

Facility Name & ID Number Fairmont Care Centre# 0040493 Report Period Beginning: 1-Jan-2008 Ending: 31-Dec-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 _____

	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>104</u>	Skilled (SNF)	<u>104</u>	<u>38,064</u>	1
2		Skilled Pediatric (SNF/PED)			2
3	<u>72</u>	Intermediate (ICF)	<u>72</u>	<u>26,352</u>	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>176</u>	TOTALS	<u>176</u>	<u>64,416</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>7,817</u>	<u>1,017</u>	<u>5,797</u>	<u>14,631</u>	8
9	SNF/PED					9
10	ICF	<u>37,523</u>	<u>2,903</u>	<u>107</u>	<u>40,533</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>45,340</u>	<u>3,920</u>	<u>5,904</u>	<u>55,164</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 85.64%

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)

NoneF. Does the facility maintain a daily midnight census? Yes

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

YES NO

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

YES NO

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

Date started 11th May 1995

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

YES Date 11th May 1995 NO

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

YES NO If YES, enter number of beds certified 104 and days of care provided 5,728Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH* Is your fiscal year identical to your tax year? YES NO Tax Year: 31st Dec 2008 Fiscal Year: 31st Dec 2008

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

Facility Name & ID Number Fairmont Care Centre # 0040493 Report Period Beginning: 1-Jan-2008 Ending: 31-Dec-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	476,403	65,136	16,699	558,238		558,238	558,238			1
2	Food Purchase		348,223		348,223	(23,378)	324,845	(231)	324,614		2
3	Housekeeping	339,508	48,111		387,619		387,619	387,619			3
4	Laundry	82,701	8,360		91,061		91,061	91,061			4
5	Heat and Other Utilities			298,273	298,273		298,273	298,273			5
6	Maintenance	73,742	40,203	168,517	282,462		282,462	34,108	316,570		6
7	Other (specify):*										7
8	TOTAL General Services	972,354	510,033	483,489	1,965,876	(23,378)	1,942,498	33,877	1,976,375		8
	B. Health Care and Programs										
9	Medical Director			45,150	45,150		45,150	45,150			9
10	Nursing and Medical Records	3,030,493	306,532	98,822	3,435,847		3,435,847	3,435,847			10
10a	Therapy		11,642	6,191	17,833		17,833	17,833			10a
11	Activities	188,910	15,417		204,327		204,327	204,327			11
12	Social Services	120,438		1,040	121,478		121,478	121,478			12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	3,339,841	333,591	151,203	3,824,635		3,824,635		3,824,635		16
	C. General Administration										
17	Administrative	86,696		221,760	308,456		308,456	(110,813)	197,643		17
18	Directors Fees										18
19	Professional Services			40,738	40,738		40,738	6,775	47,513		19
20	Dues, Fees, Subscriptions & Promotions			25,973	25,973		25,973	(17,248)	8,725		20
21	Clerical & General Office Expenses	149,368	52,908	114,208	316,484		316,484	2,949	319,433		21
22	Employee Benefits & Payroll Taxes			709,784	709,784	23,378	733,162	15,482	748,644		22
23	Inservice Training & Education							211	211		23
24	Travel and Seminar			5,478	5,478		5,478	422	5,900		24
25	Other Admin. Staff Transportation										25
26	Insurance-Prop.Liab.Malpractice			57,691	57,691		57,691		57,691		26
27	Other (specify):* *Payroll Taxes (Sch VII)**							18,368	18,368		27
28	TOTAL General Administration	236,064	52,908	1,175,632	1,464,604	23,378	1,487,982	(83,854)	1,404,128		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	4,548,259	896,532	1,810,324	7,255,115		7,255,115	(49,977)	7,205,138		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 Fairmont Care Centre

#0040493

Report Period Beginning: 1-Jan-2008 Ending: 31-Dec-2008

31-Dec-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			111,924	111,924		111,924	436,787	548,711			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			23,116	23,116		23,116	776,665	799,781			32
33	Real Estate Taxes			177,443	177,443		177,443		177,443			33
34	Rent-Facility & Grounds			1,920,000	1,920,000		1,920,000	(1,920,000)				34
35	Rent-Equipment & Vehicles											35
36	Other (specify):*											36
37	TOTAL Ownership			2,232,483	2,232,483		2,232,483	(706,548)	1,525,935			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		297,960	541,963	839,923		839,923		839,923			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			96,624	96,624		96,624		96,624			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers		297,960	638,587	936,547		936,547		936,547			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	4,548,259	1,194,492	4,681,394	10,424,145		10,424,145	(756,525)	9,667,620			45

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

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	168,325	30		9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(231)	2		13
14	Non-Care Related Interest	(219)	32		14
15	Non-Care Related Owner's Transactions		30		15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment		24		19
20	Contributions	(300)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(83,520)	21		24
25	Fund Raising, Advertising and Promotional	(61,611)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(2,929)	21		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising	(153)	20		28
29	Other-Attach Schedule ** Page 5A attached **	(1,676)	6		29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ 17,686		\$	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)	(774,211)	6 & 6A	34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (774,211)		36
37	TOTAL ADJUSTMENTS (A) and (B) (sum of SUBTOTALS)	\$ (756,525)		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.			\$	38
39					39
40	Gift and Coffee Shops				40
41	Barber and Beauty Shops				41
42	Laboratory and Radiology				42
43	Prescription Drugs				43
44					44
45	Other-Attach Schedule				45
46	Other-Attach Schedule				46
47	TOTAL (C): (sum of lines 38-46)			\$	47

BHF USE ONLY					
48		49		50	51
					52

Fairmont Care Centre

ID# 0040493

Report Period Beginning: 1-Jan-2008

Ending: 31-Dec-2008

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference
1	Deferred Maintenance Cost (incurred in 2008)	\$ (5,679)	6 1
2	Deferred Maintenance Cost (allocated for 2008)	4,003	6 2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			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	(1,676)	49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Fairmont Care Centre

0040493

Report Period Beginning:

1-Jan-2008

Ending:

31-Dec-2008

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	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(231)	0	0	0	0	0	0	0	0	0	0	(231)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	(1,676)	4,534	31,250	0	0	0	0	0	0	0	0	34,108	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	(1,907)	4,534	31,250	0	33,877	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	0	0	0	0	0	0	0	0	0	0	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	0	0	0	0	0	0	0	0	0	0	15
16	TOTAL Health Care and Programs	0	0	0	0	0	0	0	0	0	0	0	0	16
	C. General Administration													
17	Administrative	0	(110,813)	0	0	0	0	0	0	0	0	0	(110,813)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	0	5,690	1,085	0	0	0	0	0	0	0	0	6,775	19
20	Fees, Subscriptions & Promotions	(62,064)	44,816	0	0	0	0	0	0	0	0	0	(17,248)	20
21	Clerical & General Office Expenses	(86,449)	86,469	2,929	0	0	0	0	0	0	0	0	2,949	21
22	Employee Benefits & Payroll Taxes	0	15,482	0	0	0	0	0	0	0	0	0	15,482	22
23	Inservice Training & Education	0	211	0	0	0	0	0	0	0	0	0	211	23
24	Travel and Seminar	0	422	0	0	0	0	0	0	0	0	0	422	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	0	0	0	0	0	0	0	0	0	26
27	Other (specify):*	0	18,368	0	0	0	0	0	0	0	0	0	18,368	27
28	TOTAL General Administration	(148,513)	60,645	4,014	0	(83,854)	28							
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(150,420)	65,179	35,264	0	(49,977)	29							

STATE OF ILLINOIS

Facility Name & ID Number Fairmont Care Centre

0040493

Report Period Beginning:

1-Jan-2008 Ending:

Summary B

31-Dec-2008

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	168,325	8,284	260,178	0	0	0	0	0	0	0	0	436,787	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(219)	63,215	713,669	0	0	0	0	0	0	0	0	776,665	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	0	0	(1,920,000)	0	0	0	0	0	0	0	0	(1,920,000)	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	168,106	71,499	(946,153)	0	(706,548)	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	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	0	0	0	0	0	0	0	0	0	0	0	0	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	17,686	136,678	(910,889)	0	(756,525)	45							

Facility Name & ID Number Fairmont Care Centre

0040493

Report Period Beginning: 1-Jan-2008 Ending: 31-Dec-2008

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

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	17 Management Fee Income	\$ 221,760	Lancaster, Ltd.	100.00%	\$	\$ (221,760)	1
2	V	17 Officers Salary		Lancaster, Ltd.	100.00%	35,872	35,872	2
3	V	19 Professional Services		Lancaster, Ltd.	100.00%	5,690	5,690	3
4	V	21 Clerical Expenses		Lancaster, Ltd.	100.00%	86,469	86,469	4
5	V	22 Employee Benefits		Lancaster, Ltd.	100.00%	15,482	15,482	5
6	V	24 Seminars & Travel		Lancaster, Ltd.	100.00%	422	422	6
7	V	17 Administrative Consulting		Lancaster, Ltd.	100.00%	75,075	75,075	7
8	V	20 Marketing, Fees & Subscriptions		Lancaster, Ltd.	100.00%	44,816	44,816	8
9	V	30 Depreciation		Lancaster, Ltd.	100.00%	8,284	8,284	9
10	V	27 Payroll Taxes (Staff & Officers)		Lancaster, Ltd.	100.00%	18,368	18,368	10
11	V	23 Education & Inservice		Lancaster, Ltd.	100.00%	211	211	11
12	V	6 Repairs & Maintenance		Lancaster, Ltd.	100.00%	4,534	4,534	12
13	V	32 *Direct Interest*		Lancaster, Ltd.	100.00%	63,215	63,215	13
14	Total		\$ 221,760			\$ 358,438	\$ * 136,678	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	34	Rental	\$ 1,920,000	Fairmont Property LLC		\$	(1,920,000)	15
16	V	32	Interest	86,331	Fairmont Property LLC		800,000	713,669	16
17	V	30	Depreciation		Fairmont Property LLC		260,178	260,178	17
18	V	21	State Replacement Tax		Fairmont Property LLC		2,929	2,929	18
19	V	19	Professional Fees		Fairmont Property LLC		1,085	1,085	19
20	V	6	Repairs & Maintenance		Fairmont Property LLC		31,250	31,250	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			\$ 2,006,331			\$ 1,095,442	\$ * (910,889)	39

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

Facility Name & ID Number

Fairmont Care Centre

#

0040493

Report Period Beginning:

1-Jan-2008

Ending:

31-Dec-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	Christopher Vicere	VP-Finance	Administrative		See attached	5	10.42	Lancaster	\$ 17,936	17-7	1
2	Cheryl Morris	VP-Operations	Administrative		See attached	5	10.42	Lancaster	17,936	17-7	2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 35,872		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 Fairmont Care Centre

0040493

Report Period Beginning:

1-Jan-2008

Ending: -Dec-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 Lancaster, Ltd.
 Street Address 5061 N. Pulaski Road,
 City / State / Zip Code Chicago, IL 60630
 Phone Number (773) 604-4416
 Fax Number (773) 478-1192

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	17	Christopher Vicere	Hours Worked	48	7	\$ 172,189	\$ 172,189	5	\$ 17,936	1
2	27	Christopher Vicere-payroll tax	Hours Worked	48	7	9,309		5	970	2
3	17	Cheryl Morris	Hours Worked	48	7	172,189	172,189	5	17,936	3
4	27	Cheryl Morris-payroll tax	Hours Worked	48	7	9,309		5	970	4
5										5
6										6
7										7
8										8
9										9
10	19	Professional Services	Management Fees	1,694,700	7	43,482		221,760	5,690	10
11	21	Clerical Expenses	Management Fees	1,694,700	7	660,800	590,769	221,760	86,469	11
12	22	Employee Benefits	Management Fees	1,694,700	7	118,314		221,760	15,482	12
13	24	Seminars and Travel	Management Fees	1,694,700	7	3,223		221,760	422	13
14	17	Administrative Consulting	Management Fees	1,694,700	7	573,729	573,729	221,760	75,075	14
15	20	Marketing Fees	Management Fees	1,694,700	7	336,332	316,659	221,760	44,011	15
16	30	Depreciation	Management Fees	1,694,700	7	63,305		221,760	8,284	16
17	20	Dues, Fees and Subscriptions	Management Fees	1,694,700	7	6,153		221,760	805	17
18	27	Payroll Taxes	Management Fees	1,694,700	7	125,546		221,760	16,428	18
19	23	Education and Inservice	Management Fees	1,694,700	7	1,615		221,760	211	19
20	6	Repairs and Maintenance	Management Fees	1,694,700	7	34,646		221,760	4,534	20
21										21
22	32	*Direct Interest*							63,215	22
23										23
24										24
25	TOTALS					\$ 2,330,141	\$ 1,825,534		\$ 358,438	25

Facility Name & ID Number

Fairmont Care Centre

0040493

Report Period Beginning:

1-Jan-2008

Ending:

31-Dec-2008

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

1	Name of Lender	2		3	4	5	6		8	9	10						
		Related**					Purpose of Loan	Monthly Payment Required				Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
		YES	NO										Original	Balance			
A. Directly Facility Related																	
Long-Term																	
1	Harston Investments		X	Long Term Loan			\$	\$			\$ 800,000	1					
2												2					
3												3					
4												4					
5												5					
Working Capital																	
6												6					
7												7					
8												8					
9	TOTAL Facility Related						\$	\$			\$ 800,000	9					
B. Non-Facility Related*																	
10												10					
11												11					
12												12					
13												13					
14	TOTAL Non-Facility Related						\$	\$			\$	14					
15	TOTALS (line 9+line14)						\$	\$			\$ 800,000	15					

Set off Interest Income (219)

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

799,781

Page 4 Line 32 col. 8

* 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

<p>Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.</p>			
1. Real Estate Tax accrual used on 2007 report.		\$ 183,500	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.)		\$ 178,943	2
3. Under or (over) accrual (line 2 minus line 1).		\$ (4,557)	3
4. Real Estate Tax accrual used for 2008 report. (Detail and explain your calculation of this accrual on the lines below.)		\$ 182,000	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. 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.		\$ 177,443	7
Real Estate Tax History:			
Real Estate Tax Bill for Calendar Year:	2003	176,350	8
	2004	179,455	9
	2005	181,283	10
	2006	181,110	11
	2007	178,943	12
** Accrual is based on 2006 Taxes, adjusted for inflation**			
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 Fairmont Care Centre COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0040493

CONTACT PERSON REGARDING THIS REPORT Christopher Vicere

TELEPHONE (773) 604 - 4416 FAX #: (773) 478 - 1192

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>13-11-300-009-0000</u>	<u>Long-Term Healthcare</u>	\$ <u>178,942.91</u>	\$ <u>178,942.91</u>
2. _____	_____	\$ _____	\$ _____
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>178,942.91</u>	\$ <u>178,942.91</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 Fairmont Care Centre

0040493 Report Period Beginning:

1-Jan-2008 Ending:

31-Dec-2008

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 108,681 B. General Construction Type: Exterior Brick Frame _____ Number of Stories _____

C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? (a) Own the Equipment (b) Rent equipment from a Related Organization. (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

None

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

1. Total Amount Incurred: N/A 2. Number of Years Over Which it is Being Amortized: N/A
3. Current Period Amortization: N/A 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 Care Facility</u>		<u>1995</u>	<u>\$ 685,000</u>	1
2	<u>Addition to Land - Reclaimed on Demolition</u>		<u>2007</u>	<u>46,500</u>	2
3	TOTALS			\$ 731,500	3

Facility Name & ID Number Fairmont Care Centre

0040493

Report Period Beginning:

1-Jan-2008 Ending: 31-Dec-2008

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	176		1995		\$ 2,240,980	\$ 55,916	20	\$ 55,916	\$	\$ 1,216,818	4
5			2007		(60,256)					(24,290)	5
6											6
7											7
8											8
		Improvement Type**									
9		Canopy and Awning	1995		3,300	85	20	85		1,775	9
10		Intercom System	1995		1,844	47	20	47		960	10
11		Roof Exhausters	1996		2,136	55	20	55		1,006	11
12		Permanent Signage	1997		16,625	982	15	982		14,482	12
13		Fire Alarm	1997		68,600	1,759	20	1,759		28,562	13
14		Parking Lot Excavation	1997		45,000	2,657	15	2,657		39,567	14
15		Parking Lot Asphalt	1997		68,000	4,015	15	4,015		41,940	15
16		Concrete Curbs	1997		18,000	1,063	15	1,063		11,103	16
17		Phase I Expansion-Landscaping	1997		41,000	2,421	15	2,421		25,289	17
18		Site Sewer	1997		28,500	1,683	15	1,683		17,579	18
19		Phase I Expansion-Building	1997		1,218,394	27,835	20	108,562	80,727	1,018,844	19
20		Ceramic Tiled Hallway	1998		10,603	272	15	272		4,105	20
21		Electrical Enhancements	1998		6,210	159	15	159		2,403	21
22		Phase II-Landscape	1999		15,000	886	15	886		10,130	22
23		Site Sewer	1999		40,376	2,384	15	2,384		27,263	23
24		Fire Protection	1999		43,440	1,114	20	1,114		10,351	24
25		Excavation	1999		49,650	2,932	15	2,932		33,528	25
26		Phase II Expansion	1999		2,281,933	55,008	20	214,541	159,533	1,638,313	26
27		Electrical-Courtyard	2001		6,520	167	15	167		1,329	27
28		Building Roofing	2001		21,919	562	20	562		4,051	28
29		Garage Roofing	2001		7,500	192	20	192		1,384	29
30		Heating System	2001		17,965	461	15	461		3,323	30
31		Addition to Heating System	2002		8,561		20	856	856	5,350	31
32		Improvement to Heating System	2002		11,688		20	1,169	1,169	7,208	32
33		Parking Lot Expansion	2002		31,500	1,301	20	3,150	1,849	19,425	33
34		Garden Pond	2003		5,000	156	20	333	177	1,832	34
35		Installation of Boiler & Heating Pipes	2003		54,886	1,407	20	4,574	3,167	24,011	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 Fairmont Care Centre

0040493

Report Period Beginning:

1-Jan-2008

Ending:

31-Dec-2008

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	Fire Rated Wooden Door	2006	\$ 1,440	\$ 37	15	\$ 144	\$ 107	\$ 324	37
38	3rd floor Renovation Framework & ceiling	2007	11,500	295	20	1,150	855	2,204	38
39	3rd floor Renovation Electrical Installations	2007	3,000	77	20	300	223	575	39
40	3rd floor Renovation Carpeting	2007	2,500	800	20	500	(300)	958	40
41	Improvements to Dining Room	2007	97,863	31,316	20	19,573	(11,743)	30,990	41
42	Cabinets, Installation & Decorations for Dining Room	2007	97,862	2,509	20	9,786	7,277	15,495	42
43	Asphalt Coated Parking Lot	2007	61,905	5,881	20	4,127	(1,754)	7,566	43
44	Electrical Installations	2007	11,100		20	1,110	1,110	1,665	44
45	Town Square Construction - Interior & Exterior	2008	472,376	23,106		23,155	49	23,155	45
46	Corner Parking Lot Construction	2008	22,350	11,735		745	(10,990)	745	46
47									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	TOTAL (lines 4 thru 69)		\$ 7,086,770	\$ 241,275		\$ 473,587	\$ 232,312	\$ 4,271,318	70

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

Facility Name & ID Number Fairmont Care Centre # 0040493 Report Period Beginning: 1-Jan-2008 Ending: 31-Dec-2008

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	\$ 585,283	\$ 40,498	\$ 48,600	\$ 8,102	4	\$ 197,106	71
72	Current Year Purchases	147,625	86,874	16,233	(70,641)	4	16,233	72
73	Fully Depreciated Assets	1,163,020	3,455	2,007	(1,448)	4	1,163,020	73
74			8,284	8,284			15,479	74
75	TOTALS	\$ 1,895,928	\$ 139,111	\$ 75,124	\$ (63,987)		\$ 1,391,838	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)	\$ 9,714,198	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 380,386	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 548,711	83**
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 168,325	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 5,663,156	85

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

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

G. Construction-in-Progress

	Description	Cost	
92		\$	92
93			93
94			94
95		\$	95

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

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

Facility Name & ID Number Fairmont Care Centre

0040493

Report Period Beginning: 1-Jan-2008

Ending: 31-Dec-2008

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: *** Fairmont Property, LLC (a related entity)***

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 _____

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	\$ _____

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

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

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

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

15. Is Movable equipment rental included in building rental?

YES NO

16. Rental Amount for movable equipment: \$ _____ Description: _____

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18					18
19					19
20					20
21	TOTAL		\$	\$	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.

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>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	\$ 184,159		\$	\$		\$ 184,159	1
2	Licensed Speech and Language Development Therapist	39-3	hrs	108,409					108,409	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39-3	hrs	249,395					249,395	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation	39-3	hrs							8
9	Pharmacy	39-2	# of prescripts			216,961			216,961	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): **Medical Supplies**	39-2				19,092			19,092	12
13	Other (specify): **Speciality Beds**	39-2				61,907			61,907	13
14	TOTAL			\$ 541,963		\$ 297,960	\$		\$ 839,923	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 Fairmont Care Centre

0040493

Report Period Beginning: 1-Jan-2008

Ending:

31-Dec-2008

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 31-Dec-2008 (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	\$ 2,814	\$ 2,814	1
2	Cash-Patient Deposits	78,470	78,470	2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	2,010,999	2,010,999	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	47,642	47,642	6
7	Other Prepaid Expenses	4,435	4,435	7
8	Accounts Receivable (owners or related parties)		2,158,772	8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,144,360	\$ 4,303,132	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		731,500	13
14	Buildings, at Historical Cost		2,180,724	14
15	Leasehold Improvements, at Historical Cost	587,377	4,625,645	15
16	Equipment, at Historical Cost	1,445,390	1,633,104	16
17	Accumulated Depreciation (book methods)	(1,702,426)	(3,307,908)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	67,109	67,109	19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(67,109)	(67,109)	20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): Construction in Progress		74,228	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 330,341	\$ 5,937,293	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 2,474,701	\$ 10,240,425	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 247,898	\$ 247,898	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	78,470	78,470	28
29	Short-Term Notes Payable	200,617	200,617	29
30	Accrued Salaries Payable	576,238	565,049	30
31	Accrued Taxes Payable (excluding real estate taxes)	22,615	22,615	31
32	Accrued Real Estate Taxes(Sch.IX-B)	182,000	182,000	32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36				36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 1,307,838	\$ 1,296,649	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	1,200,000	9,200,000	39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 1,200,000	\$ 9,200,000	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 2,507,838	\$ 10,496,649	46
47	TOTAL EQUITY(page 18, line 24)	\$ (33,137)	\$ (256,224)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 2,474,701	\$ 10,240,425	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (1,030,822)	1
2	Restatements (describe):		2
3			3
4	Adjustments related to Taxation	(11,100)	4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (1,041,922)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(207,873)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock	10,000	9
10	Stock Options Exercised		10
11	Contributions and Grants	1,206,658	11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ 1,008,785	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)	\$ (33,137)	24 *

* This must agree with page 17, line 47.

XVI. STATEMENT OF CHANGES IN EQUITY

		Total after consolidation	
1	Balance at Beginning of Year, as Previously Reported	\$ (714,798)	1
2	Restatements (describe):		2
3			3
4	Adjustments related to Taxation	(11,100)	4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (725,898)	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	703,016	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock	10,000	9
10	Stock Options Exercised		10
11	Contributions and Grants	1,206,658	11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	(1,450,000)	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)	\$ 469,674	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)	\$ (256,224)	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Fairmont Care Centre

0040493

Report Period Beginning: 1-Jan-2008

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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	\$ 10,615,337	1
2	Discounts and Allowances for all Levels	(2,029,311)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 8,586,026	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,226,833	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 1,226,833	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	165,789	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	5,311	19
20	Radiology and X-Ray	8,600	20
21	Other Medical Services	41,596	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 221,296	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	219	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 219	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Rental Income	181,898	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 181,898	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 10,216,272	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,965,876	31
32	Health Care	3,824,635	32
33	General Administration	1,464,604	33
B. Capital Expense			
34	Ownership	2,232,483	34
C. Ancillary Expense			
35	Special Cost Centers	839,923	35
36	Provider Participation Fee	96,624	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 10,424,145	40
41	Income before Income Taxes (line 30 minus line 40)**	(207,873)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (207,873)	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. **Cash Basis Taxpayer

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. **Set off on Pg 9 & 5A

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

Facility Name & ID Number Fairmont Care Centre

0040493

Report Period Beginning:

1-Jan-2008

Ending:

31-Dec-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	1,943	2,220	\$ 98,433	\$ 44.34	1
2	Assistant Director of Nursing	4,277	4,543	103,690	22.82	2
3	Registered Nurses	49,084	52,361	1,534,332	29.30	3
4	Licensed Practical Nurses	764	763	17,034	22.33	4
5	CNAs & Orderlies	99,010	107,906	1,213,021	11.24	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,866	2,252	39,576	17.57	9
10	Activity Assistants	14,422	15,616	149,334	9.56	10
11	Social Service Workers	6,724	7,781	120,438	15.48	11
12	Dietician					12
13	Food Service Supervisor	1,906	2,051	42,290	20.62	13
14	Head Cook					14
15	Cook Helpers/Assistants	34,487	38,535	434,113	11.27	15
16	Dishwashers					16
17	Maintenance Workers	3,909	4,333	73,742	17.02	17
18	Housekeepers	28,673	32,500	339,508	10.45	18
19	Laundry	7,251	7,983	82,701	10.36	19
20	Administrator	2,018	2,091	86,696	41.46	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	8,408	9,227	149,368	16.19	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	3,096	3,476	63,983	18.41	31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	267,838	293,638	\$ 4,548,259 *	\$ 15.49	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	461	\$ 16,699	1-3	35
36	Medical Director	1,410	45,150	9-3	36
37	Medical Records Consultant	120	3,960	10-3	37
38	Nurse Consultant				38
39	Pharmacist Consultant	220	5,585	10-3	39
40	Physical Therapy Consultant	80	2,135	10a-3	40
41	Occupational Therapy Consultant	13	367	10a-3	41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant	118	3,689	10a-3	43
44	Activity Consultant				44
45	Social Service Consultant	35	1,040	12-3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	2,457	\$ 78,625		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	2,734	\$ 89,277	10-3	50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)	2,734	\$ 89,277		53

Facility Name & ID Number Fairmont Care Centre

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Report Period Beginning: 1-Jan-2008

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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		
William Pfeiffer	Administrator	N/A	\$ 86,696	Workers' Compensation Insurance	\$ 85,793	IDPH License Fee	\$ 498		
				Unemployment Compensation Insurance	43,308	Advertising: Employee Recruitment	3,537		
				FICA Taxes	347,547	Health Care Worker Background Check	740		
				Employee Health Insurance	169,172	(Indicate # of checks performed <u>37</u>)			
				Employee Meals	23,378	Patient Background Checks <u>92</u>	1,840		
				Illinois Municipal Retirement Fund (IMRF)*		**Licenses & Fees**	1,660		
				Miscellaneous Employee Benefits	17,170	**Promotional Advertising**	17,408		
				Uniform Allowance		**Dues & Subscriptions**	290		
				Retirement Plan Contribution	35,319				
				Dental Insurance	8,650	**Lancaster Allocation**	44,816		
				Employment Fees	2,825	Less: Public Relations Expense	(17,095)		
				Lancaster Allocation	15,482	Non-allowable advertising	(44,816)		
						Yellow page advertising	(153)		
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)					\$ 86,696	TOTAL (agree to Sch. V, line 20, col. 8)		\$ 8,725	
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**		
Description			Amount	Description	Line #	Amount	Description	Amount	
Management Fees - Lancaster, Ltd.			\$ 221,760				Out-of-State Travel	\$	
							In-State Travel	247	
							Seminar Expense	5,231	
							Lancaster Allocation	422	
							Entertainment Expense	()	
							(agree to Sch. V, line 24, col. 8)		
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)				TOTAL			\$	TOTAL	\$ 5,900
C. Professional Services									
Vendor/Payee	Type		Amount						
Health Data Systems, Inc.	Data Processing		\$ 9,189						
Accu-Med Services Inc	Data Processing		3,885						
Richard Peelo & Associates	Accounting		2,250						
Frost Ruttenberg & Rothblatt	Accounting		1,725						
Personnel Planners, Inc.	Payroll Tax Consultant		1,260						
Law Office of Carter Korey	Legal		3,411						
Monahan & Cohen	Legal		975						
Patricia Hogan	Legal		2,694						
Workplace Resolutions	Legal		875						
Kenneth Henry	Legal		10,770						
Matlin & Associates	Legal		931						
Childress Duffy Goldblatt Ltd	Legal		2,773						
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)							\$		

* Attach copy of IMRF notifications

**See instructions.

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

	1 Improvement Type	2 Month & Year Improvement Was Made	3 Total Cost	4 Useful Life	8 Amount of Expense Amortized Per Year								
					5 FY2005	6 FY2006	7 FY2007	8 FY2008	9 FY2009	10 FY2010	11 FY2011	12 FY2012	13 FY2013
1	Painting and Decorating	Jul-02	\$ 4,909	3	\$ 818	\$	\$	\$	\$	\$	\$	\$	\$
2	Painting and Decorating	Feb-04	2,742	3	914	914	457						
3	Painting and Decorating	Sep-04	1,973	3	657	657	330						
4	Painting and Decorating	May-05	3,784	3	631	1,261	1,261	631					
5	Painting and Decorating	Aug-05	3,735	3	622	1,245	1,245	623					
6	Painting and Decorating	Oct-06	4,767	3		794	1,589	1,589	795				
7	Painting and Decorating	Mar 07	350	3			116	118	116				
8	Painting and Decorating	Aug-07	1,200	3			200	400	400	200			
9	Painting and Decorating	Aug-08	3,850	3				642	1,283	1,283	642		
10	Painting and Decorating	Dec-08	1,829	3					610	609	610		
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$ 29,139		\$ 3,642	\$ 4,871	\$ 5,198	\$ 4,003	\$ 3,204	\$ 2,092	\$ 1,252	\$	\$

