

		FOR BHF USE			

LL2

Supportive Living Facility

2014

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2014)

IMPORTANT NOTICE

THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN SECTION 146.265 OF THE 89 IL ADMIN CODE. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS.

I. Facility ID Number: 1000075

Facility Name: Hawthorne Inn of Clinton

Address: 1 Park Lane West Clinton 61727

Number City Zip Code

County: Dewitt

Telephone Number: (217) 935-8500 Fax # ()

Federal Employer ID Number:

Date Current Owners were Certified: 01/02/2007

Type of Ownership:

<input type="checkbox"/>	VOLUNTARY, NON-PROFIT	<input type="checkbox"/>	PROPRIETARY	<input type="checkbox"/>	GOVERNMENTAL
<input checked="" type="checkbox"/>	Charitable Corp.	<input type="checkbox"/>	Individual	<input type="checkbox"/>	State
<input type="checkbox"/>	Trust	<input type="checkbox"/>	Partnership	<input type="checkbox"/>	County
	IRS Exemption Code 501 (C) 3	<input type="checkbox"/>	Corporation	<input type="checkbox"/>	Other
		<input type="checkbox"/>	"Sub-S" Corp.	<input type="checkbox"/>	
		<input type="checkbox"/>	Limited Liability Co.	<input type="checkbox"/>	
		<input type="checkbox"/>	Trust	<input type="checkbox"/>	
		<input type="checkbox"/>	Other	<input type="checkbox"/>	

In the event there are further questions about this report, please contact:

Name: Ron Wilson Telephone Number: (309) 343-1550

Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 04/01/2013 to 03/31/2014 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider

(Signed) (Date)

(Type or Print Name) Darcee Fanning

(Title) Regional Director

Paid Preparer

(Signed) (Date)

(Print Name and Title) Larry Templin Partner

(Firm Name & Address) Templin Healthcare Accounting Services, LLP P.O. Box 9, Dunlap, IL 61525

(Telephone) (630) 361-2868 Fax # ()

MAIL TO: BUREAU OF HEALTH FINANCE

IL DEPT OF HEALTHCARE AND FAMILY SERVICES

201 S. Grand Avenue East

Springfield, IL 62763-0001

Phone # (217) 782-1630

Facility Name Hawthorne Inn of Clinton

Report Period Beginning: 04/01/2013 Ending: 03/31/2014

III. STATISTICAL DATA

A. Certified units; enter number of units and unit days

Date of change in certified units N/A

	1	2	3	4	
	Units at Beginning of Report Period	Type of Apartment	Units at End of Report Period	Unit Days During Report Period	
1	15	Single Unit Apartment	15	5,475	1
2	6	Double Unit Apartment	6	2,190	2
3		Other		2,190	3
4	21	TOTALS	21	9,855	4

B. Census-For the entire report period.

	1	2	3	4	5	
	Type of Unit	Resident Days by Unit and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
5	Single Unit	1,227	4,160		5,387	5
6	Double Unit	1,487	697		2,184	6
7	Other	1,194	559		1,753	7
8	TOTALS	3,908	5,416		9,324	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 94.61%

D. Indicate the number of paid bed-hold days the SLF had during this year None Also, indicate the number of unpaid bed-hold days the SLF had during this year. None (Do not include bed-hold days in Section B.)

E. Does page 3 include expenses for services or investments not directly related to SLF services?

YES ☐ NO ☒

F. Does the BALANCE SHEET reflect any non-SLF assets?

YES ☒ NO ☐

G. List all services provided by your facility for non-residents. (E.g., day care, "meals on wheels", outpatient therapy)

None

H. ACCOUNTING BASIS

ACCRUAL ☒ MODIFIED CASH* ☐ CASH* ☐

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

Tax Year: 03/31/2014 Fiscal Year: 03/31/2014

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

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

If no, explain. N/A

K. Does the facility have any loans from the Federal Home Loan Bank outstanding? No If yes, did the facility make all of the required payments of interest and principle? N/A

If no, explain. N/A

L. Does the facility have any loans from the IL Dept of Commerce and Economic Opportunity outstanding? No If yes, did the facility make all of the required payments of interest and principle? N/A

If no, explain. N/A

STATE OF ILLINOIS

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Facility Name: Hawthorne Inn of Clinton

Report Period Beginning:

04/01/2013

Ending:

03/31/2014

IV. COST CENTER EXPENSES (please round to the nearest dollar)

Operating Expenses		Costs Per General Ledger				Reclassifications and Adjustments	Adjusted Total	
		Salary/Wage 1	Supplies 2	Other 3	Total 4			
	A. General Services							
1	Dietary and Food Purchase	332,956	453,397	8,440	794,793	(653,218)	141,575	1
2	Housekeeping, Laundry and Maintenance	327,594	142,982	75,623	546,199	(497,678)	48,521	2
3	Heat and Other Utilities			199,151	199,151	(165,793)	33,358	3
4	Other (specify):							4
5	TOTAL General Services	660,550	596,379	283,214	1,540,143	(1,316,689)	223,454	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	2,826,378	453,588	1,239,292	4,519,258	(4,337,617)	181,641	6
7	Activities and Social Services	144,057	4,216		148,273	(147,848)	425	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	2,970,435	457,804	1,239,292	4,667,531	(4,485,465)	182,066	9
	C. General Administration							
10	Administrative and Clerical	249,075	38,873	1,041,300	1,329,248	(1,262,415)	66,833	10
11	Marketing Materials, Promotions and Advertising	61,294		41,544	102,838	(102,534)	304	11
12	Employee Benefits and Payroll Taxes			621,695	621,695	(575,893)	45,802	12
13	Insurance-Property, Liability and Malpractice			90,569	90,569	(79,575)	10,994	13
14	Other (specify):							14
15	TOTAL General Administration	310,369	38,873	1,795,108	2,144,350	(2,020,417)	123,933	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	3,941,354	1,093,056	3,317,614	8,352,024	(7,822,571)	529,453	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			63,772	63,772	(63,772)		17
18	Interest							18
19	Real Estate Taxes			217,450	217,450	(180,484)	36,966	19
20	Rent -- Facility and Grounds			1,215,036	1,215,036	(1,008,480)	206,556	20
21	Rent -- Equipment			9,014	9,014	(9,014)		21
22	Other (specify):							22
23	TOTAL Ownership			1,505,272	1,505,272	(1,261,750)	243,522	23
24	GRAND TOTAL (Sum of lines 16 and 23)	3,941,354	1,093,056	4,822,886	9,857,296	(9,084,321)	772,975	24

Facility Name: Hawthorne Inn of Clinton

Report Period Beginning 04/01/2013 Ending: 03/31/2014

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses		\$	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants	7	12.24	3
4	Activity Director & Assistants			4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	2	9.83	7
8	Dishwashers			8
9	Maintenance Workers	1	13.21	9
10	Housekeepers	1	12.41	10
11	Laundry	1	8.73	11
12	Managers	1	32.41	12
13	Other Administrative			13
14	Clerical			14
15	Marketing	1	29.47	15
16	Other			16
17	Total (lines 1 thru 16)	14	\$	17

VII. RELATED ORGANIZATIONS

A. Enter below the names of all related organizations. Attach an additional schedule if necessary.

RELATED SLF's & HEALTH CARE BUSINESSES

Name	1	City	2
See Attached Schedule I			

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5
See Attached Schedule I					

B. Does your facility receive services from a parent organization or home office; the costs for which were not included on page 3? YES ☐ NO ☒
Name of related entity: _____ If yes, what is the value of those services? \$ _____
(Please attach a separate schedule itemizing those services.)

C. Does page 3 include any costs derived from transactions (including rent) with related parties? YES ☒ NO ☐
If so, please attach a separate schedule detailing the nature of those services, their costs as they appear on your books and the underlying cost to the related party (i.e., not including markup).

VI. (A) STATEMENT OF COMPENSATION AND OTHER PAYMENTS TO OWNERS, RELATIVES AND MEMBERS OF THE BOARD OF DIRECTORS.

	NAME and FUNCTION	Ownership Interest	Average Hours Per Work Week Devoted to this Business	Amount of Compensation for this Reporting Period	
1	See Att Sch IVa for Directors Fees			\$ 378	1
2					2
3					3
4					4
5					5
Total				\$ 378	6

VI. (B) Management fees paid to unrelated parties Amount of Fee

1		\$	1
2			2
Total		\$	3

Facility Name: Hawthorne Inn of Clinton

Report Period Beginning:

04/01/2013

Ending:

03/31/2014

VIII. OWNERSHIP COSTS

A. Purchase price of land

Year land was acquired

N/A

B. Building Depreciation -- Including Fixed Equipment. Round all numbers to the nearest dollar.

*Total units on this schedule must agree with page 2.

	1 Units*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1					\$	\$		\$	\$	\$	1
2											2
3											3
4											4
5											5
	Improvement Type										
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17	TOTAL (lines 1 thru 16)				\$	\$		\$	\$	\$	17

C. Equipment Depreciation -- Including Transportation.

	Type	1 Cost	2 Current Book Depreciation	3 Straight Line Depreciation	4 Adjustments	5 Life in Years	6 Accumulated Depreciation	
18	Movable Equipment	\$	\$	\$	\$		\$	18
19	Vehicles	50,859				4	50,859	19
20	TOTAL (lines 18 and 19)	\$ 50,859	\$	\$	\$		\$ 50,859	20

D. Depreciable Non-Care Assets Included in General Ledger.

	1 Description and Year Acquired	2 Cost	3 Current Book Depreciation	4 Accumulated Depreciation	
21	SNF Equipment - Various	\$ 439,744	\$ \$ 37,715	\$ \$ 259,187	21
22	SNF Leasehold Impr - Various	251,903	14,286	37,709	22
23	SNF Ford E350 Van - 2005	98,284	11,771	58,690	23
24	TOTALS (lines 21, 22 and 23)	\$ 789,931	\$ 63,772	\$ 355,586	24

Facility Name: Hawthorne Inn of Clinton

Report Period Beginning: 04/01/2013

Ending: 03/31/2014

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?

☒ YES

☐ NO

		1 Year Constructed	2 Number of Units	3 Date of Lease	4 Rental Amount	5 Total Yrs. of Lease	6 Total Years Renewal Option*	
3	Original Building	2004	21	04/15/05	\$ 206,556	10	5	3
4	Additions	2006		/ /				4
5				/ /				5
6				/ /				6
7	TOTAL		21		\$ 206,556			7

8. Is movable equipment rental included in building rental?

☒ YES

☐ NO

9. Rental amount for movable equipment \$ Not Determined

10. If the facility rents any vehicles which are used for care-related purposes, please attach a schedule detailing the model year and make, the rental expense for this period and the use of the vehicle.

X. INTEREST EXPENSE

	1 Name of Lender	2 Related**		3 Purpose of Loan	4 Date of Note	6 Amount of Note		7 Maturity Date	8 Interest Rate (4 Digits)	9 Reporting Period Int. Expense	
		YES	NO			Original	Balance				
	A. Directly Facility Related										
	Long-Term										
1	N/A				/ /	\$	\$	/ /		\$	1
2					/ /			/ /			2
3					/ /			/ /			3
	Working Capital										
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$	\$			\$	7
	B. Non-Facility Related										
8					/ /			/ /			8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$	\$			\$	10

* If there is an option to buy the building, please provide complete details on an attached schedule.

** If there is any overlap in ownership between the facility and the lender, this must be indicated in column 2.

STATE OF ILLINOIS

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Facility Name: Hawthorne Inn of Clinton

Report Period Beginning: 04/01/2013

Ending:

03/31/2014

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 03/31/2014

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 24,467	\$ 24,467	1
2	Cash-Patient Deposits	10,093	10,093	2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance 132,000)	1,845,607	1,845,607	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	53,178	53,178	6
7	Other Prepaid Expenses	3,980	3,980	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,937,325	\$ 1,937,325	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost	244,353	251,903	15
16	Equipment, at Historical Cost	596,437	588,887	16
17	Accumulated Depreciation (book methods)	(406,445)	(406,445)	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)	\$ 434,345	\$ 434,345	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 2,371,670	\$ 2,371,670	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 154,420	\$ 154,420	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	10,093	10,093	28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	99,425	99,425	30
31	Accrued Taxes Payable	375,341	375,341	31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	Interdivisional Payable	2,405,132	2,405,132	35
36	Accrued Expenses	20,590	20,590	36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 3,065,001	\$ 3,065,001	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable			39
40	Bonds Payable			40
41	Deferred Compensation			41
	Other Long-Term Liabilities(specify):			
42	Security Deposits	81,000	81,000	42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 81,000	\$ 81,000	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 3,146,001	\$ 3,146,001	45
46	TOTAL EQUITY	\$ (774,331)	\$ (774,331)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 2,371,670	\$ 2,371,670	47

*(See instructions.)

Facility Name: Hawthorne Inn of Clinton

Report Period Beginning: 04/01/2013

Ending:

03/31/2014

XII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this Schedule to Schedule IV.)

	Revenue	Amount	
	A. SLF Resident Care		
1	Gross SLF Resident Revenue	\$ 1,047,208	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 1,047,208	3
	B. Other Operating Revenue		
4	Special Services		4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care		8
9	Non-Resident Meals		9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income		13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$	14
	D. Other Revenue (specify):		
15	SNF Revenues	9,323,316	15
16	Food Stamp Revenue	11,178	16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 9,334,494	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 10,381,702	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	1,540,143	19
20	Health Care/ Personal Care	4,667,531	20
21	General Administration	2,144,350	21
	B. Capital Expense		
22	Ownership	1,505,272	22
	C. Other Expenses		
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
28	TOTAL EXPENSES (sum of lines 19 thru 27)	\$ 9,857,296	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 524,406	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 524,406	31

FACILITY Hawthorne Inn of Clinton
ID#: 0

BEGINNING: 04/01/2013
ENDING: 03/31/2014

ATTACHED SCHEDULE I

VII. Related Organizations

A.Related SLF's and Health Care Businesses
and Other Related Business Entities

Name	City and State	Type of Business
1 SLF's and Health Care divisions of Residential Alternatives of Illinois, Inc.:		
Hawthorne Inn of Danville	Danville, IL	Skilled nursing facility
Manor Court of Clinton	Clinton, IL	Skilled nursing and supportive living facility
Manor Court of Freeport	Freeport, IL	Skilled nursing facility
Manor Court of Peoria	Peoria, IL	Skilled nursing facility
Manor Court of Peru	Peru, IL	Skilled nursing facility
Manor Court of Princeton	Princeton, IL	Skilled nursing and supportive living facility
Hawthorne Inn of Freeport	Freeport, IL	Supportive living facility
Hawthorne Inn of Peoria	Peoria, IL	Assisted living facility
Hawthorne Inn of Peru	Peru, IL	Assisted living facility
Liberty Estates of Geneseo	Geneseo, IL	Assisted living and independent living facility
Liberty Estates of Streator	Streator, IL	Assisted living and independent living facility
Freeport Rehab & Healthcare	Freeport, IL	Skilled nursing facility
Other facilities operated by Residential Alternatives of Illinois, Inc.		
Liberty Estates of Danville	Danville, IL	Independent living facility
Liberty Estates of Freeport	Freeport, IL	Independent living facility
Liberty Estates of Peoria	Peoria, IL	Independent living facility
Liberty Estates of Peru	Peru, IL	Independent living facility
2 Residential Alternatives of Iowa (common Board of Directors)	Coralville, IA	Long-term care facilities
3 Frances House, Inc.(sole corporate member of Residential Alternatives of Illinois, Inc.) operates the following DD facilities		
Casa Willis	Sterling, IL	
Freeport Terrace	Freeport, IL	

Gordon Jones Terrace	Lanark, IL
Hallam Terrace	Rockford, IL
Hammett House	Sterling, IL
Kanthak House	Ottawa, IL
Olson Terrace	Rockford, IL
Ridge Terrace	Freeport, IL
Rockford Group Homes:	
Cantebury Place	Rockford, IL
Glenwood Villa	Rockford, IL
Rockton Court	Rockford, IL
Rose House	Moline, IL
Seborg Terrace	Rockford, IL
Smith Square	Moline, IL
Stern Square	Sterling, IL
Stouffer Terrace	Oregon, IL

The following facilities (formerly Concepts Plus, Inc. - FH was the sole member) merged with Frances House as of 2/25/14:

Lake County Group Homes:

Lewis Terrace	North Chicago, IL
Seymour Terrace	North Chicago, IL
Waukegan Terrace	Waukegan, IL
Pine Terrace	Waukegan, IL

Frances House, Inc. is also the sole corporate member of the following not-for-profit lessors of Residential Alternatives of Illinois, Inc.

Peoria Manor Court, Ltd., NFP	Galesburg, IL
Peru Becker, Ltd., NFP	Galesburg, IL
Danville Independence, LLC	Galesburg, IL
Hawthorne Inn of Princeton, LLC	Galesburg, IL

4 Pioneer Concepts, Inc (Frances House, Inc is the sole corporate member) operates the following DD facilities

Broadway Terrace	Chicago Heights, IL
Carole Lane Terrace	Sauk Village, IL
Cook County I Group Homes:	
Flossmoor Terrace	Flossmoor, IL
Ravisloe Terrace	Country Club Hills, IL
Spaulding Terrace	Markham, IL

Cook County II Group Homes:

Calumet City Terrace	Calumet City, IL
Dolton Terrace	Dolton, IL
Lynwood Terrace	Lynwood, IL
Holland Terrace	South Holland, IL
Matteson Court	Matteson, IL
Prairie House	Sauk Village, IL
Torrence Place	Sauk Village, IL

5 Pinnacle Opportunities, Inc (Frances House, Inc is the sole corporate member) operated the following facilities
DD facilities

Chamness Square	Bourbannais, IL
Collins Square	Bradley, IL
Hunt Terrace	Kankakee, IL
Kankakee I Group Homes:	
Dearborn Court	Kankakee, IL
River Court	Kankakee, IL
Station Court	Kankakee, IL
Kankakee II Group Homes:	
Eagle Court	Kankakee, IL
Kankakee Court	Kankakee, IL
Roy Court	Bourbannais, IL

CILA facilities

Gravlin Square	Bradley, IL
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6 LTC Support Services, LLC (RAI is one of eight corporate members)
LTC provides consulting services that include, but are not limited to:
training, regulatory compliance, quality assurance programs, human resource support, marketing and maintenance.

Total fees expensed during the current year for SLF portion: 20,202

FACILITY NAME: Hawthorne Inn of Clinton
ID#: 0

BEGINNING: 04/01/2013
ENDING: 03/31/2014

ATTACHED SCHEDULE II

IV. Cost Center Expenses
Reclassifications and Adjustments

Reported on Schedule IV on Line

Description		Adjustments Col 5
Line 11	Non-allowable advertising	(6,183)
See Att Sch IV	Home office allocation	1,268
See Att Sch V	Disallowed SNF Costs	(9,079,406)
Total Adjustments on Schedule IV		(9,084,321)

ATTACHED SCHEDULE III

Bed Listing & Home Office Allocation

Facility	Weighted beds @ 03/31/14					Estate Units 10%	Weighted Average Total	All Homes Percentage of Total	SLF Percentage of Total
	Nursing Home Beds	Sheltered Care Beds	SLF Beds	ALC Beds					
	100%	50%	40%	50%					
Liberty Estates of Danville	0	0	0	0	8	8		0.91%	0.00%
Liberty Estates of Freeport	0	0	0	0	7	7		0.80%	0.00%

Liberty Estates of Peoria	0	0	0	0	8	8	0.91%	0.00%
Liberty Estates of Geneseo	0	0	0	7	3	10	1.14%	0.00%
Liberty Estates of Peru	0	0	0	0	7	7	0.80%	0.00%
Liberty Estates of Streator	0	0	0	10	3	13	1.48%	0.00%
Hawthorne Inn of Danville	76	32	0	0	0	108	12.27%	0.00%
Manor Court of Princeton	112	0	11	0	0	123	13.98%	1.25%
Manor Court of Clinton	134	0	11	0	0	145	16.48%	1.25%
Manor Court of Peoria	50	0	0	0	0	50	5.68%	0.00%
Manor Court of Peru	96	18	0	0	0	114	12.95%	0.00%
Manor Court of Freeport	96	6	0	0	0	102	11.59%	0.00%
Hawthorne Inn of Peoria	0	0	0	34	0	34	3.86%	0.00%
Hawthorne Inn of Peru	0	0	0	34	0	34	3.86%	0.00%
Hawthorne Inn of Freeport	0	0	15	0	0	15	1.70%	1.70%
Freeport Rehab & Healthcare	102	0	0	0	0	102	11.59%	0.00%
	666	56	37	85	36	880	100%	4.20%

FACILITY NAME: Hawthorne Inn of Clinton
ID#: 0

BEGINNING:
ENDING:

04/01/2013
03/31/2014

ATTACHED SCHEDULE IV ALLOCATION OF HOME OFFICE INDIRECT COSTS

SUMMARY SCHEDULE

Sch. V

(See attached detail schedule)

Line #		Salaries	Other	Total
1	Dietary and Food	0	0	-
2	Hskp, Laundry, Main	0	0	-
3	Heat & Other Utilities	0	0	-
4	Other	0	0	-
6	Health Care/personal	0	0	-
7	Activities & Soc Serv	0	0	-
8	Other	0	0	-
1	Admin/Clerical	0	1,056	1,056
1	Mkt, Promo, Adv	0	0	-
1	Emp Ben & PR taxes	0	1	1
1	Insurance	0	211	211
1	Other	0	0	-
1	Depreciation	0	0	-
1	Interest	0	0	-
1	Real Estate Taxes	0	0	-
				-
				-

TOTALS 0 1,268 1,268

Net adjustment required

1,268

FACILITY NAME: Hawthorne Inn of Clinton
ID#: 0

BEGINNING: 04/01/2013
ENDING: 03/31/2014

ATTACHED SCHEDULE IVa ALLOCATION OF INDIRECT COSTS
(Detail Schedule)

Allocation Factors:

SLF Home Office Factor **0.0125**

Schedule	Description	Total Expenses Incurred	Non- Allowable Costs	Costs To Be Allocated	Allocated Total	Adjustment Grouping
V-1-1	Labor-Dietary	0		0	0	0
V-1-2	Supplies-Dietary	0		0	0	0
V-2-1	Labor-Purchasing	0		0	0	0
V-3-3	Utilities	0		0	0	0
V-10-1	Labor - Administrative	0		0	0	
V-10-1	Labor-Clerical	0		0	0	0
V-10-2	Supplies	0		0	0	0
V-10-3	Miscellaneous	0		0	0	
V-10-3	Postage & Shipping	0		0	0	
V-10-3	Equipment	0		0	0	
V-10-3	Equipment Contracts	0		0	0	
V-10-3	Equip Maintenance & Repair	0		0	0	
V-10-3	Telephone	0		0	0	
V-10-3	Board of Directors	30,200		30,200	378	
V-10-3	Legal Fees	27,232		27,232	340	
V-10-3	Professional Services	27,022		27,022	338	
V-10-3	Licenses/Fees/Misc	35		35	0	
V-10-3	Inservice Training	0		0	0	
V-10-3	Travel	0		0	0	
V-10-3	Vehicle Expense	0		0	0	
V-10-3	Bad Debt Expense	1,385,120	1,385,120	0	0	
V-10-3	Contributions	14,084	14,084	0	0	1,056
V-11-3	Advertising - Employment	0		0	0	
V-11-3	Subscriptions & Fees	0		0	0	0

V-12-3	Worker's Compensation	0		0	0	
V-12-3	Other Employee Expense	43		43	1	
V-12-3	FICA	0		0	0	
V-12-3	State Unemployment Tax	0		0	0	
V-12-3	Health Insurance	0		0	0	1
V-13-3	Vehicle Insurance	0		0	0	
V-13-3	Liability Insurance	16,880		16,880	211	
V-13-3	Property Insurance	0		0	0	211
V-17-3	Depreciation Expense	0		0	0	0
V-18-3	Interest Expense	0	0	0	0	
V-18-3	Investment Income	0	0	0	0	0
	TOTALS	1,500,616	1,399,204	101,412	1,268	1,268

Board of Directors Costs:		
John Kniery	6,000.00	
Doug Biederstedt	6,000.00	
Irwin Jann	6,000.00	
Jeff Shaw	6,000.00	
William Kempiners	6,000.00	
Meeting expenses	200.00	
Travel costs	0.00	
Total	30,200.00	

FACILITY NAME: Hawthorne Inn of Clinton
ID#: 0

BEGINNING: 04/01/2013
ENDING: 03/31/2014

Manor Court of Clinton (skilled nursing) and Hawthorne Inn of Clinton (supportive living) are both housed in the same bldg and reported as a single division of Residential Alternatives of Illinois, Inc. Therefore, the divisional income statement and balance sheet report both operations. The SNF related costs have been adjusted out of this cost report

Attached Schedule V

SUMMARY SCHEDULE					
Sch. IV of Allocation of Skilled Nursing Facility Costs					
Line #		Salaries	Supplies	Other	Total
1	Dietary and Food	272,997	371,781	8,440	653,218
2	Hskp, Laundry, Main	294,551	131,083	72,044	497,678
3	Heat & Other Utilities			165,793	165,793
4	Other				-
6	Health Care/personal	2,644,737	453,588	1,239,292	4,337,617
7	Activities & Soc Serv	144,057	3,791		147,848
8	Other				-
10	Admin/Clerical	235,346	31,774	996,351	1,263,471
11	Mkt, Promo, Adv	55,111		41,240	96,351
12	Emp Ben & PR taxes			575,894	575,894
13	Insurance			79,786	79,786
14	Other				-
17	Depreciation			63,772	63,772
18	Interest				-
19	Real Estate Taxes			180,484	180,484
20	Rent			1,008,480	1,008,480
21	Rent Equip			9,014	9,014
TOTALS		3,646,799	992,017	4,440,590	9,079,406

Net adjustment required

9,079,406