

		FOR BHF USE					

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2016
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2016)

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.

I. IDPH License ID Number: <u>0039362</u>		II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER																							
Facility Name: <u>Carlinville Estates</u>		I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>10/1/15</u> to <u>9/30/16</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge. Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.																							
Address: <u>1221 South Plum St</u> <u>Carlinville</u> <u>62626</u>																									
Number City Zip Code																									
County: <u>Macoupin</u>																									
Telephone Number: <u>217 854-9443</u> Fax # <u>217-854-9324</u>																									
HFS ID Number: _____		<table><tr><td rowspan="4">Officer or Administrator of Provider</td><td>(Signed) _____</td></tr><tr><td>(Type or Print Name) <u>Richard L. Grader</u></td></tr><tr><td>(Title) <u>President</u></td></tr><tr><td>(Date) _____</td></tr><tr><td rowspan="4">Paid Preparer</td><td>(Signed) _____</td></tr><tr><td>(Print Name and Title) <u>David W. White, C.P.A</u> <u>Partner</u></td></tr><tr><td>(Firm Name & Address) <u>Sikich LLP</u> <u>132 S. Water St, Ste. 300, Decatur, IL 62523</u></td></tr><tr><td>(Telephone) <u>217 423-6000</u> Fax # <u>217-423-6100</u></td></tr></table>		Officer or Administrator of Provider	(Signed) _____	(Type or Print Name) <u>Richard L. Grader</u>	(Title) <u>President</u>	(Date) _____	Paid Preparer	(Signed) _____	(Print Name and Title) <u>David W. White, C.P.A</u> <u>Partner</u>	(Firm Name & Address) <u>Sikich LLP</u> <u>132 S. Water St, Ste. 300, Decatur, IL 62523</u>	(Telephone) <u>217 423-6000</u> Fax # <u>217-423-6100</u>												
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	(Telephone) <u>217 423-6000</u> Fax # <u>217-423-6100</u>																								
Date of Initial License for Current Owners: <u>10/26/94</u>																									
Type of Ownership:																									
<table><tr><td>☐ VOLUNTARY, NON-PROFIT</td><td>☒ PROPRIETARY</td><td>☐ GOVERNMENTAL</td></tr><tr><td>☐ Charitable Corp.</td><td>☐ Individual</td><td>☐ State</td></tr><tr><td>☐ Trust</td><td>☐ Partnership</td><td>☐ County</td></tr><tr><td>IRS Exemption Code _____</td><td>☐ Corporation</td><td>☐ Other _____</td></tr><tr><td></td><td>☒ "Sub-S" Corp.</td><td></td></tr><tr><td></td><td>☐ Limited Liability Co.</td><td></td></tr><tr><td></td><td>☐ Trust</td><td></td></tr><tr><td></td><td>☐ Other _____</td><td></td></tr></table>		☐ VOLUNTARY, NON-PROFIT	☒ PROPRIETARY	☐ GOVERNMENTAL	☐ Charitable Corp.	☐ Individual	☐ State	☐ Trust	☐ Partnership	☐ County	IRS Exemption Code _____	☐ Corporation	☐ Other _____		☒ "Sub-S" Corp.			☐ Limited Liability Co.			☐ Trust			☐ Other _____	
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	☐ Limited Liability Co.																								
	☐ Trust																								
	☐ Other _____																								
In the event there are further questions about this report, please contact:		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																							
Name: <u>David W. White</u> Telephone Number: <u>217-423-6000</u>																									
Email Address: _____																									

Facility Name & ID Number Carlinville Estates

0039362 Report Period Beginning: 10/1/15 Ending: 9/30/16

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	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1		Skilled (SNF)			1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6	16	ICF/DD 16 or Less	16	5,856	6
7	16	TOTALS	16	5,856	7

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF					8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS	5,245			5,245	13
14	TOTALS	5,245			5,245	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 89.57%

D. How many bed-hold days during this year were paid by the Department? 6 (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)

N/A

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

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

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

I. On what date did you start providing long term care at this location?
Date started 12/01/93

J. Was the facility purchased or leased after January 1, 1978?
YES ☒ Date 12/01/93 NO ☐

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

Medicare Intermediary _____

IV. ACCOUNTING BASIS

ACCRUAL ☒ MODIFIED CASH* ☐ CASH* ☐

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

Tax Year: 12/31/16 Fiscal Year: 9/30/16
* All facilities other than governmental must report on the accrual basis.

Facility Name & ID Number Carlinville Estates # 0039362 Report Period Beginning: 10/1/15 Ending: 9/30/16
V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7	Adjusted Total 8	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	A. General Services											
1	Dietary	33,612	1,281	1,446	36,339		36,339		36,339			1
2	Food Purchase		31,823		31,823		31,823		31,823			2
3	Housekeeping	39,848	2,265		42,113		42,113		42,113			3
4	Laundry		2,463		2,463		2,463		2,463			4
5	Heat and Other Utilities			16,672	16,672		16,672		16,672			5
6	Maintenance		1,639	14,352	15,991		15,991		15,991			6
7	Other (specify):*											7
8	TOTAL General Services	73,460	39,471	32,470	145,401		145,401		145,401			8
	B. Health Care and Programs											
9	Medical Director			1,515	1,515		1,515		1,515			9
10	Nursing and Medical Records	108,278	7,752	18,000	134,030		134,030		134,030			10
10a	Therapy			2,173	2,173		2,173		2,173			10a
11	Activities	25,848	2,632		28,480		28,480		28,480			11
12	Social Services	40,062		1,275	41,337		41,337		41,337			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):* Workshop			151,495	151,495		151,495	(151,495)				15
16	TOTAL Health Care and Programs	174,188	10,384	174,458	359,030		359,030	(151,495)	207,535			16
	C. General Administration											
17	Administrative	68,360			68,360		68,360		68,360			17
18	Directors Fees											18
19	Professional Services			15,338	15,338		15,338	(4,920)	10,418			19
20	Dues, Fees, Subscriptions & Promotions			1,790	1,790		1,790	(462)	1,328			20
21	Clerical & General Office Expenses		7,284	7,625	14,909		14,909		14,909			21
22	Employee Benefits & Payroll Taxes			51,425	51,425		51,425	(153)	51,272			22
23	Inservice Training & Education			1,790	1,790		1,790		1,790			23
24	Travel and Seminar			34	34		34		34			24
25	Other Admin. Staff Transportation			11,888	11,888	(2,131)	9,757		9,757			25
26	Insurance-Prop.Liab.Malpractice			6,354	6,354		6,354		6,354			26
27	Other (specify):*											27
28	TOTAL General Administration	68,360	7,284	96,244	171,888	(2,131)	169,757	(5,535)	164,222			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	316,008	57,139	303,172	676,319	(2,131)	674,188	(157,030)	517,158			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.

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					9	10	
	D. Ownership	1	2	3	4	5	6	7	8			
30	Depreciation			10,618	10,618		10,618	9,102	19,720			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			8,544	8,544		8,544	5,751	14,295			32
33	Real Estate Taxes			9,438	9,438		9,438		9,438			33
34	Rent-Facility & Grounds			36,696	36,696		36,696	(36,696)				34
35	Rent-Equipment & Vehicles											35
36	Other (specify):*			942	942		942	(942)				36
37	TOTAL Ownership			66,238	66,238		66,238	(22,785)	43,453			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation					2,131	2,131		2,131			38
39	Ancillary Service Centers											39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			39,621	39,621		39,621	(491)	39,130			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers			39,621	39,621	2,131	41,752	(491)	41,261			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	316,008	57,139	409,031	782,178		782,178	(180,306)	601,872			45

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

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	(151,495)	15		3
4	Non-Patient Meals				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				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				13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions	(160)	20		15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(491)	42		18
19	Entertainment	(153)	22		19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(4,920)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt				24
25	Fund Raising, Advertising and Promotional	(302)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(942)	36		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule				29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (158,463)		\$	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)	(21,843)	30,32,34	34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (21,843)		36
37	(sum of SUBTOTALS TOTAL ADJUSTMENTS (A) and (B))	\$ (180,306)		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.	X		\$ 2,131	25	38
39						39
40	Gift and Coffee Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44						44
45	Other-Attach Schedule		X			45
46	Other-Attach Schedule		X			46
47	TOTAL (C): (sum of lines 38-46)			\$ 2,131		47

Carlville Estates

ID#	0039362
Report Period Beginning:	10/1/15
Ending:	9/30/16

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1		\$		1
2				2
3				3
4				4
5				5
6				6
7				7
8				8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				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	0		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Carlinville Estates # 0039362 Report Period Beginning: 10/1/15 Ending: 9/30/16

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

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	0	0	0	0	0	0	0	0	0	0	0	0	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	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	0	0	0	0	0	0	0	0	0	0	0	0	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	(151,495)	0	0	0	0	0	0	0	0	0	0	(151,495)	15
16	TOTAL Health Care and Programs	(151,495)	0	0	0	0	0	0	0	0	0	0	(151,495)	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	(4,920)	0	0	0	0	0	0	0	0	0	0	(4,920)	19
20	Fees, Subscriptions & Promotions	(462)	0	0	0	0	0	0	0	0	0	0	(462)	20
21	Clerical & General Office Expenses	0	0	0	0	0	0	0	0	0	0	0	0	21
22	Employee Benefits & Payroll Taxes	(153)	0	0	0	0	0	0	0	0	0	0	(153)	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	(5,535)	0	0	0	0	0	0	0	0	0	0	(5,535)	28
	TOTAL Operating Expense													
29	(sum of lines 8,16 & 28)	(157,030)	0	0	0	0	0	0	0	0	0	0	(157,030)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Carlinville Estates # 0039362 Report Period Beginning: 10/1/15 Ending: 9/30/16

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

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
30	Depreciation	0	9,102	0	0	0	0	0	0	0	0	0	9,102	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	0	5,751	0	0	0	0	0	0	0	0	0	5,751	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	0	(36,696)	0	0	0	0	0	0	0	0	0	(36,696)	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify):*	(942)	0	0	0	0	0	0	0	0	0	0	(942)	36
37	TOTAL Ownership	(942)	(21,843)	0	0	0	0	0	0	0	0	0	(22,785)	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	(491)	0	0	0	0	0	0	0	0	0	0	(491)	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	(491)	0	0	0	0	0	0	0	0	0	0	(491)	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(158,463)	(21,843)	0	0	0	0	0	0	0	0	0	(180,306)	45

VII. RELATED PARTIES

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

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Richard L. Grader	100	Carlinville Estates	Carlinville	Two-Can, Inc.	Decatur	Landlord
		Emerald Estates	Canton	R&D LLP	Decatur	Landlord
		Marigold Estates	Pekin			
		Patterson House	Sullivan			

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☐ YES☐ NO

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
1	V	30	Depreciation	\$	Two-Can, Inc	100.00%	\$ 6,908	\$ 6,908	1
2	V	32	Interest		Two-Can, Inc	100.00%	1,595	1,595	2
3	V	34	Rent	29,496	Two-Can, Inc	100.00%		(29,496)	3
4	V	30	Depreciation		R&D LLP	100.00%	2,194	2,194	4
5	V	32	Interest		R&D LLP	100.00%	4,156	4,156	5
6	V	34	Rent	7,200	R&D LLP	100.00%		(7,200)	6
7	V								7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			\$ 36,696			\$ 14,853	\$ * (21,843)	14

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

VII. RELATED PARTIES

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

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30

Facility Name & ID Number Carlinville Estates # 0039362 Report Period Beginning: 10/1/15 Ending: 9/30/16

VII. RELATED PARTIES (continued)

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

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

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Richard L. Grader	President	Administration	100.00	See attached	10	20.00	Wages	\$ 21,752	17,1	1
2	Daniel P. Caulkins	Vice President	Administration		See attached	10	20.00	Wages	21,752	17,1	2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 43,504		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 Carlinville Estates # 0039362 Report Period Beginning: 10/1/15 Ending: 9/30/16

VIII. ALLOCATION OF INDIRECT COSTS

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

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

Name of Related Organization Central Office - Patterson House, Inc
Street Address 636 West Imboden
City / State / Zip Code Decatur IL 62521
Phone Number (217) 422-6510
Fax Number (217) 422-6819

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1		See attached schedule				\$	\$		\$	1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$	\$		\$	25

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

	1	2		3	4	5	6		7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense		
		YES	NO				Original	Balance					
	A. Directly Facility Related												
	Long-Term												
1	Town & Country Bank		X	Mortgage - refinanced		7/1/13	\$ 486,000	\$	9/16/16	3.5000	\$ 12,842	1	
2	Town & Country Bank		X	Vehicle loan		11/14/11	22,500		11/14/15	3.9500	17	2	
3	Related Parties	X		Interest income						0.2200	(622)	3	
4	Hickory Point Bank		X	Mortgage - refinanced		9/16/16	667,200	667,200	9/16/19	3.6500		4	
5												5	
	Working Capital												
6	Town & Country Bank		X	Working Capital		2/9/10	168,000				2,066	6	
7	Town & Country Bank		X	Interest Income							(8)	7	
8	Hickory Point Bank		X	Working Capital		9/16/16	168,000	168,000		3.5000		8	
9	TOTAL Facility Related						\$ 1,511,700	\$ 835,200			\$ 14,295	9	
	B. Non-Facility Related*												
10												10	
11												11	
12												12	
13												13	
14	TOTAL Non-Facility Related						\$	\$			\$	14	
15	TOTALS (line 9+line14)						\$ 1,511,700	\$ 835,200			\$ 14,295	15	

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

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

B. Real Estate Taxes

		Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.			
1. Real Estate Tax accrual used on 2015 report.			\$	8,012	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.)			\$	9,285	2
3. Under or (over) accrual (line 2 minus line 1).			\$	1,273	3
4. Real Estate Tax accrual used for 2016 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	8,165	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)			\$		5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)			\$		6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.			\$	9,438	7
Real Estate Tax History:					
Real Estate Tax Bill for Calendar Year:		2011	6,367	8	
		2012	6,510	9	
		2013	6,579	10	
		2014	6,697	11	
		2015	6,756	12	
Line 2, R/E taxes paid: Carlinville Estates bill \$6,756 + \$2,529 Central Office bill = \$9,285		13	FROM R. E. TAX STATEMENT FOR 2015 \$		13
Line 4, R/E tax accrual: 9/12 Carlinville Estates bill \$5,067 + Central Office bill \$3,098 = \$8,165		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.

2015 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Carlinville Estates COUNTY Macoupin

FACILITY IDPH LICENSE NUMBER 0039362

CONTACT PERSON REGARDING THIS REPORT David W. White C.P.A.

TELEPHONE (217) 423-6000 FAX #: (217) 423-6100

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2015 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 2015.

(A)	(B)	(C)	(D) <u>Tax</u> <u>Applicable to</u> <u>Nursing Home</u>
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	
1. <u>12-001-990-00</u>	<u>Lots 1-12 BLk 21 Hoxsey & Edwards</u>	\$ <u>6,756.34</u>	\$ <u>6,756.34</u>
2. _____	_____	\$ _____	\$ _____
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u><u>6,756.34</u></u>	\$ <u><u>6,756.34</u></u>

B. Real Estate Tax Cost Allocations

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

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

C. Tax Bills

Attach a copy of the original 2015 tax bills which were listed in Section A to this statement. Be sure to use the 2015 tax bill which is normally paid during 2016.

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

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 4,356

B. General Construction Type: Exterior Brick-Vinyl Frame Wood Number of Stories One

C. Does the Operating Entity?

☐ (a) Own the Facility

☒ (b) Rent from a Related Organization.

☐ (c) Rent from Completely Unrelated Organization.

D. Does the Operating Entity?

☒ (a) Own the Equipment

☐ (b) Rent equipment from a Related Organization.

☐ (c) Rent equipment from Completely Unrelated Organization.

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

F. Does this cost report reflect any organization or pre-operating costs which are being amortized?

☐ YES

☒ NO

If so, please complete the following:

1. Total Amount Incurred:

2. Number of Years Over Which it is Being Amortized:

3. Current Period Amortization:

4. Dates Incurred:

Nature of Costs:

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

XI. OWNERSHIP COSTS:

1		2		3		4	
Use		Square Feet		Year Acquired		Cost	
1	Facility	102,379		1993		\$ 18,747	
2							
3	TOTALS	102,379				\$ 18,747	

XI. OWNERSHIP COSTS (continued)

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

	1	2	3	4	5	6	7	8	9	
	Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
4	16		1993	1989	\$ 274,054	\$	39	\$ 6,908	\$ 6,908	\$ 156,921
5										
6										
7										
8	Central Office		2005		79,729		39	2,193	2,193	18,919
	Improvement Type**									
9	Remodel interior		1996		5,000	229	20	229		5,000
10	Bathroom remodel		1999		4,773	239	20	239		4,216
11	Bathroom remodel		2000		2,224	111	20	111		1,788
12	Countertop		2001		749	19	39	19		285
13	New floor		2002		2,300		7			2,300
14	New roof		2002		10,500	525	20	525		7,437
15	Trane furnaces, Qty 2		2005		4,700		7			4,700
16	Carpet		2005		8,349		7			8,349
17	Vinyl floor		2008		1,195		5			1,195
18	Bathroom remodel - seated shower, handheld shower, toilet		2016		5,903	101	39	101		101
19	Bathroom remodel - new tub and toilets		2016		5,792	38	39	38		38
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31	Central office - track lights & receptacles		2009		216	16	20	16		115
32	New roof		2012		3,133	116	39	116		443
33	Permanent landscaping		2015		1,204	173	10	173		188
34										
35										
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 Carlinville Estates

0039362

Report Period Beginning:

10/1/15

Ending:

9/30/16

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			\$	\$		\$	\$	\$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 409,821	\$ 1,567		\$ 10,668	\$ 9,101	\$ 211,995	70

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

XI. OWNERSHIP COSTS (continued)

C. Equipment Costs-Excluding Transportation. (See instructions.)								
	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 86,569	\$ 2,078	\$ 2,078	\$	Varies	\$ 81,562	71
72	Current Year Purchases	1,085	155	155		Varies	155	72
73	Fully Depreciated Assets							73
74								74
75	TOTALS	\$ 87,654	\$ 2,233	\$ 2,233	\$		\$ 81,717	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	Facility	2011 Ford E350 Van	2011	\$ 34,095	\$ 6,819	\$ 6,819	\$	5	\$ 33,526	76
77										77
78										78
79										79
80	TOTALS			\$ 34,095	\$ 6,819	\$ 6,819	\$		\$ 33,526	80

E. Summary of Care-Related Assets					1	2
		Reference			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)			\$ 550,317	
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)			\$ 10,619	
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)			\$ 19,720	
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)			\$ 9,101	
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)			\$ 327,238	

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		\$	\$	\$
87				
88				
89				
90				
91	TOTALS	\$	\$	\$

G. Construction-in-Progress		
	Description	Cost
92		\$
93		
94		
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.

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.

YESNO

		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:

YESNO

Terms:*

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

15. Is Movable equipment rental included in building rental?

YESNO
16. Rental Amount for movable equipment: \$Description:

(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.

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

☒ 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)	\$			

- (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.

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	

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

1		2		3		4		5		6		7		8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)						
			Units of Service	Cost	Units	Cost									
1	Licensed Occupational Therapist		hrs	\$		\$	\$		\$		1				
2	Licensed Speech and Language Development Therapist		hrs								2				
3	Licensed Recreational Therapist		hrs								3				
4	Licensed Physical Therapist		hrs								4				
5	Physician Care		visits								5				
6	Dental Care		visits								6				
7	Work Related Program		hrs								7				
8	Habilitation		hrs								8				
9	Pharmacy		# of prescrpts								9				
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs								10				
11	Academic Education		hrs								11				
12	Other (specify):										12				
13	Other (specify):										13				
14	TOTAL			\$		\$	\$		\$		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.

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	\$ 98,912	\$ 412,367	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	99,977	341,869	3
4	Supply Inventory (priced at cost)	1,674	6,690	4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	5,393	22,469	7
8	Accounts Receivable (owners or related parties)	666,469	2,776,956	8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 872,425	\$ 3,560,350	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		20,550	13
14	Buildings, at Historical Cost		291,187	14
15	Leasehold Improvements, at Historical Cost	56,037	276,938	15
16	Equipment, at Historical Cost	121,749	615,094	16
17	Accumulated Depreciation (book methods)	(151,398)	(845,678)	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):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 26,388	\$ 358,091	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 898,813	\$ 3,918,441	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 11,075	\$ 128,687	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	11,656	53,250	30
31	Accrued Taxes Payable (excluding real estate taxes)	604	2,518	31
32	Accrued Real Estate Taxes(Sch.IX-B)	8,165	38,147	32
33	Accrued Interest Payable	947	3,946	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	Intercompany	64,129		36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 96,576	\$ 226,548	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable		11,586	39
40	Mortgage Payable	835,200	3,480,000	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 835,200	\$ 3,491,586	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 931,776	\$ 3,718,134	46
47	TOTAL EQUITY(page 18, line 24)	\$ (32,963)	\$ 200,307	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 898,813	\$ 3,918,441	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (4,869)	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (4,869)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	55,808	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	(83,902)	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)	\$ (28,094)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (32,963)	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Carlinville Estates

0039362

Report Period Beginning: 10/1/15

Ending:

9/30/16

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

1

	I. Revenue	Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	\$ 653,759	1
2	Discounts and Allowances for all Levels	()	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 653,759	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy		6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	32,646	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 32,646	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	See attached schedule	151,581	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 151,581	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 837,986	30

2

	II. Expenses	Amount	
	A. Operating Expenses		
31	General Services	145,401	31
32	Health Care	359,030	32
33	General Administration	169,756	33
	B. Capital Expense		
34	Ownership	66,238	34
	C. Ancillary Expense		
35	Special Cost Centers	2,131	35
36	Provider Participation Fee	39,621	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 782,178	40
41	Income before Income Taxes (line 30 minus line 40)**	55,808	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 55,808	43

	III. Net Inpatient Revenue detailed by Payer Source		
44	Medicaid - Net Inpatient Revenue	\$ 653,759	44
45	Private Pay - Net Inpatient Revenue		45
46	Medicare - Net Inpatient Revenue		46
47	Other-(specify)		47
48	Other-(specify)		48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	\$ 653,759	49

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? NO 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.

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

(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing			\$	\$	1
2	Assistant Director of Nursing					2
3	Registered Nurses					3
4	Licensed Practical Nurses					4
5	CNAs & Orderlies					5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,156	1,180	11,832	10.03	9
10	Activity Assistants	1,540	1,544	14,015	9.08	10
11	Social Service Workers	2,102	2,278	40,062	17.59	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook	1,888	2,029	22,226	10.95	14
15	Cook Helpers/Assistants	1,219	1,223	11,386	9.31	15
16	Dishwashers					16
17	Maintenance Workers					17
18	Housekeepers	4,099	4,139	39,848	9.63	18
19	Laundry					19
20	Administrator	464	557	16,482	29.59	20
21	Assistant Administrator					21
22	Other Administrative	922	998	43,505	43.59	22
23	Office Manager					23
24	Clerical	457	499	8,374	16.78	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)	11,157	11,254	108,278	9.62	30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	25,004	25,701	\$ 316,008 *	\$ 12.30	34

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

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	30	\$ 1,446	1,3	35
36	Medical Director	\$125/mo	1,515	9,3	36
37	Medical Records Consultant				37
38	Nurse Consultant	379	13,252	10,3	38
39	Pharmacist Consultant				39
40	Physical Therapy Consultant	4	188	10a,3	40
41	Occupational Therapy Consultant	6	313	10a,3	41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant	8	405	10a,3	43
44	Activity Consultant				44
45	Social Service Consultant	16	1,275	12	45
46	Other(specify)				46
47	Psychologist Consultant	16	1,268	10a,3	47
48					48
49	TOTAL (lines 35 - 48)	459	\$ 19,660		49

C. CONTRACT NURSES

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

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions		
Name	Function	%	Amount	Description		Amount	Description	Amount	
Richard L. Grader	Administrative	100	\$ 21,752	Workers' Compensation Insurance		\$ 5,075	IDPH License Fee	\$	
Daniel P. Caulkins	Administrative		21,752	Unemployment Compensation Insurance		2,699	Advertising: Employee Recruitment	172	
Lora A. Dillman	Administrative		15,445	FICA Taxes		23,303	Health Care Worker Background Check		
Jennifer Haseley	Office Assistant		8,374	Employee Health Insurance		13,041	(Indicate # of checks performed 15)		
Nicki Palmer	Administrative		1,037	Employee Meals		386	Patient Background Checks	3	
				Illinois Municipal Retirement Fund (IMRF)*			Dues and subscriptions	365	
				Long Term Care Insurance		1,635	Fees and licenses	791	
				Employee Medical Expenses		794			
				Other Employee Expenses		4,339			
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 68,360				Less: Public Relations Expense	()	
B. Administrative - Other							Non-allowable advertising	()	
Description			Amount				Yellow page advertising	()	
			\$				TOTAL (agree to Sch. V, line 20, col. 8)		
							\$ 1,328		
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$	TOTAL (agree to Schedule V, line 22, col.8)			\$ 51,272		
C. Professional Services				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**		
Vendor/Payee	Type		Amount	Description	Line #	Amount	Description	Amount	
Featherstun, Postlewait et al	Legal		\$ 3,948			\$	Out-of-State Travel	\$	
Sikich	CPA		11,390						
							In-State Travel	34	
							Seminar Expense		
							Entertainment Expense	()	
TOTAL (agree to Schedule V, line 19, column 3) (For legal fee disclosure, see page 39 of instructions)			\$ 15,338	TOTAL		\$	(agree to Sch. V, line 24, col. 8)		
							TOTAL	\$ 34	

*** Attach copy of IMRF notifications**

****See instructions.**

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? No
If YES, give association name and amount. _____
- (3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report? _____
- (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? 7 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 0 Line _____
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. _____
- (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. \$ 39,621
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? Yes 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. \$ 0 Has any meal income been offset against related costs? No Indicate the amount. \$ _____
- (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? Yes If YES, please indicate the amount of income earned from such a program during this reporting period. \$ 2,131
- c. What percent of all travel expense relates to transportation of nurses and patients? N/A
- d. Have vehicle usage logs been maintained? Yes
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? Yes
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? 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) Has a schedule for the legal fees reported on the cost report been provided by the facility? See page 39 of the instructions for details. Yes
Attach invoices and a summary of services for all architect and appraisal fees

Patterson House, Inc.
Carlinville Estates
Emerald Estates
Marigold Estates
Patterson House

(#0039362)

10/1/15 - 9/30/16

Page 6, Part VII, Table B

The facility buildings and land are owned by a related corporation, Two-Can Inc.
Two-Can, Inc. has the same shareholders as Patterson House, Inc.

Two-Can Inc. has the following basis in the buildings and land:

	<u>Buildings</u>	<u>Land</u>
Carlinville Estates	274,054	18,747
Emerald Estates	273,944	18,934
Marigold Estates	273,263	18,622

Interest accrued by Two-Can, Inc. on its mortgage was:

Town & Country Bank	5,849
---------------------	-------

The interest is allocated as follows:

Carlinville Estates	1,595
Emerald Estates	931
Marigold Estates	1,595
Patterson House	<u>1,728</u>
	<u><u>5,849</u></u>

Patterson House, Inc.
Carlinville Estates
Emerald Estates
Marigold Estates
Patterson House

(# 0039362)

10/1/15 - 9/30/16

Page 6, Part VII, B

The Central Office building and land are owned by a related limited liability partnership, R&D LLP. R&D LLP has the same shareholders as Patterson House, Inc.

R&D LLP has the following basis in the building:

Carlinville Estates	79,729
Emerald Estates	79,729
Marigold Estates	79,729
Patterson House	79,729

Interest accrued by R&D LLP on its mortgage was as follows:

Town & Country Bank	<u>15,240</u>
---------------------	---------------

The interest is allocated as follows:

Carlinville Estates	4,156
Emerald Estates	2,425
Marigold Estates	4,157
Patterson House	<u>4,503</u>
	<u><u>15,240</u></u>

Patterson House, Inc.
Carlinville Estates (# 0039362)
Emerald Estates
Marigold Estates
Patterson House

10/1/15 - 9/30/16

Page 7, Part VII, C

Owners' Compensation
10/1/15 - 9/30/16

	<u>Total Compensation</u>	<u>Carlinville Estates</u>	<u>Emerald Estates</u>	<u>Marigold Estates</u>	<u>Patterson House</u>	<u>Elin House (CILA)</u>	<u>Greykin House (CILA)</u>
Richard L. Grader	91,459	21,752	12,688	21,753	23,565	5,020	6,591
Daniel P. Caulkins**	<u>91,459</u>	<u>21,752</u>	<u>12,689</u>	<u>21,752</u>	<u>23,565</u>	<u>5,020</u>	<u>6,591</u>
	<u>182,917</u>	<u>43,504</u>	<u>25,377</u>	<u>43,505</u>	<u>47,131</u>	<u>10,041</u>	<u>13,183</u>

** Daniel P. Caulkins was 50% owner through 9/16/16. This compensation was paid while he was 50% owner.
Richard Grader became 100% owner on 9/16/16.

Patterson House, Inc.
Carlinville Estates
Emerald Estates
Marigold Estates
Patterson House

(# 0039362)

10/1/15 - 9/30/16

Owners' Compensation
10/1/15 - 9/30/16

The owners' compensation included in the cost report is compensation for the following duties:

Richard L. Grader:

- Purchasing
- Approving vendors
- Reviewing accounts receivable
- Following up on billing discrepancies
- Managing cash flow
- Negotiating with the bank
- Bookkeeping
- All financial management functions

Daniel P. Caulkins:

- Operations of the facilities
- Supervising employees
- Dealing with consultants
- Buying supplies
- Inspecting the facilities
- Locating residents
- Dealing with residents' families
- Dealing with government agencies

Both owners:

- Reviewing vendor invoices
- Paying invoices
- Dealing with local day program agencies
- Attending employee meetings
- Recruiting employees
- Dealing with employee complaints

The above duties are not all encompassing.

Patterson House, Inc.
Carlinville Estates (# 0039362)
Emerald Estates
Marigold Estates
Patterson House

Page 8, Part VIII, B

Allocation of Central Office Costs - Fiscal Year Ended September 30, 2016
The group consists of four DD homes (16 beds each) and two CILA homes (10 beds)
All costs of the central office and common costs are allocated as follows:
Carlinville - 24%, Emerald - 14%, Marigold - 24%, Patterson - 26%, CILA's - 12%

Costs for this schedule were determined by finding the sum of those costs in the general ledger which were allocated among the four facilities.

	Total Expense	Carlinville Estates	Emerald Estates	Marigold Estates	Patterson House	CILA Homes	Line Ref
Food costs	934	224	131	224	243	112	1
Housekeeping Supplies	135	32	19	32	35	16	3
Utilities	11,876	2,850	1,663	2,850	3,088	1,425	5
Maintenance	8,564	2,055	1,199	2,055	2,227	1,028	6
Nondepreciable equipment (consumable items)		0	0	0	0	0	7
Nursing Consultant fees	235	56	33	56	61	28	10
Administrative Salaries	217,598	52,223	30,464	52,223	56,575	26,112	17
Professional Services	59,359	15,338	9,942	15,338	16,525	2,216	19
Dues, Fees and Subscriptions	2,209	530	309	530	574	265	20
Contributions	0	0	0	0	0	0	20
Office Supplies	3,618	868	506	868	941	434	21
Other Office Expense	15,263	3,663	2,137	3,663	3,968	1,832	21
Postage	4,534	1,088	635	1,088	1,179	544	21
Telephone	11,504	2,761	1,611	2,761	2,991	1,380	21
Payroll Taxes	18,901	4,536	2,646	4,536	4,914	2,268	22
Group Health Insurance	117,220	28,133	16,411	28,133	30,477	14,066	22
Long-Term Care Insurance	6,811	1,635	954	1,635	1,771	817	22
Workers Comp Insurance	21,147	5,075	2,961	5,075	5,498	2,538	22
Business Meals	341	82	48	82	89	41	22
Entertainment	516	124	72	124	134	62	22
Other Employee Benefits	8,688	2,085	1,216	2,085	2,259	1,043	22
Inservice Training & Education	1,370	329	192	329	356	164	23
Travel and seminars	125	30	18	30	33	15	24
Other Admin/Staff Transportation	30,181	7,244	4,225	7,244	7,847	3,622	25
Insurance	26,477	6,354	3,707	6,354	6,884	3,177	26
Depreciation	4,148	995	581	995	1,078	498	30
Interest Expense	35,666	8,560	4,993	8,560	9,273	4,280	32
Real Estate Taxes	10,987	2,637	1,538	2,637	2,857	1,318	33
Lease - Central Office	34,000	8,160	4,760	8,160	8,840	4,080	34
IL replacement tax	3,923	942	549	942	1,020	471	36
	<u>656,332</u>	<u>158,612</u>	<u>93,518</u>	<u>158,612</u>	<u>171,738</u>	<u>73,853</u>	

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Patterson House, Inc.
Carlinville Estates
Emerald Estates
Marigold Estates
Patterson House

(# 0039362)

10/1/15 - 9/30/16

Page 9, Part IX

Mortgage

The mortgage dated 9/16/16 at Hickory Point Bank is allocated as follows:

Balance @ 9/30/16

2,780,000

Carlinville Estates	667,200
Emerald Estates	389,200
Marigold Estates	667,200
Patterson House	722,800

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Carlinville Estates (#0039362)

10/1/15 - 9/31/16

Page 19, Part XVII

Line 21, Other Medical Services

HAB Aid training reimbursement	<u>32,646</u>
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Line 28, Other Revenue

Refund to Social Security	(3,409)
Earning Credits	1,030
Residents' travel reimbursement	2,131
Gain on asset disposal	309
Miscellaneous income	25
Workshop	<u>151,495</u>
	151,581

**Facility fiscal year end is 9/30/16, tax year end is 12/31/16.

Taxable income will not agree.

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Page 22, Part XX, Line 12

Individual employees may work in several different departments. An individual employee's wages are allocated to the specific departments based on the hours worked in those departments.

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT