

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health Care Center, Inc.

003-6640 Report Period Beginning: 1/1/2011 Ending: 12/31/2011

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	207	Skilled (SNF)	207	75,555	1
2		Skilled Pediatric (SNF/PED)		0	2
3		Intermediate (ICF)		0	3
4		Intermediate/DD		0	4
5		Sheltered Care (SC)		0	5
6		ICF/DD 16 or Less		0	6
7	207	TOTALS	207	75,555	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment				5
		3 Medicaid Recipient	Private Pay	4 Other	Total	
8	SNF	1,702	1,238	14,030	16,970	8
9	SNF/PED					9
10	ICF	41,673	4,390	67	46,130	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	43,375	5,628	14,097	63,100	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 83.52%

D. How many bed-hold days during this year were paid by the Department? none (Do not include bed-hold days in Section B.)

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

F. Does the facility maintain a daily midnight census? 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 02/01/91

J. Was the facility purchased or leased after January 1, 1978?
YES Date 02/01/91 NO

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 207 and days of care provided 7,030

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRAUAL MODIFIED CASH* CASH*

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

Tax Year: 12/31/11 Fiscal Year: 12/31/11

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

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health # 003-6640 Report Period Beginning: 1/1/2011 Ending: 12/31/2011

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY	
		Salary/Wage	Supplies	Other	Total					9	10
	A. General Services	1	2	3	4	5	6	7	8		
1	Dietary	480,972	29,439	22,800	533,211		533,211	(3,773)	529,438		1
2	Food Purchase		405,900		405,900	(14,188)	391,712	(20,879)	370,833		2
3	Housekeeping	258,256	45,003		303,259	644	303,903	10,415	314,318		3
4	Laundry	59,144	26,049		85,193	257	85,450		85,450		4
5	Heat and Other Utilities			253,848	253,848		253,848	2,739	256,587		5
6	Maintenance	76,582	623	226,331	303,536	47	303,583	79,072	382,655		6
7	Other (specify):* Related party							10,761	10,761		7
8	TOTAL General Services	874,954	507,014	502,979	1,884,947	(13,240)	1,871,707	78,335	1,950,042		8
	B. Health Care and Programs										
9	Medical Director			9,765	9,765		9,765		9,765		9
10	Nursing and Medical Records	3,523,671	304,056	5,804	3,833,531	(32,568)	3,800,963	56,491	3,857,454		10
10a	Therapy	193,100	2,070	11,788	206,958		206,958		206,958		10a
11	Activities	123,995	4,551	10,597	139,143	164	139,307		139,307		11
12	Social Services	49,409			49,409		49,409		49,409		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Related party							8,201	8,201		15
16	TOTAL Health Care and Programs	3,890,175	310,677	37,954	4,238,806	(32,404)	4,206,402	64,692	4,271,094		16
	C. General Administration										
17	Administrative	184,008			184,008		184,008	126,479	310,487		17
18	Directors Fees										18
19	Professional Services			1,002,141	1,002,141	(12,254)	989,887	(898,366)	91,521		19
20	Dues, Fees, Subscriptions & Promotions			111,233	111,233	(64)	111,169	(96,141)	15,028		20
21	Clerical & General Office Expenses	181,496	21,212	99,626	302,334	2,971	305,305	382,021	687,326		21
22	Employee Benefits & Payroll Taxes			714,734	714,734	4,264	718,998	(1,040)	717,958		22
23	Inservice Training & Education										23
24	Travel and Seminar			6,251	6,251	(1,392)	4,859	3,897	8,756		24
25	Other Admin. Staff Transportation			11,958	11,958	1,017	12,975	21,911	34,886		25
26	Insurance-Prop.Liab.Malpractice			220,585	220,585		220,585	9,864	230,449		26
27	Other (specify):* Related party			80,672	80,672		80,672	(11,241)	69,431		27
28	TOTAL General Administration	365,504	21,212	2,247,200	2,633,916	(5,458)	2,628,458	(462,616)	2,165,842		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	5,130,633	838,903	2,788,133	8,757,669	(51,102)	8,706,567	(319,589)	8,386,978		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.

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total					9	10	
	D. Ownership	1	2	3	4	5	6	7	8			
30	Depreciation			69,475	69,475		69,475	344,437	413,912			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			100,973	100,973		100,973	558,478	659,451			32
33	Real Estate Taxes			205,821	205,821	(205,821)		213,133	213,133			33
34	Rent-Facility & Grounds			599,180	599,180	205,821	805,001	(805,001)				34
35	Rent-Equipment & Vehicles			29,104	29,104		29,104	50,489	79,593			35
36	Other (specify):* Mortgage Ins.							40,759	40,759			36
37	TOTAL Ownership			1,004,553	1,004,553		1,004,553	402,295	1,406,848			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		491,964	987,172	1,479,136	51,102	1,530,238	(269,329)	1,260,909			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			113,333	113,333		113,333		113,333			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers		491,964	1,100,505	1,592,469	51,102	1,643,571	(269,329)	1,374,242			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	5,130,633	1,330,867	4,893,191	11,354,691		11,354,691	(186,623)	11,168,068			45

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

Report Period Beginning: 1/1/2011

Ending: 12/31/2011

Reclassifications - Pages 3 & 4, Column 5

<u>From Line</u>	<u>To Line</u>	<u>Amount</u>	<u>Description</u>
2		(15,634.29)	Employee Meals
	22	15,634.29	Employee Meals
22		(11,370.00)	Uniforms
	10	6,753.00	Uniforms
	1	1,446.00	Uniforms
	3	644.00	Uniforms
	4	257.00	Uniforms
	6	47.00	Uniforms
	11	164.00	Uniforms
	21	2,059.00	Uniforms
10		(51,101.64)	Oxygen - to appropriate cost center
	39	51,101.64	Oxygen - to appropriate cost center
33		(205,821.00)	Rent - Real Estate Tax on associated landowner (Pg 6)
	34	205,821.00	Rent - Real Estate Tax on associated landowner (Pg 6)
19			Reclass from Professional Fees to Real Estate tax
	33		Reclass from Professional Fees to Real Estate tax
20		(64.07)	Reclass Notary Public Application fee
	21	64.07	Reclass Notary Public Application fee
24		(1,017.00)	Reclass from seminar to Auto & Travel
	25	1,017.00	Reclass to Auto & Travel from Seminar
24		(375.00)	Reclass from seminar to Special Education
	21	375.00	Reclass to Special Education from Seminar
<u>Others, if any:</u>			
19		(11,780.79)	Clinical Coordinators (Pathway Billing)
	10	11,780.79	Clinical Coordinators (Pathway Billing)
19		(472.95)	MediFax/MedCom
	21	472.95	MediFax/MedCom
Net		-	

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	(240)	2		4
5	Telephone, TV & Radio in Resident Rooms	(15,378)	6		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	15,288	30		9
10	Interest and Other Investment Income	(4,216)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(1,633)	2		13
14	Non-Care Related Interest	(47,289)	32		14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees	(4,250)	21		17
18	Fines and Penalties				18
19	Entertainment	(3,378)	20		19
20	Contributions	(21,581)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(36,823)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(80,672)	27		24
25	Fund Raising, Advertising and Promotional	(15,376)	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				29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (215,548)		\$	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)	19,499	Various	34
35	Other- Attach Schedule	9,426	Pg 5A	35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ 28,925		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (186,623)		37

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

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

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

BHF USE ONLY							
48		49		50		51	52

Alden - Valley Ridge Rehabilitation and Health Care Center, Inc.ID# 003-6640Report Period Beginning: 1/1/2011Ending: 12/31/2011

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Elim Deprec Exp on Pg 12 items under \$2,500 -	\$ (2,952)	30	1
2	Elim Deprec Exp on Pg 13 items under \$2500 -	(18,968)	30	2
3	Expense Pg 12 items under \$2,500 - curr yr purchs +	5,311	6	3
4	Expense Pg 13 items under \$2,500 - curr yr purchs +	42,977	6	4
5	Elim ABC Deprec Exp from Pg 12 series(Prior Yrs)	(93)	30	5
6	Elim ABC Deprec Exp from Pg 12 series(Current Yr)	5	30	6
7	Late Fees Utilities	(1,032)	5	7
8	Other Nursing Income	(465)	21	8
9	Misc. Income-Record Copies	(1,725)	21	9
10	Misc. Income-Jury Duty	(45)	21	10
11	Marketing Manager Salary	(7,467)	21	11
12	Back out % of employee benefits for Mktg Manger	(1,040)	22	12
13	Back out 30% (for 2010) of PAC fees	(3,428)	20	13
14	Deming Adjustment	(400)	24	14
15	Elim. Landowner Bank Charges	(261)	19	15
16	Elim Chamber of Commerce fee in GL 6825	(500)	20	16
17	Expense Pg 13 items< \$2,500	709	6	17
18	Adj YTD Deprec Exp to Detail	(1,200)	30	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		9,426	49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health Care Center,

003-6640

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

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

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
1	Dietary	0	0	6,990	(10,763)	0	0	0	0	0	0	0	(3,773)	1
2	Food Purchase	(1,873)	0	0	(19,006)	0	0	0	0	0	0	0	(20,879)	2
3	Housekeeping	0	0	10,415	0	0	0	0	0	0	0	0	10,415	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	(1,032)	0	3,771	0	0	0	0	0	0	0	0	2,739	5
6	Maintenance	33,619	0	45,207	0	0	0	246	0	0	0	0	79,072	6
7	Other (specify):*	0	0	9,973	788	0	0	0	0	0	0	0	10,761	7
8	TOTAL General Services	30,714	0	76,356	(28,981)	0	0	246	0	0	0	0	78,335	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	54,122	34	2,335	0	0	0	0	0	0	56,491	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	8,201	0	0	0	0	0	0	0	0	8,201	15
16	TOTAL Health Care and Programs	0	0	62,323	34	2,335	0	0	0	0	0	0	64,692	16
	C. General Administration													
17	Administrative	0	0	126,479	0	0	0	0	0	0	0	0	126,479	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(37,084)	20,206	(881,488)	0	0	0	0	0	0	0	0	(898,366)	19
20	Fees, Subscriptions & Promotions	(44,263)	300	(52,178)	0	0	0	0	0	0	0	0	(96,141)	20
21	Clerical & General Office Expenses	(13,952)	0	338,999	18,480	38,494	0	0	0	0	0	0	382,021	21
22	Employee Benefits & Payroll Taxes	(1,040)	0	0	0	0	0	0	0	0	0	0	(1,040)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	(400)	0	4,297	0	0	0	0	0	0	0	0	3,897	24
25	Other Admin. Staff Transportation	0	0	21,911	0	0	0	0	0	0	0	0	21,911	25
26	Insurance-Prop.Liab.Malpractice	0	9,668	196	0	0	0	0	0	0	0	0	9,864	26
27	Other (specify):*	(80,672)	0	65,853	1,972	1,606	0	0	0	0	0	0	(11,241)	27
28	TOTAL General Administration	(177,411)	30,174	(375,931)	20,452	40,100	0	0	0	0	0	0	(462,616)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(146,697)	30,174	(237,252)	(8,495)	42,435	0	246	0	0	0	0	(319,589)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health Care Center

003-6640

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

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

	Capital Expense	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)	
	D. Ownership													
30	Depreciation	(7,920)	344,170	8,187	0	0	0	0	0	0	0	0	344,437	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(51,505)	599,690	9,028	0	1,265	0	0	0	0	0	0	558,478	32
33	Real Estate Taxes	0	205,821	6,766	0	546	0	0	0	0	0	0	213,133	33
34	Rent-Facility & Grounds	0	(805,001)	0	0	0	0	0	0	0	0	0	(805,001)	34
35	Rent-Equipment & Vehicles	0	0	50,489	0	0	0	0	0	0	0	0	50,489	35
36	Other (specify):*	0	40,759	0	0	0	0	0	0	0	0	0	40,759	36
37	TOTAL Ownership	(59,425)	385,439	74,470	0	1,811	0	0	0	0	0	0	402,295	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	(27,551)	(65,052)	(176,726)	0	0	0	0	0	(269,329)	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	(27,551)	(65,052)	(176,726)	0	0	0	0	0	(269,329)	44
	GRAND TOTAL COST													
45	(sum of lines 29, 37 & 44)	(206,122)	415,613	(162,782)	(36,046)	(20,806)	(176,726)	246	0	0	0	0	(186,623)	45

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Use Page 6-Supplemental as necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
The Alden Group, Ltd.	100	See PG6-Supp		See PG6-Supp		

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	34 Rent Income	\$ 805,001	Valley Ridge Associates, L.L.C.		\$	\$ (805,001)	1
2	V	32 Interest Income	406	Valley Ridge Associates, L.L.C.			(406)	2
3	V	19 Accounting Fees/Prof. Fees		Valley Ridge Associates, L.L.C.		19,945	19,945	3
4	V	33 Legal RE-Tax Appeal Cost		Valley Ridge Associates, L.L.C.				4
5	V	19 Bank Charges		Valley Ridge Associates, L.L.C.		261	261	5
6	V	20 Dues & Subscription		Valley Ridge Associates, L.L.C.		300	300	6
7	V	32 Prepayment Penalty		Valley Ridge Associates, L.L.C.		163,522	163,522	7
8	V	33 Real Estate Taxes		Valley Ridge Associates, L.L.C.		205,821	205,821	8
9	V	26 General Insurance Expense		Valley Ridge Associates, L.L.C.		9,668	9,668	9
10	V	36 Mortgage insurance Premium		Valley Ridge Associates, L.L.C.		40,759	40,759	10
11	V	32 Interest Mortgage/Other		Valley Ridge Associates, L.L.C.		396,198	396,198	11
12	V	30 Depreciation		Valley Ridge Associates, L.L.C.		344,170	344,170	12
13	V	32 Amortization Expense		Valley Ridge Associates, L.L.C.		40,376	40,376	13
14	Total		\$ 805,407			\$ 1,221,020	\$ * 415,613	14

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	5 Utilities	\$	Alden Management Services, Inc.	0.00%	\$ 3,771	\$ 3,771 15
16	V	24 Trav & Seminar		Alden Management Services, Inc.		4,297	4,297 16
17	V	25 Other Admin Travel		Alden Management Services, Inc.		21,911	21,911 17
18	V	26 Insurance		Alden Management Services, Inc.		196	196 18
19	V	20 Dues & Subscriptions	54,882	Alden Management Services, Inc.		2,704	(52,178) 19
20	V	30 Depreciation		Alden Management Services, Inc.		8,187	8,187 20
21	V	33 Real Estate Tax		Alden Management Services, Inc.		6,766	6,766 21
22	V	35 Rent-Equip & Vehicles		Alden Management Services, Inc.		50,489	50,489 22
23	V	32 Interest		Alden Management Services, Inc.		9,028	9,028 23
24	V	1 Dietary		Alden Management Services, Inc.		6,990	6,990 24
25	V	3 Housekeeping		Alden Management Services, Inc.		10,415	10,415 25
26	V	7 Employee Benefits-Gen'l Servs		Alden Management Services, Inc.		9,973	9,973 26
27	V	10 Nurs & Med Records Salary		Alden Management Services, Inc.		54,122	54,122 27
28	V	15 Employee Benefits-Health Care		Alden Management Services, Inc.		8,201	8,201 28
29	V	17 Administrative Salary		Alden Management Services, Inc.		126,479	126,479 29
30	V	27 Employee Benefits-Admin		Alden Management Services, Inc.		65,853	65,853 30
31	V	19 Professional Fees	936,485	Alden Management Services, Inc.		54,997	(881,488) 31
32	V	21 Gen'l & Admin		Alden Management Services, Inc.		338,999	338,999 32
33	V	6 Repair & Maint	19,234	Alden Management Services, Inc.		64,441	45,207 33
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 1,010,601			\$ 847,819	\$ * (162,782) 39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	1 <u>Diet. Consultant</u>	\$ 22,800	<u>Prism Health Care Services, Inc.</u>	0.00%	\$ 380	\$ (22,420)
16	V	1 <u>Dietary Salary</u>		<u>Prism Health Care Services, Inc.</u>		11,657	11,657
17	V	2 <u>Tube Feeding</u>	29,398	<u>Prism Health Care Services, Inc.</u>		10,392	(19,006)
18	V	10 <u>Equip. Rental</u>	6,660	<u>Prism Health Care Services, Inc.</u>		6,694	34
19	V	39 <u>Ancillary Services</u>	43,771	<u>Prism Health Care Services, Inc.</u>		16,220	(27,551)
20	V	21 <u>Gen'l & Admin Salary</u>		<u>Prism Health Care Services, Inc.</u>		11,820	11,820
21	V	27 <u>Employee Benefits</u>		<u>Prism Health Care Services, Inc.</u>		1,972	1,972
22	V	7 <u>Employee Benefits</u>		<u>Prism Health Care Services, Inc.</u>		788	788
23	V	21 <u>Gen'l & Admin</u>		<u>Prism Health Care Services, Inc.</u>		6,660	6,660
24	V						
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 102,629			\$ 66,583	\$ * (36,046)

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	39 <u>Drugs</u>	\$ 244,111	<u>Forum Extended Care Services II, Inc.</u>	0.00%	\$ 338,295	\$ 94,184	15
16	V	39 <u>I.V.</u>	175,037	<u>Forum Extended Care Services II, Inc.</u>		20,577	(154,460)	16
17	V	39 <u>Wound Care</u>	22,853	<u>Forum Extended Care Services II, Inc.</u>		18,077	(4,776)	17
18	V	10 <u>House Stock</u>	26,901	<u>Forum Extended Care Services II, Inc.</u>		24,889	(2,012)	18
19	V	10 <u>Pharm Consult</u>	5,804	<u>Forum Extended Care Services II, Inc.</u>		10,151	4,347	19
20	V	27 <u>Employee Vaccin.</u>	6,753	<u>Forum Extended Care Services II, Inc.</u>		5,340	(1,413)	20
21	V	27 <u>Employee Benef: G & A</u>		<u>Forum Extended Care Services II, Inc.</u>		3,019	3,019	21
22	V	21 <u>Salary: G & A</u>		<u>Forum Extended Care Services II, Inc.</u>		24,251	24,251	22
23	V	21 <u>Gen'l & Admin.</u>		<u>Forum Extended Care Services II, Inc.</u>		14,243	14,243	23
24	V	32 <u>Interest</u>		<u>Forum Extended Care Services II, Inc.</u>		1,265	1,265	24
25	V	33 <u>Real Estate Tax</u>		<u>Forum Extended Care Services II, Inc.</u>		546	546	25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 481,459			\$ 460,653	\$ * (20,806)	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	39 Therapy	\$ 969,573	Community Physical Therapy & Associates, Ltd.	0.00%	\$ 792,847	\$ (176,726)
16	V						
17	V						
18	V						
19	V						
20	V						
21	V						
22	V						
23	V						
24	V						
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 969,573			\$ 792,847	\$ * (176,726)

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	6 Repair & Maintenance	\$ 31,587	Alden Bennett Construction Company, Inc.	0.00%	\$ 31,833	\$ 246	15	
16	V							16	
17	V							17	
18	V							18	
19	V							19	
20	V							20	
21	V							21	
22	V							22	
23	V							23	
24	V							24	
25	V							25	
26	V							26	
27	V							27	
28	V							28	
29	V							29	
30	V							30	
31	V							31	
32	V							32	
33	V							33	
34	V							34	
35	V							35	
36	V							36	
37	V							37	
38	V							38	
39	Total		\$ 31,587			\$ 31,833	\$ *	246	39

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

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Heal # 003-6640 Report Period Beginning: 1/1/2011 Ending: 12/31/2011

VII. RELATED PARTIES (continued)

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

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

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Floyd A. Schlossberg	President	CEO	100.00	176,125	1.92	4.80	Salary	\$ 8,875	17-7	1
2	Lauren Magnusson	Dir. Of Clinical Servi	Technical Nursing	0.00	65,347	1.92	4.80	Salary	3,293	10-7	2
3	Terry Magnusson	Dir. of Purchasing	Supervise Mainten	0.00	37,624	1.92	4.80	Salary	1,896	6-7	3
4											4
5											5
6											6
7	A. Floyd Schlossberg is the President and sole stockholder of Alden Management Services, Inc.										7
8	B. Lauren Magnusson is the daughter of Floyd Schlossberg. Lauren is the Director of Clinical Services and provides technical support for the entire nursing staff.										8
9	C. Terry Magnusson is the son-in-law of Floyd Schlossberg. Terry coordinates the purchase of all building maintenance items as well as supervise building engineers.										9
10											10
11											11
12											12
13								TOTAL	\$ 14,064		13

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

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

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health Care Center # 003-6640 Report Period Beginning: 1/1/2011 Ending: 2/31/2011

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 Alden Management Services, Inc.
 Street Address 4200 W. Peterson
 City / State / Zip Code Chicago, IL 60646
 Phone Number (773-724-6622
 Fax Number (773-724-6622

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	5	Utilities	Patient Days	1,315,389	34	\$ 78,619	\$ 63,100	\$ 3,771	1
2	24	Trav & Seminar	Patient Days	1,315,389	34	89,570	63,100	4,297	2
3	25	Other Admin Travel	Patient Days	1,315,389	34	456,762	63,100	21,911	3
4	26	Insurance	Patient Days	1,315,389	34	4,082	63,100	196	4
5	20	Dues & Subscriptions	Patient Days	1,315,389	34	56,361	63,100	2,704	5
6	30	Depreciation	No of Providers/usage	34	34	291,758	1	8,187	6
7	33	Real Estate Tax	Patient Days/ysage	1,315,389	34	156,401	63,100	6,766	7
8	35	Rent-Equip & Vehicle	Patient Days	1,315,389	34	1,052,493	63,100	50,489	8
9	32	Interest	Patient Days/usage	1,315,389	34	1,368,621	63,100	9,028	9
10	1	Dietary Salary	Patient Days	1,315,389	34	145,718	145,718	6,990	10
11	3	Housekeeping Salary	Patient Days	1,315,389	34	217,102	217,102	10,415	11
12	7	Employee Benefits -Gen'I Servs	Patient Days	1,315,389	34	207,899	63,100	9,973	12
13	10	Nurs & Med Records Salary	Patient Days/usage	1,315,389	34	1,184,449	1,184,449	54,122	13
14	15	Employee Benefits -Health Care	Patient Days	1,315,389	34	170,963	63,100	8,201	14
15	17	Administrative Salary	Patient Days/usage	1,315,389	34	2,886,253	2,886,253	126,479	15
16	27	Employee Benefits - Admin	Patient Days	1,315,389	34	1,372,783	63,100	65,853	16
17	19	Professional fees	Patient Days	1,315,389	34	1,146,467	654,108	54,997	17
18	21	Gen'I & Admin	Patient Days	1,315,389	34	7,066,809	5,970,419	338,999	18
19	6	Repair & Maint.	Patient Days	1,315,389	34	1,343,350	1,077,524	64,441	19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 19,296,460	\$ 12,135,573	\$ 847,819	25

Facility Name & ID Number

Alden - Valley Ridge Rehabilitation and Health

003-6640

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

1	2	3	4	5	6	7	8	9	10											
										Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
											YES	NO				Original	Balance			
A. Directly Facility Related																				
Long-Term																				
1	Cambridge Realty (GL 7055)		x	Mortgage	\$40,814.75	02/2011	\$ 9,009,300	\$ 8,922,534	03/01/2046	4.1700	\$ 80,451	1								
2	Cambridge Realty (GL 7055)		x	Mortgage	\$50,767.00	09/02	9,009,300	refinanced		5.9000	315,747	2								
3												3								
4	Early retirement of Debt		x	Mortgage							163,522	4								
5	Insurance Interest		x	Medical Malpractice							2,877	5								
Working Capital																				
6	Bank Leumi		x	Working Capital		02/2011	1,187,135	1,187,135		4.5000	50,808	6								
7	Related party-AMS		x	Working Capital							9,028	7								
8	Related party-FECH		x	Working Capital							1,265	8								
9	TOTAL Facility Related				\$91,581.75		\$ 19,205,735	\$ 10,109,669			\$ 623,698	9								
B. Non-Facility Related*																				
10	Interest Income on R.R.										(406)	10								
11	Int Income (GL#4646/4975)										(4,217)	11								
12												12								
13	Amortization-Fin/Refin Fee		x								40,376	13								
14	TOTAL Non-Facility Related						\$	\$			\$ 35,753	14								
15	TOTALS (line 9+line14)						\$ 19,205,735	\$ 10,109,669			\$ 659,451	15								

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 40,759 Line # 36

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

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

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 2010 report.		\$	196,000	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		\$	197,921	2
3. Under or (over) accrual (line 2 minus line 1).		\$	1,921	3
4. Real Estate Tax accrual used for 2011 report. (Detail and explain your calculation of this accrual on the lines below.)		\$	203,900	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.		\$	205,821	7
Real Estate Tax History:			Plus: Related Party Taxes (2) - See Pg RE_Tax	
		\$	7,312	
		\$	213,133	
Real Estate Tax Bill for Calendar Year:	2006	200,282	8	
	2007	194,384	9	
	2008	189,430	10	
	2009	190,244	11	
	2010	197,921	12	
The current year accrual is based on an estimated 3% increase of the prior year tax.				
			FOR BHF USE ONLY	
	13	FROM R. E. TAX STATEMENT FOR 2010	\$	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.

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 72,046 B. General Construction Type: Exterior Brick Frame Steel Number of Stories 3

C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.
 (Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? (a) Own the Equipment (b) Rent equipment from a Related Organization. (c) Rent equipment from Completely Unrelated Organization.
 (Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

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

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:

	1	2	3	4	
A. Land.	Use	Square Feet	Year Acquired	Cost	
1	<u>Nursing facility</u>	<u>72,046</u>	<u>1990</u>	<u>\$ 317,233</u>	<u>1</u>
2					<u>2</u>
3	TOTALS	72,046		\$ 317,233	3

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	207	1991		6,027,235	191,340	30	200,908	9,568	4,251,577	4
5										5
6										6
7										7
8										8
Improvement Type**										
9	LEASEHOLD IMPROVEMENTS	1991		1,644,299	58,820	VARIOUS	64,007	5,187	1,334,197	9
10	REPAIR A/C,CONTROL SYSTEM & PUMP/MISC.	1991		18,611		5			18,611	10
11	EXHAUST FAN/HVAC/BURNISHER/MISC.	1992		32,815		5,10 & 15			32,815	11
12	PIPE INSULATION/HVAC/MISC.	1993		31,308		5,10,15 & 17			31,308	12
13	SEWER WORK/CARPETING/ROOFING/INJECTOR PUMP	1994		28,814	261	5,10 & 25	261		26,787	13
14	REPAIR PUMPS/FAUCETS/HVAC/REGROUT SHOWERS/MSC	1995		28,634	743	10,15 & 20	743	0	28,551	14
15	ROOF REPAIR	1996		3,200		10			3,200	15
16	ROOF REPAIR	1996		2,500		10			2,500	16
17	PARKING LOT LIGHTING	1996		3,716	143	15	248	105	3,716	17
18	PARKING LOT LIGHTING,EMRGNCY SERVICE-POWER OUT	1997		8,767		5			8,767	18
19	REPAIR PUMP	1997		1,800		5			1,800	19
20	ROOF REPAIRS	1997		2,590		5			2,590	20
21	REPLACE COMPRESSOR	1997		6,885		5			6,885	21
22	REPLACE MIXING VALVE	1997		2,763		5			2,763	22
23	REPAIR PUMP	1997		2,161		5			2,161	23
24	REPLACE PUMP	1997		6,293		5			6,293	24
25	REPLACED COMPRESSOR	1997		5,000		5			5,000	25
26	ROOF REPAIRS	1997		1,800		5			1,800	26
27	DOOR HOLDER	1997		4,088		10			4,088	27
28	PARKING LOT	1997		131,918	6,596	20	6,596		91,820	28
29	INSTALL WALL PLATES/OUTLETS	1997		4,968		10			4,968	29
30	INSTALL CABLE	1998		5,244		10			5,244	30
31	PAINTING	1998		52,000	2,600	20	2,600		34,883	31
32	CARPETING	1998		59,500	2,975	20	2,975		39,615	32
33	DRAPERIES	1998		13,000	650	20	650		8,721	33
34	ROOF	1998		79,000	3,950	20	3,950		52,996	34
35										35
36										36

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

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

See Page 12A, Line 70 for total

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health Care Center, Inc.

003-6640

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	OIL/DRIER ON STAGE COMPRESSOR	1998	\$ 2,900	\$ 193	15	\$ 193	\$	\$ 2,656	37
38	REPAIR TOWER	1998	2,727	182	15	182		2,456	38
39	REPLACE PRESSURE RELIEF VALVE	1998	1,940	129	15	129		1,744	39
40	CARPETING	1998	1,667		5			1,667	40
41	CARPETING	1998	15,858		5			15,858	41
42	CARPETING	1998	5,000		5			5,000	42
43	REPAIR FUEL PUMP ON GENERATOR	1998	2,532	127	20	127		1,690	43
44	FLOOR TILE	1998	4,876		10			4,876	44
45	REPAIR SHAFT AND GEAR REDUCER ON DRYER	1998	2,058		10			2,058	45
46	REPAIR VALVE IN THERAPY ROOM	1998	1,505	100	15	100		1,319	46
47	REPLACE HEAT PUMP	1998	3,773	252	15	252		3,315	47
48	CARPETING	1998	20,000		5			20,000	48
49	CARPETING	1998	18,082		5			18,082	49
50	Alden Bennet Construction (tank replacement)	1999	12,409	827	15	827		9,857	50
51	Northtown (repair dishwasher)	1999	1,695		10			1,695	51
52	Climate Service (replace hot water heater)	1999	9,561	637	15	637		8,125	52
53	Taylor Plumbing (pump repair)	1999	1,728		5			1,728	53
54	Ashland Plumbing & Heating Co. (furnished and installed ejector pump)	1999	6,658	444	15	444		5,623	54
55	Rykoff-Sexton (booster heater)	1999	1,893		10			1,893	55
56	Climate Service (cleaned condenser and tower)	1999	2,642		10			2,642	56
57	Patten Industries(generator repair)	1999	2,870		10			2,870	57
58	Fox Valley Fire & Safety(nurse call system repair)	1999	1,510	101	15	101		1,235	58
59	Fox Valley Fire & Safety(nurse call system repair)	1999	1,632	109	15	109		1,334	59
60	Climate Service(repair tower fan)	1999	4,733		10			4,733	60
61	Climate Service(repair tower fan)	1999	2,405		10			2,405	61
62	New Horizons(replace power supply for phone system)	1999	3,767		10			3,767	62
63	Patten Industries(rebuild generator)	1999	7,884	394	20	394		4,762	63
64	Alco(nuts, bolts, lock extensions, tube cap,head screw)	1999	1,779		5			1,779	64
65	System Electric(repair dedicated circuits)	2000	2,461	164	15	164		1,955	65
66	Capps Plumbing (repair ejector pumps)	2000	4,970	331	15	331		3,946	66
67	Fox Valley (re-wire smoke detectors)	2000	14,576		10			14,576	67
68	Harold(repair dish machaine)	2000	962		5			962	68
69	Harold(repair dish machaine)	2000	1,328		5			1,328	69
70	TOTAL (lines 4 thru 69)		\$ 8,379,290	\$ 272,068		\$ 286,928	\$ 14,860	\$ 6,171,592	70

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

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 8,379,290	\$ 272,068		\$ 286,928	\$ 14,860	\$ 6,171,592	1
2	new horizons-install phone line	2000	2,742		10			2,742	2
3	CSI -Coker Service (new motor)	2001	3,865	62	10	387	325	3,865	3
4	State mandated tank removal	2001	12,242	816	15	816		8,977	4
5	Water Pump repair	2001	1,706		5			1,706	5
6	GT (new shaft)	2001	2,491		5			2,491	6
7	new horizons-install phone line	2001	1,572		5			1,572	7
8	GT (replace fan blade)	2001	3,534		5			3,534	8
9	Alco sales & service (beds)	2001	2,324	152	10	233	81	2,324	9
10	Alco sales & service (beds)	2001	233	19	10	23	4	233	10
11	GT (repalace motor)	2001	791	60	10	79	19	791	11
12	GT (replace heat exchanger)	2001	1,332		5			1,332	12
13	GT (repair leaking piping)	2001	1,381		5			1,381	13
14	GT (refund for shaft)	2002	(2,491)		5			(2,491)	14
15	ABC (misc. repair)	2002	2,126		5			2,126	15
16	GT (compressor)	2002	4,290	286	15	286		2,669	16
17	Capps (install drain)	2002	2,585		5			2,585	17
18	SMT healthcare system(body lift)	2002	10,132	676	15	676		6,476	18
19	ABC --(carpet in two elevators))	2002	1,279	128	10	128		1,258	19
20	ABC (new gate)	2002	3,362	336	10	336		3,193	20
21	ABC-New door	2003	2,102	210	10	210		1,803	21
22	ABC-Southland-New Floor	2003	857	86	10	86		773	22
23	ABC- Bathroom	2003	735	73	10	73		603	23
24	CSI-repair dishwasher	2003	2,111		5			2,111	24
25	ABC-GT Mech. Repair gas regulators	2003	2,369	237	10	237		2,113	25
26	ABC GTMech-repair water heater	2003	1,818	182	10	182		1,607	26
27	TSN Inc - DSL Cable	2004	990	99	10	99		784	27
28	Aquarium Main Serv-replace mixing valves	2004	10,501		5			10,501	28
29	ABC-new flooring	2004	2,100	210	10	210		1,627	29
30	Aqua Service-boiler mixing valve/storage tank prep	2004	1,205		5			1,205	30
31	Aqua Service-boiler mixing valve/storage tank prep	2004	2,906		5			2,906	31
32	Aqua Service-rebuilt valves,plumbing	2004	3,002		5			3,002	32
33	ABC-new flooring	2004	2,276	228	10	228		1,709	33
34	TOTAL (lines 1 thru 33)		\$ 8,467,758	\$ 275,928		\$ 291,217	\$ 15,289	\$ 6,249,100	34

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

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 8,467,758	\$ 275,928		\$ 291,217	\$ 15,289	\$ 6,249,100	1
2	ABC-hot water heater/valve repair	2004	2,215		5			2,215	2
3	Equipment Int'l-repair laundry equipment	2004	2,305		5			2,305	3
4	ABC-elevator repairs	2004	3,260	326	10	326		2,391	4
5									5
6	Capps-Furnish/Install 1 1/2 RPZ Boiler	2005	1,940	97	20	97		655	6
7	A&B Custom Cable-Install TV Cabling/Master Antenna for 1st fl	2005	6,020	602	10	602		4,013	7
8	DBS Contracting, Inc-Bore Underground for TV	2005	5,750	575	10	575		3,642	8
9									9
10	Cybor Fire Protection-Sprinkler System Pipe Work	2005	4,500		5			4,500	10
11	A&B Custom Cable-Install 70 rms antennas	2005	8,120	812	10	812		5,007	11
12	ABC-Patten Repair Generator	2006	5,210	521	10	521		3,083	12
13	ABC-Firestopping & Tree Removal due to storm	2006	10,713	714	15	714	(0)	4,106	13
14	ABC-Replaced Concrete Sidewalk	2006	3,809	254	15	254	0	1,439	14
15	ABC-Window Replacement	2006	31,829	3,183	10	3,183		17,031	15
16	TopNotch Cooler Door	2006	4,300	430	10	430		2,293	16
17	Ceiling, Tiling, Motors, Cabinets, Plumbing	2006	8,034	803	10	803		3,615	17
18	ABC-Bathroom Repairs	2006	10,807	1,494	5	1,494		12,807	18
19	Install TV Cabeling/Master Antenna	2007	(3,020)	(302)	10	(302)		(1,409)	19
20	Chiller Repair	2007	7,225	723	10	723		3,313	20
21	Installed Compressor	2007	9,517	952	10	952		4,205	21
22	Freezer Door Repair	2007	4,533	453	10	453		2,001	22
23									23
24									24
25	Regraded Detention Pond	2007	6,302	630	10	630		2,730	25
26	Replaced water pump motors	2007	4,095	410	10	410		1,742	26
27	New TV Lines	2007	5,750	575	10	575		2,588	27
28									28
29									29
30	Replace Sprinkler System	2007	4,500	450	10	450		2,025	30
31									31
32									32
33					10				33
34	TOTAL (lines 1 thru 33)		\$ 8,615,471	\$ 289,630		\$ 304,919	\$ 15,289	\$ 6,335,397	34

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

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health Care Center, Inc.

003-6640

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 8,615,471	\$ 289,630		\$ 304,919	\$ 15,289	\$ 6,335,397	1
2	Forum Prof Ctr: Remodeling	1979	13,418		20			13,418	2
3	Forum Prof Ctr: Build Improv - multiple	1980	26,131		15			26,131	3
4	Forum Prof Ctr: Tennant Improv	1986	824		13			824	4
5	Forum Prof Ctr: AMS remodel	1990	5,604		10			5,604	5
6	Forum Prof Ctr: Roof	1994	2,956		16			2,956	6
7	Forum Prof Ctr: Build Improv-multiple	1995	1,042	65	16	65		1,039	7
8	Forum Prof Ctr: Asphalt/Design/etc.	2000	1,646	13	10	13		1,605	8
9	Forum Prof Ctr: Remodel/electrical	2001	641	24	7	24		595	9
10	Forum Prof Ctr: bathroom remodel	2002	567	53	5	53		527	10
11	Forum Prof Ctr: remodel suites/etc.	2003	729	74	9	74		657	11
12	Forum Prof Ctr: lunchroom/suites remodel/concrete/plaster/etc	2004	2,245	104	7	104		1,954	12
13	Forum Prof Ctr: Suite renovation	2005	453	27	10	27		537	13
14	Forum Prof Ctr: Superior installations, etc.	2006	108	3	4	3		108	14
15	Forum Prof Ctr: Sidewalks/major hvac/Condensor	2007	435	68	7	68		294	15
16	Forum Prof Ctr: Park. Lot/glass/maj hvac	2008	374	54	7	54		208	16
17	Forum Prof Ctr: Maj Hvac/re-stucco bldg	2009	761	73	7	73		162	17
18	Forum Prof Ctr: Building Renovations	2010	1,296	263	7	263		340	18
19	Forum Prof Ctr: Building Renovations	2011	5,684	137	7	137		137	19
20	Alden Mgt Servs: Remodel suites	1993	6,963		7			6,963	20
21	Alden Mgt Servs: Remodel suites	2002	290		7			290	21
22	Alden Mgt Servs: Remodel suites	2003	6,295					6,295	22
23									23
24									24
25									25
26									26
27									27
28	Adjust for ABC Related Party Profit	2008	(632)	(42)		(42)		(42)	28
29	Adjust for ABC Related Party Profit	2009	(1,021)	(44)		(44)		(44)	29
30	Adjust for ABC Related Party Profit	2010	(194)	(7)		(7)		(7)	30
31	Adjust for ABC Related Party Profit	2011	118	5		5		5	31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 8,692,205	\$ 290,500		\$ 305,788	\$ 15,289	\$ 6,405,953	34

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

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12D, Carried Forward		\$ 8,692,205	\$ 290,500		\$ 305,788	\$ 15,289	\$ 6,405,953	1
2	Parking Lot Paving	2007	12,323	1,232	10	1,232		5,236	2
3	ABC-Windows	2008	3,387	339	10	339		1,016	3
4	ABC-Cooling tower/compressor	2008	73,033	4,869	15	4,869		16,636	4
5	ABC-Ceiling tile/electrical/door	2008	5,518	552	10	552		1,794	5
6	ABC-Water main	2008	18,186	727	25	727		2,302	6
7	ABC-Carpeting	2008	7,252	1,450	5	1,450		4,471	7
8	ABC-Thermal pane windows	2008	3,280	328	10	328		1,011	8
9	ABC-Landscap/masonry/irrig/lighting	2009	32,194	2,146	15	2,146		4,292	9
10	ADG-Replace solar screen window shades	2009	2,583	517	5	517		1,421	10
11	G.T.Mech-Repair/clean water cooled condenser	2009	3,521	704	5	704		1,877	11
12	G.T.Mech-Replaced busted ball valves on cooling tower	2009	3,218	644	5	644		1,717	12
13	Top Notch-Relaced Freezer Compressor	2009	5,581	1,116	5	1,116		2,976	13
14	Equ. International-Reducer Gearkit Spider Panel Front	2009	3,043	304	10	304		728	14
15	ABC-Plumbing replaced Broken & damaged	2009	4,902	980	5	980		2,205	15
16	ABC-Windows Replaced Broken	2009	7,852	785	10	785		1,701	16
17	ABC-Hvac motors with new motors	2009	4,773	955	5	955	(0)	955	17
18	ABC-Repaved bad parking lot with new paving	2009	24,646	2,465	10	2,465		6,162	18
19	ABC-Fence Installation-New Fence along Lot	2010	3,820	255	15	255		446	19
20	Ken's Custom-Re-upholstery of chairs-Admission Conf.Rm	2010	2,645	529	5	529		970	20
21	ABC-Replace Windows and Screens	2010	12,058	1,206	10	1,206		1,608	21
22	ADG-Reupholstery for Furnitures	2010	5,863	1,173	5	1,173		1,466	22
23	ADG-Fabric for furnitures	2010	6,377	1,275	5	1,275		1,488	23
24	Repaved Parking Lot	2010	8,137	543	15	543		2,216	24
25	Boiler domestic hot water-ABC	2011	11,329	425	20	425		425	25
26	Plumbing major replacement/pipes-Capps Plum.	2011	4,875	569	5	569		569	26
27	Elevator linestarter & wired motor - Long Elevator	2011	5,360	536	5	536		536	27
28	Asphalt removal & replacement-Rose Paving	2011	9,292	290	8	290		290	28
29	Dishwasher prewash motor assembly-TopNotch	2011	2,613	87	5	87		87	29
30	Evaporator Coi for walk in freezer - Top Notch	2011	3,738	125	5	125		125	30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 8,983,601	\$ 317,625		\$ 332,913	\$ 15,288	\$ 6,472,677	34

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

XI. OWNERSHIP COSTS (continued)

C. Equipment Costs-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	\$ 539,473	\$ 60,242	\$ 60,242	\$		\$ 273,015	71
72	Current Year Purchases	349,226	20,289	20,289			19,857	72
73	Fully Depreciated Assets	891,769	468	468			891,769	73
74								74
75	TOTALS	\$ 1,780,468	\$ 80,999	\$ 80,999	\$		\$ 1,184,641	75

D. Vehicle Costs. (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	Buses	Midwest Transit	1/1/2001	\$ 49,825	\$	\$	\$		\$ 49,825	76
77										77
78										78
79	Related Party-AMS	Various	98-'02	4,026				3	4,026	79
80	TOTALS			\$ 53,851	\$	\$	\$		\$ 53,851	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)	\$ 11,135,153	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 398,624	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 413,912	83
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 15,288	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 7,711,169	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	New carpet/Wallcovering	\$ 18,967	92
93	Fire & Spinker upgrade	3,572	93
94			94
95		\$ 22,539	95

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

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

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: related party cost is backed out

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

If NO, see instructions. YES NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6								6
7	TOTAL				\$			7

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

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

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

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

15. Is Movable equipment rental included in building rental?

YES NO

16. Rental Amount for movable equipment: \$ 24,958 Description: Copy Machine Lease & Various office equipment.

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	<u>related party- Pg 6A</u>	<u>various</u>	\$ <u>#####</u>	\$ <u>34,295</u>	17
18					18
19	<u>Auto lease GL 6890</u>	<u>various</u>	\$ <u>#####</u>	\$ <u>17,917</u>	19
20					20
21	TOTAL		\$ <u>#####</u>	\$ <u>52,212</u>	21

10. Effective dates of current rental agreement:

Beginning 01/11

Ending 12/21

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

Fiscal Year Ending Annual Rent

12. /2012 \$ Varies

13. /2013 \$ Varies

14. /2014 \$ Varies

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

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

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

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

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

B. EXPENSES

ALLOCATION OF COSTS (d)

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

C. CONTRACTUAL INCOME

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

\$

D. NUMBER OF CNAs TRAINED

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

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

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

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39-3	hrs	\$		\$ 333,631	\$		\$ 333,631	1
2	Licensed Speech and Language Development Therapist	39-3	hrs			96,266			96,266	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39-3	hrs			539,676			539,676	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	See Pg 16A	# of prescripts				338,295		338,295	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):	39-1,39-3, if any								12
13	Other (specify): See Pg 16A					(176,726)	129,767		(46,959)	13
14	TOTAL			\$		\$ 792,847	\$ 468,062		\$ 1,260,909	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.

XIV. Special Services (Direct Cost)

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

Line	Service	Col. 1: Ref. No.	To Pg 16: Col. No.		
1.	OT	39-3	To Col 5	\$333,631.00	
2.	ST	39-3	To Col 5	96,266.09	
3.					
4.	PT	39-3	To Col 5	539,675.54	
5.					
6.					
7.					
8.	Pharmacy Supplies per GL			244,110.75	
	Manual Input from Related Party- Forum Drugs			94,184.00	From Page 6C
9.	Total to line 9 Pharmacy	See Pg 16A	To Col 6	338,294.75	
10.					
11.					
12.	Exceptional Care-Salaries:	See pg 16A	To Col. 3	0.00	
12.	Exceptional Care-Supplies:	See pg 16A	To Col. 6	0.00	
	Total Exceptional Care (Line 12, Col 8)			0.00	
13.	Other:	See Pg 16A			
13.	Col 5: Manual Input: Related Party - CPT		To Col 5	(176,726.00)	From Page 6D
	Other			265,452.78	
	Manual Input: Related Party - Prism			(27,551.00)	From Page 6B
	Manual Input: Related Party FECII - I.V.			(154,461.00)	From Page 6C
	Manual Input: Related Party FECII - Wound Care			(4,776.00)	From Page 6C
	Oxygen, from reclass worksheet (Pg 4A)			51,101.64	
13.	Col 6: Supplies Total		To Col 6	129,766.42	
13.	Total Line 13, Column 8			(46,959.58)	
14.	Total			1,260,907.80	

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health Care Center, # 003-6640Report Period Beginning: 1/1/2011Ending: 12/31/2011

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2011

(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	\$	\$ 54,817	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>65,000</u>)	1,824,245	1,824,245	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance		9,351	6
7	Other Prepaid Expenses	6,561	6,561	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>Due from 3rd parties</u>	63,612	199,876	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,894,418	\$ 2,094,851	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		290,687	13
14	Buildings, at Historical Cost		7,880,053	14
15	Leasehold Improvements, at Historical Cost	771,778	1,119,623	15
16	Equipment, at Historical Cost	750,516	2,085,464	16
17	Accumulated Depreciation (book methods)	(1,126,838)	(7,305,592)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds		330,320	21
22	Other Long-Term Assets (spe <u>CIP-Bldg./Ref.Fee</u>)	3,572	118,524	22
23	Other(specify): <u>Due from affiliates</u>	4,577,837	4,986,117	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 4,976,865	\$ 9,505,197	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 6,871,283	\$ 11,600,047	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 581,676	\$ 593,071	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	77,468	77,468	28
29	Short-Term Notes Payable		119,983	29
30	Accrued Salaries Payable	463,894	463,894	30
31	Accrued Taxes Payable (excluding real estate taxes)	73,107	73,107	31
32	Accrued Real Estate Taxes(Sch.IX-B)		203,900	32
33	Accrued Interest Payable	270,695	301,701	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>Accr Exp, Due to IDPA, Sales Tax, Etc.</u>	46,308	46,308	36
37	<u>Due to affiliates</u>	1,338,679	1,338,679	37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 2,851,827	\$ 3,218,111	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable	1,187,135	1,187,135	39
40	Mortgage Payable		8,802,551	40
41	Bonds Payable			41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43	<u>Due to affiliates</u>			43
44	<u>S/holder loans, others</u>	437,600	437,600	44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 1,624,735	\$ 10,427,286	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 4,476,562	\$ 13,645,397	46
47	TOTAL EQUITY(page 18, line 24)	\$ 2,394,721	\$ (2,045,350)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 6,871,283	\$ 11,600,047	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

	1 Total	
1 Balance at Beginning of Year, as Previously Reported	\$ 1,460,774	1
2 Restatements (describe):		2
3 external audit adjustments made after 2006 cost report		3
4 was submitted. These have no effect on prior years report		4
5 Bad debt, Medicare revenues (non allowables)		5
6 Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 1,460,774	6
A. Additions (deductions):		
7 NET Income (Loss) (from page 19, line 43)	933,947	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)	\$ 933,947	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)	\$ 2,394,721	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health Care # 003-6640 Report Period Beginning: 1/1/2011

Ending: 12/31/2011

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	\$ 11,918,436	1
2	Discounts and Allowances for all Levels	()	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 11,918,436	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	302,100	6
7	Oxygen	49,029	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 351,130	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	785	13
14	Non-Patient Meals	240	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	737	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 1,762	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	4,217	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 4,217	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>See Page 19A</u>	13,093	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 13,093	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 12,288,638	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,884,947	31
32	Health Care	4,238,806	32
33	General Administration	2,633,916	33
B. Capital Expense			
34	Ownership	1,004,553	34
C. Ancillary Expense			
35	Special Cost Centers	1,479,136	35
36	Provider Participation Fee	113,333	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 11,354,691	40
41	Income before Income Taxes (line 30 minus line 40)**	933,947	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 933,947	43

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

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

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

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

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health Care Center, Inc. # 001-7319 Report Period Beginning: 1/1/2011 Ending: 12/31/2011

Details of Page 19, Line 28

<u>Description</u>	<u>Amount</u>
Misc. Income GL#4977 (discrbe) (is offset against Sch.# V)	
Record Copies-Backed out with Ln ref 21-Pg 5A	\$ 1,725
Jury Duty-Backed out with Ln ref 22-Pg 5A	\$ 45
Write Off Old A/P (GL#4983)- (related to prior yr, not offset on Sch.# V)	
Recovery of Bad Debts (private only, is not offset on Sch.# V)	
Gain on Sale of Assets (related to prior yr, not offset on Sch.# V)	\$ 11,323
Total of Line 28	
Line 28 Total:	<u><u>13,093</u></u>

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health Care Center # 003-6640

Report Period Beginning: 1/1/2011

Ending:

12/31/2011

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	2,080	2,080	\$ 93,546	\$ 44.97	1
2	Assistant Director of Nursing	1,976	1,976	73,292	37.09	2
3	Registered Nurses	29,042	31,508	1,000,787	31.76	3
4	Licensed Practical Nurses	31,115	33,452	938,924	28.07	4
5	CNAs & Orderlies	88,653	94,279	1,144,005	12.13	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	4,115	4,708	89,972	19.11	8
9	Activity Director	2,080	2,080	41,922	20.15	9
10	Activity Assistants	7,254	7,898	82,073	10.39	10
11	Social Service Workers	2,008	2,045	49,409	24.16	11
12	Dietician					12
13	Food Service Supervisor	2,080	2,080	80,909	38.90	13
14	Head Cook	6,216	6,216	90,395	14.54	14
15	Cook Helpers/Assistants	29,009	31,208	309,668	9.92	15
16	Dishwashers					16
17	Maintenance Workers	3,264	3,420	76,582	22.39	17
18	Housekeepers	19,814	21,988	258,256	11.75	18
19	Laundry	5,528	6,064	59,144	9.75	19
20	Administrator	2,064	2,252	134,705	59.82	20
21	Assistant Administrator	1,240	1,240	38,726	31.23	21
22	Other Administrative	8,491	8,491	213,382	25.13	22
23	Office Manager	2,080	2,080	54,262	26.09	23
24	Clerical	2,905	2,913	27,557	9.46	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	4,080	4,080	129,523	31.75	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care Unit Manager	2,081	2,081	33,577	16.14	32
33	Other(specify) Alzimer Sup&Aid	6,125	6,663	110,017	16.51	33
34	TOTAL (lines 1 - 33)	263,300	280,802	\$ 5,130,633 *	\$ 18.27	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	1900/Monthly	\$ 22,800	1-3	35
36	Medical Director	814/monthly	9,765	10-3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	414/Monthly	4,968	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	159/Monthly	1,904	11-3	44
45	Social Service Consultant	47/Monthly	560	11-3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)		\$ 39,997		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				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)		\$		53

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
Don Dalicandro	Administrator	0	\$ 129,923	Workers' Compensation Insurance	\$ 118,445	IDPH License Fee	\$	
Trevor Husinga	Administrator	0	4,782	Unemployment Compensation Insurance	30,090	Advertising: Employee Recruitment	0	
Trevor Husinga	Asst.Admin.	0	38,726	FICA Taxes	376,665	Health Care Worker Background Check		
Trevor Husinga	Admin. In Training	0	10,577	Employee Health Insurance	146,854	(Indicate # of checks performed 55)	1,390	
		0		Employee Meals	15,634	Patient Background Checks	1,798	
		0		Illinois Municipal Retirement Fund (IMRF)*		Related party-AMS	2,704	
		0		Dental/Life Insurance	4,484	IHCA dues, less pac fees	7,998	
		0		Employee Relations/Misc Payroll Costs	15,138	COSTCO	100	
TOTAL (agree to Schedule V, line 17, col. 1)			\$ 184,008	Tuition Reimbursement/401K Match	2,488	Surety bond fees-Marsh USA Inc.	738	
(List each licensed administrator separately.)				Employee Drug Tests/Vaccinations	9,201	Valley Ridge Asso.- Dues & Subscrip.	300	
B. Administrative - Other				Mkt Manager Benefit back out	(1,040)	Less: Public Relations Expense	()	
Description			Amount			Non-allowable advertising	()	
			\$			Yellow page advertising	()	
						TOTAL (agree to Sch. V, line 20, col. 8)	\$ 15,028	
				TOTAL (agree to Schedule V, line 22, col.8)	\$ 717,958			
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	Line #	Amount	Description	Amount
C. Professional Services							Out-of-State Travel	\$
Vendor/Payee	Type		Amount					
Alden Management Services	Consulting Fees		\$ 900,485				In-State Travel	
Ken Fisch/Cohen, Salk & Huvard	Legal Fees:Non-Collections		3,089				Leadership Training	1,600
AMS (Eliminated)	Allocated Legal Fees		36,000				Related party-AMS	4,297
Medi.Com	Billing Consultants		473				Seminar Expense	
Pathways-reclassified to Nurs.	Clinical Consultants		11,781				IL Health Care Assoc./IL Council on Long	1,130
Baker Tilly/BDO Siedman	Accounting Fees		11,628				Crisis Prevention Institute	1,729
First Advantage Corporation	Tax Credit Services		864				Entertainment Expense	()
Linda Robert Ass.	Nutrition service Consl.		766				(agree to Sch. V, line 24, col. 8)	
Ava Daley/KPMG	Accounting Fees		233				TOTAL	\$ 8,756
Ken Fisch	Legal Fees:Collections		36,823					
				TOTAL		\$		
TOTAL (agree to Schedule V, line 19, column 3)			\$ 1,002,141					
(If total legal fees exceed \$5,000, attach copy of invoices.)								

* Attach copy of IMRF notifications

**See instructions.

Alden Valley Ridge	
Legal Fee Support	
2011	
Legal Fees Reported on Pg 21, Section C:	\$ 77,542.00
Less: Collection, estates, & other non-allowable legal fees listed on Pg 5, Line 22	(36,823.00)
Less: Non-allowable legal fees, if any, deducted on Pg 5A (AMS Allocated Legal Fees)	(36,000.00)
Allowable Legal Fees	\$ 4,719.00

Total Allow. Legal Fees should be the sum of the invoices you are providing.

Facility Name & ID Number Alden - Valley Ridge Rehabilitation and Health Care Center, Inc.

003-6640

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? Yes
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. Il. Health Care Assn. \$ 7998.00
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? _____
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 10 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 58,000 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. N/A
- (9) Are you presently operating under a sublease agreement? _____ YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES _____ NO x If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 113,333
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 15,634 Has any meal income been offset against related costs? _____ Indicate the amount. \$ _____
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ _____
c. What percent of all travel expense relates to transportation of nurses and patients? 0
d. Have vehicle usage logs been maintained? No
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? No
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes
g. Does the facility transport residents to and from day training? _____
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? No
Firm Name: _____
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$5,000, have legal invoices and a summary of services performed been attached to this cost report? N/A
Attach invoices and a summary of services for all architect and appraisal fees.