

Facility Name & ID Number Meadowbrook Manor-Naperville# 0041285 Report Period Beginning: 01/01/02 Ending: 12/31/02

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days,
(must agree with license). Date of change in licensed beds 9/24/02

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>235</u>	Skilled (SNF)	<u>245</u>	<u>86,765</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>235</u>	TOTALS	<u>245</u>	<u>86,765</u>	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment			5 Total	
		3 Public Aid Recipient	4 Private Pay	Other		
8	SNF	<u>47,664</u>	<u>13,973</u>	<u>8,023</u>	<u>69,660</u>	8
9	SNF/PED					9
10	ICF	<u>3,380</u>	<u>216</u>		<u>3,596</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>51,044</u>	<u>14,189</u>	<u>8,023</u>	<u>73,256</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 84.43%

D. How many bed-hold days during this year were paid by Public Aid?

None (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.

(E.g., day care, "meals on wheels", outpatient therapy)

NoneF. Does the facility maintain a daily midnight census? YesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES NO Non-allowable costs have been
eliminated in Schedule V, Col. 7

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES NO

I. On what date did you start providing long term care at this location?

Date started 02/09/96

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

YES Date 02/09/96 NO

K. Was the facility certified for Medicare during the reporting year?

YES NO If YES, enter number
of beds certified 36 and days of care provided 7,173Medicare Intermediary Mutual of Omaha

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED
CASH* CASH* Is your fiscal year identical to your tax year? YES NO Tax Year: 12/31/02 Fiscal Year: 12/31/02

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

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Facility Name & ID Number Meadowbrook Manor-Naperville # 0041285 Report Period Beginning: 01/01/02 Ending: 12/31/02

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7 **	Adjusted Total 8	FOR OHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
A. General Services											
1	Dietary	386,404	67,620	11,160	465,184		465,184		465,184		1
2	Food Purchase		322,187		322,187		322,187	(1,870)	320,317		2
3	Housekeeping	228,390	30,112		258,502		258,502		258,502		3
4	Laundry	65,522	10,984		76,506		76,506		76,506		4
5	Heat and Other Utilities			203,869	203,869		203,869		203,869		5
6	Maintenance	73,643	12,885	115,700	202,228		202,228		202,228		6
7	Other (specify):*										7
8	TOTAL General Services	753,959	443,788	330,729	1,528,476		1,528,476	(1,870)	1,526,606		8
B. Health Care and Programs											
9	Medical Director			39,000	39,000		39,000		39,000		9
10	Nursing and Medical Records	3,228,729	372,934	58,836	3,660,499		3,660,499		3,660,499		10
10a	Therapy		7,295	652,980	660,275		660,275		660,275		10a
11	Activities	101,677	17,551	3,024	122,252		122,252		122,252		11
12	Social Services	114,854		4,862	119,716		119,716		119,716		12
13	Nurse Aide Training			6,435	6,435		6,435		6,435		13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	3,445,260	397,780	765,137	4,608,177		4,608,177		4,608,177		16
C. General Administration											
17	Administrative	251,811		176,300	428,111		428,111	(176,300)	251,811		17
18	Directors Fees										18
19	Professional Services			142,384	142,384		142,384	1,920	144,304		19
20	Dues, Fees, Subscriptions & Promotions			37,089	37,089		37,089	2,532	39,621		20
21	Clerical & General Office Expenses	291,144	42,009	62,587	395,740		395,740	10,995	406,735		21
22	Employee Benefits & Payroll Taxes			629,046	629,046		629,046	45,304	674,350		22
23	Inservice Training & Education										23
24	Travel and Seminar			5,188	5,188		5,188	405	5,593		24
25	Other Admin. Staff Transportation			4,784	4,784		4,784	1,503	6,287		25
26	Insurance-Prop.Liab.Malpractice			295,791	295,791		295,791		295,791		26
27	Other (specify):*										27
28	TOTAL General Administration	542,955	42,009	1,353,169	1,938,133		1,938,133	(113,641)	1,824,492		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	4,742,174	883,577	2,449,035	8,074,786		8,074,786	(115,511)	7,959,275		29

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

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

**See schedule of adjustments attached at the end of the cost report.

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7 **	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			33,948	33,948		33,948	343,550	377,498			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			118,329	118,329		118,329	1,079,697	1,198,026			32
33	Real Estate Taxes							238,913	238,913			33
34	Rent-Facility & Grounds			2,430,758	2,430,758		2,430,758	(2,389,391)	41,367			34
35	Rent-Equipment & Vehicles			2,242	2,242		2,242	485	2,727			35
36	Other (specify):*											36
37	TOTAL Ownership			2,585,277	2,585,277		2,585,277	(726,746)	1,858,531			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation			5,938	5,938		5,938		5,938			38
39	Ancillary Service Centers		237,536		237,536		237,536		237,536			39
40	Barber and Beauty Shops			31,578	31,578		31,578		31,578			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			130,148	130,148		130,148		130,148			42
43	Other (specify):*	24,913		326,484	351,397		351,397	(351,397)				43
44	TOTAL Special Cost Centers	24,913	237,536	494,148	756,597		756,597	(351,397)	405,200			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	4,767,087	1,121,113	5,528,460	11,416,660		11,416,660	(1,193,654)	10,223,006			45

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

**See schedule of adjustments attached at the end of the cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning: 01/01/02

Ending:

12/31/02

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7.

In column 2 below, reference the line on which the particular cost was included. (See instructions.)

		1	2	3	
	NON-ALLOWABLE EXPENSES	Amount	Refer- ence	OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(1,870)	2		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(288)	30		9
10	Interest and Other Investment Income	(4,705)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(705)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees	(4,273)	20		17
18	Fines and Penalties	(3,951)	43		18
19	Entertainment	(43,938)	43		19
20	Contributions	(27,544)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(13,834)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(200,672)	43		24
25	Fund Raising, Advertising and Promotional	(108,568)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(19,575)	43		26
27	Nurse Aide Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Schedule 5A	(55,156)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (485,079)		\$	30

OHF USE ONLY									
48		49		50		51		52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1	2	
		Amount	Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(708,575)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (708,575)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (1,193,654)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1	2	3	4	
		Yes	No	Amount	Reference	
38	Medically Necessary Transport.		X	\$		38
39						39
40	Gift and Coffee Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44	Exceptional Care Program		X			44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	TOTAL (C): (sum of lines 38-46)			\$		47

SEE ACCOUNTANTS' COMPILATION REPORT

Meadowbrook Manor-Naperville

ID# 0041285

Report Period Beginning: 01/01/02

Ending: 12/31/02

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference
1		\$	1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32
33			33
34			34
35			35
36			36
37			37
38			38
39			39
40			40
41			41
42			42
43			43
44			44
45			45
46			46
47			47
48			48
49	Total	0	49

Butterfield Health Care II, Inc.
D/B/A Meadowbrook Manor-Naperville
Provider #0041285
12/31/2002

Schedule 5A

VI. Adjustment Detail
Non-Allowable Expenses
Line 29 - Other

<u>Description</u>	<u>Amount</u>	<u>Schedule V Reference</u>
Disallow Patient Clothing	(1,196)	43
Radiology	(1,035)	43
Laboratory	(5,475)	43
Non-allowable Related Party Interest Expense	(47,125)	32
Non-allowable Dues	<u>(325)</u>	20
	<u><u>(55,156)</u></u>	

See Accountants' Compilation Report

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning:

01/01/02

Ending:

12/31/02

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(1,870)	0	0	0	0	0	0	0	0	0	0	(1,870)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	(1,870)	0	0	0	0	0	0	0	0	0	0	(1,870)	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	Nurse Aide Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	TOTAL Health Care and Programs	0	0	0	0	0	0	0	0	0	0	0	0	16
	C. General Administration													
17	Administrative	0	0	0	(176,300)	0	0	0	0	0	0	0	(176,300)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(13,834)	0	7,763	7,991	0	0	0	0	0	0	0	1,920	19
20	Fees, Subscriptions & Promotions	(4,273)	0	6,725	405	0	0	0	0	0	0	0	2,857	20
21	Clerical & General Office Expenses	0	0	0	10,995	0	0	0	0	0	0	0	10,995	21
22	Employee Benefits & Payroll Taxes	0	0	0	45,304	0	0	0	0	0	0	0	45,304	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	0	405	0	0	0	0	0	0	0	405	24
25	Other Admin. Staff Transportation	0	0	0	1,503	0	0	0	0	0	0	0	1,503	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	0	0	0	0	0	0	0	0	0	26
27	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	27
28	TOTAL General Administration	(18,107)	0	14,488	(109,697)	0	(113,316)	28						
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(19,977)	0	14,488	(109,697)	0	(115,186)	29						

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Meadowbrook Manor-Naperville# 0041285

Report Period Beginning:

01/01/02

Ending:

12/31/02

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)
	D. Ownership												
30	Depreciation	(288)	0	343,121	717	0	0	0	0	0	0	0	343,550 30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0 31
32	Interest	(4,705)	0	1,131,527	0	0	0	0	0	0	0	0	1,126,822 32
33	Real Estate Taxes	0	0	238,913	0	0	0	0	0	0	0	0	238,913 33
34	Rent-Facility & Grounds	0	0	(2,400,000)	10,609	0	0	0	0	0	0	0	(2,389,391) 34
35	Rent-Equipment & Vehicles	0	0	0	485	0	0	0	0	0	0	0	485 35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0 36
37	TOTAL Ownership	(4,993)	0	(686,439)	11,811	0	(679,621) 37						
	Ancillary Expense												
	E. Special Cost Centers												
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0 38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0 39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0 40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0 41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0 42
43	Other (specify):*	(404,953)	0	19,575	41,687	0	0	0	0	0	0	0	(343,691) 43
44	TOTAL Special Cost Centers	(404,953)	0	19,575	41,687	0	(343,691) 44						
	GRAND TOTAL COST												
45	(sum of lines 29, 37 & 44)	(429,923)	0	(652,376)	(56,199)	0	(1,138,498) 45						

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
		Butterfield Health Care, Inc. d/b/a Meadowbrook Manor - Bolingbrook	Bolingbrook	J&D Partners, L.P.	Bolingbrook	Lessor
				MMN Partners, L.P.	Naperville	Lessor
See Schedule 6C	See Schedule 6C	Seneca Nursing Home, Inc. d/b/a Lee Manor	Des Plaines	Butterfield Health		
				Care Group, Inc.	Bolingbrook	Management Co.
				Seneca Building Partnership	Des Plaines	Lessor

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V	2 Line	3 Cost Per General Ledger		5 Cost to Related Organization		6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
		Item	Amount	Name of Related Organization					
1	V		\$				\$	\$	1
2	V								2
3	V								3
4	V								4
5	V		2,400,000	MMN Partners, L.P. (Page 6A)	100.00%	1,747,624		(652,376)	5
6	V								6
7	V		176,300	Butterfield Health Care Group, Inc. (Page 6B)	100.00%	120,101		(56,199)	7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total		\$ 2,576,300			\$ 1,867,725	\$ *	(708,575)	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	19 Professional Services	\$	MMN Partners, L.P.	100.00%	\$ 7,763	\$ 7,763
16	V	20 Fees & Subscriptions		MMN Partners, L.P.	100.00%	6,725	6,725
17	V	30 Depreciation		MMN Partners, L.P.	100.00%	343,121	343,121
18	V	32 Interest Expense		MMN Partners, L.P.	100.00%	1,131,527	1,131,527
19	V	33 Real Estate Taxes		MMN Partners, L.P.	100.00%	238,913	238,913
20	V	34 Rent	2,400,000	MMN Partners, L.P.	100.00%		(2,400,000)
21	V	43 State Replacement Taxes		MMN Partners, L.P.	100.00%	19,575	19,575
22	V						
23	V						
24	V						
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 2,400,000			\$ 1,747,624	\$ * (652,376)

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

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	17 Management Fees	\$ 176,300	Butterfield Health Care Group, Inc.	100.00%	\$	\$ (176,300)
16	V	19 Professional Services		Butterfield Health Care Group, Inc.	100.00%	7,991	7,991
17	V	20 Licenses & Fees		Butterfield Health Care Group, Inc.	100.00%	405	405
18	V	21 General Office Expense		Butterfield Health Care Group, Inc.	100.00%	10,995	10,995
19	V	22 Empl. Benefits and Payroll Taxes		Butterfield Health Care Group, Inc.	100.00%	45,304	45,304
20	V	24 Travel and Seminar		Butterfield Health Care Group, Inc.	100.00%	405	405
21	V	25 Other Admin. Staff Transportation		Butterfield Health Care Group, Inc.	100.00%	1,503	1,503
22	V	30 Depreciation		Butterfield Health Care Group, Inc.	100.00%	717	717
23	V	34 Rent Facility and Grounds		Butterfield Health Care Group, Inc.	100.00%	10,609	10,609
24	V	35 Rent-Equipment		Butterfield Health Care Group, Inc.	100.00%	485	485
25	V	43 Other (Non-Allowable Expenses)		Butterfield Health Care Group, Inc.	100.00%	41,687	41,687
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 176,300			\$ 120,101	\$ * (56,199)

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

Butterfield Health Care II, Inc.
D/B/A Meadowbrook Manor-Naperville
Provider #0041285
12/31/2002

Schedule 6C

VII. Section A. - Related Parties - Column 1 (Owners)

<u>Name</u>	<u>Ownership %</u>
Robert Jafari	25.00%
Kianoosh Jafari	25.00%
Decendants S Corp Trust F/B/O Sean William Dimas	6.67%
Decendants S Corp Trust F/B/O Sasha Eva Dimas	6.67%
Decendants S Corp Trust F/B/O Ashley Maria Dimas	6.66%
Nicholas Vangel	20.00%
Eva Dimas Estate	10.00%
	<u>100.00%</u>

See Accountants' Compilation Report

Facility Name & ID Number Meadowbrook Manor-Naperville # 0041285 Report Period Beginning: 01/01/02 Ending: 12/31/02

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Robert Jafari	Stockholder	Chief Exec. Off.	25.00	71,337	18	45.00	Salary	\$ 56,208	L 17, C 1	1
2	Nicholas Vangel	Stockholder	Executive Director	20.00	43,205	18	45.00	Salary	10,404	L 17, C 1	2
3	Christopher Vangel	Operating Spvsr	Administrative	0.00	31,277	18	45.00	Salary	24,644	L 17, C 1	3
4	Sean Dimas	Stockholder	Administrative	6.67	33,720	0	0.00	N/A	0	N/A	4
5											5
6											6
7			Note 1- Robert Jafari and Christopher Vangel received compensation from only one other nursing home which was								7
8			Butterfield Health Care, Inc. d/b/a Meadowbrook Manor								8
9			Note 2- Nicholas Vangel received \$30,000 of Director Fees from Seneca Nursing Home, Inc. d/b/a Lee Manor and								9
10			\$13,205 of salaries from Butterfield Health Care, Inc. d/b/a Meadowbrook Manor								10
11			Note 3- Sean Dimas received \$33,720 of salaries from Seneca Nursing Home, Inc. d/b/a Lee Manor								11
12											12
13								TOTAL	\$ 91,256		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME. ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville # 0041285 Report Period Beginning: 01/01/02 Ending: 12/31/02

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

Name of Related Organization Butterfield Health Care Group, Inc.
 Street Address 4 N 645 School Road
 City / State / Zip Code St. Charles, IL 60175
 Phone Number (630) 443-8238
 Fax Number (630) 443-9379

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

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/(col.4)x col.6)	
19	Professional Services	Resident Days	166,230	2	\$ 18,133	\$	73,256	\$ 7,991	1
20	Licenses & Fees	Resident Days	166,230	2	920		73,256	405	2
21	General Office Expense	Resident Days	166,230	2	24,950		73,256	10,995	3
22	Employee Benefits and P/R Taxes	Resident Days	166,230	2	102,802		73,256	45,304	4
24	Travel & Seminar	Resident Days	166,230	2	919		73,256	405	5
25	Other Admin.-Staff Transportatio	Resident Days	166,230	2	3,410		73,256	1,503	6
30	Depreciation	Resident Days	166,230	2	1,626		73,256	717	7
34	Rent - Facility & Grounds	Resident Days	166,230	2	24,073		73,256	10,609	8
35	Rent-Equipment	Resident Days	166,230	2	1,101		73,256	485	9
43	Other (Non-Allowable Exp.)	Resident Days	166,230	2	94,595		73,256	41,687	10
									11
									12
									13
									14
									15
									16
									17
									18
									19
									20
									21
									22
									23
									24
25	TOTALS				\$ 272,529	\$		\$ 120,101	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville # 0041285 Report Period Beginning: 01/01/02 Ending: 12/31/02

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1	2	3	4	5	6		7	8	9	10	
						Original	Balance					
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
		YES	NO				Original	Balance				
	A. Directly Facility Related											
	Long-Term											
1	Bank One		X	Mortgage	\$115,000.00	08/31/98	\$ 14,275,000	\$ 12,693,028	02/28/08	0.0750	\$ 982,906	1
2	Bank One		X	2nd Mortgage	Interest Only	01/01/02	5,200,000	5,200,000	11/30/03	0.0303	159,311	2
3	Bank One		X	Amortization of Loan Costs	N/A						4,956	3
4												4
5												5
	Working Capital											
6	Bank One		X	Working Capital	N/A	05/06/98	667,534	667,534	02/28/08	0.0750	50,853	6
7	Shareholder Loans	X		Working Capital	N/A	12/09/99	1,800,000	1,800,000	05/31/03	Prime	67,476	7
8	Shareholder Loans	X		Working Capital	N/A	01/01/96	864,052	864,052	Demand	None		8
9	TOTAL Facility Related				\$115,000.00		\$ 22,806,586	\$ 21,224,614			\$ 1,265,502	9
	B. Non-Facility Related*											
10	Shareholder Loans	X		Working Capital	N/A	12/31/02	840,000	840,000	Demand	None		10
11							Offset Interest Income				(20,351)	11
12							Non-allowable Interest Expense				(47,125)	12
13												13
14	TOTAL Non-Facility Related						\$ 840,000	\$ 840,000			\$ (67,476)	14
15	TOTALS (line 9+line14)						\$ 23,646,586	\$ 22,064,614			\$ 1,198,026	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ None Line # N/A

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
(See instructions.) SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number **Meadowbrook Manor-Naperville**# **0041285** Report Period Beginning: **01/01/02** Ending: **12/31/02****IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)****B. Real Estate Taxes**

		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.				
1.	Real Estate Tax accrual used on 2001 report.			\$	224,000	1
2.	Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	2001		\$	221,597	2
3.	Under or (over) accrual (line 2 minus line 1).			\$	(2,403)	3
4.	Real Estate Tax accrual used for 2002 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	240,000	4
5.	Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)			\$	1,316	5
6.	Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)			\$		6
7.	Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.			\$	238,913	7
Real Estate Tax History:						
Real Estate Tax Bill for Calendar Year:		1997	194,559	8	FOR OHF USE ONLY	
		1998	192,012	9		
		1999	191,644	10	13	FROM R. E. TAX STATEMENT FOR 2001 \$ 13
		2000	212,853	11	14	PLUS APPEAL COST FROM LINE 5 \$ 14
		2001	221,597	12	15	LESS REFUND FROM LINE 6 \$ 15
	2001 Tax Bill		221,597		16	AMOUNT TO USE FOR RATE CALCULATION \$ 16
	Estimated Increase		1.08			
	Total		239,325			
	Use		240,000			

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2001 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2001 real estate tax costs, as well as copies of your real estate tax bills for calendar 2001.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2001 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2002 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Office of Health Finance at (217) 782-1630.

2001 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Meadowbrook Manor-Naperville COUNTY DuPage

FACILITY IDPH LICENSE NUMBER 0041285

CONTACT PERSON REGARDING THIS REPORT Larry Templin

TELEPHONE (630) 759-1112 FAX #: (630) 759-4406

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2001 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2001.

(A)	(B)	(C)	(D)
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Tax Applicable to Nursing Home</u>
1. <u>07-14-113-001</u>	<u>Nursing Home</u>	\$ <u>221,597.50</u>	\$ <u>221,597.50</u>
2. _____	_____	\$ _____	\$ _____
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>221,597.50</u>	\$ <u>221,597.50</u>

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. Tax Bills

Attach a copy of the 2001 tax bills which were listed in Section A to this statement. Be sure to use the 2001 tax bill which is normally paid during 2002.

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285 Report Period Beginning:

01/01/02 Ending:

12/31/02

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 89,000 B. General Construction Type: Exterior Brick Frame Steel Number of Stories 3

C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? (a) Own the Equipment (b) Rent equipment from a Related Organization. (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

None

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? YES NO
If so, please complete the following:

1. Total Amount Incurred: _____ 2. Number of Years Over Which it is Being Amortized: _____
3. Current Period Amortization: _____ 4. Dates Incurred: _____

Nature of Costs: _____
(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	<u>Resident Care</u>	<u>148,410</u>	<u>1996</u>	<u>\$ 279,600</u>	<u>1</u>
2					<u>2</u>
3	TOTALS	148,410		\$ 279,600	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning:

01/01/02

Ending:

12/31/02

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9		
Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	245	1996	1996	\$ 9,863,922	\$	40	\$ 246,598	\$ 246,598	\$ 1,708,044	4
5										5
6										6
7										7
8										8
Improvement Type**										
9	Landscaping Improvements	1996		22,797	1,140	15	1,520	380	9,120	9
10	Fence	1996		5,500	550	15	367	(183)	2,532	10
11	Land Improvements	1996		12,824		40	320	320	2,215	11
12	Doors	1997		5,961	596	20	298	(298)	1,639	12
13	Landscaping Improvements (Shrubs, Trees, Evergreens)	1998		22,729	1,136	20	1,136		5,112	13
14	Leasehold Improvements (Air Ductwork, Dampers, Chimney)	2001		4,425	113	20	221	108	332	14
15	Electrical Work-Dialysis Room	2002		4,024	201	20	101	(100)	101	15
16	Lockinvar Burner	2002		3,584	179	20	90	(89)	90	16
17	Fence	2002		1,465	73	20	37	(36)	37	17
18	Signs	2002		2,775	139	20	69	(70)	69	18
19										19
20										20
21										21
22										22
23										23
24										24
25										25
26										26
27										27
28										28
29										29
30										30
31										31
32										32
33										33
34										34
35										35
36										36

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

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

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning:

01/01/02

Ending:

12/31/02

XI. OWNERSHIP COSTS (continued)

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

	1	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37			\$	\$		\$	\$	\$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 9,950,006	\$ 4,127		\$ 250,757	\$ 246,630	\$ 1,729,291	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 235,997	\$ 27,880	\$ 27,880	\$	5-10 yrs	\$ 139,660	71
72	Current Year Purchases	35,659	1,941	1,941		5-10 yrs	1,941	72
73	Fully Depreciated Assets	48,464					48,464	73
74	See Attached Schedule 13A	963,824		96,920	96,920	5-10 yrs	665,731	74
75	TOTALS	\$ 1,283,944	\$ 29,821	\$ 126,741	\$ 96,920		\$ 855,796	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77										77
78										78
79										79
80	TOTALS			\$	\$	\$	\$		\$	80

E. Summary of Care-Related Assets

	1 Reference	2 Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 11,513,550	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 33,948	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 377,498	83 **
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 343,550	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 2,585,087	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92		\$	92
93			93
94			94
95		\$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

Butterfield Health Care II, Inc.
D/B/A Meadowbrook Manor-Naperville
Provider #0041285
12/31/2002

Schedule 13A

XI. Section C. - Equipment Depreciation-Excluding Transportation

Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6
MMN Partners, L.P.	963,824	-	96,203	96,203	5-10 Yrs	665,731
Allocated from Management Company	-	-	717	717	5-10 Yrs	
	<u>963,824</u>	<u>-</u>	<u>96,920</u>	<u>96,920</u>		<u>665,731</u>

See Accountants' Compilation Report

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

PLEASE ENTER ONLY DATES IN CELLS W16 AND W17

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?
 If NO, see instructions. YES NO

	1 Year Constructed	2 Number of Beds	3 Date of Lease	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:			\$			3
4	Additions						4
5	Rental of Additional Office Space (As Needed)			30,758			5
6	Allocation from Management Co.			10,609			6
7	TOTAL			\$ 41,367			7

10. Effective dates of current rental agreement:
 Beginning N/A
 Ending N/A

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	<u>/2003</u>	\$ _____
13.	<u>/2004</u>	\$ _____
14.	<u>/2005</u>	\$ _____

8. List separately any amortization of lease expense included on page 4, line 34.
 This amount was calculated by dividing the total amount to be amortized
 by the length of the lease N/A N/A

9. Option to Buy: YES NO Terms: _____ *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? YES NO
 16. Rental Amount for movable equipment: \$ 2,727 Description: Offsite Storage (\$2,308), Bus (\$419)
 (Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18					18
19					19
20					20
21	TOTAL		\$	\$	21

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

** This amount plus any amortization of lease expense must agree with page 4, line 34.

XIII. EXPENSES RELATING TO NURSE AIDE TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

<p>1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input checked="" type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER AIDE <u>120</u></p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input checked="" type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER AIDE <u>80</u></p>
---	---	---

B. EXPENSES

ALLOCATION OF COSTS (d)

		Facility		3	4
		1	2		
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments		6,435		6,435
8	Nurse Aide Competency Tests				
9	TOTALS	\$	\$ 6,435	\$	\$ 6,435
10	SUM OF line 9, col. 1 and 2 (e)	\$	6,435		

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training aides from other facilities.

\$

D. NUMBER OF AIDES TRAINED

COMPLETED	
1. From this facility	11
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	11

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
- (c) For in-house training programs only. Do not include fringe benefits.
- (d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.

- (e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.
 - (f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.
- SEE ACCOUNTANTS' COMPILATION REPORT

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	L. 10A, C. 3	hrs	\$	2,727	\$ 177,267	\$	2,727	\$ 177,267	1
2	Licensed Speech and Language Development Therapist	L. 10A, C. 3	hrs		1,011	65,712		1,011	65,712	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L. 10A, C. 2&3	hrs		5,658	367,770	7,295	5,658	375,065	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L. 39, C. 2	# of prescripts				237,536		237,536	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify):									13
14	TOTAL			\$	9,396	\$ 610,749	\$ 244,831	9,396	\$ 855,580	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning: 01/01/02

Ending:

12/31/02

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/02

(last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ 1,681,654	\$ 2,087,559	1
2	Cash-Patient Deposits	34,651	34,651	2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance (150,000)	4,084,001	4,084,001	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	72,640	72,640	6
7	Other Prepaid Expenses	31,750	34,250	7
8	Accounts Receivable (owners or related parties)	2,913	5,044	8
9	Other(specify): <u>Employee Advances</u>	3,100	3,100	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 5,910,709	\$ 6,321,245	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		279,600	13
14	Buildings, at Historical Cost		9,876,746	14
15	Leasehold Improvements, at Historical Cost	73,260	73,260	15
16	Equipment, at Historical Cost	320,120	1,283,944	16
17	Accumulated Depreciation (book methods)	(207,950)	(2,585,087)	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 (spe <u>Loan Costs, Net</u>		3,309	22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 185,430	\$ 8,931,772	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 6,096,139	\$ 15,253,017	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 513,072	\$ 513,072	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	42,367	42,367	28
29	Short-Term Notes Payable	3,504,052	3,504,052	29
30	Accrued Salaries Payable	224,910	224,910	30
31	Accrued Taxes Payable (excluding real estate taxes)	18,600	18,600	31
32	Accrued Real Estate Taxes(Sch.IX-B)		240,000	32
33	Accrued Interest Payable		13,568	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>See Attached Schedule 17A</u>	(477,467)	553,653	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 3,825,534	\$ 5,110,222	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable	667,534	18,560,562	40
41	Bonds Payable			41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 667,534	\$ 18,560,562	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 4,493,068	\$ 23,670,784	46
47	TOTAL EQUITY(page 18, line 24)	\$ 1,603,071	\$ (8,417,767)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 6,096,139	\$ 15,253,017	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Butterfield Health Care II, Inc.
d/b/a Meadowbrook Manor-Naperville
Provider #0041285
12/31/2002

Schedule 17A

XV. Balance Sheet

Current Liabilities

Line 36 - Other Current Liabilities

	Operating	After Consolidation
Resident Credit Balances	535,561	535,561
Accrued Rent	(1,029,553)	-
Due to/from Butterfield Health Care, Inc.	(150)	1,417
Due to J&D Partners, L.P.	12,818	12,818
Due to State	3,857	3,857
Total Line 36 Other Current Liabilities	(477,467)	553,653

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 1,533,498	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 1,533,498	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	69,573	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ 69,573	17
B. Transfers (Itemize):			
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ 1,603,071	24 *

Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning: 01/01/02

Ending: 12/31/02

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 10,599,799	1
2	Discounts and Allowances for all Levels	(1,160,230)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 9,439,569	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,557,647	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 1,557,647	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements	1,978	11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	36,589	13
14	Non-Patient Meals	1,870	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	237,536	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	9,107	19
20	Radiology and X-Ray	4,340	20
21	Other Medical Services	188,064	21
22	Laundry	2,150	22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 481,634	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	4,705	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 4,705	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Wheelchair Rental Revenue	2,678	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 2,678	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 11,486,233	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,528,476	31
32	Health Care	4,608,177	32
33	General Administration	1,938,133	33
B. Capital Expense			
34	Ownership	2,585,277	34
C. Ancillary Expense			
35	Special Cost Centers	626,449	35
36	Provider Participation Fee	130,148	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 11,416,660	40
41	Income before Income Taxes (line 30 minus line 40)**	69,573	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 69,573	43

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation. The Nursing Home is a Cash Basis Tax Payer

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning: 01/01/02

Ending:

12/31/02

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

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	2,108	2,228	\$ 88,530	\$ 39.74	1
2	Assistant Director of Nursing	1,978	2,074	59,841	28.85	2
3	Registered Nurses	28,113	32,406	656,485	20.26	3
4	Licensed Practical Nurses	28,116	33,810	666,831	19.72	4
5	Nurse Aides & Orderlies	107,897	127,880	1,324,463	10.36	5
6	Nurse Aide Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	13,492	14,817	175,230	11.83	8
9	Activity Director					9
10	Activity Assistants	11,182	11,680	101,677	8.71	10
11	Social Service Workers	8,263	8,769	114,854	13.10	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	40,175	42,457	386,404	9.10	15
16	Dishwashers					16
17	Maintenance Workers	5,214	5,633	73,643	13.07	17
18	Housekeepers	29,596	31,398	228,390	7.27	18
19	Laundry	8,814	9,361	65,522	7.00	19
20	Administrator	2,337	2,476	74,313	30.01	20
21	Assistant Administrator	2,112	2,296	66,301	28.88	21
22	Other Administrative	3,067	3,192	111,197	34.84	22
23	Office Manager					23
24	Clerical	16,720	17,623	291,144	16.52	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	1,868	2,028	33,571	16.55	31
32	Other Health Care(specify)					32
33	Other(specify) See Sched. 20A	11,777	13,294	248,691	18.71	33
34	TOTAL (lines 1 - 33)	322,829	363,422	\$ 4,767,087 *	\$ 13.12	34

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

** See instructions.

B. CONSULTANT SERVICES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference		
35	Dietary Consultant	279	\$ 11,160	L 1, C 3	35
36	Medical Director	Monthly	39,000	L 9, C 3	36
37	Medical Records Consultant	Monthly	4,464	L 10, C 3	37
38	Nurse Consultant	Monthly +484	45,022	L 10, C 3	38
39	Pharmacist Consultant	Monthly	6,500	L 10, C 3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	56	3,024	L 11, C 3	44
45	Social Service Consultant	94	4,862	L 12, C 3	45
46	Other(specify)				46
47	Quality Assurance	46	2,850	L 10, C 3	47
48					48
49	TOTAL (lines 35 - 48)	475	\$ 116,882		49

C. CONTRACT NURSES

	1	2	3	
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	\$		50
51	Licensed Practical Nurses	N/A		51
52	Nurse Aides			52
53	TOTAL (lines 50 - 52)	\$		53

SEE ACCOUNTANTS' COMPILATION REPORT

Butterfield Health Care II, Inc.
D/B/A Meadowbrook Manor-Naperville
Provider #0041285
12/31/2002

Schedule 20A

XVIII. Staffing and Salary Costs
Line 32-Other

	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage
Rehabilitation Nurse	283	337	9,130	27.09
Nursing Administration	9,605	10,798	199,528	18.48
Central Supply	881	917	15,120	16.49
Marketing Director	1,008	1,242	24,913	20.06
Total Line 32-Other	11,777	13,294	248,691	18.71

See Accountants' Compilation Report

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions		
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount		
Christine Thompson	Administrator	0	\$ 52,777	Workers' Compensation Insurance	\$ 103,659	IDPH License Fee	\$ 400		
Donna Sprinkle	Administrator/Dir of Ops.	0	41,477	Unemployment Compensation Insurance	47,754	Advertising: Employee Recruitment	19,439		
Ralph Ricana	Asst. Administrator	0	66,301	FICA Taxes	361,972	Health Care Worker Background Check	1,500		
Robert Jafari	Executive Director	25	56,208	Employee Health Insurance	127,826	(Indicate # of checks performed 150)			
Nicholas Vangel	Executive Director	20	10,404	Employee Meals		Illinois Council on Long Term Care	8,304		
Christopher Vangel	Operating Spvr	0	24,644	Illinois Municipal Retirement Fund (IMRF)*		Miscellaneous Fees & Permits	7,171		
				Employee Appreciation Meals	5,421	Inspections	1,435		
				401k Contribution	2,423	Misc. Dues & Subscriptions	967		
				Training and Education	14,155	Allocation from Mgmt Co.	405		
				Other Employee Benefits	11,140	Less: Public Relations Expense	()		
						Non-allowable advertising	()		
						Yellow page advertising	()		
TOTAL (agree to Schedule V, line 17, col. 1)				TOTAL (agree to Schedule V, line 22, col.8)		TOTAL (agree to Sch. V, line 20, col. 8)			
(List each licensed administrator separately.)			\$ 251,811	\$ 674,350		\$ 39,621			
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees				G. Schedule of Travel and Seminar**	
Description				Description		Description		Amount	
Amount				Line #		Amount		Amount	
Butterfield Health Care Group, Inc. (Eliminated in Col. 7)				N/A				Out-of-State Travel	
\$ 176,300								\$	
TOTAL (agree to Schedule V, line 17, col. 3)				TOTAL				In-State Travel	
(Attach a copy of any management service agreement)				\$					
\$ 176,300									
C. Professional Services								Seminar Expense	
Vendor/Payee		Type		Amount				See Schedule 21B	
				\$				5,188	
								Allocation From Management Co.	
								405	
See Schedule 21A				142,384				Entertainment Expense	
								()	
								(agree to Sch. V, line 24, col. 8)	
								\$ 5,593	
TOTAL (agree to Schedule V, line 19, column 3)									
(If total legal fees exceed \$2500 attach copy of invoices.)				\$ 142,384					

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

**See instructions.

Butterfield Health Care II, Inc. d/b/a Meadowbrook Manor-Naperville
Provider # 0041285
December 31, 2002

Schedule 21A

XIX. SUPPORT SCHEDULE

C. Professional Services

Vendor/Payee	Type	Amount
Freedman, Anselmo, Lindberg & Rappe	Collections	1,939
Wildman, Harrold Allen & Dixon	Legal	1,225
Schiff, Hardin & Waite	Legal	44,926
Ciradelli & Cummings	Legal	4,125
Nereus Oberio	Nurse Petitioner	510
Seyfarth Shaw	Legal	14,318
Altschuler, Melvoin & Glasser LLP	Accountants	22,624
American Express Tax & Business Services	Accountants	30,958
Transworld Systems, Inc.	Letter Writing Service	573
Personnel Planners, Inc.	Unemployment Consultant	1,458
MSI Investigative Services	Investigative Services	1,222
Elgin Jackson Jr.	Employment Fees	2,200
Lily De La Cruz	Employment Fees	2,500
Medi.COM	Computer Services	1,575
Health Data Systems , Inc	Computer Services	7,482
Health Outcomes Management , Inc	Computer Services	4,100
Mutual of Omaha - Medicare	Computer Services	649
Total (agree to Schedule V, line 19, column 3)		142,384
Non-allowable legal expense-Butterfield Health Care II, Inc.		(4,650)
Legal expense-MMN Partners, L.P.		7,763
Non-allowable legal expense-MMN Partners, L.P.		(7,699)
Allocation from Management Company:		
Paychex	Payroll Service	878
Garber & Associates	Insurance Consultant	342
One-2-One Computer Assistance	Computer Services	119
Duane Morris	Legal	358
American Express Tax & Business Services	Accounting	300
Schiff, Hardin & Waite	Legal	2,916
Wildman, Harrold Allen & Dixon	Legal	3,078
Non-allowable legal expense-Butterfield Health Care Group, Inc.		(1,485)
Total (agree to Schedule V, line 19, column 8)		<u>144,304</u>

See Accountants' Compilation Report

Butterfield Health Care II, Inc. d/b/a Meadowbrook Manor-Naperville
Provider # 0041285
December 31, 2002

Schedule 21B

Month	Description	Amount	Location	Employee	Seminar Title
January-02	Oakton Community College	\$90.00	Naperville	R. Ricana	Abuse & Neglect Prevention & Detection
January-02	Oakton Community College	\$90.00	Naperville	D. Sprinkle	Abuse & Neglect Prevention & Detection
January-02	ATA	\$20.00	Chicago	W. Scarpa	Activity Assistants Workshop
January-02	ATA	\$20.00	Chicago	S. Spahiu	Activity Assistants Workshop
February-02	Glantz Richman Rehab	\$225.00	Chicago	M. Jabola	Physical Rehab Workshop
February-02	Comprehensive Therapeutics	\$275.00	Chicago	S. Rocha	Physical Rehab Course
February-02	Comprehensive Therapeutics	\$250.00	Chicago	I. Santiago	Physical Rehab Course
February-02	Comprehensive Therapeutics	\$275.00	Chicago	R. Casal	Physical Rehab Course
February-02	Comprehensive Therapeutics	\$250.00	Chicago	I. Santiago	Occupational Rehab Course
February-02	Rush St. Lukes	\$100.00	Chicago	C. Droste	Utilization Management
February-02	Alzheimer's Association	\$80.00	Skokie	R. Ricana	Alzheimer's Conference
February-02	Alzheimer's Association	\$80.00	Skokie	C. Thompson	Alzheimer's Conference
February-02	St. Paul's House Foundation	\$50.00	Chicago	C. Thompson	IOC Rules for Activities, Health & Fitness.....
February-02	St. Paul's House Foundation	\$50.00	Chicago	R. Khristy	IOC Rules for Activities, Health & Fitness.....
February-02	Linda Roberts & Associates	\$55.00	Wheaton	K. Karanth	Dietary Seminar
February-02	Life Services Network of Illinois	\$100.00	Lisle	R. Bundalian	IOC Provider Training
February-02	Life Services Network of Illinois	\$100.00	Lisle	R. Ricana	IOC Provider Training
February-02	Life Services Network of Illinois	\$100.00	Lisle	C. Thompson	IOC Provider Training
February-02	Life Services Network of Illinois	\$100.00	Lisle	J. Kolbaba	IOC Provider Training
March-02	Comprehensive Therapeutics	\$275.00	Chicago	R. Casal	Physical Rehab Course
March-02	Comprehensive Therapeutics	\$250.00	Chicago	E. Mercado	Physical Rehab Course
March-02	Comprehensive Therapeutics	\$250.00	Chicago	E. Mercado	Physical Rehab Course
May-02	Illinois Council on LTC	\$50.00	Lincolnwood	C. Vangel	Working Successfully with Hospital Discharge Planners
May-02	Illinois Council on LTC	\$50.00	Lincolnwood	S. Herbert	Working Successfully with Hospital Discharge Planners
May-02	Illinois Council on LTC	\$50.00	Lincolnwood	R. Jafari	Working Successfully with Hospital Discharge Planners
May-02	Illinois Council on LTC	\$50.00	Lincolnwood	R. Ricana	Working Successfully with Hospital Discharge Planners
May-02	Illinois Council on LTC	\$50.00	Lincolnwood	D. Sprinkle	Working Successfully with Hospital Discharge Planners
May-02	Northern District DMA	\$15.00	Chicago	K. Karanth	Dietary Seminar
May-02	Northern District DMA	\$15.00	Chicago	R. Ragasa	Dietary Seminar
May-02	Oakton Community College	\$405.00	Des Plaines	S. Braun	Orientation Course for Activity Director/Supervision-Art or Craft?
June-02	Oakton Community College	\$320.00	Des Plaines	L. Rex	Orientation Course for Activity Director
September-02	Rehabilitation Associates	\$125.00	Wheaton	M. Jabola	Rehabilitation Services Training
September-02	Cynthia Chow & Associates	\$80.00	Chicago	K. Karanth	Annual Dietary Seminar
October-02	Achieve Accreditation	\$513.00	Naperville	D. Sprinkle	JCAHO seminar
October-02	Illinois Council on LTC	\$50.00	Lincolnwood	R. Bundalian	Effectively Utilizing the Nursing Department Through the Admissions Process and Beyond
October-02	Illinois Council on LTC	\$50.00	Lincolnwood	S. Phillips	Effectively Utilizing the Nursing Department Through the Admissions Process and Beyond
October-02	Illinois Council on LTC	\$50.00	Lincolnwood	R. Ricana	Effectively Utilizing the Nursing Department Through the Admissions Process and Beyond
October-02	Illinois Council on LTC	\$50.00	Lincolnwood	C. Thompson	Effectively Utilizing the Nursing Department Through the Admissions Process and Beyond
November-02	Oakton Community College	\$90.00	Naperville	R. Ricana	Discovering the Key to MDS Success
November-02	Oakton Community College	\$90.00	Naperville	C. Thompson	Discovering the Key to MDS Success
	Total - allowable travel & seminar	\$5,188.00			
	Allocation from Management Co.	\$405.00			See Accountants' Compilation Report
	Total Travel & Seminar	<u>\$5,593.00</u>			

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

1	2	3	4	5	6	7	8	9	10	11	12	13
Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007
1		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2												
3												
4												
5												
6												
7												
8							N/A					
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20	TOTALS	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning:

01/01/02

Ending:

12/31/02

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. Illinois Council on Long Term Care \$8,304
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 7.5 Yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 66,639 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. \$ 130,148
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ None Has any meal income been offset against related costs? Yes Indicate the amount. \$ 1,870
- (16) Travel and Transportation
- a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
- b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A
- c. What percent of all travel expense relates to transportation of nurses and patients? 0%
- d. Have vehicle usage logs been maintained? N/A
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? N/A
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
- g. Does the facility transport residents to and from day training? No**
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees.

SEE ACCOUNTANTS' COMPILATION REPORT

**Butterfield Health Care II, Inc. d/b/a Meadowbrook Manor-Naperville
Provider # 0041285
December 31, 2002**

**Page 3, Line 25, Column 3
Other Admonistrative Staff Transportation**

Parking and Mileage Reimbursement 4,784

Allocation from Management Co.

Parking and Mileage Reimbursement 1,503

Total Other Admonistrative Staff Transportation 6,287