



Facility Name & ID Number Alden Terrace of McHenry Rehab

# 0040691 Report Period Beginning: 1/1/07 Ending: 12/31/07

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 \_\_\_\_\_

	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	316	Skilled (SNF)	316	115,340	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	316	TOTALS	316	115,340	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	4,299	2,354	10,380	17,033	8
9	SNF/PED					9
10	ICF	38,358	5,906	776	45,040	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	42,657	8,260	11,156	62,073	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 53.82%

D. How many bed-hold days during this year were paid by the Department? \_\_\_\_\_ (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)  
\_\_\_\_\_

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

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 03/01/95

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

YES  Date 03/01/95 NO

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

YES  NO  If YES, enter number of beds certified 316 and days of care provided 7,150

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRAUAL  MODIFIED CASH\*  CASH\*

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

Tax Year: 12/31/07 Fiscal Year: 12/31/07

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

Facility Name & ID Number Alden Terrace of McHenry Rehab # 0040691 Report Period Beginning: 1/1/07 Ending: 12/31/07

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 BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	<b>A. General Services</b>											
1	Dietary	280,835	29,806	12,000	322,641	215	322,856	3,731	326,587			1
2	Food Purchase		433,762		433,762	(36,453)	397,309	(45,969)	351,340			2
3	Housekeeping	187,997	56,284		244,281	794	245,075	5,022	250,097			3
4	Laundry	77,145	32,633	806	110,584	153	110,737		110,737			4
5	Heat and Other Utilities			250,277	250,277	66	250,343	(6,884)	243,459			5
6	Maintenance	33,876		165,577	199,453		199,453	45,129	244,582			6
7	Other (specify):* <b>Related Party Ben</b>							9,180	9,180			7
8	<b>TOTAL General Services</b>	579,853	552,485	428,660	1,560,998	(35,225)	1,525,773	10,209	1,535,982			8
	<b>B. Health Care and Programs</b>											
9	Medical Director			16,500	16,500		16,500		16,500			9
10	Nursing and Medical Records	2,897,193	201,737	13,343	3,112,273	(44,499)	3,067,774	65,874	3,133,648			10
10a	Therapy	80,220			80,220		80,220		80,220			10a
11	Activities	82,308	3,551	6,978	92,837	43	92,880		92,880			11
12	Social Services	58,951			58,951		58,951		58,951			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):* <b>Related Party Ben</b>							10,621	10,621			15
16	<b>TOTAL Health Care and Programs</b>	3,118,672	205,288	36,821	3,360,781	(44,456)	3,316,325	76,495	3,392,820			16
	<b>C. General Administration</b>											
17	Administrative	52,647			52,647	13,203	65,850	104,976	170,826			17
18	Directors Fees											18
19	Professional Services			740,836	740,836	(8,273)	732,563	(657,425)	75,138			19
20	Dues, Fees, Subscriptions & Promotions			93,425	93,425	310	93,735	(78,788)	14,947			20
21	Clerical & General Office Expenses	126,964	27,696	39,272	193,932	121	194,053	338,316	532,369			21
22	Employee Benefits & Payroll Taxes			500,401	500,401	32,872	533,273	(160)	533,113			22
23	Inservice Training & Education											23
24	Travel and Seminar			10,729	10,729		10,729	1,595	12,324			24
25	Other Admin. Staff Transportation			4,658	4,658		4,658	15,021	19,679			25
26	Insurance-Prop.Liab.Malpractice			318,077	318,077	(1,435)	316,642	265	316,907			26
27	Other (specify):* <b>Related Party Ben</b>			99,315	99,315		99,315	(29,558)	69,757			27
28	<b>TOTAL General Administration</b>	179,611	27,696	1,806,713	2,014,020	36,798	2,050,818	(305,759)	1,745,059			28
29	<b>TOTAL Operating Expense (sum of lines 8, 16 &amp; 28)</b>	3,878,136	785,469	2,272,194	6,935,799	(42,883)	6,892,916	(219,055)	6,673,861			29

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

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

Facility Name & ID Number Alden Terrace of McHenry Rehab #0040691 Report Period Beginning: 1/1/07 Ending: 12/31/07

## V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	<b>D. Ownership</b>										
30	Depreciation			103,581	103,581		103,581	(3,884)	99,697		30
31	Amortization of Pre-Op. & Org.							81	81		31
32	Interest			148,613	148,613	1,435	150,048	10,823	160,871		32
33	Real Estate Taxes			270,017	270,017		270,017	5,873	275,890		33
34	Rent-Facility & Grounds			2,188,042	2,188,042		2,188,042		2,188,042		34
35	Rent-Equipment & Vehicles			8,568	8,568		8,568	45,416	53,984		35
36	Other (specify):*										36
37	<b>TOTAL Ownership</b>			2,718,821	2,718,821	1,435	2,720,256	58,309	2,778,565		37
	<b>Ancillary Expense</b>										
	<b>E. Special Cost Centers</b>										
38	Medically Necessary Transportation										38
39	Ancillary Service Centers		371,295	537,272	908,567	41,448	950,015	(181,188)	768,827		39
40	Barber and Beauty Shops										40
41	Coffee and Gift Shops										41
42	Provider Participation Fee			173,010	173,010		173,010		173,010		42
43	Other (specify):*										43
44	<b>TOTAL Special Cost Centers</b>		371,295	710,282	1,081,577	41,448	1,123,025	(181,188)	941,837		44
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	3,878,136	1,156,764	5,701,297	10,736,197		10,736,197	(341,934)	10,394,263		45

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

Reporting Period Beginning 1/1/2007

Reporting Period Ending 12/31/2007

Reclassifications - Pgs 3 and 4

<u>From Line</u>	<u>To Line</u>	<u>Amount</u>	<u>Description</u>
19		(7963.00)	Pathway
	10	7963.00	Pathway
2		(36,453.00)	Employee Meals
	22	36,453.00	Employee Meals
10		(41,448.00)	Oxygen Costs
	39	41,448.00	Oxygen Costs
26		(1,435.00)	Insurance Expense
	32	1,435.00	Insurance Expense
22		(3,581.00)	Employee Uniforms
	1	215.00	Employee Uniforms
	3	794.00	Employee Uniforms
	4	153.00	Employee Uniforms
	6	66.00	Employee Uniforms
	10	2,189.00	Employee Uniforms
	11	43.00	Employee Uniforms
	21	121.00	Employee Uniforms
19		(310.00)	Employee Background Checks
	20	310.00	Employee Background Checks
	17	13,203.00	Reclass C. Nadeau from Nursing to Administrator
10		(13,203.00)	Reclass C. Nadeau from Nursing to Administrator
		<hr/>	
		-	

**Cell:** E27

**Comment:** Mark N:  
MN adj this one.

Facility Name & ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning: 1/1/07

Ending: 12/31/07

**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	BHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(10)	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				9
10	Interest and Other Investment Income	(1,972)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(1,725)	2		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	(1,479)	21		17
18	Fines and Penalties	(1,131)	32		18
19	Entertainment	(1,410)	20		19
20	Contributions	(14,080)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(6,822)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(99,315)	27		24
25	Fund Raising, Advertising and Promotional	(20,092)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising	(231)	20		28
29	Other-Attach Schedule				29
30	<b>SUBTOTAL (A): (Sum of lines 1-29)</b>	\$ (148,267)		\$	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)	(43,499)	Various	34
35	Other- Attach Schedule	(150,168)	PG 5A	35
36	<b>SUBTOTAL (B): (sum of lines 31-35)</b>	\$ (193,667)		36
37	<b>TOTAL ADJUSTMENTS (A) and (B)</b>	\$ (341,934)		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			x			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	<b>TOTAL (C): (sum of lines 38-46)</b>			\$		47

BHF USE ONLY						
48		49		50		51
						52

Alden Terrace of McHenry Rehab

ID# 0040691

Report Period Beginning: 1/1/07

Ending: 12/31/07

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	
1	Late fees on utilities	\$ (10,450)	5	1
2	Other nursing income	(65)	21	2
3	Intercompany interest is not allowed	(147,126)	32	3
4	Intercompany interest (GL 7053)	(355)	20	4
5	Misc Income (med records)	(544)	10	5
6	Vendor Settlements	(315)	21	6
7	Vendor Settlements(multiut corp)	315	7	7
8	Back out 29.31% (for 2007) of PAC fees	(3,559)	20	8
9	Reduce deprec exp on Pg 13 items under \$2500	(2,692)	30	9
10	Reduce deprec exp on Pg 12 items under \$2500	(2,122)	30	10
11	Expense capital items < \$2500 on Pg 13 items	8,477	6	11
12	Expense capital items < \$2500 on Pg 12 items	9,847	6	12
13	Deming Adjustment	194	24	13
14	Deferred Painting Adjustment(Final Year)	3,905	6	14
15	Deferred Painting Adjustment(Final Year)	(3,905)	30	15
16	YTD Depreciation adj not yet recorded on Sch V	82	30	16
17	Recover Advertising Promo	(64)	21	17
18	Eliminate non-care employee benefits	(160)	22	18
19	Eliminate non-care marketing costs	(160)	20	19
20	PAC Dinner	(1,470)	24	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	<b>Total</b>	(150,168)		49

## STATE OF ILLINOIS

Summary A

Facility Name &amp; ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning:

1/1/07

Ending:

12/31/07

## 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)	
	<b>A. General Services</b>													
1	Dietary	0	0	7,202	(3,471)	0	0	0	0	0	0	0	3,731	1
2	Food Purchase	(1,735)	0	0	(44,234)	0	0	0	0	0	0	0	(45,969)	2
3	Housekeeping	0	0	5,022	0	0	0	0	0	0	0	0	5,022	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	(10,450)	0	3,566	0	0	0	0	0	0	0	0	(6,884)	5
6	Maintenance	22,229	0	23,274	0	0	0	(374)	0	0	0	0	45,129	6
7	Other (specify):*	315	0	8,059	806	0	0	0	0	0	0	0	9,180	7
8	<b>TOTAL General Services</b>	<b>10,359</b>	<b>0</b>	<b>47,123</b>	<b>(46,899)</b>	<b>0</b>	<b>0</b>	<b>(374)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,209</b>	<b>8</b>
	<b>B. Health Care and Programs</b>													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	(544)	0	60,843	1,707	3,868	0	0	0	0	0	0	65,874	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	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	10,621	0	0	0	0	0	0	0	0	10,621	15
16	<b>TOTAL Health Care and Programs</b>	<b>(544)</b>	<b>0</b>	<b>71,464</b>	<b>1,707</b>	<b>3,868</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>76,495</b>	<b>16</b>
	<b>C. General Administration</b>													
17	Administrative	0	0	104,976	0	0	0	0	0	0	0	0	104,976	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(6,822)	0	(650,603)	0	0	0	0	0	0	0	0	(657,425)	19
20	Fees, Subscriptions & Promotions	(39,887)	0	(38,901)	0	0	0	0	0	0	0	0	(78,788)	20
21	Clerical & General Office Expenses	(1,923)	0	301,916	17,957	20,366	0	0	0	0	0	0	338,316	21
22	Employee Benefits & Payroll Taxes	(160)	0	0	0	0	0	0	0	0	0	0	(160)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	(1,276)	0	2,871	0	0	0	0	0	0	0	0	1,595	24
25	Other Admin. Staff Transportation	0	0	15,021	0	0	0	0	0	0	0	0	15,021	25
26	Insurance-Prop.Liab.Malpractice	0	0	265	0	0	0	0	0	0	0	0	265	26
27	Other (specify):*	(99,315)	0	66,883	1,677	1,197	0	0	0	0	0	0	(29,558)	27
28	<b>TOTAL General Administration</b>	<b>(149,384)</b>	<b>0</b>	<b>(197,572)</b>	<b>19,634</b>	<b>21,563</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(305,759)</b>	<b>28</b>
29	<b>TOTAL Operating Expense (sum of lines 8,16 &amp; 28)</b>	<b>(139,569)</b>	<b>0</b>	<b>(78,985)</b>	<b>(25,558)</b>	<b>25,431</b>	<b>0</b>	<b>(374)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(219,055)</b>	<b>29</b>

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning:

1/1/07

Ending:

12/31/07

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

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
30	Depreciation	(8,637)	0	3,226	0	1,527	0	0	0	0	0	0	(3,884)	30
31	Amortization of Pre-Op. & Org.	0	0	81	0	0	0	0	0	0	0	0	81	31
32	Interest	(150,229)	0	159,731	0	1,158	163	0	0	0	0	0	10,823	32
33	Real Estate Taxes	0	0	5,496	0	377	0	0	0	0	0	0	5,873	33
34	Rent-Facility & Grounds	0	0	0	0	0	0	0	0	0	0	0	0	34
35	Rent-Equipment & Vehicles	0	0	45,416	0	0	0	0	0	0	0	0	45,416	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	<b>TOTAL Ownership</b>	<b>(158,866)</b>	<b>0</b>	<b>213,950</b>	<b>0</b>	<b>3,062</b>	<b>163</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>58,309</b>	<b>37</b>
	<b>Ancillary Expense</b>													
	<b>E. Special Cost Centers</b>													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	(31,797)	(41,683)	(107,708)	0	0	0	0	0	(181,188)	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):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	<b>TOTAL Special Cost Centers</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(31,797)</b>	<b>(41,683)</b>	<b>(107,708)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(181,188)</b>	<b>44</b>
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	<b>(298,435)</b>	<b>0</b>	<b>134,965</b>	<b>(57,355)</b>	<b>(13,190)</b>	<b>(107,545)</b>	<b>(374)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(341,934)</b>	<b>45</b>

**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
The Alden Group, Ltd.	100	See Pg 6K		See Pg 6K		

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		\$			\$	\$
2	V						
3	V						
4	V						
5	V						
6	V						
7	V						
8	V						
9	V						
10	V						
11	V						
12	V						
13	V						
14	Total		\$			\$	\$ * 0

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

Facility Name & ID Number Alden Terrace of McHenry Rehab # 0040691 Report Period Beginning: 1/1/07 Ending: 12/31/07

## 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	\$	Alden Management Services, Inc.	0.00%	\$ 3,566	\$ 3,566	15
16	V	24	Trav & Seminar		Alden Management Services, Inc.		2,871	2,871	16
17	V	25	Other Admin Travel		Alden Management Services, Inc.		15,021	15,021	17
18	V	26	Insurance		Alden Management Services, Inc.		265	265	18
19	V	20	Dues & Subscriptions	39,510	Alden Management Services, Inc.		609	(38,901)	19
20	V	30	Depreciation		Alden Management Services, Inc.		3,226	3,226	20
21	V	31	Amortization		Alden Management Services, Inc.		81	81	21
22	V	33	Real Estate Tax		Alden Management Services, Inc.		5,496	5,496	22
23	V	35	Rent-Equip & Vehicles		Alden Management Services, Inc.		45,416	45,416	23
24	V	32	Interest		Alden Management Services, Inc.		159,731	159,731	24
25	V	1	Dietary		Alden Management Services, Inc.		7,202	7,202	25
26	V	3	Housekeeping		Alden Management Services, Inc.		5,022	5,022	26
27	V	7	Employee Benefits-Gen'l Servs		Alden Management Services, Inc.		8,059	8,059	27
28	V	10	Nurs & Med Records Salary		Alden Management Services, Inc.		60,843	60,843	28
29	V	15	Employee Benefits-Health Care		Alden Management Services, Inc.		10,621	10,621	29
30	V	17	Administrative Salary		Alden Management Services, Inc.		104,976	104,976	30
31	V								31
32	V	27	Employee Benefits-Admin		Alden Management Services, Inc.		66,883	66,883	32
33	V	19	Professional Fees	704,912	Alden Management Services, Inc.		54,309	(650,603)	33
34	V	21	Gen'l & Admin		Alden Management Services, Inc.		301,916	301,916	34
35	V	6	Repair & Maint	22,704	Alden Management Services, Inc.		45,978	23,274	35
36	V								36
37	V								37
38	V								38
39	Total		\$ 767,126				\$ 902,091	\$ * 134,965	39

\* 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	1	Diet. Consultant	\$ 12,000	Prism Health Care Services, Inc.	0.00%	\$ 4,124	\$ (7,876)	15
16	V	1	Dietary Salary		Prism Health Care Services, Inc.		4,405	4,405	16
17	V	2	Tube Feeding	85,375	Prism Health Care Services, Inc.		41,141	(44,234)	17
18	V	10	Equip Rental	3,060	Prism Health Care Services, Inc.		4,767	1,707	18
19	V	39	Ancillary Supplies	64,699	Prism Health Care Services, Inc.		32,902	(31,797)	19
20	V	21	Gen'l & Admin Salary		Prism Health Care Services, Inc.		7,146	7,146	20
21	V	27	Employee Benefits		Prism Health Care Services, Inc.		1,677	1,677	21
22	V	7	Employee Benefits		Prism Health Care Services, Inc.		806	806	22
23	V	21	Gen'l & Admin		Prism Health Care Services, Inc.		10,811	10,811	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		\$ 165,134				\$ 107,779	\$ * (57,355)	39

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

Facility Name & ID Number Alden Terrace of McHenry Rehab # 0040691 Report Period Beginning: 1/1/07 Ending: 12/31/07

**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	39 Drugs	\$ 150,309	Forum Extended Care Services II, Inc.	0.00%	\$ 222,941	\$ 72,632	15
16	V	39 IV	125,780	Forum Extended Care Services II, Inc.		13,800	(111,980)	16
17	V	39 Wound Care	11,352	Forum Extended Care Services II, Inc.		9,017	(2,335)	17
18	V	10 House Stock	8,634	Forum Extended Care Services II, Inc.		8,240	(394)	18
19	V	10 Pharmacy Consultant	12,374	Forum Extended Care Services II, Inc.		16,636	4,262	19
20	V	27 Employee Vaccin.	1,126	Forum Extended Care Services II, Inc.		883	(243)	20
21	V	27 Employee Benefits: G&A		Forum Extended Care Services II, Inc.		1,440	1,440	21
22	V	21 Gen'l & Admin. Salary		Forum Extended Care Services II, Inc.		10,926	10,926	22
23	V	21 Gen'l & Admin		Forum Extended Care Services II, Inc.		9,440	9,440	23
24	V	32 Interest		Forum Extended Care Services II, Inc.		1,158	1,158	24
25	V	33 Real Estate Tax		Forum Extended Care Services II, Inc.		377	377	25
26	V	30 Depreciation		Forum Extended Care Services II, Inc.		1,527	1,527	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		\$ 309,575			\$ 296,385	\$ * (13,190)	39

\* 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	39	Therapy	\$ 520,915	Community Physical Therapy & Associates, Ltd.	0.00%	\$ 413,207	\$ (107,708)	15
16	V	32	Interest		Community Physical Therapy & Associates, Ltd.		163	163	16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								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		\$ 520,915				\$ 413,370	\$ * (107,545)	39

\* 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	6	Repairs & Maintenance	\$ 27,453	Alden Bennett Construction Company, Inc.	0.00%	\$ 27,079	\$	(374)	15
16	V									16
17	V									17
18	V									18
19	V									19
20	V									20
21	V									21
22	V									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			\$ 27,453			\$ 27,079	\$ *	(374)	39

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

STATE OF ILLINIOS

Facility Name & ID Number

Alden Terrace of McHenry Reahabilitation and He Provider No. 004-0691

Report Period Beginning:

1/1/2007

Ending:

12/31/2007

RELATED NURSING HOMES		OTHER RELATED BUSINESS ENTITIES		
Name	City	Name	City	Type of Business
		The Forum Professional Center, LP	Chicago	Home Office rental
Heather Health Care Center, Inc.	Harvey			
Alden-Long Grove Rehabilitation and Health Care Center, Inc.	Long Grove	Forum Extended Care Services II, Inc.	Chicago	Pharmacy
Alden-Lincoln Park Rehabilitation and Health Care Center, Inc.	Chicago	Alden Management Services, Inc.	Chicago	Management
Alden-Northmoor Rehabilitation and Health Care Center, Inc.	Chicago			
Alden-Lakeland Rehabilitation and Health Care Center, Inc.	Chicago			
Alden of Old Town East, Inc.	Bloomingtondale	Alden Garden Courts of DesPlaines, LLC	DesPlaines	Assisted Living/Alzheimers Facility
Alden Terrace of McHenry Rehabilitation and Health Care Center, Inc.	McHenry	Alden Courts of Waterford, LLC	Aurora	Alzheimers Facility
Alden - Wentworth Rehabilitation and Health Care Center, Inc.	Chicago	Alden Gardens of Waterford, LLC	Aurora	Assisted Living
Alden - Naperville Rehabilitation and Health Care Center, Inc.	Naperville	Prism Health Care Services, Inc.	Schaumburg	Nursing and Durable Equipment
Alden - Valley Ridge Rehabilitation and Health Care Center, Inc.	Bloomingtondale	Community Physical Therapy & Associates, Ltd.	Wood Dale	Therapy Provider
Alden Village Health Facility for Children and Young Adults, Inc.	Bloomingtondale	Alden Bennett Construction Company, Inc.	Chicago	General Contractor
Alden - Orland Park Rehabilitation and Health Care Center, Inc.	Orland Park			
Alden - Princeton Rehabilitation and Health Care Center, Inc.	Chicago			
Alden of Old Town West, Inc.	Bloomingtondale			
Alden - Town Manor Rehabilitation and Health Care Center, Inc.	Cicero			
Alden Trails, Inc.	Bloomingtondale			
Alden - Poplar Creek Rehabilitation and Health Care Center, Inc.	Hoffman Estates			
Alden - North Shore Rehabilitation and Health Care Center, Inc.	Skokie			
Alden - Des Plaines Rehabilitation and Health Care Center, Inc.	Des Plaines			
Alden Estates of Evanston, Inc.	Evanston			
Alden - Alma Nelson Manor, Inc.	Rockford			
Alden - Park Strathmoor, Inc.	Rockford			
Alden - Meadow Park Health Care Center, Inc.	Clinton, WI			
Alden Estates of Barrington, Inc.	Barrington			
Alden of Waterford, LLC	Aurora			
Alden Springs, Inc.	Bloomingtondale			

Facility Name & ID Number Alden Terrace of McHenry Rehab # 0040691 Report Period Beginning: 1/1/07 Ending: 12/31/07

## 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	Floyd A. Schlossberg	President	CEO	100.00	161,808	2.152	0.05	Salary	\$ 9,192	17-7	1
2	Lauren Magnusson	Dir. Of Clinical Servi	Technical Nursing	0.00	61,014	2.152	0.05	Salary	3,466	10-7	2
3	Terry Magnusson	Dir. of Purchasing	Supervise Mainten	0.00	35,919	2.152	0.05	Salary	2,041	6-7	3
4											4
5											5
6	A. Floyd Schlossberg is the President and sole stockholder of Alden Management Services, Inc.										6
7	B. Lauren Magnusson is the daughter of Floyd Schlossberg. Lauren is the Director of Clinical Services and provides technical support for the entire nursing staff.										7
8	C. Terry Magnusson is the son-in-law of Floyd Schlossberg. Terry coordinates the purchase of all building maintenance items as well as supervise building engineers.										8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 14,699		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.

Facility Name & ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning:

1/1/07

Ending: 12/31/07

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

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

Name of Related Organization Alden Management Services, Inc.  
 Street Address 4200 W. Peterson  
 City / State / Zip Code Chicago, IL 60646  
 Phone Number (773)286-3883  
 Fax Number (773)286-8038

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	Patient Days	1,154,703	29	\$ 66,329	\$ 62,073	\$ 3,566	1
2	24	Trav & Seminar	Patient Days	1,154,703	29	53,403	62,073	2,871	2
3	25	Other Admin Travel	Patient Days	1,154,703	29	279,431	62,073	15,021	3
4	26	Insurance	Patient Days	1,154,703	29	4,925	62,073	265	4
5	20	Dues & Subscriptions	Patient Days	1,154,703	29	11,328	62,073	609	5
6	30	Depreciation	No. of Providers/usage	29	29	93,554	1	3,226	6
7	31	Amortization	Patient Days	1,154,703	29	1,500	62,073	81	7
8	33	Real Estate Tax	Patient Days/usage	1,154,703	29	102,244	62,073	5,496	8
9	35	Rent-Equip & Vehicles	Patient Days	1,154,703	29	844,835	62,073	45,416	9
10	32	Interest	Patient Days/usage	1,154,703	29	2,971,370	62,073	159,731	10
11	1	Dietary	Patient Days	1,154,703	29	133,965	133,965	7,202	11
12	3	Housekeeping	Patient Days	1,154,703	29	93,421	93,421	5,022	12
13	7	Employee Benefits-Gen'l Servs	Patient Days	1,154,703	29	149,914	62,073	8,059	13
14	10	Nurs & Med Records Salary	Patient Days	1,154,703	29	1,131,822	1,178,420	60,843	14
15	15	Employee Benefits-Health Care	Patient Days	1,154,703	29	197,574	62,073	10,621	15
16	17	Administrative Salary	Patient Days/usage	1,154,703	29	1,952,799	1,091,420	104,976	16
17	18								17
18	27	Employee Benefits-Admin	Patient Days	1,154,703	29	1,244,181	62,073	66,883	18
19	19	Professional Fees	Patient Days	1,154,703	29	1,010,272	531,592	54,309	19
20	21	Gen'l & Admin	Patient Days	1,154,703	29	5,616,348	4,942,836	301,916	20
21	6	Repair & Maint	Patient Days	1,154,703	29	855,298	666,770	45,978	21
22									22
23									23
24									24
25	TOTALS					\$ 16,814,513	\$ 8,638,424	\$ 902,091	25

**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											
										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			
<b>A. Directly Facility Related</b>																				
<b>Long-Term</b>																				
1										1										
2										2										
3										3										
4	Therapeutic Systems		x	Working Capital						356										
5	Insurance Interest-see reclass		x	Insurance						1,435										
<b>Working Capital</b>																				
6	Related Party - CPT									163										
7	Related Party - AMS									159,731										
8	Related Party - FECII									1,158										
9	<b>TOTAL Facility Related</b>									<b>162,843</b>										
<b>B. Non-Facility Related*</b>																				
10										10										
11	Interest Income on Corp									(1,972)										
12										12										
13										13										
14	<b>TOTAL Non-Facility Related</b>									<b>(1,972)</b>										
15	<b>TOTALS (line 9+line14)</b>									<b>160,871</b>										

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

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

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



**IMPORTANT NOTICE**

**TO:** Long Term Care Facilities with Real Estate Tax Rates **RE:** 2006 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 2006 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2006.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2006 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 2007 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.

**2006 LONG TERM CARE REAL ESTATE TAX STATEMENT**

FACILITY NAME Alden Terrace of McHenry Rehab COUNTY McHenry

FACILITY IDPH LICENSE NUMBER 0040691

CONTACT PERSON REGARDING THIS REPORT Steven M. Kroll

TELEPHONE (773) 286-3883 FAX #: (773)286-8038

**A. Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2006 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 2006.

(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>09-34-177-009</u>	<u>Nursing home facility</u>	\$ <u>252,364.00</u>	\$ <u>252,364.00</u>
2. <u>09-34-177-006</u>	<u>Nursing home facility</u>	\$ <u>3,775.38</u>	\$ <u>3,775.38</u>
3. <u>09-34-177-010</u>	<u>Nursing home facility</u>	\$ <u>277.12</u>	\$ <u>277.12</u>
4. <u>See Attached</u>	<u>Related Party - AMS</u>	\$ <u>241,399.00</u>	\$ <u>5,496.00</u>
5. <u>See Attached</u>	<u>Related Party - Forum</u>	\$ <u>102,246.00</u>	\$ <u>377.00</u>
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
<b>TOTALS</b>		\$ <u>600,061.50</u>	\$ <u>262,289.50</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 original 2006 tax bills which were listed in Section A to this statement. Be sure to use the 2006 tax bill which is normally paid during 2007.

**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 Alden Terrace of McHenry Rehab

# 0040691 Report Period Beginning:

1/1/07 Ending:

12/31/07

**X. BUILDING AND GENERAL INFORMATION:**

A. Square Feet: 9,000 B. General Construction Type: Exterior Masonry Frame \_\_\_\_\_ 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, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

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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				\$	1
2					2
3	TOTALS			\$	3

Facility Name & ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning:

1/1/07

Ending:

12/31/07

**XI. OWNERSHIP COSTS (continued)**

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

	1 Beds*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4					\$	\$		\$	\$	\$	4
5											5
6											6
7											7
8		Related Party-Forum		1978	14,541		25			14,541	8
		Improvement Type**									
9		Climate Service (Ventilation)		1995	1,828	122	15	122		1,534	9
10		Climate Service (Ventilation)		1995	1,915	128	15	128		1,597	10
11		Climate Service _Controls		1995	2,885	192	15	192		2,403	11
12		Climate Service-Controls		1995	1,251	83	15	83		1,042	12
13		Climate Service (A?C Motors,Transfomer)		1995	1,840	123	15	123		1,524	13
14		climate Services _Controls		1995	1,200	80	15	80		987	14
15		JD & Sons-Roofing		1995	7,500		10			7,500	15
16		Grat Lakes Plumbing _Discahrge Pump		1995	3,563	238	15	238		2,931	16
17		Midwest Wlectrical		1995	3,332		5			3,332	17
18		Climate Services, Inc.-Ventilation		1995	2,295	153	15	153		1,862	18
19		CSI-New Pump		1995	1,483		10			1,483	19
20		Eagle Flag & Banner		1995	680	42	12	42		680	20
21		Equipment International _Repair Dishwasher		1996	1,793		5			1,793	21
22		JD & Sons-Roofing		1996	7,700		10			7,700	22
23		ABC _Roof top Condensor		1996	8,668		10			8,668	23
24		Install Walk in refrigeratror		1997	2,177		5			2,177	24
25		Install Ceramic Tile		1997	1,535		5			1,535	25
26		Engine/generator repaired		1997	3,099		5			3,099	26
27		New Cylinder		1997	12,800		5			12,800	27
28		Instll new condenser		1997	8,166		5			8,166	28
29		Install new cylinder		1997	15,300		5			15,300	29
30		Install Floor tile		1997	4,102		5			4,102	30
31		HVAC Boiler		1997	5,888		5			5,888	31
32		Custom wall plates		1997	386	28	10	28		386	32
33		A&B Custom Cable Wall plates		1997	1,918	143	10	143		1,918	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

Facility Name &amp; ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning:

1/1/07

Ending:

12/31/07

**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	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	Wigdahl Electric (install new fixtures, relocate outlets)	1998	\$ 1,759	\$	5	\$	\$	\$ 1,759	37
38	Wigdahl Electric (repair lighting, timeclock)	1998	1,853		5			1,853	38
39	Climate Service (repaired boiler)	1998	16,029	1,603	10	1,603		15,896	39
40	Atash (repair sprinkler system)	1998	1,558	156	10	156		1,558	40
41	J.D. & Son (roof repair)	1998	10,000	1,000	10	1,000		9,500	41
42	CSI (dietary refrigerator)	1998	1,670	167	10	167		1,587	42
43	CSI (sump cover)	1998	4,900	490	10	490		4,573	43
44	Patten (generator repairs)	1998	3,856	193	20	193		1,816	44
45	CSI (insulate duct on air handler)	1998	2,750	183	15	183		1,710	45
46	CSI (repair air conditioner)	1998	1,698	170	10	170		1,585	46
47	CSI (replace gaskets on hot water coil)	1998	3,934	197	20	197		1,804	47
48	North Town Food Service (repair dish machine)	1999	1,861	186	10	186		1,675	48
49	Alden Bennet Construction (tank replacement)	1999	8,649	346	25	346		3,056	49
50	Patten (Fuel Tank Repairs, need invoice)	1999	1,724	172	10	172		1,493	50
51	Chicago Cooling Corp. (repair of unit 5, and inspection)6/99	1999	2,367	237	10	237		2,032	51
52	Climate Service, Inc. (replace 15 ton condenser)	1999	9,374	625	15	625		5,312	52
53	Climate Service, Inc. (replace 10 ton condenser)	1999	7,100	473	15	473		4,022	53
54	Climate Service, Inc. (compressor)	1999	7,466	498	15	498		4,190	54
55	Climate Service, Inc. (vac pump)	1999	1,644	110	15	110		915	55
56	Climate Service, Inc. (compressor maintenance)	1999	1,728	115	15	115		950	56
57	Capps Plumbing & Sewer (install trap & rodded pipes)	1999	1,835	184	10	184		1,515	57
58	Climate Service, Inc. (tank repair and maintenance)	1999	2,380	95	25	95		769	58
59	Shine Rite Maintenance (refinish tile floors)	1999	4,805	481	10	481		3,886	59
60	Alden Bennet Construction (tile/roofing)	2000	8,214	821	10	821		6,433	60
61	Alden Bennet Construction (tile/roofing)	2000	11,459	1,146	10	1,146		8,404	61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	<b>TOTAL (lines 4 thru 69)</b>		\$ 238,458	\$ 10,980		\$ 10,980	\$	\$ 203,241	70

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

Facility Name &amp; ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning:

1/1/07

Ending:

12/31/07

**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	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	<b>Totals from Page 12A, Carried Forward</b>		\$ 238,458	\$ 10,980		\$ 10,980	\$	\$ 203,241	1
2	Fox Valley Fire & Safety (replace smoke detectors)	2000	3,731	373	10	373		2,891	2
3	CSI Coker Service (repair dishwasher)	2000	3,299	330	10	330		2,557	3
4	Welding Supply Inc (repair alarm system)	2000	2,750	275	10	275		2,108	4
5	Welding Supply Inc (repair alarm system)	2000	6,649	665	10	665		5,098	5
6	System Electric Inc (new controls for oxygen system)	2000	1,785	223	8	223		1,710	6
7	GT Mechanical (repair laundry compressor)	2000	2,700	270	10	270		2,025	7
8	CSI Coker Service (repair dishwasher)	2000	1,536	154	10	154		1,153	8
9	Equipment International (repair laundry equipment)	2000	1,670	167	10	167		1,239	9
10	GT Mechanical (repair pneumatic system compressor)	2000	2,431	243	10	243		1,803	10
11	Advanced Parts & Service (repair food processor)	2000	2,026	203	10	203		1,504	11
12	CSI Coker Service (repair boiler)	2000	5,985	599	10	599		4,291	12
13		2000			10				13
14		2000			10				14
15	Capps -Plumbing &2670(install new bolt flange checkvalve)	2001	1,865	124	15	124		869	15
16	Sentry Protection Systems (annual maintenance on the fire alarm a	2001	2,151	143	15	143		979	16
17	CSI- Coker Service, 039721	2001	1,523	152	10	152		1,040	17
18	Patten (replace with updated phase monitor)	2001	1,898	190	10	190		1,313	18
19	Rockford Steam(hvac work)	2001	6,562	656	10	656		4,374	19
20					15				20
21	GT Mechanical(replace compressor)	2001	4,947	330	15	330		2,144	21
22	Alden Bennett Const. (lock install./repair)	2001	2,017	202	10	202		1,346	22
23	GT Mechanical, Inc (replace high pressure switch)	2001	2,516	168	15	168		1,077	23
24	CSI Coker (bldng. Improvement)	2001	1,708	114	15	114		750	24
25	Alden Bennett Const. (invoice to follow)	2001	20,742	2,074	10	2,074		14,173	25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 318,950	\$ 18,635		\$ 18,635	\$	\$ 257,685	34

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

Facility Name &amp; ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning:

1/1/07

Ending:

12/31/07

**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	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	<b>Totals from Page 12B, Carried Forward</b>		\$ 318,950	\$ 18,635		\$ 18,635	\$	\$ 257,685	1
2	<a href="#">EQUINT Equipment International (gas dryer)</a>	2002	3,240	324	10	324		1,701	2
3	<a href="#">AQUSER .REBUILD 2 WATER SOFTNE</a>	2002	2,500	250	10	250		1,313	3
4	<a href="#">ALDBEN Alden Bennett Construct (need invoice)</a>	2002	18,173	1,212	15	1,212		7,271	4
5	<a href="#">ENGSEC Engineered Security Sys</a>	2002	3,091	206	15	206		1,116	5
6	<a href="#">ALDBEN Alden Bennett Construct</a>	2002	25,143	1,676	15	1,676		9,219	6
7	<a href="#">ALDBEN Alden Bennett Construct (building improvement)</a>	2002	3,391	226	15	226		1,281	7
8	<a href="#">TTIRRI T &amp; T Irrigation Inc.(lawn sprinkler system)</a>	2002	15,000	600	25	600		3,350	8
9	<a href="#">PATTEN (replace batteries of radiator &amp; install crank case)</a>	2002	1,517	101	15	101		581	9
10	<a href="#">FEMORA (REPLACED 50 SMOKE DETEC)</a>	2002	8,364	836	10	836		4,878	10
11	<a href="#">FEMORA (REPAIR FIRE ALARM)</a>	2002	3,374	337	10	337		1,995	11
12	<a href="#">GTMECH Gt Mechanical Inc (install new shaft &amp; bearing).</a>	2002	2,216	148	15	148		875	12
13	<a href="#">ALDBEN Alden Bennett Construct(install radar,painting &amp; fire dr</a>	2002	12,850	857	15	857		4,427	13
14									14
15	<a href="#">Aqua Service-overhaul-water softener units</a>	2002	2,490	498	5	498		2,614	15
16	<a href="#">ABC various repairs</a>	2002	54,669	2,733	20	2,733		14,349	16
17	<a href="#">ABC-various reopairs</a>	2002	23,660	1,577	15	1,577		8,148	17
18	<a href="#">Aurora Tri State Fire-smoke detectors</a>	2002	4,322	432	10	432		2,232	18
19	<a href="#">Aurora Tri State Fire-smoke detectors</a>	2002	6,200	620	10	620		3,255	19
20	<a href="#">Aurora Tri State Fire-install alarms</a>	2002	6,559	656	10	656		3,444	20
21	<a href="#">Simplex Grinnell-remove old andsul dry clean unit</a>	2002	2,987	299	10	299		1,519	21
22	<a href="#">A&amp;B Custom Cable-install cable/outlets</a>	2003	4,908	286	10	286		1,430	22
23	<a href="#">GT Mechanical-boiler repair</a>	2003	4,892	489	11	489		2,445	23
24	<a href="#">ABC-receiving door/sensor</a>	2003	6,623	662	10	662		3,310	24
25	<a href="#">ABC-ceiling heaters installed</a>	2003	4,570	457	10	457		2,247	25
26	<a href="#">ABC-aluminum outdoor fencing</a>	2003	5,137	342	15	342		1,653	26
27	<a href="#">Real Green sprinkler maintenance</a>	2003	3,730	746	5	746		3,419	27
28	<a href="#">GT Mechanical- HVAC air handler repairs</a>	2003	1,533	307	5	307		1,356	28
29	<a href="#">Action Fence Contractor-rail pipe railings</a>	2003	1,875	188	10	188		799	29
30									30
31									31
32									32
33									33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 551,963	\$ 35,700		\$ 35,700	\$	\$ 347,912	34

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

Facility Name &amp; ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning:

1/1/07

Ending:

12/31/07

**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	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	<b>Totals from Page 12C, Carried Forward</b>		\$ 551,963	\$ 35,700		\$ 35,700	\$	\$ 347,912	1
2									2
3	<b>Related Party-Forum Prof Center Building:</b>								3
4	Leasehold Improvement-Remodeling	1980	11,034		15			11,034	4
5	Leasehold Improvement-Remodeling	1980	17,284		20			17,284	5
6	Leasehold Improvement-Tenant Improvement	1987	893		13			893	6
7	Leasehold Improvement-AMS Remodel	1988	14,339		10			14,339	7
8	Leasehold Improvement-Roof	1994	3,204	200	16	200		2,604	8
9	Leasehold Improvement-Build.Improv.	1996	1,130	71	16	71		843	9
10	Leasehold Improvement-Asphalting	2000	88		3			88	10
11	Leasehold Improvement-DAI	2001	154	15	10	15		95	11
12	Leasehold Improvement-Bathrooms	2002	667	73	7	73		391	12
13	Leasehold Improvement-Suite Renovation	2003	1,638	164	10	164		819	13
14	Leasehold Improvement-Plumbing, Construct, Concrete, Doors, etc	2004	2,050	391	7	391		1,213	14
15	Leasehold Improvement-sidewalks-City of Chic.	2007	106	21	5	21		21	15
16	Leasehold Improvement-Carpet: Superior Install.	2007	97	19	5	19		19	16
17	Leasehold Improvement-Condensing Unit: Suite 140	2007	841	168	5	168		168	17
18	Leasehold Improvement-Add-on Improvement, fixture base	1980	71		23			71	18
19	Leasehold Improvement-Add-on Improvement, lighting base	2001	123		5			123	19
20	Leasehold Improvements-fire extinguishers	2007	10	2	5	2		2	20
21									21
22									22
23									23
24	<b>Related Party-AMS:</b>								24
25	Leasehold Improvement-Remodeling	1993	5,938		7			5,938	25
26	Leasehold Improvement-Remodeling	2002	4,861	694	7	694		3,386	26
27	Leasehold Improvement-Remodeling	2003	5,085	726	7	726		3,525	27
28									28
29									29
30	<b>Forum Extended Care, LLC-building/building improv</b>	1999	10,485	266	30	266		2,420	30
31									31
32									32
33									33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 632,062	\$ 38,511		\$ 38,511	\$	\$ 413,188	34

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

Facility Name &amp; ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning:

1/1/07

Ending:

12/31/07

**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	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	<b>Totals from Page 12D, Carried Forward</b>		\$ 632,062	\$ 38,511		\$ 38,511	\$	\$ 413,188	1
2	Alden Bennett Const.-Roof repair	2004	16,439	1,644	10	1,644		6,028	2
3	Alden Bennett Const.-Floor repair	2004	2,429	243	10	243		891	3
4	Alden Bennett Const.-Roof repair	2004	1,854	185	10	185		648	4
5	CSI Coker-install thermostats	2004	1,853	371	5	371		1,267	5
6	GT Mechanical-replace motor pump	2004	1,362	272	5	272		930	6
7	Alden Bennett Const. Repair control valves	2004	2,643	529	5	529		1,763	7
8	GT Mechanical-receiver,controller/gauge	2004	2,165	217	10	217		705	8
9	Capps Plumbing-repair toilets,dishwasher	2004	1,635	164	10	164		533	9
10	Capps Plumbing-repair/rod main kitchen	2004	4,375	438	10	438		1,423	10
11	Alden Bennett Cons.lock setrs	2004	5,110	1,022	5	1,022		3,151	11
12	CSI Coker-replace A/C system	2004	5,103	510	10	510		1,743	12
13	Insinc Tellnet-DSL cable	2004	1,334	133	10	133		521	13
14	Alden Bennett Cons. Bathroom upgrades	2004	10,405	1,041	10	1,041		3,903	14
15	Alden Bennett Cons.-fire exit	2004	6,638	332	20	332		1,190	15
16	Alden Bennett Cons.-fire exit,stairwell,locks	2004	11,234	562	20	562		1,967	16
17	Alden Bennett Cons. Bathroom upgrades	2004	7,281	728	10	728		2,669	17
18	ABC - New window casement	2005	2,820	282	10	282		564	18
19	ABC - Time & Material Job# 8020	2005	1,756	176	10	176		528	19
20	GT Mechanical - Boiler repairs (Bearing assembly, Coupler, 3/4 hp	2005	2,242	224	10	224		654	20
21	ABC - Time & Material Job# 8020	2005	5,676	567	10	567		1,607	21
22	EWS Welding - Equip Repair ( Repair Oxygen back up system)	2005	3,429	429	8	429		1,215	22
23	New Horizons - (34) Install Cable/Jacks Connect CO Lines	2005	3,314	331	10	331		911	23
24	ABC - Time & Material Job# 8020	2005	19,770	1,977	10	1,977		5,437	24
25	EWS Welding - Equip Repair (Rebuilt wall oxygen units in 4 rooms	2005	2,317	290	8	290		797	25
26	Patten CAT - Paid thru AMS Repair Generator	2005	1,313	66	20	66		176	26
27	GT Mechanical - Replace Compressor	2005	6,460	431	15	431		1,149	27
28	ABC - Time & Material Job# 8020	2005	14,550	1,455	10	1,455		3,759	28
29	GT Mechanical - Condenser Fan Motor, Capacitor 705 mfd, Fan H	2005	2,054	137	15	137		354	29
30	A&B Custom Cable - 103 rms Cable TV Svc and Install master ant	2005	10,094	1,009	10	1,009		2,439	30
31	AMS Generator Repairs	2006	5,006	1,001	5	1,001		1,835	31
32	TOPNOT Replace Freezer Door 1 of 2	2006	4,100	410	10	410		649	32
33	TOPNOT Replace Freezer Door 2 of 2	2006	4,100	410	10	410		649	33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 802,923	\$ 56,095		\$ 56,095	\$	\$ 465,243	34

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

Facility Name & ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning:

1/1/07

Ending:

12/31/07

**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	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	<b>Totals from Page 12E, Carried Forward</b>		\$ 802,923	\$ 56,095		\$ 56,095	\$	\$ 465,243	1
2	A&B Custom Cable - 33 rms new cable TV Svc installed	2005	3,328	333	10	333		805	2
3	AMS - (Patten) Remove/Install Voltage Regulator	2005	2,650	265	10	265		618	3
4	A&B Custom Cable - paid by LG	2005	6,250	625	10	625		1,458	4
5	Oak Fire - Repaired System	2005	2,715	272	10	272		612	5
6	GTMECH Replace Shaft and Bearings	2006	2,646	265	10	265		397	6
7	MG Mechincal - Heat Pump Mini-split system	2006	4,850	485	10	485		606	7
8	ABC - raise floor	2006	2,750	275	10	275		298	8
9	ABC - flooring and paint	2006	2,652	265	10	265		265	9
10	Water Filter Steamer	2007	16,815	420	10	420		420	10
11	New Blacktop Paving and seal coat	2007	66,518	1,109	10	1,109		1,109	11
12	ABC Concrete and steel work-fire protection	2006	20,329	2,033	10	2,033		2,202	12
13	ABC Fire Protection	2006	25,647	1,282	20	1,282		1,282	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	<b>TOTAL (lines 1 thru 33)</b>		\$ 960,072	\$ 63,724		\$ 63,724	\$	\$ 475,315	34

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

Facility Name & ID Number Alden Terrace of McHenry Rehab # 0040691 Report Period Beginning: 1/1/07 Ending: 12/31/07

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	\$ 295,050	\$ 34,790	\$ 34,790	\$		\$ 166,439	71
72	Current Year Purchases	212	14	14			14	72
73	Fully Depreciated Assets	153,900	1,140	1,140			153,900	73
74								74
75	TOTALS	\$ 449,162	\$ 35,944	\$ 35,944	\$		\$ 320,353	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	Related Party-AMS	Lumina/Chev/2004	2004	117	29	29		3	117	79
80	TOTALS			\$ 117	\$ 29	\$ 29	\$		\$ 117	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)	\$ 1,409,352	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 99,697	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 99,697	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 795,785	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.

**XII. RENTAL COSTS**

**A. Building and Fixed Equipment (See instructions.)**

1. Name of Party Holding Lease: T.I. Enterprises Inc.

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 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$ <u>2,249,130</u>			3
4	Additions							4
5								5
6								6
7	<b>TOTAL</b>				\$ <u>2,249,130</u>			7

10. Effective dates of current rental agreement:

Beginning 1995

Ending 2010

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

Fiscal Year Ending                      Annual Rent

12.	<u>/2008</u>	\$ <u>2,580,733</u>
13.	<u>/2009</u>	\$ <u>2,685,500</u>
14.	<u>/2010</u>	\$ <u>448,865</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 \_\_\_\_\_.

9. Option to Buy:  YES  NO Terms: 80,000/bed until 2010 \*

**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: \$ 8,568 Description: Copy Machine Lease

(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	<u>Related Party-AMS</u>	<u>Various</u>	<u>#####</u>	<u>25,871</u>	19
20					20
21	<b>TOTAL</b>		\$ <u>#####</u>	\$ <u>25,871</u>	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.

Facility Name & ID Number Alden Terrace of McHenry Rehab # 0040691 Report Period Beginning: 1/1/07 Ending: 12/31/07

**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? <input type="checkbox"/> YES <input checked="" 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><u>Skilled Nursing on site</u></p>	<p>2. <u>CLASSROOM PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. <u>CLINICAL PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</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				
8	CNA Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

**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	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
<b>TOTAL TRAINED</b>	

- (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.

## 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	39-3	hrs	\$		\$ 202,756	\$		\$ 202,756	1
2	Licensed Speech and Language Development Therapist	39-3	hrs			73,149			73,149	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39-3	hrs			245,009			245,009	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	See Pg 16A	# of prescripts				222,941		222,941	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program	39-1, 39-3, if any								12
13	Other (specify): See Pg 16A					(107,708)	132,680		24,972	13
14	TOTAL			\$		\$ 413,206	\$ 355,621		\$ 768,827	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.

XIV. Special Services (Direct Cost)

Page 16  
Col 5: PT,OT, & ST  
Col 6: Supplies

Service Description	Col. 1: Ref. No.	To Pg 16: Col. No.	
1. OT	39-3	To Col 5	\$202,755.92
2. ST	39-3	To Col 5	73,148.97
3.			
4. PT	39-3	To Col 5	245,009.34
5.			
6.			
7.			
8.			
Pharmacy Supplies per GL			150,309.17
Manual Input from Related Party- Forum Drugs			72,632.00
9. Total to line 9 Pharmacy	See Pg 16A	To Col 6	222,941.17
10.			
11.			
12. Exceptional Care-Salaries:	See pg 16A	To Col. 3	0.00
12. Exceptional Care-Supplies:	See pg 16A	To Col. 6	0.00
Total Exceptional Care (Line 12, Col 8)			0.00
13. Other:	See Pg 16A		
13. Col 5: Manual Input: Related Party - CPT		To Col 5	(107,708.00)
Other			237,343.86
Manual Input: Related Party - Prism			(31,797.00)
Manual Input: Related Party FECII - I.V.			(111,980.00)
Oxygen, from reclass worksheet			41,448.00
Manual Input: Related Party - Wound Care			(2,335.00)
13. Col 6: Supplies Total		To Col 6	132,679.86
13. Total Line 13, Column 8			132,679.86
14. Total			768,827.26

Facility Name & ID Number Alden Terrace of McHenry Rehab# 0040691Report Period Beginning: 1/1/07

Ending:

12/31/07

## XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/07

(last day of reporting year)

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

		1 Operating	2 After Consolidation*	
	<b>A. Current Assets</b>			
1	Cash on Hand and in Banks	\$	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>88,268</u> )	1,684,884		3
4	Supply Inventory (priced at )			4
5	Short-Term Investments			5
6	Prepaid Insurance	8,746		6
7	Other Prepaid Expenses	8,278		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>Due from 3rd Parties</u>	180,066		9
10	<b>TOTAL Current Assets (sum of lines 1 thru 9)</b>	\$ 1,881,974	\$	10
	<b>B. Long-Term Assets</b>			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost	1,006,883		15
16	Equipment, at Historical Cost	389,107		16
17	Accumulated Depreciation (book methods)	(758,483)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds	167,414		21
22	Other Long-Term Assets (specify):	948,000		22
23	Other(specify): <u>Purchase Option</u>			23
24	<b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>	\$ 1,752,921	\$	24
25	<b>TOTAL ASSETS (sum of lines 10 and 24)</b>	\$ 3,634,895	\$	25

		1 Operating	2 After Consolidation*	
	<b>C. Current Liabilities</b>			
26	Accounts Payable	\$ 1,246,197	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	237,641		28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	412,322		30
31	Accrued Taxes Payable (excluding real estate taxes)	19,905		31
32	Accrued Real Estate Taxes(Sch.IX-B)	264,100		32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	<b>Other Current Liabilities(specify):</b>			
36	<u>accr ins, exps, idpa, sales tax, etc</u>	1,141,730		36
37				37
38	<b>TOTAL Current Liabilities (sum of lines 26 thru 37)</b>	\$ 3,321,895	\$	38
	<b>D. Long-Term Liabilities</b>			
39	Long-Term Notes Payable			39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	<b>Other Long-Term Liabilities(specify):</b>			
43	<u>Due to Affiliates</u>	9,007,381		43
44				44
45	<b>TOTAL Long-Term Liabilities (sum of lines 39 thru 44)</b>	\$ 9,007,381	\$	45
46	<b>TOTAL LIABILITIES (sum of lines 38 and 45)</b>	\$ 12,329,276	\$	46
47	<b>TOTAL EQUITY(page 18, line 24)</b>	\$ (8,694,381)	\$	47
48	<b>TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)</b>	\$ 3,634,895	\$	48

\*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (7,419,882)	1
2	Restatements (describe):		2
3	external audit adjustments made after 2006 cost report		3
4	was submitted. These have no effect on prior years report	(4,302)	4
5	Bad Debt, Medicare revenues (non-allowables)		5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (7,424,184)	6
<b>A. Additions (deductions):</b>			
7	NET Income (Loss) (from page 19, line 43)	(1,270,197)	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)	\$ (1,270,197)	17
<b>B. Transfers (Itemize):</b>			
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)	\$ (8,694,381)	24 *

\* This must agree with page 17, line 47.

Facility Name & ID Number Alden Terrace of McHenry Rehab# 0040691Report Period Beginning: 1/1/07Ending: 12/31/07**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	
<b>A. Inpatient Care</b>			
1	Gross Revenue -- All Levels of Care	\$ 9,329,934	1
2	Discounts and Allowances for all Levels	( )	2
3	<b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>	\$ 9,329,934	3
<b>B. Ancillary Revenue</b>			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	23,439	6
7	Oxygen	60,466	7
8	<b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>	\$ 83,905	8
<b>C. Other Operating Revenue</b>			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements	12	11
12	Gift and Coffee Shop	2,714	12
13	Barber and Beauty Care	10	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	(26)	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	42,274	21
22	Laundry		22
23	<b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b>	\$ 44,983	23
<b>D. Non-Operating Revenue</b>			
24	Contributions		24
25	Interest and Other Investment Income***	1,972	25
26	<b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>	\$ 1,972	26
<b>E. Other Revenue (specify):****</b>			
27	<b>Settlement Income (Insurance, Legal, Etc.)</b>		27
28	<b>Prior YR Exp Adjustments</b>	4,661	28
28a	<b>07 Misc Income</b>	544	28a
29	<b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>	\$ 5,205	29
30	<b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>	\$ 9,466,000	30

		2	
Expenses		Amount	
<b>A. Operating Expenses</b>			
31	General Services	1,560,998	31
32	Health Care	3,360,781	32
33	General Administration	2,014,020	33
<b>B. Capital Expense</b>			
34	Ownership	2,718,821	34
<b>C. Ancillary Expense</b>			
35	Special Cost Centers	908,567	35
36	Provider Participation Fee	173,010	36
<b>D. Other Expenses (specify):</b>			
37			37
38			38
39			39
40	<b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>	\$ 10,736,197	40
41	<b>Income before Income Taxes (line 30 minus line 40)**</b>	(1,270,197)	41
42	<b>Income Taxes</b>		42
43	<b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b>	\$ (1,270,197)	43

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

\*\* Does this agree with taxable income (loss) per Federal Income Tax Return? not yet done If not, please attach a reconciliation.

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

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

Facility Name & ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning: 1/1/07

Ending: 12/31/07

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	1,040	1,040	\$ 41,978	\$ 40.36	1
2	Assistant Director of Nursing	920	920	32,685	35.53	2
3	Registered Nurses	33,489	35,695	1,046,695	29.32	3
4	Licensed Practical Nurses	19,902	21,048	516,370	24.53	4
5	CNAs & Orderlies	72,423	76,982	1,098,220	14.27	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	2,120	2,120	34,094	16.08	9
10	Activity Assistants	4,119	4,429	48,214	10.89	10
11	Social Service Workers	3,420	3,558	58,952	16.57	11
12	Dietician					12
13	Food Service Supervisor	2,080	2,080	39,648	19.06	13
14	Head Cook					14
15	Cook Helpers/Assistants	21,937	23,360	241,187	10.32	15
16	Dishwashers					16
17	Maintenance Workers	2,080	2,080	33,876	16.29	17
18	Housekeepers	20,728	21,283	187,997	8.83	18
19	Laundry	8,470	8,863	77,145	8.70	19
20	Administrator	1,528	1,536	52,647	34.28	20
21	Assistant Administrator					21
22	Other Administrative	6,240	6,240	161,904	25.95	22
23	Office Manager	1,864	1,872	27,441	14.66	23
24	Clerical	2,199	2,288	17,839	7.80	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	2,085	2,085	75,684	36.30	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify) Alzheimers Aides+	8,173	8,424	85,560	10.16	33
34	TOTAL (lines 1 - 33)	214,817	225,903	\$ 3,878,136 *	\$ 17.17	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	Monthly	\$ 12,000	1-3	35
36	Medical Director	Monthly	16,500	10-3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	7,584	10-3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	52	3,034	11-3	44
45	Social Service Consultant	20	1,012	11-3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	72	\$ 40,130		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				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)		\$		53



Facility Name & ID Number Alden Terrace of McHenry Rehab

# 0040691

Report Period Beginning: 1/1/07

Ending: 12/31/07

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

(See instructions.)

	1 Improvement Type	2 Month & Year Improvement Was Made	3 Total Cost	4 Useful Life	Amount of Expense Amortized Per Year								
					5 FY2004	6 FY2005	7 FY2006	8 FY2007	9 FY2008	10 FY2009	11 FY2010	12 FY2011	13 FY2012
1	painting and Decorating	11/95	\$ 9,250	3	\$	\$	\$	\$	\$	\$	\$	\$	\$
2	painting and Decorating	10/95	4,610	3									
3	Touchup painting	2/96	1,430	3									
4	Ice Machine; A/C Rep	5/96	3,451	10	345	345	115						
5	Boiler repair	5/96	2,437	10	244	244	81						
6	painting and Decorating	5/96	1,610	3									
7	painting and Decorating	9/96	1,078	3									
8	painting and Decorating	1/96	1,430	3									
9	HVAC Revision	2/96	1,590	10	159	159	13						
10	Painting	3/96	1,610	3									
11	Painting	8/96	1,610	3									
12	Painting	4/96	1,610	3									
13	Painting	7/96	1,610	3									
14	Painting	12/96	1,104	3									
15	Painting	9/96	1,610	3									
16	Painting	11/96	1,380	3									
17	Install motor	4/96	3,406	10	341	341	85						
18	Dishwasher motor	5/96	1,789	10	179	179	60						
19	Replace inducer motor	1/97	3,051	3									
20	TOTALS		\$ 45,666		\$ 1,268	\$ 1,268	\$ 355	\$	\$	\$	\$	\$	\$

Facility Name & ID Number Alden Terrace of McHenry 1/1/2007 Ending: 12/31/2007

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	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	
1	Belts and defrost timer	5/97	\$ 1,608	3										
2	Hot Water mixing Valve	6/97	2,886	3										
3	Repair A/C	7/97	1,593	3										
4	Boiler repair	10/97	1,505	3										
5	Painting	10/97	15,609	3										
6	Sink/valve replacement	2/98	1,961	3										
7	A/C air handlers	4/98	1,733	3										
8	Painting	3/98	7,492	3										
9	Painting	6/98	4,628	3										
10	Painting	9/98	2,651	3										
11	Painting	12/98	9,008	3										
12	Tank Repair	4/99	1,925	3										
13	Painting	7/99	8,432	3										
14	Painting	7/00	8,926	3	0									
15	Repair HVAC	1/00	1,626	3	0									
16	Paving/Wallcover	9/00	8,309	3	0									
17	Painting/Wallcover	9/00	7,654	3	0									
18	Bolt Flange/Check valve	1/01	1,865	3	0									
19	Fire Alarm Maint	3/01	2,151	1										
20	Painting	07/04	0	3	0									
20	<b>TOTALS</b>		\$ 91,562		\$	\$	\$	\$	\$					

Facility Name & ID Number

Alden Terrace of McHenry

1/1/2007

Ending:

12/31/2007

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
1	Replace phase monitor	02/01	\$ 1,898	3	\$ 106	\$	\$	\$	\$			
2	Replace shaft	06/01	2,239	5	448	448	187	0	0	0	0	0
3	Replace pressure switch	07/01	2,516	5	503	503	251	0	0	0	0	0
4	Coker	03/01	1,523	5	305	305	77	0	0	0	0	0
5	Painting	07/04	23,430	3	3,905	7,810	7,810	3,905	0	0	0	0
6							0	0	0	0	0	0
7												
8	Totals from page 22		45,666		1,268	1,268	355	0	0	0	0	0
9	Totals from page 22A		91,562		0	0	0	0	0	0	0	0
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20	TOTALS		\$ 168,834		\$ 6,535	\$ 10,334	\$ 8,680	\$ 3,905	\$ 0	0	0	0

Facility Name &amp; ID Number Alden Terrace of McHenry Rehab

**XX. GENERAL INFORMATION:**

- (1) Are nursing employees (RN,LPN,NA) represented by a union? Yes
- (2) Are there any dues to nursing home associations included on the cost report? Yes  
If YES, give association name and amount. Il. Health Care Assoc. \$9,597
- (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? \_\_\_\_\_
- (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? 10 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 37,832 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. \_\_\_\_\_
- (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.  
\_\_\_\_\_
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 173,010  
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, 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. \$ 36,453 Has any meal income been offset against related costs? No Indicate the amount. \$ N/A
- (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? Yes  
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? No  
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes  
**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: \_\_\_\_\_ The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? No If no, please explain. Not required.
- (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 \$5,000, 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.