



Facility Name & ID Number Meadowbrook Manor

# 0037366 Report Period Beginning: 01/01/2007 Ending: 12/31/2007

**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	298	Skilled (SNF)	298	108,770	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	298	TOTALS	298	108,770	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	2,710	207	11,888	14,805	8
9	SNF/PED					9
10	ICF	76,007	7,073	168	83,248	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	78,717	7,280	12,056	98,053	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 90.15%

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)

Day Care

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

Note: 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 11/05/91

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

YES  Date 11/05/91 NO

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

YES  NO  If YES, enter number of beds certified 280 and days of care provided 11,888

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 Meadowbrook Manor # 0037366 Report Period Beginning: 01/01/2007 Ending: 12/31/2007

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	472,976	82,391	17,690	573,057		573,057		573,057		1
2	Food Purchase		540,423		540,423		540,423	(111)	540,312		2
3	Housekeeping	303,376	89,710		393,086		393,086		393,086		3
4	Laundry	100,267	44,008		144,275		144,275		144,275		4
5	Heat and Other Utilities			374,524	374,524		374,524	2,629	377,153		5
6	Maintenance	177,665	39,689	225,800	443,154		443,154		443,154		6
7	Other (specify):* Emp Ben.-Mgmt Co.										7
8	<b>TOTAL General Services</b>	1,054,284	796,221	618,014	2,468,519		2,468,519	2,518	2,471,037		8
	<b>B. Health Care and Programs</b>										
9	Medical Director			41,000	41,000		41,000	13,500	54,500		9
10	Nursing and Medical Records	5,433,169	533,161	35,005	6,001,335		6,001,335		6,001,335		10
10a	Therapy	716,035	11,386	222,299	949,720		949,720	(93,120)	856,600		10a
11	Activities	142,293	24,400	2,173	168,866		168,866		168,866		11
12	Social Services	167,190	3,534	2,186	172,910		172,910		172,910		12
13	CNA Training	49,064			49,064		49,064		49,064		13
14	Program Transportation										14
15	Other (specify):* Emp Ben.-Mgmt Co.							47,924	47,924		15
16	<b>TOTAL Health Care and Programs</b>	6,507,751	572,481	302,663	7,382,895		7,382,895	(31,696)	7,351,199		16
	<b>C. General Administration</b>										
17	Administrative	97,191		540,000	637,191		637,191	(191,645)	445,546		17
18	Directors Fees										18
19	Professional Services			243,974	243,974		243,974	48,037	292,011		19
20	Dues, Fees, Subscriptions & Promotions			42,119	42,119		42,119	7,124	49,243		20
21	Clerical & General Office Expenses	168,041	50,798	75,056	293,895		293,895	37,962	331,857		21
22	Employee Benefits & Payroll Taxes			1,110,263	1,110,263		1,110,263	(3,022)	1,107,241		22
23	Inservice Training & Education			12,883	12,883		12,883	3,071	15,954		23
24	Travel and Seminar			2,832	2,832		2,832	4,256	7,088		24
25	Other Admin. Staff Transportation			3,924	3,924		3,924	3,362	7,286		25
26	Insurance-Prop.Liab.Malpractice			293,773	293,773		293,773	144,520	438,293		26
27	Other (specify):* Emp Ben.-Mgmt Co.							100,632	100,632		27
28	<b>TOTAL General Administration</b>	265,232	50,798	2,324,824	2,640,854		2,640,854	154,297	2,795,151		28
29	<b>TOTAL Operating Expense (sum of lines 8, 16 &amp; 28)</b>	7,827,267	1,419,500	3,245,501	12,492,268		12,492,268	125,119	12,617,387		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.

Facility Name &amp; ID Number

Meadowbrook Manor

#0037366

Report Period Beginning:

01/01/2007

Ending:

12/31/2007

## 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			121,512	121,512		121,512	322,304	443,816			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			161,576	161,576		161,576	953,313	1,114,889			32
33	Real Estate Taxes							252,012	252,012			33
34	Rent-Facility & Grounds			3,263,100	3,263,100		3,263,100	(3,243,386)	19,714			34
35	Rent-Equipment & Vehicles			43,565	43,565		43,565		43,565			35
36	Other (specify):*											36
37	<b>TOTAL Ownership</b>			3,589,753	3,589,753		3,589,753	(1,715,757)	1,873,996			37
	<b>Ancillary Expense</b>											
	<b>E. Special Cost Centers</b>											
38	Medically Necessary Transportation			11,532	11,532		11,532		11,532			38
39	Ancillary Service Centers		663,019	90,000	753,019		753,019		753,019			39
40	Barber and Beauty Shops			23,718	23,718		23,718		23,718			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			163,155	163,155		163,155		163,155			42
43	Other (specify):* <b>Non-allowable Cos</b>	32,232		429,224	461,456		461,456	(461,456)				43
44	<b>TOTAL Special Cost Centers</b>	32,232	663,019	717,629	1,412,880		1,412,880	(461,456)	951,424			44
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	7,859,499	2,082,519	7,552,883	17,494,901		17,494,901	(2,052,094)	15,442,807			45

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

**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	(111)	2		4
5	Telephone, TV & Radio in Resident Rooms	(7,690)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(21,027)	30		9
10	Interest and Other Investment Income	(75,312)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(706)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(5,000)	43		18
19	Entertainment	(249)	43		19
20	Contributions	(2,600)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(356,003)	43		24
25	Fund Raising, Advertising and Promotional	(2,587)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(4,142)	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising	(24,109)	43		28
29	Other-Attach Schedule See Pg. 5A	(73,504)			29
30	<b>SUBTOTAL (A): (Sum of lines 1-29)</b>	\$ (573,040)		\$	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)	(1,479,054)		34
35	Other- Attach Schedule			35
36	<b>SUBTOTAL (B): (sum of lines 31-35)</b>	\$ (1,479,054)		36
	(sum of SUBTOTALS			
37	<b>TOTAL ADJUSTMENTS (A) and (B) )</b>	\$ (2,052,094)		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	<b>TOTAL (C): (sum of lines 38-46)</b>			\$		47

BHF USE ONLY							
48		49		50		51	52

SEE ACCOUNTANTS' COMPILATION REPORT

Meadowbrook Manor

ID# 0037366

Report Period Beginning: 01/01/2007

Ending: 12/31/2007

NON-ALLOWABLE EXPENSES		Amount	Reference	Sch. V Line
1	Non-allowable Day Care Salaries	\$ (32,232)	43	1
2	Non-allowable Day Care P/R Benefits & Taxes	(3,022)	22	2
3	Disallow patient clothing costs	(41)	43	3
4	Disallow physician fees	(8,768)	43	4
5	Disallow Medicare A Radiology	(12,392)	43	5
6	Disallow Medicare A Lab	(8,303)	43	6
7	Disallow Marketing Expense	(2,390)	43	7
8	Disallow non-allowable legal collection fees	(250)	19	8
9	Disallow non-allowable legal fees	(6,106)	19	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	<b>Total</b>	(73,504)		49

SEE ACCOUNTANTS' COMPILATION REPORT

## STATE OF ILLINOIS

Summary A

Facility Name & ID Number Meadowbrook Manor# 0037366

Report Period Beginning:

01/01/2007

Ending:

12/31/2007

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

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(111)	0	0	0	0	0	0	0	0	0	0	(111)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	2,629	0	0	0	0	0	0	0	0	0	2,629	5
6	Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	<b>TOTAL General Services</b>	<b>(111)</b>	<b>2,629</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,518</b>	<b>8</b>
	<b>B. Health Care and Programs</b>													
9	Medical Director	0	13,500	0	0	0	0	0	0	0	0	0	13,500	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	(93,120)	0	0	0	0	0	0	0	0	0	(93,120)	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	47,924	0	0	0	0	0	0	0	0	0	47,924	15
16	<b>TOTAL Health Care and Programs</b>	<b>0</b>	<b>(31,696)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(31,696)</b>	<b>16</b>
	<b>C. General Administration</b>													
17	Administrative	0	(191,645)	0	0	0	0	0	0	0	0	0	(191,645)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(6,356)	38,468	0	15,925	0	0	0	0	0	0	0	48,037	19
20	Fees, Subscriptions & Promotions	0	6,974	0	150	0	0	0	0	0	0	0	7,124	20
21	Clerical & General Office Expenses	0	37,932	0	30	0	0	0	0	0	0	0	37,962	21
22	Employee Benefits & Payroll Taxes	(3,022)	0	0	0	0	0	0	0	0	0	0	(3,022)	22
23	Inservice Training & Education	0	3,071	0	0	0	0	0	0	0	0	0	3,071	23
24	Travel and Seminar	0	4,256	0	0	0	0	0	0	0	0	0	4,256	24
25	Other Admin. Staff Transportation	0	3,362	0	0	0	0	0	0	0	0	0	3,362	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	144,520	0	0	0	0	0	0	0	144,520	26
27	Other (specify):*	0	100,632	0	0	0	0	0	0	0	0	0	100,632	27
28	<b>TOTAL General Administration</b>	<b>(9,378)</b>	<b>3,050</b>	<b>0</b>	<b>160,625</b>	<b>0</b>	<b>154,297</b>	<b>28</b>						
29	<b>TOTAL Operating Expense</b> (sum of lines 8,16 & 28)	<b>(9,489)</b>	<b>(26,017)</b>	<b>0</b>	<b>160,625</b>	<b>0</b>	<b>125,119</b>	<b>29</b>						

## STATE OF ILLINOIS

Summary B

Facility Name &amp; ID Number Meadowbrook Manor

# 0037366

Report Period Beginning:

01/01/2007

Ending:

12/31/2007

## 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	(21,027)	0	0	343,331	0	0	0	0	0	0	0	322,304	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(75,312)	38	0	1,028,587	0	0	0	0	0	0	0	953,313	32
33	Real Estate Taxes	0	0	0	252,012	0	0	0	0	0	0	0	252,012	33
34	Rent-Facility & Grounds	0	0	19,714	(3,263,100)	0	0	0	0	0	0	0	(3,243,386)	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	<b>TOTAL Ownership</b>	<b>(96,339)</b>	<b>38</b>	<b>19,714</b>	<b>(1,639,170)</b>	<b>0</b>	<b>(1,715,757)</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	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	(467,212)	0	0	5,756	0	0	0	0	0	0	0	(461,456)	43
44	<b>TOTAL Special Cost Centers</b>	<b>(467,212)</b>	<b>0</b>	<b>0</b>	<b>5,756</b>	<b>0</b>	<b>(461,456)</b>	<b>44</b>						
45	<b>GRAND TOTAL COST (sum of lines 29, 37 &amp; 44)</b>	<b>(573,040)</b>	<b>(25,979)</b>	<b>19,714</b>	<b>(1,472,789)</b>	<b>0</b>	<b>(2,052,094)</b>	<b>45</b>						

Facility Name & ID Number

Meadowbrook Manor

# 0037366

Report Period Beginning:

01/01/2007

Ending:

12/31/2007

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
See Schedule 6C	See Sch 6C	Butterfield Health Care II, Inc. d/b/a	Naperville	J&D Partners, L.P.	Bolingbrook	Lessor
		Meadowbrook Manor of Naperville		MMN Partners, L.P.	Naperville	Lessor
		Butterfield Health Care VII, LLC d/b/a	LaGrange	Butterfield Health		
		Meadowbrook Manor of LaGrange		Care Group, Inc.	Bolingbrook	Management Co.
				MML Properties, LLC	LaGrange	Lessor
		Seneca Nursing Home, Inc. d/b/a Lee Manor	Des Plaines	Seneca Building, LP	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:		
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)		
1	V	5 Utilities	\$	Butterfield Health Care Group, Inc.	100.00%	\$ 2,629	\$	2,629	1
2	V	9 Medical Director		Butterfield Health Care Group, Inc.	100.00%	13,500		13,500	2
3	V	10A Therapy Salaries	313,950	Butterfield Health Care Group, Inc.	100.00%	220,830		(93,120)	3
4	V	15 Employee Benefits - Healthcare		Butterfield Health Care Group, Inc.	100.00%	47,924		47,924	4
5	V	17 Administrative Salaries	656,600	Butterfield Health Care Group, Inc.	100.00%	464,955		(191,645)	5
6	V	19 Professional Services		Butterfield Health Care Group, Inc.	100.00%	38,468		38,468	6
7	V	20 Dues, Fees & Subscriptions		Butterfield Health Care Group, Inc.	100.00%	6,974		6,974	7
8	V	21 Clerical & General Office Exp.	11,824	Butterfield Health Care Group, Inc.	100.00%	49,756		37,932	8
9	V	23 Inservice Training		Butterfield Health Care Group, Inc.	100.00%	3,071		3,071	9
10	V	24 Travel & Seminar		Butterfield Health Care Group, Inc.	100.00%	4,256		4,256	10
11	V	25 Other Admin. Staff Transp.		Butterfield Health Care Group, Inc.	100.00%	3,362		3,362	11
12	V	27 Employee Benefits - Gen & Adm		Butterfield Health Care Group, Inc.	100.00%	100,632		100,632	12
13	V	32 Interest		Butterfield Health Care Group, Inc.	100.00%	38		38	13
14	Total		\$ 982,374			\$ 956,395	\$ *	(25,979)	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

**VII. RELATED PARTIES (continued)**

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	34 Rent - Facility & Grounds	\$	Butterfield Health Care Group, Inc.	100.00%	\$ 19,714	\$	19,714	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	<b>Total</b>		\$			\$ 19,714	\$ *	19,714	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	19 Professional Services	\$	J&D Partners, L.P.	100.00%	\$ 15,925	\$ 15,925
16	V	20 Dues, Fees & Subscriptions		J&D Partners, L.P.	100.00%	150	150
17	V	21 Clerical - Other		J&D Partners, L.P.	100.00%	30	30
18	V	26 Insurance - Prop & Liability		J&D Partners, L.P.	100.00%	144,520	144,520
19	V	30 Depreciation		J&D Partners, L.P.	100.00%	343,331	343,331
20	V	32 Interest	23,072	J&D Partners, L.P.	100.00%	1,051,659	1,028,587
21	V	33 Real Estate Taxes		J&D Partners, L.P.	100.00%	252,012	252,012
22	V	34 Rent - Facility & Grounds	3,263,100	J&D Partners, L.P.	100.00%		(3,263,100)
23	V	43 Non-Allowable costs		J&D Partners, L.P.	100.00%	5,756	5,756
24	V						
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 3,286,172			\$ 1,813,383	\$ * (1,472,789)

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

Butterfield Health Care, Inc.  
D/B/A Meadowbrook Manor  
Provider # 0037366  
12/31/2007

Schedule 6A

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

<u>Name</u>	<u>Ownership %</u>
Robert Jafari	25.00%
Kianoosh Jafari	25.00%
Descendants S Corp Trust F/B/O Sean William Dimas	6.67%
Descendants S Corp Trust F/B/O Sasha Eva Dimas	6.67%
Descendants S Corp Trust F/B/O Ashley Maria Dimas	6.66%
Nicholas Vangel	20.00%
Dorothy Vangel QSS Trust	7.50%
Descendants Non GST Exempt S-Corp Trust F/B/O Ashley Maria Dimas	0.50%
Descendants Non GST Exempt S-Corp Trust F/B/O Sasha Eva Dimas	0.50%
Descendants Non GST Exempt S-Corp Trust F/B/O Sean William Dimas	0.50%
Descendants GST Exempt S-Corp Trust F/B/O Katherine Hocuk	0.50%
Descendants GST Exempt S-Corp Trust F/B/O Christoper Vangel	0.50%
	<u>100.00%</u>

Facility Name & ID Number Meadowbrook Manor # 0037366 Report Period Beginning: 01/01/2007 Ending: 12/31/2007

## 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	Christopher Vangel	Operating Supvsr.	Administrative	0.05	54,000			N/A	\$ 17,016	17(7)	1
2	Kianoosh Jafari	Stockholder	Medical Director	25.00	17,500			Med. Dir. Fee	13,500	9(7)	2
3	Sean Dimas	Stockholder	Administrative	6.67	45,907			N/A		N/A	3
4											4
5											5
6											6
7	Note 1-	Christopher Vangel received compensation from Seneca Nursing Home d/b/a Lee Manor of \$54,000.									7
8	Note 2-	Kianoosh Jafari received \$13,500 of Medical Director Fees from Butterfield Health Care II, Inc. d/b/a									8
9		Meadowbrook Manor - Naperville & \$4,000 from Butterfield Health Care VII, Inc. d/b/a Meadowbrook									9
10		Manor - LaGrange.									10
11	Note 3-	Sean Dimas received \$45,907 of salaries from Seneca Nursing Home, Inc. d/b/a Lee Manor									11
12											12
13								TOTAL	\$ 30,516		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

# 0037366

Report Period Beginning:

01/01/2007

Ending: 2/31/2007

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 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

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	231,197	3	\$ 6,199	\$ 98,053	\$ 2,629	1
2	9	Medical Director	Direct Cost			31,000		13,500	2
3	10A	Therapy Salaries	Gross Charges	6,197,665	3	522,087	522,087	2,621,464	3
4	15	Employee Benefits - Nursing	Resident Days	231,197	3	113,000	98,053	47,924	4
5	17	Administrative Salaries	Resident Days	231,197	3	1,096,306	1,096,306	98,053	5
6	19	Professional Services	Resident Days	231,197	3	90,703	98,053	38,468	6
7	20	Dues, Fees & Subscriptions	Resident Days	231,197	3	16,444	98,053	6,974	7
8	21	Clerical & General Office Exp.	Resident Days	231,197	3	117,319	98,053	49,756	8
9	23	Inservice Training	Resident Days	231,197	3	7,240	98,053	3,071	9
10	24	Travel & Seminar	Resident Days	231,197	3	10,035	98,053	4,256	10
11	25	Other Admin. Staff Transp.	Resident Days	231,197	3	7,927	98,053	3,362	11
12	27	Employee Benefits - Gen. Adm.	Resident Days	231,197	3	237,278	98,053	100,632	12
13	32	Interest	Resident Days	231,197	3	90	98,053	38	13
14	34	Rent - Facility & Grounds	Resident Days	231,197	3	46,483	98,053	19,714	14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 2,302,111	\$ 1,618,393	\$ 976,109	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number

Meadowbrook Manor

# 0037366

Report Period Beginning:

01/01/2007

Ending:

12/31/2007

**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		3	4	5	6		7	8	9	10						
		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	GMAC		X	Mortgage	\$145,302.25	05/22/03	\$ 20,876,000	\$ 19,820,070	06/01/38	0.0525	\$ 1,023,715	1						
2	GMAC		X	Amortization of Loan Costs							4,872	2						
3												3						
4												4						
5												5						
<b>Working Capital</b>																		
6	JP Morgan Chase		X	Working Capital	N/A	05/31/05	3,000,000	1,720,000	05/31/08	Prime - .5	148,695	6						
7	Avaya Financial Services		X	Capital Lease	\$1,391.84	01/01/06	58,100	40,352	01/01/11	0.0800	12,881	7						
8												8						
9	<b>TOTAL Facility Related</b>				\$146,694.09		\$ 23,934,100	\$ 21,580,422			\$ 1,190,163	9						
<b>B. Non-Facility Related*</b>																		
10											(75,312)	10						
11											38	11						
12												12						
13												13						
14	<b>TOTAL Non-Facility Related</b>						\$	\$			\$ (75,274)	14						
15	<b>TOTALS (line 9+line14)</b>						\$ 23,934,100	\$ 21,580,422			\$ 1,114,889	15						

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

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

(See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

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

(See instructions.)

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

**B. Real Estate Taxes**

**Important**, please see the next worksheet, "RE\_Tax". The real estate tax statement and bill must accompany the cost report.

1. Real Estate Tax accrual used on 2006 report.		\$	<b>301,000</b>	<b>1</b>
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.)	<b>2006</b>	\$	<b>272,174</b>	<b>2</b>
3. Under or (over) accrual (line 2 minus line 1).		\$	<b>(28,826)</b>	<b>3</b>
4. Real Estate Tax accrual used for 2007 report. (Detail and explain your calculation of this accrual on the lines below.)		\$	<b>280,838</b>	<b>4</b>
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. <b>(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)</b>		\$		<b>5</b>
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. <b>TOTAL REFUND \$ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)</b>		\$		<b>6</b>
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		\$	<b>252,012</b>	<b>7</b>

  

Real Estate Tax History:				
Real Estate Tax Bill for Calendar Year:	<b>2002</b>	<b>243,276</b>	<b>8</b>	
	<b>2003</b>	<b>273,529</b>	<b>9</b>	
	<b>2004</b>	<b>287,889</b>	<b>10</b>	
	<b>2005</b>	<b>286,196</b>	<b>11</b>	
	<b>2006</b>	<b>272,174</b>	<b>12</b>	
<b>2006 Tax Bill</b>	<b>272,174</b>			
<b>Estimated Increase</b>	<b>1.03</b>			
<b>Total</b>	<b>280,339</b>			
<b>Use</b>	<b>280,838</b>			

  

	<b>FOR BHF USE ONLY</b>			
<b>13</b>	FROM R. E. TAX STATEMENT FOR 2006	\$		<b>13</b>
<b>14</b>	PLUS APPEAL COST FROM LINE 5	\$		<b>14</b>
<b>15</b>	LESS REFUND FROM LINE 6	\$		<b>15</b>
<b>16</b>	AMOUNT TO USE FOR RATE CALCULATION	\$		<b>16</b>

**NOTES:**

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

**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 Meadowbrook Manor COUNTY Will

FACILITY IDPH LICENSE NUMBER 0037366

CONTACT PERSON REGARDING THIS REPORT Scott Gabrys

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 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>12-02-102-031-0000</u>	<u>Nursing Home</u>	\$ <u>272,174.00</u>	\$ <u>272,174.00</u>
2. _____	_____	\$ _____	\$ _____
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
<b>TOTALS</b>		\$ <u>272,174.00</u>	\$ <u>272,174.00</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.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor

# 0037366 Report Period Beginning:

01/01/2007 Ending:

12/31/2007

**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 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).

Day Care

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: N/A

3. Current Period Amortization: N/A 4. Dates Incurred: N/A

Nature of Costs: N/A

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

**XI. OWNERSHIP COSTS:**

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	<u>Resident Care</u>	<u>270,508</u>	<u>1991</u>	<u>\$ 404,280</u>	<u>1</u>
2	<u>Resident Care</u>	<u>21,286</u>	<u>1996</u>	<u>287,781</u>	<u>2</u>
3	<b>TOTALS</b>	<b>291,794</b>		<b>\$ 692,061</b>	<b>3</b>

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number Meadowbrook Manor

# 0037366

Report Period Beginning:

01/01/2007 Ending: 12/31/2007

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

1	2	3	4	5	6	7	8	9		
Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	235	1991	1991	\$ 8,276,993	\$	40	\$ 206,925	\$ 206,925	\$ 3,345,288	4
5	10	1994	1994	31,090	987	40	777	(210)	10,878	5
6	53	1996	1996	2,505,079		40	62,627	62,627	720,211	6
7										7
8										8
	<b>Improvement Type**</b>									
9	1992 Improvements		1992	32,614	1,035	20	1,631	596	25,154	9
10	1993 Improvements		1993	2,750	88	20	138	50	2,001	10
11	1993 Improvements		1993	4,822	156	40	121	(35)	1,754	11
12	1994 Improvements		1994	6,432		10			6,432	12
13	1994 Improvements		1994	18,192		20	910	910	11,375	13
14	1995 Improvements		1995	12,681	403	10		(403)	12,681	14
15	Electric Exterior Sign		1995	7,820					7,820	15
16	New Doors		1996	1,475					1,475	16
17	Hot Water Tank		1996	3,847					3,847	17
18	Landscaping		1996	13,490					13,490	18
19	Repaving Parking Lot		1996	7,412					7,412	19
20	Replace Irrigation System		1996	27,077					27,077	20
21	Walk in Freezer		1996	29,923					29,923	21
22	Landscaping		1996	17,283	863	10	867	4	17,283	22
23	Outside Parking Lot Lighting		1997	2,102	54	10	107	53	2,102	23
24	Nurse Call Station Extension Work		1997	3,310	85	10	165	80	3,310	24
25	Remodeling Work - Windsor Hall		1997	3,500	89	40	175	86	3,500	25
26	Basement Remodeling - Street Village Decor		1997	31,614	1,622	39	790	(832)	7,505	26
27	Remodeling Work - Day Care Area		1998	16,638	426	39		(426)		27
28	Remodeling - Ice Cream Parlor		1999	3,624	93	39	93		697	28
29	Remodeling Work - 3rd Floor Hamilton Unit		2000	16,421	421	39	421		3,158	29
30	Remodeling Work - Nurse Station (All Floors)		2000	20,103	515	39	515		3,863	30
31	Plumbing Electrical Work - Boiler Room (Basement)		2000	4,587	118	39	118		885	31
32	Remodeling Work - Dialysis Room		2000	7,253	186	39	186		1,395	32
33										33
34										34
35										35
36										36

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

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

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number Meadowbrook Manor

# 0037366

Report Period Beginning:

01/01/2007 Ending: 12/31/2007

## 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	Parking Lot Paving	2001	\$ 48,629	\$ 2,431	20	\$ 2,431	\$	\$ 15,802	37
38	Remodeling Work	2001	13,319	342	39	342		2,222	38
39	Window Treatments	2001	45,531	1,166	39	1,166		7,580	39
40	Double Door Insulation	2001	6,860	176	39	176		1,144	40
41	Carpeting - 1st Floor	2002	33,778	1,688	20	1,688		9,285	41
42	Reconstruct Front Entrance Awning	2002	11,915	596	20	596		3,278	42
43	Window Treatments	2002	4,672	234	20	234		1,287	43
44	Ceiling Tiles	2002	2,306	115	20	115		633	44
45	Exterior Signs	2002	18,832	942	20	942		5,181	45
46	Ceiling Tiles	2003	2,029		10	203	203	710	46
47	Ceiling Tiles	2003	916	46	20	46		258	47
48	Exterior Signs	2003	12,600	630	20	630		2,835	48
49	Install 16 Horizontal Tubes in Stairwell	2003	1,600	80	20	80		360	49
50	Electric Work for Dialysis Room	2003	6,736	337	20	337		1,515	50
51	Install 9 Motors on Fire Dampers	2003	3,651	182	20	182		819	51
52	Plumbing for Dialysis Room	2003	10,989		10	1,099	1,099	3,846	52
53	Exterior Concrete Patchwork	2003	3,200	160	20	160		672	53
54	Ductwork for New Oxygen Room	2003	4,490		10	449	449	1,572	54
55	New Hot Water Storage Tank	2003	8,290		10	829	829	2,901	55
56	Installed 5 Fire Dampers	2003	7,091		10	709	709	2,482	56
57	Installed 5 Smoke Detectors	2003	2,581	2	10	258	256	903	57
58	Installation of Sprinklers in Awning	2003	9,624		10	962	962	3,367	58
59	Installed 4 Fire Dampers	2003	3,467		10	346	346	1,211	59
60	Installation of Fence around Dumpster	2003	1,658		10	166	166	581	60
61	Sealcoat Parking Lot	2003	5,500		10	550	550	1,925	61
62	Air Conditioner Overhaul	2004	3,769		10	377	377	1,319	62
63	Replace Water Pump	2004	1,473		10	147	147	515	63
64	Install 4 Doors	2004	1,348		10	134	134	469	64
65	Electrical Wiring to Garbage Compactor	2004	2,070		10	207	207	725	65
66	Install Sprinkler System - Front Canopy	2004	10,375		10	1,038	1,038	3,633	66
67	Install New Seal on Water Pump	2004	1,793		10	179	179	627	67
68	Install Motor on Boiler	2004	1,053		10	105	105	368	68
69	Ceiling Tiles	2004	5,620	281	20	281		982	69
70	TOTAL (lines 4 thru 69)		\$ 11,405,897	\$ 16,549		\$ 293,730	\$ 277,181	\$ 4,351,523	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number Meadowbrook Manor

# 0037366

Report Period Beginning:

01/01/2007 Ending: 12/31/2007

**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>		\$ 11,405,897	\$ 16,549		\$ 293,730	\$ 277,181	\$ 4,351,523	1
2	Install Blinds	2004	5,002	250	20	250		875	2
3	Exterior Lighting	2004	3,808	190	20	190		665	3
4	Sealing on Roof	2004	2,300	115	20	115		403	4
5	Install Drainage for Roof	2004	5,000	250	20	250		875	5
6	Ceramic Tile for Kitchen	2004	6,221	312	20	312		1,092	6
7	Plant 3 Trees	2004	1,125	56	20	56		196	7
8	Butterfly Garden	2004	3,423	171	20	171		599	8
9	Expand Phone System	2005	2,175	108	20	108		270	9
10	Replace Boiler	2005	23,894	1,195	20	1,195		2,987	10
11	Install new Compressor	2005	7,652	383	20	383		957	11
12	Install new Coil	2005	7,230	362	20	362		905	12
13	Replace fire doors	2005	3,116	156	20	156		390	13
14	Install carpeting in 3 offices	2005	1,608	80	20	80		200	14
15	Install wheelchair access ramp	2005	10,310	516	20	516		1,290	15
16	Sealcoat asphalt	2005	9,650	483	20	483		1,207	16
17	Furnish and install new taco pump - pavilion	2005	5,986	299	20	299		748	17
18	Install Blinds	2005	2,242	112	20	112		280	18
19	Exterior Lighting	2005	18,515	926	20	926		2,315	19
20	Furnish and Install new motors, belts & capacitors	2005	3,345	167	20	167		418	20
21	Furnish and install glycol to HVAC system	2005	10,925	546	20	546		1,365	21
22	Install patio	2005	15,232	762	20	762		1,905	22
23	Install wiring for new television	2006	37,345	1,867	20	1,867		2,801	23
24	Install new cabinets and countertops in supply room	2006	4,365	218	20	218		327	24
25	New flooring in dining room	2006	14,451	723	20	723		1,084	25
26	Remove and replace sidewalk section	2006	4,928	246	20	246		369	26
27	Replacement parts for air conditioner	2006	9,985	499	20	499		749	27
28	Interior signage	2006	13,720	686	20	686		1,029	28
29	Furnish and install new seals, triple duty valves	2006	7,495	375	20	375		562	29
30	Furnish and install new compressor	2006	14,500	725	20	725		1,087	30
31	Install new lighting in rehab room	2006	3,825	191	20	191		287	31
32									32
33									33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 11,665,270	\$ 29,518		\$ 306,699	\$ 277,181	\$ 4,379,760	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number Meadowbrook Manor

# 0037366

Report Period Beginning:

01/01/2007 Ending: 12/31/2007

## 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>		\$ 11,665,270	\$ 29,518		\$ 306,699	\$ 277,181	\$ 4,379,760	1
2									2
3	Tuckpointing on Building Exterior	2007	10,150	508	10	508		508	3
4	Granite Countertops for Lounge	2007	2,575	129	10	129		129	4
5	Purchase & Installation of vinyl & wood flooring	2007	47,794	2,390	10	2,390		2,390	5
6	Rebuild Fire Pump	2007	15,174	759	10	759		759	6
7	Purchase & Installation of cabinets	2007	23,509	1,175	10	1,175		1,175	7
8	Drywall	2007	4,200	210	10	210		210	8
9	Replace doors on 3rd floor service elevator & lounge	2007	11,931	597	10	597		597	9
10	Soffit over nurses station, install cleat base & wall cabinets	2007	21,900	1,095	10	1,095		1,095	10
11	Replace lockers in lower level locker room	2007	7,769	388	10	388		388	11
12	Electrical work - nurses station, 3rd floor & exterior sign	2007	10,310	516	10	516		516	12
13	Millwork, shop drawings & delivery	2007	4,240	212	10	212		212	13
14	Central A/C upgrade	2007	5,806	290	10	290		290	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>		\$ 11,830,628	\$ 37,787		\$ 314,968	\$ 277,181	\$ 4,388,029	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

XI. OWNERSHIP COSTS (continued)

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

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 1,181,123	\$ 81,686	\$ 126,809	\$ 45,123	5-10	\$ 695,913	71
72	Current Year Purchases	40,773	2,039	2,039		10	2,039	72
73	Fully Depreciated Assets	1,635,767				5-10	1,635,767	73
74	Allocated from Management Co.							74
75	TOTALS	\$ 2,857,663	\$ 83,725	\$ 128,848	\$ 45,123		\$ 2,333,719	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	Resident Van	1998 Ford E350 Van	1998	\$ 40,790	\$	\$	\$		\$ 40,790	76
77	Resident Passenger Car	2000 Chevrolet Express Van	2000	29,261					29,261	77
78										78
79										79
80	TOTALS			\$ 70,051	\$	\$	\$		\$ 70,051	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)	\$ 15,450,403	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 121,512	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 443,816	83**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 322,304	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 6,791,799	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	N/A				87
88					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.

**XII. RENTAL COSTS**

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

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?

If NO, see instructions.  YES  NO

	1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:			\$			3
4	Additions						4
5							5
6	<u>Allocated from Management Company</u>			<u>19,714</u>			6
7	TOTAL			\$ <u>19,714</u>			7

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 N/A  
by the length of the lease N/A.

9. Option to Buy:  YES  NO Terms: \_\_\_\_\_ \*

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

15. Is Movable equipment rental included in building rental?

YES  NO

16. Rental Amount for movable equipment: \$ 43,565 Description: Office Eqpt. - \$17,606; Mattress Rental - \$25,959

(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			<u>N/A</u>		18
19					19
20					20
21	TOTAL		\$	\$	21

10. Effective dates of current rental agreement:

Beginning \_\_\_\_\_  
Ending \_\_\_\_\_

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

	Fiscal Year Ending	Annual Rent
12.	<u>/2008</u>	\$ _____
13.	<u>/2009</u>	\$ _____
14.	<u>/2010</u>	\$ _____

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

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

XIII. EXPENSES RELATING TO 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 checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>It is the policy of this facility to only hire certified nurses aides. 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 type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input checked="" type="checkbox"/></p> <p>HOURS PER CNA <u>40</u></p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input checked="" type="checkbox"/></p> <p>HOURS PER CNA <u>80</u></p>
---	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

		Facility		3	4
		1	2		
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)		49,064		49,064
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$ 49,064	\$	\$ 49,064
10	SUM OF line 9, col. 1 and 2 (e)	\$	49,064		

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	39
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
<b>TOTAL TRAINED</b>	<b>39</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.
- SEE ACCOUNTANTS' COMPILATION REPORT

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	10A(1,3)	hrs	\$ 295,740		\$ 73,644			\$ 369,384	1
2	Licensed Speech and Language Development Therapist	10A(1,3)	hrs	102,896		24,713			127,609	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	10A(1,2,3)	hrs	317,399		99,799	11,386		428,584	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39(2)	# of prescripts				570,788		570,788	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify): <u>Oxygen &amp; Dialysis</u>	39(2,3)				90,000	92,231		182,231	13
14	<b>TOTAL</b>			\$ 716,035		\$ 288,156	\$ 674,405		\$ 1,678,596	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

Butterfield Health Care, Inc.  
d/b/a Meadowbrook Manor  
Provider # 0037366  
12/31/2007

**Schedule 16A**

XIV. Special Services (Direct Cost)

Line 13

Service	Schedule V Line & Column Reference	Outside Practitioner		Supplies
		Units	Amount	
Oxygen	39(2)			92,231
Dialysis Services	39(3)		90,000	
<b>Total Line 13</b>		<u>0</u>	<u>90,000</u>	<u>92,231</u>

Facility Name &amp; ID Number Meadowbrook Manor

# 0037366

Report Period Beginning: 01/01/2007

Ending:

12/31/2007

## XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2007

(last day of reporting year)

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

		1	2	
		Operating	After Consolidation*	
	<b>A. Current Assets</b>			
1	Cash on Hand and in Banks	\$ 167,562	\$ 515,004	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>875,090</u> )	4,383,918	4,383,918	3
4	Supply Inventory (priced at _____ )			4
5	Short-Term Investments			5
6	Prepaid Insurance	372,892	500,399	6
7	Other Prepaid Expenses	99,765	99,765	7
8	Accounts Receivable (owners or related parties)	1,805,600	1,805,600	8
9	Other(specify): <u>Real Estate Tax - Escrow</u>	4,347	115,697	9
10	<b>TOTAL Current Assets (sum of lines 1 thru 9)</b>	\$ 6,834,084	\$ 7,420,383	10
	<b>B. Long-Term Assets</b>			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		692,061	13
14	Buildings, at Historical Cost		8,310,509	14
15	Leasehold Improvements, at Historical Cost	902,633	3,520,119	15
16	Equipment, at Historical Cost	1,810,371	2,927,714	16
17	Accumulated Depreciation (book methods)	(1,586,393)	(6,791,799)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify): _____			22
23	Other(specify): <u>Mortgage Costs - Net</u>		148,003	23
24	<b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>	\$ 1,126,611	\$ 8,806,607	24
25	<b>TOTAL ASSETS (sum of lines 10 and 24)</b>	\$ 7,960,695	\$ 16,226,990	25

		1	2	
		Operating	After Consolidation*	
	<b>C. Current Liabilities</b>			
26	Accounts Payable	\$ 1,730,664	\$ 1,730,664	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	1,720,000	1,720,000	29
30	Accrued Salaries Payable	301,748	301,748	30
31	Accrued Taxes Payable (excluding real estate taxes)	11,315	11,315	31
32	Accrued Real Estate Taxes(Sch.IX-B)		280,838	32
33	Accrued Interest Payable		86,713	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	<b>Other Current Liabilities(specify):</b>			
36	<u>See Sch 17A</u>	4,550,259	550,963	36
37				37
38	<b>TOTAL Current Liabilities (sum of lines 26 thru 37)</b>	\$ 8,313,986	\$ 4,682,241	38
	<b>D. Long-Term Liabilities</b>			
39	Long-Term Notes Payable	40,352	19,860,422	39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	<b>Other Long-Term Liabilities(specify):</b>			
43				43
44				44
45	<b>TOTAL Long-Term Liabilities (sum of lines 39 thru 44)</b>	\$ 40,352	\$ 19,860,422	45
46	<b>TOTAL LIABILITIES (sum of lines 38 and 45)</b>	\$ 8,354,338	\$ 24,542,663	46
47	<b>TOTAL EQUITY(page 18, line 24)</b>	\$ (393,643)	\$ (8,315,673)	47
48	<b>TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)</b>	\$ 7,960,695	\$ 16,226,990	48

SEE ACCOUNTANTS' COMPILATION REPORT

\*(See instructions.)

Butterfield Health Care, Inc.  
D/B/A Meadowbrook Manor  
Provider #0037366  
12/31/2007

Schedule 17A

XV. BALANCE SHEET - Unrestricted Operating Fund.

A. Current Assets

9. Other (specify)

	<u>Operating</u>	<u>Consolidating</u>
Real Estate Tax - Escrow	-	111,350
Credit Union	4,347	4,347
	<u>4,347</u>	<u>115,697</u>

C. Current Liabilities

37. Other Current Liabilities (specify)

	<u>Operating</u>	<u>Consolidating</u>
Accrued Rent	4,249,296	-
Accrued Life Insurance	70	70
Resident Credit Balances	300,893	300,893
Due to Related Party	-	250,000
	<u>4,550,259</u>	<u>550,963</u>

**XVI. STATEMENT OF CHANGES IN EQUITY**

		<b>1</b> <b>Total</b>	
<b>1</b>	<b>Balance at Beginning of Year, as Previously Reported</b>	\$ <b>(206,766)</b>	<b>1</b>
<b>2</b>	Restatements (describe):		<b>2</b>
<b>3</b>			<b>3</b>
<b>4</b>			<b>4</b>
<b>5</b>			<b>5</b>
<b>6</b>	<b>Balance at Beginning of Year, as Restated (sum of lines 1-5)</b>	\$ <b>(206,766)</b>	<b>6</b>
	<b>A. Additions (deductions):</b>		
<b>7</b>	NET Income (Loss) (from page 19, line 43)	(186,879)	<b>7</b>
<b>8</b>	Aquisitions of Pooled Companies		<b>8</b>
<b>9</b>	Proceeds from Sale of Stock		<b>9</b>
<b>10</b>	Stock Options Exercised		<b>10</b>
<b>11</b>	Contributions and Grants		<b>11</b>
<b>12</b>	Expenditures for Specific Purposes		<b>12</b>
<b>13</b>	Dividends Paid or Other Distributions to Owners	( )	<b>13</b>
<b>14</b>	Donated Property, Plant, and Equipment		<b>14</b>
<b>15</b>	Other (describe) <b>ROUNDING</b>	2	<b>15</b>
<b>16</b>	Other (describe)		<b>16</b>
<b>17</b>	<b>TOTAL Additions (deductions) (sum of lines 7-16)</b>	\$ <b>(186,877)</b>	<b>17</b>
	<b>B. Transfers (Itemize):</b>		
<b>18</b>			<b>18</b>
<b>19</b>			<b>19</b>
<b>20</b>			<b>20</b>
<b>21</b>			<b>21</b>
<b>22</b>			<b>22</b>
<b>23</b>	<b>TOTAL Transfers (sum of lines 18-22)</b>	\$	<b>23</b>
<b>24</b>	<b>BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)</b>	\$ <b>(393,643)</b>	<b>24</b> *

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

SEE ACCOUNTANTS' COMPILATION REPORT

**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	\$ 14,945,521	1
2	Discounts and Allowances for all Levels	(1,451,402)	2
3	<b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>	\$ 13,494,119	3
	<b>B. Ancillary Revenue</b>		
4	Day Care	15,865	4
5	Other Care for Outpatients		5
6	Therapy	2,621,465	6
7	Oxygen	78,124	7
8	<b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>	\$ 2,715,454	8
	<b>C. Other Operating Revenue</b>		
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	22,258	13
14	Non-Patient Meals	111	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	568,841	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	7,313	19
20	Radiology and X-Ray	20,455	20
21	Other Medical Services	421,634	21
22	Laundry	3,874	22
23	<b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b>	\$ 1,044,486	23
	<b>D. Non-Operating Revenue</b>		
24	Contributions		24
25	Interest and Other Investment Income***	52,478	25
26	<b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>	\$ 52,478	26
	<b>E. Other Revenue (specify):****</b>		
27	<b>Settlement Income (Insurance, Legal, Etc.)</b>		27
28	<b>Vending Commission &amp; Miscellaneous Income</b>	1,485	28
28a			28a
29	<b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>	\$ 1,485	29
30	<b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>	\$ 17,308,022	30

2

	Expenses	Amount	
	<b>A. Operating Expenses</b>		
31	General Services	2,468,519	31
32	Health Care	7,382,895	32
33	General Administration	2,640,854	33
	<b>B. Capital Expense</b>		
34	Ownership	3,589,753	34
	<b>C. Ancillary Expense</b>		
35	Special Cost Centers	1,249,725	35
36	Provider Participation Fee	163,155	36
	<b>D. Other Expenses (specify):</b>		
37			37
38			38
39			39
40	<b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>	\$ 17,494,901	40
41	<b>Income before Income Taxes (line 30 minus line 40)**</b>	(186,879)	41
42	<b>Income Taxes</b>		42
43	<b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b>	\$ (186,879)	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.  
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

# 0037366

Report Period Beginning:

01/01/2007

Ending:

12/31/2007

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

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	2,026	2,266	\$ 100,507	\$ 44.35	1
2	Assistant Director of Nursing	1,990	2,214	81,896	36.99	2
3	Registered Nurses	40,162	42,263	1,190,706	28.17	3
4	Licensed Practical Nurses	49,021	50,860	1,114,959	21.92	4
5	CNAs & Orderlies	175,272	203,498	2,211,562	10.87	5
6	CNA Trainees	4,019	4,619	49,064	10.62	6
7	Licensed Therapist	16,688	18,316	716,035	39.09	7
8	Rehab/Therapy Aides	17,217	19,354	206,461	10.67	8
9	Activity Director					9
10	Activity Assistants	12,364	13,234	142,293	10.75	10
11	Social Service Workers	11,100	12,197	167,190	13.71	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	44,938	47,783	472,976	9.90	15
16	Dishwashers					16
17	Maintenance Workers	12,760	13,788	177,665	12.89	17
18	Housekeepers	34,415	36,571	303,376	8.30	18
19	Laundry	12,701	13,369	100,267	7.50	19
20	Administrator	2,088	2,200	97,191	44.18	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	13,213	13,956	168,041	12.04	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	2,496	2,684	36,616	13.64	31
32	Other Health C: <a href="#">See Sch 20A</a>	26,613	28,052	490,462	17.48	32
33	Other(specify) <a href="#">Day Care</a>	3,248	3,419	32,232	9.43	33
34	TOTAL (lines 1 - 33)	482,331	530,643	\$ 7,859,499 *	\$ 14.81	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	360	\$ 17,690	1(3)	35
36	Medical Director	1,200	41,000	9(3)	36
37	Medical Records Consultant	12	2,655	10(3)	37
38	Nurse Consultant	60	24,920	10(3)	38
39	Pharmacist Consultant	36	5,720	10(3)	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant	537	24,143	10A(3)	42
43	Speech Therapy Consultant				43
44	Activity Consultant	12	2,173	12(3)	44
45	Social Service Consultant	8	2,186	13(3)	45
46	Other(specify) <a href="#">Quality Assurance</a> Monthly		1,710	10(3)	46
47					47
48					48
49	TOTAL (lines 35 - 48)	2,225	\$ 122,197		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, Inc.  
d/b/a Meadowbrook Manor  
Provider # 0037366  
12/31/2007

**Schedule 20A**

XVII. Staffing and Salary Costs  
**Line 32 - Other**

	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Rate
Rehabilitation Nurse	845	919	22,659	24.66
Nursing Administration	11,327	12,049	262,247	21.77
Central Supply	1,879	1,999	32,160	16.09
Ward Clerks	12,562	13,085	173,396	13.25
<b>Total Line 32 - Other</b>	<b>26,613</b>	<b>28,052</b>	<b>490,462</b>	<b>17.48</b>

**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	
Rosalisa Ricana	Administrator	0	\$ 97,191	Workers' Compensation Insurance	\$ 185,074	IDPH License Fee	\$	
				Unemployment Compensation Insurance	137,320	Advertising: Employee Recruitment	5,738	
				FICA Taxes	593,714	Health Care Worker Background Check		
				Employee Health Insurance	150,434	(Indicate # of checks performed 350 )	3,500	
				Employee Meals		Patient Background Checks	3,000	
				Illinois Municipal Retirement Fund (IMRF)*		Illinois Council on Long Term Care	20,473	
				401(k) Company Contributions	23,738	Miscellaneous Dues, Fees & Licenses	2,148	
				Employee Lab Tests	2,977	Dupage County Health	850	
				Employee Morale	17,006	Miscellaneous Subscriptions	6,410	
						Allocated from Home Office & RE Entity	7,124	
						Less: Public Relations Expense	( )	
						Non-allowable advertising	( )	
						Yellow page advertising	( )	
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 97,191	TOTAL (agree to Schedule V, line 22, col.8)		TOTAL (agree to Sch. V, line 20, col. 8)		
				\$ 1,107,241		\$ 49,243		
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
Description			Amount	Description	Line #	Amount	Description	Amount
Management Fees (Eliminated in Column 7)			\$ 540,000	N/A			Out-of-State Travel	\$
							In-State Travel	
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$ 540,000				Seminar Expense	
							See Attached Schedule	2,832
C. Professional Services							Allocated from Home Office	4,256
Vendor/Payee	Type		Amount				Entertainment Expense	( )
See Schedule 21A			\$ 243,974				(agree to Sch. V, line 24, col. 8)	
							TOTAL	\$ 7,088
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 243,974	TOTAL		\$		

\* Attach copy of IMRF notifications  
 SEE ACCOUNTANTS' COMPILATION REPORT

\*\*See instructions.

Butterfield Health Care, LLC  
Meadowbrook Manor  
Provider # 0037366  
12/31/2007

**Schedule 21A**

**Schedule XIX (C) - Professional Fees.**

<u>Vendor/Payee</u>	<u>Type</u>	<u>Amount</u>
RSM McGladrey	Accounting	2,675
McGladrey & Pullen	Accounting	7,808
Foley & Lardner	Legal	56,194
Morgan, Lewis & Bockius LLP	Legal	24,283
Ronald Shapiro Law Offices	Legal	5,770
Freedman, Anselmo, Lindberg	Legal	250
Hamilton, Thies, Lorch & Hagnell	Legal	232
Wencel/Hess Design Company	Website Design	3,550
Wescom Solutions	Computer Services	25,408
Ivans	Computer Services	1,330
HDSI	Computer Services	5,903
Life Safety Resources	Operations	3,630
Rehab Management Systems	Rehab Management	27,350
New England Financial	Benefits Administrator	1,001
Talx Corporation	Benefits Administrator	4,027
Systematic Management Systems	Billing Service	48,265
Schain, Burney, Ross & Citron	Operations	2,150
Beitler Staffing Services	Employment Services	24,148
<b>TOTAL (agree to Schedule V, line 19, column 3)</b>		<b>243,974</b>
Allocation from MMN Properties - Legal		50
Allocation from MMN Properties - Accounting		15,875
Allocation from Butterfield Health Care Group		38,468
Less: Disallowed legal fees		(6,356)
<b>TOTAL (agree to Schedule V, line 19, column 8)</b>		<b>292,011</b>

**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		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2							N/A					
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20	<b>TOTALS</b>	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number Meadowbrook Manor

# 0037366

Report Period Beginning: 01/01/2007

Ending: 12/31/2007

**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 - \$20,473
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes  
What was the average life used for new equipment added during this period? 10
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 91,631 Line 10(2)
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No  
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 163,155  
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? Yes 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. \$ 0 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 111
- (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? 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? Yes
- 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? N/A**  
**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 \$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

**SEE ACCOUNTANTS' COMPILATION REPORT**