

		FOR BHF USE					

LL1

2008
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2008)

IMPORTANT NOTICE
 THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

I. IDPH License ID Number: 0041285

Facility Name: Meadowbrook Manor-Naperville

Address: 720 Raymond Drive Naperville 60563
 Number City Zip Code

County: DuPage

Telephone Number: (630) 355-0220 **Fax #** (630) 717-5180

HFS ID Number: 363782227001

Date of Initial License for Current Owners: 02/09/96

Type of Ownership:

<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input checked="" type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL
<input type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State
<input type="checkbox"/> Trust	<input type="checkbox"/> Partnership	<input type="checkbox"/> County
IRS Exemption Code _____	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> "Sub-S" Corp.	
	<input type="checkbox"/> Limited Liability Co.	
	<input type="checkbox"/> Trust	
	<input type="checkbox"/> Other _____	

In the event there are further questions about this report, please contact:
Name: Michael W. Martin **Telephone Number:** (217) 789-7700
Email Address: _____

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/08 to 12/31/08 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider	(Signed) _____	(Date) _____
	(Type or Print Name) _____	
	(Title) _____	
Paid Preparer	(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u>	
	(Date) _____	
	(Print Name and Title) _____	
	(Firm Name & Address) <u>McGladrey & Pullen, LLP</u> <u>15 S. Old State Capitol Plz, Ste. 200, Springfield, IL 62701</u>	
	(Telephone) <u>(217) 789-7700</u>	Fax # <u>(217) 753-1654</u>
MAIL TO: BUREAU OF HEALTH FINANCE ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630		

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285 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 N/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	245	Skilled (SNF)	245	89,670	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	245	TOTALS	245	89,670	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	11,118	1,250	12,524	24,892	8
9	SNF/PED					9
10	ICF	49,443	2,540	8,335	60,318	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	60,561	3,790	20,859	85,210	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 95.03%

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

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

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

None

F. Does the facility maintain a daily midnight census?

Yes

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

YES NO

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

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

YES NO

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

Date started 02/09/96

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

YES Date 02/09/96 NO

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

YES NO If YES, enter number of beds certified 245 and days of care provided 12,524

Medicare Intermediary Wisconsin Physicians Service

IV. ACCOUNTING BASIS

ACCRAUAL MODIFIED CASH* CASH*

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

Tax Year: 12/31/08 Fiscal Year: 12/31/08

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

Facility Name & ID Number Meadowbrook Manor-Naperville # 0041285 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	427,095	64,317	13,692	505,104		505,104		505,104		1
2	Food Purchase		446,048		446,048		446,048	(987)	445,061		2
3	Housekeeping	269,766	78,021		347,787		347,787		347,787		3
4	Laundry	71,636	39,915		111,551		111,551		111,551		4
5	Heat and Other Utilities			345,774	345,774		345,774	2,265	348,039		5
6	Maintenance	65,186	25,795	155,497	246,478		246,478	(7,567)	238,911		6
7	Other (specify):* Mgmt. Co. - EE Bene										7
8	TOTAL General Services	833,683	654,096	514,963	2,002,742		2,002,742	(6,289)	1,996,453		8
	B. Health Care and Programs										
9	Medical Director			57,175	57,175		57,175		57,175		9
10	Nursing and Medical Records	4,957,907	415,410	23,025	5,396,342		5,396,342		5,396,342		10
10a	Therapy	754,602	5,046	18,310	777,958		777,958		777,958		10a
11	Activities	150,413	18,451	2,472	171,336		171,336		171,336		11
12	Social Services	114,140	20	3,178	117,338		117,338		117,338		12
13	CNA Training	35,284			35,284		35,284		35,284		13
14	Program Transportation										14
15	Other (specify):* Mgmt. Co. - EE Bene										15
16	TOTAL Health Care and Programs	6,012,346	438,927	104,160	6,555,433		6,555,433		6,555,433		16
	C. General Administration										
17	Administrative	83,576		854,766	938,342		938,342	(398,886)	539,456		17
18	Directors Fees										18
19	Professional Services			240,129	240,129		240,129	58,737	298,866		19
20	Dues, Fees, Subscriptions & Promotions			45,652	45,652		45,652	2,413	48,065		20
21	Clerical & General Office Expenses	175,070	38,398	77,276	290,744		290,744	41,681	332,425		21
22	Employee Benefits & Payroll Taxes			1,153,875	1,153,875		1,153,875		1,153,875		22
23	Inservice Training & Education										23
24	Travel and Seminar			2,804	2,804		2,804	8,015	10,819		24
25	Other Admin. Staff Transportation			545	545		545	3,843	4,388		25
26	Insurance-Prop.Liab.Malpractice			181,187	181,187		181,187	128,899	310,086		26
27	Other (specify):* Mgmt. Co. - EE Bene							78,319	78,319		27
28	TOTAL General Administration	258,646	38,398	2,556,234	2,853,278		2,853,278	(76,979)	2,776,299		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	7,104,675	1,131,421	3,175,357	11,411,453		11,411,453	(83,268)	11,328,185		29

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

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Meadowbrook Manor-Naperville

#0041285

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			93,301	93,301		93,301	312,241	405,542			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			93,232	93,232		93,232	726,967	820,199			32
33	Real Estate Taxes							213,000	213,000			33
34	Rent-Facility & Grounds			2,682,744	2,682,744		2,682,744	(2,666,939)	15,805			34
35	Rent-Equipment & Vehicles			59,749	59,749		59,749	9,424	69,173			35
36	Other (specify):*											36
37	TOTAL Ownership			2,929,026	2,929,026		2,929,026	(1,405,307)	1,523,719			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation			6,030	6,030		6,030		6,030			38
39	Ancillary Service Centers		608,520	95,976	704,496		704,496		704,496			39
40	Barber and Beauty Shops			5,126	5,126		5,126		5,126			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			134,506	134,506		134,506		134,506			42
43	Other (specify):* Non-allowable cost			1,417,706	1,417,706		1,417,706	(1,417,706)				43
44	TOTAL Special Cost Centers		608,520	1,659,344	2,267,864		2,267,864	(1,417,706)	850,158			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	7,104,675	1,739,941	7,763,727	16,608,343		16,608,343	(2,906,281)	13,702,062			45

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

**See schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

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	(987)	2		4
5	Telephone, TV & Radio in Resident Rooms	(7,294)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	18,852	30		9
10	Interest and Other Investment Income	(88,367)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(1,960)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(8,353)	43		18
19	Entertainment				19
20	Contributions	(600)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(1,287,648)	43		24
25	Fund Raising, Advertising and Promotional	(40,284)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(17,949)	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising	(5,016)	43		28
29	Other-Attach Schedule See Pg. 5A	(88,865)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (1,528,471)		\$	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)	(1,377,810)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (1,377,810)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (2,906,281)		37

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

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

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

BHF USE ONLY							
48		49		50		51	
							52

SEE ACCOUNTANTS' COMPILATION REPORT

Meadowbrook Manor-Naperville

ID# 0041285

Report Period Beginning: 01/01/08

Ending: 12/31/08

NON-ALLOWABLE EXPENSES		Amount	Reference	Sch. V Line
1	Radiology	\$ (20,370)	43	1
2	Laboratory	(8,228)	43	2
3	Consolidated Billing Fees	(18,657)	43	3
4	Resident gifts, etc.	(7,190)	43	4
5	Resident clothing	(35)	43	5
6	Transportation	(142)	43	6
7	Capital Assets in Repairs & Maintenance	(9,946)	6	7
8	Nonallowable Legal Fees	(24,297)	19	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	(88,865)		49

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Meadowbrook Manor-Naperville# 0041285

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)	
1	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(987)	0	0	0	0	0	0	0	0	0	0	(987)	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	2,265	0	0	0	0	0	0	0	0	2,265	5
6	Maintenance	(9,946)	0	2,379	0	0	0	0	0	0	0	0	(7,567)	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	(10,933)	0	4,644	0	(6,289)	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	0	(398,886)	0	0	0	0	0	0	0	0	(398,886)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(24,297)	16,750	66,284	0	0	0	0	0	0	0	0	58,737	19
20	Fees, Subscriptions & Promotions	0	400	2,014	0	0	0	0	0	0	0	0	2,414	20
21	Clerical & General Office Expenses	0	143	41,537	0	0	0	0	0	0	0	0	41,680	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	8,015	0	0	0	0	0	0	0	0	8,015	24
25	Other Admin. Staff Transportation	0	0	3,843	0	0	0	0	0	0	0	0	3,843	25
26	Insurance-Prop.Liab.Malpractice	0	128,899	0	0	0	0	0	0	0	0	0	128,899	26
27	Other (specify):*	0	0	78,319	0	0	0	0	0	0	0	0	78,319	27
28	TOTAL General Administration	(24,297)	146,192	(198,874)	0	(76,979)	28							
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(35,230)	146,192	(194,230)	0	(83,268)	29							

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Meadowbrook Manor-Naperville# 0041285

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	18,852	256,912	36,477	0	0	0	0	0	0	0	0	312,241	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(88,367)	810,949	4,385	0	0	0	0	0	0	0	0	726,967	32
33	Real Estate Taxes	0	213,000	0	0	0	0	0	0	0	0	0	213,000	33
34	Rent-Facility & Grounds	0	(2,682,744)	15,805	0	0	0	0	0	0	0	0	(2,666,939)	34
35	Rent-Equipment & Vehicles	0	0	9,424	0	0	0	0	0	0	0	0	9,424	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	(69,515)	(1,401,883)	66,091	0	(1,405,307)	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):*	(1,423,726)	6,020	0	0	0	0	0	0	0	0	0	(1,417,706)	43
44	TOTAL Special Cost Centers	(1,423,726)	6,020	0	0	0	0	0	0	0	0	0	(1,417,706)	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(1,528,471)	(1,249,671)	(128,139)	0	(2,906,281)	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 Schedule 6A	See Sch 6A	Meadowbrook Manor of Naperville	Naperville	J&D Partners, LP	Bolingbrook	Lessor
				MMN Partners, LP	Naperville	Lessor
		Butterfield Health Care, Inc. d/b/a	Bolingbrook	Butterfield Health		
		Meadowbrook Manor		Care Group, Inc.	Bolingbrook	Management Co.
				MML Properties, LLC	LaGrange	Lessor
		Seneca Nursing Home, Inc. d/b/a Lee Manor	Des Plaines	Seneca Building LP	Des Plaines	Lessor

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
1	V	19 Professional Fees	\$	MML Properties, LLC	100.00%	\$ 16,750	\$ 16,750	1
2	V	20 Fees & Subscriptions		MML Properties, LLC	100.00%	400	400	2
3	V	21 Bank Charges		MML Properties, LLC	100.00%	143	143	3
4	V	26 Insurance-Prop., Liab., Malpr.		MML Properties, LLC	100.00%	128,899	128,899	4
5	V	30 Depreciation		MML Properties, LLC	100.00%	256,912	256,912	5
6	V	32 Interest Expense	680	MML Properties, LLC	100.00%	807,772	807,092	6
7	V	32 Amort of Mortgage Cost		MML Properties, LLC	100.00%	3,857	3,857	7
8	V	33 Real Estate Taxes		MML Properties, LLC	100.00%	213,000	213,000	8
9	V	34 Rent	2,682,744	MML Properties, LLC	100.00%		(2,682,744)	9
10	V	43 State Replacement Tax		MML Properties, LLC	100.00%	6,020	6,020	10
11	V							11
12	V							12
13	V							13
14	Total		\$ 2,683,424			\$ 1,433,753	\$ * (1,249,671)	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Butterfield Health Care II, Inc.
D/B/A Meadowbrook Manor of Naperville
Provider #0041285
12/31/2008

Schedule 6A

XVII. Section A. - Related parties - Col. 1 - Owners

Name	Ownership %
RBJ Investments, LP	25.00%
Jafari Family LLC	25.00%
Louis William Dimas Family Limited Partnership	15.00%
Nicholas & Dorothy Vangel	25.00%
Christopher Vangel Descendant's GST Exempt Trust U/A D 6/21/99	5.00%
Katherine Hocuk Descendant's GST Exempt Trust U/A D 6/21/99	5.00%
	<u>100.00%</u>

See Accountants' Compilation Report

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	5 Utilities	\$	Butterfield Health Care Group, Inc.	100.00%	\$ 2,265	\$	2,265	15
16	V	6 Maintenance		Butterfield Health Care Group, Inc.	100.00%	2,379		2,379	16
17	V	17 Administrative Salaries	854,766	Butterfield Health Care Group, Inc.	100.00%	455,880		(398,886)	17
18	V	19 Professional Services		Butterfield Health Care Group, Inc.	100.00%	66,284		66,284	18
19	V	20 Fees & Subscriptions		Butterfield Health Care Group, Inc.	100.00%	2,014		2,014	19
20	V	21 Clerical & General Office Expense		Butterfield Health Care Group, Inc.	100.00%	41,537		41,537	20
21	V	24 Travel & Seminar		Butterfield Health Care Group, Inc.	100.00%	8,015		8,015	21
22	V	25 Other Admin. Staff Transportation		Butterfield Health Care Group, Inc.	100.00%	3,843		3,843	22
23	V	27 Employee Benefits - Gen. Admin.		Butterfield Health Care Group, Inc.	100.00%	78,319		78,319	23
24	V	30 Depreciation		Butterfield Health Care Group, Inc.	100.00%	36,477		36,477	24
25	V	32 Interest		Butterfield Health Care Group, Inc.	100.00%	4,385		4,385	25
26	V	34 Rent - Facility		Butterfield Health Care Group, Inc.	100.00%	15,805		15,805	26
27	V	35 Rent - Equipment		Butterfield Health Care Group, Inc.	100.00%	9,424		9,424	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		\$ 854,766			\$ 726,627	\$ *	(128,139)	39

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

Facility Name & ID Number Meadowbrook Manor-Naperville # 0041285 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	Christopher Vangel	Operating Supv.	Administrative	5.00	67,500	12	39.00	Mgt Salaries	\$ 27,384	17(7)	1
2	Nicholas Vangel	Operating Supv.	Administrative	25.00	0	8	39.00	Mgt Salaries	4,998	17(7)	2
3	Sean Dimas	Shareholder	Administrative	6.67	59,261	0	0.00	N/A	0	N/A	3
4	Kathy Hocuk	Empl Benefits Admin	Administrative	5.00	0	10	39.00	Mgt Salaries	4,159	17(7)	4
5	Robert Jafari	Consultant	Administrative	25.00	0	0	0.00	Prof Fees	16,560	19(7)	5
6											6
7	Note 1: Christopher Vangel received a salary of \$67,500 from Seneca Nursing Home, Inc d/b/a Lee Manor										7
8	Note 2: Sean Dimas received a salary of \$59,621 from Seneca Nursing Home, Inc d/b/a Lee Manor.										8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 53,101		13

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

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

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

Name of Related Organization Butterfield Health Care Group, Inc.
 Street Address 18 W. 140 Butterfield Road, Suite 1670
 City / State / Zip Code Oak Brook Terrace, IL 60181
 Phone Number (630) 932-3220
 Fax Number (630) 759-4406

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	5	Utilities	Resident Days	221,281	3	\$ 5,882	\$ 85,210	\$ 2,265	1
2	6	Maintenance	Resident Days	221,281	3	6,178	85,210	2,379	2
3	17	Administrative Salaries	Resident Days	221,281	3	1,183,871	85,210	455,880	3
4	19	Professional Services	Resident Days	221,281	3	172,133	85,210	66,284	4
5	20	Fees & Subscriptions	Resident Days	221,281	3	5,230	85,210	2,014	5
6	21	Clerical & General Office Expenses	Resident Days	221,281	3	107,866	85,210	41,537	6
7	24	Travel & Seminar	Resident Days	221,281	3	20,815	85,210	8,015	7
8	25	Other Admin. Staff Transportation	Resident Days	221,281	3	9,980	85,210	3,843	8
9	27	Employee Benefits - Gen. Admin.	Resident Days	221,281	3	203,386	85,210	78,319	9
10	30	Depreciation	Resident Days	221,281	3	94,727	85,210	36,477	10
11	32	Interest	Resident Days	221,281	3	11,388	85,210	4,385	11
12	34	Rent - Facility	Resident Days	221,281	3	41,044	85,210	15,805	12
13	35	Rent - Equipment	Resident Days	221,281	3	24,472	85,210	9,424	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					\$ 1,886,972	\$	\$ 726,627	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number

Meadowbrook Manor-Naperville

0041285

Report Period Beginning:

01/01/08

Ending:

12/31/08

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

1	Name of Lender	2		3	4	5	6		7	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	GMAC		X	Mortgage	\$94,985.00	5/22/03	\$ 16,320,000	\$ 15,283,117	06/01/38	0.0525	\$ 807,772	1						
2	GMAC		X	Amortization of loan costs							3,857	2						
3												3						
4												4						
5												5						
Working Capital																		
6	Shareholder loan	X		Working Capital		05/31/05	2,550,000	2,850,000	05/31/09	Prime-.005	90,030	6						
7												7						
8	Avaya Financial Services		X	Capital Lease	\$846.00	01/01/06	35,483	14,418	12/31/09		3,202	8						
9	TOTAL Facility Related				\$95,831.00		\$ 18,905,483	\$ 18,147,535			\$ 904,861	9						
B. Non-Facility Related*																		
10											RE entity interest income offset	(680)	10					
11											Interest income offset	(88,367)	11					
12											Allocation from Management Co.	4,385	12					
13													13					
14	TOTAL Non-Facility Related						\$	\$			\$ (84,662)	14						
15	TOTALS (line 9+line14)						\$ 18,905,483	\$ 18,147,535			\$ 820,199	15						

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

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

(See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

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

(See instructions.)

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

B. Real Estate Taxes

Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.

1. Real Estate Tax accrual used on 2007 report.		\$	212,607	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	2007	\$	212,607	2
3. Under or (over) accrual (line 2 minus line 1).		\$		3
4. Real Estate Tax accrual used for 2008 report. (Detail and explain your calculation of this accrual on the lines below.)		\$	213,000	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.		\$	213,000	7
Real Estate Tax History:				
Real Estate Tax Bill for Calendar Year:	2003	230,897	8	
	2004	241,773	9	
	2005	227,654	10	
	2006	219,262	11	
	2007	212,607	12	
2007 Tax Bill		\$212,607		
Estimated Increase		1.00		
Total		\$212,607		
Use		\$213,000		
				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.

SEE ACCOUNTANTS' COMPILATION REPORT

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 Meadowbrook Manor-Naperville COUNTY DuPage

FACILITY IDPH LICENSE NUMBER 0041285

CONTACT PERSON REGARDING THIS REPORT Scott Gabrys

TELEPHONE (630) 759-1112 FAX #: (630) 759-4406

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>07-14-1113-001</u>	<u>Nursing Home</u>	\$ <u>212,606.82</u>	\$ <u>212,606.82</u>
2. _____	_____	\$ _____	\$ _____
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>212,606.82</u>	\$ <u>212,606.82</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.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning:

01/01/08

Ending:

12/31/08

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 109,175 B. General Construction Type: Exterior Brick Frame Steel Number of Stories Three

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: N/A

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

XI. OWNERSHIP COSTS:

	1	2	3	4	
A. Land.	Use	Square Feet	Year Acquired	Cost	
1	<u>Resident Use</u>	<u>148,410</u>	<u>1996</u>	<u>\$ 279,600</u>	<u>1</u>
2					<u>2</u>
3	TOTALS	148,410		\$ 279,600	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

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		
Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	245	1996	1996	\$ 9,863,922	\$	40	\$ 246,598	\$ 246,598	\$ 3,187,632	4
5										5
6										6
7										7
8										8
	Improvement Type**									
9	Landscapping improvements		1996	22,797	1,140	15	1,520	380	18,240	9
10	Fence		1996	5,500	298	15	367	69	4,734	10
11	Land Improvements		1996	12,824		40	320	320	4,135	11
12	Doors		1998	5,961	596	20	298	(298)	3,427	12
13	Landscaping improvements-shrubs trees evergreens		1998	22,729	1,136	20	1,136		11,928	13
14	Leasehold improvements-air ducts, dampers, chimney		2001	4,425	113	20	221	108	1,658	14
15	Electrical work - dialysis room		2005	4,024	402	20	201	(201)	1,306	15
16	Lockinvar burner		2005	3,584	358	20	179	(179)	1,166	16
17	Fence		2005	1,465	147	20	73	(74)	477	17
18	signs		2005	2,775	278	20	139	(139)	900	18
19	Exterior signs-electroical sork for signs		2003	1,575	158	20	79	(79)	549	19
20	Exterior signs-electroical sork for signs		2003	6,020		20	301	301	1,354	20
21	Plumbing for dialysis room		2003	5,540		10	277	277	1,936	21
22	Plumbing for dialysis room		2003	10,989	554	20	549	(5)	2,471	22
23	Install 7 doors		2003	3,433		20	172	172	774	23
24	Sealcoat parking lot		2003	3,000		20	150	150	675	24
25	Install vents in oxygen room		2003	2,061	206	20	103	(103)	724	25
26	Replace monitors and multiplexer for fire alarm		2003	1,890	189	20	94	(95)	657	26
27	Install fire alarm sensors		2003	9,517		20	476	476	2,142	27
28	Butterfly garden		2004	4,851	242	20	243	1	1,093	28
29	Install fence		2004	1,050		20	52	52	234	29
30	Install smoke dampers and motors		2004	3,300		20	165	165	742	30
31	Install carpeting		2004	56,444		20	2,822	2,822	12,701	31
32	Install fan		2004	3,218		20	161	161	724	32
33	Rebuild hoe water valves		2004	1,657		20	83	83	373	33
34	Install two doors.		2004	1,312		20	66	66	297	34
35										35
36										36

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

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

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

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	Replace wiring/PC board in elevator	2005	\$ 2,895	\$ 289	10	\$ 289	\$	\$ 1,012	37
38	Furnish and install new roof exhaust fan	2005	1,995	200	10	200		700	38
39	Sealcoat parking lot	2005	6,765	676	10	676		2,366	39
40	Install wiring for outdoor light post	2005	3,980	398	10	398		1,393	40
41	Install 18 new fire doors	2005	6,700	670	10	670		2,345	41
42	New hot water heater	2005	66,259	6,626	10	6,626		23,191	42
43	Install new amp and transfer switch on generator	2006	3,309	331	10	331		827	43
44	Work laminant flooring for dining room	2006	12,206	1,221	10	1,221		3,052	44
45	Wiring for TB	2006	42,270	4,227	10	4,227		10,568	45
46	Interior signage	2006	12,436	1,244	10	1,244		3,110	46
47	Vinyl & Wood flooring & scored ceiling tile	2007	64,390	6,439	10	6,439		9,658	47
48	Purchase and installation of central A/C system	2007	73,513	7,351	10	7,351		11,027	48
49	Replacement doors	2007	2,622	262	10	262		393	49
50	Purchase and installation of Trane Compressor	2007	31,600	3,160	10	3,160		4,740	50
51	Replace existing breakers & install 2nd/3rd floor receptacles	2007	4,283	428	10	428		642	51
52	Install Cabinets & Hardware	2008	5,775	289	10	289		289	52
53	Repair floor drain	2008	4,975	249	10	249		249	53
54	Cabinets	2008	9,254	463	10	463		463	54
55	Countertops & Cabinets	2008	17,157	858	10	858		858	55
56	Electrical outlets & lighting installation	2008	2,953	148	10	148		148	56
57	Install doors for buffet dining & nourishment room bar	2008	3,695	185	10	185		185	57
58	Patio & Seating Wall	2008	7,744	387	10	387		387	58
59	Parking Lot & Sidewalk Repairs	2008	9,243	462	10	462		462	59
60	Furnish & install motor & starter for A/C system	2008	2,585	129	10	129		129	60
61	Repair leak in hot water storage tank	2008	2,994	150	10	150		150	61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 10,467,461	\$ 42,659		\$ 293,687	\$ 251,028	\$ 3,341,393	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

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	\$ 1,626,980	\$ 47,323	\$ 72,059	\$ 24,736	5-10	\$ 1,383,062	71
72	Current Year Purchases	78,376	3,319	3,319			3,319	72
73	Fully Depreciated Assets	72,034					72,034	73
74	Allocated from Management Company			36,477	36,477			74
75	TOTALS	\$ 1,777,390	\$ 50,642	\$ 111,855	\$ 61,213		\$ 1,458,415	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		N/A								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)	\$ 12,524,451	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 93,301	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 405,542	83**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 312,241	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 4,799,808	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	N/A				87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?

If NO, see instructions. YES NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5		Allocation from Management Co.			15,805			5
6								6
7	TOTAL				\$ 15,805			7

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

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

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

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

15. Is Movable equipment rental included in building rental?

YES NO

16. Rental Amount for movable equipment: \$ 67,852 Description: Copiers-\$4,618; Shred bin-\$1,080; Med. Equip-\$16,138; Maint. Equip-\$2,442; Beds-\$35,471; HO Alloc-\$8,103

(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	Allocation from Management Co.			1,321	19
20					20
21	TOTAL		\$	\$ 1,321	21

10. Effective dates of current rental agreement:

Beginning _____

Ending _____

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

Fiscal Year Ending Annual Rent

12. _____/2009 \$ _____

13. _____/2010 \$ _____

14. _____/2011 \$ _____

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

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

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 checked="" 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. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input checked="" type="checkbox"/></p> <p>HOURS PER CNA <u>40</u></p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input checked="" type="checkbox"/></p> <p>HOURS PER CNA <u>80</u></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)		35,284		35,284
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$ 35,284	\$	\$ 35,284
10	SUM OF line 9, col. 1 and 2 (e)	\$	35,284		

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	66
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	66

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
- (c) For in-house training programs only. Do not include fringe benefits.
- (d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
 - (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.
- SEE ACCOUNTANTS' COMPILATION REPORT

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	10A (1,3)	8318 hrs	\$ 286,981		\$	\$ 1,919	8,318	\$ 288,900	1
2	Licensed Speech and Language Development Therapist		hrs							2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	10A (1,2,3)	13555 hrs	467,621	6	350	3,127	13,561	471,098	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39(2)	# of prescripts				566,289		566,289	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):									12
13	Other (specify): <u>See Sch 16A</u>					113,936	42,231		156,167	13
14	TOTAL			\$ 754,602	6	\$ 114,286	\$ 613,566	21,879	\$ 1,482,454	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Butterfield Health Care II, Inc.
D/B/A Meadowbrook Manor of Naperville
Provider #0041285
12/31/2008

Schedule 16A

XIV - Special Services - Line 13 (Other)

Service	Schedule V Line	Staff		Outside Practitioner		Supplies (Actual or Allocated)
		Units of Service	Cost	Units	Cost	
Respiratory Therapy Wages	10A(3)	-	-	299	17,960	-
Oxygen	39(2)	-	-	-	-	42,231
Dialysis Services	39(3)	-	-	-	95,976	-
		-	-	299	113,936	42,231

See Accountants' Compilation Report

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report 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	2	
		Operating	After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 287,754	\$ 431,417	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 813,796)	3,762,092	3,762,092	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	339,244	434,419	6
7	Other Prepaid Expenses	60,230	60,230	7
8	Accounts Receivable (owners or related parties)	2,904,361	2,901,361	8
9	Other(specify): See Sch 17A		116,700	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 7,353,681	\$ 7,706,219	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		279,600	13
14	Buildings, at Historical Cost		9,863,922	14
15	Leasehold Improvements, at Historical Cost	465,519	603,539	15
16	Equipment, at Historical Cost	806,078	1,777,390	16
17	Accumulated Depreciation (book methods)	(574,606)	(4,799,808)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify) <u>Loan Costs - Net</u>		112,989	22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 696,991	\$ 7,837,632	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 8,050,672	\$ 15,543,851	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 1,829,438	\$ 1,834,188	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	2,850,000	2,850,000	29
30	Accrued Salaries Payable	345,799	345,799	30
31	Accrued Taxes Payable (excluding real estate taxes)			31
32	Accrued Real Estate Taxes(Sch.IX-B)		213,000	32
33	Accrued Interest Payable		66,865	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>Payroll Liabilities</u>	18,025	18,025	36
37	<u>See Sch 17A</u>	3,114,402	337,299	37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 8,157,664	\$ 5,665,176	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	14,418	14,418	39
40	Mortgage Payable		15,283,117	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44	<u>Nursing Supplies Payable</u>	115,114	115,114	44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 129,532	\$ 15,412,649	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 8,287,196	\$ 21,077,825	46
47	TOTAL EQUITY(page 18, line 24)	\$ (236,524)	\$ (5,533,974)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 8,050,672	\$ 15,543,851	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Butterfield Health Care II, Inc.
D/B/A Meadowbrook Manor of Naperville
Provider #0041285
12/31/2008

Schedule 17A

XV. BALANCE SHEET - Unrestricted Operating Fund

A. Current Assets

9. Other (specify)

	<u>Operating</u>	<u>Consolidating</u>
Real Estate Tax Escrow	-	78,516
Mortgage Insurance Escrow	-	38,184
	<u>-</u>	<u>116,700</u>

C. Current Liabilities

37. Other Current Liabilities (specify)

	<u>Operating</u>	<u>Consolidating</u>
Other Deposits	7,266	7,266
Resident Trust Fund Liability	70,369	70,369
Accrued Rent	2,777,103	-
Resident Credit Balances	259,664	259,664
	<u>3,114,402</u>	<u>337,299</u>

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 739,102	1
2	Restatements (describe):		2
3	Post Closing Adjustment	(417,320)	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 321,782	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(558,307)	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) Rounding	1	15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (558,306)	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)	\$ (236,524)	24 *

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

**XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.
Note: This schedule should show gross revenue and expenses. Do not net revenue against expense**

1

Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 13,965,463	1
2	Discounts and Allowances for all Levels	(400,953)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 13,564,510	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,576,063	6
7	Oxygen	30,156	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 1,606,219	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	5,349	13
14	Non-Patient Meals	987	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	578,779	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	9,224	19
20	Radiology and X-Ray	22,655	20
21	Other Medical Services	165,425	21
22	Laundry	7,875	22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 790,294	23
D. Non-Operating Revenue			
24	Contributions	160	24
25	Interest and Other Investment Income***	88,367	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 88,527	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>Vending Income</u>	486	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 486	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 16,050,036	30

2

Expenses		Amount	
A. Operating Expenses			
31	General Services	2,002,742	31
32	Health Care	6,555,433	32
33	General Administration	2,853,278	33
B. Capital Expense			
34	Ownership	2,929,026	34
C. Ancillary Expense			
35	Special Cost Centers	2,133,358	35
36	Provider Participation Fee	134,506	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 16,608,343	40
41	Income before Income Taxes (line 30 minus line 40)**	(558,307)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (558,307)	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.
Entity is a cash basis taxpayer.

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

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

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

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	1,516	1,975	\$ 85,939	\$ 43.51	1
2	Assistant Director of Nursing	3,580	3,748	128,075	34.17	2
3	Registered Nurses	56,248	75,723	1,708,203	22.56	3
4	Licensed Practical Nurses	21,903	30,303	605,768	19.99	4
5	CNAs & Orderlies	144,904	203,230	1,923,910	9.47	5
6	CNA Trainees	3,739	3,827	35,284	9.22	6
7	Licensed Therapist	20,016	21,873	754,602	34.50	7
8	Rehab/Therapy Aides	10,164	13,143	160,953	12.25	8
9	Activity Director	1,856	2,080	35,365	17.00	9
10	Activity Assistants	11,950	12,290	115,048	9.36	10
11	Social Service Workers	7,579	8,566	114,140	13.32	11
12	Dietician					12
13	Food Service Supervisor	1,856	2,080	37,659	18.11	13
14	Head Cook					14
15	Cook Helpers/Assistants	38,291	41,535	389,436	9.38	15
16	Dishwashers					16
17	Maintenance Workers	4,504	4,808	65,186	13.56	17
18	Housekeepers	29,417	31,173	269,766	8.65	18
19	Laundry	7,617	8,268	71,636	8.66	19
20	Administrator	1,830	1,966	83,576	42.51	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	12,670	13,431	175,070	13.03	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	1,880	2,080	34,038	16.36	31
32	Other Health C: See Sch 20A	14,250	15,896	311,021	19.57	32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	395,770	497,995	\$ 7,104,675 *	\$ 14.27	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	346	\$ 13,692	1(3)	35
36	Medical Director	1,144	57,175	9(3)	36
37	Medical Records Consultant	11	1,200	10(3)	37
38	Nurse Consultant	41	12,020	10(3)	38
39	Pharmacist Consultant	49	8,765	10(3)	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	13	2,472	11(3)	44
45	Social Service Consultant	9	3,178	12(2)	45
46	Other(specify) Quality Assurance	17	1,040	10(3)	46
47					47
48					48
49	TOTAL (lines 35 - 48)	1,630	\$ 99,542		49

C. CONTRACT NURSES

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

SEE ACCOUNTANTS' COMPILATION REPORT

Butterfield Health Care II, Inc.
D/B/A Meadowbrook Manor of Naperville
Provider #0041285
12/31/2008

Schedule 20A

XVII. Staffing and Salary Costs

Line 32 - Other

	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage
Care Plan Coordinator	7,595	8,436	213,091	25.26
Unit Aide	6,655	7,460	97,930	13.13
	<u>14,250</u>	<u>15,896</u>	<u>311,021</u>	<u>19.57</u>

See Accountants' Compilation Report

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions		
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount		
Chris Talley	Administrator	0	\$ 83,576	Workers' Compensation Insurance	\$ 179,140	IDPH License Fee	\$		
				Unemployment Compensation Insurance	59,198	Advertising: Employee Recruitment			
				FICA Taxes	537,738	Health Care Worker Background Check			
				Employee Health Insurance	295,732	(Indicate # of checks performed <u>350</u>)	2,000		
				Employee Meals		Patient Background Checks	1,500		
				Illinois Municipal Retirement Fund (IMRF)*		Illinois Council on Long Term Care	18,424		
				401(K)	29,385	Miscellaneous Dues & Subscriptions	13,674		
				Other Employee Benefits	52,682	Miscellaneous Licenses & Permits	10,054		
						Allocated from MMN Realty	400		
						Allocated from Management Co.	2,013		
						Less: Public Relations Expense	()		
						Non-allowable advertising	()		
						Yellow page advertising	()		
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 83,576	TOTAL (agree to Schedule V, line 22, col.8)		\$ 1,153,875	TOTAL (agree to Sch. V, line 20, col. 8)		\$ 48,065
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 (Eliminated in Col. 7)			\$ 854,766	N/A			Out-of-State Travel	\$	
							In-State Travel		
							Seminar Expense		
							See Attached	2,804	
							Allocated from Management Co.	8,015	
							Entertainment Expense	()	
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$ 854,766	TOTAL		\$	TOTAL (agree to Sch. V, line 24, col. 8)		\$ 10,819
C. Professional Services									
Vendor/Payee	Type		Amount						
See Schedule 21A			\$ 240,129						
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 240,129						

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

**See instructions.

Butterfield Health Care II, Inc.
D/B/A Meadowbrook Manor of Naperville
Provider #0041285
12/31/2008

Schedule 21A

Schedule XIX (C) - Professional Fees

Vendor/Payee	Type	Amount
Wescom Solutions	Computer Services	21,616
Wisconsin Physicians Service	Computer Services	95
HDSI	Computer Services	1,260
Emdeon Business Service	Computer Services	2,879
Midwest Laser Specialists	Computer Services	471
Rehab Management Systems	Billing Consultant	39,850
Richard Peelo & Assoc	Medicare Consultant	6,000
Talx Corporation	Employee Benefit Plan Adm	4,027
Pathway Health Services, Inc.	Operations Consulting	6,029
Innovative LTC Solutions	Insurance Consulting	16,024
Cardiac Diagnostics, Inc.	Operations Consulting	65
Paylocity	Payroll Consulting	22,094
Robert J. Essick, P.C.	Legal	12,026
Foley & Lardner	Legal	43,288
Hemilton Thies Lorch & Hagnell	Legal	(175)
Michael R. Naughton	Legal	2,210
The Law Offies of Robin Kramer	Legal	1,494
Law Office of Kelli M. Smith	Legal	2,040
Morgan Lewis & Bockius LLP	Legal	3,238
Polsinelli Shalton Flanigan Suelthaus PC	Legal	23,972
McGladrey & Pullen LLP	Accounting	20,591
RSM McGladrey	Accounting	7,535
Peterek & Howse LLP	Accounting	3,500

TOTAL (agree to Schedule V, Line 19, Column 3) 240,129

Allocation from MMN Properties - Accounting	16,750
Allocation from Butterfield Health Care Group	66,284
Less: Disallowed legal fees	<u>(24,297)</u>

TOTAL (agree to Schedule V, Line 19, Column 8) 298,866

See Accountants' Compilation Report

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

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
FY2005					FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	
1			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3													
4		N/A											
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Meadowbrook Manor-Naperville

0041285

Report Period Beginning:

01/01/08

Ending:

12/31/08

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 Council on Long Term Care-\$18,424
- (3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report? N/A
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 10
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 86,706 Line 10(2)
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 134,506
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.

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 0 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 987
- (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? N/A If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A
- c. What percent of all travel expense relates to transportation of nurses and patients? N/A
- d. Have vehicle usage logs been maintained? Adequate records have been maintained.
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? N/A
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
- g. Does the facility transport residents to and from day training? No**
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (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