

Facility Name & ID Number Batavia Rehabilitation & Health Care Center

0047399 Report Period Beginning: 1/1/2008 Ending: 12/31/2008

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		Skilled (SNF)			1
2		Skilled Pediatric (SNF/PED)			2
3	63	Intermediate (ICF)	63	23,058	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	63	TOTALS	63	23,058	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					8
9	SNF/PED					9
10	ICF	15,913	2,597		18,510	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	15,913	2,597		18,510	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 80.28%

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

None (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)

None

F. Does the facility maintain a daily midnight census?

Yes

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

YES

NO

Non-allowable costs have been eliminated in Schedule V, Column 7

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

YES

NO

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

Date started 10/01/2005

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

YES

Date 10/1/2005

NO

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

YES

NO

If YES, enter number of beds certified 0 and days of care provided 0

Medicare Intermediary N/A

IV. ACCOUNTING BASIS

ACCRUAL

MODIFIED

CASH*

CASH*

Is your fiscal year identical to your tax year?

YES

NO

Tax Year: 12/31/2008 Fiscal Year: 12/31/2008

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

Facility Name & ID Number Batavia Rehabilitation & Health Care Center # 0047399 Report Period Beginning: 1/1/2008 Ending: 12/31/2008

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	128,024	10,700	5,225	143,949		143,949	3,290	147,239		1
2	Food Purchase		93,000		93,000		93,000	(1,323)	91,677		2
3	Housekeeping	87,987	14,668		102,655		102,655	24	102,679		3
4	Laundry	22,901	4,464		27,365		27,365	1	27,366		4
5	Heat and Other Utilities			59,371	59,371		59,371	341	59,712		5
6	Maintenance	28,149	15,148	33,772	77,069		77,069	3,022	80,091		6
7	Other (specify):* <u>Home Off. Ben. All.</u>							1,120	1,120		7
8	TOTAL General Services	267,061	137,980	98,368	503,409		503,409	6,475	509,884		8
	B. Health Care and Programs										
9	Medical Director			7,200	7,200		7,200		7,200		9
10	Nursing and Medical Records	784,894	56,213	71,075	912,182		912,182	5,710	917,892		10
10a	Therapy										10a
11	Activities	26,235	357	287	26,879		26,879	(644)	26,235		11
12	Social Services	44,685	143		44,828		44,828	(8)	44,820		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* <u>Home Off. Ben. All.</u>							997	997		15
16	TOTAL Health Care and Programs	855,814	56,713	78,562	991,089		991,089	6,055	997,144		16
	C. General Administration										
17	Administrative	72,977		84,000	156,977		156,977	(56,379)	100,598		17
18	Directors Fees										18
19	Professional Services			4,660	4,660		4,660	5,483	10,143		19
20	Dues, Fees, Subscriptions & Promotions			7,340	7,340		7,340	476	7,816		20
21	Clerical & General Office Expenses	32,128	3,598	6,960	42,686		42,686	36,963	79,649		21
22	Employee Benefits & Payroll Taxes			151,266	151,266		151,266		151,266		22
23	Inservice Training & Education			214	214		214	208	422		23
24	Travel and Seminar			25	25		25	209	234		24
25	Other Admin. Staff Transportation			5,693	5,693		5,693	7,208	12,901		25
26	Insurance-Prop.Liab.Malpractice			12,290	12,290		12,290	154	12,444		26
27	Other (specify):* <u>Home Off. Ben. All.</u>							10,570	10,570		27
28	TOTAL General Administration	105,105	3,598	272,448	381,151		381,151	4,892	386,043		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	1,227,980	198,291	449,378	1,875,649		1,875,649	17,422	1,893,071		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

Batavia Rehabilitation & Health Care Center

#0047399

Report Period Beginning:

1/1/2008

Ending:

12/31/2008

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			8,949	8,949		8,949	8,720	17,669			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			19,468	19,468		19,468	11,789	31,257			32
33	Real Estate Taxes			43,526	43,526		43,526	470	43,996			33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles			23,996	23,996		23,996	400	24,396			35
36	Other (specify):*											36
37	TOTAL Ownership			95,939	95,939		95,939	21,379	117,318			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers											39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			34,589	34,589		34,589		34,589			42
43	Other (specify):* Non-allowable Cost	320	745	13,446	14,511		14,511	(14,511)				43
44	TOTAL Special Cost Centers	320	745	48,035	49,100		49,100	(14,511)	34,589			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	1,228,300	199,036	593,352	2,020,688		2,020,688	24,290	2,044,978			45

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

Batavia Rehabilitation & Health Care Center

ID# 0047399

Report Period Beginning: 1/1/2008

Ending: 12/31/2008

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Labs-Part A	\$ 3	43	1
2	Resident Flowers	(81)	43	2
3	Disallowed Special Events	2	43	3
4	Offset Miscellaneous Food Revenue	(1,380)	2	4
5	Offset Miscellaneous Office Supplies Revenue	(150)	21	5
6	Offset Chamber of Commerce Dues	(460)	20	6
7	Offset Activity Supplies Revenue	(357)	11	7
8	Offset Activity-Other Revenue	(200)	11	8
9	Offset Special Events-Activities Revenue	(87)	11	9
10	Offset Social Services-Supplies Revenue	(16)	12	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	(2,726)		49

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
Mark Petersen	100	See Attached Schedule 6E		See Attached Sch 6E		

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	1 Dietary	\$	Petersen Health Care, Inc.	100.00%	\$ 3,290	\$ 3,290	1
2	V	2 Food		Petersen Health Care, Inc.	100.00%	54	54	2
3	V	3 Housekeeping		Petersen Health Care, Inc.	100.00%	24	24	3
4	V	4 Laundry		Petersen Health Care, Inc.	100.00%	1	1	4
5	V	5 Utilities		Petersen Health Care, Inc.	100.00%	341	341	5
6	V	6 Maintenance		Petersen Health Care, Inc.	100.00%	2,011	2,011	6
7	V	7 Mgmt. Allocation of Benefits		Petersen Health Care, Inc.	100.00%	809	809	7
8	V	10 Nursing and Medical Records		Petersen Health Care, Inc.	100.00%	5,710	5,710	8
9	V	11 Activities		Petersen Health Care, Inc.	100.00%	0		9
10	V	15 Mgmt. Allocation of Benefits		Petersen Health Care, Inc.	100.00%	997	997	10
11	V	17 Administrative	84,000	Petersen Health Care, Inc.	100.00%	25,612	(58,388)	11
12	V	19 Professional Services		Petersen Health Care, Inc.	100.00%	2,891	2,891	12
13	V							13
14	Total		\$ 84,000			\$ 41,740	\$ * (42,260)	14

* 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	20 Dues, Fees, Subs and Promotions	\$	Petersen Health Care, Inc.	100.00%	\$ 892	\$	892	15
16	V	21 Clerical and General Office		Petersen Health Care, Inc.	100.00%	32,141		32,141	16
17	V	23 Inservice Training and Education		Petersen Health Care, Inc.	100.00%	195		195	17
18	V	24 Travel and Seminar		Petersen Health Care, Inc.	100.00%	196		196	18
19	V	25 Other Admin. Staff Transportation		Petersen Health Care, Inc.	100.00%	2,531		2,531	19
20	V	26 Insurance-Prop./Liab/Malpractice		Petersen Health Care, Inc.	100.00%	154		154	20
21	V	27 Mgmt. Allocation of Benefits		Petersen Health Care, Inc.	100.00%	9,150		9,150	21
22	V	30 Depreciation		Petersen Health Care, Inc.	100.00%	3,502		3,502	22
23	V	32 Interest		Petersen Health Care, Inc.	100.00%	2,463		2,463	23
24	V	33 Real Estate Taxes		Petersen Health Care, Inc.	100.00%	470		470	24
25	V	34 Rent-Facility and Grounds		Petersen Health Care, Inc.	100.00%	0			25
26	V	35 Rent-Equipment and Vehicles		Petersen Health Care, Inc.	100.00%	400		400	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		\$			\$ 52,094	\$ *	52,094	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	1 Dietary	\$	Petersen Health Operations, LLC	100.00%	\$ 0	\$	15	
16	V	2 Food		Petersen Health Operations, LLC	100.00%	3	3	16	
17	V	3 Housekeeping		Petersen Health Operations, LLC	100.00%	0		17	
18	V	4 Laundry		Petersen Health Operations, LLC	100.00%	0		18	
19	V	5 Utilities		Petersen Health Operations, LLC	100.00%	0		19	
20	V	6 Maintenance		Petersen Health Operations, LLC	100.00%	1,011	1,011	20	
21	V	7 Mgmt. Allocation of Benefits		Petersen Health Operations, LLC	100.00%	311	311	21	
22	V	10 Nursing and Medical Records		Petersen Health Operations, LLC	100.00%	0		22	
23	V	12 Social Services		Petersen Health Operations, LLC	100.00%	8	8	23	
24	V	17 Administrative		Petersen Health Operations, LLC	100.00%	2,009	2,009	24	
25	V	19 Professional Services		Petersen Health Operations, LLC	100.00%	2,592	2,592	25	
26	V	20 Dues, Fees, Subs & Promotions		Petersen Health Operations, LLC	100.00%	44	44	26	
27	V	21 Clerical and General Office		Petersen Health Operations, LLC	100.00%	4,972	4,972	27	
28	V	22 Employee Benefits & Payroll		Petersen Health Operations, LLC	100.00%	0		28	
29	V	23 Inservice Training & Education		Petersen Health Operations, LLC	100.00%	13	13	29	
30	V	24 Travel and Seminar		Petersen Health Operations, LLC	100.00%	13	13	30	
31	V	25 Other Admin. Staff Transport.		Petersen Health Operations, LLC	100.00%	4,677	4,677	31	
32	V	26 Insurance-Prop./Liab./Malprac.		Petersen Health Operations, LLC	100.00%	0		32	
33	V	27 Mgmt. Allocation of Benefits		Petersen Health Operations, LLC	100.00%	1,420	1,420	33	
34	V	30 Depreciation		Petersen Health Operations, LLC	100.00%	1,149	1,149	34	
35	V	32 Interest		Petersen Health Operations, LLC	100.00%	9,378	9,378	35	
36	V	33 Real Estate Taxes		Petersen Health Operations, LLC	100.00%	0		36	
37	V	34 Rent-Facility and Grounds		Petersen Health Operations, LLC	100.00%	0		37	
38	V	35 Rent-Equipment & Vehicles		Petersen Health Operations, LLC	100.00%	0		38	
39	Total		\$			\$ 27,600	\$ *	27,600	39

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

Facility Name & ID Number Batavia Rehabilitation & Health Care Cente # 0047399 Report Period Beginning: 1/1/2008 Ending: 12/31/2008

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	Mark Petersen	President	Administrative	100.00	1,803,062	0.77	1.28	Salary	25,612	L17, C7	1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 25,612		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 **Batavia Rehabilitation & Health Care Center**# **0047399**

Report Period Beginning:

1/1/2008Ending: **2/31/2008**

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

Petersen Health Care, Inc.

Street Address

830 W. Trailcreek Drive

City / State / Zip Code

Peoria, IL 61614

Phone Number

(309) 691-8113

Fax Number

(309) 691-8622

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	1	Dietary	Resident Days	1,413,604	69	\$ 251,260	\$ 250,687	18,510	\$ 3,290	1
2	2	Food	Resident Days	1,413,604	69	4,125	0	18,510	54	2
3	3	Housekeeping	Resident Days	1,413,604	69	1,859	0	18,510	24	3
4	4	Laundry	Resident Days	1,413,604	69	110	0	18,510	1	4
5	5	Utilities	Resident Days	1,413,604	69	26,036	0	18,510	341	5
6	6	Maintenance	Resident Days	1,413,604	69	153,551	100,245	18,510	2,011	6
7	7	Mgmt. Allocation of Benefits	Resident Days	1,413,604	69	61,774	0	18,510	809	7
8	10	Nursing and Medical Records	Resident Days	1,413,604	69	436,084	432,530	18,510	5,710	8
9	10A	Therapy	Resident Days	1,413,604	69	0	0	18,510	0	9
10	15	Mgmt. Allocation of Benefits	Resident Days	1,413,604	69	76,136	0	18,510	997	10
11	17	Administrative	Resident Days	1,413,604	69	1,955,999	1,956,000	18,510	25,612	11
12	19	Professional Services	Resident Days	1,413,604	69	220,762	0	18,510	2,891	12
13	20	Dues, Fees, Subs & Promotions	Resident Days	1,413,604	69	68,094	0	18,510	892	13
14	21	Clerical and General Office	Resident Days	1,413,604	69	2,454,596	2,013,896	18,510	32,141	14
15	23	Inservice Training & Education	Resident Days	1,413,604	69	14,912	0	18,510	195	15
16	24	Travel and Seminar	Resident Days	1,413,604	69	14,938	0	18,510	196	16
17	25	Other Admin. Staff Transport.	Resident Days	1,413,604	69	193,264	0	18,510	2,531	17
18	26	Insurance-Prop./Liab./Malprac.	Resident Days	1,413,604	69	11,767	0	18,510	154	18
19	27	Mgmt. Allocation of Benefits	Resident Days	1,413,604	69	698,810	0	18,510	9,150	19
20	30	Depreciation	Resident Days	1,413,604	69	267,426	0	18,510	3,502	20
21	32	Interest	Resident Days	1,413,604	69	188,107	0	18,510	2,463	21
22	33	Real Estate Taxes	Resident Days	1,413,604	69	35,872	0	18,510	470	22
23	34	Rent-Facility and Grounds	Resident Days	1,413,604	69	0	0	18,510	0	23
24	35	Rent-Equipment & Vehicles	Resident Days	1,413,604	69	30,580	0	18,510	400	24
25	TOTALS					\$ 7,166,062	\$ 4,753,358		\$ 93,834	25

Facility Name & ID Number **Batavia Rehabilitation & Health Care Center**

0047399

Report Period Beginning:

1/1/2008

Ending: **2/31/2008**

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 Petersen Health Operations, LLC
 Street Address 830 W. Trailcreek Drive
 City / State / Zip Code Peoria, IL 61614
 Phone Number (309) 691-8113
 Fax Number (309) 691-8622

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	1	Dietary	Resident Days	419,957	23	\$	18,510	\$	1	
2	2	Food	Resident Days	419,957	23	68	18,510	3	2	
3	3	Housekeeping	Resident Days	419,957	23		18,510		3	
4	4	Laundry	Resident Days	419,957	23		18,510		4	
5	5	Utilities	Resident Days	419,957	23		18,510		5	
6	6	Maintenance	Resident Days	419,957	23	22,929	18,510	10,000	1,011	6
7	7	Mgmt. Allocation of Benefits	Resident Days	419,957	23	7,067	18,510		311	7
8	10	Nursing and Medical Records	Resident Days	419,957	23	6	18,510			8
9	12	Social Services	Resident Days	419,957	23	187	18,510		8	9
10	17	Administrative	Resident Days	419,957	23	45,582	18,510	45,582	2,009	10
11	19	Professional Services	Resident Days	419,957	23	58,812	18,510		2,592	11
12	20	Dues, Fees, Subs & Promotions	Resident Days	419,957	23	997	18,510		44	12
13	21	Clerical and General Office	Resident Days	419,957	23	112,798	18,510		4,972	13
14	22	Employee Benefits & Payroll	Resident Days	419,957	23		18,510			14
15	23	Inservice Training & Education	Resident Days	419,957	23	299	18,510		13	15
16	24	Travel and Seminar	Resident Days	419,957	23	296	18,510		13	16
17	25	Other Admin. Staff Transport.	Resident Days	419,957	23	106,105	18,510		4,677	17
18	26	Insurance-Prop./Liab./Malprac.	Resident Days	419,957	23		18,510			18
19	27	Mgmt. Allocation of Benefits	Resident Days	419,957	23	32,211	18,510		1,420	19
20	30	Depreciation	Resident Days	419,957	23	26,070	18,510		1,149	20
21	32	Interest	Resident Days	419,957	23	212,765	18,510		9,378	21
22	33	Real Estate Taxes	Resident Days	419,957	23		18,510			22
23	34	Rent-Facility and Grounds	Resident Days	419,957	23		18,510			23
24	35	Rent-Equipment & Vehicles	Resident Days	419,957	23		18,510			24
25	TOTALS					\$ 626,192	\$ 55,582		\$ 27,600	25

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1	2	3	4	5	6	7	8	9	10											
										Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
											YES	NO				Original	Balance			
A. Directly Facility Related																				
Long-Term																				
1	Bank of America		X	Mortgage	Varies	1/19/07	\$ 300,000	\$ 294,668	12/31/13	Varies	\$ 19,468	1								
2												2								
3							Interest Income Offset				(52)	3								
4							Home Office Allocation-PHC				2,463	4								
5							Home Office Allocation-PHO				9,378	5								
Working Capital																				
6												6								
7												7								
8												8								
9	TOTAL Facility Related						\$ 300,000	\$ 294,668			\$ 31,257	9								
B. Non-Facility Related*																				
10												10								
11												11								
12												12								
13												13								
14	TOTAL Non-Facility Related						\$	\$			\$	14								
15	TOTALS (line 9+line14)						\$ 300,000	\$ 294,668			\$ 31,257	15								

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

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

** 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 2007 report.		\$	41,000	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	2007	\$	41,526	2
3. Under or (over) accrual (line 2 minus line 1).		\$	526	3
4. Real Estate Tax accrual used for 2008 report. (Detail and explain your calculation of this accrual on the lines below.)		\$	43,000	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)		\$		5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. Home Office Allocation			470	
TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)		\$		6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		\$	43,996	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:	2003	_____	8
	2004	_____	9
	2005	38,120	10
	2006	39,785	11
	2007	41,526	12

Accrual based on prior year tax bill.

FOR BHF USE ONLY			
13	FROM R. E. TAX STATEMENT FOR 2007	\$	13
14	PLUS APPEAL COST FROM LINE 5	\$	14
15	LESS REFUND FROM LINE 6	\$	15
16	AMOUNT TO USE FOR RATE CALCULATION	\$	16

NOTES:

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

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 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 Batavia Rehabilitation & Health Care Center COUNTY Kane

FACILITY IDPH LICENSE NUMBER 0047399

CONTACT PERSON REGARDING THIS REPORT Mark Petersen

TELEPHONE (309) 691-8113 FAX #: (309) 691-8622

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>12-14-103-006</u>	<u>Long-Term Care Facility</u>	\$ <u>41,525.74</u>	\$ <u>41,525.74</u>
2. _____	_____	\$ _____	\$ _____
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>41,525.74</u>	\$ <u>41,525.74</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.

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 14,290 B. General Construction Type: Exterior Brick Frame Wood Number of Stories 1

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).

N/A

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>Facility</u>	<u>79,279</u>	<u>2005</u>	<u>\$ 110,500</u>	<u>1</u>
2					<u>2</u>
3	TOTALS	79,279		\$ 110,500	3

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	63		2005	1972	\$ ***	\$		\$	\$	\$	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	Tile		2005		8,119		20	406	406	1,421	9
10	Sidewalks		2006		14,105		15	940	940	2,350	10
11	Roof		2006		18,900		10	1,890	1,890	4,725	11
12	Water Heater		2007		950		10	95	95	143	12
13	Backflow		2007		6,490		10	649	649	974	13
14	Laundry Room Drywall and Replacement of Sub-Floor		2007		7,430		20	372	372	558	14
15	Sprinkler System		2007		3,792		15	252	252	378	15
16	Shower Room Repairs		2008		4,600		39	59	59	59	16
17	Roof Repair		2008		3,480		25	70	70	70	17
18	Furnace		2008		4,200		5	420	420	420	18
19	Water Heater-100 Gallon		2008		12,377		7	884	884	884	19
20	Carpeting		2008		34,139		15	1,138	1,138	1,138	20
21											21
22											22
23											23
24											24
25											25
26											26
27											27
28	*** Note:										
29	Facility was purchased as part of a multi-facility										
30	sale. For purposes of allocating the purchase										
31	price, appraisers valued the building and land										
32	at the value of the bare land, only. The allocated										
33	amount appears on page 11 (Sch. XI (A) line 1, column 4.										
34											34
35											35
36											36

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

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

See Page 12A, Line 70 for total

Facility Name & ID Number Batavia Rehabilitation & Health Care Center

0047399

Report Period Beginning:

1/1/2008

Ending:

12/31/2008

XI. OWNERSHIP COSTS (continued)

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

1	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37		\$	\$		\$	\$	\$	37
38								38
39								39
40								40
41								41
42								42
43			2,552			(2,552)		43
44								44
45								45
46		643			41	41		46
47		9,611			230	230		47
48								48
49								49
50								50
51								51
52								52
53								53
54								54
55								55
56								56
57								57
58								58
59								59
60								60
61								61
62								62
63								63
64								64
65								65
66								66
67								67
68								68
69								69
70		\$ 128,836	\$ 2,552		\$ 7,446	\$ 4,894	\$ 13,120	70

**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	\$ 38,151	\$ 6,221	\$ 5,308	\$ (913)	7-10 yrs.	\$ 17,737	71
72	Current Year Purchases	5,275	176	264	88		264	72
73	Fully Depreciated Assets							73
74	Home Office Allocation			4,651	4,651			74
75	TOTALS	\$ 43,426	\$ 6,397	\$ 10,223	\$ 3,826		\$ 18,001	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77										77
78										78
79										79
80	TOTALS			\$	\$	\$	\$		\$	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 282,762	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 8,949	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 17,669	83**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 8,720	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 31,121	85

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

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

G. Construction-in-Progress

	Description	Cost	
92		\$	92
93	N/A		93
94			94
95		\$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

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: \$ 7,240 Description: See Attached Schedule 14A

(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	Facility	Ford E250 Van	\$ 1,430	\$ 17,156	17
18					18
19					19
20					20
21	TOTAL		\$ 1,430	\$ 17,156	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. _____ /2009 \$ _____

13. _____ /2010 \$ _____

14. _____ /2011 \$ _____

* 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.

Batavia Rehabilitation & Health Care Center

0047399

Period Beginning 1/1/2008

Period End 12/31/2008

Schedule 14A

XII. Rental Costs

B. Equipment

16. Description of rental amount for movable equipment

Medical Equipment	\$ 3,663
Dishwasher	708
Copier	2,469
Home Office Allocation	400
	<u>7,240</u>

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>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. <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		hrs	\$		\$	\$		\$	1
2	Licensed Speech and Language Development Therapist		hrs							2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist		hrs							4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy		# of prescripts							9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): _____									12
13	Other (specify): _____									13
14	TOTAL			\$		\$	\$		\$	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.

Facility Name & ID Number Batavia Rehabilitation & Health Care Center

0047399

Report Period Beginning: 1/1/2008

Ending: 12/31/2008

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2008

(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	\$ 251,501	\$ 251,501	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>N/A</u>)	367,831	367,831	3
4	Supply Inventory (priced at <u> </u>)			4
5	Short-Term Investments			5
6	Prepaid Insurance	15,711	15,711	6
7	Other Prepaid Expenses	8,505	8,505	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u> </u>			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 643,548	\$ 643,548	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	124,605	110,500	13
14	Buildings, at Historical Cost		9,611	14
15	Leasehold Improvements, at Historical Cost	85,577	119,225	15
16	Equipment, at Historical Cost	43,425	43,426	16
17	Accumulated Depreciation (book methods)	(23,765)	(31,121)	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> </u>			22
23	Other(specify): <u> </u>			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 229,842	\$ 251,641	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 873,390	\$ 895,189	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 284,069	\$ 284,069	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	24,397	24,397	30
31	Accrued Taxes Payable (excluding real estate taxes)	3,994	3,994	31
32	Accrued Real Estate Taxes(Sch.IX-B)	43,000	43,000	32
33	Accrued Interest Payable	1,470	1,470	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>Payroll Withholdings</u>	22,290	22,290	36
37	<u>Due to Related Parties</u>	107,635	107,635	37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 486,855	\$ 486,855	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable	294,668	294,668	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	<u> </u>			43
44	<u> </u>			44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 294,668	\$ 294,668	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 781,523	\$ 781,523	46
47	TOTAL EQUITY(page 18, line 24)	\$ 91,867	\$ 113,666	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 873,390	\$ 895,189	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (34,197)	1
2	Restatements (describe):		2
3	Rounding	(1)	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (34,198)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	126,065	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)	\$ 126,065	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)	\$ 91,867	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Batavia Rehabilitation & Health Care Center# 0047399Report Period Beginning: 1/1/2008Ending: 12/31/2008**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	\$ 2,144,207	1
2	Discounts and Allowances for all Levels		2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 2,144,207	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy		6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$	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	1,380	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		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	304	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 1,684	23
	D. Non-Operating Revenue		
24	Contributions	660	24
25	Interest and Other Investment Income***	52	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 712	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>Miscellaneous Revenue</u>	150	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 150	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 2,146,753	30

2

	Expenses	Amount	
	A. Operating Expenses		
31	General Services	503,409	31
32	Health Care	991,089	32
33	General Administration	381,151	33
	B. Capital Expense		
34	Ownership	95,939	34
	C. Ancillary Expense		
35	Special Cost Centers	14,511	35
36	Provider Participation Fee	34,589	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 2,020,688	40
41	Income before Income Taxes (line 30 minus line 40)**	126,065	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 126,065	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. Facility is part of larger entity.

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

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

Facility Name & ID Number Batavia Rehabilitation & Health Care Center

0047399

Report Period Beginning: 1/1/2008

Ending: 12/31/2008

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	1,689	1,689	\$ 49,448	\$ 29.28	1
2	Assistant Director of Nursing	1,880	1,888	53,010	28.08	2
3	Registered Nurses	4,946	5,065	145,027	28.63	3
4	Licensed Practical Nurses	8,590	8,782	231,560	26.37	4
5	CNAs & Orderlies	26,742	27,092	304,884	11.25	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,796	2,116	26,235	12.40	9
10	Activity Assistants					10
11	Social Service Workers	2,864	2,864	44,685	15.60	11
12	Dietician					12
13	Food Service Supervisor	2,080	2,080	38,154	18.34	13
14	Head Cook					14
15	Cook Helpers/Assistants	7,515	7,770	89,870	11.57	15
16	Dishwashers					16
17	Maintenance Workers	1,734	1,788	28,149	15.74	17
18	Housekeepers	8,353	8,563	87,987	10.28	18
19	Laundry	1,856	2,038	22,901	11.24	19
20	Administrator	2,080	2,080	72,977	35.09	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager	1,907	2,027	32,128	15.85	23
24	Clerical					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 C: Care Plan Coord.	34	34	965	28.38	32
33	Other(specify) <u>Marketing</u>	16	16	320	20.00	33
34	TOTAL (lines 1 - 33)	74,082	75,892	\$ 1,228,300 *	\$ 16.18	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	85 hrs.	\$ 5,225	1(3)	35
36	Medical Director	Monthly	7,200	9(3)	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	600	10(3)	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)		\$ 13,025		49

C. CONTRACT NURSES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference		
50	Registered Nurses	954	\$ 47,119	10(3)	50
51	Licensed Practical Nurses	528	21,777	10(3)	51
52	Certified Nurse Assistants/Aides	59	1,579	10(3)	52
53	TOTAL (lines 50 - 52)	1,541	\$ 70,475		53

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	
Teri Rebstock	Administrator	0	\$ 72,977	Workers' Compensation Insurance	\$ 17,329	IDPH License Fee	\$ 995	
				Unemployment Compensation Insurance	36,509	Advertising: Employee Recruitment	1,840	
				FICA Taxes	92,769	Health Care Worker Background Check (Indicate # of checks performed)		
				Employee Health Insurance	695	Patient Background Checks	108 1,080	
				Employee Meals		Miscellaneous Licenses & Permits	740	
				Illinois Municipal Retirement Fund (IMRF)*		Miscellaneous Dues & Subscriptions	460	
				Employee Relations	1,749	IHCA Dues	2,225	
				Employee Retirement	2,215	Home Office Allocation	936	
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 72,977			Less: Public Relations Expense	(460)	
B. Administrative - Other						Non-allowable advertising	()	
Description			Amount			Yellow page advertising	()	
Management Fees-See Page 6, Eliminated on P 3, C 7			\$ 84,000					
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$ 84,000	TOTAL (agree to Schedule V, line 22, col.8)	\$ 151,266	TOTAL (agree to Sch. V, line 20, col. 8)	\$ 7,816	
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
E-Health Data Solutions	Computer Services		\$ 2,700				Out-of-State Travel	\$
AT&T	Computer Services		360					
LTC Solutions	Computer Services		1,600				In-State Travel	
				N/A				
							Seminar Expense	25
							Home Office Allocation	209
							Entertainment Expense	()
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 4,660	TOTAL			TOTAL (agree to Sch. V, line 24, col. 8)	\$ 234

* Attach copy of IMRF notifications

**See instructions.

Batavia Rehabilitation & Health Care Center

0047399

Period Beginning 1/1/2008

Period End 12/31/2008

Schedule 21A

XIX. SUPPORT SCHEDULE

C. Professional Services

Vendor/Payee	Type	Amount
Total (agree to Schedule V, line 19, column 3)		4,660

Home Office Allocation

Heyl, Royster, Voelker & Allen	Legal	211
GoffWilson, P.A.	Legal	351
Ginoli & Company	Accountants	2,937
RSM McGladrey	Accountants	8
Miscellaneous Vendors	Computer Services	41
Emdeon Business Services	Computer Services	57
Advanced Answers on Demand	Computer Services	664
Access 2 Go	Computer Services	196
Ivans	Computer Services	454
Kemper Technology	Computer Services	360
VisionShare	Computer Services	38
Logmein	Computer Services	28
Comm Net Communiations	Computer Services	10
Charter Communications	Computer Services	9
Advanced System Designs	Computer Services	13
Consolidated Communications	Computer Services	8
Miscellaneous Vendors	Miscellaneous	98

Total (agree to Schedule V, line 19, column 8)		<u>10,143</u>
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Batavia Rehabilitation & Health Care Center

0047399

Period Beginning 1/1/2008

Period End 12/31/2008

XIX. SUPPORT SCHEDULES

Schedule 21B

A. Administrative Salaries

<u>Name</u>	<u>Function</u>	<u>Ownership %</u>	<u>Amount</u>
Teri Rebstock	Administrator	0	72,977
	Total		<u>72,977</u>

Facility Name & ID Number Batavia Rehabilitation & Health Care Center# 0047399Report Period Beginning: 1/1/2008Ending: 12/31/2008**XX. GENERAL INFORMATION:**

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. 2,225 -IHCA
- (3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report? No
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 10 Yrs.
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 20,335 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? N/A
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 34,589
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. \$ 0 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 1,380
- (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. \$ No
- c. What percent of all travel expense relates to transportation of nurses and patients? N/A
- d. Have vehicle usage logs been maintained? Adequate records have been maintained.
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? N/A
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
- g. Does the facility transport residents to and from day training? N/A**
Indicate the amount of income earned from providing such transportation during this reporting period. \$ No
- (17) Has an audit been performed by an independent certified public accounting firm? Yes
Firm Name: Ginoli & Company The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? No If no, please explain. Audit currently in progress
- (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? N/A
Attach invoices and a summary of services for all architect and appraisal fees