FOR BHF USE

LL1

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.

2011
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2011)

I. IDPH License ID Number: 0049676

Facility Name: Manor Care of Northbrook IL, LLC

Address: 3300 Milwaukee Avenue (Number) Northbrook (City) 60062 (Zip Code)

County: Cook

Telephone Number: 847-795-9700 **Fax #** 847-795-9600

HFS ID Number:

Date of Initial License for Current Owners: 03/22/1999

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: Raymond Lewis **Telephone Number:** 419-252-5783
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 06/01/10 to 05/31/11 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) Barry A. Lazarus
(Title) Vice President - Reimbursement

Paid Preparer

(Signed) _____ (Date)
(Print Name and Title)
(Firm Name & Address)
(Telephone) ( ) Fax # ( )

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**

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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 _____

	1 Beds at Beginning of Report Period	2 Licensure Level of Care	3 Beds at End of Report Period	4 Licensed Bed Days During Report Period	
1	158	Skilled (SNF)	158	57,670	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	158	TOTALS	158	57,670	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment: Medicaid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF	21,040	4,597	17,880	43,517	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	21,040	4,597	17,880	43,517	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 75.46%

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

E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)
None

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 [X]

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

I. On what date did you start providing long term care at this location?
Date started 03/22/1999

J. Was the facility purchased or leased after January 1, 1978?
YES [X] Date 04/07/2011 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 158 and days of care provided 12,350

Medicare Intermediary HighMark Medicare Services

IV. ACCOUNTING BASIS

ACCRUAL [X] MODIFIED CASH* [ ] CASH* [ ]

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

Tax Year: 12/31 Fiscal Year: 5/31

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

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	A. General Services	1	2	3	4	5	6	7	8	9	10	
1	Dietary	407,287	29,117	6,537	442,941	10,225	453,166		453,166			1
2	Food Purchase		301,315		301,315		301,315	(3,275)	298,040			2
3	Housekeeping	235,526	40,484	558	276,568		276,568		276,568			3
4	Laundry	100,400	34,145		134,545		134,545	1,095	135,640			4
5	Heat and Other Utilities			213,276	213,276	2,756	216,032		216,032			5
6	Maintenance	54,886	20,382	110,073	185,341		185,341		185,341			6
7	Other (specify):* Medical Waste			1,742	1,742		1,742		1,742			7
8	TOTAL General Services	798,099	425,443	332,186	1,555,728	12,981	1,568,709	(2,180)	1,566,529			8
	B. Health Care and Programs											
9	Medical Director			68,229	68,229		68,229		68,229			9
10	Nursing and Medical Records	3,516,006	304,496	202,248	4,022,750	12,127	4,034,877		4,034,877			10
10a	Therapy	904,456	10,407	298,428	1,213,291		1,213,291		1,213,291			10a
11	Activities	132,684	2,052	8,199	142,935		142,935	(100)	142,835			11
12	Social Services	216,542		1,995	218,537		218,537		218,537			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	TOTAL Health Care and Programs	4,769,688	316,955	579,099	5,665,742	12,127	5,677,869	(100)	5,677,769			16
	C. General Administration											
17	Administrative	108,789		523,935	632,724	(87,833)	544,891		544,891			17
18	Directors Fees											18
19	Professional Services			97,713	97,713	(2,097)	95,616	(95,616)				19
20	Dues, Fees, Subscriptions & Promotions			123,633	123,633	1,915	125,548	(49,886)	75,662			20
21	Clerical & General Office Expenses	612,965	61,713	327,129	1,001,807	(1,596)	1,000,211	(257,075)	743,136			21
22	Employee Benefits & Payroll Taxes			1,014,479	1,014,479	46,577	1,061,056		1,061,056			22
23	Inservice Training & Education			5,808	5,808		5,808		5,808			23
24	Travel and Seminar			8,032	8,032		8,032		8,032			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			451,446	451,446		451,446		451,446			26
27	Other (specify):*											27
28	TOTAL General Administration	721,754	61,713	2,552,175	3,335,642	(43,034)	3,292,608	(402,577)	2,890,031			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	6,289,541	804,111	3,463,460	10,557,112	(17,926)	10,539,186	(404,857)	10,134,329			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.
NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number Manor Care of Northbrook IL, LLC #0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	D. Ownership	1	2	3	4	5	6	7	8	9	10	
30	Depreciation			385,089	385,089	16,148	401,237		401,237			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			165,597	165,597	1,778	167,375	(167,375)				32
33	Real Estate Taxes			389,657	389,657		389,657		389,657			33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles			63,475	63,475		63,475		63,475			35
36	Other (specify):*											36
37	TOTAL Ownership			1,003,818	1,003,818	17,926	1,021,744	(167,375)	854,369			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		513,732	5,600	519,332		519,332		519,332			39
40	Barber and Beauty Shops		(210)	17,086	16,876		16,876		16,876			40
41	Coffee and Gift Shops	14,733			14,733		14,733		14,733			41
42	Provider Participation Fee			86,505	86,505		86,505		86,505			42
43	Other (specify):* IV, Xray, Lab		66,157	86,388	152,545		152,545		152,545			43
44	TOTAL Special Cost Centers	14,733	579,679	195,579	789,991		789,991		789,991			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	6,304,274	1,383,790	4,662,857	12,350,921		12,350,921	(572,232)	11,778,689			45

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

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer-ence	3 BHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(3,275)	2		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients	1,095	4		8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(158)	21		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	(11,167)	21		18
19	Entertainment				19
20	Contributions	(1,175)	21		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(95,616)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(191,916)	21		24
25	Fund Raising, Advertising and Promotional	(49,886)	20		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	(220,134)			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (572,232)		$	30

BHF USE ONLY								
48		49		50		51		52	

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 Amount	2 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)			34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (572,232)		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 Yes	2 No	3 Amount	4 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

STATE OF ILLINOIS

Manor Care of Northbrook IL, LLC

ID# **0049676**

Report Period Beginning: **06/01/10**

Ending: **05/31/11**

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	HCP Lease Interest Expense	$ (167,375)	32	1
2	Vending Income	(365)	21	2
3	Misc. Income	(70)	21	3
4	Activity Income	(100)	11	4
5	Wages - Marketing Expense	(41,441)	21	5
6	Employee Benefits - Marketing Expense	(10,783)	21	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				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**	(220,134)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 **Report Period Beginning:** 06/01/10 **Ending:** 05/31/11

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	(3,275)	0	0	0	0	0	0	0	0	0	0	(3,275)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	1,095	0	0	0	0	0	0	0	0	0	0	1,095	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	**TOTAL General Services**	(2,180)	0	0	0	0	0	0	0	0	0	0	(2,180)	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	(100)	0	0	0	0	0	0	0	0	0	0	(100)	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	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	**TOTAL Health Care and Programs**	(100)	0	0	0	0	0	0	0	0	0	0	(100)	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	(95,616)	0	0	0	0	0	0	0	0	0	0	(95,616)	19
20	Fees, Subscriptions & Promotions	(49,886)	0	0	0	0	0	0	0	0	0	0	(49,886)	20
21	Clerical & General Office Expenses	(257,075)	0	0	0	0	0	0	0	0	0	0	(257,075)	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	0	0	0	0	0	0	0	0	0	0	0	0	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**	(402,577)	0	0	0	0	0	0	0	0	0	0	(402,577)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(404,857)	0	0	0	0	0	0	0	0	0	0	(404,857)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 **Report Period Beginning:** 06/01/10 **Ending:** 05/31/11

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

	Capital Expense D. Ownership	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)	
30	Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(167,375)	0	0	0	0	0	0	0	0	0	0	(167,375)	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**	(167,375)	0	0	0	0	0	0	0	0	0	0	(167,375)	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):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	**TOTAL Special Cost Centers**	0	0	0	0	0	0	0	0	0	0	0	0	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	(572,232)	0	0	0	0	0	0	0	0	0	0	(572,232)	45

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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
HCR Manor Care, LLC	100					
				HCR Manor Care Svcs	Toledo	Home Office
				HL Empl Svcs, LLC	Toledo	Personnel
				HL Rehab Svcs, LLC	Toledo	Therapy Mgmt Svcs
				HL Rehab Svcs, LLC	Toledo	Therapy Services
				HL Home Health Care	Toledo	Nursing Staff
		See PG6-Supp for list of related nursing homes in Illinois				

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. [X] 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 Schedule V	2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V	See	Home Office Allocation	$ 523,935	HCR Manor Care Services, LLC	100.00%	$ 523,935	$	1
2	V	Page 8							2
3	V								3
4	V	1-44	Personnel	6,304,274	Heartland Employment Services, LLC	100.00%	6,304,274		4
5	V	10a	Therapy Management	7,478	Heartland Rehabilitation Services, LLC	100.00%	7,478		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			$ 6,835,687			$ 6,835,687	$ *	14

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

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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			Heartland of Canton IL, LLC	Canton				1
2			Heartland of Champaign IL, LLC	Champaign				2
3			Heartland of Decatur IL, LLC	Decatur				3
4			Heartland of Galesburg IL, LLC	Galesburg				4
5			Heartland of Henry IL, LLC	Henry				5
6			Heartland of Macomb IL, LLC	Macomb				6
7			Heartland of Moline IL, LLC	Moline				7
8			Heartland of Normal IL, LLC	Normal				8
9			Heartland of Paxton IL, LLC	Paxton				9
10			Heartland of Peoria IL, LLC	Peoria				10
11			Heartland-Riverview of East Peoria IL, LLC	East Peoria				11
12			Manor Care at Arlington Heights	Arlington Heights				12
13			Manor Care of Elgin IL, LLC	Elgin				13
14			Manor Care of Elk Grove Village IL, LLC	Elk Grove Village				14
15			Manor Care - Highland Park	Highland Park				15
16			Manor Care of Hinsdale IL, LLC	Hinsdale				16
17			Manor Care of Homewood IL, LLC	Homewood				17
18			Manor Care of Kankakee IL, LLC	Kankakee				18
19			Manor Care of Libertyville IL, LLC	Libertyville				19
20			Manor Care of Naperville IL, LLC	Naperville				20
21			Manor Care of Oak Lawn (East) IL, LLC	Oak Lawn				21
22			Manor Care of Oak Lawn (West) IL, LLC	Oak Lawn				22
23			Manor Care of Palos Heights West IL, LLC	Palos Heights				23
24			Manor Care of Palos Heights IL, LLC	Palos Heights				24
25			Manor Care of Rolling Meadows IL, LLC	Rolling Meadows				25
26			Manor Care of South Holland IL, LLC	South Holland				26
27			Manor Care of Westmont IL, LLC	Westmont				27
28			Manor Care of Wilmette IL, LLC	Wilmette				28
29			Arden Courts of Elk Grove Village IL, LLC	Elk Grove Village				29
30								30

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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			Arden Courts of Geneva IL, LLC	Geneva				1
2			Arden Courts of Glen Ellyn IL, LLC	Glen Ellyn				2
3			Arden Courts of Hazel Crest IL, LLC	Hazel Crest				3
4			Arden Courts of Northbrook IL, LLC	Northbrook				4
5			Arden Courts of Palos Heights IL, LLC	Palos Heights				5
6			Arden Courts of South Holland IL, LLC	South Holland				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								25
26								26
27								27
28								28
29								29
30								30

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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 [X] NO [ ]

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

Name of Related Organization: HCR Manor Care Services, LLC
Street Address: 333 North Summit St
City / State / Zip Code: Toledo, OH 43604-2617
Phone Number: (419-252-5000
Fax Number: (419-254-5495

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	1	Dietary - Direct to All SNFs	Accumulated Cost	2,917,243,659	353 NFs	$ 2,652,139	$ 1,448,591	11,245,920	$ 10,224	1
2	1	Dietary - Direct to Central Divisio	Accumulated Cost	692,663,974	92 NFs	0	0	11,245,920	0	2
3	1	Dietary - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	0	0	11,245,920	0	3
4	5	Utilities - Direct to All SNFs	Accumulated Cost	2,917,243,659	353 NFs	0	0	11,245,920	0	4
5	5	Utilities - Direct to Central Divisio	Accumulated Cost	692,663,974	92 NFs	0	0	11,245,920	0	5
6	5	Utilities - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	817,551	0	11,245,920	2,756	6
7	10	Nursing - Direct to All SNFs	Accumulated Cost	2,917,243,659	353 NFs	2,699,818	1,331,445	11,245,920	10,408	7
8	10	Nursing - Direct to Central Divisio	Accumulated Cost	692,663,974	92 NFs	0	0	11,245,920	0	8
9	10	Nursing - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	510,057	376,446	11,245,920	1,720	9
10	17	General & Admin - Direct to All S	Accumulated Cost	2,917,243,659	353 NFs	24,740,566	19,625,790	11,245,920	95,374	10
11	17	General & Admin - Direct to Cent	Accumulated Cost	692,663,974	92 NFs	1,871,124	5,027,701	11,245,920	30,379	11
12	17	General & Admin - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	92,052,254	34,999,867	11,245,920	310,349	12
13	22	Employee Benefits - Direct to All S	Accumulated Cost	2,917,243,659	353 NFs	7,290,309	0	11,245,920	28,104	13
14	22	Employee Benefits - Direct to Cent	Accumulated Cost	692,663,974	92 NFs	0	0	11,245,920	0	14
15	22	Employee Benefits - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	5,479,146	0	11,245,920	18,473	15
16	30	Depreciation - Direct to All SNFs	Accumulated Cost	2,917,243,659	353 NFs	285,954	0	11,245,920	1,102	16
17	30	Depreciation - Direct to Central D	Accumulated Cost	692,663,974	92 NFs	0	0	11,245,920	0	17
18	30	Depreciation - Pooled	Accumulated Cost	3,335,641,627	727 NFs, HHs, & Re	4,462,801	0	11,245,920	15,046	18
19										19
20	32	Directly Assigned Interest				12,736,052				20
21		Non Central Division Nursing Home Allocations				29,513,406				21
22										22
23										23
24										24
25	TOTALS					$ 185,111,177	$ 62,809,840		$ 523,935	25

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related Long-Term											
1	N/A						$	$			$	1
2												2
3												3
4												4
5												5
	Working Capital											
6												6
7												7
8												8
9	TOTAL Facility Related						$	$			$	9
	B. Non-Facility Related*											
10												10
11												11
12												12
13												13
14	TOTAL Non-Facility Related						$	$			$	14
15	TOTALS (line 9+line14)						$	$			$	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. **$** _____ **Line #** _____

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

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

Facility Name & ID Number Manor Care of Northbrook IL, LLC **#** 0049676 **Report Period Beginning:** 06/01/10 **Ending:** 05/31/11

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

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2010 report.	**Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.**	$ 154,692	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.)		$ 184,201	2
3. Under or (over) accrual (line 2 minus line 1).		$ 29,509	3
4. Real Estate Tax accrual used for 2011 report. (Detail and explain your calculation of this accrual on the lines below.)		$ 331,365	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.**		$ 28,783	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.		$ 389,657	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	2006	294,514	8
	2007	278,852	9
	2008	288,812	10
	2009	221,321	11
	2010	319,829	12

Line 2: $184,201 = 2nd half 2009 paid 11/30/10, $62,475 + 1st half 2010 paid 2/28/11, $121,726

Line 4: $331,365 = 2nd half 2010 to be paid in Dec 2011, $198,102 + estimate for 1st half 2011, Jan-May, $133,263

FOR BHF USE ONLY

13	FROM R. E. TAX STATEMENT FOR 2010	$	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.

2010 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Manor Care of Northbrook IL, LLC COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0049676

CONTACT PERSON REGARDING THIS REPORT Raymond Lewis

TELEPHONE 419-252-5783 FAX #: 419-254-5495

A. **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2010 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 2010.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	04-30-200-028-000	See Attached	$ 492,044.85	$ 319,829.15
2.			$	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 492,044.85	$ 319,829.15

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 2010 tax bills which were listed in Section A to this statement. Be sure to use the 2010 tax bill which is normally paid during 2011.

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.

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 65,393 B. General Construction Type: Exterior Masonary Frame Steel Number of Stories 2

C. Does the Operating Entity? [ ] (a) Own the Facility [ ] (b) Rent from a Related Organization. [X] (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. [X] (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).

N/A

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? [ ] YES [X] 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 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Facility		1999	$ 1,885,717	1
2			2003	32,884	2
3	TOTALS			$ 1,918,601	3

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

XI. OWNERSHIP COSTS (continued)

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

	1 Beds*	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	
4	148			1999	$ 8,207,461	$ 229,500		$ 229,500	$	$ 2,431,271	4
5	CR 5/31/01 Audit Adj			1999	494,486						5
6	10			2003	478,057						6
7											7
8											8
	Improvement Type**										
9	BUILDING IMPROVEMENTS (Current Year Depreciation)			1999	531	39,518		39,518		633,136	9
10				1999	(531)						10
11	CR 5/31/01 AUDIT ADJ			1999	1,470						11
12				1999	(1,470)						12
13	CR 5/31/01 AUDIT ADJ			1999	73						13
14				1999	(73)						14
15	CR 5/31/01 AUDIT ADJ			1999	449						15
16				1999	(449)						16
17	CR 5/31/01 AUDIT ADJ			2000	14,841						17
18	SECURE CARE SYSTEM			2000	1,134						18
19	MAGNETIC DOOR HOLDER			2000	2,473						19
20	ACCESS DOORS - FIRE DAMPERS			2000	14,790						20
21	ENGINEER COST V#3413 RESIDENT'S ROOMS			2000	1,398						21
22	WALLCOVERING-2ND FL RESIDENTS R			2000	205						22
23	ADDT'L CONSTRUCTION COST-RESIDENTS ROOMS			2000	1,374						23
24	CIRCUITRY SECURE CARE SYSTEM			2000	1,036,860						24
25	SITEWORK			2000	(1,036,860)						25
26	CR 5/31/01 AUDIT ADJ			2000	965						26
27	FENCE			2001	977						27
28	BLOCKING AND PULLY SYSTEM			2001	1,298						28
29	ELECTRICAL ON GENERATOR			2001	103						29
30	FREIGHT ON CARPET			2001	484						30
31	CARPET			2001	626						31
32	CARPET			2003	395,966						32
33	GEN OVERHEAD,ARCHITECT,ENGINEER COSTS			2003	2,646						33
34	MILLWORK			2003	3,248						34
35	CARPET										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

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

XI. OWNERSHIP COSTS (continued)

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

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37	CARPET	2003	$ 840	$		$	$	$	37
38	CARPET	2003	188						38
39	CARPET, BADE AND TILE	2003	2,275						39
40	FREIGHT ON CARPET	2003	60						40
41	FREIGHT ON CARPET	2003	69						41
42	CARPET	2003	835						42
43	ARCHITECT COSTS	2003	848						43
44	ENGINEERING & ARCHITECT COST	2003	1,680						44
45	ENGINEERING & ARCHITECT COST	2003	738						45
46	CERMAIC TILE	2003	2,450						46
47	FREIGHT ON CARPET	2003	69						47
48	VINYL WALL COVERING	2003	148						48
49	CARPET	2003	620						49
50	VINYL WALL COVERING	2003	201						50
51	ENGINEERING COSTS	2003	3,647						51
52	SITE PREPARATION COSTS	2003	71,550						52
53	ADDTL CIVIL ENGINEERING COST	2004	1,800						53
54	ADDTL ARCHITECTURAL COST	2004	30						54
55	CERAMIC TILE	2004	1,093						55
56	CARPET	2004	707						56
57	ENGINEERING COSTS	2004	125						57
58	FREIGHT ON VINYL	2004	62						58
59	INSTALLATION OF COUNTERTOPS AND CONCRETE	2004	12,653						59
60	COMPLETION OF BORDER AND WALL COVERINGS	2004	7,980						60
61	VINYL WALL COVERING	2004	989						61
62	VINYL WALL COVERING	2004	77						62
63	VINYL WALL COVERING	2004	407						63
64	VINYL WALL COVERING	2004	672						64
65	VINYL WALL COVERING	2004	801						65
66	DRYWALL INSTALLATION FOR LAUNDRY ROOM	2004	1,382						66
67	VINYL WALL COVERING	2004	660						67
68	WINDOW TREATMENTS	2004	2,097						68
69	COMPLETE ADDITIONAL WALL VINYL PATCH	2004	450						69
70	TOTAL (lines 4 thru 69)		$ 9,740,735	$ 269,018		$ 269,018	$	$ 3,064,407	70

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

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

XI. OWNERSHIP COSTS (continued)

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

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		$ 9,740,735	$ 269,018		$ 269,018	$	$ 3,064,407	1
2	CARPET	2005	4,450						2
3	VINYL SHEET FOR NURSE STATION	2005	14,330						3
4	DOOR HINGES	2005	1,975						4
5	WALLCOVERING	2006	1,650						5
6	PAINTING & CORNER GUARDS	2003	15,000						6
7	WALLCOVERING	2006	345						7
8	STEEL SERVICE DOOR	2006	9,608						8
9	WALLCOVERING	2006	385						9
10	PAINT/CORNER GUARDS	2006	12,466						10
11	PAINT-DINING ROOM AND BAT	2007	1,875						11
12	DOORS ON ELECTRICAL ROOM	2007	736						12
13	LEGAL FEES V21550	2007	1,725						13
14	ELECTRICAL for Steamer	2007	1,286						14
15	CARPENTRY FOR PANTRY	2008	9,979						15
16	000000000305 T&P VALVES	2008	1,600						16
17	000000000307 0408 WATER HEATERS	2008	1,772						17
18	000000000308 0408 WATER HEATERS	2008	39,500						18
19	000000000309 21 CO2 DETECTORS	2008	5,983						19
20	000000000310 CARPET-2nd Floor Corridor	2008	2,323						20
21	000000000311 FRIEGHT FOR CARPET	2008	443						21
22	000000000317 KITCHEN TILES AND DURAROCK	2008	14,683						22
23	000000000318 2ND FLOOR CARPET	2008	2,873						23
24	000000000326 4 HM DOORS AT ARCADIA & 2ND FLR UTLY I	2009	5,450						24
25	000000000312 PAVING	2008	7,582						25
26	0909 TILE & WALLCOVERING	2009	1,023						26
27	0909 STAINLESS STEEL IN KITCHEN	2009	47,220						27
28	3 SETS OF HM DOORS	2009	12,630						28
29	PVC Fence	2010	10,193						29
30	Metal Door	2010	4,280						30
31	Drywall and Paining for Cove Base	2011	9,243						31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 9,983,346	$ 269,018		$ 269,018	$	$ 3,064,407	34

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

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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	$ 1,678,324	$ 116,071	$ 116,071	$		$ 1,494,282	71
72	Current Year Purchases	158,065						72
73	Fully Depreciated Assets							73
74	Home Office			16,148	16,148			74
75	TOTALS	$ 1,836,389	$ 116,071	$ 132,219	$ 16,148		$ 1,494,282	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)	$ 13,738,336	81	
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 385,089	82	
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 401,237	83	**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 16,148	84	
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 4,558,689	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.

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

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? If NO, see instructions. ☐ YES ☐ NO

		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

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: *

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.	/2012	$
13.	/2013	$
14.	/2014	$

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: $ 63,475 Description: O2 Concentrators, Wheelchairs, Gerichairs, Elect. Bed
(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.

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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.)

1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?
   - [ ] YES
   - [X] NO

   If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - COMMUNITY COLLEGE [ ]
   - HOURS PER CNA ____

3. CLINICAL PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - HOURS PER CNA ____

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		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.

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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

		1	2		3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff Units of Service		Staff Cost	Outside Practitioner (other than consultant) Units	Outside Practitioner (other than consultant) Cost	Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
1	Licensed Occupational Therapist	10a	7353	hrs	$ 255,766	1,382	$ 74,647	$ 1,088	8,735	$ 331,501	1
2	Licensed Speech and Language Development Therapist	10a	3595	hrs	116,923	18	945		3,613	117,868	2
3	Licensed Recreational Therapist	10a		hrs		2,240	120,974		2,240	120,974	3
4	Licensed Physical Therapist	10a	8166	hrs	299,289	1,645	88,822	9,319	9,811	397,430	4
5	Physician Care			visits							5
6	Dental Care			visits							6
7	Work Related Program			hrs							7
8	Habilitation			hrs							8
9	Pharmacy	39, 2		# of prescrpts				512,674		512,674	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)			hrs							10
11	Academic Education			hrs							11
12	Other (specify): IV Therapy						5,456	66,157		71,613	12
13	Other (specify): Xray, Lab	43, 2					86,388			86,388	13
14	TOTAL				$ 671,978	5,285	$ 377,232	$ 589,238	24,399	$ 1,638,448	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.

STATE OF ILLINOIS

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 05/31/11 (last day of reporting year)

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

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 1,520	$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 587,584)	1,246,451		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	4,833		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 1,252,804	$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	1,918,601		13
14	Buildings, at Historical Cost	9,983,347		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	1,836,389		16
17	Accumulated Depreciation (book methods)	(4,558,689)		17
18	Deferred Charges	273,080		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):			23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 9,452,728	$	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 10,705,532	$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 154,957	$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	501,273		30
31	Accrued Taxes Payable (excluding real estate taxes)	84,389		31
32	Accrued Real Estate Taxes(Sch.IX-B)	331,365		32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	Accounts Payable	129,637		36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 1,201,621	$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	12,517,376		39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation	20,675		42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$ 12,538,051	$	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 13,739,672	$	46
47	**TOTAL EQUITY(page 18, line 24)**	$ (3,034,140)	$	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 10,705,532	$	48

***(See instructions.)**

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 **Report Period Beginning:** 06/01/10 **Ending:** 05/31/11

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ 9,787,017	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ 9,787,017	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	496,208	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)**	$ 496,208	17
	B. Transfers (Itemize):		
18	**Change in Interdivision**	(13,317,365)	18
19			19
20			20
21			21
22			22
23	**TOTAL Transfers (sum of lines 18-22)**	$ (13,317,365)	23
24	**BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)**	$ (3,034,140)	24 *

*** This must agree with page 17, line 47.**

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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.

	Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 13,162,065	1
2	Discounts and Allowances for all Levels	(3,591,747)	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 9,570,318	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	2,605,727	6
7	Oxygen	1,398	7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 2,607,125	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	365	12
13	Barber and Beauty Care	19,861	13
14	Non-Patient Meals	3,275	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	549,917	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	39,135	19
20	Radiology and X-Ray		20
21	Other Medical Services	58,158	21
22	Laundry	(1,095)	22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 669,616	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***		25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$	26
	E. Other Revenue (specify):**		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Misc Inc	70	28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 70	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 12,847,129	30

	Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	1,555,728	31
32	Health Care	5,665,742	32
33	General Administration	3,335,642	33
	B. Capital Expense		
34	Ownership	1,003,818	34
	C. Ancillary Expense		
35	Special Cost Centers	703,486	35
36	Provider Participation Fee	86,505	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 12,350,921	40
41	**Income before Income Taxes (line 30 minus line 40)****	496,208	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ 496,208	43

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

**** Does this agree with taxable income (loss) per Federal Income Tax Return? _____ 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.**

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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

(This schedule must cover the entire reporting period.)

		1 # of Hrs. Actually Worked	2** # of Hrs. Paid and Accrued	3 Reporting Period Total Salaries, Wages	4 Average Hourly Wage	
1	Director of Nursing	1,645	1,777	$ 80,721	$ 45.43	1
2	Assistant Director of Nursing	5,969	6,446	221,770	34.40	2
3	Registered Nurses	49,297	53,238	1,572,047	29.53	3
4	Licensed Practical Nurses	13,087	14,133	307,255	21.74	4
5	CNAs & Orderlies	105,046	113,671	1,299,500	11.43	5
6	CNA Trainees	38	41	484	11.80	6
7	Licensed Therapist	19,054	20,572	749,531	36.43	7
8	Rehab/Therapy Aides	6,280	6,780	154,925	22.85	8
9	Activity Director	10,679	11,545	132,684	11.49	9
10	Activity Assistants					10
11	Social Service Workers	7,790	8,419	216,542	25.72	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	26,876	29,054	407,287	14.02	15
16	Dishwashers					16
17	Maintenance Workers	1,844	1,991	54,886	27.57	17
18	Housekeepers	18,199	19,673	235,526	11.97	18
19	Laundry	9,667	10,451	100,400	9.61	19
20	Administrator	2,080	2,080	108,789	52.30	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	25,555	27,641	560,741	20.29	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	2,006	2,170	34,229	15.77	31
32	Other Health Care(specify)					32
33	Other(specify)	974	1,047	14,733	14.07	33
34	TOTAL (lines 1 - 33)	306,086	330,729	$ 6,252,050 *	$ 18.90	34

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

** See instructions.

B. CONSULTANT SERVICES

		1 Number of Hrs. Paid & Accrued	2 Total Consultant Cost for Reporting Period	3 Schedule V Line & Column Reference	
35	Dietary Consultant		$		35
36	Medical Director	Monthly	68,229	9,3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant				39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)		$ 68,229		49

C. CONTRACT NURSES

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

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Lynette Rugg	Administrator	0	$ 86,551
Anshu Raina	Administrator	0	22,238
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			$ 108,789

B. Administrative - Other

Description	Amount
Various Home Office Services	$ 523,935
TOTAL (agree to Schedule V, line 17, col. 3)	$ 523,935
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
Foote, Meyers, Mielke & Flowers, LI	Legal	$ 11,607
Littler Mendelson	Legal	84,326
United Collections Bureau	Collections	(317)
(All above are adjusted off via page 5, Line 22, therefore no invoices attached)		
The Weissman Group	HR/Union Consultant	182
Joint Commission on Accreditation	Consultant	1,915
(Above Consultants are reclassed to Line 21 and 20, respectively, therefore no invoices attached)		
TOTAL (agree to Schedule V, line 19, column 3)		
(If total legal fees exceed $5,000, attach copy of invoices.)		$ 97,713

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 66,031
Unemployment Compensation Insurance	73,261
FICA Taxes	447,105
Employee Health Insurance	378,569
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
Long Term Incentive - Admin	333
Appreciations, Other Benefits & Marketing Adjus	(6,724)
Tuition Program & 401K	51,401
SMSP Company Match	1,421
Employee Uniforms	1,790
Home Office Allocation	46,577
Disability Payments	1,292
TOTAL (agree to Schedule V, line 22, col.8)	$ 1,061,056

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
N/A		$
TOTAL		$

* Attach copy of IMRF notifications

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$ 4,720
Advertising: Employee Recruitment	39,366
Health Care Worker Background Check	13,784
(Indicate # of checks performed 1147)	
Patient Background Checks 204	2,043
Dues/Subs	8,342
Association Dues	15,670
Advertisng	39,708
Reclass Joint Comm on Accreditation	1,915
Less: Non allowable Association Dues	(10,178)
Less: Public Relations Expense	( )
Non-allowable advertising	(39,708)
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 75,662

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	
Includes travel expense to the Home	8,032
Office in Toledo, OH for regional meetings	
Seminar Expense	
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 8,032

**See instructions.

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
1	N/A		$		$	$	$	$	$	$	$	$	$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		$		$	$	$	$	$	$	$	$	$

Facility Name & ID Number Manor Care of Northbrook IL, LLC # 0049676 Report Period Beginning: 06/01/10 Ending: 05/31/11

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. **IHCA $5492**

(3) Did the nursing home make political contributions or payments to a political action organization? **Yes** If YES, have these costs been properly adjusted out of the cost report? **Yes, $10,178**

(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?

(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 Years**

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **98,266** Line **10,2**

(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? **Yes**
If YES, give effective date of lease. **04/07/11**

(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. $ **86,505**
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.

(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. $ **N/A** Has any meal income been offset against related costs? **Yes** Indicate the amount. $ **365**

(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. $
c. What percent of all travel expense relates to transportation of nurses and patients? **N/A**
d. Have vehicle usage logs been maintained? **N/A**
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? **N/A**
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? **N/A**
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. $

(17) Has an audit been performed by an independent certified public accounting firm? **No**
Firm Name:

(18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? **Yes**

(19) If total legal fees are in excess of $5,000, have legal invoices and a summary of services performed been attached to this cost report? **No**
Attach invoices and a summary of services for all architect and appraisal fees.