

Facility Name & ID Number Heritage Manor-Pana

0048884 Report Period Beginning: 01/01/08 Ending: 12/31/08

III. STATISTICAL DATA

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

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	151	Skilled (SNF)	151	55,115	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	151	TOTALS	151	55,115	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	25,011	9,981	6,286	41,278	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	25,011	9,981	6,286	41,278	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 74.89%

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

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

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

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

none

F. Does the facility maintain a daily midnight census? yes

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

YES NO

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 07/2007

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

YES Date 07/2007 NO

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

YES NO If YES, enter number of beds certified _____ and days of care provided 6,286

Medicare Intermediary WPS

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

Is your fiscal year identical to your tax year? YES NO

Tax Year: _____ Fiscal Year: _____

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

Facility Name & ID Number Heritage Manor-Pana # 0048884 Report Period Beginning: 01/01/08 Ending: 12/31/08

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	A. General Services										
1	Dietary	232,185	16,625		248,810		248,810	8,311	257,121		1
2	Food Purchase		242,980		242,980		242,980		242,980		2
3	Housekeeping	93,547	17,327		110,874		110,874	31	110,905		3
4	Laundry	63,165	22,869		86,034		86,034		86,034		4
5	Heat and Other Utilities			158,743	158,743		158,743	2,925	161,668		5
6	Maintenance	96,772	42,794	31,985	171,551		171,551	20,815	192,366		6
7	Other (specify):*										7
8	TOTAL General Services	485,669	342,595	190,728	1,018,992		1,018,992	32,082	1,051,074		8
	B. Health Care and Programs										
9	Medical Director			8,800	8,800		8,800	3,393	12,193		9
10	Nursing and Medical Records	1,798,079	85,152	15,546	1,898,777		1,898,777		1,898,777		10
10a	Therapy		354,560	611,051	965,611	(418,004)	547,607	199,015	746,622		10a
11	Activities	49,606	1,686		51,292		51,292	2,185	53,477		11
12	Social Services	72,924	60	2,963	75,947		75,947		75,947		12
13	CNA Training		52		52		52	1,727	1,779		13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	1,920,609	441,510	638,360	3,000,479	(418,004)	2,582,475	206,320	2,788,795		16
	C. General Administration										
17	Administrative	89,604			89,604		89,604	105,246	194,850		17
18	Directors Fees							11,210	11,210		18
19	Professional Services			255,572	255,572		255,572	(244,151)	11,421		19
20	Dues, Fees, Subscriptions & Promotions			112,358	112,358	(82,673)	29,685	(4,932)	24,753		20
21	Clerical & General Office Expenses	114,555	26,981	9,505	151,041		151,041	236,152	387,193		21
22	Employee Benefits & Payroll Taxes			537,553	537,553		537,553	48,261	585,814		22
23	Inservice Training & Education			4,887	4,887		4,887	(2,888)	1,999		23
24	Travel and Seminar			5,659	5,659		5,659	(3,660)	1,999		24
25	Other Admin. Staff Transportation										25
26	Insurance-Prop.Liab.Malpractice			69,160	69,160		69,160	16,780	85,940		26
27	Other (specify):*			25,470	25,470		25,470	(24,000)	1,470		27
28	TOTAL General Administration	204,159	26,981	1,020,164	1,251,304	(82,673)	1,168,631	138,018	1,306,649		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	2,610,437	811,086	1,849,252	5,270,775	(500,677)	4,770,098	376,420	5,146,518		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 Heritage Manor-Pana #0048884 Report Period Beginning: 01/01/08 Ending: 12/31/08

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation							177,923	177,923			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			22,836	22,836		22,836	252,112	274,948			32
33	Real Estate Taxes							66,523	66,523			33
34	Rent-Facility & Grounds			661,380	661,380		661,380	(645,002)	16,378			34
35	Rent-Equipment & Vehicles			24,781	24,781		24,781	2,793	27,574			35
36	Other (specify):*											36
37	TOTAL Ownership			708,997	708,997		708,997	(145,651)	563,346			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers					418,004	418,004		418,004			39
40	Barber and Beauty Shops		695	22,833	23,528		23,528		23,528			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee					82,673	82,673		82,673			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers		695	22,833	23,528	500,677	524,205		524,205			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	2,610,437	811,781	2,581,082	6,003,300		6,003,300	230,769	6,234,069			45

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

Facility Name & ID Number Heritage Manor-Pana

0048884

Report Period Beginning: 01/01/08

Ending: 12/31/08

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7.

In column 2 below, reference the line on which the particular cost was included. (See instructions.)

		1	2	3	
	NON-ALLOWABLE EXPENSES	Amount	Refer- ence	BHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms		35		5
6	Rented Facility Space		34		6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation		30		9
10	Interest and Other Investment Income	(16,231)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax		2		13
14	Non-Care Related Interest		32		14
15	Non-Care Related Owner's Transactions		33		15
16	Personal Expenses (Including Transportation)	(3,919)	23		16
17	Non-Care Related Fees	(835)	20		17
18	Fines and Penalties				18
19	Entertainment	(18,771)	24		19
20	Contributions		27		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(4,151)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(24,000)	27		24
25	Fund Raising, Advertising and Promotional	(14,258)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule		33		29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (82,165)		\$	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)	312,934		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ 312,934		36
37	TOTAL ADJUSTMENTS (A) and (B) (sum of SUBTOTALS)	\$ 230,769		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

Heritage Manor-Pana

ID# 0048884

Report Period Beginning: 01/01/08

Ending: 12/31/08

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference
1	\$		1
2			2
3			3
4			4
5		0	35
6		0	34
7			7
8			8
9		0	30
10			32
11			11
12			12
13		0	2
14			32
15		0	33
16		(3,919)	23
17		(835)	20
18			18
19			24
20		0	27
21			21
22		(4,151)	19
23			23
24		(24,000)	27
25		(14,258)	20
26			26
27			27
28			28
29		0	33
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	(47,163)	49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Heritage Manor-Pana

0048884

Report Period Beginning:

01/01/08

Ending:

12/31/08

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

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	8,311	0	0	0	0	0	0	0	0	8,311	1
2	Food Purchase	0	0	0	0	0	0	0	0	0	0	0	0	2
3	Housekeeping	0	0	31	0	0	0	0	0	0	0	0	31	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	2,925	0	0	0	0	0	0	0	0	2,925	5
6	Maintenance	0	0	20,815	0	0	0	0	0	0	0	0	20,815	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	0	0	32,082	0	0	0	0	0	0	0	0	32,082	8
	B. Health Care and Programs													
9	Medical Director	0	0	3,393	0	0	0	0	0	0	0	0	3,393	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	199,015	0	0	0	0	0	0	0	0	0	199,015	10a
11	Activities	0	0	2,185	0	0	0	0	0	0	0	0	2,185	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	1,727	0	0	0	0	0	0	0	0	1,727	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	199,015	7,305	0	0	0	0	0	0	0	0	206,320	16
	C. General Administration													
17	Administrative	0	0	105,246	0	0	0	0	0	0	0	0	105,246	17
18	Directors Fees	0	0	11,210	0	0	0	0	0	0	0	0	11,210	18
19	Professional Services	(4,151)	(251,421)	11,421	0	0	0	0	0	0	0	0	(244,151)	19
20	Fees, Subscriptions & Promotions	(15,093)	0	10,161	0	0	0	0	0	0	0	0	(4,932)	20
21	Clerical & General Office Expenses	0	0	236,152	0	0	0	0	0	0	0	0	236,152	21
22	Employee Benefits & Payroll Taxes	0	0	48,261	0	0	0	0	0	0	0	0	48,261	22
23	Inservice Training & Education	(3,919)	0	1,031	0	0	0	0	0	0	0	0	(2,888)	23
24	Travel and Seminar	(18,771)	0	15,111	0	0	0	0	0	0	0	0	(3,660)	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	16,780	0	0	0	0	0	0	0	0	16,780	26
27	Other (specify):*	(24,000)	0	0	0	0	0	0	0	0	0	0	(24,000)	27
28	TOTAL General Administration	(65,934)	(251,421)	455,373	0	0	0	0	0	0	0	0	138,018	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(65,934)	(52,406)	494,760	0	0	0	0	0	0	0	0	376,420	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Heritage Manor-Pana

0048884

Report Period Beginning:

01/01/08 Ending:

12/31/08

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

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS (to Sch V, col.7)	
30	Depreciation	0	161,788	0	16,135	0	0	0	0	0	0	0	177,923	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(16,231)	258,634	0	9,709	0	0	0	0	0	0	0	252,112	32
33	Real Estate Taxes	0	66,523	0	0	0	0	0	0	0	0	0	66,523	33
34	Rent-Facility & Grounds	0	(661,380)	0	16,378	0	0	0	0	0	0	0	(645,002)	34
35	Rent-Equipment & Vehicles	0	0	0	2,793	0	0	0	0	0	0	0	2,793	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	(16,231)	(174,435)	0	45,015	0	(145,651)	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)	(82,165)	(226,841)	494,760	45,015	0	230,769	45						

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
See Attached						

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: Adjustments for Related Organization Costs (7 minus 4)
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	
1	V		\$			\$	\$
2	V	10a Adjustment for Related Organization		GreenTree Pharmacy		199,015	199,015
3	V						
4	V	19 Adjustment for Related Organization	251,421	Heritage Operations Group, LLC	0.00%		(251,421)
5	V						
6	V	34 Adjustment for Related Organization	661,380	Heritage Manor Real Estate, LLC	0.00%		(661,380)
7	V	33 Adjustment for Related Organization		Heritage Manor Real Estate, LLC		66,523	66,523
8	V	32 Adjustment for Related Organization		Heritage Manor Real Estate, LLC		242,421	242,421
9	V	30 Adjustment for Related Organization		Heritage Manor Real Estate, LLC		161,788	161,788
10	V	32 Adjustment for Related Organization		Heritage Manor Real Estate, LLC		16,213	16,213
11	V						
12	V						
13	V						
14	Total		\$ 912,801			\$ 685,960	\$ * (226,841)

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

Facility Name & ID Number Heritage Manor-Pana # 0048884 Report Period Beginning: 01/01/08 Ending: 12/31/08

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	1 Dietary	\$	Heritage Enterprises, Inc.	0.00%	\$ 8,311	\$ 8,311	15
16	V	2 Food Purchase				0		16
17	V	3 Housekeeping				31	31	17
18	V	4 Laundry				0		18
19	V	5 Heat & Other Utilities				2,925	2,925	19
20	V	6 Maintenance				20,815	20,815	20
21	V	7 Other				0		21
22	V	9 Medical Director				3,393	3,393	22
23	V	10 Nursing & Medical Records				0		23
24	V	11 Activities				2,185	2,185	24
25	V	12 Social Service				0		25
26	V	13 Nurse Aide Training				1,727	1,727	26
27	V	14 Program Transportation				0		27
28	V	15 Other				0		28
29	V	17 Administrative				105,246	105,246	29
30	V	18 Directors Fees				11,210	11,210	30
31	V	19 Professional Services				11,421	11,421	31
32	V	20 Fees, Subscription, Promotions				10,161	10,161	32
33	V	21 Clerical & General Office Expenses				236,152	236,152	33
34	V	22 Employee Benefits & Payroll Taxes				48,261	48,261	34
35	V	23 Inservice Training & Education				1,031	1,031	35
36	V	24 Travel and Seminar				15,111	15,111	36
37	V	25 Other Admin. Staff Transportation				0		37
38	V	26 Insurance-Prop.Liab.Malpract				16,780	16,780	38
39	Total		\$			\$ 494,760	\$ * 494,760	39

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

Facility Name & ID Number Heritage Manor-Pana # 0048884 Report Period Beginning: 01/01/08 Ending: 12/31/08

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	27 Other	\$		0.00%	\$ 0	\$	15	
16	V	30 Depreciation				16,135	16,135	16	
17	V	31 Amortization of Pre-Op & Org				0		17	
18	V	32 Interest				9,709	9,709	18	
19	V	33 Real Estate Taxes				0		19	
20	V	34 Rent-Facility & Grounds				16,378	16,378	20	
21	V	35 Rent-Equipment & Vehicles				2,793	2,793	21	
22	V	36 Other				0		22	
23	V	38 Medically Nec Transportation				0		23	
24	V	39 Ancillary Service Centers				0		24	
25	V	40 Barber and Beauty Shops				0		25	
26	V	41 Coffee and Gift Shops				0		26	
27	V	42 Other				0		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		\$			\$ 45,015	\$ *	45,015	39

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

Facility Name & ID Number Heritage Manor-Pana # 0048884 Report Period Beginning: 01/01/08 Ending: 12/31/08

VII. RELATED PARTIES (continued)

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

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

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Heritage Enterprises Inc.	Member		100.00					\$ 11,210	18/7	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	\$ 11,210		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 Heritage Manor-Pana# 0048884

Report Period Beginning:

01/01/08Ending: 12/31/08

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

Name of Related Organization Heritage Operations GroupStreet Address box 3188City / State / Zip Code Bloomington, IL 61701Phone Number ()Fax Number ()

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

1	2	3	4	5	6	7	8	9		
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6		
1	1	Dietary	Beds	2,634	25	\$ 144,981	\$ 144,706	151	\$ 8,311	1
2	2	Food Purchase	Beds	2,634	25	0	0	151	0	2
3	3	Housekeeping	Beds	2,634	25	537	537	151	31	3
4	4	Laundry	Beds	2,634	25	0	0	151	0	4
5	5	Heat & Other Utilities	Beds	2,634	25	51,027	0	151	2,925	5
6	6	Maintenance	Beds	2,634	25	363,089	68,949	151	20,815	6
7	7	Other	Beds	2,634	25	0	0	151	0	7
8	9	Medical Director	Beds	2,634	25	59,193	0	151	3,393	8
9	10	Nursing & Medical Records	Beds	2,634	25	0	59,193	151	0	9
10	11	Activities	Beds	2,634	25	38,116	37,880	151	2,185	10
11	12	Social Service	Beds	2,634	25	0	0	151	0	11
12	13	Nurse Aide Training	Beds	2,634	25	30,133	29,953	151	1,727	12
13	14	Program Transportation	Beds	2,634	25	0	0	151	0	13
14	15	Other	Beds	2,634	25	0	0	151	0	14
15	17	Administrative	Beds	2,634	25	1,835,880	1,835,880	151	105,246	15
16	18	Directors Fees	Beds	2,634	25	195,551	0	151	11,210	16
17	19	Professional Services	Beds	2,634	25	199,226	0	151	11,421	17
18	20	Fees, Subscription, Promotions	Beds	2,634	25	177,251	0	151	10,161	18
19	21	Clerical & General Office Expense	Beds	2,634	25	4,119,374	3,752,355	151	236,152	19
20	22	Employee Benefits & Payroll Tax	Beds	2,634	25	841,855	0	151	48,261	20
21	23	Inservice Training & Education	Beds	2,634	25	17,980	0	151	1,031	21
22	24	Travel and Seminar	Beds	2,634	25	263,598	0	151	15,111	22
23	25	Other Admin. Staff Transportatio	Beds	2,634	25	0	0	151	0	23
24	26	Insurance-Prop.Liab.Malpract	Beds	2,634	25	292,705	0	151	16,780	24
25	TOTALS					\$ 8,630,496	\$ 5,929,453		\$ 494,760	25

Facility Name & ID Number Heritage Manor-Pana

0048884

Report Period Beginning: 01/01/08

Ending: 12/31/08

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

Name of Related Organization _____
 Street Address _____
 City / State / Zip Code _____
 Phone Number () _____
 Fax Number () _____

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	27	Other	Beds	2,634	151	\$	151	\$	1
2	30	Depreciation	Beds	2,634	151	281,453	151	16,135	2
3	31	Amortization of Pre-Op & Org	Beds	2,634	151		151		3
4	32	Interest	Beds	2,634	151	169,367	151	9,709	4
5	33	Real Estate Taxes	Beds	2,634	151		151		5
6	34	Rent-Facility & Grounds	Beds	2,634	151	285,687	151	16,378	6
7	35	Rent-Equipment & Vehicles	Beds	2,634	151	48,715	151	2,793	7
8	36	Other	Beds	2,634	151		151		8
9	38	Medically Nec Transportation	Beds	2,634	151		151		9
10	39	Ancillary Service Centers	Beds	2,634	151		151		10
11	40	Barber and Beauty Shops	Beds	2,634	151		151		11
12	41	Coffee and Gift Shops	Beds	2,634	151		151		12
13	42	Other	Beds	2,634	151		151		13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 785,222	\$	\$ 45,015	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 Name of Lender	2 Related**		3 Purpose of Loan	4 Monthly Payment Required	5 Date of Note	6 Amount of Note		8 Maturity Date	9 Interest Rate (4 Digits)	10 Reporting Period Interest Expense	
		YES	NO				Original	Balance				
A. Directly Facility Related												
Long-Term												
1	Bank of America		xx	Mortgage			\$	\$ 3,961,822	03/11	variable	\$ 239,667	1
2	Bank of America		xx	Loan Fees							16,213	2
3	Alpha Community Bank		xx	Van				33,023			2,754	3
4												4
5												5
Working Capital												
6	Bank of America		xx	Accounts Receivable							22,836	6
7												7
8												8
9	TOTAL Facility Related						\$	\$ 3,994,845			\$ 281,470	9
B. Non-Facility Related*												
10	Interest Income										(16,231)	10
11	Allocated Corporate										9,709	11
12												12
13												13
14	TOTAL Non-Facility Related						\$	\$			\$ (6,522)	14
15	TOTALS (line 9+line14)						\$	\$ 3,994,845			\$ 274,948	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ none Line # _____

* 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

1. Real Estate Tax accrual used on 2007 report.		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.		\$	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.)		\$	66,523		2																			
3. Under or (over) accrual (line 2 minus line 1).		\$	66,523		3																			
4. Real Estate Tax accrual used for 2008 report. (Detail and explain your calculation of this accrual on the lines below.)		\$			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.		\$	66,523		7																			
Real Estate Tax History:																								
Real Estate Tax Bill for Calendar Year:																								
2003	55,832	8	<table border="1"> <tr> <td colspan="3">FOR BHF USE ONLY</td> </tr> <tr> <td>13</td> <td>FROM R. E. TAX STATEMENT FOR 2007</td> <td>\$</td> <td>13</td> </tr> <tr> <td>14</td> <td>PLUS APPEAL COST FROM LINE 5</td> <td>\$</td> <td>14</td> </tr> <tr> <td>15</td> <td>LESS REFUND FROM LINE 6</td> <td>\$</td> <td>15</td> </tr> <tr> <td>16</td> <td>AMOUNT TO USE FOR RATE CALCULATION</td> <td>\$</td> <td>16</td> </tr> </table>			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
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																					
2004	57,719	9																						
2005	67,680	10																						
2006	67,830	11																						
2007	66,523	12																						

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 Heritage Manor-Pana COUNTY Montgomery

FACILITY IDPH LICENSE NUMBER 0048884

CONTACT PERSON REGARDING THIS REPORT _____

TELEPHONE () _____ FAX #: () _____

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>11252222301400</u>	_____	\$ <u>65,927.00</u>	\$ <u>65,927.00</u>
2. <u>11252222301300</u>	_____	\$ <u>696.00</u>	\$ <u>696.00</u>
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>66,623.00</u>	\$ <u>66,623.00</u>

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES 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 Heritage Manor-Pana

0048884 Report Period Beginning:

01/01/08 Ending:

12/31/08

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 17,284 B. General Construction Type: Exterior brick Frame wood 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: _____ 2. Number of Years Over Which it is Being Amortized: _____
3. Current Period Amortization: _____ 4. Dates Incurred: _____

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

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1				\$ <u>51,055</u>	1
2					2
3	TOTALS			\$ <u>51,055</u>	3

Facility Name & ID Number Heritage Manor-Pana

0048884

Report Period Beginning:

01/01/08

Ending:

12/31/08

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	151				\$ 3,943,054	\$		\$	\$	\$	4
5											5
6											6
7											7
8											8
Improvement Type**											
9	Smoke Detectors			1997	1,113						9
10											10
11	Seal BlackTop/Parking Lot			1996	2,680						11
12	Heritage Manor Sign			1996	2,192						12
13	Laundry Room Central A/C			1996	3,019						13
14											14
15	Generator Repair			1998	1,559						15
16	Roof			1998	26,420						16
17											17
18	roof			1999	113,936						18
19											19
20	Heat / Cool Unit			2000	1,170						20
21	Roof Repair Walkway			2000	1,715						21
22											22
23											23
24	Tile Floor			2001	1,646						24
25	Heat/Cool Unit			2001	1,180						25
26											26
27	Day Room Carpet			2002	1,225						27
28	Hot Water Heater			2002	2,224						28
29	Sewar repair			2002	1,965						29
30											30
31											31
32											32
33	C/O Allocation										33
34	Book Depreciation							16,135	16,135		34
35	Book Depreciation					122,756		122,756		1,361,240	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 Heritage Manor-Pana

0048884

Report Period Beginning:

01/01/08

Ending:

12/31/08

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	Sealcoat Parking Lot	2003	\$ 3,338	\$		\$	\$	\$	37
38	A/C unit	2003	1,153						38
39	Key Service Unit	2003	1,063						39
40	Carpeting	2003	5,655						40
41	Ansul System	2003	1,803						41
42									42
43	Booster Heater	2004	1,151						43
44	Energy Mgt System	2004	12,890						44
45	Exterior Doors	2004	1,247						45
46	Heat/Cool Units	2004	7,372						46
47	Drive way repairs	2004	1,765						47
48	Carpeting	2004	13,652						48
49	Sewer Replacement	2004	2,847						49
50									50
51	Heat/Cool Units	2005	13,286						51
52	Underfloor Ductwork	2005	1,100						52
53	Sidewalks	2005	9,208						53
54	Roof	2005	4,161						54
55									55
56	Sewer Replacement	2006	13,522						56
57	A/C unit	2006	5,660						57
58	Resident Room Carpet	2006	11,370						58
59	Parking Lot Resurface	2006	47,908						59
60	Remodel Dinning Room	2006	4,854						60
61	Fire Alarm Panel	2006	531						61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 4,270,634	\$ 122,756		\$ 138,891	\$ 16,135	\$ 1,361,240	70

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

Facility Name & ID Number Heritage Manor-Pana

0048884

Report Period Beginning:

01/01/08

Ending:

12/31/08

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 4,270,634	\$ 122,756		\$ 138,891	\$ 16,135	\$ 1,361,240	1
2	Fire alarm	2007	44,843						2
3	HVAC	2007	12,000						3
4	Secire Care System	2007	9,092						4
5	Carpet	2007	13,896						5
6	Roof	2007	16,120						6
7	Asbestos Sample	2007	283						7
8									8
9	A/C Units	2008	7,182						9
10	Remodel Medicare Rooms - Paint	2008	5,392						10
11	Plumbing	2008	6,634						11
12	Parking Lot Resurface	2008	48,871						12
13	Roof	2008	4,492						13
14	Water Heater	2008	4,275						14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 4,443,714	\$ 122,756		\$ 138,891	\$ 16,135	\$ 1,361,240	34

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

Facility Name & ID Number Heritage Manor-Pana

0048884

Report Period Beginning:

01/01/08

Ending:

12/31/08

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
1	Totals from Page 12B, Carried Forward	\$ 4,443,714	\$ 122,756		\$ 138,891	\$ 16,135	\$ 1,361,240		1
2									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	TOTAL (lines 1 thru 33)	\$ 4,443,714	\$ 122,756		\$ 138,891	\$ 16,135	\$ 1,361,240		34

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

Facility Name & ID Number Heritage Manor-Pana

0048884

Report Period Beginning:

01/01/08

Ending:

12/31/08

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	
1		\$ 4,443,714	\$ 122,756		\$ 138,891	\$ 16,135	\$ 1,361,240	1
2								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	TOTAL (lines 1 thru 33)	\$ 4,443,714	\$ 122,756		\$ 138,891	\$ 16,135	\$ 1,361,240	34

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

Facility Name & ID Number Heritage Manor-Pana # 0048884 Report Period Beginning: 01/01/08 Ending: 12/31/08

XI. OWNERSHIP COSTS (continued)

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

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 605,020	\$ 39,032	\$ 39,032	\$		\$ 485,704	71
72	Current Year Purchases	27,215						72
73	Fully Depreciated Assets							73
74								74
75	TOTALS	\$ 632,235	\$ 39,032	\$ 39,032	\$		\$ 485,704	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)	\$ 5,127,004	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 161,788	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 177,923	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 16,135	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 1,846,944	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 Heritage Manor-Pana

0048884

Report Period Beginning: 01/01/08

Ending: 12/31/08

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: _____

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: \$ 24,781 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 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		52		52
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	\$	\$ 52	\$	\$ 52
10	SUM OF line 9, col. 1 and 2 (e)	\$ 52			

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.

Facility Name & ID Number

Heritage Manor-Pana

0048884

Report Period Beginning:

01/01/08

Ending:

12/31/08

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	\$		\$ 166,419	\$		\$ 166,419	1
2	Licensed Speech and Language Development Therapist		hrs			140,355			140,355	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist		hrs			237,903	2,930		240,833	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy		# of prescrpts				351,630		351,630	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):									12
13	Other (specify):					66,374			66,374	13
14	TOTAL			\$		\$ 611,051	\$ 354,560		\$ 965,611	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 Heritage Manor-Pana# 0048884Report Period Beginning: 01/01/08

Ending:

12/31/08

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/08

(last day of reporting year)

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

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 1,218	\$	1
2	Cash-Patient Deposits	18,244		2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	1,170,671		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	14,418		6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	(650,299)		8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 554,252	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost			16
17	Accumulated Depreciation (book methods)			17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 554,252	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 168,388	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	18,244		28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	259,141		30
31	Accrued Taxes Payable (excluding real estate taxes)	30,242		31
32	Accrued Real Estate Taxes(Sch.IX-B)			32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>IPA Tax</u>	20,838		36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 496,853	\$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			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)	\$	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 496,853	\$	46
47	TOTAL EQUITY(page 18, line 24)	\$ 57,399	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 554,252	\$	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (520,347)	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (520,347)	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	577,746	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)	\$ 577,746	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)	\$ 57,399	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Heritage Manor-Pana# 0048884Report Period Beginning: 01/01/08Ending: 12/31/08**XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required**

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

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

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 6,568,017	1
2	Discounts and Allowances for all Levels	(3,302,301)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 3,265,716	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	2,637,924	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 2,637,924	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	5,464	12
13	Barber and Beauty Care	25,765	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	629,946	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services		21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 661,175	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	16,231	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 16,231	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28			28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 6,581,046	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,018,992	31
32	Health Care	3,000,479	32
33	General Administration	1,251,304	33
B. Capital Expense			
34	Ownership	708,997	34
C. Ancillary Expense			
35	Special Cost Centers	23,528	35
36	Provider Participation Fee		36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 6,003,300	40
41	Income before Income Taxes (line 30 minus line 40)**	577,746	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 577,746	43

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

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

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

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

Facility Name & ID Number Heritage Manor-Pana

0048884

Report Period Beginning: 01/01/08

Ending:

12/31/08

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

(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	1,960	2,160	\$ 60,294	\$ 27.91	1
2	Assistant Director of Nursing	2,883	3,322	60,669	18.26	2
3	Registered Nurses	7,644	7,910	173,946	21.99	3
4	Licensed Practical Nurses	17,493	18,518	329,563	17.80	4
5	CNAs & Orderlies	98,162	105,976	1,129,158	10.65	5
6	CNA Trainees			0		6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	2,986	3,253	44,449	13.66	8
9	Activity Director					9
10	Activity Assistants	4,908	5,364	49,606	9.25	10
11	Social Service Workers	4,640	5,305	72,924	13.75	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	21,752	23,469	232,185	9.89	15
16	Dishwashers					16
17	Maintenance Workers	6,070	6,643	96,772	14.57	17
18	Housekeepers	12,484	13,348	93,547	7.01	18
19	Laundry	3,986	4,391	63,165	14.39	19
20	Administrator	1,900	2,080	89,604	43.08	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	7,367	8,479	114,555	13.51	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	194,235	210,218	\$ 2,610,437 *	\$ 12.42	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		\$ 0		35
36	Medical Director		8,800		36
37	Medical Records Consultant		9,908		37
38	Nurse Consultant				38
39	Pharmacist Consultant		4,530		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		2,963		45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)		\$ 26,201		49

C. CONTRACT NURSES

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

Facility Name & ID Number Heritage Manor-Pana

0048884

Report Period Beginning: 01/01/08

Ending: 12/31/08

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
Nancy Pryor	admin	0	\$ 89,604	Workers' Compensation Insurance	\$ 42,061	IDPH License Fee	\$ 995	
				Unemployment Compensation Insurance	36,805	Advertising: Employee Recruitment	1,607	
				FICA Taxes	199,698	Health Care Worker Background Check		
				Employee Health Insurance	234,961	(Indicate # of checks performed)	1,720	
				Employee Meals		Patient Background Checks	10,161	
				Illinois Municipal Retirement Fund (IMRF)*			13,600	
					3,115		9,658	
					20,913	Dues & Subscriptions	9,337	
					48,261	License & Fees	1,768	
TOTAL (agree to Schedule V, line 17, col. 1)			\$ 89,604			Less: Public Relations Expense	(9,658)	
(List each licensed administrator separately.)						Non-allowable advertising	(835)	
						Yellow page advertising	(13,600)	
B. Administrative - Other								
Description			Amount	TOTAL (agree to Schedule V, line 22, col.8)			\$ 585,814	
			\$				TOTAL (agree to Sch. V, line 20, col. 8)	
							\$ 24,753	
TOTAL (agree to Schedule V, line 17, col. 3)			\$	E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
(Attach a copy of any management service agreement)				Description			Description	
				Line #			Amount	
C. Professional Services				Amount			Amount	
Vendor/Payee	Type		Amount				Out-of-State Travel	
Heritage Operations Group	Mgt Fee		\$ 251,421				\$	
			0					
			0				In-State Travel	
			0					
							1,911	
							25	
							Seminar Expense	
							3,723	
							(18,771)	
			0				Central Office	
legal			4,151				15,111	
			0				Entertainment Expense	
TOTAL (agree to Schedule V, line 19, column 3)				TOTAL			(
(If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 255,572	\$			(agree to Sch. V, line 24, col. 8)	
							\$ 1,999	

* Attach copy of IMRF notifications

**See instructions.

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? no
- (2) Are there any dues to nursing home associations included on the cost report? yes
If YES, give association name and amount. Illinois Healthcare Association
- (3) Did the nursing home make political contributions or payments to a political action organization? yes If YES, have these costs been properly adjusted out of the cost report? yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? no If YES, what is the capacity? _____
- (5) Have you properly capitalized all major repairs and equipment purchases? yes
What was the average life used for new equipment added during this period? 7 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 5,000 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? no
If YES, give effective date of lease. _____
- (9) Are you presently operating under a sublease agreement? _____ YES xx NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES x NO _____ If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.
Heritage Manor Pana 51533 07/2007
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 82,673
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? no If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? yes For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 0 Has any meal income been offset against related costs? yes Indicate the amount. \$ 3,251
- (16) Travel and Transportation
- a. Are there costs included for out-of-state travel? no
If YES, attach a complete explanation.
- b. Do you have a separate contract with the Department to provide medical transportation for residents? no If YES, please indicate the amount of income earned from such a program during this reporting period. \$ _____
- c. What percent of all travel expense relates to transportation of nurses and patients? 100%
- d. Have vehicle usage logs been maintained? yes
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? yes
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? yes
- g. Does the facility transport residents to and from day training? no**
Indicate the amount of income earned from providing such transportation during this reporting period. \$ _____
- (17) Has an audit been performed by an independent certified public accounting firm? yes
Firm Name: Sulaski & Webb The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? _____ If no, please explain. Not available at this date
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? yes
- (19) If total legal fees are in excess of \$5,000, have legal invoices and a summary of services performed been attached to this cost report? yes
Attach invoices and a summary of services for all architect and appraisal fees.

Item	Code	Unit	Quantity	Price	Total	Remarks
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

Item	Code	Unit	Quantity	Price	Total	Remarks
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200

Item	Code	Unit	Quantity	Price	Total	Remarks
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283

