

		FOR BHF USE			

LL2

Supportive Living Facility

2017

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2017)

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

County: Dewitt

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

Federal Employer ID Number:

Date Current Owners were Certified: 01/02/2007

Type of Ownership:

VOLUNTARY, NON-PROFIT

X Charitable Corp.

Trust

IRS Exemption Code 501 (C) 3

PROPRIETARY

Individual

Partnership

Corporation

"Sub-S" Corp.

Limited Liability Co.

Trust

Other

GOVERNMENTAL

State

County

Other

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 4/1/16 to 3/31/17 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)

(Type or Print Name) Darcee Fanning

(Title) Regional Director

Paid Preparer

(Signed) SEE ACCOUNTANTS' COMPILATION REPORT

(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

HFS 3745C (N-4-05)

IL478-2471

Facility Name Hawthorne Inn of Clinton Report Period Beginning: 4/1/16 Ending: 3/31/17

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		1,541	3
4	21	TOTALS	21	9,206	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	1,855	3,511		5,366	5
6	Double Unit	2,132	1,329		3,461	6
7	Other					7
8	TOTALS	3,987	4,840		8,827	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 95.88%

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)

H. ACCOUNTING BASIS

ACCRUAL ☒ MODIFIED CASH* ☐ CASH* ☐

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

Tax Year: 3/31/17 Fiscal Year: 3/31/17

* 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

Facility Name: Hawthorne Inn of Clinton

Report Period Beginning:

4/1/16

Ending:

Page 3

3/31/17

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	381,938	467,410	15,906	865,254	(708,627)	156,627	1
2	Housekeeping, Laundry and Maintenance	370,264	97,782	66,820	534,866	(483,707)	51,159	2
3	Heat and Other Utilities			198,771	198,771	(165,517)	33,254	3
4	Other (specify):							4
5	TOTAL General Services	752,202	565,192	281,497	1,598,891	(1,357,851)	241,040	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	3,044,375	532,186	1,264,801	4,841,362	(4,628,754)	212,608	6
7	Activities and Social Services	175,244	2,386		177,630	(177,386)	244	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	3,219,619	534,572	1,264,801	5,018,992	(4,806,140)	212,852	9
	C. General Administration							
10	Administrative and Clerical	251,442	29,652	979,617	1,260,711	(1,200,522)	60,189	10
11	Marketing Materials, Promotions and Advertising	56,165		32,815	88,980	(88,967)	13	11
12	Employee Benefits and Payroll Taxes			598,451	598,451	(549,293)	49,158	12
13	Insurance-Property, Liability and Malpractice			85,130	85,130	(74,471)	10,659	13
14	Other (specify):							14
15	TOTAL General Administration	307,607	29,652	1,696,013	2,033,272	(1,913,253)	120,019	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	4,279,428	1,129,416	3,242,311	8,651,155	(8,077,244)	573,911	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			81,229	81,229	(81,229)		17
18	Interest			64	64	(64)		18
19	Real Estate Taxes			205,260	205,260	(170,366)	34,894	19
20	Rent -- Facility and Grounds			1,374,000	1,374,000	(1,140,420)	233,580	20
21	Rent -- Equipment			20,451	20,451	(20,451)		21
22	Other (specify):							22
23	TOTAL Ownership			1,681,004	1,681,004	(1,412,530)	268,474	23
24	GRAND TOTAL (Sum of lines 16 and 23)	4,279,428	1,129,416	4,923,315	10,332,159	(9,489,774)	842,385	24

Facility Name: Hawthorne Inn of Clinton

Report Period Beginning 4/1/16 Ending: 3/31/17

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	8	12.20	3
4	Activity Director & Assistants			4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	3	10.19	7
8	Dishwashers			8
9	Maintenance Workers	0.3	15.33	9
10	Housekeepers	1	9.50	10
11	Laundry	0.3	9.05	11
12	Managers	1	55.55	12
13	Other Administrative			13
14	Clerical			14
15	Marketing	0.01	28.14	15
16	Other			16
17	Total (lines 1 thru 16)	14	\$ 11.88	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			

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			\$ 301	1
2					2
3					3
4					4
5					5
Total				\$ 301	6

VI. (B) Management fees paid to unrelated parties

		Amount of Fee	
1	RFMS Sch IV Ln 10 C3	\$ 20,769	1
2	LTC Support Services Sch IV Ln 10 C3	21,074	2
Total		\$ 41,843	3

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: N/A If yes, what is the value of those services? \$ N/A

(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).

OTHER RELATED BUSINESS ENTITIES				
<u>Name</u>	<u>3</u>	<u>City</u>	<u>4</u>	<u>Type of Business</u> 5
See Attached Schedule I				

Facility Name: Hawthorne Inn of Clinton

Report Period Beginning:

4/1/16

Ending:

3/31/17

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					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	\$ 505,278	\$ \$ 45,653	\$ \$ 339,840	21
22	SNF Leasehold Improvements	273,637	22,735	107,369	22
23	SNF Ford 350 Van - 2005	51,365	12,841	50,291	23
24	TOTALS (lines 21, 22 and 23)	\$ 830,280	\$ 81,229	\$ 497,500	24

Facility Name: Hawthorne Inn of Clinton Report Period Beginning: 4/1/16 Ending: 3/31/17

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: See Attached Schedule I

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? [X] 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	4/15/05	\$ 233,580	10		3
4	Additions	2006		/ /				4
5				/ /				5
6				/ /				6
7	TOTAL		21		\$ 233,580			7

8. Is movable equipment rental included in building rental?

[X] 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: 4/1/16

Ending:

3/31/17

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 3/31/17

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 80,207	\$ 80,207	1
2	Cash-Patient Deposits	25,500	25,500	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 388,000)	1,962,895	1,962,895	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	57,733	57,733	6
7	Other Prepaid Expenses	1,986	1,986	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,128,321	\$ 2,128,321	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	263,496	273,637	15
16	Equipment, at Historical Cost	617,643	607,502	16
17	Accumulated Depreciation (book methods)	(548,357)	(548,359)	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)	\$ 332,782	\$ 332,780	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 2,461,103	\$ 2,461,101	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 151,225	\$ 151,225	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	25,500	25,500	28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	85,680	85,680	30
31	Accrued Taxes Payable	389,803	389,803	31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	Inter-Company	2,469,173	2,469,173	35
36	Accrued Expenses	16,961	16,961	36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 3,138,342	\$ 3,138,342	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 Deposit	64,475	64,475	42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 64,475	\$ 64,475	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 3,202,817	\$ 3,202,817	45
46	TOTAL EQUITY	\$ (741,714)	\$ (741,716)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 2,461,103	\$ 2,461,101	47

*(See instructions.)

Facility Name: Hawthorne Inn of Clinton

Report Period Beginning: 4/1/16

Ending:

3/31/17

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

		1	
	I. Revenue	Amount	
	A. SLF Resident Care		
1	Gross SLF Resident Revenue	\$ 1,041,506	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 1,041,506	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 Revenue	9,083,543	15
16	Processing Fee	256	16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 9,083,799	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 10,125,305	18

		2	
	II. Expenses	Amount	
	A. Operating Expenses		
19	General Services	1,598,891	19
20	Health Care/ Personal Care	5,018,992	20
21	General Administration	2,033,272	21
	B. Capital Expense		
22	Ownership	1,681,004	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)	\$ 10,332,159	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (206,854)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (206,854)	31
	III. Net Resident Care Revenue detailed by Payer Source		
32	Medicaid - Net Inpatient Revenue	\$ 292,825	32
33	Private Pay - Net Inpatient Revenue	748,681	33
34	Medicare - Net Inpatient Revenue		34
35	Other-(specify)		35
36	Other-(specify)		36
37	TOTAL (This total must agree to Line 3)	\$ 1,041,506	37

FACILITYHawthorne Inn of Clinton

ID#: 0

BEGINNING:4/1/2016

ENDING:3/31/2017

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
Windmill Manor	Carbville, IA	Skilled nursing 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
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
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:		
Canterbury 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	
Ravishke 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	
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:		21,074

SEE ACCOUNTANTS' COMPILATION REPORT

ATTACHED SCHEDULE II

IV. Cost Center Expenses
Reclassifications and Adjustments

Reported on Schedule IV on Line	Description	Adj Col 5
Line 11	Non-allowable advertising	(5,738)
See Att Sch IV	Home office allocation	1,468
See Att Sch V	Disallowed SNF Costs	(9,485,504)
Total Adjustments on Schedule IV		(9,489,774)

ATTACHED SCHEDULE III

Bed Listing & Home Office Allocation

Weighted beds @ 03/31/2017											
Facility	Nursing Home Sheltered		SLF	ALC	Estate	Weighted	All Homes		SNF		
	Beds	Care Beds	Beds	Beds	Units	Average	Percentage	Percentage			
	100%	50%	40%	50%	10%	Total	of Total	of Total			
Liberty Estates of Danville	0	0	0	0	8	8	0.86%	0.00%			
Liberty Estates of Freeport	0	0	0	0	7	7	0.75%	0.00%			
Liberty Estates of Peoria	0	0	0	0	8	8	0.86%	0.00%			
Liberty Estates of Geneseo	0	0	0	7	3	10	1.07%	0.00%			
Liberty Estates of Peru	0	0	0	0	7	7	0.75%	0.00%			
Liberty Estates of Streator	0	0	0	10	3	13	1.40%	0.00%			
Hawthorne Inn of Danville	80	30	0	0	0	110	11.82%	11.82%	14.23%		
Manor Court of Princeton	125	0	11	0	0	136	14.61%	13.43%	16.17%		
Manor Court of Clinton	134	0	11	0	0	145	15.57%	14.39%	17.34%		
Manor Court of Peoria	50	0	0	0	0	50	5.37%	5.37%	6.47%		
Manor Court of Peru	104	13	0	0	0	117	12.57%	12.57%	15.14%		
Manor Court of Freeport	117	0	0	0	0	117	12.57%	12.57%	15.14%		
Windmill Manor	120	0	0	0	0	120	12.89%	12.89%	15.52%		
Hawthorne Inn of Peoria	0	0	0	34	0	34	3.65%	0.00%			
Hawthorne Inn of Peru	0	0	0	34	0	34	3.65%	0.00%			
Hawthorne Inn of Freeport	0	0	15	0	0	15	1.61%	0.00%			
	730	43	37	85	36	931	100%	83.03%	100.00%		
Allocation Stats											
Healthcare Facilities											
	Beds	Days in Year	Base Stat	% of total	% of HC						
Hawthorne Inn of Danville	80	30	110	110	365	40,150	11.82%	14.23%			
Manor Court of Princeton	125	0	125	125	365	45,625	13.43%	16.17%			
Manor Court of Clinton	134	0	134	134	365	48,910	14.39%	17.34%			
Manor Court of Peoria	50	0	50	50	365	18,250	5.37%	6.47%			
Manor Court of Peru	104	13	117	117	365	42,705	12.57%	15.14%			
Manor Court of Freeport	117	0	117	117	365	42,705	12.57%	15.14%			
Windmill Manor	120	0	120	120	365	43,800	12.89%	15.52%			
	730	43			773	282,145	83.03%	100.00%			
Other Facilities											
Liberty Estates of Danville			0	0	8	8	365	2,920	0.86%	5.06%	
Liberty Estates of Freeport			0	0	7	7	365	2,555	0.75%	4.43%	
Liberty Estates of Peoria			0	0	8	8	365	2,920	0.86%	5.06%	
Liberty Estates of Geneseo			0	7	3	10	365	3,650	1.07%	6.33%	
Liberty Estates of Peru			0	0	7	7	365	2,555	0.75%	4.43%	
Liberty Estates of Streator			0	10	3	13	365	4,745	1.40%	8.23%	
Hawthorne Inn of Danville			0	0	0	0	-	0	0.00%	0.00%	
Manor Court of Princeton			11	0	0	11	11	365	4,015	1.18%	6.96%
Manor Court of Clinton			11	0	0	11	11	365	4,015	1.18%	6.96%
Manor Court of Peoria			0	0	0	0	-	0	0.00%	0.00%	
Manor Court of Peru			0	0	0	0	-	0	0.00%	0.00%	
Manor Court of Freeport			0	0	0	0	-	0	0.00%	0.00%	
Windmill Manor			0	0	0	0	-	0	0.00%	0.00%	
Hawthorne Inn of Peoria			0	34	0	34	34	365	12,410	3.65%	21.52%
Hawthorne Inn of Peru			0	34	0	34	34	365	12,410	3.65%	21.52%
Hawthorne Inn of Freeport			15	0	0	15	15	365	5,475	1.61%	9.49%
	0	0	37	85	36	158		57,670	16.97%	100.00%	
Total								339,815	100.00%		

FACILITY NAME: Hawthorne Inn of Clinton
ID#: 37-1223846

BEGINNING:
ENDING:

4/1/2016
3/31/2017

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	1,373	1,373
1	Mkt, Promo, Adv	0	0	-
1	Emp Ben & PR taxes	0	0	-
1	Insurance	0	95	95
1	Other	0	0	-
1	Depreciation	0	0	-
1	Interest	0	0	-
1	Real Estate Taxes	0	0	-
				-
				-

TOTALS	0	1,468	1,468
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Net adjustment required

1,468

SEE ACCOUNTANTS' COMPILATION REPORT

FACILITY NAME: Hawthorne Inn of Clinton
ID#: 37-1223846

BEGINNING: 4/1/2016
ENDING: 3/31/2017

ATTACHED SCHEDULE IVa ALLOCATION OF INDIRECT COSTS
(Detail Schedule)

Allocation Factors:

SLF Home Office Factor 0.0118

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	2,430		2,430	29	
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	25,500		25,500	301	
V-10-3	Legal Fees	40,255		40,255	476	
V-10-3	Professional Services	47,879		47,879	566	
V-10-3	Licenses/Fees/Misc	75		75	1	
V-10-3	Inservice Training			0	0	
V-10-3	Travel			0	0	
V-10-3	Vehicle Expense			0	0	
V-10-3	Bad Debt Expense			0	0	
V-10-3	Contributions			0	0	1,373
V-11-3	Advertising - Employment			0	0	
V-11-3	Subscriptions & Fees			0	0	0
V-12-3	Worker's Compensation			0	0	
V-12-3	Other Employee Expense			0	0	
V-12-3	FICA			0	0	
V-12-3	State Unemployment Tax			0	0	
V-12-3	Health Insurance			0	0	0
V-13-3	Vehicle Insurance			0	0	
V-13-3	Liability Insurance	8,040		8,040	95	
V-13-3	Property Insurance			0	0	95
V-17-3	Depreciation Expense			0	0	0
V-18-3	Interest Expense			0	0	
V-18-3	Investment Income	51,456	51,456	0	0	0
	TOTALS	175,635	51,456	124,179	1,468	1,468

Board of Directors Costs:

John Kniery	4,500.00
Doug Biederstedt	6,000.00
Ben McMahan	3,000.00
Jeff Shaw	6,000.00
William Kempiners	6,000.00
Meeting/Travel exp	

Total	25,500.00
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SEE ACCOUNTANTS' COMPILATION REPORT

FACILITY NAME: Hawthorne Inn of Clinton
ID#: 0

BEGINNING: 4/1/2016
ENDING: 3/31/2017

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	311,500	381,221	15,906	708,627
2	Hskp, Laundry, Main	332,439	88,734	62,534	483,707
3	Heat & Other Utilities			165,517	165,517
4	Other				-
6	Health Care/personal	2,831,767	532,186	1,264,801	4,628,754
7	Activities & Soc Serv	175,244	2,142		177,386
8	Other				-
10	Admin/Clerical	241,410	26,737	933,748	1,201,895
11	Mkt, Promo, Adv	50,427	32,802		83,229
12	Emp Ben & PR taxes			549,293	549,293
13	Insurance			74,566	74,566
14	Other				-
17	Depreciation			81,229	81,229
18	Interest			64	64
19	Real Estate Taxes			170,366	170,366
20	Rent			1,140,420	1,140,420
21	Rent Equip			20,451	20,451
TOTALS		3,942,787	1,063,822	4,478,895	9,485,504

Net adjustment required

9,485,504

SEE ACCOUNTANTS' COMPILATION REPORT