LA CROSSE COUNTY TRAINING

Budget Information for Rest Haven, Inc. (sample company)

2 Community Based Residential Facilities & 1 Corporate Office
CBRF 1 Sleepy Hollow
CBRF 2 Idle Hour

Rest Haven, Inc. Staff

1 Director (Jack Jones) is full-time and spends 70% of his time on Administration, 10% of his time at Sleepy Hollow and 20% of his time at Idle Hour. Yearly salary is $50,000.

2 Lead Workers are full-time (one at each facility) and their yearly salary is $28,000 each.

2 residential care workers are full-time (one at each facility) and their yearly salary is $24,000 each.

4 residential care workers are full-time (two at each facility) and their yearly salary is $20,800 each.

1 residential care worker that is full-time, spending 50% of his time at each facility and his yearly salary is $20,800.

1 residential care worker that is part-time (30 hours per week) that splits her time equally between the 2 facilities and her yearly salary is $15,600.

1 Administrative Assistant that works in the office half time (20 hours per week) and her yearly salary is $10,400.

Social Security tax is 7.65%
Pension contributions and Health Insurance paid by Rest Haven Inc.
$200 per month for full-time employees (both benefits included)
$100 per month for part-time employees (both benefits included)
Workman's Compensation Insurance is $666 per year covering all employees.

Rent The corporate office is rented for $9,000 per year and there is a provision in the lease that requires Rest Haven, Inc. to pay an additional $1,000 per year toward the real estate taxes. Mr. Jones owns the home, furnishings and equipment that is used for the Idle Hour program and the rental payment of $24,000 annually includes real estate taxes and insurance (Can't include in rent due to related party transactions).

Mortgage Interest Rest Haven, Inc. owns the home that is used for the Sleepy Hollow program and their annual mortgage interest is $6,000.

Real Estate Taxes	The real estate taxes on the home used for the Sleepy Hollow program are $3200.
Utilities	Office $900; Sleepy Hollow $3,000; Idle Hour $2,800
Telephone	Office $800; Sleepy Hollow $1,000; Idle Hour $1,000
Household Supplies	Sleepy Hollow $600; Idle Hour $500

Office & Professional Supplies $800

Depreciation – Home or Building
Sleepy Hollow $180,000 ÷ 30 years = $6,000
*(see additional information below)

Depreciation – Equipment & Vehicles
Sleepy Hollow $5,000 ÷ 5 years = $1,000
**(see additional information below)

Insurance – Home or Building – Sleepy Hollow $1,000

Food Sleepy Hollow $13,140; Idle Hour $12,500

Audit and/or Accounting Fees – Rest Haven, Inc. hires a bookkeeping service to maintain their financial records at a cost of $6,000 per year. They are also required to have an annual audit that costs $4,000 per year.

Employee Training Sleepy Hollow $1,000; Idle Hour $1,000

Personal Mileage Reimbursement Sleepy Hollow $1,500; Idle Hour $1,250

Additional Information

Sleepy Hollow plans to purchase additional equipment at the beginning of 2003 at a cost of $5,000. Their present equipment that cost $15,000 is fully depreciated. Rest Haven uses the straight line method of depreciation and assigns a useful life of 5 years to their equipment**.

The home used for the Sleepy Hollow program when purchased cost $190,000. The land value was $10,000 and the home was $180,000*. Accumulated depreciation at the beginning of 2003 will be $81,000 and Rest Haven, Inc. still owed $120,000 on the mortgage at that time. During 2003 Rest Haven, Inc. plans to pay $5,000 toward their mortgage principle.

Mr. Jones purchased the home and all furnishings used for the Idle Hour program in December 2001 and the program began operation as of January 2002. The home cost \$158,000 with \$8,000 applicable to the land and \$150,000 applicable to the home (\$150,000 ÷ 30 years = \$5,000 per year). The furnishing and equipment cost \$18,000. The useful life of the home is 30 years and the furnishings are expected to last 5 years (\$18,000 ÷ 5 years = \$3600 per year). It is expected that the 2002 real estate taxes will be \$2,800 and the insurance will cost \$900. Mr. Jones' interest expense in 2003 will be \$4000 and he plans to make payments applicable to the mortgage principle of \$6,000 (Mortgage Interest on Expense Distribution Form).

Sleepy Hollow has paid out \$730.00 in staff meals for this year. (Cost Offset)

LA CROSSE COUNTY HUMAN SERVICES DEPARTMENT

FACE SHEET

Agency Name:	Rest Haven, Inc.	
Type of Agency:	___ Non-Profit &/or Governmental Agency ___ Hospitals/Clinics	X For-Profit
Fiscal Year:	1/1/2002 through	12/31/2002
Person to Contact with Budget Questions:	Jennifer Smith, Financial Manager	
Name of Agency Administrator:	Jack Jones, Director	
Agency Phone Number:	(608) 787-7654	
Service(s):	CBRF-Sleepy Hollow	CBRF- Idle Hour
License Capacity(if applicable):	8	6
Agency Hours of Operation	Office 8:00-5:00 24 hours	24 hours

PER UNIT COST CALCULATION

Program Name	CBRF-Sleepy Hollow **Program 1**	CBRF-Idle Hour **Program 2**
Total Expenses from Page 3	$ 211,899	$ 216,182
(Less): Cost Offsets*		
Staff Meals	$ 730	
(=) Adjusted Total Expenses	$ 211,169	$ 216,182
(+) Profit **	$ 16,663	$ 18,329
(=) Allowable Costs	$ 227,832	$ 234,511
(divided by) Units of Care	2,190	1,825
(=) Cost per Unit	$ 104.03	$ 128.50
Identify Type of Unit (i.e. per day, hour)***	per day	per day

*Cost Offsets include things such as in-kind *staff meals, different county funding, revenues, USDA funding, United Way Contributions, etc.*

**FOR PROFIT AGENCIES ONLY! – Please refer to Page 4 to calculate.

***On a separate piece of paper, describe in detail your unit type – definition, proposed number of units, calculation as to how you arrived at this number of units, etc.

La Crosse County Human Services Department

Salary and Fringe Breakdown

Agency Name: Best Haven, Inc. Fiscal Year: 1/1/02 Through 12/31/02

Service: Sleepy Hollow Idle Hour

Employee Name Or Position	Full-time (FT) or Part-time (PT)	Administrative		Program 1		Program 2		Total	
		Salary	Fringe Benefits	Salary	Fringe Benefits	Salary	Fringe Benefits	Salary	Fringe Benefits
Director	FT	35,000	4,358	5,000	622	10,000	1,245	50,000	6,225
Lead Worker	FT			28,000	4,542			28,000	4,542
Lead Worker	FT					28,000	4,542	28,000	4,542
Residential Care Wrkr	FT			24,000	4,236			24,000	4,236
Residential Care Wrkr	FT					24,000	4,236	24,000	4,236
Residential Care Wrkr	FT			20,800	3,991			20,800	3,991
Residential Care Wrkr	FT			20,800	3,991			20,800	3,991
Residential Care Wrkr	FT					20,800	3,991	20,800	3,991
Residential Care Wrkr	FT					20,800	3,991	20,800	3,991
Residential Care Wrkr	FT			10,400	1,995	10,400	1,996	20,800	3,991
Residential Care Wrkr	PT-30			7,800	1,197	7,800	1,196	15,600	2,393
Administrative Assistant	PT-20	10,400	1,996					10,400	1,996
	Totals	45,400	6,354	116,800	20,574	121,800	21,197	284,000	48,125

La Crosse County Human Services Department

Expense Distribution Form

Agency Name: Rest Haven, Inc.

Name of Program			Sleepy	Idle	
		Administration	**Program 1**	**Program 2**	**Total**
A.	Salaries	45,400	116,800	121,800	284,000
B.	Fringe Benefits	6,354	20,574	21,197	48,125
C.	Workmen's Compensation Insurance	666			666
D.	Rent	9,000			9,000
E.	Mortgage Interest		6,000	4,000	10,000
F.	Other Interest				
G.	Real Estate Taxes	1,000	3,200	2,800	7,000
H.	Utilities	900	3,000	2,800	6,700
I.	Telephone	800	1,000	1,000	2,800
J.	Garbage				
K.	Household Supplies		600	500	1,100
L.	Office & Professional Supplies	800			800
M.	Repairs & Maintenance:				
	- Home or Building				
	- Equipment				
N.	Depreciation:				
	- Home or Building		6,000	5,000	11,000
	- Equipment & Vehicle(s)		1,000	3,600	4,600
O.	Insurance:				
	- Home or Building		1,000	900	1,900
	- Vehicle(s)				
	- Other				
P.	Food		13,140	12,500	25,640
Q.	Audit and/or Accounting fees	10,000			10,000
R.	Consultant fees				
S.	Dues & Subscriptions				
T.	Licensing/Certification				
U.	Employee Training		1,000	1,000	2,000
V.	Personal Mileage Reimbursement		1,500	1,250	2,750
W.	Agency Vehicle(s):				
	- Gas & Oil				
	- Repairs & Maintenance				
	- License/Registration				
X.	Other transportation Costs				
Y.	Bank Charges				
Z.	Recruitment				
AA.	Production Expenses				
BB.	Miscellaneous				
	Total Expenses	74,920	174,814	178,347	428,081
	Allocated Administration by program *(see top of page 4)	-74,920	37,085	37,835	Ø
		Ø	49.5%	50.5%	
	(Grand) **Total Expenses**		211,899	216,182	428,081

- **Identify method used to allocate administrative costs on page 3.**

174,814 + 178,347 = 353,161
174,814 ÷ 353,161 = 49.5%
178,347 ÷ 353,161 = 50.5%
- SIMPLIFIED METHOD -

PROFIT CALCULATION
FOR PROFIT AGENCIES ONLY

(1) Profit Calculation

(the total profit pursuant to the Wisconsin Department of Health and Family Services *Allowable Cost Policy Manual* can not exceed 10% of allowable costs):

Allowable Costs	211,169	216,182
Multiply - Profit Percentage	x .075	x .075
Profit on Allowable Costs	(a) 15,838	(a) 16,214
Plus:		
Agency Average Net Equity	5,500	14,100
Multiply - Net Equity Percentage	x .15	x .15
Profit on Average Net Equity	(b) 825	(b) 2,115
Total Profit (Profit on Allowable Costs (a) + Profit on Average Net Equity (b))	16,663	18,329

Average Net Equity Calculation

	Program 1		Program 2	
	Balance at the Beginning period	Balance at the End Period	Balance at the Beginning period	Balance at the End Period
Cost of Equipment	15,000	20,000	18,000	18,000
Cost of Buildings	180,000	180,000	150,000	150,000
Cost of Land	10,000	10,000	8,000	8,000
	205,000	210,000	176,000	176,000
Less:				
Accumulated Depreciation	81,000	88,000	8,600	17,200
Long Term liabilities	120,000	115,000	152,000	146,000
	201,000	203,000	160,600	163,200
Total Equity	(a) 4,000	(b) 7,000	(a) 15,400	(b) 12,800

Add the total equity from the beginning of the period (a) and the end of the period (b) and divide that sum by 2 to determine the average net equity for each program.

	Program 1	Program 2
Balance at the Beginning Period (a)	4,000	15,400
Balance at the End of the Period (b)	7,000	12,800
	11,000 ÷ 2	28,200 ÷ 2
Average Net Equity	5,500.	14,100