

		FOR BHF USE					

LL1

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>0029892</u>		II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER																							
Facility Name: <u>Highland Oaks</u>		I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>01/01/2016</u> to <u>12/31/2016</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>2750 W Highland Ave</u> <u>Elgin</u> <u>60124</u>																									
Number City Zip Code																									
County: <u>Kane</u>																									
Telephone Number: <u>(847) 741-4543</u> Fax # <u>(847) 760-6224</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>Matthew Kinsinger</u></td></tr><tr><td>(Title) <u>Administrator</u></td></tr><tr><td>(Signed) <u>An Accountants' Compilation Report Is Attached</u></td></tr><tr><td rowspan="4">Paid Preparer</td><td>(Print Name and Title) <u>Matthew J. Schambach</u> <u>CPA</u></td></tr><tr><td>(Firm Name & Address) <u>Porte Brown, LLC</u> <u>1752 Capital Street, Suite 400, Elgin, IL 60124</u></td></tr><tr><td>(Telephone) <u>(847) 695-1775</u> Fax # <u>(847) 695-1984</u></td></tr><tr><td>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</td></tr></table>		Officer or Administrator of Provider	(Signed) _____	(Type or Print Name) <u>Matthew Kinsinger</u>	(Title) <u>Administrator</u>	(Signed) <u>An Accountants' Compilation Report Is Attached</u>	Paid Preparer	(Print Name and Title) <u>Matthew J. Schambach</u> <u>CPA</u>	(Firm Name & Address) <u>Porte Brown, LLC</u> <u>1752 Capital Street, Suite 400, Elgin, IL 60124</u>	(Telephone) <u>(847) 695-1775</u> Fax # <u>(847) 695-1984</u>	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												
Officer or Administrator of Provider	(Signed) _____																								
	(Type or Print Name) <u>Matthew Kinsinger</u>																								
	(Title) <u>Administrator</u>																								
	(Signed) <u>An Accountants' Compilation Report Is Attached</u>																								
Paid Preparer	(Print Name and Title) <u>Matthew J. Schambach</u> <u>CPA</u>																								
	(Firm Name & Address) <u>Porte Brown, LLC</u> <u>1752 Capital Street, Suite 400, Elgin, IL 60124</u>																								
	(Telephone) <u>(847) 695-1775</u> Fax # <u>(847) 695-1984</u>																								
	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																								
Date of Initial License for Current Owners: <u>11/07/1985</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 <u>501(c)(3)</u></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 <u>501(c)(3)</u>	☐ Corporation	☐ Other _____		☐ "Sub-S" Corp.	_____		☐ Limited Liability Co.	_____		☐ Trust			☐ Other _____	
☒ VOLUNTARY, NON-PROFIT	☐ PROPRIETARY	☐ GOVERNMENTAL																							
☒ Charitable Corp.	☐ Individual	☐ State																							
☐ Trust	☐ Partnership	☐ County																							
IRS Exemption Code <u>501(c)(3)</u>	☐ Corporation	☐ Other _____																							
	☐ "Sub-S" Corp.	_____																							
	☐ Limited Liability Co.	_____																							
	☐ Trust																								
	☐ Other _____																								
In the event there are further questions about this report, please contact:																									
Name: <u>Matthew Schambach</u> Telephone Number: <u>(847) 695-1775</u>																									
Email Address: _____																									

SEE ACCOUNTANTS' PREPARATION REPORT

Facility Name & ID Number Highland Oaks

0029892 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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

n/a

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	50	Skilled (SNF)	50	18,300	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	50	TOTALS	50	18,300	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	1,455	3,684		5,139	8
9	SNF/PED					9
10	ICF	2,246	10,072		12,318	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	3,701	13,756		17,457	14

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

95.39%

SEE ACCOUNTANTS' PREPARATION REPORT

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)

Guest Meals & Housekeeping Services In Common Area Of Residents

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 11/07/1985

J. Was the facility purchased or leased after January 1, 1978?

YES ☐ Date 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

MODIFIED

ACCRUAL ☒ CASH* ☐ CASH* ☐

Is your fiscal year identical to your tax year?

YES ☒ NO ☐

Tax Year: December 31 Fiscal Year: December 31

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

Facility Name & ID Number Highland Oaks # 0029892 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	279,703	20,500	5,138	305,341	(10,148)	295,193		295,193			1
2	Food Purchase		136,610		136,610	(4,778)	131,832		131,832			2
3	Housekeeping	93,916	15,748		109,664		109,664		109,664			3
4	Laundry	44,613	7,968		52,581		52,581		52,581			4
5	Heat and Other Utilities			55,728	55,728		55,728		55,728			5
6	Maintenance	73,449	9,050	47,740	130,239		130,239		130,239			6
7	Other (specify):* Waste Removal			10,112	10,112		10,112		10,112			7
8	TOTAL General Services	491,681	189,876	118,718	800,275	(14,926)	785,349		785,349			8
	B. Health Care and Programs											
9	Medical Director			2,750	2,750		2,750		2,750			9
10	Nursing and Medical Records	1,758,819	94,256	20,494	1,873,569		1,873,569		1,873,569			10
10a	Therapy	54,062			54,062		54,062		54,062			10a
11	Activities	98,158	6,140	2,560	106,858		106,858		106,858			11
12	Social Services	45,428	315	2,172	47,915		47,915		47,915			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	TOTAL Health Care and Programs	1,956,467	100,711	27,976	2,085,154		2,085,154		2,085,154			16
	C. General Administration											
17	Administrative	78,242			78,242		78,242		78,242			17
18	Directors Fees											18
19	Professional Services			59,949	59,949		59,949	(3,183)	56,766			19
20	Dues, Fees, Subscriptions & Promotions			11,798	11,798		11,798	(1,384)	10,414			20
21	Clerical & General Office Expenses	94,773	6,305	4,303	105,381		105,381		105,381			21
22	Employee Benefits & Payroll Taxes			525,079	525,079	14,926	540,005		540,005			22
23	Inservice Training & Education			5,117	5,117		5,117		5,117			23
24	Travel and Seminar			7,881	7,881		7,881	(90)	7,791			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			39,835	39,835		39,835		39,835			26
27	Other (specify):*											27
28	TOTAL General Administration	173,015	6,305	653,962	833,282	14,926	848,208	(4,657)	843,551			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	2,621,163	296,892	800,656	3,718,711		3,718,711	(4,657)	3,714,054			29

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

SEE ACCOUNTANTS' PREPARATION REPORT

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			251,669	251,669		251,669	(56,700)	194,969			30
31	Amortization of Pre-Op. & Org.											31
32	Interest											32
33	Real Estate Taxes											33
34	Rent-Facility & Grounds			1	1		1	(1)				34
35	Rent-Equipment & Vehicles											35
36	Other (specify):* Asset Retirement Loss			4,138	4,138		4,138		4,138			36
37	TOTAL Ownership			255,808	255,808		255,808	(56,701)	199,107			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers											39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops		397		397		397	(397)				41
42	Provider Participation Fee			134,314	134,314		134,314		134,314			42
43	Other (specify):* MPR&Apt Expense		5,924	60,356	66,280		66,280	(66,280)				43
44	TOTAL Special Cost Centers		6,321	194,670	200,991		200,991	(66,677)	134,314			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	2,621,163	303,213	1,251,134	4,175,510		4,175,510	(128,035)	4,047,475			45

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

SEE ACCOUNTANTS' PREPARATION REPORT

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	(5,832)	43		4
5	Telephone, TV & Radio in Resident Rooms	(3,123)	19		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(493)	30		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	(172)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions	(56,207)	30		15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt				24
25	Fund Raising, Advertising and Promotional	(1,384)	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	(60,824)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (128,035)		\$	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	(sum of SUBTOTALS TOTAL ADJUSTMENTS (A) and (B))	\$ (128,035)		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	\$		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					45
46	Other-Attach Schedule					46
47	TOTAL (C): (sum of lines 38-46)			\$		47

SEE ACCOUNTANTS' PREPARATION REPORT

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Apartment Expense	\$ (43,854)	43	1
2	Non-Care Travel Expense	(90)	24	2
3	Vending Expense	(397)	41	3
4	Multipurpose Room Expense	(92)	43	4
5	Rent On Land Paid To Related Party	(1)	34	5
6	Website Hosting Fees	(60)	19	6
7	Investment Management Fees	(3,356)	43	7
8	Market Depreciation On Investments	(11,574)	43	8
9	Benefit Dinner Expense	(1,400)	43	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	(60,824)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Highland Oaks# 0029892

Report Period Beginning:

01/01/2016

Ending:

12/31/2016

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):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	TOTAL Health Care and Programs	0	0	0	0	0	0	0	0	0	0	0	0	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	(3,183)	0	0	0	0	0	0	0	0	0	0	(3,183)	19
20	Fees, Subscriptions & Promotions	(1,384)	0	0	0	0	0	0	0	0	0	0	(1,384)	20
21	Clerical & General Office Expenses	0	0	0	0	0	0	0	0	0	0	0	0	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	(90)	0	0	0	0	0	0	0	0	0	0	(90)	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	(4,657)	0	0	0	0	0	0	0	0	0	0	(4,657)	28
	TOTAL Operating Expense													
29	(sum of lines 8,16 & 28)	(4,657)	0	0	0	0	0	0	0	0	0	0	(4,657)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Highland Oaks # 0029892 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	(56,700)	0	0	0	0	0	0	0	0	0	0	(56,700)	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	0	0	0	0	0	0	0	0	0	0	0	0	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	(1)	0	0	0	0	0	0	0	0	0	0	(1)	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	(56,701)	0	0	0	0	0	0	0	0	0	0	(56,701)	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	(397)	0	0	0	0	0	0	0	0	0	0	(397)	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	(66,280)	0	0	0	0	0	0	0	0	0	0	(66,280)	43
44	TOTAL Special Cost Centers	(66,677)	0	0	0	0	0	0	0	0	0	0	(66,677)	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(128,035)	0	0	0	0	0	0	0	0	0	0	(128,035)	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
Apostolic Christian Church Of Elgin	100					

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	34	Land Lease	\$ 1	Apostolic Christian Church Of Elgin	100.00%	\$ 1	\$	1
2	V								2
3	V								3
4	V								4
5	V								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			\$ 1			\$ 1	\$ *	14

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

SEE ACCOUNTANTS' PREPARATION REPORT

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

SEE ACCOUNTANTS' PREPARATION REPORT

Facility Name & ID Number Highland Oaks # 0029892 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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									\$		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

SEE ACCOUNTANTS' PREPARATION REPORT

Facility Name & ID Number Highland Oaks # 0029892 Report Period Beginning: 01/01/2016 Ending: 2/31/2016

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

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number
Fax Number

	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						\$	\$			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

SEE ACCOUNTANTS' PREPARATION REPORT

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							\$					\$	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.) SEE ACCOUNTANTS' PREPARATION REPORT

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

2015 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Highland Oaks COUNTY Kane

FACILITY IDPH LICENSE NUMBER 0029892

CONTACT PERSON REGARDING THIS REPORT

TELEPHONE () FAX #: ()

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>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Applicable to</u>
			<u>Nursing Home</u>
1.		\$	\$
2.		\$	\$
3.		\$	\$
4.		\$	\$
5.		\$	\$
6.		\$	\$
7.		\$	\$
8.		\$	\$
9.		\$	\$
10.		\$	\$
TOTALS		\$	\$

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 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: 24,100

B. General Construction Type: Exterior 80%Brick / 20%Cedar

Frame Steel

Number of Stories 1

C. Does the Operating Entity?

☒ (a) Own the Facility

☐ (b) Rent from a Related Organization.

☐ (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.

☐ (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).

Eighteen (18) congregate housing units (apartments) are attached to the nursing home. Utilities are separately metered and costs are handled separately.

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:

A. Land.	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1				\$	1
2					2
3	TOTALS			\$	3

SEE ACCOUNTANTS' PREPARATION REPORT

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	49		1985	1985	\$ 1,990,264	\$ 49,757	40	\$ 49,757		\$ 1,558,692
5			1986	1986	10,064	252	40	252		7,678
6			1987	1987	67,246	1,681	40	1,681		49,591
7			1988	1988	91,817	2,295	40	2,295		65,414
8	1		1999	1999	74,929	1,873	40	1,380	(493)	25,228
	Improvement Type**									
9	Building Improvements - Replace Windows & Labor			2005	28,966	724	40	724		8,438
10	Building Improvements - Replace Windows & Labor			2006	24,955	624	40	624		6,447
11	Building Improvements - Fire Protection System			2011	113,422	4,537	25	4,537		25,709
12	Building Improvements - New Activity Room Shell Construction			2011	161,499	4,037	40	4,037		22,879
13	Building Improvements - New Activity Room Carpentry & Millwork			2011	120,857	8,057	15	8,057		45,657
14	Building Improvements - New Activity Room Aluminum Door			2011	7,070	354	20	354		2,003
15	Building Improvements - New Activity Room Plumbing & Radiant			2011	14,299	953	15	953		5,402
16	Building Improvements - New Activity Room Roofing			2011	8,398	839	10	839		4,759
17	Building Improvements - New Activity Room Electrical System			2011	62,500	3,472	18	3,472		19,676
18	Building Improvements - New Activity Room Painting			2011	12,723	848	5	848		12,723
19	Building Improvements - New Activity Room Accordion Door			2011	5,892	589	10	589		3,339
20	Building Improvements - New Activity Room HVAC System			2011	42,670	2,845	15	2,845		16,120
21	Building Improvements - New Activity Room Cabinets			2011	30,808	2,054	15	2,054		11,639
22	Land Improvements - General Land Improvement			1985	21,667		15			21,667
23	Land Improvements - General Land Improvement			1986	4,800		15			4,800
24	Land Improvements - General Land Improvement			1989	2,069		15			2,069
25	Land Improvements - General Land Improvement			1990	590		15			590
26	Land Improvements - Court Yard			1992	13,298		15			13,298
27	Land Improvements - Front Court Yard			1997	15,126		15			15,126
28	Land Improvements - Sidewalk To Parking Lot			2005	5,315	354	15	354		4,045
29	Land Improvements - Timber Landscape			2009	4,100	410	10	410		3,007
30	Land Improvements - Retaining Walls			2009	7,300	365	20	365		2,646
31	Land Improvements - Landscaping & Court Yard			2010	1,800	180	10	180		1,155
32	Land Improvements - Storm Water Structure & Piping For Downspout			2010	12,477	499	25	499		3,202
33	Land Improvements - Concrete Patio Outside New Activity Room			2011	2,025	135	15	135		765
34	Land Improvements - Fencing Around New Activity Room Patio			2011	3,018	377	8	377		2,075
35	Land Improvements - Landscaping Around New Activity Room Patio			2011	4,560	456	10	456		2,508
36	Land Improvements - New Asphalt Driveway & Parking Lot			2012	44,914	5,614	8	5,614		25,732

*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
SEE ACCOUNTANTS' PREPARATION REPORT

Facility Name & ID Number Highland Oaks

0029892

Report Period Beginning:

01/01/2016 Ending: 12/31/2016

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	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	Land Improvements - Concrete Sidewalks At Building Entrance	2012	\$ 9,527	\$ 635	15	\$ 635	\$	\$ 2,911	37
38	Land Improvements - Landscaping At Building's Front Entrance	2012	6,387	639	10	639		2,928	38
39	Land Improvements - Monument Sign	2014	4,950	330	15	330		825	39
40	Land Improvements - Parking Lot Sealcoating & Stripping	2014	4,770	1,988	2	1,988		4,770	40
41	Land Improvements - Storm Line To Pond	2015	14,625	585	25	585		926	41
42	Building Improvements - General Building Improvements	1987	8,669		20			8,669	42
43	Building Improvements - General Building Improvements	1988	28,461		20			28,461	43
44	Building Improvements - General Building Improvements	1989	500		20			500	44
45	Building Improvements - General Building Improvements	1990	6,091		20			6,091	45
46	Building Improvements - General Building Improvements	1991	6,846		20			6,846	46
47	Building Improvements - Air Conditioner	1992	13,749		20			13,749	47
48	Building Improvements - Light Fixtures	1992	1,331		20			1,331	48
49	Building Improvements - RPZ Valve	1994	885		20			885	49
50	Building Improvements - Code Alert	1997	1,164		10			1,164	50
51	Building Improvements - Patio Door	1998	2,100	105	20	105		1,969	51
52	Building Improvements - Automatic Door	1998	2,029	101	20	101		1,884	52
53	Building Improvements - Garbage Disposal	2000	1,975	99	20	99		1,638	53
54	Building Improvements - Faucets	2001	2,372	119	20	119		1,857	54
55	Building Improvements - Grease Trap	2001	3,769	188	20	188		2,952	55
56	Building Improvements - Door Shades	2001	562	28	20	28		430	56
57	Building Improvements - Damper	2001	710	36	20	36		538	57
58	Building Improvements - Door For PT Room	2001	600	30	20	30		453	58
59	Building Improvements - Drapes For Employee Dining Room	2002	653	33	20	33		485	59
60	Building Improvements - Drapes For Residents Rooms	2002	1,307	65	20	65		964	60
61	Building Improvements - Electromagnetic Front Doors	2003	1,717	86	20	86		1,195	61
62	Building Improvements - Air Conditioner	2003	3,100	155	20	155		2,080	62
63	Building Improvements - Fire Dampers	2003	2,160	108	20	108		1,422	63
64	Building Improvements - Steam Table Restoration	2004	3,700	185	20	185		2,390	64
65	Building Improvements - Hot Water Coil Replacement	2004	3,408	170	20	170		2,187	65
66	Building Improvements - Activity Room Shelving	2004	1,850	92	20	92		1,187	66
67	Building Improvements - Exit Door Alarms At Service Entrance	2004	994	50	20	50		621	67
68	Building Improvements - Smoke Detectors With Office Window	2004	953	48	20	48		583	68
69	Building Improvements - Hot Water Heaters	2005	8,650	432	20	432		5,154	69
70	TOTAL (lines 4 thru 69)		\$ 3,162,002	\$ 100,488		\$ 99,995	\$ (493)	\$ 2,104,124	70

SEE ACCOUNTANTS' PREPARATION REPORT

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

Facility Name & ID Number Highland Oaks

0029892

Report Period Beginning:

01/01/2016 Ending: 12/31/2016

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	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 3,162,002	\$ 100,488		\$ 99,995	\$ (493)	\$ 2,104,124	1
2	<u>Building Improvements - Fire Doors And Wiring</u>	2005	3,230	161	20	161		1,830	2
3	<u>Building Improvements - 3 Wings Security Door Systems</u>	2005	6,600	330	20	330		3,685	3
4	<u>Building Improvements - Duct Detectors</u>	2005	1,167	58	20	58		647	4
5	<u>Building Improvements - Smoke Dampers</u>	2005	4,607	230	20	230		2,553	5
6	<u>Building Improvements - Smoke Detectors</u>	2005	5,159	258	20	258		2,837	6
7	<u>Building Improvements - Elevator Motor Repair</u>	2008	3,846	192	20	192		1,619	7
8	<u>Building Improvements - Generator</u>	2008	2,511		5			2,511	8
9	<u>Building Improvements - Wood Room Doors</u>	2009	8,669	578	15	578		4,479	9
10	<u>Building Improvements - Elevator Pump Motor & Soft Start</u>	2010	5,399	270	20	270		1,845	10
11	<u>Building Improvements - New Tub For Residents</u>	2010	14,963	748	20	748		5,112	11
12	<u>Building Improvements - Upgrade Ansul System & Rewire Hood</u>	2010	5,669	567	10	567		3,543	12
13	<u>Building Improvements - Relocate 5 & Furnish 5 A/C Condensing</u>	2010	36,336	2,422	15	2,422		15,140	13
14	<u>Building Improvements - Drapes / Coverings For Residents Room</u>	2010	2,532		5			2,532	14
15	<u>Building Improvements - Drapes / Coverings For Residents Room</u>	2011	3,129	52	5	52		3,129	15
16	<u>Building Improvements - New Activity Room Sound System</u>	2011	15,382	1,538	10	1,538		8,716	16
17	<u>Building Improvements - New Activity Room Vinyl Flooring</u>	2011	18,937	1,894	10	1,894		10,731	17
18	<u>Building Improvements - New Activity Room Blinds & Window C</u>	2011	4,581	305	5	305		4,581	18
19	<u>Building Improvements - Internal Sewer Line Replacement</u>	2011	9,611	481	20	481		2,643	19
20	<u>Building Improvements - Attic Smoke Walls & Wood Doors</u>	2012	12,000	800	15	800		3,933	20
21	<u>Building Improvements - Sprinkler System Update</u>	2013	3,567	357	10	357		1,367	21
22	<u>Building Improvements - Kitchen A/C & Compressor</u>	2013	13,552	904	15	904		3,162	22
23	<u>Building Improvements - Fire Alarm Panel Replacement</u>	2013	23,000	2,300	10	2,300		7,858	23
24	<u>Building Improvements - Activity Room Automatic Door</u>	2013	5,660	566	10	566		1,887	24
25	<u>Building Improvements - RN Station Leak</u>	2013	4,650	232	20	232		756	25
26	<u>Building Improvements - Water Heaters Replacement</u>	2014	10,600	1,060	10	1,060		3,180	26
27	<u>Building Improvements - Mechanical Door Restrictor For Elevato</u>	2014	3,131	313	10	313		861	27
28	<u>Building Improvements - Dining Room - Carpentry & Millwork</u>	2014	13,919	928	15	928		2,474	28
29	<u>Building Improvements - Dining Room - Acoustical Ceiling</u>	2014	1,500	187	8	187		500	29
30	<u>Building Improvements - Dining Room - Vinyl Tile Flooring</u>	2014	8,346	835	10	835		2,226	30
31	<u>Building Improvements - Dining Room - LED Can Lights & Light</u>	2014	5,825	583	10	583		1,553	31
32	<u>Building Improvements - Admin Offices - Window</u>	2014	1,200	31	39	31		69	32
33	<u>Building Improvements - Admin Offices - Carpentry & Millwork</u>	2014	52,599	3,507	15	3,507		7,890	33
34	TOTAL (lines 1 thru 33)		\$ 3,473,879	\$ 123,175		\$ 122,682	\$ (493)	\$ 2,219,973	34

SEE ACCOUNTANTS' PREPARATION REPORT

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

Facility Name & ID Number Highland Oaks

0029892

Report Period Beginning:

01/01/2016 Ending: 12/31/2016

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	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 3,473,879	\$ 123,175		\$ 122,682	\$ (493)	\$ 2,219,973	1
2	Building Improvements - Admin Offices - Acoustical Ceiling	2014	2,528	316	8	316		711	2
3	Building Improvements - Admin Offices - Cabinets	2014	17,044	1,136	15	1,136		2,557	3
4	Building Improvements - Admin Offices - Countertops	2014	10,104	674	15	674		1,516	4
5	Building Improvements - Admin Offices - Light Fixtures & Electrical	2014	6,800	680	10	680		1,530	5
6	Building Improvements - Admin Offices - Carpeting	2014	4,628	926	5	926		2,082	6
7	Building Improvements - Admin Offices - Wood Doors & Frames	2014	2,151	143	15	143		323	7
8	Building Improvements - Lobby/Hallway Update - Carpentry & Millwork	2015	75,131	5,009	15	5,009		9,600	8
9	Building Improvements - Lobby/Hallway Update - Fixtures & Lighting	2015	7,500	750	10	750		1,437	9
10	Building Improvements - Lobby/Hallway Update - Textured Paper	2015	3,311	662	5	662		1,269	10
11	Building Improvements - Lobby/Hallway Update - Sprinkler System	2015	3,579	143	25	143		274	11
12	Building Improvements - Lobby/Hallway Update - Firepalce & Heating	2015	7,148	715	10	715		1,370	12
13	Building Improvements - Lobby/Hallway Update - Acoustical Ceiling	2015	6,647	831	8	831		1,593	13
14	Building Improvements - Lobby/Hallway Update - Carpeting	2015	2,063	413	5	413		791	14
15	Building Improvements - Lobby/Hallway Update - Ceramic Tiling	2015	6,493	325	20	325		622	15
16	Building Improvements - Lobby/Hallway Update - Vinyl Flooring	2015	15,929	1,593	10	1,593		3,053	16
17	Building Improvements - Beauty Shop/Therapy - Vinyl Flooring	2015	4,495	450	10	450		862	17
18	Building Improvements - Beauty Shop/Therapy - Carpentry & Millwork	2015	6,890	459	15	459		880	18
19	Building Improvements - Spa Ceramic Tiling	2015	12,152	608	20	608		1,114	19
20	Building Improvements - Spa Drainage & Plumbing Update	2015	2,750	137	20	137		252	20
21	Building Improvements - Hallway Update - Textured Paper	2015	6,174	1,235	5	1,235		2,058	21
22	Building Improvements - Hallway Update - Acoustical Ceiling	2015	10,072	1,259	8	1,259		2,098	22
23	Building Improvements - Beauty Shop/Therapy - Cabinets & Countertops	2015	11,093	740	15	740		1,233	23
24	Building Improvements - Hallway Update - Fixtures & Lighting	2015	4,959	496	10	496		785	24
25	Building Improvements - Hallway Update - Vinyl Flooring	2015	19,651	1,965	10	1,965		3,111	25
26	Building Improvements - Toilet Replacement Project	2015	1,991	100	20	100		133	26
27	Building Improvements - ADON/Exam Room - Carpentry & Millwork	2015	15,706	1,047	15	1,047		1,309	27
28	Building Improvements - Desks & Cabinets For SS, Exam, Nurses	2015	10,724	536	20	536		626	28
29	Building Improvements - RN Office / RN Station - Carpentry & Millwork	2015	7,935	529	15	529		573	29
30	Building Improvements - RN Office / RN Station - Vinyl Flooring	2015	9,341	934	10	934		1,012	30
31	Building Improvements - Nurse Call System	2015	41,799	8,359	5	8,359		9,056	31
32	Building Improvements - New Storage Rooms - Carpentry & Millwork	2015	3,394	226	15	226		226	32
33	Land Improvements - Parking Lot Crack Sealing	2016	3,023	252	2	252		252	33
34	TOTAL (lines 1 thru 33)		\$ 3,817,084	\$ 156,823		\$ 156,330	\$ (493)	\$ 2,274,281	34

SEE ACCOUNTANTS' PREPARATION REPORT

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

Facility Name & ID Number Highland Oaks

0029892

Report Period Beginning:

01/01/2016 Ending: 12/31/2016

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	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 3,817,084	\$ 156,823		\$ 156,330	\$ (493)	\$ 2,274,281	1
2	Building Improvements - Med & Storage Room - Carpentry & Mi	2016	31,991	1,422	15	1,422		1,422	2
3	Building Improvements - Med & Storage Room - Vinyl Flooring	2016	2,723	182	10	182		182	3
4	Building Improvements - Med & Storage Room - Acoustical Ceilin	2016	4,821	402	8	402		402	4
5	Building Improvements - ADON Office Plumbing Updates	2016	1,320	38	20	38		39	5
6	Building Improvements - New Compressor On Main A/C Unit	2016	5,811	194	15	194		194	6
7	Building Improvements - Toilet Replacement Project	2016	5,183	130	20	130		130	7
8	Building Improvements - Resident Room Updates - Vinyl Flooring	2016	7,231	362	10	362		362	8
9	Building Improvements - Resident Room Updates - Carpentry & M	2016	6,493	216	15	216		216	9
10	Building Improvements - Re-Key Building Locks	2016	3,172	88	15	88		88	10
11	Building Improvements - Hallway & Bathrooms - Carpentry & M	2016	3,410	76	15	76		76	11
12	Building Improvements - DON Office - Carpeting	2016	750	50	5	50		50	12
13	Building Improvements - DON Office - Carpentry & Millwork	2016	3,063	68	15	68		68	13
14	Building Improvements - Hallway & Bathrooms - Light Fixtures	2016	3,505	117	10	117		117	14
15	Building Improvements - New Doors For Dining Room	2016	4,874	81	15	81		81	15
16	Building Improvements - Resident Room Updates - Carpentry & M	2016	10,507	117	15	117		117	16
17	Building Improvements - Nurse Breakroom & Bathroom - Carpen	2016	3,450	19	15	19		19	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	TOTAL (lines 1 thru 33)		\$ 3,915,388	\$ 160,385		\$ 159,892	\$ (493)	\$ 2,277,844	34

SEE ACCOUNTANTS' PREPARATION REPORT

**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	\$281,894	\$28,643	\$28,643	\$	5/7/10/12/15/	\$125,831	71
72	Current Year Purchases	98,271	5,223	5,223		5/8/10/12/15/20	5,223	72
73	Fully Depreciated Assets	293,317				3/5/10	293,317	73
74								74
75	TOTALS	\$673,482	\$33,866	\$33,866	\$		\$424,371	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	Van - Care Related Use	2006 Ford E-350 Van	2006	\$36,327	\$1,211	\$1,211	\$	10	\$36,327	76
77										77
78										78
79										79
80	TOTALS			\$36,327	\$1,211	\$1,211	\$		\$36,327	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)	\$4,625,197	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$195,462	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$194,969	83
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$(493)	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$2,738,542	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	Apartments-86/91/99/06/09	\$976,558	\$24,414	\$653,352	86
87	Land Improvements-86/90/91/12/14	85,883	2,943	79,799	87
88	Equipment-86/90/91/96/98/99/06/14	98,615	6,192	62,253	88
89	Building Improvements-99-03/06-14/16	287,285	22,139	94,596	89
90	Van-30% Non-Care Related-2006	15,569	519	15,569	90
91	TOTALS	\$1,463,910	\$56,207	\$905,569	91

G. Construction-in-Progress

	Description	Cost	
92	Resident Room Updates & Spa	\$26,953	92
93	Employee Breakroom	10,528	93
94	Apartment Updates	11,706	94
95		\$49,187	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.

SEE ACCOUNTANTS' PREPARATION REPORT

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:
- *

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: \$
- 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

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.	/2017	\$
13.	/2018	\$
14.	/2019	\$

* 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.

SEE ACCOUNTANTS' PREPARATION REPORT

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)	\$			

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.

SEE ACCOUNTANTS' PREPARATION REPORT

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

12345678										
	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.

SEE ACCOUNTANTS' PREPARATION REPORT

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	\$ 517,731	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 17,298)	135,676		3
4	Supply Inventory (priced at cost)	23,531		4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Construction In Progress	49,187		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 726,125	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	255,131		12
13	Land			13
14	Buildings, at Historical Cost	5,265,114		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	823,993		16
17	Accumulated Depreciation (book methods)	(3,651,506)		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): Equity In Insurance Groups	167,622		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 2,860,354	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 3,586,479	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 315,791	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	166,970		30
31	Accrued Taxes Payable (excluding real estate taxes)	7,749		31
32	Accrued Real Estate Taxes(Sch.IX-B)			32
33	Accrued Interest Payable			33
34	Deferred Compensation	61,490		34
35	Federal and State Income Taxes			35
36	Other Current Liabilities(specify):			36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 552,000	\$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
43	Other Long-Term Liabilities(specify):			43
44	Security Deposits	4,500		44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 4,500	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 556,500	\$	46
47	TOTAL EQUITY(page 18, line 24)	\$ 3,029,979	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 3,586,479	\$	48

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 3,038,849	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 3,038,849	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(8,870)	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)	\$ (8,870)	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)	\$ 3,029,979	24 *

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' PREPARATION REPORT

Facility Name & ID Number Highland Oaks

0029892

Report Period Beginning: 01/01/2016

Ending: 12/31/2016

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	\$ 3,939,605	1
2	Discounts and Allowances for all Levels	(247,362)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 3,692,243	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	10,223	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	1,414	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	2,857	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 14,494	23
	D. Non-Operating Revenue		
24	Contributions	172,818	24
25	Interest and Other Investment Income***	8,001	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 180,819	26
	E. Other Revenue (specify).****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Other Revenues	279,084	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 279,084	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 4,166,640	30

2

	II. Expenses	Amount	
	A. Operating Expenses		
31	General Services	800,275	31
32	Health Care	2,085,154	32
33	General Administration	833,282	33
	B. Capital Expense		
34	Ownership	255,808	34
	C. Ancillary Expense		
35	Special Cost Centers	66,677	35
36	Provider Participation Fee	134,314	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 4,175,510	40
41	Income before Income Taxes (line 30 minus line 40)**	(8,870)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (8,870)	43

	III. Net Inpatient Revenue detailed by Payer Source		
44	Medicaid - Net Inpatient Revenue	\$ 569,190	44
45	Private Pay - Net Inpatient Revenue	3,123,053	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)	\$ 3,692,243	49

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

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

SEE ACCOUNTANTS' PREPARATION REPORT

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	1,852	2,093	\$ 89,356	\$ 42.69	1
2	Assistant Director of Nursing	1,852	2,090	83,287	39.85	2
3	Registered Nurses	17,952	19,579	562,088	28.71	3
4	Licensed Practical Nurses	8,801	9,474	255,116	26.93	4
5	CNAs & Orderlies	54,217	57,769	754,610	13.06	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	3,480	3,755	54,062	14.40	8
9	Activity Director	1,792	1,930	32,821	17.01	9
10	Activity Assistants	7,590	8,019	65,337	8.15	10
11	Social Service Workers	2,279	2,409	45,428	18.86	11
12	Dietician					12
13	Food Service Supervisor	1,668	1,807	53,238	29.46	13
14	Head Cook					14
15	Cook Helpers/Assistants	15,160	16,541	226,465	13.69	15
16	Dishwashers					16
17	Maintenance Workers	3,414	3,756	73,449	19.56	17
18	Housekeepers	7,299	7,958	93,916	11.80	18
19	Laundry	2,835	3,094	44,613	14.42	19
20	Administrator	1,639	1,639	78,242	47.74	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager	3,691	4,146	86,990	20.98	23
24	Clerical	892	1,012	7,783	7.69	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					31
32	Other Health Care(specify)					32
33	Other(specify) <u>Nursing Secretary</u>	900	1,097	14,362	13.09	33
34	TOTAL (lines 1 - 33)	137,313	148,168	\$ 2,621,163 *	\$ 17.69	34

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	105	\$ 5,138	1-3	35
36	Medical Director	10	2,750	9-3	36
37	Medical Records Consultant	14	991	10-3	37
38	Nurse Consultant				38
39	Pharmacist Consultant	96	1,800	10-3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	49	2,560	11-3	44
45	Social Service Consultant	24	2,172	12-3	45
46	Other(specify)				46
47	<u>Dental Consultant</u>	8	780	10-3	47
48					48
49	TOTAL (lines 35 - 48)	306	\$ 16,191		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	384	9,955	10-3	52
53	TOTAL (lines 50 - 52)	384	\$ 9,955		53

SEE ACCOUNTANTS' PREPARATION REPORT

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

** See instructions.

XIX. SUPPORT SCHEDULES

A. Administrative Salaries			
Name	Function	%	Amount
Matthew J. Kinsinger	Administrator	0%	\$ 78,242
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			\$ 78,242
B. Administrative - Other			
Description			Amount
			\$
TOTAL (agree to Schedule V, line 17, col. 3)			\$
(Attach a copy of any management service agreement)			
C. Professional Services			
Vendor/Payee	Type		Amount
Borhart Spellmeyer/PorteBrown	CPA,Cost Report,990,Acctg	\$	30,435
Polsinelli, PC	General Legal Matters		4,358
Direct TV	Satellite Television		3,123
Information Controls	Time & Attendance		2,693
Lighthouse / American United Life	Compliance & Pension Reporting		860
MCC Technology	Network Support & Monitoring		8,919
e-Fax Corporate	Fax/Email Service		1,424
Konica Minolta	Copier Service & Support		3,565
A Small Orange	Web Hosting		60
Intuit / QuickBooks	Payroll Processing Fees		4,410
Sam's / Name Cheap / Matt K.	Business Consulting / Domain		102
TOTAL (agree to Schedule V, line 19, column 3)			
(For legal fee disclosure, see page 39 of instructions)			\$ 59,949
D. Employee Benefits and Payroll Taxes			
Description			Amount
Workers' Compensation Insurance		\$	98,876
Unemployment Compensation Insurance			2,145
FICA Taxes			195,952
Employee Health Insurance			141,658
Employee Meals			14,926
Illinois Municipal Retirement Fund (IMRF)*			
Employee Life Insurance			1,713
Employee Pension Expense			61,490
Employee Health Services			3,601
Employee Relations			11,362
Employee Physicals and Hiring			8,282
TOTAL (agree to Schedule V, line 22, col.8)		\$	540,005
E. Schedule of Non-Cash Compensation Paid to Owners or Employees			
Description	Line #		Amount
		\$	
TOTAL		\$	
F. Dues, Fees, Subscriptions and Promotions			
Description			Amount
IDPH License Fee		\$	3,980
Advertising: Employee Recruitment			153
Health Care Worker Background Check (Indicate # of checks performed 20)			
Patient Background Checks 27			300
QuickBooks / Periodicals / Subscriptions			968
Trade Associations/MPLC/Treasury Dept			4,152
City of Elgin/Secretary of State Licenses			805
Advertising & Other Fees			1,440
Less: Public Relations Expense (			)
Non-allowable advertising			(1,384)
Yellow page advertising (			)
TOTAL (agree to Sch. V, line 20, col. 8)		\$	10,414
G. Schedule of Travel and Seminar**			
Description			Amount
Out-of-State Travel		\$	
In-State Travel			
Vehicle Expense			301
Less: Non-Care Vehicle Expense			(90)
Seminar Expense			7,580
Entertainment Expense (			)
(agree to Sch. V, line 24, col. 8)			
TOTAL		\$	7,791

*** Attach copy of IMRF notifications
SEE ACCOUNTANTS' PREPARATION REPORT**

****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? YES
If YES, give association name and amount. Leading Age Illinois - \$3,642

(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? 10

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 39,386 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? 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. \$ 134,314
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? YES 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 benefit on Schedule V. \$ 14,926 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? 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? 0
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? YES
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

SEE ACCOUNTANTS' PREPARATION REPORT

Page 3, Schedule V, Line 7, Other

Expenses related to removal of general waste	\$ 10,112
--	-----------

Page 4, Schedule V, Line 36, Other

Loss On Retirement of Assets	\$ 4,138
------------------------------	----------

Page 4, Schedule V, Line 43, Other Expenses

Apartment Expense	\$ 43,854
Market Depreciation On Investments	11,574
Non-Resident Meal Costs	5,832
Investment Management Fees	3,356
Benefit Dinner Costs	1,400
Miscellaneous Non-Operating Expense (Sales Tax)	172
Multi-Purpose Room Expense	92

Column 4 Total 66,280

Apartment Expense - Page 5A - Non-Allowable Expense	(43,854)
Market Depreciation On Investments - Page 5A - Non-Allowable Expense	(11,574)
Non-Resident Meal Costs - Page 5 - Non-Allowable Expense	(5,832)
Investment Management Fees - Page 5A - Non-Allowable Expense	(3,356)
Benefit Dinner Costs - Page 5A - Non-Allowable Expense	(1,400)
Miscellaneous Non-Operating Expense (Sales Tax) - Page 5 - Non-Allowable Expens	(172)
Multi-Purpose Room Expense - Page 5A - Non-Allowable Expense	(92)

Column 8, Adjusted Total \$ -

Pages 3 & 4, Schedule V, Column 5 Reclassifications

Reclassify Staff Meals <u>From</u> Line 1, Dietary Wages & Supplies	\$ (10,148)
Reclassify Staff Meals <u>From</u> Line 2, Meal Costs	(4,778)
Reclassify Staff Meals <u>To</u> Line 22, Employee Benefits	14,926

Net Effect Of All Reclassifications \$ -

Page 19, Schedule XVII, Line 25, Interest Income

Interest income was not offset against interest expense, as there was no interest expense incurred during 2016.

Page 19, Schedule XVII, Line 28, Other Revenues

Apartment Income	\$	255,162
Market Appreciation On Investments		19,849
Miscellaneous Non-Operating Income		1,940
Miscellaneous Operating Income		1,367
Vending Income		766
Cookbook Sales		-
Activity Income		-
	\$	279,084

Notes:
Vending Expense is already adjusted out of Sch. V, Line 41.
Apartment Expense is already adjusted out of Sch. V, Line 43.
Other Revenues, as detailed above, have not been offset against expenses on Schedule V.

Page 21, Schedule XIX, Section C, Legal Expense

Invoice Date	Payee	Service Description	Allowable Amount
5/24/2016	Polsinelli PC	Employee Lawsuit Against Medical Company & Work Comp Claim	\$ 2,572
6/14/2016	Polsinelli PC	Employee Lawsuit Against Medical Company & Work Comp Claim	338
7/26/2016	Polsinelli PC	General Council On Corporate Matters & Records Retention	187
9/8/2016	Polsinelli PC	General Council On Corporate Matters & Employee Status	347
10/8/2016	Polsinelli PC	General Council On Corporate Matters & Employee Status	234
11/29/2016	Polsinelli PC	Employee Lawsuit Against Medical Company & Work Comp Claim	383
12/28/2016	Polsinelli PC	Employee Lawsuit Against Medical Company & Work Comp Claim	297
			\$ 4,358

Page 21, Schedule XIX, Section D, Pension Expense

Pension Costs For Owners and Related Parties	\$	-
Pension Costs For All Other Employees		61,490
	\$	61,490

Note - 45 employees received pension contributions for year 2016.

Attachment to Page 15, Schedule XIII

Nurse assistants were not trained in Basic Nurse Assistant courses during the reporting period due to our policy to hire nursing assistants who are currently enrolled in a Basic Nurse Assistant Training program or are already listed on the Illinois Nurse Assistant Registry. Our facility had 32 nurse assistants leave employment during 2016 and all replacements met the above requirement.

Attachment to Page 22, Schedule XX, General Information # 12

Employees are hired for a specific department and specific job. However, an employee may cross departments and is paid for those hours worked in that department. Wage costs are allocated based on hours worked in each department.

Attachment to Page 22, Schedule XX, General Information # 14

A portion of the building consists of 18 independent congregate living units. Costs are allocated to this portion of the building on the basis of square footage, exact costs (if able to be determined), and provider estimates of service costs.

2016 Board of Directors and Officers:

Dave Martin, President	24107 W. Grant Highway, Marengo, IL 60152
Don Heiniger, Vice-President	38W644 Arrowmaker Pass, Elgin, IL 60124
Sam Bachtold, Secretary	9974 Tybow Trail, Roscoe, IL 61073
Matt Schambach, Treasurer	8701 S. Rood Road, Kingston, IL 60145
Betty Schlatter	712 Carpenter Avenue, Oak Park, IL 60304
Keith Leman	648 Darlington, Crystal Lake, IL 60014
Chad Heiniger	39W680 McDonald Road, Elgin, IL 60124

Matt Schambach, Treasurer, also provided monthly accounting and consulting services to the home during 2016. These services were paid to Borhart Spellmeyer & Company, LLC and Porte Brown, LLC, the employers of Matt Schambach.

Name	Title	Date	City	State	Seminar Title	Sponsor	Cost
Kathy Neuman	DON	1/28/2016	Elgin	IL	IL Elder Law 2016	PESI	\$ 200
Gretchen Hagerman	RN	2/22/2016	Schaumburg	IL	RAC-CT Certification	Pathway	669
Kathy Neuman	DON	4/5-7/2016	Rosemont	IL	Annual Conference -- Seminar - Food	Leading Age Illinois	603
Sue Sneed	ADON	4/5-7/2017	Rosemont	IL	Annual Conference -- Seminar - Food	Leading Age Illinois	603
Mary Koga	RN	4/5-7/2018	Rosemont	IL	Annual Conference -- Seminar - Food	Leading Age Illinois	602
Liza Garcia	CNA	4/5-7/2019	Rosemont	IL	Annual Conference -- Seminar - Food	Leading Age Illinois	602
Jan Mogler	RN	4/12/2016	Lisle	IL	Neuroscience for Clinicians: Brain Change for Stress, Anxiety	PESI	200
Sue Sneed	ADON	10/1/16	Arlington Heights	IL	Fall Prevention	PESI	210
Liza Garcia	CNA	10/1/16	Arlington Heights	IL	Fall Prevention	PESI	210
NURSE TOTAL:							\$ 3,899
Matt Kinsinger	Administrator	4/5-7/2016	Rosemont	IL	Annual Conference -- Seminar - Food	LeadingAge IL	\$ 405
Matt Kinsinger	Administrator	8/24/2016	Elgin	IL	PBJ Progression: Resolving Challenges Webinar	LeadingAge IL	50
Vicki Kellenberger	Business Manager	8/24/2016	Elgin	IL	PBJ Progression: Resolving Challenges Webinar	LeadingAge IL	49
ADMINISTRATIVE TOTALS:							\$ 504
Angela Kotschi	SS Director	1/28/2016	Elgin	IL	IL Elder Law 2016	PESI	\$ 200
Angela Kotschi	SS Director	4/27-29/15	Rosemont	IL	Annual Conference -- Seminar - Hotel - Food	Leading Age Illinois	660
Angela Kotschi	SS Director	11/11/2016	Elgin	IL	Webinar - Mastering the 5 Phases of Client Flow	Leading Age Illinois	50
SOCIAL SERVICES TOTAL:							\$ 910
Mark Wewetzer	Director of Environmental Svc	4/27-29/15	Rosemont	IL	Annual Conference -- Seminar - Hotel - Food	Leading Age Illinois	\$ 218
ENVIRONMENTAL SERVICES TOTAL:							\$ 218

Name	Title	Date	City	State	Seminar Title	Sponsor	Cost
		1/26, 28, 2/2,					
Carol Steffen	Activity Director	4, 8, 10/16	Des Plaines	IL	Activity Director Course	Oakton College	\$ 458
Carol Steffen	Activity Director	4/27-29/15	Rosemont	IL	Annual Conference -- Seminar - Hotel - Food	Leading Age Illinois	405
Carol Steffen	Activity Director	5/20/2016	Elgin	IL	Food Handler Course	Efood Card	10
Brittany Schambach	Activity Aide	6/1/2016	Elgin	IL	Food Handler Course	Efood Card	10
Katlin Schambach	Activity Aide	6/1/2016	Elgin	IL	Food Handler Course	Efood Card	10
Rex Smithberg	Activity Aide	6/7/2016	Elgin	IL	Food Handler Course	Efood Card	10
Gail Wonneberg	Activity Aide	6/7/2016	Elgin	IL	Food Handler Course	Efood Card	10
Laura Kotschi	Activity Aide	6/8/2016	Elgin	IL	Food Handler Course	Efood Card	10
Isabella Schneider	Activity Aide	6/9/2016	Elgin	IL	Food Handler Course	Efood Card	10
Loni Axford	Activity Aide	6/10/2016	Elgin	IL	Food Handler Course	Efood Card	10
Jennifer Bohyer	Activity Aide	6/14/2016	Elgin	IL	Food Handler Course	Efood Card	10
Carol Steffen	Activity Director	7/13/2016	Elgin	IL	Annual Membership	Fox River Activity Professionals Assn	50
Carol Steffen	Activity Director	11/11/2016	Elgin	IL	Webinar - Mastering the 5 Phases of Client Flow	Leading Age Illinois	50
ACTIVITY TOTAL:							\$ 1,053
Myrna Paulino	Cook/Server	1/22/2016	Elgin	IL	Food Safety Class Prep	EprocessingNetwork.com	\$ 10
Sonia Madrigal	Cook/Server	1/22/2016	Elgin	IL	Food Safety Class Prep	EprocessingNetwork.com	10
Gary Ritchey	Director of Food Svc	4/27-29/15	Rosemont	IL	Annual Conference -- Seminar - Hotel - Food	Leading Age Illinois	218
Gary Ritchey	Director of Food Svc	5/9/2016	Elgin	IL	Food Sanitation Course	Illinois Rood Retailers Assn	195
Myrna Paulino	Cook/Server	5/9/2016	Elgin	IL	Food Sanitation Course	Illinois Rood Retailers Assn	195
Sonia Madrigal	Cook/Server	5/17/2016	Elgin	IL	Food Sanitation Course test/retest	Elgin Community College	159
Karla Pegueros	Dietary Aide	5/17/2016	Elgin	IL	Food Sanitation Course test/retest	Elgin Community College	159
Richard Tovar	Dietary Aide	6/15/2016	Elgin	IL	Food Handler Course	Efood Card	10
Jennifer Tovar	Dietary Aide	6/15/2016	Elgin	IL	Food Handler Course	Efood Card	10
Carolina Martinez	Dietary Aide	6/26/2016	Elgin	IL	Food Handler Course	Efood Card	10
Rosa Duran	Dietary Aide	10/18/2016	Elgin	IL	Food Handler Course	Efood Card	10
Sara Hunt	Dietary Aide	10/25/2016	Elgin	IL	Food Handler Course	Efood Card	10
DIETARY TOTALS:							\$ 996
TOTAL SEMINAR EXPENSE:							\$ 7,580