

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285 Report Period Beginning: 1/1/06 Ending: 12/31/06

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 N/A

	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>245</u>	Skilled (SNF)	<u>245</u>	<u>89,425</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>245</u>	TOTALS	<u>245</u>	<u>89,425</u>	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF	<u>62,861</u>	<u>10,709</u>	<u>11,474</u>	<u>85,044</u>	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>62,861</u>	<u>10,709</u>	<u>11,474</u>	<u>85,044</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensured bed days on line 7, column 4.) 95.10%

D. How many bed-hold days during this year were paid by the Department?
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)
None

F. Does the facility maintain a daily midnight census? Yes

G. 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, Column 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 2/9/1996

J. Was the facility purchased or leased after January 1, 1978?
 YES Date 2/9/1996 NO

K. Was the facility certified for Medicare during the reporting year?
 YES NO If YES, enter number of beds certified 231 and days of care provided 11,114

Medicare Intermediary Mutual of Omaha

IV. ACCOUNTING BASIS
 ACCRUAL MODIFIED CASH* CASH*

Is your fiscal year identical to your tax year? YES NO

Tax Year: 12/31/06 Fiscal Year: 12/31/06

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

Facility Name & ID Number Meadowbrook Manor-Naperville # 0041285 Report Period Beginning: 1/1/06 Ending: 12/31/06

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	428,273	56,318	14,571	499,162		499,162	499,162			1
2	Food Purchase		391,597		391,597		391,597	(2,812)	388,785		2
3	Housekeeping	244,150	67,763		311,913		311,913		311,913		3
4	Laundry	65,535	32,373		97,908		97,908	(2,433)	95,475		4
5	Heat and Other Utilities			226,161	226,161		226,161	403	226,564		5
6	Maintenance	58,466	25,674	146,276	230,416		230,416	48,055	278,471		6
7	Other (specify):* Emp Ben.-Mgmt Co.							5,265	5,265		7
8	TOTAL General Services	796,424	573,725	387,008	1,757,157		1,757,157	48,478	1,805,635		8
	B. Health Care and Programs										
9	Medical Director			58,000	58,000		58,000		58,000		9
10	Nursing and Medical Records	4,456,533	386,143	168,718	5,011,394		5,011,394	(19,677)	4,991,717		10
10a	Therapy		7,353	659,842	667,195		667,195	(103,263)	563,932		10a
11	Activities	115,070	13,740	2,338	131,148		131,148	(168)	130,980		11
12	Social Services	95,236		3,821	99,057		99,057	18,713	117,770		12
13	CNA Training			6,435	6,435		6,435		6,435		13
14	Program Transportation										14
15	Other (specify):* Emp Ben.-Mgmt Co.							60,639	60,639		15
16	TOTAL Health Care and Programs	4,666,839	407,236	899,154	5,973,229		5,973,229	(43,756)	5,929,473		16
	C. General Administration										
17	Administrative	87,093		560,000	647,093		647,093	(530,577)	116,516		17
18	Directors Fees										18
19	Professional Services			130,321	130,321		130,321	24,528	154,849		19
20	Dues, Fees, Subscriptions & Promotions			95,110	95,110		95,110	(29,403)	65,707		20
21	Clerical & General Office Expenses	152,802	33,157	41,384	227,343		227,343	312,962	540,305		21
22	Employee Benefits & Payroll Taxes			896,844	896,844		896,844		896,844		22
23	Inservice Training & Education										23
24	Travel and Seminar			2,028	2,028		2,028	2,349	4,377		24
25	Other Admin. Staff Transportation			564	564		564	1,568	2,132		25
26	Insurance-Prop.Liab.Malpractice			194,348	194,348		194,348	52,734	247,082		26
27	Other (specify):* Emp Ben.-Mgmt Co.							36,120	36,120		27
28	TOTAL General Administration	239,895	33,157	1,920,599	2,193,651		2,193,651	(129,719)	2,063,932		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	5,703,158	1,014,118	3,206,761	9,924,037		9,924,037	(124,997)	9,799,040		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.

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR OHF USE ONLY	
		Salary/Wage	Supplies	Other	Total					9	10
	D. Ownership	1	2	3	4	5	6	7	8		
30	Depreciation			71,388	71,388		71,388	283,114	354,502		30
31	Amortization of Pre-Op. & Org										31
32	Interest			188,297	188,297		188,297	560,859	749,156		32
33	Real Estate Taxes							212,654	212,654		33
34	Rent-Facility & Grounds			2,682,744	2,682,744		2,682,744	(2,674,257)	8,487		34
35	Rent-Equipment & Vehicles			1,892	1,892		1,892		1,892		35
36	Other (specify): ³ Mortgage insurance							78,912	78,912		36
37	TOTAL Ownership			2,944,321	2,944,321		2,944,321	(1,538,718)	1,405,603		37
	Ancillary Expense										
	E. Special Cost Centers										
38	Medically Necessary Transportatior			1,491	1,491		1,491		1,491		38
39	Ancillary Service Centers		478,111		478,111		478,111		478,111		39
40	Barber and Beauty Shops			28,080	28,080		28,080		28,080		40
41	Coffee and Gift Shops										41
42	Provider Participation Fec			134,138	134,138		134,138		134,138		42
43	Other (specify): ³ Nonallowable Cost			558,504	558,504		558,504	(558,504)			43
44	TOTAL Special Cost Centers		478,111	722,213	1,200,324		1,200,324	(558,504)	641,820		44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	5,703,158	1,492,229	6,873,295	14,068,682		14,068,682	(2,222,219)	11,846,463		45

*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

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning: 1/1/06

Ending: 12/31/06

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 Program:				3
4	Non-Patient Meals	(2,812)	2		4
5	Telephone, TV & Radio in Resident Room:	(6,455)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patient:				8
9	Non-Straightline Depreciation	(8,394)	30		9
10	Interest and Other Investment Income:	(79,914)	32		10
11	Discounts, Allowances, Rebates & Refund:				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(892)	43		13
14	Non-Care Related Interest	(185,859)	32		14
15	Non-Care Related Owner's Transactions:				15
16	Personal Expenses (Including Transportation,	(243)	43		16
17	Non-Care Related Fees	(4,219)	20		17
18	Fines and Penalties				18
19	Entertainment	(3,876)	43		19
20	Contributions	(1,449)	43		20
21	Owner or Key-Man Insurance:				21
22	Special Legal Fees & Legal Retainer:	(2,264)	19		22
23	Malpractice Insurance for Individual:				23
24	Bad Debt	(455,951)	43		24
25	Fund Raising, Advertising and Promotions	(52,576)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(36,000)	43		26
27	CNA Training for Non-Employee:				27
28	Yellow Page Advertising	(27,621)	20		28
29	Other-Attach Schedule <u>See page 5A</u>	(47,565)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (916,090)		\$	30

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)	(1,306,129)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (1,306,129)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (2,222,219)		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		x			45
46	Other-Attach Schedule		x			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

BHF USE ONLY						
48		49		50		51
						52

SEE ACCOUNTANTS' COMPILATION REPORT

Meadowbrook Manor-Naperville

ID# 0041285

Report Period Beginning: 1/1/06

Ending: 12/31/06

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	Sch. V Line
1	Laundry Income	\$ (2,433)	4	1
2	Miscellaneous Income Offset	(2,320)	21	2
3	Radiology	(25,265)	43	3
4	Laboratory	(7,615)	43	4
5	Physician Fees	(9,560)	43	5
6	Activity Income offset	(168)	11	6
7	Nonallowable seminar	(204)	24	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	(47,565)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning:

1/1/06

Ending:

12/31/06

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	(2,812)	0	0	0	0	0	0	0	0	0	0	(2,812)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	(2,433)	0	0	0	0	0	0	0	0	0	0	(2,433)	4
5	Heat and Other Utilities	0	0	0	403	0	0	0	0	0	0	0	403	5
6	Maintenance	0	0	0	48,055	0	0	0	0	0	0	0	48,055	6
7	Other (specify):*	0	0	0	5,265	0	0	0	0	0	0	0	5,265	7
8	TOTAL General Services	(5,245)	0	0	53,723	0	48,478	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	(19,677)	0	0	0	0	0	0	0	(19,677)	10
10a	Therapy	0	0	0	(103,263)	0	0	0	0	0	0	0	(103,263)	10a
11	Activities	(168)	0	0	0	0	0	0	0	0	0	0	(168)	11
12	Social Services	0	0	0	18,713	0	0	0	0	0	0	0	18,713	12
13	CNA 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	60,639	0	0	0	0	0	0	0	60,639	15
16	TOTAL Health Care and Programs	(168)	0	0	(43,588)	0	(43,756)	16						
	C. General Administration													
17	Administrative	0	0	0	(530,577)	0	0	0	0	0	0	0	(530,577)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(2,264)	0	16,664	10,128	0	0	0	0	0	0	0	24,528	19
20	Fees, Subscriptions & Promotions	(31,840)	0	400	2,037	0	0	0	0	0	0	0	(29,403)	20
21	Clerical & General Office Expenses	(2,320)	0	0	315,282	0	0	0	0	0	0	0	312,962	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	(204)	0	0	2,553	0	0	0	0	0	0	0	2,349	24
25	Other Admin. Staff Transportation	0	0	0	1,568	0	0	0	0	0	0	0	1,568	25
26	Insurance-Prop.Lib.Malpractice	0	0	52,734	0	0	0	0	0	0	0	0	52,734	26
27	Other (specify):*	0	0	0	36,120	0	0	0	0	0	0	0	36,120	27
28	TOTAL General Administration	(36,628)	0	69,798	(162,889)	0	(129,719)	28						
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(42,041)	0	69,798	(152,754)	0	(124,997)	29						

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning:

1/1/06

Ending:

12/31/06

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	(8,394)	0	267,711	23,797	0	0	0	0	0	0	0	283,114	30
31	Amortization of Pre-Op. & Org	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(265,773)	0	826,632	0	0	0	0	0	0	0	0	560,859	32
33	Real Estate Taxes	0	0	212,654	0	0	0	0	0	0	0	0	212,654	33
34	Rent-Facility & Grounds	0	0	(2,682,744)	8,487	0	0	0	0	0	0	0	(2,674,257)	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify): ³	0	0	78,912	0	0	0	0	0	0	0	0	78,912	36
37	TOTAL Ownership	(274,167)	0	(1,296,835)	32,284	0	(1,538,718)	37						
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportator	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 Fec	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify): ³	(599,882)	0	0	41,378	0	0	0	0	0	0	0	(558,504)	43
44	TOTAL Special Cost Centers	(599,882)	0	0	41,378	0	(558,504)	44						
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(916,090)	0	(1,227,037)	(79,092)	0	(2,222,219)	45						

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning:

1/1/06

Ending:

12/31/06

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	J&D Partners, L.P.	Bolingbrook	Lessor
		Butterfield Health Care VII, LLC d/b/a Meadowbrook Manor of LaGrange	LaGrange	MMN Partners, L.P.	Naperville	Lessor
See Schedule 6C	See Schedule 6C			Butterfield Health Care Group, Inc.	Bolingbrook	Management Co.
		Seneca Nursing Home, Inc. d/b/a Lee Manor	Des Plaines	MML Properties, LLC	LaGrange	Lessor
				Seneca Building Limited Ptsp.	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	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
1	V		\$			\$	\$	1
2	V							2
3	V							3
4	V							4
5	V		2,688,575	MMN Partners, L.P. (Page 6A)	100.00%	1,461,538	(1,227,037)	5
6	V							6
7	V		1,217,830	Butterfield Health Care Group, Inc. (Page 6B)	100.00%	1,138,738	(79,092)	7
8	V							8
9	V							9
10	V							10
11	V							11
12	V							12
13	V							13
14	Total		\$ 3,906,405			\$ 2,600,276	\$ * (1,306,129)	14

* Total must agree with the amount recorded on line 34 of Schedule V1

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning: 1/1/06

Ending: 12/31/06

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%	\$ 16,664	\$ 16,664	15
16	V	20 Fees & Subscriptions		MMN Partners, L.P.	100.00%	400	400	16
17	V	26 Insurance-Prop, Liab, Malpractice		MMN Partners, L.P.	100.00%	52,734	52,734	17
18	V	30 Depreciation		MMN Partners, L.P.	100.00%	267,711	267,711	18
19	V	32 Interest Expense	5,831	MMN Partners, L.P.	100.00%	832,463	826,632	19
20	V	33 Real Estate Taxes		MMN Partners, L.P.	100.00%	212,654	212,654	20
21	V	34 Rent	2,682,744	MMN Partners, L.P.	100.00%		(2,682,744)	21
22	V	36 Mortgage Insurance		MMN Partners, L.P.	100.00%	78,912	78,912	22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 2,688,575			\$ 1,461,538	\$ * (1,227,037)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning: 1/1/06

Ending: 12/31/06

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 Schedule V	2 Line	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
		Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	5	Utilities	\$	Butterfield Health Care Group, Inc.	100.00%	\$ 403	\$ 403	15
16	V	6	Maintenance Salaries		Butterfield Health Care Group, Inc.	100.00%	48,055	48,055	16
17	V	7	Employee Benefits-Gen. Svc		Butterfield Health Care Group, Inc.	100.00%	5,265	5,265	17
18	V	10	Central Supply Salaries		Butterfield Health Care Group, Inc.	100.00%	15,923	15,923	18
19	V	10	Mattress fee	35,600	Butterfield Health Care Group, Inc.	100.00%		(35,600)	19
20	V	10a	Therapy Salaries	622,196	Butterfield Health Care Group, Inc.	100.00%	518,933	(103,263)	20
21	V	12	Social Service Salaries		Butterfield Health Care Group, Inc.	100.00%	18,713	18,713	21
22	V	15	Employee Benefits-Nursing		Butterfield Health Care Group, Inc.	100.00%	60,639	60,639	22
23	V	17	Administrative Salaries	560,000	Butterfield Health Care Group, Inc.	100.00%	29,423	(530,577)	23
24	V	19	Professional Services		Butterfield Health Care Group, Inc.	100.00%	10,128	10,128	24
25	V	20	Fees & Subscriptions		Butterfield Health Care Group, Inc.	100.00%	2,037	2,037	25
26	V	21	Clerical & General Office Exp.	34	Butterfield Health Care Group, Inc.	100.00%	315,316	315,282	26
27	V	24	Travel & Seminar		Butterfield Health Care Group, Inc.	100.00%	2,553	2,553	27
28	V	25	Other Admin. Staff Trans.		Butterfield Health Care Group, Inc.	100.00%	1,568	1,568	28
29	V	27	Employee Benefits-Gen Adm		Butterfield Health Care Group, Inc.	100.00%	36,120	36,120	29
30	V	30	Depreciation		Butterfield Health Care Group, Inc.	100.00%	23,797	23,797	30
31	V	34	Rent		Butterfield Health Care Group, Inc.	100.00%	8,487	8,487	31
32	V	43	Other (Non-Allowable Expenses)		Butterfield Health Care Group, Inc.	100.00%	41,378	41,378	32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total		\$ 1,217,830				\$ 1,138,738	\$ * (79,092)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Butterfield Health Care II, Inc. d/b/a Meadowbrook Manor of Naperville
Provider #0041285
12/31/2006

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%
Dorothy Vangel QSS Trust	7.50%
Decendant's Non GST Exempt S-Corp Trust F/B/O Ashley Maria Dimas	0.50%
Decendant's Non GST Exempt S-Corp Trust F/B/O Sasha Eva Dimas	0.50%
Decendant's Non GST Exempt S-Corp Trust F/B/O Sean William Dimas	0.50%
Decendant's GST Exempt S-Corp Trust F/B/O Katherine Hocuk	0.50%
Decendant's GST Exempt S-Corp Trust F/B/O Christopher Vangel	0.50%
	<u>100.00%</u>

See Accountants' Compilation Report

Facility Name & ID Number Meadowbrook Manor-Naperville # 0041285 Report Period Beginning: 1/1/06 Ending: 12/31/06

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	Dorothy Vangel	Stockholder	Executive Director	20.00	46,500			N/A	\$	N/A	1
2	Christopher Vangel	Operating Spvr	Administrative	0.05	50,660	16	40.00	Salary	29,423	L.17, C.7	2
3	Kianoosh Jafari	Stockholder	Medical Director	25.00	14,000	16	40.00	Med. Dir. Fee	12,000	L.9, C.3	3
4	Sean Dimas	Stockholder	Administrative	6.67	42,591	0	0.00	N/A		N/A	4
5											5
6											6
7	Note 1-	Christopher Vangel received compensation from two other nursing home which were									7
8		Butterfield Health Care, Inc. d/b/a Meadowbrook Manor and Butterfield Healthcare VII, LLC d/b/a									8
9		Meadowbrook Manor of LaGrange									9
10	Note 2-	Dorothy Vangel received \$46,500 of Directors Fees from Seneca Nursing Home, Inc. d/b/a Lee Manor									10
11	Note 3-	Kianoosh Jafari received \$14,000 of Medical Director Fees from Butterfield Health Care, Inc. d/b/a Meadowbrook Manor									11
12	Note 4-	Sean Dimas received \$42,591 of salaries from Seneca Nursing Home, Inc. d/b/a Lee Manor									12
13								TOTAL	\$ 41,423		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:

1/1/06

Ending: 12/31/06

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 18 W 140 Butterfield Road, Suite 1670
 City / State / Zip Code Oak Brook Terrace, IL 60181
 Phone Number (630) 932-3220
 Fax Number (630) 759-4406

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	5	Utilities	Resident Days	231,477	3	\$ 1,098	\$ 85,044	\$ 403	1
2	6	Maintenance Salaries	Resident Days	231,477	3	130,800	130,800	85,044	48,055
3	7	Employee Benefits-Gen. Svc	Resident Days	231,477	3	14,328	85,044	85,044	5,265
4	10	Central Supply Salaries	Resident Days	231,477	3	43,341	43,341	85,044	15,923
5	10a	Therapy Salaries	Gross Charges	5,434,650	3	1,326,176	1,326,176	2,126,908	518,933
6	12	Social Service Salaries	Resident Days	231,477	3	50,934	50,934	85,044	18,713
7	15	Employee Benefits-Nursing	Resident Days	231,477	3	165,051	85,044	85,044	60,639
8	17	Administrative Salaries	Resident Days	231,477	3	80,083	80,083	85,044	29,423
9	19	Professional Services	Resident Days	231,477	3	27,567	85,044	85,044	10,128
10	20	Fees & Subscriptions	Resident Days	231,477	3	5,546	85,044	85,044	2,037
11	21	Clerical & General Office Exp.	Resident Days	231,477	3	858,244	817,412	85,044	315,316
12	24	Travel & Seminar	Resident Days	231,477	3	6,948	85,044	85,044	2,553
13	25	Other Admin. Staff Trans.	Resident Days	231,477	3	4,268	85,044	85,044	1,568
14	27	Employee Benefits-Gen Adm	Resident Days	231,477	3	98,314	85,044	85,044	36,120
15	30	Depreciation	Resident Days	231,477	3	64,771	85,044	85,044	23,797
16	34	Rent	Resident Days	231,477	3	23,101	85,044	85,044	8,487
17	43	Other (Non-Allowable Expenses)	Resident Days	231,477	3	112,625	87,625	85,044	41,378
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 3,013,195	\$ 2,536,371	\$ 1,138,738	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number

Meadowbrook Manor-Naperville

0041285

Report Period Beginning:

1/1/06

Ending:

12/31/06

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	Name of Lender	2 Related**		3 Purpose of Loan	4 Monthly Payment Required	5 Date of Note	6 Amount of Note		8 Maturity Date	9 Interest Rate (4 Digits)	10 Reporting Period Interest Expense	
		YES	NO				Original	Balance				
A. Directly Facility Related												
Long-Term												
1	GMAC		x	Mortgage	\$94,985.27	5/22/03	\$ 16,320,000	\$ 15,695,127	06/01/38	0.0525	\$ 828,618	1
2	GMAC		x	Amortization of Loan Costs							3,845	2
3												3
4												4
5												5
Working Capital												
6	Shareholder Loans	x		Working Capital	N/A	5/31/05	2,550,000	2,203,000	5/31/07	Prime-.005	177,482	6
7	Shareholder Loans	x		Working Capital	\$183,333.00	12/31/05	373,000		3/31/06	Libor +.0175	8,377	7
8	Avaya Financial Services		x	Capital Lease	\$846.08	1/1/06	35,483	28,978			2,438	8
9	TOTAL Facility Related				\$279,164.35		\$ 19,278,483	\$ 17,927,105			\$ 1,020,760	9
B. Non-Facility Related*												
10												10
11							Offset Interest Income				(85,745)	11
12							Offset Related Party Interest Expense				(185,859)	12
13												13
14	TOTAL Non-Facility Related						\$	\$			\$ (271,604)	14
15	TOTALS (line 9+line14)						\$ 19,278,483	\$ 17,927,105			\$ 749,156	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 78,912 Line # 36

* 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.)

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2005 report.		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.		\$	254,000	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.)		2005		\$	227,654	2
3. Under or (over) accrual (line 2 minus line 1).				\$	(26,346)	3
4. Real Estate Tax accrual used for 2006 report. (Detail and explain your calculation of this accrual on the lines below.)				\$	239,000	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.)				\$		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.				\$	212,654	7
Real Estate Tax History:						
Real Estate Tax Bill for Calendar Year:						
	2001	<u>243,276</u>	<u>8</u>	FOR BHF USE ONLY		
	2002	<u>230,268</u>	<u>9</u>	13	FROM R. E. TAX STATEMENT FOR 2005	\$
	2003	<u>230,897</u>	<u>10</u>	14	PLUS APPEAL COST FROM LINE 5	\$
	2004	<u>241,773</u>	<u>11</u>	15	LESS REFUND FROM LINE 6	\$
	2005	<u>227,654</u>	<u>12</u>	16	AMOUNT TO USE FOR RATE CALCULATION	\$
2005 Tax Bill		227654				
Estimated Increase		1.05				
Total		239036.7				
Use		239000				

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual o 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:** 2005 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 2005 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2005.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2005 real estate tax bill to Healthcare and Family Services, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2006 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 Bureau of Health Finance at (217) 782-1630.

2005 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 2005 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 2005.

(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>227,654.18</u>	\$ <u>227,654.18</u>
2. _____	_____	\$ _____	\$ _____
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>227,654.18</u>	\$ <u>227,654.18</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 original 2005 tax bills which were listed in Section A to this statement. Be sure to use the 2005 tax bill which is normally paid during 2006.

PLEASE NOTE: Payment information from the Internet or otherwise is not considered acceptable tax bill documentation. Facilities located in Cook County are required to provide copies of their original **second installment** tax bill.

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285 Report Period Beginning:

1/1/06 Ending:

12/31/06

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 109,175 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 ground (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA 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: N/A 2. Number of Years Over Which it is Being Amortized: _____
3. Current Period Amortization: _____ 4. Dates Incurred: N/A

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:

1/1/06

Ending:

12/31/06

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	
	Bed* FOR BHF 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	\$ 2,694,436	4
5										5
6										6
7										7
8										8
	Improvement Type**									
9	Landscaping Improvements		1996	22,797	1,140	15	1,520	380	15,200	9
10	Fence		1996	5,500	298	15	367	69	4,000	10
11	Land Improvements		1996	12,824		40	320	320	3,495	11
12	Doors		1997	5,961	596	20	298	(298)	2,831	12
13	Landscaping Improvements (Shrubs, Trees, Evergreens)		1998	22,729	1,136	20	1,136		9,656	13
14	Leasehold Improvements (Air Ductwork, Dampers, Chimney)		2001	4,425	113	20	221	108	1,216	14
15	Electrical Work-Dialysis Room		2002	4,024	402	20	201	(201)	904	15
16	Lockinvar Burner		2002	3,584	358	20	179	(179)	808	16
17	Fence		2002	1,465	147	20	73	(74)	331	17
18	Signs		2002	2,775	278	20	139	(139)	622	18
19	Exterior Signs/Electrical Work for Sign:		2003	1,575	158	20	79	(79)	391	19
20	Exterior Signs/Electrical Work for Sign:		2003	6,020		20	301	301	752	20
21	Plumbing for Dialysis Room		2003	5,540		10	277	277	1,382	21
22	Plumbing for Dialysis Room		2003	10,989	554	20	549	(5)	1,373	22
23	Install 7 Doors		2003	3,433		20	172	172	430	23
24	Sealcoat Parking Lot		2003	3,000		20	150	150	375	24
25	Install Vents in Oxygen Room		2003	2,061	206	20	103	(103)	518	25
26	Replace Monitors and Multiplexer for Fire Alarm:		2003	1,890	189	20	94	(95)	469	26
27	Install Fire Alarm Sensors		2003	9,517		20	476	476	1,190	27
28	Butterfly Garden		2004	4,851	242	20	243	1	607	28
29	Install Fence		2004	1,050		20	52	52	130	29
30	Install Smoke Dampers and Motors		2004	3,300		20	165	165	412	30
31	Install Carpeting		2004	56,444		20	2,822	2,822	7,057	31
32	Install Fan		2004	3,218		20	161	161	402	32
33	Rebuild Hot Water Valves		2004	1,657		20	83	83	207	33
34	Install 2 Doors		2004	1,312		20	66	66	165	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:

1/1/06

Ending:

12/31/06

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	2005	\$ 2,895	\$ 289	10	\$ 289	\$	\$ 434	37
38	2005	1,995	200	10	200		300	38
39	2005	6,765	676	10	676		1,014	39
40	2005	3,980	398	10	398		597	40
41	2005	6,700	670	10	670		1,005	41
42	2005	66,259	6,626	10	6,626		9,939	42
43	2006	3,309	165	10	165		165	43
44	2006	12,206	610	10	610		610	44
45	2006	42,270	2,114	10	2,114		2,114	45
46	2006	12,436	622	10	622		622	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)	\$ 10,224,678	\$ 18,187		\$ 269,215	\$ 251,028	\$ 2,766,159	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Meadowbrook Manor-Naperville # 0041285 Report Period Beginning: 1/1/06 Ending: 12/31/06

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	\$ 1,431,859	\$ 44,258	\$ 52,547	\$ 8,289	5-10 yrs	\$ 1,230,814	71
72	Current Year Purchases	178,868	8,943	8,943		10 yrs	8,943	72
73	Fully Depreciated Assets	72,034				5-10 yrs	72,034	73
74	Allocated from Management Co.			23,797	23,797	5-10 yrs		74
75	TOTALS	\$ 1,682,761	\$ 53,201	\$ 85,287	\$ 32,086		\$ 1,311,791	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	N/A									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)	\$ 12,187,039	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 71,388	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 354,502	83**
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 283,114	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 4,077,950	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	N/A				88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92		\$	92
93	N/A		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.

SEE ACCOUNTANTS' COMPILATION REPORT

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

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

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?</p> <p><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 CNA <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 CNA <u>80</u></p>
--	--	---

B. EXPENSES

ALLOCATION OF COSTS (d)

		Facility			Total
		1 Drop-outs	2 Completed	3 Contract	
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	CNA 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 CNAs from other facilities.

\$

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	<u>11</u>
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 CNA 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 CNAs.

- (e) The total amount of Drop-out and Completed Costs for your own CNAs 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 CNAs.
- SEE ACCOUNTANTS' COMPILATION REPORT

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

	Service	1 Schedule V Line & Column Reference	2		3	4		5	6	7	8
			Staff		Cost	Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service			Units	Cost				
1	Licensed Occupational Therapist	L. 10A, C. 3, 7	6960	hrs	\$ 227,051	116	\$ 5,802	\$	7,076	\$ 232,853	1
2	Licensed Speech and Language Development Therapist	L. 10A, C. 7	510	hrs	16,348				510	16,348	2
3	Licensed Recreational Therapist			hrs							3
4	Licensed Physical Therapist	L. 10A, C. 2,3,7	8438	hrs	275,257	402	20,091	7,353	8,840	302,701	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				478,111		478,111	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)			hrs							10
11	Academic Education			hrs							11
12	Exceptional Care Program										12
13	Other (specify): Respiratory Therapy	L. 10A, C. 3				301	12,030		301	12,030	13
14	TOTAL				\$ 518,656	819	\$ 37,923	\$ 485,464	16,727	\$ 1,042,043	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 CNAs, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville# 0041285Report Period Beginning: 1/1/06

Ending:

12/31/06

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/06

(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	\$	\$ 950,974	1
2	Cash-Patient Deposits	41,564	41,564	2
3	Accounts & Short-Term Notes Receivable Patients (less allowance <u>575,000</u>)	4,573,165	4,573,165	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	93,021	182,075	6
7	Other Prepaid Expenses	16,027	16,027	7
8	Accounts Receivable (owners or related parties)	1,687,884	1,687,884	8
9	Other(specify) <u>Employee Advances</u>	2,747	2,747	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 6,414,408	\$ 7,454,436	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 Cos		9,876,745	14
15	Leasehold Improvements, at Historical Cos	247,993	347,933	15
16	Equipment, at Historical Cos	718,937	1,682,761	16
17	Accumulated Depreciation (book methods)	(406,884)	(4,077,950)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Cost:			19
	Accumulated Amortization			
20	Organization & Pre-Operating Cost:			20
21	Restricted Funds			21
22	Other Long-Term Assets (spec) <u>Loan Costs</u>		120,690	22
23	Other(specify) <u>Mortgage Escrows</u>		182,276	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 560,046	\$ 8,412,055	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 6,974,454	\$ 15,866,491	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 699,782	\$ 699,782	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposit	53,195	53,195	28
29	Short-Term Notes Payable	2,231,978	2,231,978	29
30	Accrued Salaries Payable	450,209	450,209	30
31	Accrued Taxes Payable (excluding real estate taxes)	31,048	31,048	31
32	Accrued Real Estate Taxes(Sch.IX-B)		239,000	32
33	Accrued Interest Payable	14,345	83,011	33
34	Deferred Compensation			34
35	Federal and State Income Tax			35
	Other Current Liabilities(specify):			
36	<u>See Attached Schedule 17A</u>	2,704,001	692,386	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 6,184,558	\$ 4,480,609	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		15,695,127	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)	\$	\$ 15,695,127	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 6,184,558	\$ 20,175,736	46
47	TOTAL EQUITY (page 18, line 24)	\$ 789,896	\$ (4,309,245)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 6,974,454	\$ 15,866,491	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Butterfield Health Care II, Inc.
d/b/a Meadowbrook Manor of Naperville
Provider #0041285
12/31/2006

Schedule 17A

XV. Balance Sheet

Current Liabilities

Line 36 - Other Current Liabilities

	Operating	After Consolidation
Resident Credit Balances	634,284	634,284
Accrued Rent	2,011,615	
Due to State of Illinois	58,102	58,102
Total Line 36 Other Current Liabilities	<u>2,704,001</u>	<u>692,386</u>

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 698,009	1
2	Restatements (describe):		2
3	Rounding	4	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 698,013	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	231,883	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 Purpose:		12
13	Dividends Paid or Other Distributions to Owners	(140,000)	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)	\$ 91,883	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)	\$ 789,896	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: 1/1/06

Ending: 12/31/06

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	\$ 12,833,568	1
2	Discounts and Allowances for all Levels	(1,372,907)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 11,460,661	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	2,126,910	6
7	Oxygen	11,219	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 2,138,129	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	35,145	13
14	Non-Patient Meals	2,812	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	435,219	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	7,318	19
20	Radiology and X-Ray	19,600	20
21	Other Medical Services	114,369	21
22	Laundry	2,433	22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 616,896	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	79,914	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 79,914	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>Wheelchair Rental</u>	2,477	28
28a	<u>Miscellaneous/Activities Income</u>	2,488	28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 4,965	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 14,300,565	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,757,157	31
32	Health Care	5,973,229	32
33	General Administration	2,193,651	33
B. Capital Expense			
34	Ownership	2,944,321	34
C. Ancillary Expense			
35	Special Cost Centers	1,066,186	35
36	Provider Participation Fee	134,138	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 14,068,682	40
41	Income before Income Taxes (line 30 minus line 40)**	231,883	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 231,883	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. This entity is a cash basis taxpayer.

*** 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: 1/1/06

Ending:

12/31/06

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	1,764	1,883	\$ 75,230	\$ 39.95	1
2	Assistant Director of Nursing	2,099	2,326	66,176	28.45	2
3	Registered Nurses	49,675	52,806	1,498,226	28.37	3
4	Licensed Practical Nurses	17,651	18,303	499,774	27.31	4
5	CNAs & Orderlies	133,849	142,299	1,708,320	12.01	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	10,869	11,506	186,722	16.23	8
9	Activity Director					9
10	Activity Assistants	9,912	10,503	115,070	10.96	10
11	Social Service Workers	6,371	6,659	95,236	14.30	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	40,398	43,237	428,273	9.91	15
16	Dishwashers					16
17	Maintenance Workers	3,770	4,158	58,466	14.06	17
18	Housekeepers	28,684	30,973	244,150	7.88	18
19	Laundry	7,832	8,524	65,535	7.69	19
20	Administrator	1,920	2,200	87,093	39.59	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	11,464	12,427	152,802	12.30	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	1,808	2,080	27,258	13.10	31
32	Other Health Care(specify)					32
33	Other(specify) See Att Sch 20A	18,990	20,176	394,827	19.57	33
34	TOTAL (lines 1 - 33)	347,056	370,060	\$ 5,703,158 *	\$ 15.41	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	331	\$ 14,571	L. 1, C. 3	35
36	Medical Director	Monthly	58,000	L. 9, C. 3	36
37	Medical Records Consultant	18	1,210	L. 10, C. 3	37
38	Nurse Consultant	428	17,120	L. 10, C. 3	38
39	Pharmacist Consultant	Monthly	6,000	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	47	2,338	L. 11, C. 3	44
45	Social Service Consultant	71	3,821	L. 12, C. 3	45
46	Other(specify)				46
47	Quality Assurance	45	2,825	L. 10, C. 3	47
48					48
49	TOTAL (lines 35 - 48)	940	\$ 105,885		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	Certified Nurse Assistants/Aides			52
53	TOTAL (lines 50 - 52)	\$		53

SEE ACCOUNTANTS' COMPILATION REPORT

Butterfield Health Care II, Inc
D/B/A Meadowbrook Manor of Naperville
Provider #0041285
12/31/2006

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	310	310	7,251	23.39
Nursing Administration	11,114	12,007	274,458	22.86
Central Supply	1,858	1,982	20,882	10.54
Ward Clerks	5,708	5,877	92,236	15.69
Total Line 32-Other	18,990	20,176	394,827	19.57

See Accountants' Compilation Report

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning: 1/1/06

Ending: 12/31/06

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	
Ralph Ricana	Administrator	0	\$ 6,423	Workers' Compensation Insurance	\$ 156,360	IDPH License Fee	\$ 1,990	
Rosalisa Bundalian	Administrator	0	80,670	Unemployment Compensation Insurance	64,261	Advertising: Employee Recruitment	39,457	
				FICA Taxes	425,528	Health Care Worker Background Check	2,500	
				Employee Health Insurance	188,736	(Indicate # of checks performed <u>250</u>)		
				Employee Meals		Illinois Council on Long Term Care	11,329	
				Illinois Municipal Retirement Fund (IMRF)*		Miscellaneous Fees & Permits	2,170	
				401k Contribution	21,592	Inspections	2,200	
				Training and Education	13,353	Misc. Dues & Subscriptions	5,716	
				Other Employee Benefits	27,014	Yellow Page Advertising	27,621	
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 87,093			Allocation from Management Co.	345	
B. Administrative - Other						Less: Public Relations Expense	()	
Description			Amount			Non-allowable advertising	()	
Management Fees (Eliminated in Column 7)			\$ 560,000			Yellow page advertising	(27,621)	
						TOTAL (agree to Sch. V, line 20, col. 8)	\$ 65,707	
				TOTAL (agree to Schedule V, line 22, col.8)	\$ 896,844			
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$ 560,000	E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
C. Professional Services				Description	Line #	Amount	Description	Amount
Vendor/Payee	Type		Amount					
			\$				Out-of-State Travel	\$
							In-State Travel	
See Schedule 21A			130,321	N/A				
							Seminar Expense	
							See Schedule 21B	4,377
							Entertainment Expense	()
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 130,321	TOTAL		\$	TOTAL (agree to Sch. V, line 24, col. 8)	\$ 4,377

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

**See instructions.

Butterfield Health Care II, Inc. d/b/a Meadowbrook Manor of Naperville
 Provider # 0041285
 December 31, 2006

Schedule 21A

Schedule 21A

XIX. SUPPORT SCHEDULE
 C. Professional Services

Vendor/Payee	Type	Amount
Foley & Lardner	Legal	27,517
Hamilton, Theis, Lorch & Hagnell	Legal	1,760
Duane Morris	Legal	1,583
Robin Kramer-prior year void	Legal	(600)
Prior year voids	Legal	(745)
Altschuler, Melvoin and Glasser LLP	Accountants	7,375
RSM McGladrey	Accountants	2,219
Peterek & Howse LLP	Accountants	3,500
Rehab Management Systems	Billing Consultant	39,000
Richard Peelo & Assoc	Medicare Consultant	6,000
TALX	Unemployment Consultant	4,028
New England Financial	401k Administrative Fee	1,317
Paylocity	Payroll Service	4,377
Absolute Billing	Billing Consultant	4,950
Systematic Management Systems	Billing Consultant	(3,317)
Edmeon Business Services	Computer Services	2,152
Health Data Systems , Inc	Computer Services	3,901
Accu-Med Services	Computer Services	2,120
Mutual of Omaha - Medicare	Computer Services	183
Wencel Worldwide	Computer Services	500
Wescom Solutions	Computer Services	20,169
Novacon Internet Service	Computer Services	590
Prior year voids	Computer Services	(480)
Precision Repair	Computer Services	2,222
Total (agree to Schedule V, line 19, column 3)		130,321
Non-allowable legal expense		(154)
MMN Partners, LP		
RSM McGladrey	Accountants	1,000
Altschuler, Melvoin & Glasser LLP	Accountants	13,600
Hamilton, Lorch	Legal	112
Crane and Norcross	Legal	1,952
Non-allowable Legal	Legal	
Allocation from Management Company:		
Hamilton, Thies, Lorch and Bagnell	Legal	2,768
Ungaretti & Harris	Legal	1,837
Klari Tedrow	Legal	918
American Express Tax & Business Service	Accountants	
RSM McGladrey	Accountants	744
Access Therapies	Employment Fees	1,653
Beitler Staffing	Employment Fees	980
Paychex	Payroll Service	443
Paylocity	Payroll Service	693
New England Financial	401k Administrative Fee	92
Non-allowable Legal		(2,110)
Total (agree to Schedule V, line 19, column 8)		<u>154,849</u>

See Accountants' Compilation Report

Butterfield Health Care II, Inc. d/b/a Meadowbrook Manor of Naperville
 Provider # 0041285
 December 31, 2006

Schedule 21B

Month	Description	Amount	Location	Employee	Seminar Title	
July-06	Life Service Network of Illinois	\$323.00	Lombard, IL	Y. Robbins, I. Santiago, nursing rep	Just Add One! Restorative Nursing in Illinois	
May-06	College of DuPage	\$261.00	Glen Ellyn, IL	Carol Sedmidubsky	LTC course	
September-06	Alzheimers Association	\$150.00	Lisle, IL	L. Bianes, E. Davis	Illinois Dementia Care Train the Trainer program	
September-06	Mather Lifeways	\$70.00	Northfield, IL	T. Razon, V. Apostol	2006 LEAP Conference Teamwork Partners in Caregiving	
October-06	Cynthia Chow and Assoc	\$170.00	Chicago, IL	J. Allen, KC Karanth	Nutrition in the 21st Century	
December-06	Career Track	\$198.00	Joliet, IL	R. Titco, E. Sulce	The Outstanding Receptionist	
December-06	Life Service Network of Illinois	\$149.00	Tinley Park, IL	R. Bundalian	Getting a Handle on the new No-pay Claim Process	
December-06	ILCLTC	\$190.00	Oak Lawn, IL	R. Bundalian, V. Apostol	Updated OBRA Medication Regulations	
December-06	Healthcare Information Network	\$358.00	Naperville, IL	R. Bundalian, A. Mendoza	SNF PPS update 2006	
December-06	PESI Healthcare	\$159.00	Illinois	R. Trojillo	Seminar	
Total - allowable travel & seminar		\$2,028.00				
Allocation from Management Co.						
January-06	Cross Country Education	\$179.00	\$66.00	Schaumburg, IL	Kiran Tyagi	Pharmacology for Physical and Occupational Therapists
January-06	Illinois Council on LTC	\$95.00	\$35.00	Oak Lawn, IL	L. Templin	The 2006 Revised MDS System
January-06	Illinois Health Care Association	\$350.00	\$129.00	Lisle, IL	L. Templin, S. Chavez	Medicare Back to Basics
February-06	Health Professionals Institute	\$450.00	\$165.00	Lombard, IL	Judith Wolcott	Multi-Disciplinary Certificate Program in Dementia Assessment
March-06	Alzheimers Association	\$75.00	\$28.00	Joliet, IL	Judith Wolcott	Pathways Through Alzheimers
March-06	Illinois Council on LTC	\$95.00	\$35.00	Tinley Park, IL	P. Uding	The 2006 Revised MDS System
March-06	Illinois Council on LTC	\$380.00	\$140.00	Tinley Park, IL	C. Magruter, T. Sema, T. Pabello, S. Chavez	The 2006 Revised MDS System
March-06	Life Services Network	\$450.00	\$165.00	Tinley Park, IL	P. Uding, C. Magruter, T. Sema	Medicaid 2006 New Rules New Tools
May-06	Cross Country Education	\$169.00	\$62.00	Schaumburg, IL	Kiran Tyagi	Improving Leadership & Management in Rehab
June-06	Cross Country Education	\$199.00	\$73.00	Schaumburg, IL	Kiran Tyagi	Examination and Intervention of Dizziness
June-06	Cross Country Education	\$169.00	\$62.00	Chicago, IL	Kiran Tyagi	Improving MDS Skills and Performance
July-06	Cross Country Education	\$169.00	\$62.00	Chicago, IL	Kristen David	Improving MDS Skills and Performance
July-06	AHI	\$139.00	\$51.00	Chicago, IL	Judith Wolcott	Interventions for Geriatric Patients with Psychiatric Disorders
July-06	Samland Institute of Allied Health	\$250.00	\$92.00	Chicago, IL	Cathy Cohrs	Physical Rehab Assistant course
November-06	Rockhurst University	\$716.00	\$263.00	Oakbrook Terrace, IL	Uding, C. Magruter, T. Sema, T. Pabello, S. Chavez	Collecting Accounts Receivable
November-06	Life Services Network	\$165.00	\$61.00	Illinois	accounting staff	Currently unable to find invoice
November-06	Hillpath Seminars	\$973.00	\$357.00	Oakbrook, IL	mplin, Vangel, Farkas, Kostner, Johnson, Dimas, Tillman	How to Negotiate with Vendors
November-06	Fred Pryor Seminars	\$199.00	\$73.00	Joliet, IL	J. Tillman	Excel Basics
November-06	Bank of America	\$477.00	\$175.00	Oakbrook, IL	P. Uding, L. Templin, S. Chavez	SNF PPS Update Seminar
December-06	Mitra Yarandi	\$695.00	\$255.00	Online course	Mitra Yarandi	MBS-The Clear Picture
Total Allocated from Management Company		\$2,349.00				
Total Travel & Seminar		\$4,377.00				

See Accountants' Compilation Report

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	Amount of Expense Amortized Per Year								
					FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
1			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3	N/A												
4													
5													
6													
7													
8													
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:

1/1/06

Ending:

12/31/06

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 \$11,329
- (3) Did the nursing home make political contributions or payments to a political organization? No If YES, have these costs been properly adjusted out of the cost report? N/A
- (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 purchase? 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. 70,033 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 to 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
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. 134,138
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 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, 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 benefit on Schedule V. \$ 0 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 2,812
- (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 program during this reporting period. N/A
- c. What percent of all travel expense relates to transportation of nurses and patient? N/A
- d. Have vehicle usage logs been maintained? Adequate records have been maintained.
- 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 of Naperville
Provider # 0041285
December 31, 2006**

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

Parking, Tolls and Mileage Reimbursement	564
	<hr/>
Total Other Admin. Staff Transportation-Naperville	564
Allocation from Management Co.	
Parking, Tolls and Mileage Reimbursement	1,568
	<hr/>
Total Other Administrative Staff Transportation	<u>2,132</u>

See Accountants' Compilation Report