

		FOR BHF USE			

LL2

Supportive Living Facility

2020

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2020)

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: 1000093

Facility Name: Hawthorne Inn of Freeport

Address: 2140 West Navajo Dr Freeport 61032

County: Stephenson

Telephone Number: (815) 232-3407 Fax # ()

Federal Employer ID Number:

Date Current Owners were Certified: 11/19/2007

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 4/1/19 to 3/31/20 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 Freeport Report Period Beginning: 4/1/19 Ending: 3/31/20

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	21	Single Unit Apartment	21	7,686	1
2	8	Double Unit Apartment	8	2,928	2
3		Other		2,298	3
4	29	TOTALS	29	12,912	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	7,487			7,487	5
6	Double Unit	2,672			2,672	6
7	Other	2,207	91		2,298	7
8	TOTALS	12,366	91		12,457	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified
bed days on line 4, column 4.) 96.48%

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

ACCRAUAL ☒ MODIFIED
CASH* ☐ CASH* ☐

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

Tax Year: 3/31/20 Fiscal Year: 3/31/20

* 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 Freeport

Report Period Beginning:

4/1/19

Ending:

Page 3

3/31/20

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	74,730	75,647	1,538	151,915	(68)	151,847	1
2	Housekeeping, Laundry and Maintenance	71,248	11,785	17,549	100,582		100,582	2
3	Heat and Other Utilities			43,894	43,894		43,894	3
4	Other (specify):							4
5	TOTAL General Services	145,978	87,432	62,981	296,391	(68)	296,323	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	272,102	282		272,384		272,384	6
7	Activities and Social Services	153	418		571		571	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	272,255	700		272,955		272,955	9
	C. General Administration							
10	Administrative and Clerical	85,361	942	59,983	146,286	(1,461)	144,825	10
11	Marketing Materials, Promotions and Advertising			24,046	24,046		24,046	11
12	Employee Benefits and Payroll Taxes			65,252	65,252		65,252	12
13	Insurance-Property, Liability and Malpractice			20,042	20,042	125	20,167	13
14	Other (specify):							14
15	TOTAL General Administration	85,361	942	169,323	255,626	(1,336)	254,290	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	503,594	89,074	232,304	824,972	(1,404)	823,568	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			140,628	140,628		140,628	17
18	Interest							18
19	Real Estate Taxes			55,200	55,200		55,200	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify):							22
23	TOTAL Ownership			195,828	195,828		195,828	23
24	GRAND TOTAL (Sum of lines 16 and 23)	503,594	89,074	428,132	1,020,800	(1,404)	1,019,396	24

Facility Name: Hawthorne Inn of Freeport

Report Period Beginning 4/1/19 Ending: 3/31/20

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	9.50	13.64	3
4	Activity Director & Assistants			4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	2.60	13.73	7
8	Dishwashers			8
9	Maintenance Workers	1.25	15.79	9
10	Housekeepers	1.40	10.03	10
11	Laundry			11
12	Managers	1.00	25.87	12
13	Other Administrative			13
14	Clerical	1.00	14.81	14
15	Marketing			15
16	Other			16
17	Total (lines 1 thru 16)	17	\$ 14.13	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			\$ 280	1
2					2
3					3
4					4
5					5
Total				\$ 280	6

VI. (B) Management fees paid to unrelated parties

		Amount of Fee	
1	RFMS Sch IV Ln 10 C3	\$ 37,800	1
2	LTC Support Services Sch IV Ln 10 C3	8,820	2
Total		\$ 46,620	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? \$

(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).

VIII. OWNERSHIP COSTS

A. Purchase price of land 123,810 Year land was acquired 2012

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	29		2012	2002	\$ 4,773,190	\$ 119,330	40	\$ 119,330	\$	\$ 875,087	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Landscaping			2002	3,672		10			3,672	6
7	Light/Surge Protection			2004	22,900		7			22,900	7
8	Water Heater			2010	9,990	832	10	832		9,990	8
9	Water Softener			2011	5,468	547	10	547		4,603	9
10	Countertops			2013	7,055	588	12	588		3,969	10
11	Plastering- Dining Rm/Living Rm/Foyer/Nurse Station			2015	5,800	580	10	580		3,238	11
12	Cabinets - Kitchen			2015	4,395	293	15	293		1,489	12
13	Carpet			2016	3,991	798	10	798		3,192	13
14	Nurse Call System			2017	39,515	3,952	15	3,952		12,844	14
15	Water Heater			2017	4,520	452	10	452		1,318	15
16	Water Heater-Sprinkler Room			2018	4,613	461	10	461		1,037	16
17	TOTAL (lines 1 thru 16)				\$ 4,885,109	\$ 127,833		\$ 127,833	\$	\$ 943,339	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	\$ 95,386	\$ 8,717	\$ 8,717	\$	3-15 Years	\$ 74,271	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 95,386	\$ 8,717	\$ 8,717	\$		\$ 74,271	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		\$	\$	\$	21
22					22
23					23
24	TOTALS (lines 21, 22 and 23)	\$	\$	\$	24

XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 5, Carried Forward		\$ 4,885,109	\$ 127,833		\$ 127,833	\$	\$ 943,339	1
2									2
3	Furnace-Sprinkler Room	2018	2,645	176	15	176		382	3
4	New AC Unit-Television Room	2018	4,146	829	5	829		1,520	4
5	Vinyl Plank Flooring-Hallways/Common Areas	2019	33,526	3,073	10	3,073		3,073	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
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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)		\$ 4,925,426	\$ 131,911		\$ 131,911	\$	\$ 948,314	34

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

Facility Name: Hawthorne Inn of Freeport

Report Period Beginning: 4/1/19

Ending: 3/31/20

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	2	3	4	5	6		8. Is movable equipment rental included in building rental?
		Year Constructed	Number of Units	Date of Lease	Rental Amount	Total Yrs. of Lease	Total Years Renewal Option*		☐ YES ☒ NO
3	Original Building			/ /	\$ N/A			3	9. Rental amount for movable equipment \$ N/A
4	Additions			/ /				4	
5				/ /				5	
6				/ /				6	
7	TOTAL				\$			7	

8. Is movable equipment rental included in building rental?

☐ YES ☒ NO

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.

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

Page 7

Facility Name: Hawthorne Inn of Freeport

Report Period Beginning: 4/1/19

Ending:

3/31/20

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 3/31/20

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 9,101	\$ 9,101	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 20)	92,333	92,333	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	6,717	6,717	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	3,004,356	3,004,356	8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 3,112,507	\$ 3,112,507	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	123,810	123,810	13
14	Buildings, at Historical Cost	4,773,190	4,773,190	14
15	Leasehold Improvements, at Historical Cost	152,238	152,236	15
16	Equipment, at Historical Cost	95,386	95,386	16
17	Accumulated Depreciation (book methods)	(1,022,571)	(1,022,585)	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)	\$ 4,122,053	\$ 4,122,037	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 7,234,560	\$ 7,234,544	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 17,266	\$ 17,266	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	18,184	18,184	30
31	Accrued Taxes Payable	70,545	70,545	31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35				35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 105,995	\$ 105,995	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	34,512	34,512	42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 34,512	\$ 34,512	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 140,507	\$ 140,507	45
46	TOTAL EQUITY	\$ 7,094,053	\$ 7,094,037	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 7,234,560	\$ 7,234,544	47

*(See instructions.)

Facility Name: Hawthorne Inn of Freeport

Report Period Beginning: 4/1/19

Ending:

3/31/20

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	\$ 1,711,732	1
2	Discounts and Allowances	(2,808)	2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 1,708,924	3
	B. Other Operating Revenue		
4	Special Services	310	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	3,449	8
9	Non-Resident Meals	65	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 3,824	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	596	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 596	14
	D. Other Revenue (specify):		
15	See Schedule 8A	3,910	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 3,910	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 1,717,254	18

		2	
	II. Expenses	Amount	
	A. Operating Expenses		
19	General Services	296,391	19
20	Health Care/ Personal Care	272,955	20
21	General Administration	255,626	21
	B. Capital Expense		
22	Ownership	195,828	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)	\$ 1,020,800	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 696,454	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 696,454	31
	III. Net Resident Care Revenue detailed by Payer Source		
32	Medicaid - Net Inpatient Revenue	\$ 226,112	32
33	Private Pay - Net Inpatient Revenue	1,482,812	33
34	Medicare - Net Inpatient Revenue		34
35	Other-(specify)		35
36	Other-(specify)		36
37	TOTAL (This total must agree to Line 3)	\$ 1,708,924	37

Schedule 8A

XII. Income Statement
Section D. Other Revenue

<u>Description</u>	<u>Amount</u>
Link Revenue	3,265
Late Fee	242
Processing Fee	400
Tray Service	3
	<u>3,910</u>

SEE ACCOUNTANTS' COMPILATION REPORT

FACILITY Hawthorne Inn of Freeport		BEGINNING: 4/1/19
ID#: 0		ENDING: 3/31/20
ATTACHED SCHEDULE I		
VII. Related Organizations		
A.Related SLP's and Health Care Businesses and Other Related Business Entities		
Name	City and State	Type of Business
1 SLP'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	Coraville, 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	
Ravishoe 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 SLP portion:		8,820
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 1	Offset Meal Income	(68)
Line 10	Disallow Bad Debts	(1,779)
See Att Sch IV	Home office allocation	443
Total Adjustments on Schedule IV		(1,404)

ATTACHED SCHEDULE III

Bed Listing & Home Office Allocation

Weighted beds @ 03/31/2020													
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	0.83%	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	1.35%	0.00%					
Hawthorne Inn of Danville	80	30	0	0	0	110	11.40%	11.40%	14.03%				
Manor Court of Princeton	125	0	11	0	0	136	14.09%	12.95%	15.94%				
Manor Court of Clinton	134	0	11	0	0	145	15.03%	13.89%	17.09%				
Manor Court of Peoria	50	0	0	0	0	50	5.18%	5.18%	6.38%				
Manor Court of Peru	126	2	0	0	0	128	13.26%	13.26%	16.33%				
Manor Court of Freeport	117	0	0	0	0	117	12.12%	12.12%	14.92%				
Windmill Manor	120	0	0	0	0	120	12.44%	12.44%	15.31%				
Hawthorne Inn of Peoria	0	0	0	34	0	34	3.52%	0.00%	0.00%				
Hawthorne Inn of Peru	0	0	0	34	0	34	3.52%	0.00%	0.00%				
Hawthorne Inn of Freeport	0	0	15	0	0	15	1.55%	0.00%	0.00%				
Hawthorne Inn of Rochelle	0	0	0	23	0	23	63.89%	0.00%	0.00%				
	752	32	37	108	36	965	162%	81.24%	100.00%				
Allocation Stats													
Healthcare Facilities													
	Beds					Days in Year					Base Stat	% of total	% of HC
Hawthorne Inn of Danville	80	30				110	110	366	40,260		11.40%	14.03%	
Manor Court of Princeton	125	0				125	125	366	45,750		12.95%	15.94%	
Manor Court of Clinton	134	0				134	134	366	49,044		13.89%	17.09%	
Manor Court of Peoria	50	0				50	50	366	18,300		5.18%	6.38%	
Manor Court of Peru	126	2				128	128	366	46,848		13.26%	16.33%	
Manor Court of Freeport	117	0				117	117	366	42,822		12.12%	14.92%	
Windmill Manor	120	0				120	120	366	43,920		12.44%	15.31%	
	752	32				784			286,944		81.24%	100.00%	
Other Facilities													
Liberty Estates of Danville			0	0	8	8	8	366	2,928		0.83%	4.42%	
Liberty Estates of Freeport			0	0	7	7	7	366	2,562		0.73%	3.87%	
Liberty Estates of Peoria			0	0	8	8	8	366	2,928		0.83%	4.42%	
						0	-	366	-		0.00%	0.00%	
Liberty Estates of Geneseo			0	7	3	10	10	366	3,660		1.04%	5.52%	
Liberty Estates of Peru			0	0	7	7	7	366	2,562		0.73%	3.87%	
Liberty Estates of Streator			0	10	3	13	13	366	4,758		1.35%	7.18%	
Hawthorne Inn of Danville			0	0	0	0	-	366	-		0.00%	0.00%	
Manor Court of Princeton			11	0	0	11	11	366	4,026		1.14%	6.08%	
Manor Court of Clinton			11	0	0	11	11	366	4,026		1.14%	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	-	366	-		0.00%	0.00%	
Hawthorne Inn of Peoria			0	34	0	34	34	366	12,444		3.52%	18.78%	
Hawthorne Inn of Peru			0	34	0	34	34	366	12,444		3.52%	18.78%	
Hawthorne Inn of Freeport			15	0	0	15	15	366	5,490		1.55%	8.29%	
Hawthorne Inn of Rochelle			0	23	0	23	23	366	8,418		2.38%	12.71%	
	0	0	37	108	36	181			66,246		18.76%	100.00%	
Total													
									353,190		100.00%		

FACILITY NAME:

Hawthorne Inn of Freeport

ID#:

0

BEGINNING:

4/1/19

ENDING:

3/31/20

ATTACHED SCHEDULE IV

ALLOCATION OF HOME OFFICE INDIRECT COSTS

Sch. IV		(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	-
10	Admin/Clerical	0	318	318
11	Mkt, Promo, Adv	0	0	-
12	Emp Ben & PR taxes	0	0	-
13	Insurance	0	125	125
14	Other	0	0	-
17	Depreciation	0	0	-
18	Interest	0	0	-
19	Real Estate Taxes	0	0	-
				-
				-
TOTALS		0	443	443

Net adjustment required

443

SEE ACCOUNTANTS' COMPILATION REPORT

FACILITY NAME: Hawthorne Inn of Freeport
ID#: 0

BEGINNING: 4/1/19
ENDING: 3/31/20

ATTACHED SCHEDULE IVa ALLOCATION OF INDIRECT COSTS
(Detail Schedule)

Allocation Factors:

SLF Home Office Factor 0.0155

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	819		819	13	
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	18,000		18,000	280	
V-10-3	Legal Fees	1,086		1,086	17	
V-10-3	Professional Services	51,408	51,408	0	0	
V-10-3	Licenses/Fees/Misc	520		520	8	
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	318
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	125	
V-13-3	Property Insurance			0	0	125
V-17-3	Depreciation Expense			0	0	0
V-18-3	Interest Expense			0	0	
V-18-3	Investment Income			0	0	0
TOTALS		329,873	301,408	28,465	443	443

Board of Directors Costs:

John Kniery 4,500.00
Doug Biederstedt 3,000.00
Ben McMahan 1,500.00
Jeff Shaw 4,500.00
William Kempiners 4,500.00
Meeting/Travel exp

Total 18,000.00

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