

		FOR BHF USE			

LL2

Supportive Living Facility

2019

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2019)

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: 1000076

Facility Name: Hawthorne Inn of Princeton

Address: 136 North 6th Street Princeton 61356

County: Bureau

Telephone Number: (815) 875-6600 Fax # ()

Federal Employer ID Number:

Date Current Owners were Certified: 01/29/2007

Type of Ownership:

X

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 4/1/18 to 3/31/19 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

Facility Name Hawthorne Inn of Princeton Report Period Beginning: 4/1/18 Ending: 3/31/19

III. STATISTICAL DATA

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

Date of change in certified units / /

	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		1,947	3
4	21	TOTALS	21	9,612	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	905	4,333		5,238	5
6	Double Unit	1,417	770		2,187	6
7	Other	1,382	565		1,947	7
8	TOTALS	3,704	5,668		9,372	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 97.50%

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: 3/31/2019 Fiscal Year: 3/31/19

* 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 principal? 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 principal? 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 principal? N/A

If no, explain. N/A

STATE OF ILLINOIS

Facility Name: Hawthorne Inn of Princeton

Report Period Beginning:

4/1/18

Ending:

Page 3

3/31/19

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	413,621	404,291	9,754	827,666	(658,743)	168,923	1
2	Housekeeping, Laundry and Maintenance	407,133	128,970	56,051	592,154	(513,988)	78,166	2
3	Heat and Other Utilities			260,527	260,527	(206,297)	54,230	3
4	Other (specify):							4
5	TOTAL General Services	820,754	533,261	326,332	1,680,347	(1,379,028)	301,319	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	2,770,355	350,115	1,455,004	4,575,474	(4,319,345)	256,129	6
7	Activities and Social Services	189,578	8,893	160	198,631	(197,450)	1,181	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	2,959,933	359,008	1,455,164	4,774,105	(4,516,795)	257,310	9
	C. General Administration							
10	Administrative and Clerical	354,157	20,987	988,179	1,363,323	(1,255,448)	107,875	10
11	Marketing Materials, Promotions and Advertising	2,259		148,064	150,323	(148,308)	2,015	11
12	Employee Benefits and Payroll Taxes			631,954	631,954	(565,557)	66,397	12
13	Insurance-Property, Liability and Malpractice			119,778	119,778	(102,093)	17,685	13
14	Other (specify):							14
15	TOTAL General Administration	356,416	20,987	1,887,975	2,265,378	(2,071,406)	193,972	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	4,137,103	913,256	3,669,471	8,719,830	(7,967,229)	752,601	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			52,572	52,572	44,056	96,628	17
18	Interest							18
19	Real Estate Taxes			96,000	96,000	(74,880)	21,120	19
20	Rent -- Facility and Grounds			885,798	885,798	(885,798)		20
21	Rent -- Equipment			3,150	3,150	(3,150)		21
22	Other (specify):							22
23	TOTAL Ownership			1,037,520	1,037,520	(919,772)	117,748	23
24	GRAND TOTAL (Sum of lines 16 and 23)	4,137,103	913,256	4,706,991	9,757,350	(8,887,001)	870,349	24

Facility Name: Hawthorne Inn of Princeton

Report Period Beginning 4/1/18 Ending: 3/31/19

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	9.6	12.86	3
4	Activity Director & Assistants			4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	3.4	11.86	7
8	Dishwashers			8
9	Maintenance Workers	0.5	18.58	9
10	Housekeepers	1.2	10.31	10
11	Laundry	0.4	10.05	11
12	Managers	0.4	39.13	12
13	Other Administrative			13
14	Clerical	0.5	16.02	14
15	Marketing	0.0	14.12	15
16	Other			16
17	Total (lines 1 thru 16)	16	\$	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			\$ 211	1
2					2
3					3
4					4
5					5
Total				\$ 211	6

VI. (B) Management fees paid to unrelated parties

		Amount of Fee	
1	RFMS Sch IV Ln 10 C3	\$ 19,129	1
2	LTC Support Services Sch IV Ln 10 C3	26,539	2
Total		\$ 45,668	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).

Facility Name: Hawthorne Inn of Princeton

Report Period Beginning:

4/1/18

Ending:

3/31/19

VIII. OWNERSHIP COSTS

A. Purchase price of land 14,300 Year land was acquired 2009

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	21		2009	2004	\$ 1,663,532	\$	25	\$ 72,976	\$ 72,976	\$ 671,269	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Site Fence & Landscaping			2009	85,359		15	5,691	5,691	53,115	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)				\$ 1,748,891	\$		\$ 78,667	\$ 78,667	\$ 724,384	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	\$ 179,760	\$	\$ 17,961	17,961	10	\$ 167,729	18
19	Vehicles	58,025				4	58,025	19
20	TOTAL (lines 18 and 19)	\$ 237,785	\$	\$ 17,961	17,961		\$ 225,754	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	R/E SNF	\$ 9,889,317	\$ \$ 470,169	\$ \$ 3,764,994	21
22	SNF	926,592	52,572	601,340	22
23					23
24	TOTALS (lines 21, 22 and 23)	\$ 10,815,909	\$ 522,741	\$ 4,366,334	24

Facility Name: Hawthorne Inn of Princeton Report Period Beginning: 4/1/18 Ending: 3/31/19

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*		8. Is movable equipment rental included in building rental? [] YES [X] NO
3	Original Building			/ /	\$ N/A			3	9. Rental amount for movable equipment \$ N/A 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.
4	Additions			/ /				4	
5				/ /				5	
6				/ /				6	
7	TOTAL				\$			7	

X. INTEREST EXPENSE

	1	2		3	4	6		7	8	9	
	Name of Lender	Related**		Purpose of Loan	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	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 Princeton

Report Period Beginning: 4/1/18

Ending:

3/31/19

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 3/31/19

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 198,566	\$ 198,566	1
2	Cash-Patient Deposits	25,392	25,392	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 417,000)	784,914	784,914	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	51,727	51,727	6
7	Other Prepaid Expenses	4,308	4,308	7
8	Accounts Receivable (owners or related parties)	1,773,349		8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,838,256	\$ 1,064,907	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		65,000	13
14	Buildings, at Historical Cost		9,981,735	14
15	Leasehold Improvements, at Historical Cost	457,565	1,244,198	15
16	Equipment, at Historical Cost	527,051	1,525,952	16
17	Accumulated Depreciation (book methods)	(670,285)	(5,316,472)	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)	\$ 314,331	\$ 7,500,413	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 3,152,587	\$ 8,565,320	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 143,767	\$ 143,767	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	25,392	25,392	28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	108,348	108,348	30
31	Accrued Taxes Payable	204,534	204,534	31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	Inter-company		2,861,098	35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 482,041	\$ 3,343,139	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	55,500	55,500	42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 55,500	\$ 55,500	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 537,541	\$ 3,398,639	45
46	TOTAL EQUITY	\$ 2,615,046	\$ 5,166,681	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 3,152,587	\$ 8,565,320	47

*(See instructions.)

Facility Name: Hawthorne Inn of Princeton

Report Period Beginning: 4/1/18

Ending:

3/31/19

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	\$ 1,255,185	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 1,255,185	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	8,193,968	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 8,193,968	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 9,449,153	18

		2	
	II. Expenses	Amount	
	A. Operating Expenses		
19	General Services	1,680,347	19
20	Health Care/ Personal Care	4,774,105	20
21	General Administration	2,265,378	21
	B. Capital Expense		
22	Ownership	1,037,520	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)	\$ 9,757,350	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (308,197)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (308,197)	31
	III. Net Resident Care Revenue detailed by Payer Source		
32	Medicaid - Net Inpatient Revenue	\$ 321,851	32
33	Private Pay - Net Inpatient Revenue	933,334	33
34	Medicare - Net Inpatient Revenue		34
35	Other-(specify)		35
36	Other-(specify)		36
37	TOTAL (This total must agree to Line 3)	\$ 1,255,185	37

FACILITY Hawthorne Inn of Princeton
ID#: 37-1223846

BEGINNING: 4/1/2018
ENDING: 3/31/2019

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	Coralville, 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
Hawthorne Inn of Rochelle	Rochelle, 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
Ravishaw 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:	
Deurborn 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 expended during the current year for SLF portion: 26,539

SEE ACCOUNTANTS' COMPILATION REPORT

ATTACHED SCHEDULE II

IV. Cost Center Expenses
Reclassifications and Adjustments

Reported on Schedule IV on Line	Description	Adj Col 5
See Att Sch IV	Home office allocation	850
See Att Sch V	Eliminate SNF Expenses	(8,789,603)
See Att Sch VII	Eliminate R/E Entity Rent	(194,876)
See Att Sch VII	Real Estate Entity Costs	96,628
Total Adjustments on Schedule IV		(8,887,001)

ATTACHED SCHEDULE III

Bed Listing & Home Office Allocation

Weighted beds @ 03/31/2018										
Facility	Nursing Home		SLF	ALC	Estate	Weighted	All Homes		SNF	
	Beds	Care Beds	Beds	Beds	Units	Average	Percentage	Percentage	Percentage	Percentage
	100%	50%	40%	50%	10%	Total	of Total	of Total	of Total	of Total
Liberty Estates of Danville	0	0	0	0	8	8	0.83%	0.00%		
Liberty Estates of Freeport	0	0	0	0	7	7	0.73%	0.00%		
Liberty Estates of Peoria	0	0	0	0	8	8	0.83%	0.00%		
Liberty Estates of Geneseo	0	0	0	7	3	10	1.04%	0.00%		
Liberty Estates of Peru	0	0	0	0	7	7	0.73%	0.00%		
Liberty Estates of Streator	0	0	0	10	3	13	1.36%	0.00%		
Hawthorne Inn of Danville	80	30	0	0	0	110	11.47%	11.47%		14.14%
Manor Court of Princeton	125	0	11	0	0	136	14.18%	13.03%		16.07%
Manor Court of Clinton	134	0	11	0	0	145	15.12%	13.97%		17.22%
Manor Court of Peoria	50	0	0	0	0	50	5.21%	5.21%		6.43%
Manor Court of Peru	114	8	0	0	0	122	12.72%	12.72%		15.68%
Manor Court of Freeport	117	0	0	0	0	117	12.20%	12.20%		15.04%
Windmill Manor	120	0	0	0	0	120	12.51%	12.51%		15.42%
Hawthorne Inn of Peoria	0	0	0	34	0	34	3.55%	0.00%		
Hawthorne Inn of Peru	0	0	0	34	0	34	3.55%	0.00%		
Hawthorne Inn of Freeport	0	0	15	0	0	15	1.56%	0.00%		
Hawthorne Inn of Rochelle				23		23	2.40%	0.00%		
	740	38	37	108	36	959	100%	81.13%		100.00%
Allocation Stats										
Healthcare Facilities										
	Beds		Days in Year	Base Stat	% of total	% of HC				
Hawthorne Inn of Danville	80	30	110	365	40,150	11.47%	14.14%			
Manor Court of Princeton	125	0	125	365	45,625	13.03%	16.07%			
Manor Court of Clinton	134	0	134	365	48,910	13.97%	17.22%			
Manor Court of Peoria	50	0	50	365	18,250	5.21%	6.43%			
Manor Court of Peru	114	8	122	365	44,530	12.72%	15.68%			
Manor Court of Freeport	117	0	117	365	42,705	12.20%	15.04%			
Windmill Manor	120	0	120	365	43,800	12.51%	15.42%			
	740	38		778	283,970	81.13%	100.00%			
Other Facilities										
Liberty Estates of Danville			0	0	8	8	365	2,920	0.83%	4.42%
Liberty Estates of Freeport			0	0	7	7	365	2,555	0.73%	3.87%
Liberty Estates of Peoria			0	0	8	8	365	2,920	0.83%	4.42%
Liberty Estates of Geneseo			0	7	3	10	365	3,650	1.04%	5.52%
Liberty Estates of Peru			0	0	7	7	365	2,555	0.73%	3.87%
Liberty Estates of Streator			0	10	3	13	365	4,745	1.36%	7.18%
Hawthorne Inn of Danville			0	0	0	0	-	0	0.00%	0.00%
Manor Court of Princeton			11	0	0	11	365	4,015	1.15%	6.08%
Manor Court of Clinton			11	0	0	11	365	4,015	1.15%	6.08%
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	365	12,410	3.55%	18.78%
Hawthorne Inn of Peru			0	34	0	34	365	12,410	3.55%	18.78%
Hawthorne Inn of Freeport			15	0	0	15	365	5,475	1.56%	8.29%
Hawthorne Inn of Rochelle			0	23	0	23	365	8,395	2.40%	12.71%
	0	0	37	108	36	181		66,065	18.87%	100.00%
Total										
								350,035	100.00%	

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

BEGINNING: 4/1/2018
ENDING: 3/31/2019

ATTACHED SCHEDULE IV ALLOCATION OF HOME OFFICE INDIRECT COSTS

Sch. V		SUMMARY SCHEDULE		
Line #		(See attached detail schedule)		
		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	-
10	Admin/Clerical	0	757	757
11	Mkt, Promo, Adv	0	0	-
12	Emp Ben & PR taxes	0	0	-
13	Insurance	0	93	93
14	Other	0	0	-
17	Depreciation	0	0	-
18	Interest	0	0	-
19	Real Estate Taxes	0	0	-
				-
				-
TOTALS		0	850	850

Net adjustment required 850

SEE ACCOUNTANTS' COMPILATION REPORT

ATTACHED SCHEDULE IVa

ALLOCATION OF INDIRECT COSTS
(Detail Schedule)

Allocation Factors:

SLF Home Office Factor0.0115

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	979		979	11	
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	18,362		18,362	211	
V-10-3	Legal Fees	704		704	8	
V-10-3	Professional Services	45,273		45,273	521	
V-10-3	Licenses/Fees/Misc	492		492	6	
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	250,000	250,000	0	0	757
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	93	
V-13-3	Property Insurance			0	0	93
V-17-3	Depreciation Expense			0	0	0
V-18-3	Interest Expense			0	0	
V-18-3	Investment Income	76,238	76,238	0	0	0
	TOTALS	400,088	326,238	73,850	850	850

Board of Directors Costs:	
John Kniery	4,500.00
Doug Biederstedt	3,000.00
Ben McMahan	4,500.00
Jeff Shaw	4,500.00
William Kempiners	1,500.00
Meeting/Travel exp	362.00
Total	18,362.00

SEE ACCOUNTANTS' COMPILATION REPORT

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

BEGINNING: 4/1/2017
ENDING: 3/31/2018

Manor Court of Princeton (skilled nursing) and Hawthorne Inn of Princeton (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	328,196	320,793	9,754	658,743
2	Hskp, Laundry, Main	353,052	112,331	48,605	513,988
3	Heat & Other Utilities			206,297	206,297
4	Other				-
6	Health Care/personal	2,514,226	350,115	1,455,004	4,319,345
7	Activities & Soc Serv	189,578	7,712	160	197,450
8	Other				-
10	Admin/Clerical	307,113	18,221	930,871	1,256,205
11	Mkt, Promo, Adv	1,959		146,349	148,308
12	Emp Ben & PR taxes			565,557	565,557
13	Insurance			102,186	102,186
14	Other				-
17	Depreciation			52,572	52,572
18	Interest				-
19	Real Estate Taxes			74,880	74,880
20	Rent			690,922	690,922
21	Rent Equip			3,150	3,150
TOTALS		3,694,124	809,172	4,286,307	8,789,603

Net adjustment required

8,789,603

SEE ACCOUNTANTS' COMPILATION REPORT

ATTACHED SCHEDULE VI

Depreciation Reconciliation

Schedule	Line	Description	Amount
VIII	17-7	Total buildings and improvements	78,667
VIII	20-3	Total equipment and transportation	17,961
Attached schedule V		Home office allocation adj depreciation	-
		Subtotal	96,628
IV	17-6	Total cost center depreciation	-
		Difference	96,628

ATTACHED SCHEDULE VII

Related Cost to Related Party Lessor:
On November 30, 2009 Frances House Inc. became the sole member of the lessor. Amounts below relate to SLF expenses for the entire year.

Property Insurance	IV-22
Mortgage Insurance	IV-22
Depreciation Total	566,797 IV-17
Depreciation Non-SLF	(470,169) Att Sch VIII
Mortgage Interest	IV-18
Mortgage Interest Non-SLF	IV-18
Loan Fee Amortization	IV-22
Loan Fee Amortization Non-SLF	IV-22
Total Lessor Cost	96,628
Cost Per General Ledger - Facility Rent	885,798 IV-20
Eliminate Related Party Rent	(194,876)
SNF Portion, See Att Sch II Line 20	(690,922)
SLF Rent	0
Net Adjustment	96,628

ATTACHED SCHEDULE VIII

	Cost	Current Book	Accum Depr
R/E Entity Building SNF	8,318,203	332,728	2,641,830
R/E Entity Leasehold Imp SNF	526,495	43,874	376,590
R/E Entity Equip SNF	819,140	81,915	637,822
R/E Entity Land SNF	50,700	-	-
R/E Entity Land Imp SNF	174,779	11,652	108,752
	9,889,317	470,169	3,764,994

ATTACHED SCHEDULE IX

	Cost	Current Book	Accum Depr
Equip SNF	422,108	28,727	301,120
Leasehold Imp SNF	457,565	23,845	253,301
Vehicles SNF	46,919		46,919
	926,592	52,572	601,340