293	11
12											12
13											13
14											14
15											15
16											16
17	TOTAL (lines 1 thru 16)				$ 2,641,934	$ 1,337		$ 96,568	$ 95,231	$ 547,453	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	$ 100,912	$ 1,476	$ 7,490	6,014	5	$ 99,902	18
19	Vehicles	4,800				5	4,800	19
20	TOTAL (lines 18 and 19)	$ 105,712	$ 1,476	$ 7,490	6,014		$ 104,702	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	N/A	$	$	$	21
22					22
23					23
24	TOTALS (lines 21, 22 and 23)	$	$	$	24

Facility Name: Shabbona Supportive Living Facility, LLC Report Period Beginning: 01/01/2011 Ending: 12/31/2011

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? ☐ 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			/ /	$ N/A			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 $ n/a

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	MB Financial Bank		X	Mortgage	12/24/07	$ 2,320,000	$ 2,178,607	12/12/12	0.0825	$ 147,927	1
2					/ /			/ /			2
3					/ /			/ /			3
	Working Capital										
4	MB Financial Bank		X	Working Capital	6/30/06	500,000	127,037	Demand	0.0825	25,599	4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					$ 2,820,000	$ 2,305,644			$ 173,526	7
	B. Non-Facility Related										
8					/ /	Amortization of mortgage cost		/ /		3,654	8
9					/ /	Interest Income offset		/ /		-10,273	9
10	TOTALS (lines 7, 8 and 9)					$ 2,820,000	$ 2,305,644			$ 166,907	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: Shabbona Supportive Living Facility, LLC **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	$ 285	$ 285	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance -0-)	462,189	462,189	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	6,276	6,276	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	562,010	562,010	8
9	Other(specify): Short Term Loan Exchange	450	450	9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 1,031,210	$ 1,031,210	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost		2,605,419	14
15	Leasehold Improvements, at Historical Cost	36,515	36,515	15
16	Equipment, at Historical Cost	21,684	105,712	16
17	Accumulated Depreciation (book methods)	(27,439)	(652,155)	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): Mortgage Costs		18,272	23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 30,760	$ 2,113,763	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 1,061,970	$ 3,144,973	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 93,269	$ 87,397	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	12,635	12,635	30
31	Accrued Taxes Payable	87,459	87,459	31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	See Schedule 7A	1,446,090	2,018,100	35
36				36
37	**TOTAL Current Liabilities (sum of lines 26 thru 36)**	$ 1,639,453	$ 2,205,591	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	127,037	127,037	38
39	Mortgage Payable		2,178,607	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)**	$ 127,037	$ 2,305,644	44
45	**TOTAL LIABILITIES (sum of lines 37 and 44)**	$ 1,766,490	$ 4,511,235	45
46	**TOTAL EQUITY**	$ (704,520)	$ (1,366,262)	46
47	**TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)**	$ 1,061,970	$ 3,144,973	47

***(See instructions.)**

Facility Name: Shabbona Supportive Living Facility, LLC **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	$ 1,035,608	1
2	Discounts and Allowances		2
3	**SUBTOTAL Resident Care (line 1 minus line 2)**	$ 1,035,608	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	10,273	13
14	**SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)**	$ 10,273	14
	D. Other Revenue (specify):		
15	**Misc. Income**	1	15
16			16
17	**SUBTOTAL Other Revenue (sum of lines 15 and 16)**	$ 1	17
18	**TOTAL REVENUE (sum of lines 3, 11, 14 and 17)**	$ 1,045,882	18

	Expenses	2 Amount	
	A. Operating Expenses		
19	General Services	405,516	19
20	Health Care/ Personal Care	317,720	20
21	General Administration	180,221	21
	B. Capital Expense		
22	Ownership	220,142	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)**	$ 1,123,599	28
29	**Income Before Income Taxes (line 18 minus line 28)**	$ (77,717)	29
30	**Income Taxes**	$	30
31	**NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)**	$ (77,717)	31

Shabbona SLF **Schedule 4A**
12/31/2011
Related Organizations

Related Nursing Homes	**City**
In State	
Cahokia Nursing and Rehab,Inc.	Cahokia
Caseyville Nursing and Rehab,Inc.	Caseyville
Shabbona Healthcare Center,Inc.	Shabbona
Out of State	
Hillside Manor Healthcare and Rehab,LLC	St. Louis, MO
Rancho Manor Healthcare and Rehab,LLC	Florissant, MO
Beauvais Manor Healthcare and Rehabilitation,LLC	St. Louis, MO
Rosewood Health and Rehab Center	Independence, MO

Other Related Business Entities

S.W. Management Co.	Skokie	Bookkeeping/Management Company
S & E Medical Supply Co.	Skokie	Medical Supplies
*SFO Associates	Skokie	Finance Company
**Unity Hospice	Skokie	Hospice Services

*This entity only relates to Shabbona Healthcare Center, Franklin Grove Nursing Center and Oregon Healthcare Center.

Shabbona Supportive Living Facility
12/31/2011
Schedule 7A

XI. Line 35

Description	Amount	Consolidated
Reimbursement Due	337,523	337,523
Due to Shabbona Healthcare	751,573	751,573
Insurance Premiums Payable	149	149
FICA Withholding	819	819
Short Term Loan Exchange	101,095	111,095
Due to Public Aid	(69)	(69)
N/P Auto	-	562,010
Due to/From Partners	255,000	255,000
	1,446,090	2,018,100