

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center# 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

III. STATISTICAL DATA

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

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>207</u>	Skilled (SNF)	<u>207</u>	<u>75,762</u>	1
2		Skilled Pediatric (SNF/PED)		<u>0</u>	2
3		Intermediate (ICF)		<u>0</u>	3
4		Intermediate/DD		<u>0</u>	4
5		Sheltered Care (SC)		<u>0</u>	5
6		ICF/DD 16 or Less		<u>0</u>	6
7	<u>207</u>	TOTALS	<u>207</u>	<u>75,762</u>	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF	<u>5,553</u>	<u>1,910</u>	<u>11,621</u>	<u>19,084</u>	8
9	SNF/PED					9
10	ICF	<u>40,324</u>	<u>4,984</u>	<u>391</u>	<u>45,699</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>45,877</u>	<u>6,894</u>	<u>12,012</u>	<u>64,783</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 85.51%

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)

F. Does the facility maintain a daily midnight census? YesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES NO

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

YES NO

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

Date started 02/01/91

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

YES Date 2/01/91 NO

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

YES NO If YES, enter number
of beds certified 207 and days of care provided 6,778Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED
CASH* CASH* Is your fiscal year identical to your tax year? YES NO Tax Year: 12/31/08 Fiscal Year: 12/31/08

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Ce # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

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	424,566	31,788	10,800	467,154	1,488	468,642	5,686	474,328		1
2	Food Purchase		410,996		410,996	(14,420)	396,576	(34,643)	361,933		2
3	Housekeeping	239,370	40,123		279,493	663	280,156	5,223	285,379		3
4	Laundry	54,411	25,785		80,196	264	80,460		80,460		4
5	Heat and Other Utilities			317,730	317,730		317,730	608	318,338		5
6	Maintenance	34,625		202,964	237,589	48	237,637	43,302	280,939		6
7	Other (specify):* Reletated party Benf.							7,979	7,979		7
8	TOTAL General Services	752,972	508,692	531,494	1,793,158	(11,957)	1,781,201	28,156	1,809,357		8
	B. Health Care and Programs										
9	Medical Director			18,595	18,595		18,595		18,595		9
10	Nursing and Medical Records	3,032,112	295,004	5,608	3,332,724	287,617	3,620,341	64,279	3,684,620		10
10a	Therapy	95,783			95,783		95,783		95,783		10a
11	Activities	73,612	2,884	5,532	82,028	169	82,197		82,197		11
12	Social Services	40,371			40,371		40,371		40,371		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Reletated party Benf.							10,039	10,039		15
16	TOTAL Health Care and Programs	3,241,878	297,888	29,735	3,569,501	287,786	3,857,287	74,318	3,931,605		16
	C. General Administration										
17	Administrative	129,325			129,325		129,325	90,211	219,536		17
18	Directors Fees										18
19	Professional Services			863,088	863,088	(9,988)	853,100	(741,165)	111,935		19
20	Dues, Fees, Subscriptions & Promotions			62,199	62,199		62,199	(51,497)	10,702		20
21	Clerical & General Office Expenses	228,814	24,180	80,737	333,731	2,118	335,849	300,048	635,897		21
22	Employee Benefits & Payroll Taxes			594,386	594,386	2,722	597,108	(6,925)	590,183		22
23	Inservice Training & Education										23
24	Travel and Seminar			7,606	7,606		7,606	4,254	11,860		24
25	Other Admin. Staff Transportation			11,962	11,962		11,962	15,686	27,648		25
26	Insurance-Prop.Liab.Malpractice			232,304	232,304	(1,792)	230,512	9,795	240,307		26
27	Other (specify):*			134,049	134,049		134,049	(67,383)	66,666		27
28	TOTAL General Administration	358,139	24,180	1,986,331	2,368,650	(6,940)	2,361,710	(446,976)	1,914,734		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	4,352,989	830,760	2,547,560	7,731,309	268,889	8,000,198	(344,502)	7,655,696		29

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

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center #0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

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			55,764	55,764		55,764	306,711	362,475		30
31	Amortization of Pre-Op. & Org.										31
32	Interest			489,400	489,400	(331,342)	158,058	475,464	633,522		32
33	Real Estate Taxes							194,309	194,309		33
34	Rent-Facility & Grounds			1,026,530	1,026,530		1,026,530	(1,026,530)			34
35	Rent-Equipment & Vehicles			34,903	34,903		34,903	49,151	84,054		35
36	Other (specify):* MIP							42,420	42,420		36
37	TOTAL Ownership			1,606,597	1,606,597	(331,342)	1,275,255	41,525	1,316,780		37
	Ancillary Expense										
	E. Special Cost Centers										
38	Medically Necessary Transportation										38
39	Ancillary Service Centers		511,178	541,902	1,053,080	62,453	1,115,533	(128,747)	986,786		39
40	Barber and Beauty Shops										40
41	Coffee and Gift Shops										41
42	Provider Participation Fee			113,644	113,644		113,644		113,644		42
43	Other (specify):*										43
44	TOTAL Special Cost Centers		511,178	655,546	1,166,724	62,453	1,229,177	(128,747)	1,100,430		44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	4,352,989	1,341,938	4,809,703	10,504,630		10,504,630	(431,725)	10,072,905		45

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

Alden Valley Ridge Rehab & Health Care Center

IDPH Facility ID Number: #0036640

Reclassifications on Pgs 3 & 4 - Column 5

Report Period Beginning: 1/1/2008

Report Period Ending: 12/31/2008

<u>From Line</u>	<u>To Line</u>	<u>Amount</u>	<u>Description</u>
19		(9,988.00)	Pathway
	10	9,988.00	Pathway
2		(14,420.48)	Employee Meals
	22	14,420.48	Employee Meals
22		(11,698.00)	Uniforms
	10	6,948.00	Uniforms
	1	1,488.00	Uniforms
	3	663.00	Uniforms
	4	264.00	Uniforms
	6	48.00	Uniforms
	11	169.00	Uniforms
	21	2,118.00	Uniforms
26		(1,792.00)	Interest - old policy/curr yr portion
	32	1,792.00	Interest - old policy/curr yr portion
10		(62,453.00)	Oxygen - to appropriate cost center
	39	62,453.00	Oxygen - to appropriate cost center
32		(333,134.00)	DOL Settlement
	10	333,134.00	DOL Settlement

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

0036640

Report Period Beginning: 1/1/08

Ending: 12/31/08

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	14,755	30		9
10	Interest and Other Investment Income	(1,982)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(1,625)	2		13
14	Non-Care Related Interest	(61,653)	32		14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees	(6,206)	21		17
18	Fines and Penalties	(333,134)	32		18
19	Entertainment	(205)	20		19
20	Contributions	(7,299)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(17,761)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(134,049)	27		24
25	Fund Raising, Advertising and Promotional	(12,713)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(5,854)	21		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule				29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (567,726)		\$	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)	(115,107)	Various	34
35	Other- Attach Schedule	251,108	Pg 5A	35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ 136,001		36
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (431,725)		37

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

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

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

BHF USE ONLY						
48		49		50		51
						52

Alden Valley Ridge Rehab & Health Care Center

ID# 0036640

Report Period Beginning: 1/1/08

Ending: 12/31/08

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Late Fees Utilities	\$ (3,320)	5	1
2	Intercompany Interest	(33,640)	32	2
3	Interest expense- ANI International	(2,437)	32	3
4	Expense related party items "\$2500"	774	6	4
5	Misc. Income-Food Rebate	(1,060)	2	5
6	Misc. Income-Jury Duty	(35)	22	6
7	Misc. Income-Wages Services fees	(80)	22	7
8	Misc. Income-Record Copies	(60)	21	8
9	Marketing Manager Salary	(54,425)	21	9
10	Back out % of employee benefits for Mktg Manger	(6,810)	22	10
11	Back out 32.3% (for 2008) of PAC fees	(3,691)	20	11
12	Vendor Settlement- Relational Funding	(800)	21	12
13	Vendor Settlement- Relational Funding	800	6	13
14	Deming Adjustment	(315)	24	14
15	Pg 12 assets<\$2,500 to be expensed (curr yr)	2,328	6	15
16	Elim Pg 12 deprec on '06-'08 items<\$2,500	(2,420)	30	16
17	Elim Pg 13 deprec on '06-'08 items<\$2,500	(6,435)	30	17
18	Pg 13 assets<\$2,500 to be expensed (curr yr)	32,330	6	18
19	eliminate prior yr professional fee adj.	1,500	19	19
20	Elim. Landowner Bank Charges	(339)	19	20
21	Elim Deprec exp on washer (duplicate asset)	(862)	30	21
22	Adj YTD Deprec expense to detail	860	30	22
23	Elim.PAC fee from Dues & Subscription	(3,875)	20	23
24	Adj for ABC related party profit-Pg 12	(14)	30	24
25	DOL Settlement	333,134	32	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	251,108		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

0036640

Report Period Beginning:

1/1/08

Ending:

12/31/08

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

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	7,438	(1,752)	0	0	0	0	0	0	0	5,686	1
2	Food Purchase	(2,685)	0	0	(31,958)	0	0	0	0	0	0	0	(34,643)	2
3	Housekeeping	0	0	5,223	0	0	0	0	0	0	0	0	5,223	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	(3,320)	0	3,928	0	0	0	0	0	0	0	0	608	5
6	Maintenance	36,232	0	7,229	0	0	0	(159)	0	0	0	0	43,302	6
7	Other (specify):*	0	0	7,046	933	0	0	0	0	0	0	0	7,979	7
8	TOTAL General Services	30,228	0	30,864	(32,777)	0	0	(159)	0	0	0	0	28,156	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	59,570	3,251	1,458	0	0	0	0	0	0	64,279	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	10,039	0	0	0	0	0	0	0	0	10,039	15
16	TOTAL Health Care and Programs	0	0	69,609	3,251	1,458	0	0	0	0	0	0	74,318	16
	C. General Administration													
17	Administrative	0	0	90,211	0	0	0	0	0	0	0	0	90,211	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(16,600)	5,839	(730,404)	0	0	0	0	0	0	0	0	(741,165)	19
20	Fees, Subscriptions & Promotions	(27,783)	175	(23,889)	0	0	0	0	0	0	0	0	(51,497)	20
21	Clerical & General Office Expenses	(67,345)	0	311,427	25,187	30,779	0	0	0	0	0	0	300,048	21
22	Employee Benefits & Payroll Taxes	(6,925)	0	0	0	0	0	0	0	0	0	0	(6,925)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	(315)	0	4,569	0	0	0	0	0	0	0	0	4,254	24
25	Other Admin. Staff Transportation	0	0	15,686	0	0	0	0	0	0	0	0	15,686	25
26	Insurance-Prop.Liab.Malpractice	0	9,538	257	0	0	0	0	0	0	0	0	9,795	26
27	Other (specify):*	(134,049)	0	61,936	2,677	2,053	0	0	0	0	0	0	(67,383)	27
28	TOTAL General Administration	(253,017)	15,552	(270,207)	27,864	32,832	0	0	0	0	0	0	(446,976)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(222,789)	15,552	(169,734)	(1,662)	34,290	0	(159)	0	0	0	0	(344,502)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

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	5,884	296,636	2,842	0	1,349	0	0	0	0	0	0	306,711	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(99,712)	501,334	71,315	0	2,527	0	0	0	0	0	0	475,464	32
33	Real Estate Taxes	0	188,284	5,879	0	146	0	0	0	0	0	0	194,309	33
34	Rent-Facility & Grounds	0	(1,026,530)	0	0	0	0	0	0	0	0	0	(1,026,530)	34
35	Rent-Equipment & Vehicles	0	0	49,151	0	0	0	0	0	0	0	0	49,151	35
36	Other (specify):*	0	42,420	0	0	0	0	0	0	0	0	0	42,420	36
37	TOTAL Ownership	(93,828)	2,144	129,187	0	4,022	0	0	0	0	0	0	41,525	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	(69,896)	(25,204)	(33,647)	0	0	0	0	0	(128,747)	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	0	0	0	(69,896)	(25,204)	(33,647)	0	0	0	0	0	(128,747)	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(316,618)	17,696	(40,547)	(71,558)	13,108	(33,647)	(159)	0	0	0	0	(431,725)	45

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

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
<u>The Alden Group, Ltd.</u>	<u>100</u>	<u>See Pg 6K</u>		<u>See Pg 6K</u>		

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	<u>34 Rent Income</u>	\$ <u>1,026,530</u>	<u>Valley Ridge Associates, L.L.C.</u>		\$	\$ <u>(1,026,530)</u>	1
2	V	<u>32 Interest Income</u>	<u>792</u>	<u>Valley Ridge Associates, L.L.C.</u>			<u>(792)</u>	2
3	V	<u>19 Accounting Fees</u>		<u>Valley Ridge Associates, L.L.C.</u>		<u>5,500</u>	<u>5,500</u>	3
4	V	<u>19 Bank Charges</u>		<u>Valley Ridge Associates, L.L.C.</u>		<u>339</u>	<u>339</u>	4
5	V	<u>20 Dues & Subscription</u>		<u>Valley Ridge Associates, L.L.C.</u>		<u>175</u>	<u>175</u>	5
6	V	<u>33 Real Estate Taxes</u>		<u>Valley Ridge Associates, L.L.C.</u>		<u>188,284</u>	<u>188,284</u>	6
7	V	<u>26 General Insurance Expense</u>		<u>Valley Ridge Associates, L.L.C.</u>		<u>9,538</u>	<u>9,538</u>	7
8	V	<u>36 Mortgage insurance Premium</u>		<u>Valley Ridge Associates, L.L.C.</u>		<u>42,420</u>	<u>42,420</u>	8
9	V	<u>32 Interest Mortgage</u>		<u>Valley Ridge Associates, L.L.C.</u>		<u>500,528</u>	<u>500,528</u>	9
10	V	<u>30 Depreciation</u>		<u>Valley Ridge Associates, L.L.C.</u>		<u>296,636</u>	<u>296,636</u>	10
11	V	<u>32 Amortization</u>		<u>Valley Ridge Associates, L.L.C.</u>		<u>1,598</u>	<u>1,598</u>	11
12	V							12
13	V							13
14	Total		\$ <u>1,027,322</u>			\$ <u>1,045,018</u>	\$ * <u>17,696</u>	14

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

0036640

Report Period Beginning: 1/1/08

Ending: 12/31/08

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	5 Utilities	\$	Alden Management Services, Inc.	0.00%	\$ 3,928	\$ 3,928	15
16	V	24 Trav & Seminar		Alden Management Services, Inc.		4,569	4,569	16
17	V	25 Other Admin Travel		Alden Management Services, Inc.		15,686	15,686	17
18	V	26 Insurance		Alden Management Services, Inc.		257	257	18
19	V	20 Dues & Subscriptions	24,600	Alden Management Services, Inc.		711	(23,889)	19
20	V	30 Depreciation		Alden Management Services, Inc.		2,842	2,842	20
21	V	32 Amortization		Alden Management Services, Inc.		80	80	21
22	V	33 Real Estate Tax		Alden Management Services, Inc.		5,879	5,879	22
23	V	35 Rent-Equip & Vehicles		Alden Management Services, Inc.		49,151	49,151	23
24	V	32 Interest		Alden Management Services, Inc.		71,235	71,235	24
25	V	1 Dietary		Alden Management Services, Inc.		7,438	7,438	25
26	V	3 Housekeeping		Alden Management Services, Inc.		5,223	5,223	26
27	V	7 Employee Benefits-Gen'l Servs		Alden Management Services, Inc.		7,046	7,046	27
28	V	10 Nurs & Med Records Salary		Alden Management Services, Inc.		59,570	59,570	28
29	V	15 Employee Benefits-Health Care		Alden Management Services, Inc.		10,039	10,039	29
30	V	17 Administrative Salary		Alden Management Services, Inc.		90,211	90,211	30
31	V	27 Employee Benefits-Admin		Alden Management Services, Inc.		61,936	61,936	31
32	V	19 Professional Fees	782,514	Alden Management Services, Inc.		52,110	(730,404)	32
33	V	21 Gen'l & Admin		Alden Management Services, Inc.		311,427	311,427	33
34	V	6 Repair & Maint	37,048	Alden Management Services, Inc.		44,277	7,229	34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 844,162			\$ 803,615	\$ * (40,547)	39

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	1	Diet. Consultant	\$ 10,800	Prism Health Care Services, Inc.	0.00%	\$ 2,733	\$ (8,067)	15
16	V	1	Dietary Salary		Prism Health Care Services, Inc.		6,315	6,315	16
17	V	2	Tube Feeding	47,055	Prism Health Care Services, Inc.		15,097	(31,958)	17
18	V	10	Equip. Rental	6,660	Prism Health Care Services, Inc.		9,911	3,251	18
19	V	39	Ancillary Services	143,195	Prism Health Care Services, Inc.		73,299	(69,896)	19
20	V	21	Gen'l & Admin Salary		Prism Health Care Services, Inc.		15,135	15,135	20
21	V	27	Employee Benefits		Prism Health Care Services, Inc.		2,677	2,677	21
22	V	7	Employee Benefits		Prism Health Care Services, Inc.		933	933	22
23	V	21	Gen'l & Admin		Prism Health Care Services, Inc.		10,052	10,052	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		\$ 207,710				\$ 136,152	\$ * (71,558)	39

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	39	Drugs	\$ 207,370	Forum Extended Care Services II, Inc.	0.00%	\$ 301,492	\$ 94,122	15
16	V	39	I.V.	136,218	Forum Extended Care Services II, Inc.		19,861	(116,357)	16
17	V	39	Wound Care	14,647	Forum Extended Care Services II, Inc.		11,678	(2,969)	17
18	V	10	House Stock	14,600	Forum Extended Care Services II, Inc.		13,771	(829)	18
19	V	10	Pharm Consult	5,368	Forum Extended Care Services II, Inc.		7,655	2,287	19
20	V	27	Employee Vaccin.	534	Forum Extended Care Services II, Inc.		426	(108)	20
21	V	27	Employee Benef: G & A		Forum Extended Care Services II, Inc.		2,161	2,161	21
22	V	21	Salary: G & A		Forum Extended Care Services II, Inc.		18,607	18,607	22
23	V	21	Gen'l & Admin.		Forum Extended Care Services II, Inc.		12,172	12,172	23
24	V	32	Interest		Forum Extended Care Services II, Inc.		2,527	2,527	24
25	V	33	Real Estate Tax		Forum Extended Care Services II, Inc.		146	146	25
26	V	30	Depreciation		Forum Extended Care Services II, Inc.		1,349	1,349	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		\$ 378,737				\$ 391,845	\$ * 13,108	39

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

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	39	Therapy	\$ 519,326	Community Physical Therapy & Associates, Ltd.	0.00%	\$ 485,679	\$ (33,647)	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$ 519,326			\$ 485,679	\$ * (33,647)	39

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	6	Repair & Maintenance	\$ 27,905	Alden Bennett Construction Company, Inc.	0.00%	\$ 27,746	\$ (159)	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total		\$ 27,905			\$ 27,746	\$ *	(159)	39

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center Provider No. 0036640

Report Period Beginning:

1/1/08

Ending: 12/31/08

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care C # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

VII. RELATED PARTIES (continued)

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

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

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Floyd A. Schlossberg	President	CEO	100.00	170,415	2.13	5.32	Salary	\$ 9,585	17-7	1
2	Lauren Magnusson	Dir. Of Clinical Servi	Technical Nursing	0.00	63,626	2.13	5.32	Salary	3,579	10-7	2
3	Terry Magnusson	Dir. of Purchasing	Supervise Mainten	0.00	37,017	2.13	5.32	Salary	2,082	6-7	3
4											4
5											5
6	A. Floyd Schlossberg is the President and sole stockholder of Alden Management Services, Inc.										6
7	B. Lauren Magnusson is the daughter of Floyd Schlossberg. Lauren is the Director of Clinical Services and provides technical support for the entire nursing staff.										7
8	C. Terry Magnusson is the son-in-law of Floyd Schlossberg. Terry coordinates the purchase of all building maintenance items as well as supervise building engineers.										8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 15,246		13

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

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

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

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	5	Utilities	Patient Days	1,216,590	30	\$ 73,771	\$ 64,783	\$ 3,928	1	
2	24	Trav & Seminar	Patient Days	1,216,590	30	85,812	64,783	4,569	2	
3	25	Other Admin Travel	Patient Days	1,216,590	30	294,582	64,783	15,686	3	
4	26	Insurance	Patient Days	1,216,590	30	4,828	64,783	257	4	
5	20	Dues & Subscriptions	Patient Days	1,216,590	30	13,344	64,783	711	5	
6	30	Depreciation	No. of providers	30	30	98,652	1	2,842	6	
7	31	Amortization	Patient Days	1,216,590	30	1,500	64,783	80	7	
8	33	Real Estate Tax	Patient Days	1,216,590	30	125,958	64,783	5,879	8	
9	35	Rent-Equip & Vehicles	Patient Days	1,216,590	30	923,032	64,783	49,151	9	
10	32	Interest	Patient Days	1,216,590	30	1,783,086	64,783	71,235	10	
11	1	Dietary	Patient Days	1,216,590	30	139,689	139,689	64,783	7,438	11
12	3	Housekeeping	Patient Days	1,216,590	30	98,076	98,076	64,783	5,223	12
13	7	Employee Benefits-Gen'l Servs	Patient Days	1,216,590	30	132,325	64,783	7,046	13	
14	10	Nurs & Med Records Salary	Patient Days	1,216,590	30	1,256,694	1,256,694	64,783	59,570	14
15	15	Employee Benefits-Health Care	Patient Days	1,216,590	30	188,531	64,783	10,039	15	
16	17	Administrative Salary	Patient Days	1,216,590	30	2,118,865	2,118,865	64,783	90,211	16
17	27	Employee Benefits-Admin	Patient Days	1,216,590	30	1,163,122	64,783	61,936	17	
18	19	Professional Fees	Patient Days	1,216,590	30	978,599	605,253	64,783	52,110	18
19	21	Gen'l & Admin	Patient Days	1,216,590	30	5,848,424	5,104,656	64,783	311,427	19
20	6	Repair & Maint	Patient Days	1,216,590	30	831,505	644,276	64,783	44,277	20
21									21	
22									22	
23									23	
24									24	
25	TOTALS					\$ 16,160,395	\$ 9,967,509	\$ 803,615	25	

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Ce # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

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	Cambridge Realty		X	Mortgage	\$50,767.00	09/02	\$ 9,009,300	\$ 8,433,441	08/20/1937		\$ 500,528	1								
2	Bank Leumi		X	LOC	\$19,028.00	03/29/09	1,579,184		06/01/08	Various	55,782	2								
3												3								
4	Amortiz. of Re-finan. Fees		X								1,848	4								
5	Insurance Reclass (Interest)		X								1,792	5								
Working Capital																				
6	Bank Leumi		X	Working Capital		12/12/08	1,135,173	1,135,173	12/11/09	5.0000	2,504	6								
7	Related Party-AMS		X								71,315	7								
8	Related Party-FECII		X								2,527	8								
9	TOTAL Facility Related				\$69,795.00		\$ 11,723,657	\$ 9,568,614			\$ 636,296	9								
B. Non-Facility Related*																				
10	Interest Income on R.R.										(792)	10								
11	Int Income (GL#4646/4975)										(1,982)	11								
12												12								
13												13								
14	TOTAL Non-Facility Related						\$	\$			(2,774)	14								
15	TOTALS (line 9+line14)						\$ 11,723,657	\$ 9,568,614			\$ 633,522	15								

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 42,420 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.)

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

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2007 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 2007 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2007.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2007 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 2008 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.

2007 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Alden Valley Ridge Rehab & Health Care Center COUNTY DuPage

FACILITY IDPH LICENSE NUMBER 0036640

CONTACT PERSON REGARDING THIS REPORT Steven M. Kroll

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

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2007 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 2007.

(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>See attached supplement</u>	<u>Related Party-Alden Management Serv</u>	\$ <u>295,853.00</u>	\$ <u>5,879.00</u>
2. <u>See attached supplement</u>	<u>Related Party-Forum Extended Care II</u>	\$ <u>28,917.00</u>	\$ <u>146.00</u>
3. <u>02-23-301-019</u>	<u>Nursing Home Facility</u>	\$ <u>3,047.82</u>	\$ <u>3,047.82</u>
4. <u>02-23-301-020</u>	<u>Nursing Home Facility</u>	\$ <u>191,336.26</u>	\$ <u>191,336.26</u>
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>519,154.08</u>	\$ <u>200,409.08</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 2007 tax bills which were listed in Section A to this statement. Be sure to use the 2007 tax bill which is normally paid during 2008.

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

0036640 Report Period Beginning:

1/1/08 Ending:

12/31/08

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 72,046 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).

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

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

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

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	<u>Nursing Home</u>		<u>1990</u>	<u>\$ 317,233</u>	1
2					2
3	TOTALS			\$ 317,233	3

XI. OWNERSHIP COSTS (continued)

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

	1 Beds*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	207		1991		6,027,235	191,340	30	200,908	9,568	3,648,853	4
5											5
6											6
7											7
8	Related Party-Forum			1978	14,056		25			14,056	8
	Improvement Type**										
9	LEASEHOLD IMPROVEMENTS		1991		1,644,299	58,820	VARIOUS	64,007	5,187	1,142,176	9
10	REPAIR A/C,CONTROL SYSTEM & PUMP/MISC.		1991		18,611		5			18,611	10
11	EXHAUST FAN/HVAC/BURNISHER/MISC.		1992		32,815		5,10 & 15			32,815	11
12	PIPE INSULATION/HVAC/MISC.		1993		31,308	558	5,10,15 & 17	558		30,995	12
13	SEWER WORK/CARPETING/ROOFING/INJECTOR PUMP		1994		28,814	261	5,10 & 25	261		26,004	13
14	REPAIR PUMPS/FAUCETS/HVAC/REGROUT SHOWERS/MSC		1995		28,634	743	10,15 & 20	743		26,322	14
15	ROOF REPAIR		1996		3,200		10			3,200	15
16	ROOF REPAIR		1996		2,500		10			2,500	16
17	PARKING LOT LIGHTING		1996		3,716	248	15	248		3,077	17
18	PARKING LOT LIGHTING,EMRGNCY SERVICE-POWER OUT		1997		8,767		5			8,767	18
19	REPAIR PUMP		1997		1,800		5			1,800	19
20	ROOF REPAIRS		1997		2,590		5			2,590	20
21	REPLACE COMPRESSOR		1997		6,885		5			6,885	21
22	REPLACE MIXING VALVE		1997		2,763		5			2,763	22
23	REPAIR PUMP		1997		2,161		5			2,161	23
24	REPLACE PUMP		1997		6,293		5			6,293	24
25	REPLACED COMPRESSOR		1997		5,000		5			5,000	25
26	ROOF REPAIRS		1997		1,800		5			1,800	26
27	DOOR HOLDER		1997		4,088		10			4,088	27
28	PARKING LOT		1997		131,918	6,596	20	6,596		72,032	28
29	INSTALL WALL PLATES/OUTLETS		1997		4,968		10			4,968	29
30	INSTALL CABLE		1998		5,244	307	10	307		5,244	30
31	PAINTING		1998		52,000	2,600	20	2,600		27,083	31
32	CARPETING		1998		59,500	2,975	20	2,975		30,990	32
33	DRAPERIES		1998		13,000	650	20	650		6,771	33
34	ROOF		1998		79,000	3,950	20	3,950		41,146	34
35											35
36											36

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

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

See Page 12A, Line 70 for total

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

0036640

Report Period Beginning:

1/1/08

Ending:

12/31/08

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	OIL/DRIER ON STAGE COMPRESSOR	1998	\$ 2,900	\$ 193	15	\$ 193	\$	\$ 2,077	37
38	REPAIR TOWER	1998	2,727	182	15	182		1,910	38
39	REPLACE PRESSURE RELIEF VALVE	1998	1,940	129	15	129		1,357	39
40	CARPETING	1998	1,667		5			1,667	40
41	CARPETING	1998	15,858		5			15,858	41
42	CARPETING	1998	5,000		5			5,000	42
43	REPAIR FUEL PUMP ON GENERATOR	1998	2,532	127	20	127		1,309	43
44	FLOOR TILE	1998	4,876	365	10	365		4,876	44
45	REPAIR SHAFT AND GEAR REDUCER ON DRYER	1998	2,058	154	10	154		2,058	45
46	REPAIR VALVE IN THERAPY ROOM	1998	1,505	100	15	100		1,019	46
47	REPLACE HEAT PUMP	1998	3,773	252	15	252		2,559	47
48	CARPETING	1998	20,000		5			20,000	48
49	CARPETING	1998	18,082		5			18,082	49
50	Alden Bennet Construction (tank replacement)	1999	12,409	827	15	827		8,203	50
51	Northtown (repair dishwasher)	1999	1,695	170	10	170		1,683	51
52	Climate Service (replace hot water heater)	1999	9,561	637	15	637		6,214	52
53	Taylor Plumbing (pump repair)	1999	1,728		5			1,728	53
54	Ashland Plumbing & Heating Co. (furnished and installed ejector pump)	1999	6,658	444	15	444		4,291	54
55	Rykoff-Sexton (booster heater)	1999	1,893	189	10	189		1,829	55
56	Climate Service (cleaned condenser and tower)	1999	2,642	264	10	264		2,531	56
57	Patten Industries(generator repair)	1999	2,870	287	10	287		2,727	57
58	Fox Valley Fire & Safety(nurse call system repair)	1999	1,510	101	15	101		932	58
59	Fox Valley Fire & Safety(nurse call system repair)	1999	1,632	109	15	109		1,007	59
60	Climate Service(repair tower fan)	1999	4,733	473	10	473		4,377	60
61	Climate Service(repair tower fan)	1999	2,405	241	10	241		2,226	61
62	New Horizons(replace power supply for phone system)	1999	3,767	377	10	377		3,485	62
63	Patten Industries(rebuild generator)	1999	7,884	394	20	394		3,580	63
64	Alco(nuts, bolts, lock extensions, tube cap,head screw)	1999	1,779		5			1,779	64
65	System Electric(repair dedicated circuits)	2000	2,461	164	15	164		1,463	65
66	Capps Plumbing (repair ejector pumps)	2000	4,970	331	15	331		2,953	66
67	Fox Valley (re-wire smoke detectors)	2000	14,576	1,458	10	1,458		12,755	67
68	Harold(repair dish machaine)	2000	962		5			962	68
69	Harold(repair dish machaine)	2000	1,328		5			1,328	69
70	TOTAL (lines 4 thru 69)		\$ 8,393,346	\$ 277,016		\$ 291,771	\$ 14,755	\$ 5,322,815	70

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

0036640

Report Period Beginning:

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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		\$ 8,393,346	\$ 277,016		\$ 291,771	\$ 14,755	\$ 5,322,815	1
2	new horizons-install phone line	2000	2,742	274	10	274		2,330	2
3	CSI -Coker Service (new motor)	2001	3,865	387	10	387		3,029	3
4	State mandated tank removal	2001	12,242	816	15	816		6,529	4
5	Water Pump repair	2001	1,706		5			1,706	5
6	GT (new shaft)	2001	2,491		5			2,491	6
7	new horizons-install phone line	2001	1,572		5			1,572	7
8	GT (replace fan blade)	2001	3,534		5			3,534	8
9	Alco sales & service (beds)	2001	2,324	233	10	233		1,706	9
10	Alco sales & service (beds)	2001	233	23	10	23		168	10
11	GT (repalace motor)	2001	791	79	10	79		573	11
12	GT (replace heat exchanger)	2001	1,332		5			1,332	12
13	GT (repair leaking piping)	2001	1,381		5			1,381	13
14	GT (refund for shaft)	2002	(2,491)		5			(2,491)	14
15	ABC (misc. repair)	2002	2,126		5			2,126	15
16	GT (compressor)	2002	4,290	286	15	286		1,811	16
17	Capps (install drain)	2002	2,585	43	5			2,585	17
18	SMT healthcare system(body lift)	2002	10,132	676	15	676		4,448	18
19	ABC --(carpet in two elevators))	2002	1,279	128	10	128		874	19
20	ABC (new gate)	2002	3,362	336	10	336		2,185	20
21	ABC-New door	2003	2,102	210	10	210		1,173	21
22	ABC-Southland-New Floor	2003	857	86	10	86		515	22
23	ABC- Bathroom	2003	735	73	10	73		384	23
24	CSI-repair dishwasher	2003	2,111	36	5	36		2,111	24
25	ABC-GT Mech. Repair gas regulators	2003	2,369	237	10	237		1,402	25
26	ABC GTMech-repair water heater	2003	1,818	182	10	182		1,061	26
27	TSN Inc - DSL Cable	2004	990	99	10	99		487	27
28	Aquarium Main Serv-replace mixing valves	2004	10,501	2,100	5	2,100		9,625	28
29	ABC-new flooring	2004	2,100	210	10	210		997	29
30	Aqua Service-boiler mixing valve/storage tank prep	2004	1,205	241	5	241		1,125	30
31	Aqua Service-boiler mixing valve/storage tank prep	2004	2,906	581	5	581		2,712	31
32	Aqua Service-rebuilt valves.plumbing	2004	3,002	600	5	600		2,801	32
33	ABC-new flooring	2004	2,276	228	10	228		1,025	33
34	TOTAL (lines 1 thru 33)		\$ 8,481,814	\$ 285,180		\$ 299,892	\$ 14,755	\$ 5,386,122	34

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

0036640

Report Period Beginning:

1/1/08

Ending:

12/31/08

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 12B, Carried Forward		\$ 8,481,814	\$ 285,180		\$ 299,892	\$ 14,712	\$ 5,386,122	1
2	ABC-hot water heater/valve repair	2004	2,215	443	5	443		2,030	2
3	Equipment Int'l-repair laundry equipment	2004	2,305	461	5	461		1,921	3
4	ABC-elevator repairs	2004	3,260	326	10	326		1,413	4
5									5
6	Capps-Furnish/Install 1 1/2 RPZ Boiler	2005	1,940	97	20	97		364	6
7	A&B Custom Cable-Install TV Cabling/Master Antenna for 1st fl	2005	6,020	602	10	602		2,207	7
8	DBS Contracting, Inc-Bore Underground for TV	2005	5,750	575	10	575		1,917	8
9									9
10	Cybor Fire Protection-Sprinkler System Pipe Work	2005	4,500	900	5	900		3,000	10
11	A&B Custom Cable-Install 70 rms antennas	2005	8,120	812	10	812		2,571	11
12	ABC-Patten Repair Generator	2006	5,210	521	10	521		1,520	12
13	ABC-Firestopping & Tree Removal due to storm	2006	10,713	714	15	714		1,964	13
14	ABC-Replaced Concrete Sidewalk	2006	3,809	254	15	254		677	14
15	ABC-Window Replacement	2006	31,829	3,183	10	3,183		7,482	15
16	TopNotch Cooler Door	2006	4,300	430	10	430		1,003	16
17	ABC-Bathroom Repairs	2006	20,841	4,168	5	4,168		10,073	17
18	Repaved Parking Lot	2007	32,783	2,186	15	2,186		2,368	18
19	Install TV Cabeling/Master Antenna	2007	(3,020)	(302)	10	(302)		(503)	19
20	Chiller Repair	2007	7,225	723	10	723		1,144	20
21	Installed Compressor	2007	9,517	952	10	952		1,349	21
22	Freezer Door Repair	2007	4,533	453	10	453		642	22
23									23
24									24
25	Regraded Detention Pond	2007	6,302	630	10	630		840	25
26	Replaced water pump motors	2007	4,095	410	10	410		512	26
27	New TV Lines	2007	5,750	575	10	575		863	27
28									28
29									29
30	Replace Sprinkler System	2007	4,500	450	10	450		675	30
31									31
32	Ceiling, Tiling, Motors, Cabinets, Plumbing	2007	8,034	803	10	803		1,205	32
33	Thermo Pane Windows, Bathroom mirrors	2007	7,371	737	10	737		1,106	33
34	TOTAL (lines 1 thru 33)		\$ 8,679,715	\$ 306,283		\$ 320,994	\$ 14,712	\$ 5,434,465	34

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

0036640

Report Period Beginning:

1/1/08

Ending:

12/31/08

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 12C, Carried Forward		\$ 8,679,715	\$ 306,283		\$ 320,994	\$ 14,711	\$ 5,434,465	1
2									2
3	Related Party-Forum Prof Center Building:								3
4	Leasehold Improvement-Remodeling	1980	10,666		15			10,666	4
5	Leasehold Improvement-Remodeling	1980	16,708		20			16,708	5
6	Leasehold Improvement-Tenant Improvement	1987	864		13			864	6
7	Leasehold Improvement-AMS Remodel	1988	13,861		10			13,861	7
8	Leasehold Improvement-Roof	1994	3,097	194	16	194		2,711	8
9	Leasehold Improvement-Build.Improv.	1996	1,092	68	16	68		884	9
10	Leasehold Improvement-Asphalting	2000	85		3			85	10
11	Leasehold Improvement-DAI	2001	149	15	10	15		107	11
12	Leasehold Improvement-Bathrooms	2002	645	58	7	58		436	12
13	Leasehold Improvement-Suite Renovation	2003	1,583	157	10	157		950	13
14	Leasehold Improvement-Plumbing, Construct, Concrete, Doors, etc	2004	1,982	375	7	375		1,546	14
15	Leasehold Improvement-sidewalks-City of Chic.	2007	102	20	5	20		41	15
16	Leasehold Improvement-Carpet: Superior Install.	2007	94	19	5	19		37	16
17	Leasehold Improvement-Condensing Unit: Suite 140	2007	813	116	5	116		232	17
18	Leasehold Improvement-Add-on Improvement, fixture base	1980	69		23			69	18
19	Leasehold Improvement-Add-on Improvement, lighting base	2001	119		5			119	19
20	Leasehold Improvements-fire extinguishers	2007	22	4	5	4		6	20
21	Leasehold Improvements-paving/glasswork/hvac/carpet	2008	392	24	5	24		24	21
22									22
23									23
24	Related Party-AMS:								24
25	Leasehold Improvement-Remodeling	1993	5,740		7			5,740	25
26	Leasehold Improvement-Remodeling	2002	4,699	671	7	671		3,944	26
27	Leasehold Improvement-Remodeling	2003	4,915	702	7	702		4,110	27
28									28
29									29
30	Forum Extended Care, LLC-building/building improv	1999	9,295	232	30	232		2,372	30
31	Adj for ABC related party profit	2008	(632)	(14)		(14)		(14)	31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 8,756,076	\$ 308,925		\$ 323,636	\$ 14,711	\$ 5,499,963	34

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

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Report Period Beginning:

1/1/08

Ending:

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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 12D, Carried Forward		\$ 8,756,076	\$ 308,925		\$ 323,636	\$ 14,711	\$ 5,499,963	1
2									2
3									3
4	Parking Lot Paving	2007	12,323	1,232	10	1,232		1,540	4
5									5
6	ABC-Windows	2008	3,387		10				6
7	ABC-Cooling tower/compressor	2008	73,033	2,029	15	2,029		2,029	7
8	ABC-Ceiling tile/electrical/door	2008	5,518	138	10	138		138	8
9	ABC-Water main	2008	18,186	121	25	121		121	9
10	ABC-Carpeting	2008	7,252	121	5	121		121	10
11	ABC-Thermal pane windows	2008	3,280	27	10	27		27	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	TOTAL (lines 1 thru 33)		\$ 8,879,054	\$ 312,593		\$ 327,304	\$ 14,711	\$ 5,503,939	34

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

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	\$ 356,976	\$ 31,626	\$ 31,626	\$	various	\$ 179,580	71
72	Current Year Purchases	25,540	1,555	1,555		various	1,555	72
73	Fully Depreciated Assets	847,208	1,990	1,990		various	847,208	73
74								74
75	TOTALS	\$ 1,229,724	\$ 35,171	\$ 35,171	\$		\$ 1,028,343	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77	Busses	Midwest Transit	1/1/2001	49,825				5	49,825	77
78										78
79	Related Party-AMS	Various	98-'04	4,563				3	4,563	79
80	TOTALS			\$ 54,388	\$	\$	\$		\$ 54,388	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)	\$ 10,480,399	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 347,764	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 362,475	83**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 14,711	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 6,586,670	85

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

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

G. Construction-in-Progress

	Description	Cost	
92		\$	92
93		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: Related party - Cost is eliminated

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

10. Effective dates of current rental agreement:

Beginning 06/00

Ending 07/10

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

Fiscal Year Ending Annual Rent

12.	<u>/2009</u>	\$ <u>Varies</u>
13.	<u>/2010</u>	\$ <u>Varies</u>
14.	<u>/2011</u>	\$ <u>Varies</u>

8. List separately any amortization of lease expense included on page 4, line 34.

This amount was calculated by dividing the total amount to be amortized _____
by the length of the lease _____.

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

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: \$ 15,968 Description: Copy Machine Lease & Various office equipment.

(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	<u>Transport (GL#6890)</u>	<u>Various</u>	\$ <u>#####</u>	\$ <u>26,886</u>	17
18					18
19	<u>Related Party-AMS (6A)</u>			<u>28,236</u>	19
20					20
21	TOTAL		\$ <u>#####</u>	\$ <u>55,122</u>	21

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

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

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

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

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

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

B. EXPENSES

ALLOCATION OF COSTS (d)

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

C. CONTRACTUAL INCOME

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

\$

D. NUMBER OF CNAs TRAINED

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

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39-3	hrs	\$		\$ 221,296	\$		\$ 221,296	1
2	Licensed Speech and Language Development Therapist	39-3	hrs			19,713			19,713	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39-3	hrs			278,175			278,175	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	See Pg 16A	# of prescripts				301,492		301,492	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):	39-1, 39-3, if any								12
13	Other (specify): See Pg 16A					(33,648)	199,758		166,110	13
14	TOTAL			\$		\$ 485,536	\$ 501,250		\$ 986,786	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.

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

XIV. Special Services (Direct Cost)

Service Description	Col. 1: Ref. No.	To Pg 16: Col. No.	
1. OT	39-3	To Col 5	\$221,295.54
2. ST	39-3	To Col 5	19,713.21
3.			
4. PT	39-3	To Col 5	278,174.73
5.			
6.			
7.			
8.			
Pharmacy Supplies per GL			207,370.01
Manual Input from Related Party- Forum Drugs			94,122.00
9. Total to line 9 Pharmacy	See Pg 16A	To Col 6	301,492.01
10.			
11.			
12. Exceptional Care-Salaries:	See pg 16A	To Col. 3	0.00
12. Exceptional Care-Supplies:	See pg 16A	To Col. 6	0.00
Total Exceptional Care (Line 12, Col 8)			0.00
13. Other:	See Pg 16A		
13. Col 5: Manual Input: Related Party - CPT		To Col 5	(33,648.00)
Other			326,527.81
Manual Input: Related Party - Prism			(69,896.00)
Manual Input: Related Party FECII - I.V.			(116,357.00)
Manual Input: Related Party FECII - Wound care			(2,969.00)
Oxygen, from reclass worksheet			62,453.00
13. Col 6: Supplies Total		To Col 6	199,758.81
13. Total Line 13, Column 8			166,110.81
14. Total			986,786.30

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

XV. BALANCE SHEET - Unrestricted Operating Fund. As of 12/31/08 (last day of reporting year)

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

		1 Operating	2 After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>86,000</u>)	1,563,090	1,563,090	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance		8,466	6
7	Other Prepaid Expenses	1,730		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>Due from 3rd parties</u>	111,870	232,350	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,676,690	\$ 1,803,906	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		290,687	13
14	Buildings, at Historical Cost		7,880,053	14
15	Leasehold Improvements, at Historical Cost	730,437	1,074,462	15
16	Equipment, at Historical Cost	571,893	1,423,812	16
17	Accumulated Depreciation (book methods)	(951,612)	(6,158,171)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds		172,634	21
22	Other Long-Term Assets (spe <u>Refinancing Fee</u>	5,750	51,703	22
23	Other(specify): <u>Due to Affiliates</u>	2,933,488	3,089,297	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 3,289,956	\$ 7,824,477	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 4,966,646	\$ 9,628,383	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 793,283	\$ 781,364	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	208,100	208,100	28
29	Short-Term Notes Payable	1,135,173	1,249,867	29
30	Accrued Salaries Payable	338,247	338,247	30
31	Accrued Taxes Payable (excluding real estate taxes)	60,318	60,318	31
32	Accrued Real Estate Taxes(Sch.IX-B)		200,200	32
33	Accrued Interest Payable	514,772	556,236	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>Accrual Ins, Exps, sales tax</u>	49,677	112,657	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 3,099,570	\$ 3,506,989	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable		8,318,748	40
41	Bonds Payable			41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43	<u>Due to affiliates</u>			43
44	<u>Shareholder Loans/Others</u>	635,600	635,600	44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 635,600	\$ 8,954,348	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 3,735,170	\$ 12,461,337	46
47	TOTAL EQUITY(page 18, line 24)	\$ 1,231,476	\$ (2,832,954)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 4,966,646	\$ 9,628,383	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 1,214,947	1
2	Restatements (describe):		2
3	external audit adjustments made after 2006 cost report		3
4	was submitted. These have no effect on prior years report		4
5	Bad debt, Medicare revenues (non allowables)	(3,500)	5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 1,211,447	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	20,029	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)	\$ 20,029	17
B. Transfers (Itemize):			
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ 1,231,476	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required

classifications of revenue and expense must be provided on this form, even if financial statements are attached.

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

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 10,347,566	1
2	Discounts and Allowances for all Levels	()	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,347,566	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	104,452	6
7	Oxygen	55,540	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 159,992	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	(1,062)	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	1,891	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	5,957	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 6,786	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	1,982	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 1,982	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>See page 19A</u>	8,333	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 8,333	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 10,524,659	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,793,158	31
32	Health Care	3,569,501	32
33	General Administration	2,368,650	33
B. Capital Expense			
34	Ownership	1,606,597	34
C. Ancillary Expense			
35	Special Cost Centers	1,053,080	35
36	Provider Participation Fee	113,644	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 10,504,630	40
41	Income before Income Taxes (line 30 minus line 40)**	20,029	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 20,029	43

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

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

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

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

STATE OF ILLINOIS

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center # 0036640 Report Period Beginning: 1/1/08 Ending: 12/31/08

Details of Page 19, Line 28

Misc. Income GL#4977 (discribe) (is offset against Sch.# V)	
US Treasury-Backed out with Ln ref 22-Pg 5A	238.00
Record Copies-Backed out with Ln ref 22-Pg 5A	60.00
Jury Duty-Backed out with Ln ref 22-Pg 5A	35.00
Food Rebate-Backed out with Ln ref 2-Pg 5A	1,060.00
Wage Service Fee-Backed out with Ln ref 22-Pg 5A	80.00
Recovery of Bad Debts (private only, is not offset on Sch.# V)	1,117.00
Gain on Sale of Assets (related to prior yr, not offset on Sch.# V)	5,743.00
Total of Line 28	<u><u>8,333.00</u></u>

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

0036640

Report Period Beginning:

1/1/08

Ending:

12/31/08

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	1,637	1,641	\$ 69,530	\$ 42.37	1
2	Assistant Director of Nursing	4,859	5,075	194,867	38.40	2
3	Registered Nurses	27,436	28,900	933,982	32.32	3
4	Licensed Practical Nurses	19,136	20,508	572,970	27.94	4
5	CNAs & Orderlies	78,433	83,704	1,058,426	12.64	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	2,208	2,508	40,416	16.11	8
9	Activity Director	1,920	1,920	34,652	18.05	9
10	Activity Assistants	3,624	3,846	38,960	10.13	10
11	Social Service Workers	2,080	2,080	40,371	19.41	11
12	Dietician					12
13	Food Service Supervisor	2,080	2,080	73,576	35.37	13
14	Head Cook	6,184	6,184	81,572	13.19	14
15	Cook Helpers/Assistants	26,239	27,879	269,417	9.66	15
16	Dishwashers					16
17	Maintenance Workers	2,080	2,080	34,625	16.65	17
18	Housekeepers	21,077	22,680	239,371	10.55	18
19	Laundry	5,258	5,931	54,411	9.17	19
20	Administrator	2,080	2,080	125,705	60.44	20
21	Assistant Administrator	145	145	3,620	24.97	21
22	Other Administrative	8,408	8,534	201,477	23.61	22
23	Office Manager	2,064	2,080	49,404	23.75	23
24	Clerical	3,525	3,611	33,299	9.22	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	2,088	2,088	73,688	35.29	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care Unit Director	2,079	2,079	34,895	16.78	32
33	Other(specify) Alzheimer Sup&Aid	6,283	6,522	93,755	14.38	33
34	TOTAL (lines 1 - 33)	230,923	244,155	\$ 4,352,989 *	\$ 17.83	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	900/Monthly	\$ 10,800	35
36	Medical Director	1550/monthly	18,595	36
37	Medical Records Consultant			37
38	Nurse Consultant			38
39	Pharmacist Consultant	414/Monthly	4,968	39
40	Physical Therapy Consultant			40
41	Occupational Therapy Consultant			41
42	Respiratory Therapy Consultant			42
43	Speech Therapy Consultant			43
44	Activity Consultant	299/Monthly	3,584	44
45	Social Service Consultant	43/Monthly	520	45
46	Other(specify)			46
47				47
48				48
49	TOTAL (lines 35 - 48)		\$ 38,467	49

C. CONTRACT NURSES

	1	2	3	
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	\$ 0		50
51	Licensed Practical Nurses	0		51
52	Certified Nurse Assistants/Aides	0		52
53	TOTAL (lines 50 - 52)	\$		53

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

0036640

Report Period Beginning: 1/1/08

Ending: 12/31/08

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	
Don Dalicandro	Administrator	0	\$ 125,705	Workers' Compensation Insurance	\$ 96,982	IDPH License Fee	\$	
Kristopher Walski	Asst. Administrator	0	3,620	Unemployment Compensation Insurance	36,610	Advertising: Employee Recruitment		
				FICA Taxes	316,001	Health Care Worker Background Check	470	
				Employee Health Insurance	122,668	(Indicate # of checks performed 47)		
				Employee Meals	14,420	Patient Background Checks	111 1,110	
				Illinois Municipal Retirement Fund (IMRF)*		Related Party-AMS	886	
				Dental/Life Insurance	2,221	Bloomington Chamber Commerce	500	
				Employee Relations/Misc Payroll Costs	2,361	IHCA dues, less pac fees	7,736	
				Tuition Reimbursement/401K Match	3,694			
				Drug Tests/Vaccinations	2,151			
				Mkt Manager Benefit back out	(6,810)	Less: Public Relations Expense	()	
				Related Party - AMS	(115)	Non-allowable advertising	()	
						Yellow page advertising	()	
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 129,325	TOTAL (agree to Schedule V, line 22, col.8)		\$ 10,702		
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
			\$			\$	Out-of-State Travel	\$
							In-State Travel	
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$				Related Party-AMS	4,569
C. Professional Services							Seminar Expense	
Vendor/Payee	Type		Amount				Leadership Training	1,185
AMS	Management Fee		\$ 782,514				Seminars/Conventions - Various	6,106
Ken Fisch/Barry Greenberg	Legal Fees:Non-Collections		6,788				Entertainment Expense	()
Ungarreti & Harris/Clausen Miller	Legal Fees:Non-Collections		31,812				(agree to Sch. V, line 24, col. 8)	
Marsh USA/Marzullo Rep/AMS	Legal Fees:Non-Collections		5,196				TOTAL	\$ 11,860
Attorney Fee Credit	Legal Fees:Non-Collections		(2,564)					
Ken Fisch	Legal Fees:Collections		17,761					
Pathways-reclassified to Nurs.	Clinical Consultants		9,988					
Medi.Com	Billing Consultants		677					
Alden of Mchenry	Prior yr exp. Aj-eliminated		(1,500)					
CMS Revisit user fee	User Fee consultant		168					
BDO Seidman/Virchow K/Ava D	Accounting Fees		12,248					
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 863,088	TOTAL		\$		

* Attach copy of IMRF notifications

**See instructions.

Facility Name & ID Number Alden Valley Ridge Rehab & Health Care Center

0036640

Report Period Beginning: 1/1/08

Ending: 12/31/08

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? Yes
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. Il. Health Care Assn. \$ 7736.00
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? _____
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 7.5 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 54,800 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? _____ YES x NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES _____ NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 113,644
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 14,420 Has any meal income been offset against related costs? _____ Indicate the amount. \$ _____
- (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. \$ _____
c. What percent of all travel expense relates to transportation of nurses and patients? 0
d. Have vehicle usage logs been maintained? No
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? No
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ 0
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: _____ The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? _____ If no, please explain. Audit is of the Alden Group Ltd.
- (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.