

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center

0039651 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	150	Skilled (SNF)	150	54,750	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	150	TOTALS	150	54,750	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	5,656	55	2,401	8,112	8
9	SNF/PED					9
10	ICF	30,451	16		30,467	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	36,107	71	2,401	38,579	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 70.46%

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

0 (Do not include bed-hold days in Section B.)

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

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

None

F. Does the facility maintain a daily midnight census?

Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?

YES NO

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 06/01/94

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

YES Date 06/01/94 NO

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

YES NO If YES, enter number of beds certified 27 and days of care provided 2,401

Medicare Intermediary Wisconsin Physicians Service

IV. ACCOUNTING BASIS

ACCRUAL 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.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Cent # 0039651 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
	A. General Services										
1	Dietary	202,486	13,333	3,489	219,308		219,308		219,308		1
2	Food Purchase		161,588		161,588		161,588	(3,558)	158,030		2
3	Housekeeping	130,717	44,398		175,115		175,115	163	175,278		3
4	Laundry	61,048	38,995		100,043		100,043		100,043		4
5	Heat and Other Utilities			146,552	146,552		146,552	1,501	148,053		5
6	Maintenance	49,230	40,154	13,838	103,222		103,222	1,933	105,155		6
7	Other (specify):*										7
8	TOTAL General Services	443,481	298,468	163,879	905,828		905,828	39	905,867		8
	B. Health Care and Programs										
9	Medical Director			6,300	6,300		6,300		6,300		9
10	Nursing and Medical Records	1,368,190	51,896	7,041	1,427,127		1,427,127	(130)	1,426,997		10
10a	Therapy			350,134	350,134		350,134		350,134		10a
11	Activities	49,737	2,663		52,400		52,400		52,400		11
12	Social Services	59,140			59,140		59,140		59,140		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	1,477,067	54,559	363,475	1,895,101		1,895,101	(130)	1,894,971		16
	C. General Administration										
17	Administrative	66,784		304,646	371,430		371,430	(243,198)	128,232		17
18	Directors Fees										18
19	Professional Services			28,938	28,938		28,938	16,395	45,333		19
20	Dues, Fees, Subscriptions & Promotions			9,668	9,668		9,668	72	9,740		20
21	Clerical & General Office Expenses	232,340		38,253	270,593		270,593	37,662	308,255		21
22	Employee Benefits & Payroll Taxes			280,088	280,088		280,088	2,891	282,979		22
23	Inservice Training & Education										23
24	Travel and Seminar			2,399	2,399		2,399	(547)	1,852		24
25	Other Admin. Staff Transportation			3,165	3,165		3,165	671	3,836		25
26	Insurance-Prop.Liab.Malpractice			16,296	16,296		16,296	2,815	19,111		26
27	Other (specify):* Mgmt Alloc of Benefit							12,545	12,545		27
28	TOTAL General Administration	299,124		683,453	982,577		982,577	(170,694)	811,883		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	2,219,672	353,027	1,210,807	3,783,506		3,783,506	(170,785)	3,612,721		29

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

SEE ACCOUNTANTS' COMPILATION REPORT

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

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification 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	
	D. Ownership											
30	Depreciation			34,860	34,860		34,860	249,604	284,464			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			74,689	74,689		74,689	312,221	386,910			32
33	Real Estate Taxes							209,977	209,977			33
34	Rent-Facility & Grounds			720,000	720,000		720,000	(720,000)				34
35	Rent-Equipment & Vehicles							1,057	1,057			35
36	Other (specify):*							28,903	28,903			36
37	TOTAL Ownership			829,549	829,549		829,549	81,762	911,311			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		62,664		62,664		62,664		62,664			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			82,125	82,125		82,125		82,125			42
43	Other (specify):* Non-allowable Cos			18,973	18,973		18,973	(18,973)				43
44	TOTAL Special Cost Centers		62,664	101,098	163,762		163,762	(18,973)	144,789			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	2,219,672	415,691	2,141,454	4,776,817		4,776,817	(107,996)	4,668,821			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

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center

0039651

Report Period Beginning:

01/01/2007

Ending:

12/31/2007

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				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	64,865	30		9
10	Interest and Other Investment Income	(84,326)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(266)	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				18
19	Entertainment				19
20	Contributions	(1,500)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(3,606)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(7,354)	43		24
25	Fund Raising, Advertising and Promotional				25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising	(153)	43		28
29	Other-Attach Schedule <u>See Pg. 5A</u>	8,030			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (24,310)		\$	30

BHF USE ONLY					
48		49		50	
				51	
					52

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

		1	2	
		Amount	Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(83,686)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (83,686)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (107,996)		37

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

Virgil Calvert Nursing & Rehabilitation Center

ID# 0039651

Report Period Beginning: 01/01/2007

Ending: 12/31/2007

NON-ALLOWABLE EXPENSES		Amount	Reference	Sch. V Line
1	Labs-Part A	\$ (3,638)	43	1
2	X-Rays-Part A	(2,552)	43	2
3	Offset Miscellaneous Income	(294)	21	3
4	Penalties	(3,510)	43	4
5	Management Fees	18,024	17	5
6				6
7				7
8				8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	8,030		49

SEE ACCOUNTANTS' COMPILATION REPORT

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 Attached Schedule 6A		See Attached Schedule 6B		See attached		
				Schedule 6B		

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	19 Professional Services	\$	Virgil Calvert Property LLC	100.00%	\$ 10,850	\$ 10,850	1
2	V	20 Licenses & Fees		Virgil Calvert Property LLC	100.00%	2,184	2,184	2
3	V	30 Depreciation		Virgil Calvert Property LLC	100.00%	181,982	181,982	3
4	V	32 Interest Income	1,480	Virgil Calvert Property LLC	100.00%		(1,480)	4
5	V	32 Interest		Virgil Calvert Property LLC	100.00%	385,451	385,451	5
6	V	33 Real Estate Taxes		Virgil Calvert Property LLC	100.00%	206,470	206,470	6
7	V	34 Rent-Facility & Grounds	720,000	Virgil Calvert Property LLC	100.00%		(720,000)	7
8	V	36 Mortgage Insurance		Virgil Calvert Property LLC	100.00%	28,903	28,903	8
9	V	21 Miscellaneous Income	6,908				(6,908)	9
10	V	21 Bank Charges				1,499	1,499	10
11	V							11
12	V							12
13	V							13
14	Total		\$ 728,388			\$ 817,339	\$ * 88,951	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	2 Food	\$	SW Management Co.	100.00%	\$ 27	\$	27	15
16	V	3 Housekeeping		SW Management Co.	100.00%	163		163	16
17	V	5 Heat and Other Utilities		SW Management Co.	100.00%	1,501		1,501	17
18	V	6 Maintenance		SW Management Co.	100.00%	1,933		1,933	18
19	V	17 Administrative	304,646	SW Management Co.	100.00%	61,449		(243,197)	19
20	V	19 Professional Services		SW Management Co.	100.00%	9,151		9,151	20
21	V	20 Dues, Fees, Subs & Promotions		SW Management Co.	100.00%	72		72	21
22	V	21 Clerical & General Office Expense		SW Management Co.	100.00%	35,857		35,857	22
23	V	24 Travel & Seminar		SW Management Co.	100.00%	53		53	23
24	V	25 Other Admin. Staff Transport		SW Management Co.	100.00%	671		671	24
25	V	26 Insurance-Prop Liab. Malpractice		SW Management Co.	100.00%	631		631	25
26	V	27 Mgmt. Allocation of Benefits		SW Management Co.	100.00%	12,545		12,545	26
27	V	30 Depreciation		SW Management Co.	100.00%	2,757		2,757	27
28	V	32 Interest		SW Management Co.	100.00%	1,459		1,459	28
29	V	33 Real Estate Taxes		SW Management Co.	100.00%	3,507		3,507	29
30	V	35 Rent-Equipment & Vehicles		SW Management Co.	100.00%	1,057		1,057	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		\$ 304,646			\$ 132,833	\$ *	(171,813)	39

* 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	2 Food	\$ 4,179	S & E Medical Supply Co.	100.00%	\$ 3,485	\$ (694)	15
16	V	10 Medical Supplies	2,662	S & E Medical Supply Co.	100.00%	2,532	(130)	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		\$ 6,841			\$ 6,017	\$ * (824)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Cen # 0039651 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	Sheldon Wolfe	President	Administrative	23.67	See Schedule 7A	5	7.00	Salary	\$ 22,531	L17,C7	1
2	Ronnie Klein	COO	Administrative	5.50	See Schedule 7B	5	10.00	Salary & Fees	16,386	L17,3 & 21,7	2
3	Moshe Herman	CFO	Administrative	0.67	See Schedule 7C	5	10.00	Salary	22,531	L21,C7	3
4											4
5											5
6											6
7			Note: All individuals work in excess of 40 hours per week.								7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 61,448		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 Virgil Calvert Nursing & Rehabilitation Center # 0039651 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

Name of Related Organization SW Management Co.
 Street Address 7434 N. Skokie Blvd.
 City / State / Zip Code Skokie, IL 60077
 Phone Number (847) 982-2300
 Fax Number (847) 982-2304

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

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	2	Food	Bed Days Available	645,320	11	\$ 319	\$ 54,750	\$ 27	1	
2	3	Housekeeping	Bed Days Available	645,320	11	1,918	54,750	163	2	
3	5	Heat and Other Utilities	Bed Days Available	645,320	11	17,688	54,750	1,501	3	
4	6	Maintenace	Bed Days Available	645,320	11	22,780	54,750	1,933	4	
5	19	Professional Services	Bed Days Available	645,320	11	107,864	54,750	9,151	5	
6	20	Dues, Fees, Subs & Promotions	Bed Days Available	645,320	11	844	54,750	72	6	
7	21	Clerical & General Office Exp	Bed Days Available	645,320	11	422,637	373,471	35,857	7	
8	24	Travel & Seminar	Bed Days Available	645,320	11	625	54,750	53	8	
9	25	Other Admin. Staff Transport	Bed Days Available	645,320	11	7,906	54,750	671	9	
10	26	Insurance-Prop., Liab. & Malp.	Bed Days Available	645,320	11	7,442	54,750	631	10	
11	27	Mgmt. Allocation of Benefits	Bed Days Available	645,320	11	147,860	54,750	12,545	11	
12	32	Interest	Bed Days Available	645,320	11	17,198	54,750	1,459	12	
13	33	Real Estate Taxes	Bed Days Available	645,320	11	41,339	54,750	3,507	13	
14	35	Rent-Equipment & Vehicles	Bed Days Available	645,320	11	12,453	54,750	1,057	14	
15									15	
16	17	Administrative	Average Hrs Worked	40	11	360,500	360,500	5	45,063	16
17	17	Administrative	Average Hrs Worked	55	7	180,250	180,250	5	16,386	17
18									18	
19	30	Depreciation	Direct Cost			32,495		2,757	19	
20									20	
21									21	
22									22	
23									23	
24									24	
25	TOTALS					\$ 1,382,118	\$ 914,221	\$ 132,833	25	

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center

0039651

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

Name of Related Organization S & E Medical Supply Co.
 Street Address 3100 Commercial Ave.
 City / State / Zip Code Northbrook, IL 60062
 Phone Number (847) 982-9300
 Fax Number ()

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

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	2	Food	Direct Cost		\$	\$		\$ 3,485	1
2	10	Medical Supplies	Direct Cost					2,532	2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$ 6,017	25

SEE ACCOUNTANTS' COMPILATION REPORT

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			
A. Directly Facility Related																				
Long-Term																				
1	Heartland Bank		X	Mortgage	\$23,524.00	11/27/01	\$ 6,359,200	\$ 6,014,646	12/1/36	0.0635	\$ 380,781	1								
2												2								
3							Amortization of Mortgage Costs				4,670	3								
4												4								
5												5								
Working Capital																				
6	N/P Stockholder	X		Working Capital				425,000	Demand	Variable	49,464	6								
7	Intercompany Loan	X		Working Capital				407,564	Demand	0.0600	25,225	7								
8												8								
9	TOTAL Facility Related				\$23,524.00		\$ 6,359,200	\$ 6,847,210			\$ 460,140	9								
B. Non-Facility Related*																				
10							Interest Income offset				(14,008)	10								
11							Amortization of mortgage costs				(1,480)	11								
12							SW Management Allocation-Mortgage				1,459	12								
13							Non-Related Interest				(59,201)	13								
14	TOTAL Non-Facility Related						\$	\$			\$ (73,230)	14								
15	TOTALS (line 9+line14)						\$ 6,359,200	\$ 6,847,210			\$ 386,910	15								

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 28,903 Line # 36

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

(See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

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

(See instructions.)

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

B. Real Estate Taxes

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.			\$	199,000	1
		Vacant Land 2005		7,485	
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.)			2006 \$	197,470	2
3. Under or (over) accrual (line 2 minus line 1).			\$	5,955	3
4. Real Estate Tax accrual used for 2007 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	208,000	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)			\$		5
		Allocation to Management Compnay		3,507	
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)			\$		6
		Vacant Land		(7,485)	
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.			\$	209,977	7
Real Estate Tax History:					
Real Estate Tax Bill for Calendar Year:	2002	153,697	8	FOR BHF USE ONLY	
	2003	162,337	9	13	FROM R. E. TAX STATEMENT FOR 2006 \$ 13
	2004	182,632	10	14	PLUS APPEAL COST FROM LINE 5 \$ 14
	2005	182,236	11	15	LESS REFUND FROM LINE 6 \$ 15
	2006	197,469	12	16	AMOUNT TO USE FOR RATE CALCULATION \$ 16
2007 real estate tax accrual- 197,469 *1.05=207,342					
Use: 208,000					

NOTES:

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

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 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 Virgil Calvert Nursing & Rehabilitation Center COUNTY St. Clair

FACILITY IDPH LICENSE NUMBER 0039651

CONTACT PERSON REGARDING THIS REPORT Sheldon Wolfe

TELEPHONE (847) 982-2300 FAX #: (847) 982-2304

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>02-21.0-209-023</u>	<u>Long-term care property</u>	\$ <u>197,468.72</u>	\$ <u>197,468.72</u>
2. <u>10-28-412-049-0000</u>	<u>SW Management Allocation</u>	\$ <u>42,503.98</u>	\$ <u>3,507.00</u>
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>239,972.70</u>	\$ <u>200,975.72</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? X YES 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.

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 38,932 B. General Construction Type: Exterior Brick Frame Wood Number of Stories One

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).

None

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

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

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

XI. OWNERSHIP COSTS:

	1	2	3	4	
A. Land.	Use	Square Feet	Year Acquired	Cost	
1	<u>Resident Care</u>		<u>2001</u>	<u>\$ 400,000</u>	<u>1</u>
2					<u>2</u>
3	TOTALS			\$ 400,000	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center

0039651

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	150	2001		\$ 4,801,298	\$	15-40	\$ 132,029	\$ 132,029	\$ 803,176	4
5										5
6	Mgmt. Co.	1995		36,722		39	1,049	1,049	13,278	6
7										7
8										8
	Improvement Type**									
9	Various		1994	30,237	726	20	1,512	786	19,944	9
10	Various		1995	25,180	459	20	1,259	800	16,195	10
11	Various		1996	5,688	244	20	284	40	3,316	11
12	Various		1997	4,115	106	20	206	100	2,196	12
13	Various		1998	4,092		20	205	205	2,216	13
14	Various		1999	27,640		20	1,430	1,430	11,937	14
15	Concrete Work		2000	3,181	82	20	159	77	1,193	15
16	Concrete Work		2000	5,030	129	20	252	123	1,887	16
17	Concrete Work		2000	5,195	133	20	260	127	1,949	17
18	Exhaust Fan		2000	3,820		20	191	191	1,687	18
19	Water Heater		2000	5,300		20	265	265	2,297	19
20	Carpeting		2000	5,400		20	270	270	2,250	20
21	Mechanical Room Volv		2000	1,315		20	66	66	461	21
22	Check Valve		2000	877		20	44	44	307	22
23	Plumbing		2000	1,024		20	51	51	358	23
24	100 Gal. Waterheater		2001	4,642		20	232	232	2,695	24
25	Steamer		2001	2,545		20	127	127	1,477	25
26	Concentrator		2001	2,703		7	386	386	2,574	26
27	Air Conditioner		2001	1,895		20	95	95	1,100	27
28	Fire Protection		2001	6,752		20	338	338	3,920	28
29	Air Conditioner		2001	8,313		20	416	416	4,827	29
30	Sprinkler Heads		2001	3,273		20	164	164	1,901	30
31	Blinds		2001	1,212		20	61	61	704	31
32	Sprinkler System Rep		2001	1,827		20	91	91	578	32
33	Heating Systems Repr		2001	1,269		20	63	63	386	33
34	Dining Room Wall		2002	11,663	209	10	1,166	957	6,609	34
35	Dining Room Wall		2002	8,020	144	10	802	658	4,545	35
36	Air Conditioners		2002	1,659		7	237		1,323	36

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

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

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center

0039651

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	Air Conditioners	2002	\$ 2,185	\$	7	\$ 312	\$ 312	\$ 1,743	37
38	Front Door	2003	9,860	253	20	493	240	2,465	38
39	Roof	2003	72,800	1,867	20	3,640	1,773	17,593	39
40	Gutters And Soffits	2003	24,221	621	20	1,211	590	5,651	40
41	Nursing Station	2003	2,901		20	145	145	689	41
42	Nursing Station	2003	13,285		20	664	664	3,155	42
43	Nursing Station	2003	12,188		20	609	609	2,692	43
44	Fire Sprinkler System	2003	2,075		20	104	104	476	44
45	Fire Suppression System	2003	2,030		20	102	102	457	45
46	100 Gl. Water Heater	2003	3,085		20	154	154	771	46
47	Resident Room Casework/counters	2003	7,259		20	363	363	1,694	47
48	Pipe/Dry system	2004	2,472	90	20	124	34	433	48
49	Air Compressor	2004	2,766	66	20	138	72	484	49
50	Condensing unit and evaporator	2004	2,230	90	20	112	22	390	50
51	Concrete removal/new pipe	2004	6,111	248	20	306	58	1,069	51
52	A/C unit in Laundry System	2004	3,329	121	20	166	45	583	52
53	Sprinkler System	2004	2,056	75	20	103	28	360	53
54	Duct Heater	2005	1,381	50	20	69	19	173	54
55	Freezer Door	2005	2,100	403	20	105	(298)	263	55
56	Wallpaper	2005	14,510	2,786	20	726	(2,061)	1,814	56
57	Water Heaters	2005	5,724	208	20	286	78	716	57
58	Security System	2005	25,534	929	20	1,277	348	3,192	58
59	Compressor	2005	1,090	40	20	55	15	136	59
60	Water Heater	2005	1,490	54	20	75	21	186	60
61	Painting & Wallcovering	2005	38,792	7,448	20	1,940	(5,508)	4,849	61
62	Carpet	2005	3,164	861	20	158	(703)	396	62
63	Vinyl floor	2005	6,327	182	20	316	134	791	63
64	Doors	2005	1,925	70	20	96	26	241	64
65	Asphalt-parking lot	2005	8,500	727	20	425	(302)	1,063	65
66	Custom built duct heater	2005	1,704	62	20	85	23	213	66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 5,304,981	\$ 19,483		\$ 158,065	\$ 138,345	\$ 972,021	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center

0039651

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	Totals from Page 12A, Carried Forward		\$ 5,304,981	\$ 19,483		\$ 158,065	\$ 138,582	\$ 972,021	1
2	Kitchen Floor	2006	10,000	364	20	500	136	750	2
3	A/C Units	2006	2,146		20	107	107	161	3
4	A/C Units	2006	2,576		20	129	129	193	4
5	2 Ton A/C Unit	2006	1,208	44	20	60	16	91	5
6	Sprinkler System-Replace Pipes	2006	8,357	304	20	418	114	627	6
7	Remodel Shower Hall - 500	2007	21,570	490	20	539	49	539	7
8	Remodel Shower Hall - 400	2007	21,570	360	20	539	179	539	8
9	Remodel Shower Hall - 200	2007	21,570	294	20	539	245	539	9
10	Handrail	2007	3,425	3,425	20	86	(3,339)	86	10
11	Freezer Compressor	2007	2,202	70	20	55	(15)	55	11
12	5 Ton Air Handler	2007	2,795	64	20	70	6	70	12
13	2 Ton Air Handler & 3 Ton Condensing Unit	2007	5,241	101	20	131	30	131	13
14									14
15									15
16									16
17									17
18									18
19	SW Management Allocation - leasehold improvements	1995	3,918		20	196	196	2,755	19
20	SW Management Allocation - leasehold improvements	1996	684		20	34	34	396	20
21	SW Management Allocation - leasehold improvements	1997	985		20	49	49	639	21
22	SW Management Allocation - leasehold improvements	1998	678		20	34	34	331	22
23	SW Management Allocation - leasehold improvements	1999	1,883		20	94	94	761	23
24	SW Management Allocation - leasehold improvements	2005	3,896		20	195	195	487	24
25	SW Management Allocation - leasehold improvements	2007	2,206		20	55	55	55	25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 5,421,891	\$ 24,999		\$ 161,896	\$ 136,897	\$ 981,226	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	\$ 886,272	\$ 6,073	\$ 121,328	\$ 115,255	10	\$ 758,854	71
72	Current Year Purchases	3,791	3,790	190	(3,600)	10	190	72
73	Fully Depreciated Assets	81,827					81,827	73
74	Allocation from Management Co.	9,907		67	67	10	8,344	74
75	TOTALS	\$ 981,797	\$ 9,863	\$ 121,585	\$ 111,722		\$ 849,215	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	Allocation from Management	Cadillac	2004	\$ 4,915	\$	\$ 983	\$ 983	5	\$ 3,441	76
77										77
78										78
79										79
80	TOTALS			\$ 4,915	\$	\$ 983	\$ 983		\$ 3,441	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)	\$ 6,808,603	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 34,862	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 284,464	83**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 249,602	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 1,833,882	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	N/A	\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92	N/A	\$	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.

SEE ACCOUNTANTS' COMPILATION REPORT

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								6
7	TOTAL				\$			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 _____
by the length of the lease _____.

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: \$ _____ Description: _____
(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	SW Management Allocation			1,057	18
19					19
20					20
21	TOTAL		\$	\$ 1,057	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.

SEE ACCOUNTANTS' COMPILATION REPORT

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

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

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?</p> <p><input type="checkbox"/> YES <input checked="" 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 type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. CLINICAL PORTION:</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)	
TOTAL TRAINED	

- (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	L10A, C3	hrs	\$	4,925	\$ 137,909	\$	4,925	\$ 137,909	1
2	Licensed Speech and Language Development Therapist	L10A, C3	hrs		1,387	83,232		1,387	83,232	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L10A, C3	hrs		4,855	126,221		4,855	126,221	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L39, C2	# of prescrpts				61,614		61,614	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify): Physical Rehab	L39,C2					1,050		1,050	13
14	TOTAL			\$	11,167	\$ 347,362	\$ 62,664	11,167	\$ 410,026	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center

0039651

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*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$	\$	1
2	Cash-Patient Deposits	27,762	27,762	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>None</u>)	800,899	800,899	3
4	Supply Inventory (priced at _____)			4
5	Short-Term Investments			5
6	Prepaid Insurance	4,664	37,886	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>See Schedule 17A</u>	2,315	92,316	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 835,640	\$ 958,863	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		400,000	13
14	Buildings, at Historical Cost		4,550,106	14
15	Leasehold Improvements, at Historical Cost	421,022	871,785	15
16	Equipment, at Historical Cost	328,766	986,712	16
17	Accumulated Depreciation (book methods)	(427,082)	(1,833,882)	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): <u>See Schedule 17A</u>		135,032	22
23	Other(specify): _____			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 322,706	\$ 5,109,753	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,158,346	\$ 6,068,616	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 156,733	\$ 123,520	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	27,076	27,076	28
29	Short-Term Notes Payable	832,564	832,564	29
30	Accrued Salaries Payable	112,871	112,871	30
31	Accrued Taxes Payable (excluding real estate taxes)	13,103	13,103	31
32	Accrued Real Estate Taxes(Sch.IX-B)		208,000	32
33	Accrued Interest Payable		53,307	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>See Schedule 17A</u>	331,208	331,208	36
37	_____			37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 1,473,555	\$ 1,701,649	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		6,014,646	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	_____			43
44	_____			44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$	\$ 6,014,646	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 1,473,555	\$ 7,716,295	46
47	TOTAL EQUITY(page 18, line 24)	\$ (315,209)	\$ (1,647,679)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 1,158,346	\$ 6,068,616	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Virgil Calvert Nursing & Rehabilitation Center, Inc.
 Provider #: 0039651
 12/31/07

Schedule 17A

XV. BALANCE SHEET -

Other Current Assets (specify):	After	
	Operating	Consolidation
Due from state	2,031	2,031
Employee Payroll Advance	284	284
Other - escrow	-	90,001
Total Line 9 - Other Current Assets (specify):	2,315	92,316

Other Long-Term Assets (specify):	After	
	Operating	Consolidation
Capitalized Costs	-	163,434
Accumulated Amortization	-	(28,402)
Total Line 22 - Other Long-Term Assets (specify):	-	135,032

Other Current Liabilities (specify):	After	
	Operating	Consolidation
Acc. Retirement (From P/R)	300	300
Accrued Expenses	44,624	44,624
Due to Public Aid	(5,938)	(5,938)
Due/from Virgil Property LLC	292,222	292,222
Total Line 36 - Other Current Liabilities (specify):	331,208	331,208

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 3,895	1
2	Restatements (describe):		2
3	Prior Period Adjustment		3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 3,895	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(319,104)	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)	\$ (319,104)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (315,209)	24 *

* 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	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	\$ 4,048,921	1
2	Discounts and Allowances for all Levels		2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 4,048,921	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	357,782	6
7	Oxygen	19,372	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 377,154	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space	17,336	16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services		21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 17,336	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	14,008	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 14,008	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28			28
28a	<u>Miscellaneous Revenue</u>	294	28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 294	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 4,457,713	30

2

	Expenses	Amount	
	A. Operating Expenses		
31	General Services	905,828	31
32	Health Care	1,895,101	32
33	General Administration	982,577	33
	B. Capital Expense		
34	Ownership	829,549	34
	C. Ancillary Expense		
35	Special Cost Centers	81,637	35
36	Provider Participation Fee	82,125	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 4,776,817	40
41	Income before Income Taxes (line 30 minus line 40)**	(319,104)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (319,104)	43

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.
This entity is a cash basis taxpayer.

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

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

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center

0039651

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	1,584	1,630	\$ 43,906	\$ 26.94	1
2	Assistant Director of Nursing	1,624	1,776	46,829	26.37	2
3	Registered Nurses	1,953	1,999	43,742	21.88	3
4	Licensed Practical Nurses	21,349	22,652	427,672	18.88	4
5	CNAs & Orderlies	71,136	75,383	743,075	9.86	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	3,743	4,199	62,966	15.00	8
9	Activity Director					9
10	Activity Assistants	5,040	5,562	49,737	8.94	10
11	Social Service Workers	4,097	4,465	59,140	13.25	11
12	Dietician					12
13	Food Service Supervisor	1,817	2,058	30,602	14.87	13
14	Head Cook					14
15	Cook Helpers/Assistants	17,954	19,382	171,884	8.87	15
16	Dishwashers					16
17	Maintenance Workers	3,238	3,580	49,230	13.75	17
18	Housekeepers	14,353	15,404	130,717	8.49	18
19	Laundry	7,408	7,838	61,048	7.79	19
20	Administrator	1,984	2,080	66,784	32.11	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	11,400	11,777	232,340	19.73	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					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	168,680	179,785	\$ 2,219,672 *	\$ 12.35	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	74	\$ 3,489	L1, C3	35
36	Medical Director	Monthly	6,300	L9, C3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	115	7,041	L10, C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant	40	2,772	L10A, C3	41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	229	\$ 19,602		49

C. CONTRACT NURSES

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

SEE ACCOUNTANTS' COMPILATION REPORT

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
<u>Kathleen Crawford</u>	<u>Administrator</u>	<u>0</u>	<u>\$ 66,784</u>	<u>Workers' Compensation Insurance</u>	<u>\$ 34,823</u>	<u>IDPH License Fee</u>	<u>\$ 620</u>	
				<u>Unemployment Compensation Insurance</u>	<u>35,912</u>	<u>Advertising: Employee Recruitment</u>		
				<u>FICA Taxes</u>	<u>169,815</u>	<u>Health Care Worker Background Check</u>		
				<u>Employee Health Insurance</u>	<u>38,728</u>	<u>(Indicate # of checks performed)</u>	<u>(359)</u>	
				<u>Employee Meals</u>	<u>2,891</u>	<u>Patient Background Checks</u>		
				<u>Illinois Municipal Retirement Fund (IMRF)*</u>		<u>Illinois Council on Long Term Care</u>	<u>8,775</u>	
				<u>Miscellaneous Employee Benefits/Disability</u>	<u>292</u>	<u>Miscellaneous Inspections & Licenses</u>	<u>632</u>	
				<u>Holiday Expense</u>	<u>518</u>	<u>Allocation from Management Co.</u>	<u>72</u>	
TOTAL (agree to Schedule V, line 17, col. 1)			\$ 66,784	TOTAL (agree to Schedule V, line 22, col.8)		\$ 9,740		
(List each licensed administrator separately.)						Less: Public Relations Expense ()		
						Non-allowable advertising ()		
						Yellow page advertising ()		
B. Administrative - Other								
Description			Amount					
<u>SW Management-Home Office & Management Fees</u>			<u>\$ 184,646</u>					
<u>Ronnie Klein-Management Fees</u>			<u>120,000</u>					
TOTAL (agree to Schedule V, line 17, col. 3)			\$ 304,646					
(Attach a copy of any management service agreement)								
C. Professional Services				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
Vendor/Payee	Type		Amount	Description	Line #	Amount	Description	Amount
<u>Helper, Broom-</u>	<u>Legal</u>		<u>\$ 10,310</u>	<u>N/A</u>			<u>Out-of-State Travel</u>	<u>\$</u>
<u>MacDonald, Herbrank</u>								
<u>Cynthia Flek</u>	<u>Legal</u>		<u>1,600</u>				<u>In-State Travel</u>	
<u>Ashman & Stein</u>	<u>Legal</u>		<u>1,239</u>					
<u>RSM McGladrey, Inc.</u>	<u>Accounting</u>		<u>13,407</u>				<u>Seminar Expense</u>	<u>1,799</u>
<u>Personal Planners</u>	<u>Unemployment Consulting</u>		<u>2,382</u>				<u>Allocation from Management Co.</u>	<u>53</u>
							<u>Entertainment Expense ()</u>	
TOTAL (agree to Schedule V, line 19, column 3)			\$ 28,938	TOTAL		\$	TOTAL (agree to Sch. V, line 24, col. 8)	
(If total legal fees exceed \$5,000, attach copy of invoices.)							\$ 1,852	

* Attach copy of IMRF notifications
 SEE ACCOUNTANTS' COMPILATION REPORT

**See instructions.

Virgil Calvert Nursing & Rehabilitation Center, Inc.

Provider # 0039651

12/31/2007

Schedule 21A

XIX. Support Schedule

C. Professional Services

Total (agree to Schedule V, line 19, column 3)	28,938
Out of period legal expenses	(3,606)
Allocated from Virgil Calvert Property LLC:	10,850
Allocated from SW Management:	9,151
Total (agree to Schedule V, line 19, column 8)	<u>45,333</u>

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

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
1	N/A		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

