

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

MAR 13 2012

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name: Good Samaritan - Pontiac
Street Address: 840 Ewing Drive
City and Zip Code: Pontiac IL 61764
County: Livingston Health Service Area 4 Health Planning Area: Livingston

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: Good Samaritan - Pontiac
Address: 14335 US Highway 66, Pontiac IL 61764
Name of Registered Agent: John J. Durso*
Name of Chief Executive Officer: Glenda Tannahill
CEO Address: 14335 US Highway 66, Pontiac IL 61764
Telephone Number: 815.844.5121

* The registered agent for Good Samaritan - Pontiac will be changed to Glenda Tannahill in the near future.

Type of Ownership of Applicant/Co-Applicant

<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other

o Corporations and limited liability companies must provide an Illinois certificate of good standing.

o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact

[Person to receive all correspondence or inquiries during the review period]

Name: Edward Clancy
Title: Attorney
Company Name: Ungaretti & Harris, LLP
Address: 70 West Madison Street, Suite 3500, Chicago IL 60602
Telephone Number: 312.977.4487
E-mail Address: eclancy@uhl.com
Fax Number: 312.977.4405

Additional Contact

[Person who is also authorized to discuss the application for permit]

Name: Shawn Moon
Title: Attorney
Company Name: Ungaretti & Harris, LLP
Address: 70 West Madison Street, Suite 3500, Chicago IL 60602
Telephone Number: 312.977.4342
E-mail Address: skmoon@uhl.com
Fax Number: 312.977.4405

Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: The Good Samaritan Group
Address: 205 N. Adams, Flanagan, Illinois 61740
Name of Registered Agent: James E. Harms*
Name of Chief Executive Officer: Glenda Tannahill
CEO Address: 205 N. Adams, Flanagan, Illinois 61740
Telephone Number: 815.844.5121

* The registered agent for The Good Samaritan Group will be to changed to Richard Hiatt in the near future.

Type of Ownership of Applicant/Co-Applicant

<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
- o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance-THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960

Name: Glenda Tannahill
Title: Chief Executive Officer
Company Name: Good Samaritan - Pontiac
Address: 14335 US Highway 66, Pontiac IL 61764
Telephone Number: 815.844.5121
E-mail Address: dr.tannahill@yahoo.com
Fax Number: 815.844.5690

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: OSF Healthcare System*
Address of Site Owner: 800 NE Glen Oak Ave Peoria, IL 61603
Street Address or Legal Description of Site: Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

*Good Samaritan - Group and OSF Healthcare System have entered into a Real Estate Contract for Purchase and Sale of Vacant Land, Included in Attachment 2 of this Application

Operating Identity/Licensee

[Provide this information for each applicable facility, and insert after this page.]

Exact Legal Name: Good Samaritan - Pontiac
Address: 14335 US Highway 66, Pontiac IL 61764
<input checked="" type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

Provide (for each co-applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT-4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. This map must be in a readable format. In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 (<http://www.hfsrb.illinois.gov>).

APPEND DOCUMENTATION AS **ATTACHMENT-5**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS **ATTACHMENT-6**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT**1. Project Classification**

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

<p>Part 1110 Classification:</p> <p><input checked="" type="checkbox"/> Substantive</p> <p><input type="checkbox"/> Non-substantive</p>	<p>Part 1120 Applicability or Classification: (Check one only.)</p> <p><input type="checkbox"/> Part 1120 Not Applicable</p> <p><input type="checkbox"/> Category A Project</p> <p><input checked="" type="checkbox"/> Category B Project</p> <p><input type="checkbox"/> DHS or DVA Project</p>
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2. Narrative Description

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does **NOT** have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Good Samaritan - Pontiac ("Applicant") proposes to discontinue a 122 bed skilled nursing facility at 14335 Highway 66, Pontiac, IL (the "Existing Facility"). Applicant will replace the Existing Facility with a 122 bed skilled nursing facility located at 840 Ewing Drive, Pontiac, IL in Livingston County (the "Replacement Facility"), both within Health Service Area 4. The project is "substantive" under the Illinois Health Facilities and Services Review Board (the "Board") Rule 1110.40(b) as it entails the establishment of a health care facility that will provide general long term care.

The discontinuation of the Existing Facility is contingent upon Board approval of the planned establishment of the Replacement Facility and this discontinuation of the Existing Facility will be effective upon transfer of the Existing Facility's residents to the Replacement Facility. The Existing Facility suffers from severe physical plant issues due to age and design, including water and plumbing issues, insufficient room size, and ventilation and insulation problems. The Replacement Facility will house 122 beds in a building approximately 48,796 square feet in size. The Replacement Facility will house three clinical areas, which include Long-Term Care, Short Term Rehab, and Long-Term Care Memory Support. Furthermore, the Replacement Facility will also house Clinical Support, Community Support, and Administrative areas.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation	\$56,493	\$28,176	\$84,669
Off Site Work			
New Construction Contracts	\$4,895,777	\$2,441,723	\$7,337,500
Modernization Contracts			
Contingencies	\$467,059	\$232,941	\$700,000
Architectural/Engineering Fees	\$397,000	\$198,000	\$595,000
Consulting and Other Fees	\$403,672	\$201,328	\$605,000
Movable or Other Equipment (not in construction contracts)	\$467,059	\$232,941	\$700,000
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)	\$180,584	\$90,064	\$270,648
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized	\$46,706	\$23,294	\$70,000
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$6,914,349	\$3,448,468	\$10,362,817
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$1,668,067	\$831,933	\$2,500,000
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages	\$5,246,282	\$2,616,535	\$7,862,817
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$6,914,349	\$3,448,468	\$10,362,817
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Purchase Price:	\$ <u>480,000</u>	
Fair Market Value:	\$ _____	

The project involves the establishment of a new facility or a new category of service
 Yes No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ \$3,594,538.

Project Status and Completion Schedules

Indicate the stage of the project's architectural drawings:

None or not applicable Preliminary

Schematics Final Working

Anticipated project completion date (refer to Part 1130.140): August 13, 2013

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

Purchase orders, leases or contracts pertaining to the project have been executed.

Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies

Project obligation will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals

Are the following submittals up to date as applicable:

N/A Cancer Registry

N/A APORS

All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted

N/A All reports regarding outstanding permits

Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the department/area **DGSF** or the building/area **BGSF** and cost. The type of gross square footage, either **DGSF** or **BGSF**, must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert following this page. Provide the existing bed capacity and utilization data for the latest Calendar Year for which the data are available. Include observation days in the patient day totals for each bed service. Any bed capacity discrepancy from the Inventory will result in the application being deemed incomplete.

FACILITY NAME: Good Samaritan - Pontiac		CITY: Pontiac, IL			
REPORTING PERIOD DATES:		From: January 2010		to: December 2010	
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long Term Care	122	55	14,275	0	122
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify)					
TOTALS:	122	55	14,275	0	122

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Good Samaritan - Pontiac * in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

Richard H. Harris
SIGNATURE
Richard H. Harris
PRINTED NAME
President
PRINTED TITLE

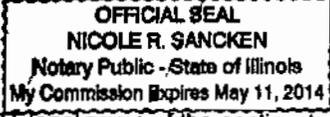
Allen Joeppe
SIGNATURE
ALLEN JOEPPER
PRINTED NAME
SECRETARY
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 9th day of August 2011

Notarization:
Subscribed and sworn to before me
this 10th day of August 2011

Nicole R. Sancken
Signature of Notary

Nicole R. Sancken
Signature of Notary

Seal 

Seal 

*Insert EXACT legal name of the applicant

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

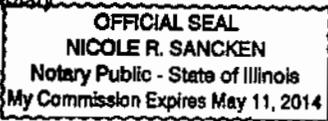
This Application for Permit is filed on the behalf of The Good Samaritan Group * in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

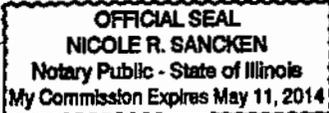
Pauline G. Murray
 SIGNATURE
Pauline G. Murray
 PRINTED NAME
Vice President
 PRINTED TITLE

Richard H. Hiatt
 SIGNATURE
Richard H. Hiatt
 PRINTED NAME
Vice-President
 PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this 16th day of August 2011

Notarization:
 Subscribed and sworn to before me
 this 9th day of August 2011

Nicole R. Sancken
 Signature of Notary
 Seal


Nicole R. Sancken
 Signature of Notary
 Seal


*Insert EXACT legal name of the applicant

SECTION II. DISCONTINUATION

This Section is applicable to any project that involves discontinuation of a health care facility or a category of service. **NOTE:** If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

Criterion 1110.130 - Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that is to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 60 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

IMPACT ON ACCESS

1. Document that the discontinuation of each service or of the entire facility will not have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.
3. Provide copies of impact statements received from other resources or health care facilities located within 45 minutes travel time, that indicate the extent to which the applicant's workload will be absorbed without conditions, limitations or discrimination.

APPEND DOCUMENTATION AS ATTACHMENT-10, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.

For projects involving modernization, describe the conditions being upgraded if any. For facility projects, include statements of age and condition and regulatory citations if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Agency Report.

APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

- 1) Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
- 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT-13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;
 - c. The project involves the conversion of existing space that results in excess square footage.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT-14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1					
YEAR 2					

APPEND DOCUMENTATION AS ATTACHMENT-15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

I. Criterion 1110.1730 - General Long Term Care

1. Applicants proposing to establish, expand and/or modernize General Long Term Care must submit the following information:

Indicate bed capacity changes by Service:
action(s):

indicate # of beds changed by

Category of Service	# Existing Beds	# Proposed Beds
<input checked="" type="checkbox"/> General Long Term Care	122	122

2. READ the applicable review criteria outlined below and submit the required documentation for the criteria:

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize	Continuum of Care- Establish or Expand	Defined Population Establish or Expand
1110.1730(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X				
1110.1730(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X			
1110.1730(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X				
1110.1730(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X			
1110.1730(b)(5) - Planning Area Need - Service Accessibility	X				
1110.1730(c)(1) - Description of Continuum of Care				X	
1110.1730(c)(2) - Components				X	
1110.1730(c)(3) - Documentation				X	
1110.1730(d)(1) - Description of Defined Population to be Served					X
1110.1730(d)(2) - Documentation of Need					X
1110.1730(d)(3) - Documentation Related to Cited Problems			X		
1110.1730(e)(1) - Unnecessary Duplication of Services	X				
1110.1730(e)(2) - Maldistribution	X				
1110.1730(e)(3) - Impact of Project on Other Area Providers	X				
1110.1730(f)(1) - Deteriorated Facilities			X		
1110.1730(f)(2) & (3) - Documentation			X		

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize	Continuum of Care- Establish or Expand	Defined Population Establish or Expand
1110.1730(f)(4) - Utilization			X		
1110.1730(g) - Staffing Availability	X	X		X	X
1110.1730(h) - Facility Size	X	X	X	X	X
1110.1730(i) - Community Related Functions	X		X	X	X
1110.1730(j) - Zoning	X		X	X	X
1110.1730(k) - Assurances	X	X	X	X	X

APPEND DOCUMENTATION AS ATTACHMENT-28, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

VIII. - 1120.120 - Availability of Funds

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: Indicate the dollar amount to be provided from the following sources:

\$2,500,000		a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
		1)	the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and
		2)	interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____		b)	Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____		c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
\$7,862,817		d)	Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:
		1)	For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;
		2)	For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;
		3)	For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;
		4)	For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;
		5)	For any option to lease, a copy of the option, including all terms and conditions.
_____		e)	Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____		f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____		g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
\$10,362,817		TOTAL FUNDS AVAILABLE	

APPEND DOCUMENTATION AS ATTACHMENT-39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

IX. 1120.130 - Financial Viability

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. All of the projects capital expenditures are completely funded through internal sources
2. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
3. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT-40, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion. When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (Projected)
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each

2. Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 41, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

X. 1120.140 - Economic Feasibility

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

- 1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT 42, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 43.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)	Year	Year	Year
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT-43, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

Charity Care information **MUST** be furnished for **ALL** projects.

- All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
- If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
- If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer. (20 ILCS 3960/3) Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 44.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

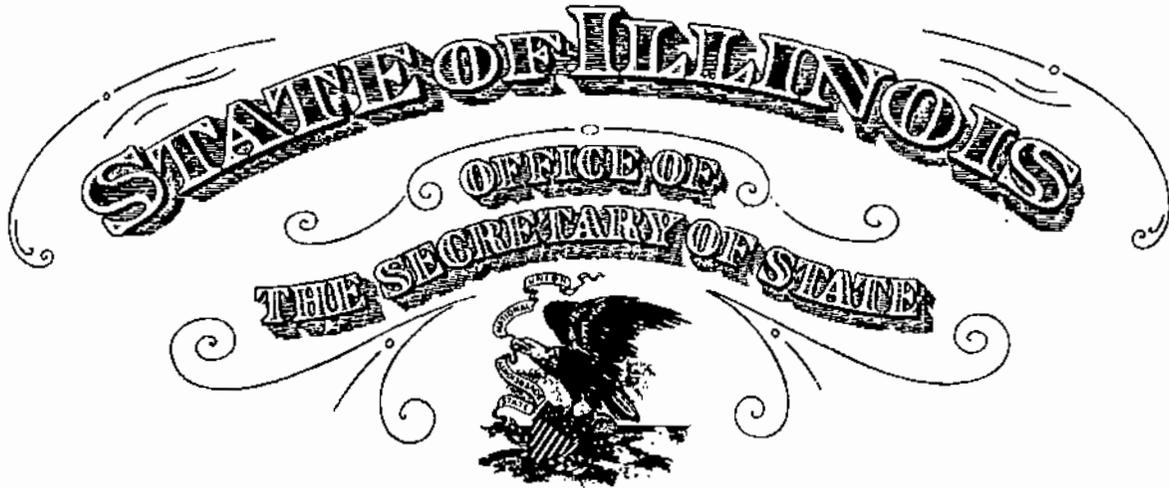
APPEND DOCUMENTATION AS ATTACHMENT-44, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

After paginating the entire, completed application, indicate in the chart below, the page numbers for the attachments included as part of the project's application for permit:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Coapplicant Identification including Certificate of Good Standing	24-26
2	Site Ownership	27-77
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	78-79
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	80
5	Flood Plain Requirements	81-87
6	Historic Preservation Act Requirements	88-89
7	Project and Sources of Funds Itemization	90-91
8	Obligation Document if required	92
9	Cost Space Requirements	93-104
10	Discontinuation	105-107
11	Background of the Applicant	108-109
12	Purpose of the Project	110-112
13	Alternatives to the Project	113-115
14	Size of the Project	116
15	Project Service Utilization	117
16	Unfinished or Shell Space	N/A
17	Assurances for Unfinished/Shell Space	N/A
18	Master Design Project	N/A
19	Mergers, Consolidations and Acquisitions	N/A
	Service Specific:	
20	Medical Surgical Pediatrics, Obstetrics, ICU	N/A
21	Comprehensive Physical Rehabilitation	N/A
22	Acute Mental Illness	N/A
23	Neonatal Intensive Care	N/A
24	Open Heart Surgery	N/A
25	Cardiac Catheterization	N/A
26	In-Center Hemodialysis	N/A
27	Non-Hospital Based Ambulatory Surgery	N/A
28	General Long Term Care	118-140
29	Specialized Long Term Care	N/A
30	Selected Organ Transplantation	N/A
31	Kidney Transplantation	N/A
32	Subacute Care Hospital Model	N/A
33	Post Surgical Recovery Care Center	N/A
34	Children's Community-Based Health Care Center	N/A
35	Community-Based Residential Rehabilitation Center	N/A
36	Long Term Acute Care Hospital	N/A
37	Clinical Service Areas Other than Categories of Service	N/A
38	Freestanding Emergency Center Medical Services	N/A
	Financial and Economic Feasibility:	
39	Availability of Funds	141-149
40	Financial Waiver	150
41	Financial Viability	151-241
42	Economic Feasibility	242-244
43	Safety Net Impact Statement	245
44	Charity Care Information	246

ATTACHMENT 1

TYPE OF OWNERSHIP – CERTIFICATE OF GOOD
STANDING



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

GOOD SAMARITAN - PONTIAC, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON FEBRUARY 04, 2009, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



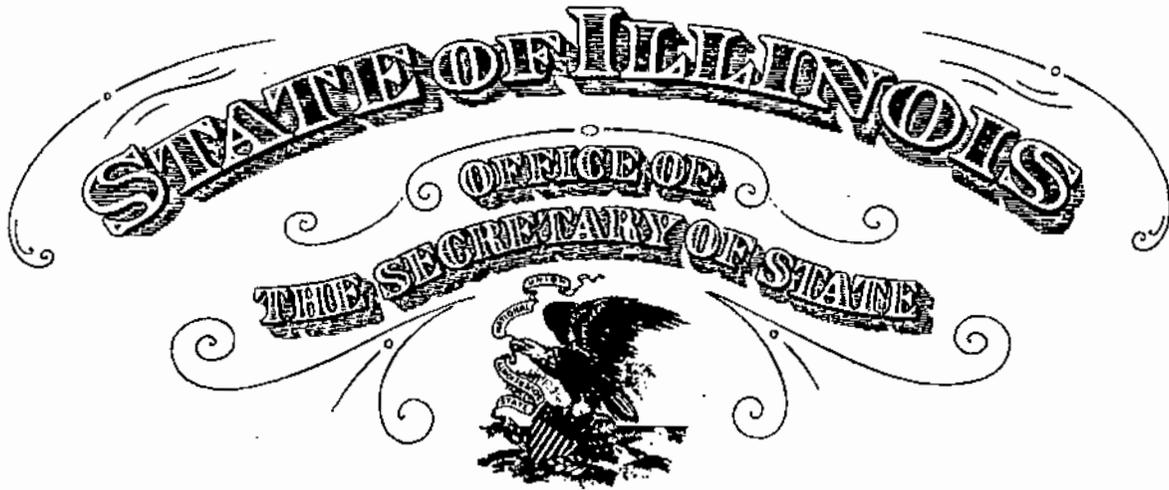
Authentication #: 1123101226

Authenticate at: <http://www.cyberdriveillinois.com>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 19TH day of AUGUST A.D. 2011

Jesse White

SECRETARY OF STATE



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

THE GOOD SAMARITAN GROUP, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON FEBRUARY 19, 1964, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 1123101148
Authenticate at: <http://www.cyberdriveillinois.com>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 19TH day of AUGUST A.D. 2011 .

Jesse White

SECRETARY OF STATE

ATTACHMENT 2

SITE OWNERSHIP – PROOF OF OWNERSHIP

**REAL ESTATE CONTRACT FOR PURCHASE AND SALE
OF VACANT LAND**

(31.19 acres adjacent to Saint James – John W. Albrecht Medical Center)

THIS REAL ESTATE CONTRACT FOR PURCHASE AND SALE OF VACANT LAND ("Contract") is made and entered into this _____ day of _____, 2010, by and between GOOD SAMARITAN HOME OF FLANAGAN, ILLINOIS, an Illinois not-for-profit corporation n/k/a THE GOOD SAMARITAN GROUP ("Purchaser") and OSF HEALTHCARE SYSTEM, an Illinois not-for-profit corporation d/b/a SAINT JAMES - JOHN ALBRECHT MEDICAL CENTER ("Seller").

RECITALS:

A. Seller is the owner of certain real estate commonly known as Saint James Hospital Property, Pontiac, Livingston County, Illinois ("Real Estate"), comprising approximately 31.19 acres of vacant real estate which Real Estate is legally described on the attached Exhibit A and depicted on the attached Exhibit B.

B. Purchaser desires to purchase and Seller desires to sell the Real Estate for the purchase price and on the terms hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and in reliance upon the recitals set forth above, which are incorporated herein by reference, it is hereby agreed between the parties hereto as follows:

1. Real Estate.

Seller shall sell and convey to Purchaser or its nominee, and Purchaser shall purchase from Seller upon and subject to the terms and conditions set for in this Contract fee simple title to the Real Property, together with all rights, privileges, easements, licenses, hereditaments and other appurtenances relating thereto; and all of Seller's right, title and interest, if any, in and to (i) any land lying in the bed of any street, road, or highway, open or proposed, in front of or adjoining all or any part of the Real Property, (ii) any alleys, walls, sidewalks or other property abutting the Real Property, and (iii) all strips and gores of land within the boundaries of the Real Property.

2. Purchase Price.

The purchase price of the Real Estate shall be Thirty-two Thousand and no/00 Dollars (\$32,000.00) per acre ("Purchase Price") for a total purchase of approximately NINE HUNDRED NINETY-EIGHT THOUSAND EIGHTY AND 00/100 Dollars(\$998,080.00) which shall be based on the actual number of acres of Real Estate as determined by the survey in accordance with the foregoing provisions. The Purchase Price shall be paid as follows:

2.1. Earnest Money. Intentionally deleted.

70628962v7 5608000 14040

2.2. \$480,000.00 of the Purchase Price shall be payable at the First Closing by certified or cashiers check, or by wire transfer, and plus or minus prorations as set forth in paragraph 8.

2.3. The balance of the Purchase Price shall be payable at the Second Closing by certified or cashiers check, or by wire transfer, and plus or minus prorations as set forth in paragraph 8.

3. Closing; Possession.

This transaction shall be closed in two phases, as follows:

3.1. Closing on the first fifteen (15) acres of the Real Property identified as Tract 1 of the legal description ("First Property") shall take place within one hundred eighty (180) days of the date of this Contract ("First Closing"). The First Closing shall take place at the offices of Livingston County Abstract Co., ("Title Company") located at 1504 W. Washington Street, Pontiac, Illinois. At the First Closing, Seller shall convey title to the First Property to Purchaser by recordable Warranty Deed, with all documentary stamps affixed thereto, free and clear of any and all liens, encumbrances, covenants, conditions and restrictions, except for Permitted Title Exceptions.

3.2. Closing on the second sixteen and nineteen one-hundredths (16.19) acres of the Real Property identified as Tract 2 of the legal description ("Second Property") shall take place no later than June 1, 2015 ("Second Closing"). The Second Closing shall take place at the Title Company. At the Second Closing, Seller shall convey title to the Second Property to Purchaser by recordable Warranty Deed, with all documentary stamps affixed thereto, free and clear of any and all liens, encumbrances, covenants, conditions and restrictions, except for Permitted Title Exceptions.

3.3. Documents delivered at Closing.

- A. At each respective Closing, Seller shall deliver or cause to be delivered to Purchaser the following documents, each in form and substance satisfactory to Purchaser in its sole but reasonable discretion:
- (1) recordable general warranty deed executed by Seller (the "Deed") conveying the First Property or Second Property, as applicable to Purchaser or its nominee, subject only to the Permitted Exceptions and the deed restrictions set forth herein;
 - (2) an affidavit of Seller certifying that Seller is not a "foreign" person for purposes of Section 14.45 of the Internal Revenue Code of 1986, as amended;

- (3) the Title Policy;
 - (4) prior to, at or post closing, such other documents and certificates as Purchaser or the title insurer may reasonably request in order to consummate the transactions described herein.
- B. At each Closing, Purchaser shall deliver or cause to be delivered to Seller the following:
- (1) the Purchase Price in accordance with Paragraph 1; and
 - (2) such other documents and certificates as Seller or the title insurer may reasonably request in order to consummate the transactions described herein.
- C. At each Closing, Seller and Purchaser shall jointly execute and deliver the following:
- (1) a closing statement prepared in accordance with this Agreement;
 - (2) all real estate tax declarations, statements, or certificates required by any applicable laws;
 - (3) an ALTA Loan and Extended Coverage Owners Policy Statement;
 - (4) executed Flight Path Easement as described in Paragraph 4.2(B) below, in recordable form;
 - (5) executed Emergency Access Easement as described in Paragraph 4.2(C) below, in recordable form;
 - (6) executed Memorandum of Right of First Refusal as described in Paragraph 13 below.

4. Contingencies.

4.1. This Contract is contingent upon the following items which items must be completed to Purchaser's satisfaction prior to the expiration of the Inspection Period:

- A. Inspection Period. Notwithstanding any provision of this Contract to the contrary, Purchaser, its agents and consultants, shall have from the date Purchaser receives a fully executed original of this Contract ("Effective Date") through and continuing for a period of one hundred

eighty (180) days from the Effective Date (the "Inspection Period") in which to undertake, at Purchaser's expense, any and all inspections, studies, investigations and other evaluations of and concerning the Real Estate and its intended use, including, but not limited to, determination by Purchaser as to sufficiency of soil, environmental tests, utilities, titles, licenses, permits and easements, zoning, availability of a loan commitment that is reasonably acceptable to Purchaser, and governmental approvals including governmental approval for Purchaser's certificates of need to operate an assisted living facility ("CON"). For those purposes, Seller hereby grants to Purchaser, its consultants, agents or assigns, a license and full right of entry upon the Real Estate during the Inspection Period until termination of this Agreement. Purchaser agrees that it shall cause any physical damage to the Real Estate occasioned as a result of any soil borings or any physical tests or examinations to be repaired to the original condition thereof promptly upon completion of any such test or examination.

Notwithstanding any provision of this Contract to the contrary, in the event that the results of the inspections, studies or investigations and evaluations are, in Purchaser's discretion, reasonably exercised, found to be unacceptable to Purchaser, and Purchaser so notifies Seller of that fact no later than the last day of the Inspection Period, then this Contract shall be terminated and the Earnest Money shall be returned to Purchaser. In the event Purchaser decides to elect to terminate this Contract in accordance with the terms of this paragraph, it shall do so by giving Seller a written notice specifying the reason for the termination. The parties agree that this Contract is a binding Contract, notwithstanding that Purchaser has the reasonable discretion to terminate this Contract during the Inspection Period.

Other than matters of title, there are no warranties, express or implied, which have been given to Purchaser hereunder (or otherwise) by Seller related to the condition of the Real Estate, and no representations and warranties have been made as to the provision of utilities at the Real Estate and no representations or warranties have been made as to environmental condition of the Real Estate. Purchaser shall rely upon its own due diligence investigation as far as its purchase of the Real Estate, and understands and agrees that it is taking the Real Estate in its "As-Is/Where-Is" condition at Closing.

- B. Emergency Easement. Seller and Purchaser agreeing to a form of easement for emergency vehicle and services access to benefit Purchaser solely and which shall not run with the land and which may not be assigned or transferred to a third party without written consent from Seller ("Emergency Access Easement") the legal description of which is set forth in Exhibit C attached hereto, and the location of which is depicted on Exhibit D attached hereto.

- C. Buyer obtaining a special use permit from the City of Pontiac, Illinois allowing a nursing home facility to be built upon the first fifteen (15) acres of the Real Estate not later than one hundred eighty (180) days after the date of the execution of this Contract.

4.2. This Contract is contingent upon the following items which items must be completed to Seller's satisfaction prior to Closing:

- A. Seller obtaining approval from its board of directors no later than May 31, 2010.
- B. Seller and Purchaser agreeing to a form of easement for flight path aviation rights to be retained by Seller over the Real Estate purchased by Purchaser and prohibiting Purchaser from constructing improvements on any portion of the of the Real Estate that would obstruct the helicopter flight path of Seller for so long as the flight path is used by Seller for access to its adjacently located real estate ("Flight Path Easement."), the location of which is depicted in Exhibit E attached hereto and the form of easement for which is attached at Exhibit F.

5. Survey.

Purchaser shall, within 45 days of the date of this Contract, at its cost and expense, obtain a survey ("Survey") by an Illinois licensed surveyor, showing at a minimum, the legal descriptions and certified acreages of the Real Property as a whole, the First Property and Second Property, certified to Seller, Purchaser and title company.

6. Title Insurance.

Within twenty-one (21) days of acceptance of this Contract, Seller at its own expense, shall furnish evidence of merchantable title in the form of a current title insurance commitment and a final policy of title insurance from Title Company in the amount of the Purchase Price subject only to the following ("Permitted Exceptions"):

- 6.1. Taxes. All taxes and special assessments levied or confirmed after the date of First Closing.
- 6.2. Restrictions. Building and building line, use and occupancy restrictions, conditions and covenants of record.
- 6.3. Zoning. Zoning laws and ordinances of which there are no violations.
- 6.4. Easements. Recorded easements, if any.

6.5. Roads. Roads and highways.

6.6. Drainage. Drainage ditches, feeders or laterals, if any.

6.7. Farm Lease. Rights of OSF Saint James – John W. Albrecht Medical Center and Tenant pursuant to Crop Share Lease with Jay Barth a/k/a Vial Farm Management (“Farm Lease”), a copy of which lease is attached as Exhibit G.

7. Unpermitted Exceptions.

If the Title Commitment or Survey discloses unpermitted exceptions that render the title unmarketable (hereinafter referred to as “Title Defects”) Seller shall have 30 days from the date of delivery of the Title Commitment or Survey respectively to have the Title Defects removed or corrected or have the title insurer commit to insure against loss or damage that may be occasioned by such Title Defects and in such event, the time of closing shall be thirty-five (35) days after delivery of the corrected commitment or the time expressly specified in Paragraph 2, whichever is later. If the Seller fails to have the Title Defects removed or in the alternative, to obtain the commitment for title insurance classified above as to such Title Defects within the specified time, Purchaser may terminate this Contract or may elect, upon notice to Seller after the expiration of the 30 day period, to take title as it then is with the right to deduct from the Purchase Price liens or encumbrances of a definite or ascertainable amount. If Purchaser does not so elect, this Contract shall become null and void without further action of the parties.

8. Prorations.

8.1. Real Estate Taxes. All real estate taxes for the First Property shall be prorated to the date of the First Closing and all real estate taxes for the Second Property shall be prorated to the date of Closing for the Second Property. At each Closing, if not paid prior thereto, Purchaser shall receive a credit for the prior years’ general real estate taxes for the portion of the Real Property being conveyed and a pro rata credit for then-current closing year general real estate taxes based on one hundred five percent (105%) of the amount of the most recent ascertainable general real estate tax bill. Such prorations shall be final as of closing.

8.2. Transfer Tax. Seller shall pay the amount of any stamp or transfer tax imposed by state, city, or county law. Both parties agree to execute and deliver such transfer tax forms or declarations as may be necessary.

8.3. Title Company Costs. Seller shall pay the premium for the cost of the owner’s policy, and the parties shall each pay fifty percent (50%) of the Title Company’s closing fee.

8.4. Farm Lease. Purchaser acknowledges that the Farm Lease is based upon a crop share and yield basis, and not cash rent, and as such, OSF Saint James – John W. Albrecht

Medical Center and farm tenant are entitled to retain the crops and their respective shares of crop yields for the crops remaining to be harvested at time of each Closing.

8.5. In Cash. Unless otherwise provided for herein, all prorations shall be in cash at the time of Closing.

9. Entrance on Real Estate.

Upon acceptance of this Contract, Purchaser and his agent(s) shall have the right to enter upon the Real Estate, at its sole risk and cost, for the purpose of inspecting, surveying, testing and otherwise examining the subject Real Estate. Purchaser shall indemnify and save Seller harmless from and against any and all loss, cost or expenses (including without limitation reasonable attorney's fees) from any claim for death, bodily injury or damage arising from its entry upon the Real Estate.

10. Deed Restrictions and Post-Closing Obligations.

Purchaser shall accept title to the Real Property subject to the following deed restrictions and obligations:

10.1. No portion of the Real Property conveyed herein shall be used in any manner to perform or participate in the performance of abortion or euthanasia. "Abortion" shall mean the directly intended termination of pregnancy by any means (whether surgical, chemical, or other means) before viability or the directly intended destruction of a viable fetus and includes such actions in the interval between conception and implantation of the embryo. "Euthanasia" shall mean an action or omission that of itself or by intention causes death in order to alleviate suffering. Said covenant and restriction shall run with the land for a period of forty (40) years from the date of conveyance and shall be specifically enforceable by OSF Healthcare System, its successors and assigns, including, but not limited to, the right to obtain temporary, preliminary, and permanent injunctive relief to restrain and enjoin violations of said covenant and restriction without requirement of bond. Purchaser and successors and assigns shall be obligated to reimburse OSF and its successors and assigns for all costs and expenses incurred by it or them in enforcing these covenants and restrictions, including but not limited to all court costs and attorneys fees actually paid or incurred.

10.2. No portion of the Real Property or improvements now or hereafter situated on the Real Property shall be used for services that are provided by Seller at OSF Saint James – John W. Albrecht Medical Center including but not limited to: diagnostics, ambulatory, hospice, homecare, prompt care, surgi-center and physician offices, without the express prior written consent of OSF Healthcare System ("OSF") which consent may not be unreasonably withheld and any such consent shall not be assignable or transferable to any other party. The restrictions created herein shall run with the land, are for the benefit of OSF, shall be enforceable by injunctive relief, and shall continue until the earlier of ten (10) years from the date of this instrument or the date OSF Healthcare System d/b/a Saint James – John W. Albrecht Hospital is no longer owned and operated

by OSF, or a successor to OSF in which OSF continues to have an ownership or membership interest, after which time they shall be of no effect.

10.3. The Real Property shall be subject to the Flight Path Easement as described in Paragraph 4.2(B) above.

10.4. Sheds. During the period between the date of the First Closing and the date of the Second Closing, Purchaser may elect to demolish, at Purchaser's sole cost and expense, two (2) sheds each of approximately 48 feet by 48 feet and 20 feet in height ("Existing Sheds") currently located on Seller's property as depicted on Exhibit H which is attached hereto and incorporated herein, provided that Purchaser:

- A. Construct, solely at Purchaser's cost and expense, two (2) new sheds ("New Sheds") at a new location on Seller's property identified on Exhibit H or at such other location as may be required by Seller at Seller's discretion, said construction to be completed within sixty (60) days of the earlier of (i) demolition of the Existing Sheds or (ii) the issuance of a building permit for the New Sheds,
- B. Said New Sheds shall be constructed to the same size, quality and standards as the Existing Sheds, including but not limited to: concrete flooring, insulated walls, electrical and heating systems, alarms and security systems including cameras, and Purchaser shall complete any required landfill and foundation work;
- C. Purchaser shall not undertake any construction without first obtaining Seller's written approval of plans and specifications therefor, which approval shall not be unreasonably withheld;
- D. Obtain any and all permits and approvals required for demolition of the Existing Sheds and for the construction of the New Sheds and shall demolish the Existing Sheds and construct the New Sheds in a good and workmanlike manner and in accordance with all applicable federal, state and local laws, rules, regulations and ordinances, including but not limited to the Pontiac building and zoning code,
- E. Shall permit no liens to be placed upon Seller's property and if any lien is at any time filed or recorded, the Purchaser shall within fifteen (15) days after such filing or recording either bond over or obtain the release and satisfaction of such lien;
- F. Prior to commencing any work in connection with this matter, the Purchaser shall furnish the Seller with certificates of insurance evidencing such insurance coverage as required by the Seller from all contractors performing labor and furnishing materials insuring the

Seller and its employees, agents and beneficiaries against loss, cost, damage, or liability arising from or incurred in connection with any such construction, and Purchaser shall indemnify and hold Seller harmless against and from all damage, suits, liability, claims, losses, costs or expenses (including court costs and reasonable attorney's fees) arising out of or from any activity of Purchaser related to the demolition or construction activities.

- G. Upon completion of construction of the New Sheds, the New Sheds shall be the sole property of Seller.

Upon and after the date of the Second Closing, Seller shall have no obligation to permit Purchaser to demolish the Existing Sheds and construct New Sheds.

11. Representations, Warranties and Covenants of Seller; Indemnification.

All representations, warranties and covenants of Seller set forth in this Agreement shall be true and correct as of the date of this Contract is executed and as of the date of each Closing, and shall survive each Closing:

11.1. Seller has good and marketable title to, and owns of record, the Real Property.

11.2. Seller has full capacity, right, power and authority to execute, deliver and perform this Contract and all required action and approvals therefore have been duly taken and obtained.

11.3. All documents being delivered by Seller pursuant to the terms hereof are, to the best of Seller's knowledge, true, accurate and complete and fairly present the information set forth in a manner which is not misleading.

11.4. Between the date hereof and each respective Closing, no part of the Real Property will be alienated, encumbered or transferred in favor of or to any party whatsoever, except for the portion of the Real Property subject to the Farm Lease.

12. Default.

12.1. By Purchaser. Should Purchaser fail to perform this Contract promptly on its part at the time and in the manner herein specified, the Seller shall be entitled as a matter of right to elect to declare the contract void, and/or to obtain relief in any court of competent jurisdiction enjoining such breach or violation, in addition to every other remedy now or hereafter existing at law or in equity, or by statute, including court costs and attorneys' fees, and including specifically the right to specific performance.

12.2. By Seller. Should Seller fail to perform this Contract promptly on its part at the time and in the manner herein specified, Purchaser shall, at Purchaser's option, declare the Contract void in which case Purchaser shall be entitled to the return of its Earnest Money, if any, or Purchaser may elect to deduct from the purchase price a definite and ascertainable amount required to satisfy and release any nonpermitted exceptions, and in such case Seller shall convey the Real Estate to Purchaser

13. Right of First Refusal

Purchaser covenants and agrees that Seller shall have the right of first refusal on any contemplated sale, assignment, transfer, lease or sublease of all or any part of the Real Estate by Purchaser. Purchaser shall provide Seller with a copy of any bona fide offer which Purchaser has accepted or intends to accept and Seller shall have one hundred and twenty (120) days after receipt thereof to elect at its option to accept the sale, assignment, lease, transfer or sublease of the Real Property upon the same terms and conditions set forth in the bona fide offer. If Seller rejects the offer or fails to act within one hundred twenty (120) days, Purchaser may close the transaction with the proposed transferee upon the terms of the submitted offer submitted. Rejection or failure of Seller to act upon an offer does not waive Seller's right of refusal should Purchaser later decide to assign, transfer or sublease all or any part of the Real Property. The provisions of this paragraph shall survive closing. At Closing the parties shall execute a memorandum of right of first refusal to be recorded in the Livingston County Recorder's Office.

14. Miscellaneous.

14.1. Farm Crops. Purchaser shall be responsible for any costs incurred by OSF Saint James – John W. Albrecht Medical Center and farm tenant in planting or for damages caused to farm tenant's crops or livestock due to any inspection or construction activities of Purchaser on the Real Estate and/or for the removal of crops.

14.2. Notice. Any and all notices shall be deemed adequately given only if in writing and personally delivered, sent by electronic facsimile (provided the facsimile is followed by certified mail delivery with return receipt) or sent first class registered or certified mail, postage prepaid, to the party for whom such notices are intended, or sent by other means at least as fast and reliable as first class mail. A written notice shall be deemed to have been given to the recipient party on the earlier of (a) the date it shall be delivered to the address required by this Contract; (b) the date delivery shall have been refused at the address required by this Contract; (c) with respect to notices sent by mail, the date as of which the postal service shall have indicated such notice to be undeliverable at the address required by this Contract; or (d) with respect to notices sent by electronic facsimile, the date delivered by facsimile (provided proved by certified mail receipt). Any and all such notices referred by this Contract, or which either party desires to give to the other shall be addressed as follows:

If to Seller to:

OSF Healthcare System
Attn: Director of Real Estate
800 N.E. Glen Oak Avenue
Peoria, IL 61603

With a copy to:

Stephen T. Moore
Hinshaw & Culbertson LLP
100 Park Ave.
Rockford, IL 61101

If to Purchaser to:

Good Samaritan Group
205 N. Adams Street
Flanagan, IL 61740
phone: 815-796-2288

With a copy to:

Hartweg Turner & Wood, P.C.
Attn: Darrell Hartweg, Esq.
207 W. Jefferson #400
Bloomington, IL 61701
Phone: 309-827-0044

The above addresses may be changed by notice of such change, mailed as provided herein, to the last address designated.

14.3. Agreement Execution. This Contract may be executed in multiple counterparts, each of which shall be regarded as an original hereof, but all of which together shall constitute one and the same instrument.

14.4. Time of the Essence. Time shall be of the essence of this Contract.

14.5. Governing Law. This Contract shall be construed and enforced in accordance with the laws of the State of Illinois.

14.6. Entire Agreement. This Contract embodies the entire understanding of the parties, and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof. This Contract shall not be altered, modified or changed unless in writing and executed by all parties hereto. This Contract shall be binding upon the parties, their heirs, executors, administrators, personal representatives, successors and assigns.

14.7. Headings. The article headings are inserted only for convenience and in no way define, limit or describe the scope or intent of any article in this Contract.

14.8. Nondiscrimination. Seller agrees that in the sale of this Real Estate it will not, on the grounds of race, color or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by law.

14.9. Professional Fees. In the event of the bringing of any action by a party hereto against another party hereunder by reason of any breach of any of the covenants, contracts, or provisions on the part of the other party arising out of this Contract, then in that event the prevailing party shall be entitled to have and recover of and from the other party all reasonable costs and expenses of the action, including actual attorney's fees resulting therefrom.

(Remainder of page intentionally left blank; signature page follows.)

IN WITNESS WHEREOF, the parties to this Contract have hereunto set their hands the day and year first above written.

SELLER:

OSF HEALTHCARE SYSTEM, an Illinois not-for-profit corporation

By: Sister Judith Ann
DeVall, OSF

Print Name: Sister Judith Ann
DeVall, OSF

Its: Chairperson

PURCHASER:

GOOD SAMARITAN GROUP, an Illinois not-for-profit corporation

By: Audrey Harlan

Print Name: Audrey Harlan

Its: President of the Board of Directors

OSF Real Estate Contract for Purchase and Sale of Vacant Land-OSF Seller (RE-70402155)
5-04

EXHIBIT A

Legal Description of Real Estate

Tract 1:

A part of the West Half of the Northwest Quarter of Section 29, Township 28 North, Range 5 East of the Third Principal Meridian, Livingston County, Illinois, more particularly described as follows: Beginning at a point on the East Line of the West Half of said Northwest Quarter lying 300.00 feet north of the Southeast Corner thereof. From said Point of Beginning, thence north 720.00 feet along said East Line to the Northeast Corner of the South 1,020.00 feet of even width of the West Half of said Northwest Quarter; thence west 907.50 feet along the North Line of the West Half of the said Northwest Quarter which forms an angle to the right of $89^{\circ}-37'-46''$ with the last described course; thence south 720.00 feet along a line which is parallel with said East Line and which forms an angle the right of $90^{\circ}-22'-14''$ with the last described course; thence east 907.50 feet along a line which is parallel with said North Line and which forms an angle to the right of $89^{\circ}-37'-46''$ with the last described course to the Point of Beginning, containing 15.00 acres, more or less.

Tract 2:

The South 1,020.00 feet of even width of the West Half of the Northwest Quarter of Section 29, Township 28 North, Range 5 East of the Third Principal Meridian, Livingston County, Illinois, except therefrom the following described tract: Beginning at a point on the East Line of the West Half of said Northwest Quarter lying 300.00 feet north of the Southeast Corner thereof. From said Point of Beginning, thence north 720.00 feet along said East Line to the Northeast Corner of the South 1,020.00 feet of even width of the West Half of said Northwest Quarter; thence west 907.50 feet along the North Line of the West Half of the said Northwest Quarter which forms an angle to the right of $89^{\circ}-37'-46''$ with the last described course; thence south 720.00 feet along a line which is parallel with said East Line and which forms an angle the right of $90^{\circ}-22'-14''$ with the last described course; thence east 907.50 feet along a line which is parallel with said North Line and which forms an angle to the right of $89^{\circ}-37'-46''$ with the last described course to the Point of Beginning. Said tract contains 16.19 acres, more or less.

Parcel Identification Number: each a part of 15-29-100-004

EXHIBIT B

LEGAL DESCRIPTION OF GOOD SAMARITAN PARCEL

Tract 1:

A part of the West Half of the Northwest Quarter of Section 29, Township 28 North, Range 5 East of the Third Principal Meridian, Livingston County, Illinois, more particularly described as follows: Beginning at a point on the East Line of the West Half of said Northwest Quarter lying 300.00 feet north of the Southeast Corner thereof. From said Point of Beginning, thence north 720.00 feet along said East Line to the Northeast Corner of the South 1,020.00 feet of even width of the West Half of said Northwest Quarter; thence west 907.50 feet along the North Line of the West Half of the said Northwest Quarter which forms an angle to the right of 89°-37'-46" with the last described course; thence south 720.00 feet along a line which is parallel with said East Line and which forms an angle the right of 90°-22'-14" with the last described course; thence east 907.50 feet along a line which is parallel with said North Line and which forms an angle to the right of 89°-37'-46" with the last described course to the Point of Beginning, containing 15.00 acres, more or less.

PIN: Part of 15-29-100-004

Tract 2:

The South 1,020.00 feet of even width of the West Half of the Northwest Quarter of Section 29, Township 28 North, Range 5 East of the Third Principal Meridian, Livingston County, Illinois, except therefrom the following described tract: Beginning at a point on the East Line of the West Half of said Northwest Quarter lying 300.00 feet north of the Southeast Corner thereof. From said Point of Beginning, thence north 720.00 feet along said East Line to the Northeast Corner of the South 1,020.00 feet of even width of the West Half of said Northwest Quarter; thence west 907.50 feet along the North Line of the West Half of the said Northwest Quarter which forms an angle to the right of 89°-37'-46" with the last described course; thence south 720.00 feet along a line which is parallel with said East Line and which forms an angle the right of 90°-22'-14" with the last described course; thence east 907.50 feet along a line which is parallel with said North Line and which forms an angle to the right of 89°-37'-46" with the last described course to the Point of Beginning. Said tract contains 16.19 acres, more or less.

PIN; part of 15-29-100-004

EXHIBIT C

LEGAL DESCRIPTION OF EASEMENT PREMISES

An easement over that part of the West Half of the Northwest Quarter of Section 29, Township 28 North, Range 5 East of the Third Principal Meridian, Livingston County, Illinois, described as follows, to wit:

Commencing at the Northwest Corner of said South 1020.00 feet, thence east along the North Line of said South 1020.00 feet 580.07 feet to the Point of Beginning; thence east 69.32 feet along said North Line which forms an angle to the left of $180^{\circ}-00'-00''$ with the last described course; thence north 185.06 feet along a line which forms an angle to the right of $90^{\circ}-00'-00''$ with the last described course to a point on a curve; thence southwest 128.57 feet along the arc of a curve concave to the northwest and having a radius of 395.04 feet and the 128.01 foot chord of said arc forms an angle to the right of $81^{\circ}-16'-38''$ with the last described course to a point of tangency; thence west 221.37 feet along a line which forms an angle to the right of $189^{\circ}-19'-27''$ with the last described course to a point of curvature; thence northwest 133.13 feet along the arc of a curve concave to the northeast and having a radius of 85.00 feet and the 119.94 foot chord of said arc forms an angle to the right of $224^{\circ}-52'-13''$ with the last described course to a point of tangency; thence north 1329.90 feet along a line which forms an angle to the right of $224^{\circ}-52'-13''$ with the last described course to a point on the South Right of Way Line of Illinois Route 116 as dedicated; thence west 30.00 feet along said South Right of Way Line which forms an angle to the right of $89^{\circ}-39'-10''$ with the last described course; thence south 1329.72 feet along a line which forms an angle to the right of $90^{\circ}-20'-50''$ with the last described course to a point of curvature; thence southeast 180.12 feet along the arc of a curve concave to the northeast and having a radius of 115.00 feet and the 162.27 foot chord of said arc forms an angle to the right of $135^{\circ}-07'-47''$ with the last described course to a point of tangency; thence east 221.37 feet along a line which forms an angle to the right of $135^{\circ}-07'-47''$ with the last described course to a point of curvature; thence northeast 57.66 feet along the arc of a curve concave to the northwest and having a radius of 425.04 feet and the 57.62 foot chord of said arc forms an angle to the right of $176^{\circ}-06'-49''$ with the last described course to a point of tangency; thence south 138.95 feet along a line which forms an angle to the right of $273^{\circ}-17'-06''$ with the last described course to the Point of Beginning, containing 1.496 acres, more or less.

EXHIBIT D
DIAGRAM OF EASEMENT PREMISES

GRANT OF EASEMENT
FOR EMERGENCY ACCESS

THIS GRANT OF EASEMENT FOR EMERGENCY ACCESS AGREEMENT ("Easement") is made and entered into effective the _____ day of _____, 2010, by and between OSF HEALTHCARE SYSTEM, an Illinois not-for-profit corporation, ("OSF"), and GOOD SAMARITAN GROUP, an Illinois not-for-profit corporation ("Good Samaritan").

RECITALS

A. OSF is the record owner of the real property described on the attached Exhibit A which is incorporated herein ("Hospital Parcel").

B. Good Samaritan is the record owner of the real property described as Tract 1 on the attached Exhibit B which is incorporated herein ("Good Samaritan Parcel").

B. Good Samaritan wishes to obtain an easement located over a portion of the Hospital Parcel that is legally described in the attached Exhibit C which is incorporated herein and is depicted in the diagram shown on the attached Exhibit D which is incorporated herein ("Easement Premises"), to serve as access for the provision of emergency services to the Good Samaritan Parcel until such time Good Samaritan acquires title to the adjacent 16.19-acre parcel legally described as Tract 2 on Exhibit B ("Tract 2 Parcel").

C. OSF and Good Samaritan now desire to execute this Easement to set forth all of the terms, covenants and conditions under which OSF will grant a non-exclusive easement to Good Samaritan, all as of the effective date of this Easement.

NOW, THEREFORE, based on the Recitals set forth above, which are incorporated herein by reference, and based on the promises and covenants set forth below, and in consideration of Ten and No/100 Dollars (\$10.00) in hand paid by Good Samaritan to OSF, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. OSF hereby grants to Good Samaritan this Easement upon and through the Easement Premises in the location and subject to the restrictions, terms and conditions set forth herein for the purpose of providing access for emergency service providers including providers of police and fire fighting services and including providers of ambulance and rescue squad services ("Emergency Services"), to the Good Samaritan Parcel until such time as Good Samaritan acquires title to the Tract 2 Parcel. Good Samaritan hereby agrees that it will use only so much of the Easement Premises as is necessary for the

purposes of Emergency Services, and except as herein expressly granted, the OSF shall retain the right to the use and occupation of the Easement Premises, so long as OSF's use and occupation shall not unreasonably interfere with any rights granted herein or any work performed under this Easement by Good Samaritan and such use and occupation shall not be interfered with unnecessarily by any work performed under this Easement.

2. Good Samaritan shall perform, at its sole cost and expense, any construction, installation, inspection, maintenance, repair and operation of said Easement Premises and shall perform such construction, installation, inspection, maintenance, repair as expeditiously as reasonably possible so as to minimize interference with the use of OSF's property, including the flow of pedestrian or vehicular traffic.

Good Samaritan shall construct and install any paved areas at its sole cost and expense, meeting or exceeding the standards required by the municipality or county as applicable. Good Samaritan or its contractors shall carry insurance adequate to insure OSF and naming OSF as an additional insured during the period that construction is being completed. All construction by Good Samaritan shall comply with all applicable laws, statutes, building codes and regulations of general application (collectively, "Laws"). This Easement does not abrogate or supersede any applicable Laws requiring Good Samaritan to obtain permits, licenses, inspections or approvals in order to construct any improvements within the Hospital Parcel as contemplated herein.

Upon completion of the installation or construction of any improvements, Good Samaritan shall undertake all maintenance of the Easement Premises and any improvements located thereon, including but not limited to, any snow removal or other maintenance of the improvements, seal coating, asphaltting, patching, repairing or reconstructing. In the event that Good Samaritan fails to maintain the Easement Premises and/or improvements, OSF may after thirty (30) days' prior written notice without cure have the maintenance performed themselves, and may institute proceeding under this Easement for payment. All costs of collection including court costs and attorneys fees shall be recoverable in the event that Good Samaritan fails to comply with this Easement.

Promptly after completion by Good Samaritan of any work on the Easement Premises, the surface of the ground, all pavement or improvements on the Easement Premises which are altered in any manner by such work performed by Good Samaritan, its agents or subcontractors, shall be restored to substantially the same condition as existed before the commencement of such work.

3. OSF hereby agrees that Good Samaritan shall have the right of access to and within the Easement Premises, for the purpose of inspecting, repairing and maintaining the Easement Premises, and no other real estate owned by OSF shall be used except by permission of OSF which approval shall not be unreasonably withheld.
4. Notwithstanding anything herein to the contrary, Good Samaritan shall not, without the prior written consent of OSF, which consent shall not be unreasonably withheld, in the exercise of the rights and privileges granted to it under this Easement install or maintain any improvements above the surface of the ground or other surface appurtenances required for Emergency Services.
5. Good Samaritan shall indemnify and save harmless OSF from any injury to persons or loss or damage to personal or real property which OSF may suffer, incur or sustain

arising from the acts or omissions of Good Samaritan, its contractors, agents and/or employees in the performance of work or exercising the rights and privileges granted under this Easement, to the extent such injury or damage is not due to the negligence or willful misconduct of OSF. OSF shall indemnify and save harmless Good Samaritan from any injury to persons or loss or damage to personal and real property which Good Samaritan may suffer, incur or sustain arising from the acts or omissions of OSF, their contractors, agents, and/or employees in the exercise of their rights with respect to the Easement Premises, to the extent such injury or damage is not due to the negligence or willful misconduct of Good Samaritan.

6. Good Samaritan shall not permit any lien to stand against the Easement Premises for any improvements thereon for any labor or materials in connection with work of any character performed or claimed to have been performed on the Easement Premises for any improvements thereon at the direction or sufferance of Good Samaritan. In the event of such lien attaching to the Easement Premises or any improvements thereon, Good Samaritan shall immediately have such lien released or abandoned to the reasonable satisfaction of OSF and failure by Good Samaritan to do so shall constitute a breach of this agreement.
7. This Easement is non exclusive to Good Samaritan. OSF reserves the right to grant to others non exclusive rights to use and occupancy of the Easement Premises. Good Samaritan in the exercise of the rights granted in this Easement shall exercise reasonable efforts to avoid conflict with other services within the Easement Premises.
8. This Easement shall be effective as of the first date written above.
9. Good Samaritan shall not assign this Easement to any other party without the express written consent of OSF, which consent shall be determined at OSF's sole discretion.
10. This Easement shall not run with the land, and shall be binding upon grantees, assigns, heirs and successors of the parties hereto.
11. This Easement shall expire and terminate upon Good Samaritan's acquisition of the Tract 2 Parcel and upon such acquisition the parties shall execute a recordable termination of this Easement to be recorded at Good Samaritan's cost. Failure to record such termination document shall not otherwise invalidate the termination and/or expiration of this Easement.
12. In the event of a violation or breach of any covenant or restriction contained herein related to use, ingress, egress and/or maintenance, by Good Samaritan, OSF shall give written notice of such violation to Good Samaritan. If Good Samaritan fails to cure such breach within fourteen (14) days after receipt of written notice, OSF shall have the right to (a) institute an action to enjoin or abate such violation or breach or (b) enter upon the Easement Premises, correct any such violation or breach and hold Good Samaritan, its successors or assigns, responsible for the cost thereof. OSF shall have all available legal and equitable remedies to enforce the obligations hereunder of Good Samaritan, its successors or assigns, and in the event that Good Samaritan is found to have breached any of its obligations hereunder, Good Samaritan shall reimburse OSF for any costs or expenses incurred in connection therewith, including court costs and attorneys fees.

13. The parties hereto represent that they are duly authorized to sign this Easement and that it is enforceable against them.
14. All notices and other communications given pursuant to this Easement shall be in writing and shall be deemed properly served if delivered in person to the party to whom it is addressed or two (2) days after deposit in the U.S. mail if sent postage pre-paid by United States registered or certified mail, return receipt requested, addressed as follows:

If to Good Samaritan: Good Samaritan Group
Attn: Executive Director
205 N. Adams Street
Flanagan, IL 61740

If to OSF: OSF Healthcare System
800 N.E. Glen Oak Ave.
Peoria, IL 61603
Attn: Director of Real Estate

Names and addresses may be changed by the parties by notice given in accordance with the provisions hereof.

IN WITNESS WHEREOF, the parties have caused this Easement to be executed by the appropriate individuals and duly authorized officers.

OSF:

OSF HEALTHCARE SYSTEM,
a not-for-profit corporation

By: _____
Name: _____
CEO

ATTEST:

By: _____
Name: _____
Secretary

GOOD SAMARITAN:

GOOD SAMARITAN GROUP,
an Illinois not for profit corporation

By: _____
Its: _____

STATE OF ILLINOIS)
) SS.
County of Peoria)

I, the undersigned, a Notary Public, in and for said County and State aforesaid, do hereby certify that _____ personally known to me to be the CEO of OSF Healthcare System, and _____ personally known to me to be the Secretary of OSF Healthcare System, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Chairperson and Secretary they have signed and delivered the said instrument as officers of OSF as their free and voluntary act, and as the free and voluntary act and deed of OSF Healthcare System for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this ___ day of _____, 2010.

Notary Public

STATE OF ILLINOIS)
) SS.
County of _____)

I, the undersigned, a Notary Public, in and for said County and State aforesaid, do hereby certify that _____, personally known to me to be the _____ of GOOD SAMARITAN GROUP, an Illinois not for profit corporation and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such _____ he has signed and delivered the said instrument as his free and voluntary act, and as the free and voluntary act and deed of the corporation for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this ___ day of _____, 2010.

Notary Public

Prepared by and Return to:

Hinshaw & Culbertson
100 Park Avenue
Rockford, IL 61101
Attention: Carol A. Lockwood

EXHIBIT D
DEPICTION OF EMERGENCY ROAD ACCESS EASEMENT

EXHIBIT F
FORM OF FLIGHT PATH EASEMENT

GRANT OF AVIGATION EASEMENT

Prepared By and Return To:
Hinshaw & Culbertson LLP
Attn: Carol Lockwood
100 Park Avenue
Rockford, IL 61101

PIN: Part of 15-29-100-004

WHEREAS, GOOD SAMARITAN GROUP, an Illinois not-for-profit corporation (hereinafter referred to as the Grantor), is the owner in fee simple title of a certain tract of land situated in County of Livingston, State of Illinois, (hereinafter referred to as GS 15-ACRE PARCEL) more particularly described as follows:

A part of the West Half of the Northwest Quarter of Section 29, Township 28 North, Range 5 East of the Third Principal Meridian, Livingston County, Illinois, more particularly described as follows: Beginning at a point on the East Line of the West Half of said Northwest Quarter lying 300.00 feet north of the Southeast Corner thereof. From said Point of Beginning, thence north 720.00 feet along said East Line to the Northeast Corner of the South 1,020.00 feet of even width of the West Half of said Northwest Quarter; thence west 907.50 feet along the North Line of the West Half of the said Northwest Quarter which forms an angle to the right of 89°-37'-46" with the last described course; thence south 720.00 feet along a line which is parallel with said East Line and which forms an angle the right of 90°-22'-14" with the last described course; thence east 907.50 feet along a line which is parallel with said North Line and which forms an angle to the right of 89°-37'-46" with the last described course to the Point of Beginning, containing 15.00 acres, more or less.

WHEREAS, the OSF St. James – John W. Albrecht Medical Center (hereinafter referred to as the Grantee), is the owner and operator of the **OSF St. James – John W. Albrecht Medical Center Heliport**, situated in the County of Livingston, State of Illinois, in close proximity to said above described land; and

WHEREAS, it is deemed necessary that the above described land, which lies beneath a portion of the 8:1 approach surface, as defined in Federal Aviation Regulation Part 77 (14 CFR 77), and the 2:1 side transitional surface for the southern approach of record on file with the Illinois Department of Transportation, Division of Aeronautics, with a bearing of 010°, as referenced to true north, to said Heliport, be and remain free and clear of any structure, tree or other object which is or would constitute an obstruction or hazard to the flight of aircraft in landing or takeoff at the said; and

NOW, THEREFORE, in consideration of the sum of Ten and 00/100 Dollars (\$10.00) paid by the Grantee to the Grantor, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor does hereby grant to the Grantee a permanent avigation easement and right-of-way way for the free and unobstructed passage of aircraft, by whomsoever owned or operated, in and through the air space over and across that portion of the Grantor's land affected by any part of the following described air space ("Air Space"):

THE AIR SPACE LYING ABOVE THE INCLINED PLANES HEREINAFTER DESCRIBED AND LYING WITHIN THE BOUNDARIES, PROJECTED VERTICALLY, OF THE FOLLOWING DESCRIBED PARCEL:

PART OF THE NORTHWEST QUARTER OF SECTION 29, TOWNSHIP 28 NORTH, RANGE 5 EAST OF THE THIRD PRINCIPAL MERIDIAN IN LIVINGSTON COUNTY, ILLINOIS, SAID PART BEING FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SAID NORTHWEST QUARTER OF SECTION 29; THENCE NORTH ALONG THE WEST LINE OF THE SAID NORTHWEST QUARTER A DISTANCE OF 1043.48 FEET; THENCE DEFLECTING TO THE RIGHT AT 90 DEGREES 22 MINUTES 50 SECONDS A DISTANCE OF 326.36 FEET; THENCE IN A SOUTHERLY DIRECTION A DISTANCE OF 1048.21 FEET TO A POINT ON THE SOUTH LINE OF THE SAID NORTHWEST QUARTER; THENCE WEST ALONG THE SAID SOUTH LINE OF THE NORTHWEST QUARTER A DISTANCE OF 196.11 FEET TO THE POINT OF BEGINNING, CONTAINING 6.2 ACRES MORE OR LESS.

THE INCLINED PLANE REFERRED TO THE ABOVE IS OUTLINED BY POINTS A, B AND C DEPICTED ON THIS PLAT OF SURVEY AND IS MORE FULLY DESCRIBED AS FOLLOWS:

THE INCLINED PLANE WHICH IS 86.4 FEET ABOVE THE HELIPORT HAS AN APPROXIMATE ELEVATION OF 746.4 FEET ABOVE MEAN SEA LEVEL, AT POINT "A"; AND WHICH INCLINED PLANE IS 84.8 FEET ABOVE THE HELIPORT HAS AN APPROXIMATE ELEVATION OF 744.8 FEET ABOVE MEAN SEA LEVEL, AT POINT "B"; AND WHICH INCLINED PLANE IS 160.1 FEET ABOVE THE HELIPORT HAS AN APPROXIMATE ELEVATION OF 820.1 FEET ABOVE MEAN SEA LEVEL, AT POINT "C".

THE INCLINED PLANE DESCRIBED ABOVE FORMS A PART OF THE APPROACH SURFACE OF THE HELIPORT AT THE OSF HEALTHCARE SYSTEM IN PONTIAC, ILLINOIS, SAID SURFACE BEING AN INCLINED PLANE WITH A SLOPE OF EIGHT TO ONE (8:1) (ONE FOOT OF ELEVATION FOR EVERY EIGHT FEET OF HORIZONTAL DISTANCE).

THE INCLINED PLANE REFERRED TO ABOVE IS OUTLINED BY POINTS B, D, E, F AND C DEPICTED ON THIS PLAT OF SURVEY AND IS MORE FULLY DESCRIBED AS FOLLOWS:

THE INCLINED PLANE WHICH IS 84.8 FEET ABOVE THE HELIPORT HAS AN APPROXIMATE ELEVATION 744.8 FEET ABOVE MEAN SEA LEVEL, AT POINT "B"; AND WHICH INCLINED PLANE IS 204.5 FEET ABOVE THE HELIPORT HAS AN APPROXIMATE ELEVATION OF 864.5 FEET ABOVE MEAN SEA LEVEL, AT POINT "D"; AND WHICH INCLINED PLANE IS 335.4 FEET ABOVE THE HELIPORT HAS AN APPROXIMATE ELEVATION OF 995.4 FEET ABOVE MEAN SEA LEVEL, AT POINT "E"; AND WHICH INCLINED PLANE IS 242.5 FEET ABOVE THE HELIPORT HAS AN APPROXIMATE ELEVATION OF 902.5 FEET ABOVE MEAN SEA LEVEL, AT POINT "F"; AND WHICH INCLINED PLANE IS 160.1 FEET ABOVE THE HELIPORT HAS AN APPROXIMATE ELEVATION OF 820.1 FEET ABOVE MEAN SEA LEVEL, AT POINT "C".

THE INCLINED PLANE DESCRIBED ABOVE FORMS A PART OF THE TRANSITIONAL SURFACE OF THE HELIPORT AT THE OSF HEALTHCARE SYSTEM IN PONTIAC, ILLINOIS, SAID SURFACE BEING AN INCLINED PLANE WITH A SLOPE OF TWO TO ONE (2:1) (ONE FOOT OF ELEVATION FOR EVERY TWO FEET OF HORIZONTAL DISTANCE).

Grantor does hereby covenant and agree with the Grantee the following:

- a) Grantor shall not hereafter construct nor permit any obstruction upon said land that extends above the previously described permanent aviation Air Space; and
- b) Grantor does hereby grant and convey, to the Grantee, an initial and continuing right to keep the airspace above the previously described aviation Air Space clear and free from any structure, tree, or other object; and
- c) Grantor does hereby grant and convey to the Grantee passage over the land previously described for the purpose of effecting and maintaining clear airspace above the aviation Air Space and the removal of any and all obstructions which now or may hereafter extend above said aviation Air Space. In the event of damage occasioned by the Grantee to crops or the land to which Grantee has the easement, the Grantee shall provide just compensation to the Grantor for the damage thereto; and
- d) Grantee shall also have the right to cause or allow noise, vibrations, fumes, dust and fuel particles inherent in the operation of any aircraft used for navigation or flight, landing or operation at, or taking off from the said heliport. Such noise, vibrations, fumes, dust and fuel particles shall not give rise to any claims against Grantee or the users of the heliport. Use of the heliport includes those aircraft operations at or near the heliport that are related to the heliport; and

- e) Grantor shall not use nor permit the above described land to be used in such a manner as to create a potential for attracting birds and other wildlife which may pose a hazard to aircraft using the OSF St. James – John W. Albrecht Medical Center Heliport. This right does not extend to the existing agricultural use of row cropping or any existing non-conforming uses such as ponds or drainage ditches; and
- f) Grantor, further hereby covenants for and during the life of this easement, that it shall not hereafter use or permit or suffer use of the land first above described in such manner as to create electrical or electronic interference with radio transmission and reception between radio-communications and air-navigation installations at or near the Heliport and the aircraft operating in the vicinity of said Heliport, or as to make it difficult for flyers to distinguish between heliport lights and others, or as to result in glare in the eyes of flyers using the said Heliport, or as to impair the visibility in the vicinity of the said Heliport, or as otherwise to endanger the landing, takeoff, or maneuvering of aircraft.

To have and to hold said easement and all rights appertaining thereto unto the Grantee until said Heliport shall be abandoned and shall cease to be used for heliport purposes.

IT IS UNDERSTOOD AND AGREED, that these covenants and agreements shall be binding upon the heirs, devisees, administrators, executors, and assigns of the Grantor, that these covenants and agreement shall run with the land, and that for the purposes of this instrument, that portion of land described as GS 15-acre Parcel which lies under the runway approach and transitional surfaces to the southern approach shall be the servient tenement and the said **OSF St. James – John W. Albrecht Medical Center Heliport**, shall be the dominant tenement.

IN WITNESS WHEREOF, the Grantor, has hereunto set its hand, and seal this _____ day of _____, 20_____.

GOOD SAMARITAN GROUP,
an Illinois not-for-profit corporation

By: _____

Its: _____

STATE OF ILLINOIS)
)ss.
COUNTY OF LIVINGSTON)

I, _____, a Notary Public, in and residing in said County, in the State aforesaid, DO HEREBY CERTIFY, that _____ personally known to me to be the same person, whose name subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that _____ signed, sealed and delivered the said instrument as _____ free and voluntary act for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and seal, this _____ day of _____,

A.D, 20 _____.

Notary Public

My Commission Expires:

_____, 20 _____.

GRANT OF AVIGATION EASEMENT

Prepared By and Return To:
Hinshaw & Culbertson LLP
Attn: Carol Lockwood
100 Park Avenue
Rockford, IL 61101

PIN: Part of 15-29-100-004

WHEREAS, GOOD SAMARITAN GROUP, an Illinois not-for-profit corporation (hereinafter referred to as the Grantor), is the owner in fee simple title of a certain tract of land situated in County of Livingston, State of Illinois, (hereinafter referred to as GS 16.19-ACRE PARCEL) more particularly described as follows:

The South 1,020.00 feet of even width of the West Half of the Northwest Quarter of Section 29, Township 28 North, Range 5 East of the Third Principal Meridian, Livingston County, Illinois, except therefrom the following described tract: Beginning at a point on the East Line of the West Half of said Northwest Quarter lying 300.00 feet north of the Southeast Corner thereof. From said Point of Beginning, thence north 720.00 feet along said East Line to the Northeast Corner of the South 1,020.00 feet of even width of the West Half of said Northwest Quarter; thence west 907.50 feet along the North Line of the West Half of the said Northwest Quarter which forms an angle to the right of 89°-37'-46" with the last described course; thence south 720.00 feet along a line which is parallel with said East Line and which forms an angle the right of 90°-22'-14" with the last described course; thence east 907.50 feet along a line which is parallel with said North Line and which forms an angle to the right of 89°-37'-46" with the last described course to the Point of Beginning. Said tract contains 16.19 acres, more or less.

WHEREAS, the OSF St. James – John W. Albrecht Medical Center (hereinafter referred to as the Grantee), is the owner and operator of the **OSF St. James – John W. Albrecht Medical Center Heliport**, situated in the County of Livingston, State of Illinois, in close proximity to said above described land; and

WHEREAS, it is deemed necessary that the above described land, which lies beneath a portion of the 8:1 approach surface, as defined in Federal Aviation Regulation Part 77 (14 CFR 77), and the 2:1 side transitional surface for the southern approach of record on file with the Illinois Department of Transportation, Division of Aeronautics, with a bearing of 010°, as referenced to true north, to said Heliport, be and remain free and clear

of any structure, tree or other object which is or would constitute an obstruction or hazard to the flight of aircraft in landing or takeoff at the said; and

NOW, THEREFORE, in consideration of the sum of Ten and 00/100 Dollars (\$10.00) paid by the Grantee to the Grantor, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor does hereby grant to the Grantee a permanent avigation easement and right-of-way way for the free and unobstructed passage of aircraft, by whomsoever owned or operated, in and through the air space over and across that portion of the Grantor's land affected by any part of the following described air space ("Air Space"):

THE AIR SPACE LYING ABOVE THE INCLINED PLANES HEREINAFTER DESCRIBED AND LYING WITHIN THE BOUNDARIES, PROJECTED VERTICALLY, OF THE FOLLOWING DESCRIBED PARCEL:

PART OF THE NORTHWEST QUARTER OF SECTION 29, TOWNSHIP 28 NORTH, RANGE 5 EAST OF THE THIRD PRINCIPAL MERIDIAN IN LIVINGSTON COUNTY, ILLINOIS, SAID PART BEING FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SAID NORTHWEST QUARTER OF SECTION 29; THENCE NORTH ALONG THE WEST LINE OF THE SAID NORTHWEST QUARTER A DISTANCE OF 1043.48 FEET; THENCE DEFLECTING TO THE RIGHT AT 90 DEGREES 22 MINUTES 50 SECONDS A DISTANCE OF 326.36 FEET; THENCE IN A SOUTHERLY DIRECTION A DISTANCE OF 1048.21 FEET TO A POINT ON THE SOUTH LINE OF THE SAID NORTHWEST QUARTER; THENCE WEST ALONG THE SAID SOUTH LINE OF THE NORTHWEST QUARTER A DISTANCE OF 196.11 FEET TO THE POINT OF BEGINNING, CONTAINING 6.2 ACRES MORE OR LESS.

THE INCLINED PLANE REFERRED TO THE ABOVE IS OUTLINED BY POINTS A, B AND C DEPICTED ON THIS PLAT OF SURVEY AND IS MORE FULLY DESCRIBED AS FOLLOWS:

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THE INCLINED PLANE DESCRIBED ABOVE FORMS A PART OF THE TRANSITIONAL SURFACE OF THE HELIPORT AT THE OSF HEALTHCARE SYSTEM IN PONTIAC, ILLINOIS, SAID SURFACE BEING AN INCLINED PLANE WITH A SLOPE OF TWO TO ONE (2:1) (ONE FOOT OF ELEVATION FOR EVERY TWO FEET OF HORIZONTAL DISTANCE).

Grantor does hereby covenant and agree with the Grantee the following:

- a) Grantor shall not hereafter construct nor permit any obstruction upon said land that extends above the previously described permanent aviation Air Space; and
- b) Grantor does hereby grant and convey, to the Grantee, an initial and continuing right to keep the airspace above the previously described aviation Air Space clear and free from any structure, tree, or other object; and
- c) Grantor does hereby grant and convey to the Grantee passage over the land previously described for the purpose of effecting and maintaining clear airspace above the aviation Air Space and the removal of any and all obstructions which now or may hereafter extend above said aviation Air Space. In the event of damage occasioned by the Grantee to crops or the land to which Grantee has the easement, the Grantee shall provide just compensation to the Grantor for the damage thereto; and
- d) Grantee shall also have the right to cause or allow noise, vibrations, fumes, dust and fuel particles inherent in the operation of any aircraft used for navigation or flight, landing or operation at, or taking off from the said heliport. Such noise, vibrations, fumes, dust and fuel particles shall not give rise to any claims against Grantee or the users of the heliport. Use of the heliport includes those aircraft operations at or near the heliport that are related to the heliport; and

STATE OF ILLINOIS)
)ss.
COUNTY OF LIVINGSTON)

I, _____, a Notary Public, in and residing in said County, in the State aforesaid, DO HEREBY CERTIFY, that _____ personally known to me to be the same person, whose name subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that _____ signed, sealed and delivered the said instrument as _____ free and voluntary act for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and seal, this _____ day of _____.

A.D, 20 _____.

Notary Public

My Commission Expires:

_____, 20 _____.

EXHIBIT G
FARM LEASE

ILLINOIS SOCIETY OF PROFESSIONAL FARM MANAGERS AND RURAL APPRAISERS

CROP SHARE LEASE

THIS LEASE is made this 28th day of JANUARY, 1991
 by and between Tombaugh Farm Mgt., Agent for Saint James Hospital
 Landowner (or his assigned agent or manager) and Jay Barth
 Tenant.

The Landowner rents and leases to the Tenant, for agricultural purposes only, the following described REAL ESTATE, TO-WIT:

The W² of the NW⁴ of Section 29, Township 28 North, Range 5 East of the 3rd Principal Meridian, except 2.86 acres off the north side thereof deeded to the State of Illinois as recorded in Deed Book 328 page 490; in Pontiac Township

County of Livingston, State of Illinois, containing 77.14 acres, more or less.

LENGTH OF TENURE: The Term of this lease shall begin on the 1st day of MARCH, 1991, and shall continue through the 29th day of February, 1992, and year to year thereafter, (1) unless terminated in writing executed by either the Landowner or Tenant not less than four months prior to the end of the current lease year.

EXTENT OF AGREEMENT: Terms of this lease shall be binding on the heirs, executors, administrators or assigns, or agents, for both Landowner and Tenant, in the same manner as upon the original parties.

DIVISION OF CROPS, CASH RENT AND OTHER RENT STIPULATIONS: The tenant agrees to pay to the Landowner, rent for the above described farm, as follows:

LAND USE	RENTAL RATE TO LANDOWNER	LANDOWNER TO FURNISH
Corn	One-half	h of seed
Oats		
Soybeans	One-half	h of seed
Wheat		
Cash Rent		
Hay		
Pasture		
Grv. acres	One-half	h of seed
	of allowed	
	harvest and	
	payments	

GOSTS SHARED BY LANDOWNER

Limestone:	One-half of applied cost, tenant to be reimbursed for unused portion based on 4 years' use.
Commercial Fertilizer:	One-half of applied cost.
Herbicides:	One-half

RECEIVED
ENGINEERING DIVISION

ILLINOIS SOCIETY OF PROFESSIONAL FARM MANAGERS AND SURVEYORS AND APPRAISERS

OSF HEALTHCARE
SYSTEM

CROP SHARE LEASE

THIS LEASE is made this 28th day of JANUARY, 1991,
by and between Tombaugh Farm Mgt., Agent for Saint James Hospital,
Landowner (or his assigned agent or manager) and Jay Barth
Tenant.

The Landowner rents and leases to the Tenant, for agricultural purposes only, the following described REAL ESTATE, TO-WIT:

The W² of the NW⁴ of Section 29, Township 28 North, Range 5 East of the 3rd Principal Meridian, except 2.86 acres off the north side thereof deeded to the State of Illinois as recorded in Deed Book 328 page 490; in Pontiac Township

City of Livingston, State of Illinois, containing 77.14 acres, more or less.

LENGTH OF TENURE: The Term of this lease shall begin on the 1st day of March, 1991, and shall continue through the 29th day of February, 1992, and year to year thereafter, (1) unless terminated in writing executed by either the Landowner or Tenant not less than four months prior to the end of the current lease year.

EXTENT OF AGREEMENT: Terms of this lease shall be binding on the heirs, executors, administrators or assigns, or agents, for both Landowner and Tenant, in the same manner as upon the original parties.

DIVISION OF CROPS, CASH RENT AND OTHER RENT STIPULATIONS: The tenant agrees to pay to the Landowner, rent for the above described farm, as follows:

LAND USE	RENTAL RATE TO LANDOWNER	LANDOWNER TO FURNISH
Corn	One-half	1/4 of seed
Oats		
Soybeans	One-half	1/4 of seed
Wheat		
Cash Rent		
Hay		
Pasture		
Gov. acres	One-half	1/4 of seed
	of allowed	
	harvest and	
	payments	

Limestone: One-half of applied cost, tenant to be reimbursed for unused portion based on 4 years' use.

Commercial Fertilizer: One-half of applied cost.

Herbicides: One-half

Insecticides: One-half

Governmental Program: Compliance with Governmental Program is at discretion of landowner, in cooperation with the tenant.

The Tenant agrees to store, at the option of the Landowner, as much of the Landowner's share of the crop as possible, using one-half of the space provided by the Landowner, in cribs, granaries, or barns on the farm, and to deliver such share in such manner as directed by and without cost to the Landowner to Rocks Creek or other agreed upon market.

Tenant agrees to pay cash rent at the office of NONE

on or before

LANDOWNER AGREES TO FURNISH AS HIS INVESTMENT AND EXPENSES:

1. The above described farm, including the fixed improvements thereon.
2. Materials the Landowner deems necessary for repairs and improvements on the above described farm.
3. Skilled labor employed in making permanent improvements.

TENANT AGREES TO FURNISH AS HIS INVESTMENT AND EXPENSES:

1. All machinery, equipment, power and man labor necessary to farm the premises properly.
2. Labor, except skilled labor, required for repairs and improvements.

TENANT'S DUTIES IN OPERATING THE FARM:

1. To keep farm neat, and to prevent any unnecessary waste, or damage to the property.
2. Not to allow noxious weeds to go to seed on said premises but to destroy same; to cut all weeds, sprouts and brush in fence rows and on roads adjoining as often as needed each year without charge to the Landowner for labor.
3. To investigate and repair any broken tile and keep outlets open; repair breaks in open ditches. Tenant shall not plow or disk through grass waterway, or other low places that will permit open ditches eroding across fields.
4. Not to burn corn stalks, cobs, straw or other residue grown on the farm, nor to remove any hay, cobs or straw or other residue, except by agreement.
5. To clip small grain stubble and to prevent noxious weeds from going to seed.
6. Not to permit tramping of rotation fields by livestock in wet weather when the soil is soft, and to prevent rooting by hogs.
7. The tenant agrees to follow such crop rotation, tillage practices, fertilizer programs, conservation measures, and arrangements as are worked out with the Landowner or his Agent, for the best interest of all concerned.
8. Not to assign this lease to any person or persons or sublet any part of the premises.

ADDITIONAL AGREEMENTS:

1. Tenant is not to erect or permit to be erected upon said premises, any structure, building, fence or sign of any kind whatsoever, except by the written consent of the Landowner, nor to purchase any materials or incur any expenses for the account of the Landowner without his approval and will not make a claim for labor at any time unless Landowner has given written permission at a previous date.
2. Tenant is not to add electrical wiring, plumbing or heating without written permission of the Landowner, and when same is given such is to pass inspection of both power and insurance companies. Said additions shall immediately become part of the property against which the Tenant will have no further claim unless otherwise agreed in writing.
3. Nothing in this lease shall confer upon the Tenant any right to minerals underlying said land or any part thereof, but the same are hereby expressly reserved by the Landowner together with the full right, liberty and land room to them, to enter upon the premises and to bore, search and excavate for same, to work and remove the same, and to deposit excavated rubbish, and with full liberty to pass over said premises with vehicles and lay down and work any such railroad track or tracks, tanks, pipe lines, powers and structures as may be necessary or convenient for the above purpose. Said Landowner, however, agrees to deduct from the annual rent, pro-rata, for the land so taken by him or his assigns for said uses when the rental of such land is cash, and to reimburse the said Tenant for any actual damage he may suffer for crops destroyed where such land is on grain rent and to release Tenant from obligation to continue farming this property when development of resources interferes materially with Tenant's ability to make a satisfactory return.
4. Landowner shall in no way be liable in damages for failure of water supply or for any damage by the elements or otherwise, to any of the improvements, nor for any loss or damage while improvements are under construction or repair nor for any failure to repair or alter or replace any buildings or improvement.
5. Tenant takes possession of the leased premises subject to the hazards of operating a farm, and assumes all risk of accidents to himself, his family, his employees, or agents in pursuance of his farming operations, or in performing repairs to the buildings, fences and other improvements.
6. The tenant has the right to farm additional land.
7. It is understood that the building site may be razed for future construction.

RIGHT OF ENTRY:

The Landowner or his agent shall be entitled to free access to the premises at all times and may make any repairs and improvements thereon. If this lease is terminated, the Landowner or his agent shall be entitled to fall plow, fertilize or otherwise prepare the ground and plant in proper season for the following year's crops.

LANDOWNER'S LIEN:

The Landowner's lien provided by law shall be the security for the rent herein specified.

If the Tenant shall, from any cause, fail to comply with all his agreements herein, the Landowner may at any time when such failure occurs after giving three days written notice of his intention to do so, take active possession of said premises and buildings thereon which the Tenant agrees to surrender, and employ other persons to tend said crop and perform all the agreements of the Tenant as herein contained as fully as the same are contemplated in this agreement and after deducting all monies advanced, or monies or grain due for the rent and the expense of attending such crop as aforesaid, to pay the residue, if any, to the Tenant.

If the Tenant shall fail to pay the cash rent and advances, or account for the share rent as herein stipulated or shall fail to keep any of the agreements of this lease, all costs and attorneys fees of the Landowner in enforcing collection or performance, shall be added to and become a part of the obligations payable by the Tenant hereunder.

YIELDING POSSESSION:

The Tenant agrees that at the expiration of the term of this lease, he will yield up possession of the premises to the Landowner without further demand or notice, in as good order and condition as when same were entered upon by the Tenant, less by fire or tornado, and ordinary wear excepted.

IN WITNESS WHEREOF, We affix our signatures this, the 28th day of January, 1991

Richard E. Vial
 Tombaugh Farm Mgt., Agent Landowner
 By Richard E. Vial
Jay B. Barth
 Jay Barth Tenant

EXHIBIT H

LOCATION OF EXISTING SHEDS AND POTENTIAL LOCATION OF NEW SHEDS

**AMENDMENT TO REAL ESTATE CONTRACT FOR PURCHASE AND SALE OF
VACANT LAND BETWEEN OSF HEALTHCARE SYSTEM AND GOOD SAMARITAN
GROUP**

This Amendment to Real Estate Contract for Purchase and Sale of Vacant Land ("Amendment") is made and entered into as of the date last shown below by and between OSF HEALTHCARE SYSTEM, an Illinois not-for-profit corporation, d/b/a Saint James-John Albrecht Medical Center ("Seller") and GOOD SAMARITAN GROUP, an Illinois not-for-profit corporation ("Buyer") and is intended to modify certain terms of the Real Estate Contract for Purchase and Sale of Vacant Land dated on or about June 8, 2010 ("Contract") for 31.19 acres of property located at Pontiac, Illinois.

For valuable consideration, the receipt and sufficiency of which is mutually acknowledged by the undersigned, the Contract is amended in the following respects:

1. Closing. Paragraph 3.1 of the Contract is hereby deleted in its entirety and replaced with the following:

"Closing on the first fifteen (15) acres of the Real Property identified as Tract 1 of the legal description ("First Property") shall take place within ten (10) days of the expiration of the Inspection Period ("First Closing"). The First Closing shall take place at the offices of Livingston County Abstract Co., ("Title Company") located at 1504 W. Washington Street, Pontiac, Illinois. At the First Closing, Seller shall convey title to the First Property to Purchaser by recordable Warranty Deed, with all documentary stamps affixed thereto, free and clear of any and all liens, encumbrances, covenants, conditions and restrictions, except for Permitted Title Exceptions."

2. Contingencies. Paragraph 4.1A of the Contract is hereby amended to extend the Inspection Period for an additional one hundred eighty (180) days, through June 3, 2011.

3. Board Approval. The effectiveness of this Amendment is subject to and contingent upon receipt of the approval of the Seller's board of directors no later than thirty (30) days following the date of this Amendment.

4. Full Force and Effect. Except as expressly amended in accordance with the terms of this Amendment, all of the terms and conditions of the Contract shall remain in full force and effect.

5. Counterparts. This Amendment may be signed in counterpart via facsimile, all of which, when taken together, shall constitute a single instrument.

(Remainder of page intentionally left blank; signature page follows.)

In witness whereof, the parties hereto have executed this Amendment as of the date last written below:

SELLER:

OSH HEALTHCARE SYSTEM, an Illinois not-for-profit corporation

By: Sister Jeannette Ann
Linnell O.S.B.

Its: Chapman

Date: 12/13/10

BUYER:

GOOD SAMARITAN GROUP, an Illinois not-for-profit corporation

By: Audrey Stanton

Its: Chapman

Date: 12-02-10

SECOND AMENDMENT TO REAL ESTATE CONTRACT FOR PURCHASE AND SALE OF VACANT LAND BETWEEN OSF HEALTHCARE SYSTEM AND GOOD SAMARITAN GROUP

This Second Amendment to Real Estate Contract for Purchase and Sale of Vacant Land ("Amendment") is made and entered into as of the date last shown below by and between OSF HEALTHCARE SYSTEM, an Illinois not-for-profit corporation, d/b/a Saint James-John Albrecht Medical Center ("Seller") and GOOD SAMARITAN GROUP, an Illinois not-for-profit corporation ("Buyer") to be effective as of June 3, 2011 and is intended to modify certain terms of the Real Estate Contract for Purchase and Sale of Vacant Land dated on or about June 8, 2010, as amended on December 13, 2001 by the Amendment to Real Estate Contract (together, "Contract") for 31.19 acres of property located at Pontiac, Illinois.

For valuable consideration, the receipt and sufficiency of which is mutually acknowledged by the undersigned, the Contract is amended in the following respects:

1. Contingencies. Paragraph 4.1A of the Contract is hereby amended to extend the Inspection Period for an additional period, through December 31, 2011.

2. Crops. The parties acknowledge Seller, or Seller's farm tenant, shall be permitted to plant and harvest crops on the Property, and in the event that the farm tenant accrues any lost income in the event that Buyer elects to close prior to the harvesting of the crops or if damage occurs to the crops as a result of Buyer's activities on the Property, Buyer shall be responsible for reimbursing the farm tenant for any such lost income or damage. The farm tenant's compensation would be determined by averaging the bushel per acre of such crop on the undamaged acreage of the Property, and reimbursing the farm tenant based upon the price per bushel per acre of such crop at the time of harvest.

3. Board Approval. The effectiveness of this Amendment is subject to and contingent upon receipt of the approval of the Seller's board of directors no later than thirty (30) days following the date of this Amendment.

4. Full Force and Effect. Except as expressly amended in accordance with the terms of this Amendment, all of the terms and conditions of the Contract shall remain in full force and effect.

5. Counterparts. This Amendment may be signed in counterpart via facsimile, all of which, when taken together, shall constitute a single instrument.

(Remainder of page intentionally left blank; signature page follows.)

In witness whereof, the parties hereto have executed this Amendment as of the date last written below:

SELLER:

OSH HEALTHCARE SYSTEM, an Illinois not-for-profit corporation

By: *K. O. Schimpf*

Its: *CEO*

Date: *6/8/11*

BUYER:

GOOD SAMARITAN GROUP, an Illinois not-for-profit corporation

By: *Andrew Gillman*

Its: *Chairman*

Date: *6/2/2011*

**THIRD AMENDMENT TO REAL ESTATE CONTRACT FOR PURCHASE AND SALE
OF VACANT LAND BETWEEN OSF HEALTHCARE SYSTEM AND GOOD
SAMARITAN GROUP**

This Third Amendment to Real Estate Contract for Purchase and Sale of Vacant Land ("Amendment") is made and entered into as of the date last shown below by and between OSF HEALTHCARE SYSTEM, an Illinois not-for-profit corporation, d/b/a Saint James-John Albrecht Medical Center ("Seller") and GOOD SAMARITAN GROUP, an Illinois not-for-profit corporation ("Buyer") and is intended to extend the Inspection Period as set forth in the Real Estate Contract for Purchase and Sale of Vacant Land dated on or about June 8, 2010, as amended on December 13, 2010 by the Amendment to Real Estate Contract, and as further amended on June 8, 2011 by the Second Amendment to Real Estate Contract, (collectively, "Contract") for 31.19 acres of property located at Pontiac, Illinois.

For valuable consideration, the receipt and sufficiency of which is mutually acknowledged by the undersigned, the Contract is amended in the following respect:

1. Contingencies. Paragraph 4.1A of the Contract is hereby amended to extend the Inspection Period for an additional period, through December 31, 2012.
2. Board Approval. The effectiveness of this Amendment is subject to and contingent upon receipt of the approval of the Seller's board of directors no later than thirty (30) days following the date of this Amendment.
3. Full Force and Effect. Except as expressly amended in accordance with the terms of this Amendment, all of the terms and conditions of the Contract shall remain in full force and effect.
4. Counterparts. This Amendment may be signed in counterpart via facsimile, all of which, when taken together, shall constitute a single instrument.

In witness whereof, the parties hereto have executed this Amendment as of the date last written below:

SELLER:

OSF HEALTHCARE SYSTEM, an Illinois
not-for-profit corporation

By: *K. O. Schuyt*

Its: CEO

Date: 1/31/12

BUYER:

GOOD SAMARITAN GROUP, an Illinois
not-for-profit corporation

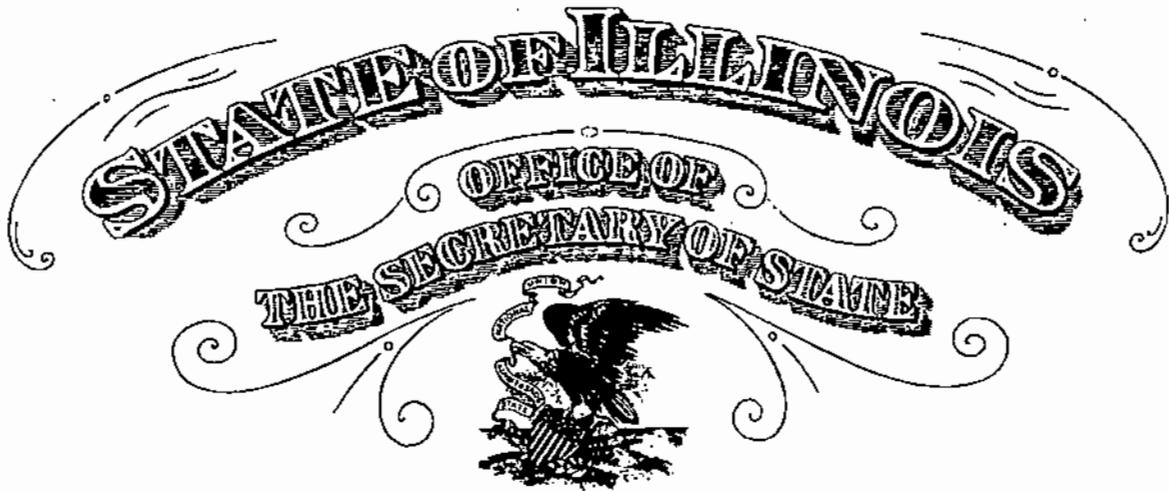
By: *Audrey [Signature]*

Its: President

Date: 12-19-11

ATTACHMENT 3

OPERATING IDENTITY/LICENSEE CERTIFICATE OF
GOOD STANDING



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

GOOD SAMARITAN - PONTIAC, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON FEBRUARY 04, 2009, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 1123101226

Authenticate at: <http://www.cyberdriveillinois.com>

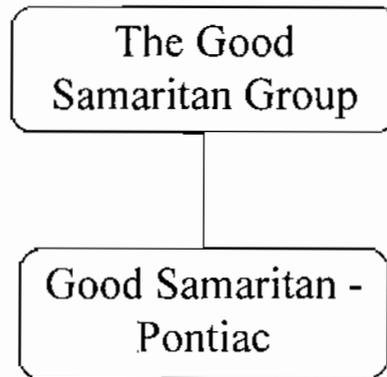
In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 19TH day of AUGUST A.D. 2011

Jesse White

SECRETARY OF STATE

ATTACHMENT 4

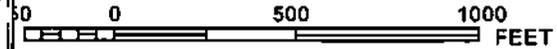
ORGANIZATIONAL RELATIONSHIPS –
ORGANIZATIONAL CHART



ATTACHMENT 5
FLOOD PLAIN REQUIREMENTS



MAP SCALE 1" = 500'



METERS

NATIONAL FLOOD INSURANCE PROGRAM

PANEL 0406E

FIRM
 FLOOD INSURANCE RATE MAP
 LIVINGSTON COUNTY,
 ILLINOIS
 AND INCORPORATED AREAS

PANEL 406 OF 725
 (SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
LIVINGSTON COUNTY	170229	0406	E
PONTIAC, CITY OF	170426	0406	E

Note to User: The Map Number shown below should be used when placing map orders; the Community Number shown above should be used on insurance applications for the subject community.



MAP NUMBER
 17105C0406E
 EFFECTIVE DATE
 DECEMBER 18, 2007

Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov



Federal Emergency Management Agency

Washington, D.C. 20472

December 12, 2007

The Honorable Scott McCoy
Mayor
115 W. Howard
Pontiac, IL 61764

Case No: 06-05-B759V
Community: City Of Pontiac
Community No.: 170426
Effective Date: December 19, 2007
LOMC-VALID

Dear Mayor McCoy:

This letter revalidates the determinations for properties and/or structures in the referenced community as described in the Letters of Map Change (LOMCs) previously issued by the Department of Homeland Security's Federal Emergency Management Agency (FEMA) on the dates listed on the enclosed table. As of the effective date shown above, these LOMCs will revise the effective National Flood Insurance Program (NFIP) map dated December 18, 2007 for the referenced community, and will remain in effect until superseded by a revision to the NFIP map panel on which the property is located. The FEMA case number, property identifier, NFIP map panel number, and current flood insurance zone for the revalidated LOMCs are listed on the enclosed table.

<u>Case No.</u>	<u>Date Issued</u>	<u>Identifier</u>	<u>Map Panel No.</u>	<u>Zone</u>
98-05-2952A	07/15/1998	GARDNER-EWING FIRST ADDITION TO FAIRWAY VIEW - LOT 24 - 1706 MEADOWLARK DRIVE	17105C0243E	X
98-05-6218A	09/25/1998	FIFTH ADDITION TO ILLINI SUBD. - LOT 124 - 1205 BLACKHAWK PLACE	17105C0263E	X
01-05-2100A	05/16/2001	714 East McKinley Street; A.W. Cowan's Addition, Block 2, Lot 3	17105C0263E	X
01-05-2160A	05/18/2001	716 East McKinley Street; A.W. Cowan's Addition, Block 2, Lot 2	17105C0263E	X

Because these LOMCs will not be printed or distributed to primary map users, such as local insurance agents and mortgage lenders, your community will serve as a repository for this new data. We encourage you to disseminate the information reflected by this letter throughout your community so that interested persons, such as property owners, local insurance agents, and mortgage lenders, may benefit from the information.

For information relating to LOMCs not listed on the enclosed table or to obtain copies of previously issued LOMR-Fs and LOMAs, if needed, please contact our Map Assistance Center, toll free, at 1-877-FEMA-MAP (1-877-336-2627).

Sincerely,

William R. Blanton Jr., CFM, Chief
Engineering Management Branch
Mitigation Directorate

Enclosure

cc: Community Map Repository
Dave Lopeman

REVALIDATED LETTERS OF MAP CHANGE FOR CITY OF PONTIAC

<u>Case No.</u>	<u>Date Issued</u>	<u>Identifier</u>	<u>Map Panel No.</u>	<u>Zone</u>
01-05-2143A	05/25/2001	421 West Grove; Pontiac Part of Block 63	17105C0244E	X
01-05-2719A	07/05/2001	1ST ADD. TO DEBOLT SUBDIVISION, LOT 31; 8 EDGEWOOD DRIVE	17105C0244E	X
02-05-0944A	01/09/2002	420 WEST GROVE STREET	17105C0244E	X
02-05-1250A	01/30/2002	DEBOLT SUBDIVISION 1ST ADDITION, LOT 38; 3 MEADOW LANE	17105C0244E	X
02-05-3450A	07/03/2002	FELL'S SECOND ADDITION, BLK 1 LOTS 4-5; 521 WEST GROVE ST	17105C0244E	X
02-05-4546A	10/04/2002	FELL'S SECOND ADDITION, BLOCK 4, LOTS 10 & 11; 728 WEST RIVER STREET	17105C0244E	X
03-05-1407A	01/22/2003	318 SOUTH MAIN STREET	17105C0244E	X
03-05-1860A	03/07/2003	FIRST ADD. TO DEBOLT SUB'D, LOT 24; 8 OAKWOOD DR.	17105C0244E	X
03-05-1406A	03/28/2003	39 OAKWOOD DRIVE	17105C0244E	X
03-05-3074A	05/09/2003	412 WEST GROVE STREET	17105C0244E	X
03-05-5733A	10/17/2003	DEBOLT SUBDIVISION, FIRST ADDITION, LOT 33; 4 EDGEWOOD DRIVE	17105C0244E	X
04-05-0778A	12/31/2003	DEBOLT SUB'D, LOT 1; 13 OAKWOOD DRIVE	17105C0244E	X
04-05-1790A	02/11/2004	802 & 804 NORTH DEERFIELD ROAD	17105C0406E	X
04-05-2195A	03/03/2004	5TH ADDITION TO ILLINI ADDITION; 1203 BLACKHAWK PLACE	17105C0263E	X
04-05-4507A	10/01/2004	ORIGINAL TOWN OF PONTIAC, A PORTION OF BLOCK 74; 422 WEST GROVE STREET	17105C0244E	X
04-05-4479A	10/08/2004	HEISE'S FIRST SUBDIVISION, BLK 1, LOT 5; 805 EAST MCKINLEY	17105C0263E	X
04-05-4586A	12/15/2004	BLOCK 4, LOT 4, ROLLINS FIRST ADDITION; 912 EAST LIVINGSTON STREET	17105C0263E	X
05-05-1295A	02/01/2005	5TH ADDITION TO ILLINI ADDITION, LOT 126 - 700 ILLINI AVENUE	17105C0263E	X
05-05-1437A	02/01/2005	5TH ADDITION TO ILLINI ADDITION, LOT 138 - 602B ILLINI AVENUE	17105C0263E	X
05-05-1438A	02/01/2005	5TH ADDITION TO ILLINI ADDITION, LOT 139 - 1200 BLACKHAWK PLACE	17105C0263E	X
05-05-1801X	02/09/2005	4TH ADDITION TO ILLINI ADDITION, LOT 118 - 700 MOHAVE DRIVE	17105C0263E	X
05-05-1487A	02/16/2005	BROCKTON MANOR, LOT 10 - 508 CHRISTINA DRIVE	17105C0263E	X

REVALIDATED LETTERS OF MAP CHANGE FOR CITY OF PONTIAC

<u>Case No.</u>	<u>Date Issued</u>	<u>Identifier</u>	<u>Map Panel No.</u>	<u>Zone</u>
05-05-1478A	02/16/2005	FIFTH ADDITION TO ILLINI SUBDIV, LOT 141 – 1208 BLACKHAWK PLACE	17105C0263E	X
05-05-1617A	02/18/2005	A PORTION OF SECTION 23, T28N, R5E, 3RD PRINCIPAL MERIDIAN – 927 EAST WATER STREET	17105C0263E	X
05-05-2876A	05/12/2005	301 SOUTH OAK STREET	17105C0244E	X
05-05-3421A	05/26/2005	GARDNER-EWING 1ST ADDITION TO FAIRWAY VIEW SUBDIV, LOT 8 -- 1705 MEADOWLARK DRIVE	17105C0243E	X
05-05-2895A	05/26/2005	GARDNER-EWING 1ST ADDITION, LOT 9 – 1703 MEADOWLARK DRIVE	17105C0243E	X
05-05-2939A	06/01/2005	GARDNER-EWING 1ST ADDITION, LOT 7 – 1709 MEADOWLARK DRIVE	17105C0243E	X
05-05-3234A	06/09/2005	BROCKTON MANOR SUBDIV, LOT 11 – 510 CHRISTINA DRIVE	17105C0263E	X
05-05-3399A	06/23/2005	GARDNER-EWING 1ST ADDITION, LOTS 5 & 6 – 1713 MEADOWLARK DRIVE	17105C0243E	X
05-05-3469A	06/23/2005	LADD & MCDOWELL'S ADDITION, BLOCK 3, LOT 1 – 830 1/2 EAST LIVINGSTON STREET	17105C0263E	X
05-05-4053A	08/16/2005	ILLINI SUBDIV 5TH ADDITION, LOT 129 – 706 ILLINI AVENUE	17105C0263E	X
05-05-4190A	09/01/2005	GARDNER-EWING 1ST ADDITION TO FAIRWAY VIEW SUBDIV, LOT 25 – 1708 MEADOWLARK DRIVE	17105C0243E	X
05-05-3787A	09/08/2005	1704 WEST MEADOWLARK DRIVE	17105C0243E	X
05-05-4622A	09/27/2005	GARDNER-EWING ADDITION TO FAIRWAY VIEW SUBDIV, LOT 22 – 1702 MEADOWLARK DRIVE	17105C0243E	X
05-05-3811A	09/27/2005	ORIGINAL TOWN OF PONTIAC, BLOCK 63 – 401 WEST GROVE STREET	17105C0244E	X
06-05-0038A	11/18/2005	DRIVING PARK ADDITION, LOTS 3 & 4 – 1214 EAST WATER STREET	17105C0263E	X
06-05-0254A	12/08/2005	FAIRWAY VIEW SUBDIV, LOT 37 – 1809 BOB-O-LINK DRIVE	17105C0243E	X

REVALIDATED LETTERS OF MAP CHANGE FOR CITY OF PONTIAC

<u>Case No.</u>	<u>Date Issued</u>	<u>Identifier</u>	<u>Map Panel No.</u>	<u>Zone</u>
06-05-0237A	12/08/2005	OWEN'S ADDITION, LOTS 11 & 12 – 923 EAST WATER STREET	17105C0263E	X
06-05-0055A	02/23/2006	BROCKTON MANOR, LOTS 1-5 – CHRISTINA DRIVE	17105C0263E	X
06-05-BB27A	04/12/2006	A.W. COWAN'S ADDITION, BLOCK 2, LOT 1 – 720 EAST MCKINLEY STREET (IL)	17105C0263E	X
06-05-BJ93A	05/12/2006	SANDY LINKS CONDOMINIUMS, BLDG 1, UNIT 5 – 704 NORTH DEERFIELD ROAD (IL)	17105C0243E	X
06-05-BE51A	05/12/2006	BROCKTON MANOR, LOTS 6-9 (IL)	17105C0263E	X
06-05-BJ94A	05/18/2006	C.A.W. ROLLIN'S 1ST ADDITION, BLOCK 1, LOT 9 – 905 EAST NORTH STREET (IL)	17105C0263E	X
06-05-BL07A	06/13/2006	D.S. MYERS SUBDIV, LOT 11 – 1034 EAST HOWARD STREET (IL)	17105C0263E	X
06-05-BH55A	06/15/2006	GARDNER-EWING 2ND ADDITION, LOT 65 – 1647 MOCKINGBIRD LANE (IL)	17105C0263E	X
06-05-BP59A	06/28/2006	HOOBLERS ADDITION, BLOCK 3 – 904 WEST WASHINGTON STREET (IL)	17105C0244E	X
06-05-BQ76A	07/14/2006	GARDNER/EWING 2ND ADDITION TO FAIRWAY VIEW SUBDIV (IL)	17105C0243E	X
06-05-C424A	10/17/2006	FELL'S SECOND ADDITION, BLOCK 7, LOT 3 – 612 WEST GROVE STREET (IL)	17105C0244E	X
07-05-1532A	01/16/2007	FELL'S SECOND ADDITION, BLOCK 6, LOT 3 – 516 WEST GROVE STREET (IL)	17105C0244E	X
07-05-1505A	01/16/2007	FELL'S SECOND ADDITION, BLOCK 6, LOT 4 – 520 WEST GROVE STREET (IL)	17105C0244E	X
07-05-2141A	02/15/2007	PORTION OF SECTION 20, T28N, R5E – 805/905/1005 NORTH DEERFIELD ROAD (IL)	17105C0243E	X
07-05-3928A	05/24/2007	PORTION OF BLOCK 76, ORIGINAL TOWN OF PONTIAC – 224 WEST GROVE STREET (IL)	17105C0244E	X
07-05-4145A	06/05/2007	HOOBLER'S ADDITION, BLOCK 3 – 906 WEST WASHINGTON STREET (IL)	17105C0244E	X
07-05-5437A	08/21/2007	DEBOLT SUBDIV, LOT 23 – 10 OAKWOOD DRIVE	17105C0244E	X
07-05-6259A	10/11/2007	5TH ADDITION TO ILLINI SUBDIVISION, LOT 128 – 704 ILLINI DRIVE	17105C0263E	X

REVALIDATED LETTERS OF MAP CHANGE FOR CITY OF PONTIAC

<u>Case No.</u>	<u>Date Issued</u>	<u>Identifier</u>	<u>Map Panel No.</u>	<u>Zone</u>
05-05-3399A		GARDNER-EWING ADDITION, LOT 5 -- 1713 MEADOWLARK DRIVE	17105C0243E	X
05-05-3469A		LADD & MCDOWELL'S ADDITION, BLOCK 3, LOT 1 -- 830 1/2 EAST LIVINGSTON STREET	17105C0263E	X

ATTACHMENT 6

ILLINOIS HISTORIC PRESERVATION AGENCY LETTER



Illinois Historic Preservation Agency

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • www.illinois-history.gov

Livingston County
Pontiac

PLEASE REFER TO: IHPA LOG #001102710

West of Interstate 55, North of Rooks Creek, Section:29-Township:28N-Range:5E

Good Samaritan Development

October 27, 2010

Stephen Johnson
Good Samaritan Pontiac
14335 Highway 66
Pontiac, IL 61764

Mr. Johnson:

The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications under the state law and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that no significant historic, architectural or archaeological resources are located within the proposed project area.

According to the information you have provided concerning your proposed project, apparently there is no federal involvement in your project. However, please note that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits, use federal property, or involve assistance from a federal agency, then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

This clearance remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the IL Human Skeletal Remains Protection Act (20 ILCS 3440).

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act.

Sincerely,

Anne E. Haaker
Deputy State Historic
Preservation Officer
AER:DJH

ATTACHMENT 7
PROJECT COST/SOURCE OF FUNDS

GOOD SAMARITAN - PONTIAC
(An Illinois Not-for-Profit Corporation)

PROJECTED SOURCES AND USES OF FUNDS
See Accountant's Report

Sources of Funds

County Grant	\$ 2,500,000
Debt	8,258,148
	<u>\$ 10,842,817</u>

Uses of Funds

Land	\$ 480,000
Pre-Construction costs	84,669
Construction and site work	7,337,500
Architecture, Engineering, Consulting, Testing	1,200,000
Contingency	700,000
Equipment	700,000
Capitalized Interest	270,648
Total construction	<u>10,772,817</u>
Financing costs	70,000
	<u>\$ 10,842,817</u>

ATTACHMENT 8

OBLIGATION

Project Obligation will occur after permit issuance

ATTACHMENT 9

COST SPACE REQUIREMENTS

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That is New Const.
		Existing	Proposed	
REVIEWABLE				
Long Term Care	\$3,075,451	0 BGSF	14,482 BGSF	14,482 BGSF
Short Term Rehab	\$2,153,368	0 BGSF	10,140 BGSF	10,140 BGSF
LTC Memory Support	\$1,685,531	0 BGSF	7,937 BGSF	7,937 BGSF
Total Clinical	\$6,914,349	0 BGSF	32,559 BGSF	32,559 BGSF
NON REVIEWABLE				
Administrative	\$387,576	0 BGSF	1,825 BGSF	1,825 BGSF
Community Space	\$1,401,643	0 BGSF	6,600 BGSF	6,600 BGSF
Community Support	\$1,659,248	0 BGSF	7,813 BGSF	7,813 BGSF
Total Non-Clinical	\$3,448,468	0 BGSF	16,238 BGSF	16,238 BGSF
TOTAL	\$10,362,817	0 BGSF	48,797 BGSF	48,797 BGSF

BUILDING PROGRAM - No. 9 - December 1, 2011

A. LTC Unit (58 beds)

A.1 Resident Rooms	Rms.		Beds
Special Care:	2	245 SF =	490 SF (2 beds)
Toe to Toe:	6	410 SF =	2,460 SF (12 beds)
Side by Side:	22	325 SF =	7,150 SF (44 beds)
			10,100 SF

A.2 Nursing Support

Clean Linen	80 SF
Clean Utility	100 SF
Soiled Utility	80 SF
Public Toilet	65 SF
Shower / Tub Room	270 SF
Housekeeping	60 SF
	655 SF

A.3 Nursing

Med Room	80 SF
Staff Toilet	65 SF
Oxygen Storage	10 SF
Chart Rm/Dr Rm	100 SF
Lockers	10 SF
Coat Closet	10 SF
Exam Room	100 SF
Crash Cart	10 SF
	385 SF

LTC Unit Sub-Total: **11,140 SF**

LTC Unit Total:

w/ Multiplier 1.30 **14,482 GSF**

B. Rehab Unit (39 beds)

B.1 Resident Rooms	Rms.		Beds
Special Care:	1	245 SF =	245 SF (1 beds)
Toe to Toe:	4	410 SF =	1,640 SF (8 beds)
Side by Side:	15	325 SF =	4,875 SF (30 beds)
			6,760 SF

B.2 Nursing Support

Clean Linen	80 SF
Clean Utility	100 SF
Soiled Utility	80 SF
Public Toilet	65 SF
Shower / Tub Room	270 SF
Housekeeping	60 SF
	655 SF

GOOD SAMARITAN
PONTIAC, IL



B.3 Nursing		
Med Room		80 SF
Staff Toilet		65 SF
Oxygen Storage		10 SF
Chart Rm/Dr Rm		100 SF
Lockers		10 SF
Coat Closet		10 SF
Exam Room		100 SF
Crash Cart		10 SF
		<hr/>
		385 SF
Rehab Unit Sub-Total:		7,800 SF
<u>Rehab Unit Total:</u>		
w/ Multiplier	1.30	10,140 GSF

C. Memory Unit (25 beds)

C.1 Resident Rooms	Rms.		Beds
Special Care:	1	245 SF =	245 SF (1 beds)
Toe to Toe:	2	410 SF =	820 SF (4 beds)
Side by Side:	10	325 SF =	3,250 SF (20 beds)
			<hr/>
			4,315 SF
C.2 Unit Amenities			
Living, Activity, Dining		750 SF	(for 25 beds)
		<hr/>	
		750 SF	
C.3 Nursing Support			
Clean Linen		80 SF	
Clean Utility		100 SF	
Soiled Utility		80 SF	
Public Toilet		65 SF	
Shower / Tub Room		270 SF	
Housekeeping		60 SF	
		<hr/>	
		655 SF	
C.4 Nursing			
Medical Room		80 SF	
Staff Toilet		65 SF	
Oxygen Storage		10 SF	
Chart Rm/Dr Rm		100 SF	
Lockers		10 SF	
Coat Closet		10 SF	
Exam Room		100 SF	
Crash Cart		10 SF	
		<hr/>	
		385 SF	
Memory Unit Sub-Total:		6,105 SF	
<u>Memory Unit Total:</u>			
w/ Multiplier	1.30	7,937 GSF	

**GOOD SAMARITAN
PONTIAC, IL**



UNIT SUMMARY.

A.	LONG TERM CARE	14,482 GSF
B.	SHORT TERM REHAB	10,140 GSF
C.	MEMORY SUPPORT	7,937 GSF
Unit Total GSF:		32,559 GSF

D. ADMINISTRATION

D.1 Administration

Reception	120 SF
CEO	180 SF
Administrator	150 SF
DON	120 SF
ADON	100 SF
AP / AR	100 SF
MDS Coordinator	100 SF
Activities Director	100 SF
Social Services	100 SF
Meeting Room	200 SF
	<u>1,150 SF</u>

D.2 Administrative Support

Work Room	100 SF
Toilets	130 SF
Med Rec Storage	80 SF
	<u>2,730 SF</u>

Administration Total	<u>1,460 SF</u>
w/ Multiplier	1.25 1,825 SF

E. Community Space

Rehab Space	1,000 SF
Dining / Activity	2,910 SF (for 97 beds)
Salon	400
Meeting / Training Room	500
Toilets 2 @ 65 SF	130 SF
Lobby	200 SF
Vestibule	140 SF

Commons Total	<u>5,280 SF</u>
w/ Multiplier	1.25 6,600 SF

GOOD SAMARITAN
PONTIAC, IL



F. Community Support

Kitchen		1,850 SF
Receiving		250 SF
Central Supply		400 SF
General Building Storage		1,250 SF
Laundry		850 SF
Staff Break Room		500 SF
Maintenance		150 SF
Mech. / Elect.		850 SF
Housekeeping		150 SF
Community Support Total		<u>6,250 SF</u>
w/ Multiplier	1.25	<u>7,813 SF</u>

SUMMARY

LONG TERM CARE	14,482 GSF
SHORT TERM REHAB	10,140 GSF
MEMORY SUPPORT	7,937 GSF
ADMINISTRATION	1,825 GSF
COMMUNITY SPACE	6,600 GSF
<u>COMMUNITY SUPPORT</u>	<u>7,813 GSF</u>
TOTAL GSF:	48,796 GSF
Total GSF per bed:	400

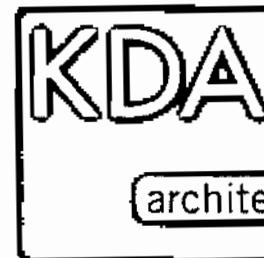


Good Samaritan

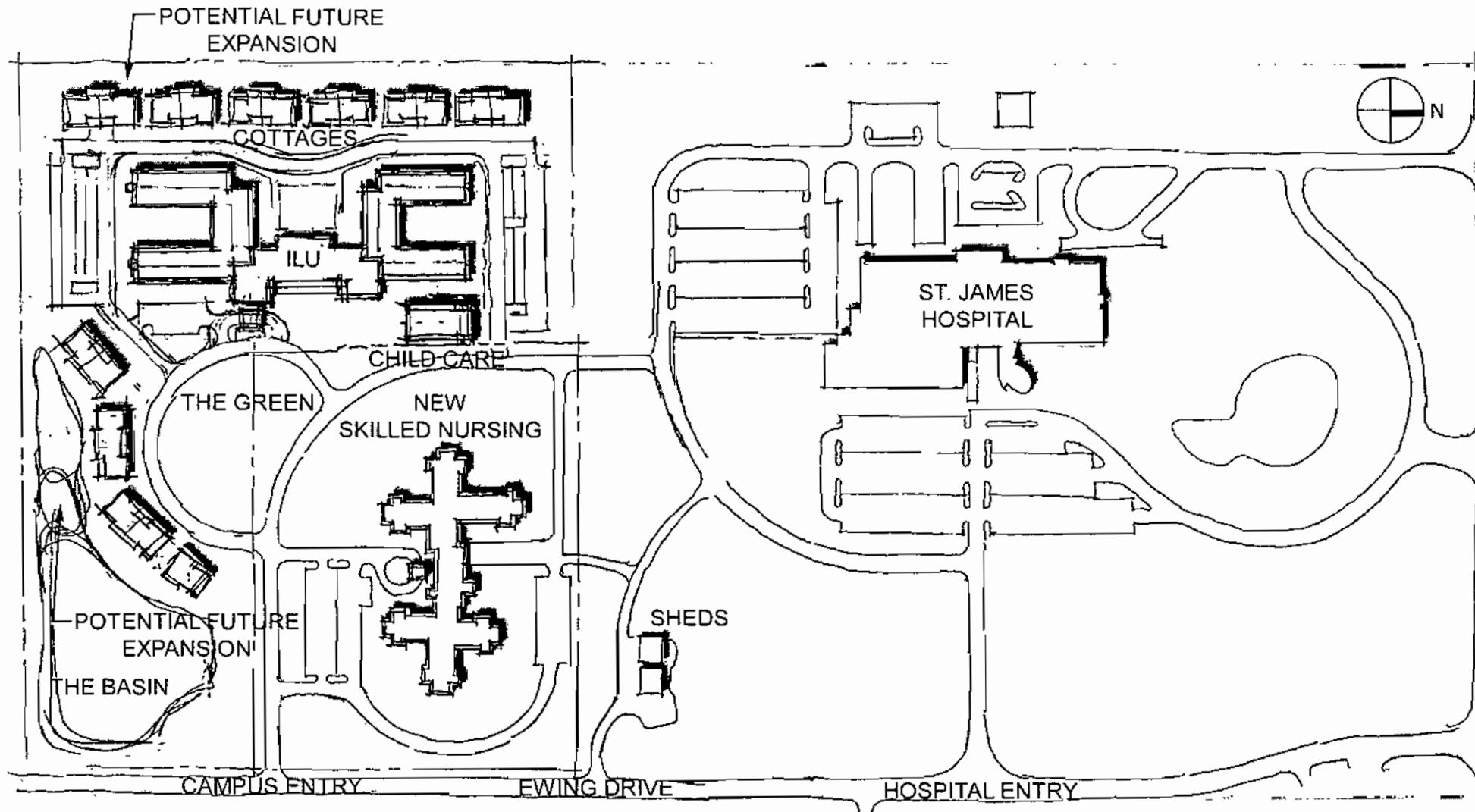
Pontiac



CON Application
December 1, 2011



Architecture ● Planning ● Interior Design
One Echelon Plaza
227 Laurel Rd. Suite 200
Voorhees, New Jersey 08043
Tel: 856.770.1060
Fax: 856.770.1059
www.kd-arch.com

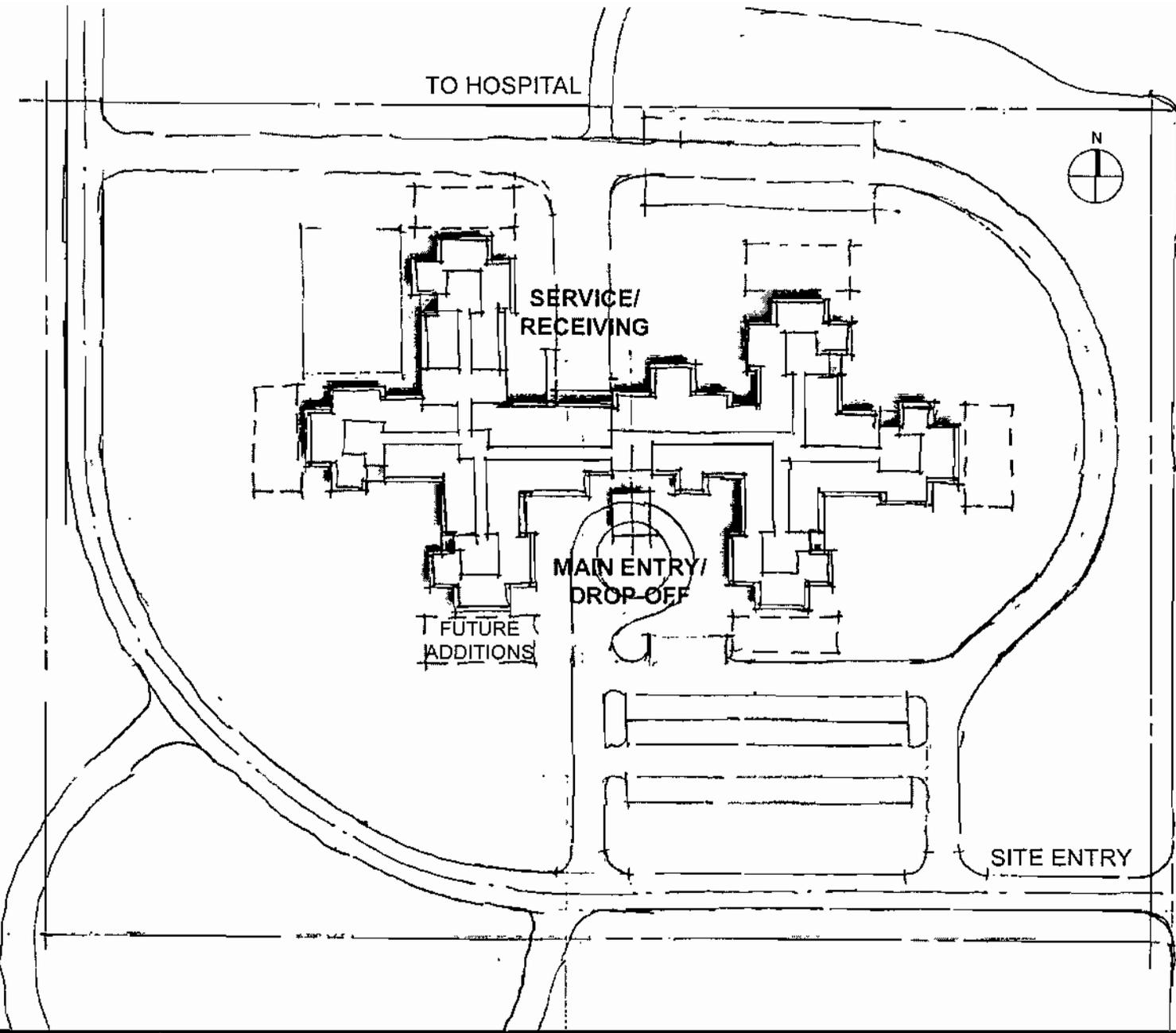


Good Samaritan
Pontiac

Context Plan
Good Samaritan
Pontiac, Illinois

KDA
architects

ATTACHMENT 9
December 1, 2011

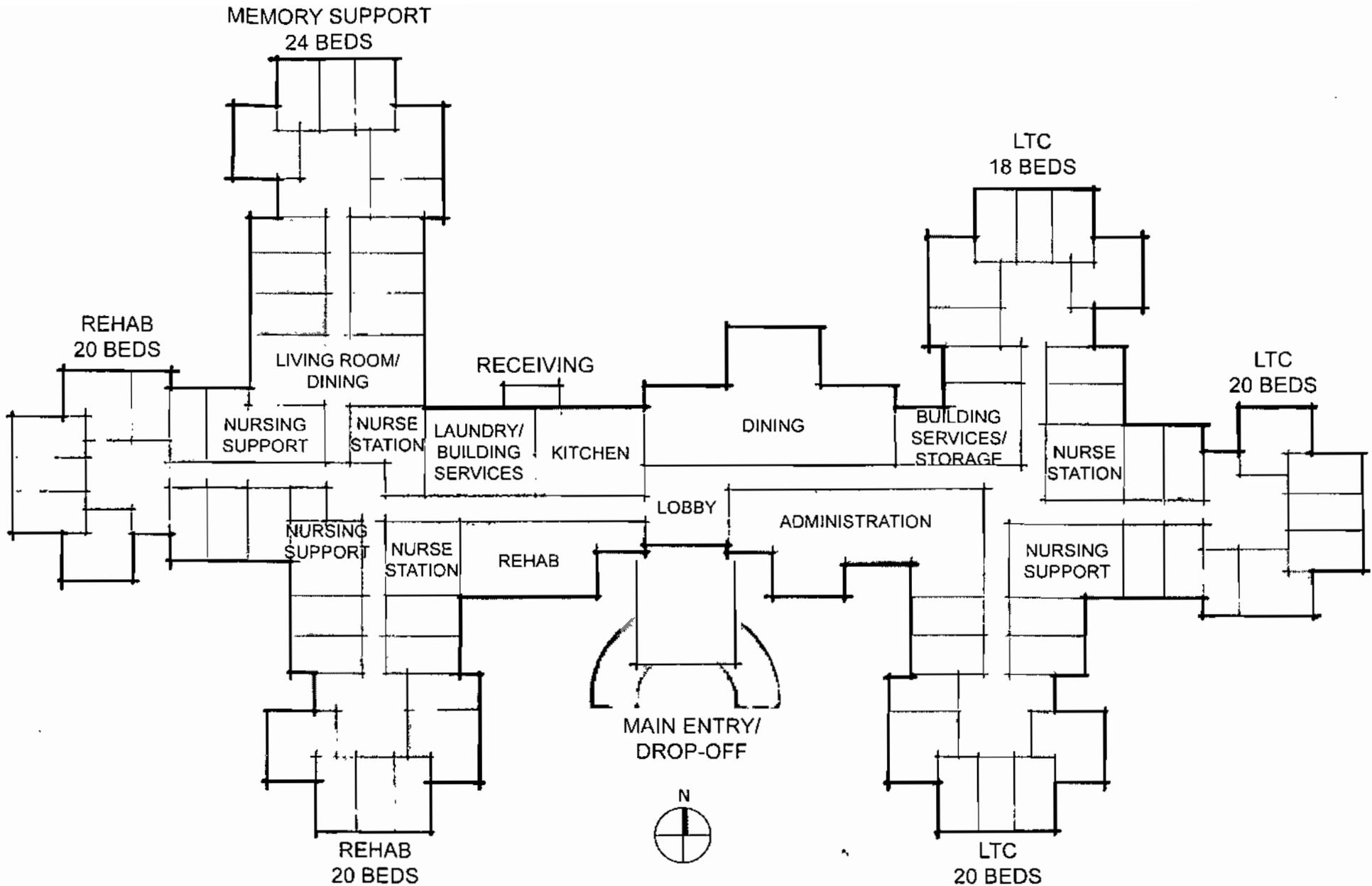


Good Samaritan
Pontiac

Concept Site Plan
Good Samaritan
Pontiac, Illinois

KDA
architects

ATTACHMENT 1
December 1, 2011

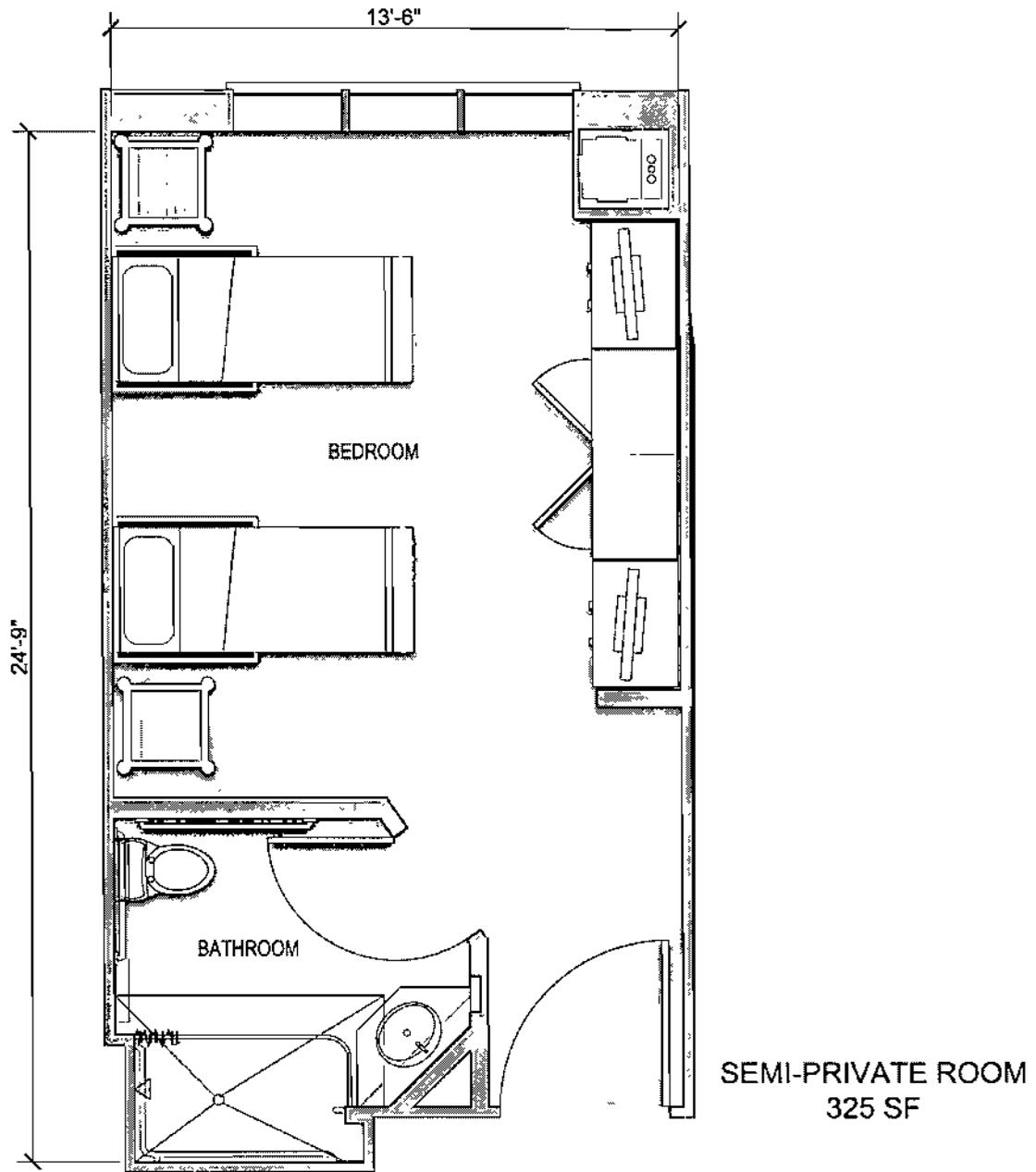


Good Samaritan
Pontiac

Concept Floor Plan
Good Samaritan
Pontiac, Illinois

KDA
architects

ATTACHMENT A, dated 10/2010

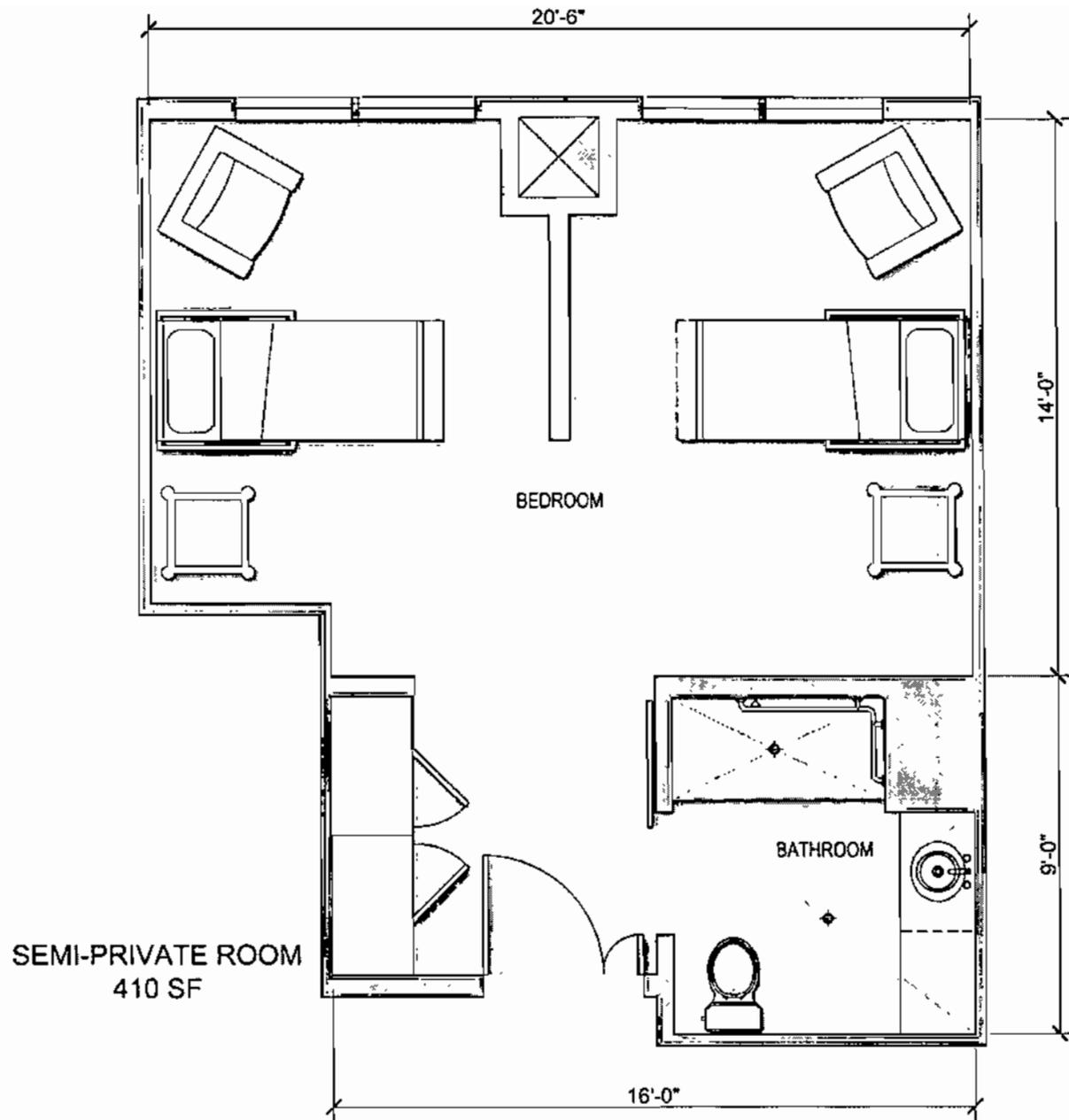


Good Samaritan
Pontiac

Resident Room Plan
Good Samaritan
Pontiac, Illinois

KDA
architects

ATTACHMENT #102
December 1, 2011

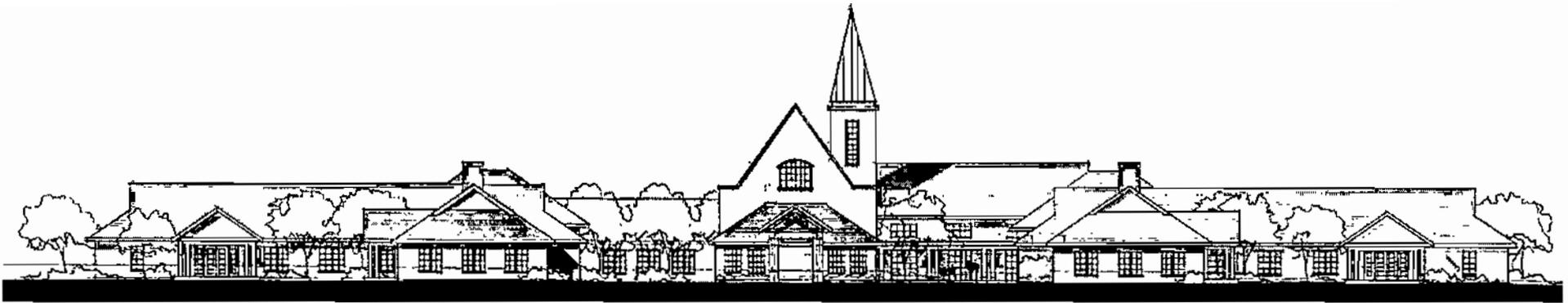


Good Samaritan
Pontiac

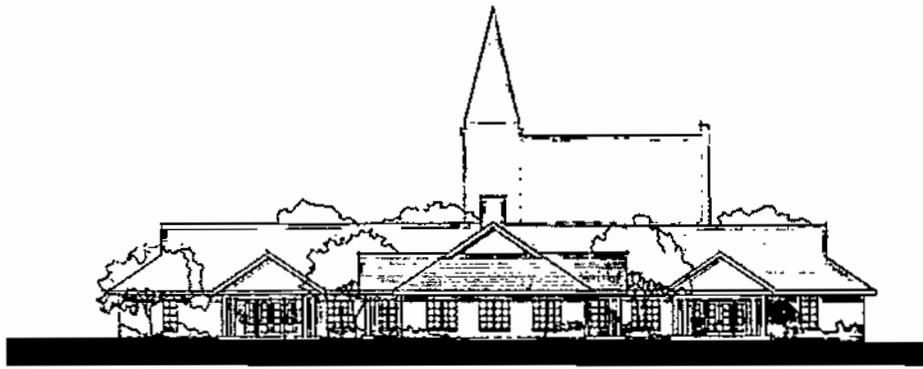
Resident Room Plan
Good Samaritan
Pontiac, Illinois

KDA
architects

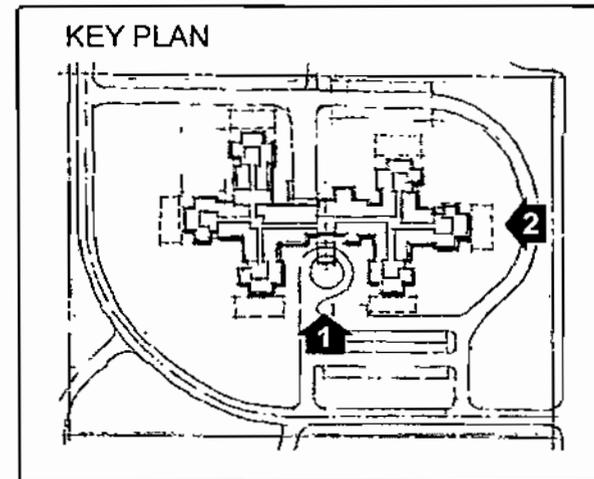
ATTACHMENT # 103
December 1, 2011



ELEVATION 1 (SOUTH)



ELEVATION 2 (EAST @ EWING DRIVE)



Good Samaritan
Pontiac

Concept Elevations
Good Samaritan
Pontiac, Illinois

KDA
architects

ATTACHMENT #1
December 1, 2011

ATTACHMENT 10

DISCONTINUATION

General Information Requirements

1. Good Samaritan - Pontiac ("Applicant") proposes to discontinue service of a 122 bed skilled nursing facility at 14335 Highway 66, Pontiac IL (the "Existing Facility"). The Existing Facility will be replaced with a 122 bed skilled nursing facility located at 840 Ewing Drive Pontiac IL (the "Replacement Facility"). The discontinuation of the Existing Facility is contingent upon IHFSRB approval of the Replacement Facility and will occur when Applicant completes the project and transfers all residents to new facility.
2. Not Applicable. No other clinical services are provided at the facility.
3. The date of discontinuance will occur when the Replacement Facility is complete; this date is currently anticipated as August 13, 2013.
4. Presently there is not an anticipated use of the physical plant and equipment after the discontinuation occurs. Applicant is a tenant and has no control over or input into the eventuality of the existing building; however, it is likely the existing structure will be demolished. It is not expected to be used for long term care.
5. The medical records will be continuously maintained by Applicant. The records will reside in the Existing Facility until the completion of the Replacement Facility. Upon completion of the Replacement Facility, the medical records will be moved to and maintained at the Replacement Facility.
6. All applicable questionnaires and other requests for information have been completed and properly filed. In addition, because this proposal is for a Replacement Facility, the current authorized representatives will continue to respond to IDPH and IHFSRB inquiries following the discontinuation of the Existing Facility.

Reasons for Discontinuation

The Existing Facility is not in compliance with all licensure or certification standards. The Existing Facility does not meet the current standards for room size under the Medicare Conditions of Participation 42 C.F.R. § 483.70(d)(1)(ii). The primary reason for replacing the Existing Facility is that the cost of modernizing the building far exceeds the costs of constructing a new facility. The Existing Facility is not sprinkled, contains asbestos, lacks insulation, has an unreliable fuel oil heating system, an incomplete cooling system, inadequate and poor quality well water supply, an inadequate septic sewer system, inefficient single pane windows, inadequate storage for resident equipment, a failing infrastructure of water pipes that no longer supplies adequate flow to maintain acceptable pressure, resident room size that no longer meets IDPH requirements. In addition, two of the resident rooms have three beds and one resident room has four beds, which are no longer allowed for new construction.

Impact on Access

There shall be no impact on service provision with the approval of this application as Applicant is requesting approval for a 122 bed skilled nursing facility to replace the Existing Facility.

ATTACHMENT 10
DISCONTINUATION

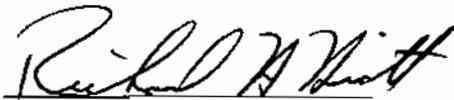
Mr. Dale Galassie
Chairman
Illinois Health Facility and Service Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Re: Certificate of Need Application for Good Samaritan - Pontiac

Dear Mr. Galassie,

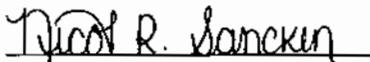
As required by 77 Admin. Code. 1110.130, Applicant certifies that all applicable questionnaires and other requests for information have been completed and properly filed. In addition, because this proposal is for a replacement facility, the current authorized representatives will continue to respond to IDPH and IHSRB inquiries following the discontinuation of the current facility.

Sincerely,



Notarization:

Subscribed and sworn to before me this 9th day of August, 2011



Seal:



ATTACHMENT 11

BACKGROUND OF THE APPLICANT

Other Facilities Owned or Operated by the Applicant

As required by 77 Ill. Admin. Code 1125.520; the following is the list of all facilities owned or operated by Good Samaritan – Pontiac:

Good Samaritan – Flanagan
205 North Adams
Flanagan, Illinois 61740
IDPH License # - 6003677

Good Samaritan – Pontiac
840 Ewing Drive
Pontiac, Illinois 61764
IDPH License # - 6005573

ATTACHMENT 11

BACKGROUND OF THE APPLICANT

Certification & Authorization

Good Samaritan - Pontiac

As required by 77 Ill. Admin. Code 1110.230; I certify that no adverse actions have been taken against Good Samaritan - Pontiac, or any facility owned or operated by the Applicant, by Medicare, Medicaid, or any State or Federal regulatory authority during the 3 years prior to the filing of this Certificate of Need application; and

As required by 77 Ill. Admin. Code 1110.230; I authorize the Illinois Health Facilities and Services Review Board and Illinois Department of Public Health to access to information in order to verify any documentation or information submitted in response to the requirements of this subsection or to obtain any documentation or information related to this Certificate of Need application.

Richard H. Hiatt
Signature

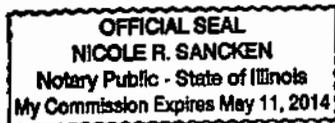
Richard H. Hiatt
Printed Name

President
Title

Subscribed and sworn to before me this 9th day of Aug, 2011

Nicole R. Sancken
Signature of Notary

Seal



ATTACHMENT 12

PURPOSE OF THE PROJECT

1. Applicant assumed the operations of a 122 bed skilled nursing facility previously operated by Livingston County. The Existing Facility was built in phases beginning in 1968 and completed in 1973. Two additions were constructed for a new dining and community area along with expansion of therapy services. When constructed, the Existing Facility consisted of primarily multiple occupancy rooms of less than 300 square feet. The Existing Facility was also constructed with community lavatory facilities rather than individual facilities in the rooms. The Existing Facility was constructed primarily to house intermediate care residents. Only 23 beds were certified for utilization by Medicare eligible residents. The proposed Replacement Facility will be built to current skilled nursing standards with all 122 beds Medicare certified. The proposed construction will have an area secured to better serve individuals with memory impairment and wandering behavior. Applicant anticipates serving a more acute population. Presently Applicant is the only facility in the area that accepts residents with IV medications. An area is also proposed with oxygen piped into the rooms to handle more intense medical residents. As part of our on-going mission, Applicant serves all persons without regard to ability to pay and anticipates continuing to serve this market in all aspect of our service delivery.
2. Our current primary market area is Livingston County with a secondary area extending into Northern McLean County.
3. As previously noted the Existing Facility suffers from severe physical plant issues and will not be compliant with anticipated regulatory standards. The cost of modernizing the Existing Facility is prohibitive and modernization will not address all issues associated with the Existing Facility. The Replacement Facility will be equipped to handle complicated medical cases. Discharge data compared to length of stay in area acute care facilities show that there are 8,406 days of hospital services delivered to persons over 65 in the 10 zip codes surrounding Pontiac at OSF St. James, Pontiac, St. Joseph, Bloomington, St. Francis Medical Center, Peoria, Advocate BroMenn, Bloomington, OSF St. James Home Health and Hospice, Pontiac, and St. Mary's, Streator.
4. A Rehab Care Study on hospital usage and population demographic provided through the Health Facilities Services and Review Board web site along with conversations with discharge planners at hospitals in our service area are the primary source of information. Applicant also analyzed census data from 2008 from area facilities finding they were all 90% occupied. With the service-range extending past the borders of Livingston for memory impaired resident and heavy medical care, Applicant expects census data to remain the same.
5. Applicant is requesting a Replacement Facility. The Existing Facility is between 38 and 41 years old depending on the era of construction and renovation. It is not fully sprinkler

as will be required in 2013. It does not have state of the art smoke detection and the nurse call system is an antiquated analog, series type, system using bells, buzzers and lights. Parts for the nurse call system are becoming harder to find. The plumbing and heating systems are developing leaks as well as pipes constricting due to sediment in the lines. Each resident room was constructed with 78.3 square feet per resident; the current standard is 80 square feet. Resident rooms do not have bathrooms adjacent to or in the resident rooms with the exception of four private rooms. The bulk of the Existing Facility is ICF certified and will not meet SNF standards without significant rebuilding. The Existing Facility will also need significant asbestos removal if any renovation is to take place. Electrical circuits were built to 1960's standards. Storage space on units is at a premium leaving little or no space for the storage of lifts and electric wheel chairs that have become increasing common.

The ventilation in the Existing Facility is old and not designed to exhaust fully, as an upgraded facility would. This would allow Applicant to take more complex medical care particularly of air born infections. The ventilation includes heating and air conditioning. The Existing Facility was built without central air. Air conditioning is only in corridors and common areas. Individual heat controls in rooms exist but provide marginal results as the system is steam heat in a progression run. This problem is not as evident as it could be, because the windows are single pane glass with one side lowered for fresh air. The inefficiency of the heating system is masked by the inefficiency of the windows in the winter.

The Existing Facility located in a remote rural location 6 miles out of town which limits family accessibility, emergency response accessibility and extends response time. There is no public transportation available, which further limits family access for many Medicaid residents. It is inconvenient for families and other visitors to travel to the facility. The water service is provided by a well and sewage disposal is through a septic system on site requiring frequent pumping, and does not supply adequate water supply or pressure. In general, the building is more than 40 years old, and although, it was built to standards at the time, it no longer is functional as a skilled nursing facility. Retro-fitting costs to make the building fit today's health care standards are prohibitive. In addition, Applicant doesn't own the building; therefore, Applicant can't remodel, and the owner won't remodel. The only feasible solution is to replace the structure

6. At the time Applicant assumed the management of Livingston Manor, in December 2008 the census had dropped to 25. The leading cause of the decline was directly attributable to a motion from Livingston County to close the facility and the negative publicity pertaining to the facility closing. Within 90 days of Good Samaritan assuming management, the census started to increase.

Applicant anticipates that the project will meet utilization standards put forth by the state. The Existing Facility, while operating as a Livingston County facility, operated at capacity with a waiting list for prospective residents. Applicant plans to build resident volume at the Existing Facility and transfer residents to the Replacement Facility upon its completion in 2013. Therefore, Applicant anticipates meeting the state utilization

standard in the first year following completion of the project. Applicant anticipates the following growth in census through the date of completion and transfer of residents to the Replacement Facility.

Goal: To replace an outdated skilled nursing facility that no longer meets state health care standards for the following reasons:

1. Resident room size
2. Lack of resident bathrooms
3. Antiquated and failing infrastructure, i.e., plumbing and electrical
4. Asbestos
5. Insufficient water supply both pressure and volume
6. Inadequate rural septic system
7. Inefficient fuel oil boiler heating system
8. Building is not fully sprinkled
9. Inadequate storage space for resident equipment, i.e., lifts, wheelchairs, etc.
10. Building does not have full central air conditioning
11. Inefficient windows
12. Inconvenient rural location

Build a replacement skilled nursing facility with a move-in date of August 13, 2013.

Date	Census
May 31, 2012	47
September 30, 2012	54
December 31, 2012	60
August 13, 2013*	84
December 31, 2013	106
April 30, 2014	120

* Anticipated Project Completion and Transfer of existing residents to Replacement Facility

ATTACHMENT 13

ALTERNATIVES

Alternative Options

1. A project of greater or lesser scope and cost

Projects of greater and lesser scope were considered in the planning stages of this project. The alternative of a project of lesser scope would not sufficiently meet the need projected by Applicant, nor would it address the physical plant issues associated with the Existing Facility. As indicated in the Purpose of the Project section, the Existing Facility suffers from severe physical plant issues due to age and design, including water and plumbing issues, insufficient room size, and ventilation and insulation problems. Not only will this project resolve the aforementioned issues, this project will allow the Applicant to treat greater acuity residents and promote the transition of more seriously ill residents from the acute care setting to a sustainable long term care setting.

2. Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes

There are no local potential partners interested. The involvement of a venture capitalist showed an increase in cost, and the venture capitalist had no interest in a skilled nursing facility.

3. Utilizing other health care resources that are available to serve all or a portion of the population the Project proposes to serve

The discontinuation of the Existing Facility without the corresponding construction of the Replacement Facility would result in unmet long term care need in the Livingston County. As of the February 21, 2012 "Update to Inventory of Long-Term Care Services", there is a 56 bed excess in long term care beds in the Livingston County, however, the Existing Facility accounts for 122 of currently inventoried beds. As such, the discontinuation of the Existing Facility without the corresponding establishment of the Replacement Facility would result in an unmet need of 66 long-term care beds in the area.

Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of cost, patient access, quality and financial benefits in both the short term (one to three years after project completion) and long term. This may vary by project or situation. (See Attached Comparison Chart)

Comparison of Project to Alternative Options

Proposed Project	Alternative	Cost	Patient Access	Quality	Financial Benefits
Construction of Good Samaritan – Pontiac Replacement Facility	Project of Lesser Scope / No Project	Alternative Option presents less cost to Applicant but results in unmet long term care bed need.	Alternative Option results in reduction in resident access as discontinuation of the Existing Facility would reduce available long term care beds. Current residents would have to find another available bed. Residents would suffer financially. The Existing Facility takes more Medicaid residents than other local skilled nursing facilities, and has lower private pay rates.	Alternative Option results in reduction in quality as discontinuation of the Existing Facility would reduce available long term care beds.	Alternative Option does not result in greater financial benefit to any stakeholders (residents, the state, Applicant).
Construction of Good Samaritan – Pontiac Replacement Facility	Joint Venture or other Arrangement	Alternative Option would result in the same total cost as the proposed project but distribute such costs among different parties. No local potential partner showed interest including a venture	Alternative Option would result in the same increased resident access as the proposed project	Alternative Option would result in the same quality as the proposed project	Alternative Option does not result in greater financial benefit to any stakeholders (residents, the state, Applicant).

		capitalist.			
Construction of Good Samaritan – Pontiac Replacement Facility	Use Existing Resources	Continued use of the Existing Facility is not feasible due to physical plant constraints which will ultimately result in non-compliance with regulatory requirements. Discontinuation of the Existing Facility without establishment of the Replacement Facility will result in unmet long term care bed need.	Alternative Option results in reduction in resident access as discontinuation of Existing Facility would reduce available long term care beds. Current residents would have to find another available bed. Residents would suffer financially. The Existing Facility takes more Medicaid residents than other local skilled nursing facilities, and has lower private pay rates.	Alternative Option results in reduction in quality as discontinuation of Existing Facility would reduce available long term care beds.	Alternative Option does not result in greater financial benefit to any stakeholders (residents, the state, Applicant).

ATTACHMENT 14

SIZE OF THE PROJECT

Size of Project				
Department/Service	Proposed BGSF/DGSF	State Standard	Difference	Met Standard?
General Long Term Care	400 BGSF/Bed	453-713 BGSF/Bed	53 BGSF/Bed	Yes

The proposed project does not exceed the state standard of 453-713 building gross square feet ("BGSF") per bed.

ATTACHMENT 15

PROJECT SERVICES UTILIZATION

Utilization					
	Dept/Service	Historical Utilization/Patient Days etc. (2010 Facility Profile)	Projected Utilization	State Standard	Met Standard?
Year 1	General Long Term Care	39	120	90%	YES
Year 2	General Long Term Care	39	120	90%	YES

Applicant anticipates and certifies that the project will meet utilization standards put forth by the state. The Existing Facility, while operating as a Livingston County facility, operated at capacity with a waiting list for prospective residents. Applicant plans to build resident volume at the Existing Facility and transfer residents to the Replacement Facility upon its completion in 2013. Therefore, Applicant anticipates meeting the state utilization standard in the first year following completion of the project. Applicant anticipates the following growth in census through the date of completion and transfer of residents to the Replacement Facility.

Date	Census
May 31, 2012	47
September 30, 2012	54
December 31, 2012	60
August 13, 2013*	84
December 31, 2013	106
April 30, 2014	120

* Anticipated Project Completion and Transfer of existing residents to Replacement Facility

ATTACHMENT 28

PLANNING AREA NEED – BED NEED DETERMINATION

77 Ill. Admin. Code §1125.530(b) –Planning Area Need – Bed Need Determination

The discontinuation of the Existing Facility without the corresponding construction of the Replacement Facility would result in unmet long term care need in the Livingston County. As of the February 21, 2012 "Update to Inventory of Long-Term Care Services", there is a 56 bed excess in long term care beds in the Livingston County, however, the Existing Facility accounts for 122 of currently inventoried beds. As such, the discontinuation of the Existing Facility without the corresponding establishment of Replacement Facility would result in an unmet need of 66 long-term care beds in the area.

ATTACHMENT 28

PLANNING AREA NEED – SERVICE TO PLANNING AREA RESIDENTS

77 Ill. Admin. Code §1125.530(b) – Planning Area Need – Service to Planning Area Residents

Applicant proposes to establish a one hundred and twenty-two (122) bed long term care facility at 840 Ewing Drive in Pontiac Illinois. The Replacement Facility will replace an aging facility currently providing care to area patients; the Replacement Facility will provide necessary health care services to the residents of Livingston County as well as residents in the adjacent counties within a 30 minute drive time of the facility. One of the main referral sources is anticipated to be OSF St. James Hospital, as the Replacement Facility will be built in close proximity to the hospital. Applicant expects to serve area patients discharged from the hospital.

ATTACHMENT 28

SERVICE DEMAND – ESTABLISHMENT OF CATEGORY OF SERVICE

77 Ill. Admin. Code §1125.540(d)

Projected Referrals – Attached in Appendix 1 are facility referral letters attesting to the total number of residents who have received care at existing long term care facilities located in the area, and an estimated number of residents that the referring facility will refer annually to Applicant within a 24-month period after project completion.

ATTACHMENT 28

SERVICE DEMAND – EXPANSION OF GENERAL LONG-TERM CARE

77 III. Admin. Code §1125.550(a) – Historical Service Demand

According to IDPH Long Term Care Facility Profiles, the Existing Facility has maintained the following occupancy statistics:

Year	Occupancy as of December 31
2005	80
2006	77
2007	47
2008	27
2009	38
2010	39

Applicant anticipates that the project is necessary to meet demand for long term care services in Livingston County. The Existing Facility, while operating as a Livingston County facility, operated at capacity with a waiting list for prospective residents. However, occupancy of the Existing Facility declined due to a motion from Livingston County to close the facility and the negative publicity pertaining to closing the facility. Within 90 days of Good Samaritan assuming the management the census started to increase. Applicant plans to build resident census at the Existing Facility and transfer residents to the Replacement Facility upon its completion in 2013. Therefore, Applicant anticipates meeting the state utilization standard in the first year following completion of the project. Applicant anticipates the following growth in census through the date of completion and transfer of residents to the Replacement Facility.

77 III. Admin. Code §1125.550(b) – Projected Referrals

Projected Referrals – Attached in Appendix I are facility referral letters attesting to the total number of residents who have received care at existing long term care facilities located in the area and an estimated number of residents that the referring facility will refer annually to Applicant's facility within a 24-month period after project completion.

ATTACHMENT 28

PLANNING AREA NEED – SERVICE ACCESSIBILITY

The primary cause of service restrictions for area residents to the Existing Facility is the condition of the physical plant. As previously discussed in Attachment 12, the Existing Facility suffers from various issues that limit its utility. The Existing Facility was constructed primarily to house intermediate care residents. Only 23 beds were certified for utilization by Medicare eligible residents. The proposed Replacement Facility will be built to current skilled nursing standards with all 122 beds Medicare certified. The proposed construction will have an area secured to better serve individuals with memory impairment and wandering behavior. Furthermore, the Existing Facility is not equipped to handle higher acuity residents, the proposed facility will be built to current standards and is anticipated to admit higher acuity residents discharged from area hospitals.

ATTACHMENT 28

UNNECESSARY DUPLICATION OF SERVICES

77 Ill. Admin. Code §1125.580(a)

The project will not result in unnecessary duplication of services. The proposed Replacement Facility will replace lost beds when the discontinuation of the Existing Facility occurs. Consequently, there will be no unnecessary duplication of services.

As required by 77 Ill. Admin. Code §1125.580(a), the tables included in this attachment show the following information:

- A list of zip code areas that are located, in total or in part, within 30 minutes normal travel time of the project's site;
- The 2007 Population of the identified zip code areas; and
- The names and locations of all existing or approved health care facilities located within 30 minutes normal travel time from the population site that provide the categories of bed service that are proposed by the project.

MapQuest maps of driving times and distances are included in Appendix 2 in the order they appear in the facility table.

2007 Population by Zip Code

ZIP Code	Population: total (2007) by ZIP Code
61761	47,290
61738	3,984
61776	1,281
61744	2,462
61753	3,053
61726	3,240
61760	2,581
61321	362
61740	1,529
61743	247
61333	516
61311	469
61764	14,241
61319	719
61313	236
60470	683
61739	4,804
60460	1,701
61769	652
60420	6,065
60437	197
Total	96,312

Facilities within a 30-Minute Drive Time

FACNAME	ADDRESS	CITY	ZIP
Heritage Manor - El Paso	555 East Clay	El Paso	61738
Meadows Mennonite Home	24588 Church Street	Chenoa	61726
Heritage Manor - Minonk	201 Locust	Minonk	61760
Flanagan Rehab & Health Care Center	201 East Falcon Highway	Flanagan	61740
Good Samaritan-Flanagan	205 North Adams	Flanagan	61740
Good Samaritan-Pontiac	1100 CR-27	Pontiac	61764
Asta Care Centre Of Pontiac	300 West Lowell	Pontiac	61764
Evenglow Lodge	215 East Washington	Pontiac	61764
Fairview Haven	605 North 4th Street	Fairbury	61739
Heritage Manor - Dwight	300 East Mazon Avenue	Dwight	60420

ATTACHMENT 28

MALDISTRIBUTION

77 Ill. Admin. Code §1125.580(b)

The proposed project will not affect maldistribution of general long term care beds in the Livingston County Planning Area. The project proposes to discontinue an outdated one hundred and twenty-two (122) bed facility and establish a replacement one hundred and twenty-two (122) bed facility, the project will not result in greater maldistribution of services within the planning area. As required by 77 Ill. Admin. Code §1125.580(b), the relevant criteria regarding occupancy of facilities within a 30 minute drive time is addressed below.

OCCUPANCY OF FACILITIES WITHIN A 30 MINUTE DRIVE TIME

FACID	FACNAME	CITY	ZIP	Occupancy
6005920	Heritage Manor - El Paso	El Paso	61738	94.1%
6006001	Meadows Mennonite Home	Chenoa	61726	65.4%
6005367	Heritage Manor - Minonk	Minonk	61760	74.7%
6000939	Flanagan Rehab & Health Care Center	Flanagan	61740	48.7%
6003677	Good Samaritan-Flanagan	Flanagan	61740	88.7%
6005573	Good Samaritan-Pontiac	Pontiac	61764	27.2%
6004642	Asta Care Centre Of Pontiac	Pontiac	61764	96.1%
6002901	Evenglow Lodge	Pontiac	61764	61.0%
6003040	Fairview Haven	Fairbury	61739	95.6%
6002083	Heritage Manor - Dwight	Dwight	60420	93.2%

ATTACHMENT 28

IMPACT OF PROJECT ON OTHER AREA PROVIDERS

77 Ill. Admin. Code §1125.580(c)

This Project will not impact other area providers of general long term care beds in the planning area. The project proposes to discontinue an outdated one hundred and twenty-two (122) bed facility and establish a replacement one hundred and twenty-two (122) bed facility; the project will not affect the total number of available beds and will not negatively impact area providers.

ATTACHMENT 28

STAFFING AVAILABILITY

77 Ill. Admin. Code §1125.590 – Staffing Availability

Current Staffing Based on 2010 Long Term Care Facility Profile

Title	FTEs
Administrators	1.00
Physicians	0.00
Director of Nursing	1.00
Registered Nurses	4.00
LPNs	6.00
Certified Aides	25.00
Other Health Staff	0.00
Non-Health Staff	17.00

Applicant maintains the above staffing patterns for the Existing Facility. In addition, Applicant can recruit additional personnel as necessary. Currently, Applicant has twenty-five applications for Certified Nursing Assistants on file and historically receives at least five applicants for each advertisement run for direct care nurses. Advertisements for non-nursing positions have netted at least ten applicants for each position advertised. Applicant also has a Workforce Development office in the community. Applicant anticipates being able to staff the building once completed.

Additionally, services on the Internet will be used to recruit if needed. Certified Nursing Assistant positions can be filled with persons who are trained as needed.

ATTACHMENT 28

FACILITY SIZE

77 III. Admin. Code §1125.600 – Bed Capacity

The proposed number of beds for the Replacement Facility is 122 beds. The maximum allowable beds for a general long term facility authorized by IHFSRB are 250 beds. Therefore, the proposed beds do not exceed the maximum allowable beds.

ATTACHMENT 28

COMMUNITY RELATED FUNCTIONS

77 Ill. Admin. Code §1125.610 – Community Related Functions

Community Support Letters are attached in Appendix 2

ATTACHMENT 28

PROJECT SIZE

77 Ill. Admin. Code §1125.620 – Project Size

The Project Size Review Criterion can be found in Attachment 14

ATTACHMENT 28

ZONING

STATE OF ILLINOIS :
COUNTY OF LIVINGSTON : SS.
CITY OF PONTIAC :

ORDINANCE NO. 2010-O-021

ORDINANCE CHANGING ZONING CLASSIFICATION

WHEREAS, the Petitioner, Good Samaritan Pontiac, being the contract purchaser of the following described real estate situated in the City of Pontiac, Livingston County, Illinois, did file a petition requesting that the following described tract of real estate be rezoned from the existing B-3, General Business and Wholesale District, zoning classification to an R-4, Multiple-Family Residence District, zoning classification, effective upon the vesting of legal title in Good Samaritan Pontiac, said real estate being legally described as follows:

A part of the West Half of the Northwest Quarter of Section 29, Township 28 North, Range 5 East of the Third Principal Meridian, Livingston County, Illinois, more particularly described as follows: Beginning at a point on the East Line of the West Half of said Northwest Quarter lying 300.00 feet north of the Southeast Corner thereof. From said Point of Beginning, thence north 720.00 feet along said East line to the Northeast Corner of the South 1,020.00 feet of even width of the West Half of said Northwest Quarter; thence west 907.50 feet along the North Line of the West Half of the said Northwest Quarter which forms an angle to the right of 89°-37'-46" with the last described course; thence south 720.00 feet along a line which is parallel with said East Line and which forms an angle the right of 90°-22'-14" with the last described course; thence east 907.50 feet along a line which is parallel with said North Line and which forms an angle to the right of 89°-37'-46" with the last described course to the Point of Beginning, containing 15.00 acres, more or less, and commonly known as property south of OSF St. James Hospital and is fronted on Ewing Drive, Pontiac, Illinois.

and

WHEREAS, the Petitioner has contracted to acquire the premises for the development of a nursing home, which is not a permitted use under the present business zoning classification, but which is a permitted use in the requested R-4, Multiple-Family Residence District, zoning classification, and

WHEREAS, the a residential zoning classification is compatible with the adjacent business use as a hospital, and

WHEREAS, said Petition was duly introduced into the City Council and forwarded to the City of Pontiac Planning and Zoning Board with a request to hold a public hearing, and

WHEREAS, said City of Pontiac Planning and Zoning Board duly held and conducted a public hearing at 4:30 p.m. on the 26th day of July, 2010, after due and proper notice thereof, at which meeting a quorum was present and voting, and

WHEREAS, said City of Pontiac Planning and Zoning Board did find that given the uses and zoning classifications of the surrounding real estate and the proposed use of the subject real estate, it is appropriate for the premises to be assigned an R-4, Multiple Family Residence District, zoning classification, as requested by the Petitioner, and did recommend by a unanimous vote that the City Council adopt an ordinance assigning said zoning classification to the subject real estate effective upon the vesting of legal title in the Petitioner, and

WHEREAS, the City of Pontiac Planning and Zoning Board did submit its written report to the City Council setting forth the Commission's findings and recommendations, and

WHEREAS, the City Council of the City of Pontiac has found that the requirements for changing the zoning classification as recommended have been met by the Petitioner, and

WHEREAS, said Petition and all matters and actions related to said Petition are in proper and legal form to comply with the law and ordinances in all respects, and

WHEREAS, the City Council of the City of Pontiac has determined that it is in the best interest of the City of Pontiac to assign the zoning classification as recommended by the City of Pontiac Planning and Zoning Board effective immediately upon the vesting of legal title in the Petitioner.

NOW, THEREFORE, Be It Ordained by the City Council of the City of Pontiac, Livingston County, Illinois as follows:

Section 1. That an R-4, Multiple Family Residence District, zoning classification shall be, and hereby is, assigned to the subject premises effective immediately upon the vesting of legal title in the Petitioner, and that, when the zoning change becomes effective, the zoning map of the City of Pontiac be amended accordingly, and that in the event the Petitioner shall not acquire the said real estate as intended, the zoning classification shall remain unchanged.

Section 2. This Ordinance shall be effective immediately upon passage and approval in the manner provided by law.

Section 3. All Ordinances in conflict herewith and the same are hereby repealed.

Motion made by Gardner, seconded by Kallas, that the above Ordinance be passed.

VOTES: YEA: 8

NAY: 0

ABSENT: 2

ABSTAIN: 0

Passed and approved this 2nd day of August, 2010.



Mayor

ATTEST:



City Clerk.

ATTACHMENT 28

ASSURANCES

ATTACHMENT 28

ASSURANCES

77 Ill. Admin. Code § 1110.1730(k) - Assurances

In accordance with 77 Ill. Admin. Code § 1110.1730(k), and with respect to the Good Samaritan - Pontiac facility, Applicant certifies that by the second year of operation after project completion, the Applicant will achieve and maintain the 90% occupancy standard for general long term beds as specified in 77 Ill. Adm. Code § 1100.

Richard H. Hart
Signature

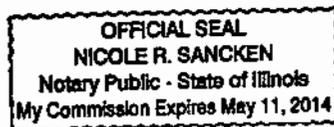
Richard H. Hart
Printed Name

President
Title

Subscribed and sworn to before me this 9th day of Aug, 2011

Nicole R. Sancken
Signature of Notary

Seal



ATTACHMENT 28

CONSTRUCTION SCHEDULE

77 Ill. Admin. Code §1125.800 Construction Schedule

The anticipated dates and percent of project construction or modernization completion at the 25th, 50th, 75th, 95th and 100th percentile of project funds expended are as follows:

Project Funds Expended	Date
25%	October 15, 2012
50%	January 15, 2013
75%	April 15, 2013
95%	June 30, 2013
100%	July 30, 2013

ATTACHMENT 28

OTHER LONG TERM CARE REVIEW CRITERIA

77 III. Admin Code §1125.800 Estimated Total Project Cost

b. Related Cost Data

- 1) Land Acquisition Cost – See Attachment 2 – Site Ownership.
- 2) Operating Start-Up Cost – See Attachment 39 – Good Samaritan – Pontiac, Projected Financial Report (Compiled) 12.31.11 through 12.31.16.
- 3) Construction and Modernization Costs and Schedule – See Attachment 28 – Construction Schedule.
- 4) Debt Service Relief Fund – No debt service relief fund will be utilized for this project.

c. Information Requirements for Financial Feasibility

- 1) Documentation of a U.S. Department of Housing and Urban Development (HUD) insured mortgage commitment, historical financial statements, or evidence of financial resources to fund the project – See Attachments 39 and 41.
- 2) Historical Financial Statements – See Attachment 39 – "Good Samaritan Home of Flanagan Financial Report and Supplementary Information 12.31.09" and "Good Samaritan Group and Subsidiaries, Consolidated Financial Report, December 31, 2010".
- 1) Projected Capital Costs – See Attachment 42 – Reasonableness of Project and Related Costs.
- 2) Projected Operating Costs – See Attachment 42 – Reasonableness of Project and Related Costs.
- 3) Availability of Funds – See Attachment 39 – Availability of Funds.
- 4) Operating Start-up Costs – See Attachment 39 – Good Samaritan – Pontiac, Projected Financial Report (Compiled) 12.31.11 through 12.31.16.

- 5) **Financial Viability** – See Attachment 39 – Good Samaritan – Pontiac, Projected Financial Report (Compiled) 12.31.11 through 12.31.16.
- 6) **Previous Certificate of Need Projects** – Applicant has no outstanding Certificate of Need projects.
- 7) **Financial and Economic Review Standard Ratios for New Facilities** – See Attachment 41 – Financial Viability – Viability Ratios.

ATTACHMENT 39

AVAILABILITY OF FUNDS

Applicant possesses financial resources that will be available and exceed the estimated total project cost. As Applicant has no document HUD insured mortgage commitment, Applicant provides documentation of Cash and Securities and Available Debt in excess of the estimated project cost.

Applicant is also in the application process to obtain certain funding and guarantees from the United States Department of Agriculture. If this Application is successful, the USDA will provide funding for 60% of the project and provide a 90% guarantee on the remaining 40% provided by the Bank.

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

VIII. - 1120.120 - Availability of Funds

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: Indicate the dollar amount to be provided from the following sources:

\$2,500,000		a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
		1)	the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and
		2)	interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____		b)	Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____		c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
\$7,862,817		d)	Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:
		1)	For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;
		2)	For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;
		3)	For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;
		4)	For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;
		5)	For any option to lease, a copy of the option, including all terms and conditions.
_____		e)	Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____		f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____		g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
\$10,362,817		TOTAL FUNDS AVAILABLE	

APPEND DOCUMENTATION AS ATTACHMENT-39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.



ACCOUNT:
DOCUMENTS:

PAGE: 1
01/31/2012

0

Horizontal lines for account information

GOOD SAMARITAN GROUP
C/O GLENDA TANNAHILL
14335 US HIGHWAY 66
PONTIAC IL 61764

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Questions about your accounts? Busey's Customer Support Center is open
M-F 8am to 6pm CST and Sat. 8am to 2pm CST, 1-800-67BUSEY.

BUSINESS MONEY MKT ACCOUNT

AVG AVAILABLE BALANCE 221,153.84 LAST STATEMENT 01/06/12 .00
2 CREDITS 250,056.71
DEBITS .00
THIS STATEMENT 01/31/12 250,056.71

OTHER CREDITS

DESCRIPTION DATE AMOUNT
DEPOSIT - COURTESY TICKET 01/09 250,000.00
INTEREST 01/31 56.71

INTEREST

AVERAGE LEDGER BALANCE: 221,153.84 INTEREST EARNED: 56.71
AVERAGE AVAILABLE BALANCE: 221,153.84 DAYS IN PERIOD: 26
INTEREST PAID THIS PERIOD: 56.71 ANNUAL PERCENTAGE YIELD EARNED: .36%
INTEREST PAID 2012: 56.71

DAILY BALANCE

DATE.....BALANCE DATE.....BALANCE DATE.....BALANCE
01/09 250,000.00 01/31 250,056.71

- END OF STATEMENT -



TODD SHEETS

Raymond James Financial Services, Inc.
 RAYMOND JAMES FINANCIAL, SVCS | BUSEY BANK
 100 W. UNIVERSITY AVENUE
 CHAMPAIGN, IL 61820 | (217) 365-4877
 buseyinvestmentservices.com
 Todd.Sheets@RaymondJames.com



GOOD SAMARITAN GROUP
 ATTN: GLENDA TANNAHILL
 14335 OLD ROUTE 66
 PONTIAC IL 61764-2994354



148

Raymond James Client Services
 800-647-SERV (7378)
 Monday - Friday 8 a.m. to 6 p.m. ET

Online Account Access
raymondjames.com/investoraccess

Investment Account Summary

		This Statement	Year to Date
Value This Statement			
\$2,246,862.73			
Last Statement	Prior Year-End		
\$0.00	\$0.00		
Dollar-Weighted Performance*			
YTD	2011		
64.08%	N/A		
	Beginning Balance	\$0.00	\$0.00
	Deposits	\$2,250,000.00	\$2,250,000.00
	Income	\$23.93	\$23.93
	Withdrawals	\$0.00	\$0.00
	Expenses	\$0.00	\$0.00
	Change in Value	\$(3,161.20)	\$(3,161.20)
	Ending Balance	\$2,246,862.73	\$2,246,862.73

Performance inception: 01/12/2012
 Excludes some limited partnerships and unpriced securities. Annuity and RJ Bank CD performance may not be all inclusive.

Important Messages

- Your primary objective is Income, with a low risk tolerance and a time horizon less than 5 years.
- Your secondary objective is Capital Preservation, with a low risk tolerance and a time horizon less than 5 years.





December 22, 2011

Dr. Glenda Tannahill, CEO
Good Samaritan Group
14335 US Hwy 66
Pontiac, IL 61764

RE: Good Samaritan Group, Construction/Building Project in Pontiac, IL

Dear Dr. Tannahill:

We have reviewed the initial request from Good Samaritan Group to build a new 122 bed nursing home in Pontiac, IL on property just south of the OSF St. James Hospital with estimated costs of \$11 million. We also reviewed preliminary plans and financial/personnel projections for the Home through 2016. We are interested in working with Good Samaritan Group to provide financing for this new Home. We understand upon approval and receipt of the Certificate of Need from the Illinois Health Facilities and Services Review Board, complete details of construction and final plans will be requested and submitted to us for review and approve.

Based upon the informational underwriting package you provided to Busey Bank ("Busey"), regarding the above referenced project, we have outlined some basic terms and conditions prior to our formal credit approval process. The financing structure below is based on the information provided for the building project at Pontiac, IL. The land and improvements to be used in connection herewith are hereinafter referred to as the Project.

The terms described below are provided to the Good Samaritan Group as an indication of our interest in provided financing for the project. Prior to funding, the Bank will issues a formal commitment letter. Your acknowledgement of this letter of intent will indicate to us that we are proceeding in the right direction and that the terms stated would be acceptable to you if offered.

Credit Facility

Borrower:

Good Samaritan Group

Loan Amount:

Lesser of \$8,500,000 or 75% of appraised "stabilized" value of the Project.

The final term loan will be funded as follows:

- 50% of the loan amount will be funded directly by USDA under their Community Facility Loan Program which provides for long term fixed rate financing.
- 50% of the loan amount will be funded by the Bank with a USDA 90% guaranteed loan.

Equity Contribution

\$2,500,000 equity contribution in the form of cash. The equity contribution will be in place at the time of closing. Funds in place for the equity contribution will be deposited with Busey Bank.

Purpose:

Provide funds to construct a new 122 bed nursing home facility.

Pricing:

Pricing for the construction loan and permanent loans will be determined at the time a formal commitment letter is issued. The construction loan will be priced at a fixed rate over an 18 month period at prime plus 1.5% with a floor of 5%. USDA Community Facility Loans are priced at the time of the commitment and published quarterly. Interest on the Guaranteed Loan will be fixed for five years and will adjust each successive five year period. The rate on the Guaranteed Loan will be established at a 3.15% margin over the five year treasury note at closing and each adjustment period, with a floor of 4% and a ceiling of 12% over the term of the loan.

Loan Fee:

20 basis points for the Construction Loan.
1% of the USDA guaranteed portion of the loan balance

<i>Prepayment Premium</i>	Construction loan: None Five Term Loan: 5%-4%-3%-2%-1%, only if refinanced with another financial institution
<i>Maturity:</i>	Construction Loan: 18 months from closing. Term Loan: 30 years from the time the construction loan is converted to the term loan.
<i>Repayment Program:</i>	Construction Loan: interest only, monthly. Term Loans: Monthly principal and interest using a 30 year amortization.
<i>Collateral:</i>	First mortgage on all land, improvements, personal property and assignment of rents and leases related to Project.
Other Terms and Conditions	
<i>Loan Agreements:</i>	Borrower will enter into Loan Agreements containing warranties, covenants, and agreements reflecting the terms herein described and such other terms and agreements deemed important to our counsel to safe guard our interest. Said agreements will provide without limitation, the following: <ul style="list-style-type: none"> • Leverage ratio of 3 to 1 • Debt service coverage ratio of 1.1 to 1 • The ratio requirements take effect at the end of 2014
<i>State Law Requirements:</i>	Must obtain state approval for the Certificate of Need and any and all operating licenses required to operate the facility.
<i>USDA:</i>	Approval of USDA Community Facility Loan Program of amounting to 50% of the loan amount. Approval of USDA 90% guaranty for the bank's portion of the loan balance.
<i>Financial Reporting:</i>	Annual independent audit and tax returns for borrower
<i>Conditions Precedent</i>	A title insurance policy, issued by a company selected by you and approved by the Bank, in the amount of the loan insuring our lien as a first mortgage and providing for extended coverage in form and substance satisfactory to the bank and insuring the Bank against mechanic's liens.

ALTA/ACSM minimum standard survey, certified to the Bank by a registered surveyor licensed in Illinois. Such survey shall, among other things show all easements, encroachments, and other matters affecting the site.

Evidence of Builders Risk insurance (including flood insurance if applicable) on the Project in the form of an insurance policy to be received before closing together with a paid receipt for a one year premium. This policy must contain a mortgage clause satisfactory to us showing "Busey Bank, its successors and/or assigns" as the sole mortgagee.

Phase I Environmental Audit to be performed by or obtained from an environmental engineering firm approved by Busey Bank, indicating no material adverse environmental conditions exist on the real estate.

An appraisal of the Project, performed by an independent appraiser, certified and in form/content acceptable to and addressed to the Bank and the USDA.

The Bank will require the use of an Illinois architect.

Lease with Subsidiary

The term of the underlying lease between the borrower and its operating subsidiary must conform in both term and adjustment period with the term and adjustment period of the Guaranteed Loan.

Pending Litigation:

Provide a record of any pending litigation or regulatory action with the borrower or related subsidiaries.

Organizational Documents:

Certificate of Not-for-Profit status
Corporate charter and by-laws

Depository:

Principal depository through Busey Bank.

Costs:

All out of pocket costs and expenses incurred by Busey Bank in connection with the proposed financing, including title charges, appraisal fees, recording charges, and other direct fees and charges will be borne by the Borrower whether or not the financing closes.

If any of the above terms and conditions are unacceptable to you, please call immediately so that we can discuss issues further with you. If these terms are acceptable to you please sign and return a copy of the enclosed letter to us by January 15, 2012.

Busey Bank sincerely appreciates the opportunity to assist in the financing that you have requested. If you have any questions, please do not hesitate to call me at (309) 834-2028.

Sincerely,



Douglas E. Roesch
Sr. Vice President

These terms would be acceptable on your final credit approval.

Date	Signature
<u>12/30/2011</u>	<u>Richard H. Heath</u>
Date	Signature

VP - Good Samaritan - Group
Pres - Good Samaritan - Pontiac

ATTACHMENT 40

FINANCIAL VIABILITY WAIVER

Not Applicable

ATTACHMENT 41

FINANCIAL VIABILITY - VIABILITY RATIOS

CON Financial Viability Ratios				
	2008	2009	2010	2014
Current	0.60	0.50	1.44	2.42
Net Margin %	-13.88	-14.49	-10.26	28.34
% Debt to Total Capitalization	34.34	37.40	0	67.08
Projected Debt Service Coverage				4.59
Days Cash on Hand	29.01	58.76	44.69	158.43
Cushion Ratio				4.46

The Financial Viability Ratios for 2008, 2009 and 2010 are calculated from the audited financial statements for Good Samaritan Group attached in the subsequent Attachment.

	2008	2009	2010	2014
Current Assets	FR2009. Page 2, Line 6	FR2009. Page 2, Line 6	FR2010. Page 18, Line 5.	PROJ. Page 2, Line 6
Current Liabilities	FR2009. Page 2, Line 27	FR2009. Page 2, Line 27	FR2010. Page 18, Line 25.	PROJ. Page 2, Line 23
Net Income	FR2009. Page 3, Line 25	FR2009. Page 3, Line 25	FR2010. Page 18, Line 33.	PROJ. Page 3, Line 21
Net Operating Revenues	FR2009. Page 3, Line 3	FR2009. Page 3, Line 3	FR2010. Page 19, Line 5.	PROJ. Page 3, Line 8
Long-Term Debt	FR2009. Page 2, Line 31	FR2009. Page 2, Line 31	FR2010. Page 18, Line 29.	PROJ. Page 2, Line 26
Net Assets	FR2009. Page 2, Line 35	FR2009. Page 2, Line 35	FR2010. Page 18, Line 33.	PROJ. Page 2, Line 28
Depreciation				PROJ. Page 3, Line 14
Amortization				
Principal Payments				
Interest Expense				PROJ. Page 3, Line 12
Cash	FR2009. Page 2, Line 1	FR2009. Page 2, Line 1	FR2010. Page 18, Line 1.	PROJ. Page 2, Line 1
Investments	FR2009. Page 2, Line 16	FR2009. Page 2, Line 16	None	PROJ. Page 2, Line 2
Board Designated Funds	FR2009. Page 2, Line 7	FR2009. Page 2, Line 7	None	
Operating Expense	FR2009. Page 3, Line 12	FR2009. Page 3, Line 12	FR2010. Page 19, Line 16.	PROJ. Page 3, Line 8

FR2009: "Good Samaritan Home of Flanagan Financial Report and Supplementary Information 12.31.09"

FR2010: "Good Samaritan Group and Subsidiaries, Consolidated Financial Report, December 31, 2010"

PROJ: "Good Samaritan – Pontiac. Projected Financial Report (Compiled) 12.31.11 through 12.31.16"

ATTACHMENT 41

FINANCIAL VIABILITY

AUDITED FINANCIAL STATEMENTS AND PROJECTED FINANCIAL REPORT



Good Samaritan

Pontiac

December 30, 2011

To Whom May Review McGladrey & Pullen, LLP Good Samaritan – Pontiac Audit report Dated October 26, 2011;

The report references some assumptions to the analysis based on 1) receiving an Economic Development Grant deposit from Livingston County, and 2) receiving an extension of the agreement between Good Samaritan – Pontiac, Group and Flanagan.

On November 17, 2011 the Livingston County Board awarded the deposit of \$2,500,000 to be completed in 60 days. The deposit was made to Good Samaritan Group on December 30, 2011. The Livingston County Board on the same date also granted a one year extension to the agreement until December 1, 2012.

Richard H. Hiatt,
President, Good Samaritan Pontiac
Vice President, Good Samaritan Group

Good Samaritan – Pontiac

Projected Financial Report
(Compiled)
12.31.11 through 12.31.16

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INDEPENDENT ACCOUNTANT'S REPORT

Dr. Glenda Tannahill, CFO
Good Samaritan – Pontiac
14335 Old Route 66
Pontiac, IL 61764

We have compiled the accompanying projected statements of financial position, statements of activities, and statements of cash flows and related projected supplemental information of Good Samaritan – Pontiac (the "Organization") as of the years ended December 31, 2011 through 2016, in accordance with attestation standards established by the American Institute of Certified Public Accountants. The accompanying projection was prepared for the purpose of providing information to you regarding the Organization's expected financial position, results of operations and cash flows for the projection period, assuming financing is obtained for the construction of a new facility and the entire \$2.5 million construction grant is received from the County of Livingston.

A compilation is limited to presenting in the form of a projection that is the representation of management and does not include evaluation of the support for the assumptions underlying the projection. We have not examined the projection and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements, assumptions, or supplemental information. Furthermore, even if the new facility is completed and proposed debt financing is obtained, there will usually be differences between the projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

The accompanying projection and this report are intended solely for the use of the Board of Directors, Busey Bank, the Illinois Healthcare Facilities Review and Services Board and the Illinois Finance Authority. The accompanying financial projection is not intended to be and should not be used by anyone other than these specified parties.

McGladrey & Pullen, LLP

Peoria, Illinois
October 26, 2011

GOOD SAMARITAN - PONTIAC
(An Illinois Not-for-Profit Corporation)

PROJECTED STATEMENTS OF FINANCIAL POSITION
December 31, 2011 through 2016
See Accountant's Report

ASSETS	Projected					
	2011	2012	2013	2014	2015	2016
Current Assets:						
Operating cash	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Invested cash	4,322	2,661	415,015	2,253,012	4,115,400	5,902,718
Accounts receivable	716,756	448,180	654,490	1,154,646	1,174,593	1,180,907
Prepaid expenses	46,189	47,112	48,055	49,016	49,996	50,996
Inventory	14,467	18,963	30,432	45,539	46,812	47,127
Total current assets	931,733	666,916	1,297,991	3,652,212	5,536,602	7,331,747
Property and Equipment:						
Land and land improvements	-	480,000	480,000	480,000	480,000	480,000
Construction in progress	84,669	7,443,036	-	-	-	-
Building and building improvements	-	-	9,573,926	9,573,926	9,573,926	9,573,926
Furniture, equipment and fixtures	207	40,207	759,098	799,098	799,098	839,098
Vehicles	40,000	40,000	80,000	80,000	120,000	120,000
Property and equipment (at cost)	124,876	8,003,243	10,893,024	10,933,024	10,973,024	11,013,024
Less accumulated depreciation	(5,735)	(15,470)	(203,634)	(568,514)	(939,107)	(1,313,701)
Net property and equipment	119,141	7,987,773	10,689,390	10,364,510	10,033,917	9,699,323
Financing Costs						
Financing Costs	-	70,000	70,000	70,000	70,000	70,000
Less amortization	-	-	931	2,828	4,772	6,762
Financing costs, net	-	70,000	70,931	72,828	74,772	76,762
Total assets	\$ 1,050,874	\$ 8,724,689	\$ 12,058,312	\$ 14,089,551	\$ 15,645,290	\$ 17,107,832
LIABILITIES AND NET ASSETS						
Current Liabilities:						
Accounts payable	\$ 438,361	\$ 503,883	\$ 719,108	\$ 1,133,406	\$ 1,166,609	\$ 1,189,572
Line of credit	210,000	245,000	-	-	-	-
Current maturities of long-term debt	-	60,159	124,916	131,307	138,025	145,086
Accrued liabilities	109,844	127,573	176,128	245,318	255,242	262,899
Total current liabilities	758,206	936,615	1,020,152	1,510,030	1,559,876	1,597,557
Long-Term Liabilities						
Notes payable	-	6,113,207	8,073,073	7,941,767	7,803,742	7,658,656
Total long-term liabilities	-	6,113,207	8,073,073	7,941,767	7,803,742	7,658,656
Total liabilities	758,206	7,049,822	9,093,225	9,451,797	9,363,618	9,256,213
Net Assets:						
Unrestricted	292,669	1,674,867	2,965,086	4,637,754	6,281,673	7,851,619
Total net assets	292,669	1,674,867	2,965,086	4,637,754	6,281,673	7,851,619
Total liabilities and net assets	\$ 1,050,874	\$ 8,724,689	\$ 12,058,312	\$ 14,089,551	\$ 15,645,290	\$ 17,107,832

See Summary of Significant Accounting Policies and Assumptions.

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PROJECTED STATEMENTS OF ACTIVITIES
Years ended December 31, 2011 through 2016
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	Projected					
	2011	2012	2013	2014	2015	2016
Operating revenue:						
Net resident income	\$ 2,150,267	\$ 2,689,082	\$ 5,235,919	\$ 9,237,165	\$ 9,396,746	\$ 9,447,252
Operating expenses:						
Nursing	1,090,716	1,246,094	1,941,013	3,611,065	3,707,618	3,769,177
Housekeeping, laundry and plant	344,783	387,247	467,790	573,958	594,874	612,719
Dietary	208,355	266,315	410,564	605,056	630,473	649,387
Employee welfare	364,464	423,288	584,393	813,965	846,893	872,300
Bad debts	43,005	53,782	104,718	184,743	187,935	188,945
Activities and social services	57,902	66,319	86,060	112,368	116,692	120,192
	<u>2,109,224</u>	<u>2,443,045</u>	<u>3,594,538</u>	<u>5,901,156</u>	<u>6,084,485</u>	<u>6,212,721</u>
Income before general and administrative expenses and capital expenses	41,043	246,037	1,641,381	3,336,009	3,312,261	3,234,531
General and administrative expense	520,944	580,251	720,111	899,278	915,169	924,708
Income (loss) before capital expense	(479,901)	(334,214)	921,270	2,436,731	2,397,092	2,309,823
Capital expenses:						
Interest	5,250	11,375	211,955	407,063	400,672	393,954
Amortization	-	-	(931)	(1,897)	(1,944)	(1,991)
Depreciation	5,735	9,735	188,164	364,879	370,594	374,594
	<u>10,985</u>	<u>21,110</u>	<u>399,188</u>	<u>770,045</u>	<u>769,321</u>	<u>766,557</u>
Income (loss) before other income	(490,886)	(355,324)	522,081	1,666,686	1,627,771	1,543,266
Other income:						
Gifts	2,000	2,500	3,125	3,906	4,883	6,104
Interest and investment income	-	22	13	2,075	11,265	20,577
Operating grant	500,000	-	-	-	-	-
	<u>502,000</u>	<u>2,522</u>	<u>3,138</u>	<u>5,981</u>	<u>16,148</u>	<u>26,681</u>
Change in unrestricted net assets	11,114	(352,802)	525,220	1,672,668	1,643,919	1,569,947
Temporarily restricted assets:						
Construction grant	-	1,735,000	765,000	-	-	-
Change in net assets	11,114	1,382,198	1,290,220	1,672,668	1,643,919	1,569,947
Net Assets:						
Beginning of year	281,555	292,669	1,674,867	2,965,086	4,637,754	6,281,673
End of year	<u>\$ 292,669</u>	<u>\$ 1,674,867</u>	<u>\$ 2,965,086</u>	<u>\$ 4,637,754</u>	<u>\$ 6,281,673</u>	<u>\$ 7,851,619</u>

See Summary of Significant Accounting Policies and Assumptions.

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PROJECTED STATEMENTS OF CASH FLOWS
Years ended December 31, 2011 through 2016
See Accountant's Report

	Projected					
	2011	2012	2013	2014	2015	2016
Cash Flows from Operating Activities:						
Change in net assets	\$ 11,114	\$ 1,382,198	\$ 1,290,220	\$ 1,672,668	\$ 1,643,919	\$ 1,569,947
Adjustments to reconcile change in net assets to net cash flows provided by (used in) operating activities:						
Depreciation	5,735	9,735	188,164	364,879	370,594	374,594
Amortization	-	-	(931)	(1,897)	(1,944)	(1,991)
(increase) decrease in assets:						
Accounts receivable	(376,569)	268,575	(206,310)	(500,156)	(19,948)	(6,313)
Prepaid expenses	(906)	(924)	(942)	(961)	(980)	(1,000)
Inventory	(14,467)	(4,496)	(11,469)	(15,108)	(1,073)	(514)
Increase (decrease) in liabilities:						
Accounts payable	119,401	65,521	215,226	414,297	33,203	22,963
Accrued expenses and other current liabilities	(14,711)	17,729	48,555	69,190	9,924	7,657
Net cash provided by operating activities	(270,402)	1,738,339	1,522,513	2,002,913	2,033,695	1,965,342
Cash Flows from Investing Activities:						
Purchase of property and equipment	(40,000)	(7,878,367)	(2,889,782)	(40,000)	(40,000)	(40,000)
Net cash (used in) investing activities	(40,000)	(7,878,367)	(2,889,782)	(40,000)	(40,000)	(40,000)
Cash Flows from Financing Activities:						
Proceeds from notes payable	-	6,173,367	2,084,782	-	-	-
Proceeds from line of credit	210,000	35,000	-	-	-	-
Financing fees	-	(70,000)	-	-	-	-
Payments on line of credit	-	-	(245,000)	-	-	-
Payments on notes payable	-	-	(60,159)	(124,916)	(131,307)	(138,025)
Net cash provided by (used in) financing activities	210,000	6,138,367	1,779,622	(124,916)	(131,307)	(138,025)
Increase (decrease) in cash and cash equivalents	(100,402)	(1,661)	412,354	1,837,997	1,862,388	1,787,317
Cash and Cash Equivalents:						
Beginning	254,724	154,322	152,661	565,015	2,403,012	4,265,400
Ending	\$ 154,322	\$ 152,661	\$ 565,015	\$ 2,403,012	\$ 4,265,400	\$ 6,052,718

See Summary of Significant Accounting Policies and Assumptions.

GOOD SAMARITAN – PONTIAC
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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ASSUMPTIONS
See Accountant's Report

This financial projection presents, to the best of management's knowledge and belief, the expected financial position, results of operations, and cash flows of Good Samaritan – Pontiac (the Organization) for the years ended December 31, 2011 through December 31, 2016, given the occurrence of the hypothetical assumptions. Accordingly, the projection reflects management's judgment of the expected conditions and its expected course of action as of the date of this projection, assuming financing is obtained for the construction of a new 122-bed senior care facility and the entire \$2.5 million construction grant is received from the County of Livingston. This presentation is designed to provide information to the Organization's Board of Directors, Busey Bank, the Illinois Healthcare Facilities and Services Review Board and the Illinois Finance Authority to assist with their assessment of the viability of constructing a new facility and cannot be considered to be a presentation of expected future results. Accordingly, this projection may not be used for any other purpose and may not be distributed to other parties without our consent. The assumptions disclosed herein are those which management believes are significant to the projection or are key factors upon which the financial results of the Organization depends. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur. Therefore, the actual results achieved during the projection period will vary from the projection and the variations may be material. Management does not intend to revise this projection to reflect changes in present circumstances or the occurrence of unanticipated events.

Note 1. Nature of Business Operations

Good Samaritan – Pontiac and Good Samaritan Home of Flanagan are subsidiaries of Good Samaritan Group. Good Samaritan Home of Flanagan entered into various agreements with the County of Livingston, Illinois for management of the operations of Livingston Manor, a 122-bed long-term care facility owned by the County of Livingston, and additional agreements for the assumption of the operations of Livingston Manor, the lease of the Livingston Manor facilities and an economic development agreement. On May 14, 2009 these agreements were assigned to Good Samaritan Group and Good Samaritan – Pontiac. On March 1, 2010, Good Samaritan – Pontiac assumed the operations of Livingston Manor from the County of Livingston, Illinois. A summary of these agreements follows:

Operations transfer agreement: This agreement provides for the transfer of the operations of Livingston Manor to Good Samaritan – Pontiac. This document provides for the management of Livingston Manor while Good Samaritan – Pontiac is in the process of obtaining the certificate of need and other licenses required by the regulatory bodies. This agreement (and the associated extensions) provides for the transfer of Livingston Manor operations to Good Samaritan – Pontiac on or before March 31, 2010. The transfer took place on March 1, 2010.

Management agreement: This agreement provided for a management fee of \$12,500 per month plus various travel and other related expense prior to the operations transfer. This agreement terminated on February 28, 2010.

Commercial lease agreement: Good Samaritan – Pontiac began leasing Livingston Manor facility on March 1, 2010. The lease will remain in place until a new facility is constructed and all of the residents from Livingston Manor are transferred to the new facility. Under the terms of the lease, Good Samaritan-Pontiac does not anticipate having to pay any lease expense prior to occupying the new facility.

Economic Development Grant Agreement: This agreement provides Good Samaritan – Pontiac with an economic development grant which consists of two parts: (1) an operations grant for a maximum of two years at the rate of up to \$1 million per year to be used to pay for operating expenses; and (2) a construction grant of up to 15% of the cost of the new facility with a maximum of \$2.5 million (see Notes 2 and 3).

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It is assumed Good Samaritan – Pontiac will obtain permanent financing and complete the construction of a new facility. The Organization will continue to operate as a Long-Term Care facility, which is licensed annually by the Illinois Department of Public Health (IDPH) and will operate 122 beds for skilled nursing care and dually certified for Medicare and Medicaid.

Note 2. Significant Accounting Policies

The following is a summary of the significant accounting policies for Good Samaritan – Pontiac.

Basis of presentation: Net assets, support and revenue are classified based on the existence of donor-imposed restrictions. Accordingly, net assets of the Organization and the changes therein are classified and reported as follow:

Unrestricted net assets: Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets: Net assets subject to donor-imposed restrictions that may or will be met either by the actions of the Organization and/or the passage of time.

Permanently restricted assets: Net assets subject to donor-imposed restrictions that neither expire by the passage of time and/or otherwise by actions of the Organization.

Revenue recognition: Revenue and related accounts receivable is recognized for each day a resident resides in the facility. The amounts are based on a reimbursement methodology determined by the rules and regulations of the applicable third-party payor or by the facility for private pay residents. The third-party payor rules and regulations and required record keeping and documentation requirements are complex and noncompliance may result in adjustment or loss of revenue.

A significant portion of the Organization's revenue is based on the rules of the following third-party payors:

Illinois Department of Public Aid (IDPA) – Medicaid – Daily rate of \$108.11 was established prospectively consisting of three components – capital, support and nursing activities. The daily rate is determined after the filing of an annual cost report. Amounts billed under the Medicaid program can take 60 to 120 days or more for collection. The amounts paid are subject to audit.

Centers for Medicare and Medicaid Services (CMS) – Medicare – The Medicare program uses a Prospective Payment System (PPS) which is based upon the RUGS (Resource Utilization Groups) III System. The RUG category, and therefore the amount of revenue, is determined by resident clinical documentation and level-of-care information. The amounts paid are subject to post-payment medical review and may be adjusted retroactively, normally for a period of one to two years. Each RUG category is assigned a geographically-adjusted federal reimbursement.

Receivables due from governmental agencies are subject to audit and retroactive adjustment by the State of Illinois. Such adjustments are recognized in operations in the year of settlement.

Revenue from the operating grant is recorded in income in accordance with the related agreement with the County of Livingston, Illinois.

Revenue from the construction grant is recorded in income as received. It is assumed the entire \$2.5 million construct grant will be received from the County of Livingston which exceeds 15% of the

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ASSUMPTIONS
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construction cost as provided in the Economic Development Grant Agreement. The County of Livingston has not yet approved this amendment to the Economic Development Grant Agreement.

Resident receivables: Resident receivables, where a third-party is responsible for paying the amount, are carried at a net amount determined by the original charge for the service provided, less an estimate made for contractual adjustments or discounts provided to third-party payors.

Resident receivables due directly from the residents are carried at the original charge for the service provided less amounts covered by third-party payors and less an estimated allowance for doubtful receivables, if appropriate. Management determines the allowance for doubtful accounts by identifying troubled accounts and by historical experience applied to an aging of accounts. A resident receivable is considered past due when the amount billed remains unpaid for more than 30 days subject to a third-party payor's agreed upon terms, if applicable. The Organization does not charge interest on resident receivable accounts which are past due. Resident receivables are written off as bad debt expense when deemed uncollectible. Recoveries of receivables previously written off are recorded as a reduction of bad debt expense when received.

Cash and equivalents: Cash equivalents include all highly liquid investments with an original maturity of three months or less when purchased.

Income taxes: The Organization is a not-for-profit corporation as defined under the Internal Revenue Code Section 501(c) (3). In addition, the Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. Therefore, no provision for income taxes has been made on these projected financial statements.

Advertising: The Organization expenses advertising costs as they are incurred.

Notes payable: Interest expense is recognized as it accrues on related debt.

Property and equipment: Property and equipment are recorded at cost, if purchased, or fair value, if contributed. Depreciation is computed using the straight-line method over the assets estimated useful life as follows:

Land Improvements	15 years
Buildings and building improvements	7 – 40 years
Furniture, equipment and fixtures	5 – 25 years
Vehicles	7 years

Note 3. Statement of Financial Position Assumptions

Cash: Management estimates the Organization requires \$150,000 for operations.

Invested cash: It is assumed any cash balances in excess of \$150,000 will be invested cash.

Accounts receivable - net: Accounts receivable are assumed to equal 120 days of net patient revenue in 2011, 60 days in 2012 and 45 days in the years thereafter.

Inventories: Inventory is assumed to equal 20 days of supplies expense.

Net property and equipment: Good Samaritan – Pontiac does not own the current facility and the only significant asset at the beginning of the projection period is construction in progress of \$84,669.

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The new construction, including capitalized interest, consists of the following:

Land	\$ 480,000
Building	9,592,817
Equipment	700,000
Total	\$10,772,817

It is also assumed the Organization will have annual capital expenditures of \$40,000 for equipment and vehicles.

Financing costs: Financing costs will be \$70,000 and will be capitalized upon completion of the construction of the new facility. Financing costs are amortized over 30 years using the effective interest method.

Current maturities of long-term debt: It is assumed a bridge loan will be obtained during construction and a final mortgage issued at completion. Accordingly, the current portion of long-term debt is assumed to be the next year's principal payments on the mortgage.

Accounts payable: Accounts payable is assumed to equal 60 days of operating expense, excluding depreciation and interest expense.

Accrued expenses: Accrued expenses, including vacation, are assumed to equal 30 days of salary expense.

Line-of-credit: It is assumed draws will be made on a line-of-credit as necessary to maintain the Organization's required operating cash and they will be repaid immediately when adequate cash is available.

Long-term debt:

Construction-period financing – It is assumed the Organization will have a temporary construction loan from which draws for construction of the facility are made during the 14-month period prior to completion of the facility. Interest at the rate of 5% annually is charged monthly on the outstanding balance. The total interest charged during the construction period is capitalized in arriving at the total construction cost and is included in the total amount of permanent financing discussed below.

Permanent financing – Management has assumed the new facility will be financed with a \$8,258,148 mortgage. It is assumed the Organization will secure financing July 1, 2013 for the total amount of the construction costs and capitalized interest less a \$2,500,000 construction grant received from the County of Livingston, Illinois and the \$84,669 of construction in progress paid from operations. The term of the mortgage is assumed to be 30 years at a fixed interest rate of 5%. Monthly payments of principal and interest are assumed to be \$44,332. The mortgage will be secured by substantially all of the real estate and equipment of Good Samaritan – Pontiac.

Note 4. Statement of Activities Assumptions

Operating Revenue: Operating revenue consists of net resident income and ancillary services revenue.

Daily rates - Daily rates for Medicaid and private pay residents are anticipated to increase after operations in the new building commence, while Medicare daily rates are not projected to increase. The private pay

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ASSUMPTIONS
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daily rate is then anticipated to increase 2% annually for inflation. No additional increases are expected for the Medicaid daily rates. The base rates are as follows:

	Pre-Construction	Post-Construction
Medicaid	\$108.11	\$127.00
Private	\$144.00	\$190.00
Medicare	\$410.00	\$410.00

Occupancy – Occupancy is assumed to be approximately 40 beds through December 2011. Occupancy is expected to increase to 120 beds by April 2014. Average occupancy per year is as follows:

Year	Average # of Beds Occupied	% of Total Beds Available
2011	38	31.1%
2012	50	41.0%
2013	80	65.6%
2014	118	96.7%
2015	120	98.4%
2016	120	98.4%

Ancillary services revenue - Ancillary services revenue is estimated to be \$325 per resident annually.

Operating Expenses: Total operating expenses consist of nursing services, housekeeping and plant, dietary services, therapies, bad debts, and activities and social services.

Nursing Services – Nursing services consist of salaries and wages and the cost of therapies. Normal wage increases are assumed to be 3% annually. Expenses for therapies are assumed to be \$162 per day per each Medicare occupied room.

Nursing staff is expected to be 1.8 full-time-equivalent (FTE) registered nurses at an initial average rate of \$22.23 per hour, 2 FTE registered nurse managers at a combined annual salary of \$115,170 per year and initially 5.6 FTE licensed practical nurses at an initial average rate of \$19.76 per hour. It is assumed this staffing will be adequate up to 60 residents. It is assumed that an additional .5 hours per occupied room over 60 will be provided by licensed practical nurses. It is assumed hours for certified nurse assistants will be 2.5 hours per day per occupied room at an initial rate of \$10.76 per hour.

Housekeeping and plant – Housekeeping and plant consist of wages and utilities. Normal wage increases are assumed to be 3% annually. Staffing is assumed to be two FTE maintenance employees at an initial rate of \$14.36 per hour and hours for housekeeping staff will be .6 hours per day per occupied room at an initial rate of \$10.00 per hour.

Utilities are assumed to be \$200,000 annually.

Dietary Services – Dietary services include salaries and wages and food expense. Normal wage increases are assumed to be 3% annually. Staffing is assumed to be one FTE dietary manager at an initial salary of \$40,000 per year and hours for cooks will be .6 hours per day per occupied room at an initial rate of \$9.36 per hour.

It is assumed that food costs will be \$2.09 per meal served.

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Employee Welfare – Employee welfare includes FICA expense and other employee benefits and costs. FICA expense is assumed to be 7.65% of salary. Other employee benefits and costs are assumed to be 20% of salary.

Bad debts – It is assumed bad debts will be approximately 2% of operating revenue.

Activities and social services – Activities and social services consist of salaries and wages. Normal wage increases are assumed to be 3% annually. Staffing is assumed to be one FTE social service director at an initial salary of \$36,000 per year and hours for activity aides will be 1.1 hours per week per occupied room at an initial rate of \$9.86 per hour.

General and administrative expenses: General and administrative expenses consist of salaries, wages, FICA expense, other employee benefits and costs, all other departmental costs, and provider access tax expense. Normal wage increases are assumed to be 3% annually. FICA expense is assumed to be 7.65% of salary. Other employee benefits and costs are assumed to be 20% of salary. Total initial administrative staff salaries are assumed to equal \$186,000 per year.

All other department costs, such as supplies, as well as variable administrative costs are assumed to be \$12.11 per day per occupied room.

Provider access tax expense is assumed to be \$1.50 per day per available room.

Other fixed administrative expenses are assumed to be \$96,500 in 2011 and increase 3% annually.

Capital expenses: Capital expenses consist of interest expense, amortization expense and depreciation expense.

Interest Expense – Interest expense is computed on the payment terms described above in Note 3.

Amortization – Amortization expense is related to the loan costs on the new debt related to financing the construction of the new facility, as described above in Note 3.

Depreciation – It is assumed depreciation expense is computed on a straight-line basis with no salvage value and the following average useful lives:

Land improvements	15 years
Building and improvements	35 years
Equipment	10 years
Vehicles	7 years

Other income – Other income consists of grants, gifts and interest income.

Grants - The Organization will receive \$83,333 per month for operations through June 2011 from the County of Livingston, Illinois in accordance with the Economic Development Grant Agreement as discussed in Note 1.

Gifts – Gifts received will be \$2,000 in 2011 and increase by 25% annually.

Interest Income – Interest income is computed at .5% of the prior year's invested cash.

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PROJECTED OCCUPANCY
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Number of Months in Operation					
2011	2012	2013	2014	2015	2016
12	12	12	12	12	12

Fiscal Year 2011 Cumulative Occupancy - Skilled Nursing Units													Total	Average
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			
Medicaid	26	27	29	30	26	24	25	29	28	30	30	30	334	27.83
Private	4	5	4	4	5	5	8	10	8	7	7	8	75	6.25
Medicare	7	5	5	7	7	6	2	-	3	5	5	5	57	4.75
Occupancy:	37	37	38	41	38	35	35	39	39	42	42	43	466	38.83
Resident Days:	1,147	1,036	1,178	1,230	1,178	1,050	1,085	1,209	1,170	1,302	1,260	1,333	14,178	

Fiscal Year 2012 Cumulative Occupancy - Skilled Nursing Units													Total	Average
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			
Medicaid	31	32	33	33	34	35	36	37	38	39	40	41	429	35.75
Private	8	6	7	7	8	9	10	10	11	12	13	14	115	9.58
Medicare	5	5	5	5	5	5	5	5	5	5	5	5	60	5.00
Occupancy:	44	43	45	45	47	49	51	52	54	56	58	60	604	50.33
Resident Days:	1,364	1,247	1,395	1,350	1,457	1,470	1,581	1,612	1,620	1,736	1,740	1,860	18,432	

Fiscal Year 2013 Cumulative Occupancy - Skilled Nursing Units													Total	Average
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			
Medicaid	42	43	44	45	46	47	50	52	54	54	54	54	585	48.75
Private	15	16	17	18	19	20	21	22	24	27	29	30	258	21.50
Medicare	5	5	5	5	5	5	7	10	13	16	19	22	117	9.75
Occupancy:	62	64	66	68	70	72	78	84	91	97	102	106	960	80.00
Resident Days:	1,922	1,782	2,046	2,040	2,170	2,160	2,418	2,604	2,730	3,007	3,060	3,286	29,235	

Fiscal Year 2014 Cumulative Occupancy - Skilled Nursing Units													Total	Average
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			
Medicaid	54	54	55	57	57	57	57	57	57	57	57	57	678	56.33
Private	32	32	34	35	35	35	35	35	35	35	35	35	413	34.42
Medicare	25	28	28	28	28	28	28	28	28	28	28	28	333	27.75
Occupancy:	111	114	117	120	1,422	118.50								
Resident Days:	3,441	3,192	3,627	3,600	3,720	3,600	3,720	3,720	3,600	3,720	3,600	3,720	43,260	

Fiscal Year 2015 Cumulative Occupancy - Skilled Nursing Units													Total	Average
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			
Medicaid	57	57	57	57	57	57	57	57	57	57	57	57	684	57.00
Private	35	35	35	35	35	35	35	35	35	35	35	35	420	35.00
Medicare	28	28	28	28	28	28	28	28	28	28	28	28	336	28.00
Occupancy:	120	1,440	120.00											
Resident Days:	3,720	3,360	3,720	3,600	3,720	3,600	3,720	3,720	3,600	3,720	3,600	3,720	43,800	

Fiscal Year 2016 Cumulative Occupancy - Skilled Nursing Units													Total	Average
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			
Medicaid	57	57	57	57	57	57	57	57	57	57	57	57	684	57.00
Private	35	35	35	35	35	35	35	35	35	35	35	35	420	35.00
Medicare	28	28	28	28	28	28	28	28	28	28	28	28	336	28.00
Occupancy:	120	1,440	120.00											
Resident Days:	3,720	3,360	3,720	3,600	3,720	3,600	3,720	3,720	3,600	3,720	3,600	3,720	43,800	

GOOD SAMARITAN - PONTIAC
(An Illinois Not-for-Profit Corporation)

PROJECTED SOURCES AND USES OF FUNDS
See Accountant's Report

Sources of Funds

County Grant	\$ 2,500,000
Debt	8,258,148
	<u>\$ 10,842,817</u>

Uses of Funds

Land	\$ 480,000
Pre-Construction costs	84,669
Construction and site work	7,337,500
Architecture, Engineering, Consulting, Testing	1,200,000
Contingency	700,000
Equipment	700,000
Capitalized Interest	270,648
Total construction	<u>10,772,817</u>
Financing costs	70,000
	<u>\$ 10,842,817</u>

GOOD SAMARITAN - PONTIAC
 (An Illinois Not-for-Profit Corporation)

PROJECTED DEBT SERVICE COVERAGE RATIO
 Years ended December 31, 2011 through 2016
 See Accountant's Report

	Projected					
	2011	2012	2013	2014	2015	2016
Change in net assets	\$ 11,114	\$ 1,382,198	\$ 1,290,220	\$ 1,672,668	\$ 1,643,919	\$ 1,569,947
Add back:						
Mortgage interest expense	-	-	205,830	407,063	400,672	393,954
Depreciation and amortization	5,735	9,735	187,233	362,982	368,650	372,603
Other sources:						
Debt service provided by mortgage proceeds	-	85,294	185,354	-	-	-
Net income and other sources available for debt service	\$ 16,849	\$ 1,477,227	\$ 1,868,637	\$ 2,442,712	\$ 2,413,240	\$ 2,336,503
Annual debt service requirements - mortgage:						
Principal	-	-	60,159	124,916	131,307	138,025
Interest	-	-	205,830	407,063	400,672	393,954
Total annual debt service payments - total	\$ -	\$ -	\$ 265,989	\$ 531,978	\$ 531,978	\$ 531,978
Number times debt service covered-total debt	-	-	7.03	4.59	4.54	4.39

Good Samaritan Group and Subsidiaries

Consolidated Financial Report
December 31, 2010

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Independent Auditor's Report

To the Board of Directors
Good Samaritan Group and Subsidiaries
Flanagan, Illinois

We have audited the accompanying consolidated statement of financial position of Good Samaritan Group and Subsidiaries (collectively referred to as the "Group"), as of December 31, 2010, and the related consolidated statements of activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of Group's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Good Samaritan Group and Subsidiaries as of December 31, 2010, and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The supplementary information is presented for the purpose of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements, and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

McGladrey & Pullen, LLP

Springfield, Illinois
August 11, 2011

Good Samaritan Group and Subsidiaries

**Consolidated Statement of Financial Position
December 31, 2010**

Assets	
Current Assets	
Cash and cash equivalents	\$ 716,719
Accounts receivable, net of allowance for doubtful accounts of \$67,000	890,894
Prepaid insurance	86,878
Inventory	15,085
Total current assets	<u>1,709,576</u>
Board Designated Cash and Investments	<u>77,009</u>
Property and Equipment	
Land and land improvements	127,472
Building and building improvements	5,624,047
Furniture, equipment and fixtures	953,104
Vehicles	97,743
Construction in process	84,669
	<u>6,887,035</u>
Less accumulated depreciation	<u>3,738,897</u>
Net property and equipment	<u>3,148,138</u>
Other Assets	
Remainder interest in real estate	303,000
Investment in Life Services Network	97,170
Total other assets	<u>400,170</u>
Total assets	<u>\$ 5,334,893</u>
Liabilities and Net Assets	
Current Liabilities	
Accounts payable	\$ 684,592
Notes payable	188,339
Current portion of deferred revenue	68,400
Recourse obligation	658,984
Accrued liabilities	415,072
Worker's compensation	23,389
Total current liabilities	<u>2,038,776</u>
Long-Term Liabilities	
Deferred revenue	646,623
Notes payable	300,567
Worker's compensation	23,848
Total long-term liabilities	<u>971,038</u>
Total liabilities	<u>3,009,814</u>
Net Assets	
Unrestricted	2,022,079
Temporarily restricted	303,000
Total net assets	<u>2,325,079</u>
Total liabilities and net assets	<u>\$ 5,334,893</u>

See Notes to Consolidated Financial Statements.

Good Samaritan Group and Subsidiaries**Consolidated Statement of Activities
Year Ended December 31, 2010**

Operating revenue:	
Net resident income	\$ 5,686,485
Management fee income	40,814
Grant income	833,333
Net assets released from restrictions	44,272
	<u>6,604,904</u>
Operating expenses:	
Nursing	2,674,803
Housekeeping and plant	687,305
Dietary	569,971
Employee welfare	805,289
Laundry and linen	95,854
Independent living	127,874
Apartments	47,001
Management expenses	15,000
Loss on disposal of property and equipment	11,954
	<u>5,035,051</u>
Income before general and administrative expenses and capital expenses	1,569,853
General and administrative expenses	1,067,322
Income before capital expenses	<u>502,531</u>
Capital expenses:	
Interest	27,897
Depreciation, net of amounts charged to independent living and apartments	100,124
	<u>128,021</u>
Operating income	<u>374,510</u>
Other income (expense):	
Miscellaneous	52,097
Interest and net investment income	1,522
Fundraising	793
Gift/memorial income	164,155
	<u>218,567</u>
Change in unrestricted net assets	<u>593,077</u>
Temporarily restricted net assets:	
Change in fair value of investment in remainder interest in real estate	112,000
Net assets released from restrictions	(44,272)
	<u>67,728</u>
Change in net assets	660,805
Net assets:	
Beginning of year	<u>1,664,274</u>
End of year	<u>\$ 2,325,079</u>

See Notes to Consolidated Financial Statements.

Good Samaritan Group and Subsidiaries

**Consolidated Statement of Cash Flows
Year Ended December 31, 2010**

Cash Flows from Operating Activities	
Change in net assets	\$ 660,805
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	178,905
Net unrealized and realized (gain) from investments	(1,270)
Provision for doubtful accounts	69,974
Change in fair value in remainder interest in real estate	(112,000)
Decrease in investment in Life Services Network	72
Loss on disposal of property and equipment	11,954
Amortization of life lease contracts	(56,501)
(Increase) in assets:	
Accounts receivable	(560,148)
Prepaid expenses and other current assets	(74,098)
Increase (decrease) in liabilities:	
Accounts payable	366,658
Accrued expenses and other current liabilities	625
Patient refund payable	(47,961)
Net cash provided by operating activities	<u>437,015</u>
Cash Flows from Investing Activities	
Purchase of investments	(199,833)
Proceeds from sales and maturities of investments	142,031
Purchase of property and equipment	(178,546)
Net cash (used in) investing activities	<u>(236,348)</u>
Cash Flows from Financing Activities	
Proceeds from life lease contracts (deferred revenue)	180,000
Payments on life lease contracts (deferred revenue)	(90,460)
Proceeds from notes payable	89,000
Payments on notes payable	(70,360)
Net proceeds received on factored receivables	38,877
Net cash provided by financing activities	<u>147,057</u>
Increase in cash and cash equivalents	347,724
Cash and cash equivalents:	
Beginning	<u>368,995</u>
Ending	<u>\$ 716,719</u>
Supplemental Disclosure of Cash Flow Information	
Cash payments for interest	<u>\$ 27,590</u>

See Notes to Consolidated Financial Statements.

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Summary of Significant Accounting Policies

Nature of business: Good Samaritan Group (Group) is an Illinois not-for-profit corporation whose primary business is the operation of two long-term care subsidiaries located in Flanagan, Illinois and Pontiac, Illinois.

On March 1, 2009, the Board of Directors of Good Samaritan Home of Flanagan voted to restructure from a single 501(c)3 organization to one with separate not-for-profit 501(c)3 organizations in a Parent-Subsidiary model. Although the reorganization was approved by the Board of Directors, the reorganization did not formally take place until January 1, 2010, and included the following affiliated organizations:

- Good Samaritan Group (parent company and sole member of the other affiliated organizations)
- Good Samaritan of Flanagan - operates the Flanagan nursing home
- Good Samaritan of Pontiac - operates the Pontiac nursing home (formerly Livingston Manor)
- Good Samaritan Service Company - provide management services for nursing homes (currently dormant)

On December 23, 2009, Good Samaritan Home of Flanagan changed its name to Good Samaritan Group (Group) and transferred all of its assets and liabilities, except property and equipment and related debt, to Good Samaritan of Flanagan (Flanagan) at historical cost. Flanagan is licensed annually by the Illinois Department of Public Health (IDPH) to operate 60 beds, all of which are licensed for skilled nursing care and dually certified for Medicare and Medicaid. In addition, Flanagan provides 8 apartments and 26 duplexes and other related services for the elderly in exchange for a one-time accommodation fee and a monthly fee.

On March 1, 2010, Group took control of the operations of Livingston Manor, a component unit of Livingston County, and whereby Livingston County transferred the operations of Livingston Manor to Good Samaritan of Pontiac (Pontiac). There was no cash exchanged in the transaction as Group did not purchase any of the assets or assume any of the liabilities in connection with taking over the operations. Pontiac is licensed annually by the Illinois Department of Public Health (IDPH) to operate 122 beds, 44 of which are licensed for skilled nursing care, and 28 are certified for Medicare. See Note 15 for additional information on various agreements between Group and Livingston County in connection with the transfer of Livingston Manor's operations to Group.

Basis of presentation: Net assets, support and revenue are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Group and the changes therein are classified and reported as follows:

Unrestricted net assets: Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets: Net assets subject to donor-imposed restrictions that may or will be met either by actions of the Group and/or the passage of time.

Permanently restricted net assets: Net assets subject to donor imposed restrictions that neither expire by the passage of time and/or otherwise by actions of the Group.

Revenue recognition: Revenue and the related accounts receivable is recognized for each day a resident resides in the facility. The amounts are based on a reimbursement methodology determined by the rules and regulations of the applicable third-party payor or by the facility for private pay residents. The third-party payor rules and regulations and required record keeping and documentation requirements are complex and noncompliance may result in adjustment to or loss of revenue.

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Summary of Significant Accounting Policies (Continued)

A significant portion of the Group's revenue is based on the rules of the following third-party payors:

Illinois Department of Public Aid (IDPA) – Medicaid – Daily rates, \$119.86, effective January 1, 2010; \$119.07, effective April 1, 2010; \$118.91, effective July 1, 2010; and \$118.68 effective October 1, 2010, were established prospectively consisting of three components - capital, support and nursing services. The daily rate is determined after the timely filing of an annual cost report. Amounts billed under the Medicaid program can take 60 to 120 days or more for collection. The amounts paid are subject to audit and are frequently adjusted on a retrospective basis, normally for a period of one to two years. Any adjustments are recorded in the current period.

Centers for Medicare and Medicaid Services (CMS) – Medicare – The Medicare program uses a Prospective Payment System (PPS) which is based upon the RUGS (Resource Utilization Groups) III System. The RUGS category, and therefore the amount of revenue, is determined by a resident clinical documentation and level-of-care information. The amounts paid are subject to post-payment medical review and may be adjusted retroactively, normally for a period of one to two years. Each RUGS category is assigned a geographically - adjusted federal reimbursement.

Receivables due from governmental agencies are subject to audit and retroactive adjustment by the State of Illinois. Such adjustments are recognized in operations in the year of settlement.

Revenue from monthly apartment fees, unrestricted gifts and revenue from invested funds are recorded in income when earned.

Resident receivables: Resident receivables, where a third-party payor is responsible for paying the amount, are carried at a net amount determined by the original charge for the service provided, less an estimate made for contractual adjustments or discounts provided to third-party payors.

Resident receivables due directly from the residents are carried at the original charge for the service provided less amounts covered by third-party payors and less an estimated allowance for doubtful receivables, if appropriate. Management determines the allowance for doubtful accounts by identifying troubled accounts and by historical experience applied to an aging of accounts. A resident receivable is considered past due when the amount billed remains unpaid for more than 30 days subject to a third-party payor's agreed upon terms, if applicable. The Group does not charge interest on resident receivable accounts which are past due. Resident receivables are written off as bad debt expense when deemed uncollectible. Recoveries of receivables previously written off are recorded as a reduction of bad debt expense when received.

Receivables sold to Flanagan State Bank (see Note 2) with recourse are included with patient receivables, and the associated repurchase obligation is recorded as a liability on the statement of financial position.

Cash and cash equivalents: Cash equivalents include all highly liquid investments with an original maturity of three months or less when purchased unless it is classified as board designated.

Income taxes: Group, Flanagan and Pontiac are not-for-profit corporations as defined under Internal Revenue Code Section 501(c)(3). Therefore, no provision for income taxes has been made on these financial statements.

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Summary of Significant Accounting Policies (Continued)

The corporations adopted the guidance for accounting for uncertainty in income taxes. This guidance clarifies the accounting for uncertainty in income taxes recognized in an organization's financial statement. The guidance prescribes a more-likely-than-not recognition threshold and measurement attribute for financial statement recognition of a tax position taken or expected to be taken. Amounts requiring recognition under the guidance are reflected as a liability for uncertain tax benefits along with any associated interest and penalties that would be payable to the taxing authorities upon examination. There were no uncertain tax benefits identified or recorded as a liability as of December 31, 2010.

Tax returns filed by the Organization may be subject to examination by the Internal Revenue Service (IRS) up to three years from the extended due date of each return. Tax returns filed through fiscal year 2006 are no longer subject to examination by the IRS.

Functional allocations of expenses: The costs of providing the various programs and other activities have been summarized on a functional basis as follows:

Resident services	\$ 5,148,072
General and administrative	1,014,993
Management expense related to Livingston Manor	15,000
Fund raising	52,329
	<u>\$ 6,230,394</u>

Advertising: The Group expenses advertising costs as they are incurred. For the year ended December 31, 2010, \$57,448 was expensed for advertising.

Investments: Investments, which consist primarily of mutual funds, are measured at fair value on the consolidated balance sheet. Investment income (including realized gains and losses on investments, interest, and dividends) is included in the change in unrestricted net assets unless restricted by donor. Investment income which is subject to donor imposed restrictions is included in the change in temporarily restricted net income.

Cash balances in excess of insured amounts: The Group may, at times, maintain cash deposits in amounts that exceed federally-insured limits; however, they have not experienced any losses.

Notes payable: Interest expense is recognized when it accrues on the related debt.

Property and equipment: Property and equipment are recorded at cost, if purchased, or at fair value, if received as a contribution from a donor. Depreciation expense was \$178,905 for the year ended December 31, 2010. Depreciation is computed using the straight-line method over the assets estimated useful life as follows:

	<u>Years</u>
Land improvements	15
Building and building improvements	7 - 40
Furniture, equipment and fixtures	5 - 25
Vehicles	7

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Summary of Significant Accounting Policies (Continued)

Grant income: Grant income is recognized as earned during the period the grant is awarded to Group (see Note 15).

Commercial lease agreement: The Group entered into a lease agreement with Livingston County for the Pontiac facility beginning on March 1, 2010. The lease will remain in place until a new facility is constructed and all of the residents are transferred to the new facility. The rent is calculated at 3 percent of the gross income less operating expenses (as defined) in the commercial lease agreement. Since Pontiac would have incurred a loss without the Livingston County grant income, there was no rent expense owed for the year ended December 31, 2010.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. While actual results may differ from those estimates, management does not expect the differences, if any, to have a material effect on the financial statements.

Deferred revenue: Fees paid by a resident upon entering into a life lease contract are recorded as deferred revenue and are amortized to income using the straight-line method over the term of the contract. If the resident moves out or passes away prior to the end of the term of the contract, a refund will be reimbursed to the resident in the amount of the remaining unamortized balance.

Conditional asset retirement obligation: The Group recognizes a liability for the fair value of any unconditional asset retirement obligation if the fair value of the liability can be estimated. An obligation is unconditional if there is a legal obligation to perform the retirement. Substantially all of the impact of adopting this guidance relates to the estimated cost to remove asbestos from the nursing home. The Group has not recorded any assets, liabilities or changes in net assets as a result of the adoption of this guidance.

Adoption of accounting pronouncements: In April 2009, the FASB issued accounting guidance which expanded disclosures and required that major categories for debt and equity securities in the fair value hierarchy table be determined on the basis of the nature and risks of the investments. Group adopted this guidance for the year ended December 31, 2010. As this guidance was only disclosure-related, the adoption of this guidance did not have a material impact on the Group's financial position, results of operations, and cash flows.

In January 2010, the FASB issued guidance on improving disclosures about fair value measurements. The guidance requires disclosure of significant transfers in and out of Levels 1 and 2 and the reasons for the transfers. In addition, the guidance requires the reconciliation of the activity in Level 3 fair value measurements to be presented on a gross basis. Finally, the guidance clarifies existing guidance on the level of disaggregation for which fair value measurements are reported, including the disclosure of inputs and valuation techniques used in arriving at the reported fair values. The guidance becomes effective for annual reporting periods beginning after December 15, 2009, except for the expanded disclosures on the activity in Level 3 fair value measurements, which becomes effective for annual reporting periods beginning after December 15, 2010. The adoption of this guidance did not have a material impact on the Groups' consolidated financial position, results of operations, and cash flows.

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Business and Summary of Significant Accounting Policies (Continued)

Recently issued accounting guidance: In August 2010, the FASB issued guidance for health care entities for measuring charity care for disclosures, which requires that the measurement of charity care for disclosure purposes be based on the direct and indirect costs of providing charity care, as well as disclosing the method(s) used to identify and determine such costs. The update is effective for fiscal years beginning after December 15, 2010, and should be applied retrospectively to all prior periods presented. Group has not completed its analysis of the effects of this standard and has not determined if it will have a material effect on the financial statements.

Also, in August 2010, the FASB issued guidance for health care entities for the presentation of insurance claims and related insurance recoveries, which clarifies that a health care entity should not net insurance recoveries against a related claim liability. The amendment also states that the amount of the claim liability should be determined without consideration of insurance recoveries. The update is effective for interim or annual financial periods beginning after December 15, 2010. Group has not completed its analysis of the effects of this standard and has not determined if it will have a material effect on its combined financial statements.

Note 2. Sale of Accounts Receivable

During 2009, the Good Samaritan Home of Flanagan entered into an agreement with Flanagan State Bank (Bank) to sell all of their accounts receivables from their long-term care facility to the Bank in order to provide cash for current operations. In connection with this agreement, Bank advances cash to Flanagan based on the fair value of the receivables transferred. The Bank also withholds a certain amount (cash reserve) in order to satisfy Flanagan's repurchase obligation and to cover any fees which are due to Bank. The initial reserve was 21 percent of the initial balance transferred and the reserve amount is periodically adjusted in accordance with a formula established in the agreement. Bank also charges a fee of 1.8 percent of receivables transferred for processing these transactions.

Flanagan is required to repurchase any receivable transferred to Bank if the receivable is determined to be uncollectible; therefore, Flanagan records the amount advanced less any payments made on the transferred receivables as a "recourse obligation" on the consolidated statement of financial position.

In connection with this agreement, the consolidated financial statements as of and for the year ended December 31, 2010, reflect the following amounts:

Cash on reserve at Flanagan State Bank (included in cash and cash equivalents)	\$ 159,489
Accounts receivable sold with recourse to the Bank	721,490
Recourse obligation	658,984
Bank processing fee (included in general and administrative expenses)	56,435

The accounts receivable sold with recourse to Bank includes \$148,783 of cash received for receivables, which are related to 2011 fees which have been pre-billed to the residents, and does not include the \$22,000 allowance for doubtful accounts.

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 3. Board Designated Cash and Investments

The Board Designated cash and investments as of December 31, 2010 are carried at fair value and are summarized as follows:

Mutual funds	\$	16,587
Money market, savings and cash		60,422
	\$	<u>77,009</u>

The Board has designated these funds for specific purposes including reserve funds for the apartments and duplexes, building projects, mission endowment, and legacies.

Investment income consists of the following for the year ended December 31, 2010:

Interest and dividend income	\$	252
Net unrealized and realized gain from investments		1,270
	\$	<u>1,522</u>

Note 4. Accrued Liabilities

Accrued liabilities at December 31, 2010 consist of the following:

Vacation and sick pay	\$	154,091
Payroll		132,655
Real estate taxes		54,984
Payroll taxes		69,996
Accrued interest		370
Other		2,976
	\$	<u>415,072</u>

Note 5. Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following:

Remainder interest in real estate	\$	<u>303,000</u>
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Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 6. Duplexes and Deferred Duplex Entrance Fees

Flanagan maintains apartment and duplex units where the residents are required to pay a fee upon entrance. They are then entitled to occupy an apartment for life or until they can no longer care for themselves. The residents also pay a monthly fee to cover items such as utilities, activity programs, transportation services and housekeeping.

The residents do not retain any ownership of the occupied units. The entrance fee consists of a life lease payment and, for certain contracts, a noninterest-bearing note. A portion of the life lease payment is refundable upon early termination in accordance with the terms of the agreements. The life lease payments are recorded as deferred revenue and amortized to Income over a predetermined schedule per the contract, limited to the extent that such amortization would reduce the remaining balance below the refundable amount.

Deferred revenue at December 31, 2010 consists of the following:

Unamortized residential apartment life lease payments	\$ 715,023
Less current portion of unamortized life lease payments	68,400
	<u>\$ 646,623</u>

Note 7. Notes Payable

The debt of the Group at December 31, 2010, consists of the following:

Note payable, Flanagan State Bank, maturity April 25, 2013, installments of \$3,050, including interest at 6% payable monthly. The note is secured by a portion of the Organization's property.	\$ 318,560
Note payable, State Bank of Graymont, maturity August 13, 2011, interest rate is variable for five year periods based on the United States Treasury 5 year note interest rate, present interest rate 4.39%, secured by irrevocable \$100,000 letter of credit from Flanagan State Bank that expires concurrent with the maturity of the debt. The bank reserves the right to call the note payable upon demand.	100,000
Note payable, Flanagan State Bank, maturity January 19, 2011, interest rate is variable based on the Flanagan State Bank prime rate, present interest rate 6.00%. The bank reserves the right to call the note payable upon demand.	45,346
Note payable, unsecured, St. Petri Evangelical Lutheran Church of Flanagan, Illinois, annual interest rate of 7.0%, maturity November 1, 2011, interest is payable annually on November 1st. The church reserves the right to call the note payable upon demand.	25,000
	<u>488,906</u>
Less current maturities	(188,339)
Long-term debt	<u>\$ 300,567</u>

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 7. Notes Payable (Continued)

Annual maturities required on the long-term debt as of December 31, 2010, are as follows:

	<u>Amount</u>
Year Ending December 31,	
2011	\$ 188,339
2012	19,136
2013	281,431
	<u>\$ 488,906</u>

Note 8. Employee Benefit Plans

Group has implemented a retirement plan qualified under Section 401(k) of the Internal Revenue Code in 2009. The 401(k) plan is available to all full-time employees age 21 or older with at least one year of service. Eligible employees may contribute up to the limits allowed under IRS regulations. The Group did not make a discretionary contribution to this plan for the year ended December 31, 2010.

Note 9. Risk Retention Group

Flanagan participates in a Risk Retention Group (RRG) through Life Services Network (LSN) for its general liability and worker's compensation insurance. The RRG is protected self insurance in that the RRG is responsible for the first \$250,000 of each claim and that there is reinsurance on a claims-made basis for any claims above this amount. Each member's premium goes towards the establishment of a loss fund to pay claims, reinsurance premiums and administrative expenses. The Organization is not liable for the negligence of another member of the RRG. Upon entering the RRG, the Organization made an initial deposit of \$10,643 for its share of the initial capitalization of the RRG. This initial capitalization can only be lost if there were a depletion of the loss fund. This deposit is reflected in Other Assets, along with the increase in value due to its share of the RRG earnings to date. The carrying value of this investment at December 31, 2010 was \$97,170. The Organization has experienced no losses since it began participation in the RRG.

Flanagan has not recorded a liability for any incurred losses under the self insured portion of this plan since it is not aware of any known or potential claims. Flanagan incurred \$244,165 of expense under this arrangement during the year ended December 31, 2010.

In 2009, Flanagan was notified that LSN worker's compensation trust had failed and was placed in state receivership as a result. Flanagan was notified that they owed \$70,163 and has been paying this amount in monthly installments of \$2,010 over 36 months with a 2 percent interest charge for a total of \$72,348. As of December 31, 2010, Flanagan owed \$47,237 under this agreement.

Effective October 1, 2010, United Wisconsin Insurance Company is the new provider of worker's compensation insurance for Group.

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 10. Revenue Concentration

Revenue sources for the years ended December 31, 2010 were as follows:

Medicaid	\$ 2,115,002
Private	1,578,568
Medicare	1,019,872
Ancillary services	358,505
Medicare HMO	189,700
Hospice	150,359
Private insurance and other	274,479
	<u>\$ 5,686,485</u>

Note 11. Remainder Interest in Real Estate

In 1996, a donor named Good Samaritan Home Flanagan as a remainder beneficiary to 40 acres of farmland included in a life estate. The fair value of the remainder interest is determined by computing the present value of an estimated value of the farmland discounted at 3.45 percent over the expected life of the donor. The estimated market value of the land as of December 31, 2010 was \$351,000. The estimated value of the farmland is determined by adjusting the original appraisal value by an appropriate rate of inflation as determined by real estate specialists. The carrying value at December 31, 2010 was \$303,000.

Note 12. Commitments and Contingencies

The United States Department of Justice and other federal agencies routinely conduct regulatory investigations and compliance audits of health care providers. Group is subject to these regulatory efforts. Management is currently unaware of any regulatory matters which may have a material adverse effect on the Group's consolidated financial position or changes in net assets.

Note 13. Endowment Funds

Group's endowment consists of three individual funds established for a variety of purposes. Its endowment includes funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Group has interpreted the Illinois Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. Group does not currently possess any donor restricted assets. All assets discussed in this disclosure are board-designated and classified in unrestricted net assets.

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 13. Endowment Funds (Continued)

Group's endowment net asset composition by type of fund is as follows for the year ended December 31, 2010:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted	\$ -	\$ -	\$ -	\$ -
Board-designated	77,009	-	-	77,009
	<u>\$ 77,009</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,009</u>

The changes in endowment net assets for the Organization were as follows for the year ended December 31, 2010:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ 17,937	\$ -	\$ -	\$ 17,937
Net unrealized and realized gains from investments	1,270	-	-	1,270
Contributions	199,833	-	-	199,833
Appropriation of endowment assets for expenditure	(142,031)	-	-	(142,031)
Endowment net assets, end of year	<u>\$ 77,009</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,009</u>

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or Illinois UPMIFA requires the Group to retain as a fund of perpetual duration. There were no deficiencies of this nature that are reported in unrestricted net assets as of December 31, 2010.

Return Objectives and Risk Parameters

The Group has not adopted investment and spending policies for the Group's endowment assets. Endowment assets include those assets of donor-restricted funds that the Group must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. Actual returns in any given year may vary from the intended amount.

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 13. Endowment Funds (Continued)

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Group relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Group targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the investment Objectives Relate to Spending Policy

The Group is currently developing its policy of appropriating its endowment funds. In establishing this policy, the Group is considering the long-term expected return on its endowment. Accordingly, over the long term, the Group expects the spending policy to allow its endowment to steadily grow each year. This is consistent with the Group's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Note 14. Fair Value Measurements

The following information is designed to enable the reader of the financial statements to assess the inputs used to develop fair value measurement by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. Assets and liabilities carried at fair value are required to be classified and disclosed in one of the following three categories.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The guidance requires the use of valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources, or unobservable, meaning those that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. In that regard, the standard establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

A description of the valuation methodologies used for assets and liabilities measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below.

Securities available for sale (recurring): The fair values of the Group's securities available-for-sale are determined using Level 1 inputs, which are derived from readily available pricing.

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 14. Fair Value Measurements (Continued)

Remainder interest in real estate (recurring): The fair value of the Group's remainder interest in real estate is determined using Level 3 inputs, which are derived from estimates determined by real estate specialists.

The following table summarizes assets measured at fair value on a recurring basis as of December 31, 2010, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

	Total	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Assets:				
Mutual bond, stock funds and cash deposits	\$ 77,009	\$ 77,009	\$ -	\$ -
Remainder interest in real estate	303,000	-	-	303,000
	<u>\$ 380,009</u>	<u>\$ 77,009</u>	<u>\$ -</u>	<u>\$ 303,000</u>

Disclosure for Recurring Fair Value Measurements Using Level 3 Inputs:

The following table presents additional information about the Group's remainder interest in real estate measured at fair value on a recurring basis.

Beginning balance, January 1, 2010	\$ 191,000
Investment purchases	-
Investment sales	-
Change in fair value	112,000
Change in unrealized gains (losses) on investment	-
Ending balance, December 31, 2010	<u>\$ 303,000</u>

Good Samaritan Group and Subsidiaries

Notes to Consolidated Financial Statements

Note 15. Agreements with Livingston County

In connection with the reorganization described in Note 1, Good Samaritan Home of Flanagan entered in various agreements with Livingston County for the construction of a new nursing home facility and management of the operations of Livingston Manor nursing home. Good Samaritan Home of Flanagan assigned all of its interests in the agreements noted below to The Good Samaritan Group, Flanagan and Pontiac to correspond to the reorganization described in Note 1. The agreements are as follows:

Operations transfer agreement: This agreement provides for the transfer of the operations of Livingston Manor to Good Samaritan of Pontiac. This is the governing document which provides the overall structure for the transfer of operations of Livingston Manor to Good Samaritan of Pontiac. This document provided for the management of Livingston Manor while Good Samaritan Home of Flanagan was in the process of obtaining the certificate of need and other licenses required by the regulatory bodies. This agreement (and the associated extensions) provided for the transfer of Livingston Manor operations to Good Samaritan Home of Pontiac on or before March 31, 2010, and the transfer took place on March 1, 2010.

Management agreement: Good Samaritan Home of Flanagan entered into a management agreement with Livingston County (owner of the Livingston Manor in Pontiac) to manage the operations of Livingston Manor until the long-term care facility is transferred to a new facility, which will be built in Pontiac, IL. The management agreement provided for a management fee of \$12,500 per month plus various travel and other related expense for the time spent by the Good Samaritan Home of Flanagan's administrator working at Livingston Manor. During 2010, Flanagan incurred management fee expenses of \$15,000, and management fee income of \$40,814, related to this agreement.

Commercial lease agreement: Group entered into an agreement to lease Livingston Manor facility beginning on March 1, 2010. The lease will remain in place until a new facility is constructed and all of the residents from Livingston Manor are transferred to the new facility. The rent is calculated at 3 percent of the gross income less operating expenses as defined in the commercial lease agreement. Since Pontiac would have incurred a loss without the Livingston County grant income, there was no rent expense owed for the year ended December 31, 2010.

Economic Development Grant Agreement: The agreement between Group and the County of Livingston provides Group with an economic development grant which consists of two parts; (1) an operations grant which consist of 16 consecutive monthly payments of \$83,333 which began on March 1, 2010, to be used to pay for operating expenses, real estate taxes and the commercial lease; and (2), a construction grant up to 15 percent of the cost of the new facility with a maximum of \$2.5 million.

There are also associated agreements for the assignment and assumption of intangible property and contract interests of Livingston Manor to Good Samaritan Home of Pontiac.

Note 16. Subsequent events

The Group has evaluated subsequent events through August 11, 2011, the date on which the financial statements were available to be issued, and has determined that no additional disclosures are necessary.

Good Samaritan Group and Subsidiaries

**Consolidating Statement of Financial Position
December 31, 2010**

	Group	Flanagan	Pontiac	Consolidated
Assets				
Current Assets				
Cash and cash equivalents	\$ 5,485	\$ 456,510	\$ 254,724	\$ 716,719
Accounts receivable, net of allowance for doubtful accounts	-	550,707	340,187	890,894
Prepaid insurance	-	41,595	45,283	86,878
Inventory	-	15,085	-	15,085
Total current assets	5,485	1,063,897	640,194	1,709,576
Board Designated Cash and Investments	-	77,009	-	77,009
Property and Equipment				
Land and land improvements	127,472	-	-	127,472
Building and building improvements	5,624,047	-	-	5,624,047
Furniture, equipment and fixtures	952,897	-	207	953,104
Vehicles	97,743	-	-	97,743
Construction in process	-	-	84,669	84,669
	6,802,159	-	84,876	6,887,035
Less accumulated depreciation	3,738,897	-	-	3,738,897
Net property and equipment	3,063,262	-	84,876	3,148,138
Other Assets				
Remainder interest in real estate	-	303,000	-	303,000
Investment in Life Services Network	-	97,170	-	97,170
Total other assets	-	400,170	-	400,170
Total assets	\$ 3,068,747	\$ 1,541,076	\$ 725,070	\$ 5,334,893
Liabilities and Net Assets				
Current Liabilities				
Accounts payable	\$ -	\$ 365,632	\$ 318,960	\$ 684,592
Notes payable	17,993	170,346	-	188,339
Current portion of deferred revenue	-	68,400	-	68,400
Recourse obligation	-	658,984	-	658,984
Accrued liabilities	-	290,517	124,555	415,072
Worker's compensation	-	23,389	-	23,389
Total current liabilities	17,993	1,577,268	443,515	2,038,776
Long-Term Liabilities				
Deferred revenue	-	646,623	-	646,623
Notes payable	300,567	-	-	300,567
Worker's compensation	-	23,848	-	23,848
Total long-term liabilities	300,567	670,471	-	971,038
Total liabilities	318,560	2,247,739	443,515	3,009,814
Net Assets (Deficit)				
Unrestricted	2,750,187	(1,009,663)	281,555	2,022,079
Temporarily restricted	-	303,000	-	303,000
Total net assets	2,750,187	(706,663)	281,555	2,325,079
Total liabilities and net assets	\$ 3,068,747	\$ 1,541,076	\$ 725,070	\$ 5,334,893

Good Samaritan Group and Subsidiaries

**Consolidating Statements of Activities
Year Ended December 31, 2010**

	Group	Flanagan	Pontiac	Consolidated
Operating revenue:				
Net resident income	\$ -	\$ 3,776,416	\$ 1,910,069	\$ 5,686,485
Management fee income	-	40,814	-	40,814
Grant income	-	-	833,333	833,333
Net assets released from restrictions	-	44,272	-	44,272
	<u>-</u>	<u>3,861,502</u>	<u>2,743,402</u>	<u>6,604,904</u>
Operating expenses:				
Nursing	-	1,526,541	1,148,262	2,674,803
Housekeeping and plant	-	334,828	352,477	687,305
Dietary	-	330,664	239,307	569,971
Employee welfare	-	500,330	304,959	805,289
Laundry and linen	-	60,399	35,455	95,854
Independent living	41,469	86,405	-	127,874
Apartments	37,312	9,689	-	47,001
Hospice	-	-	-	-
Management expenses	-	15,000	-	15,000
Loss on disposal of property and equipment	11,954	-	-	11,954
	<u>90,735</u>	<u>2,863,856</u>	<u>2,080,460</u>	<u>5,035,051</u>
Income before general and administrative expenses and capital expenses	(90,735)	997,646	662,942	1,569,853
General and administrative expenses	5	701,682	365,635	1,067,322
Income (loss) before capital expenses	(90,740)	295,964	297,307	502,531
Capital expenses:				
Interest	17,324	10,573	-	27,897
Depreciation, net of amounts charged to independent living and apartments	100,124	-	-	100,124
	<u>117,448</u>	<u>10,573</u>	<u>-</u>	<u>128,021</u>
Operating income (loss)	(208,188)	285,391	297,307	374,510
Other income (expense):				
Miscellaneous	-	67,724	(15,627)	52,097
Interest and net investment income	-	1,522	-	1,522
Fundraising	-	793	-	793
Gift/memorial income, net	5,490	158,790	(125)	164,155
	<u>5,490</u>	<u>228,829</u>	<u>(15,752)</u>	<u>218,567</u>
Change in unrestricted net assets	(202,698)	514,220	281,555	593,077
Temporarily restricted net assets:				
Change in fair value of investment in remainder interest in real estate	-	112,000	-	112,000
Net assets released from restrictions	-	(44,272)	-	(44,272)
	<u>-</u>	<u>67,728</u>	<u>-</u>	<u>67,728</u>
Change in net assets	(202,698)	581,948	281,555	660,805
Net assets (deficit):				
Beginning of year	2,825,585	(1,161,311)	-	1,664,274
Transfers	127,300	(127,300)	-	-
	<u>2,952,885</u>	<u>(1,288,611)</u>	<u>-</u>	<u>1,664,274</u>
End of year	\$ 2,750,187	\$ (706,663)	\$ 281,555	\$ 2,325,079

McGladrey & Pullen

Certified Public Accountants

Good Samaritan Home of Flanagan

Financial Report and Supplementary Information
12.31.09

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Board of Directors
Good Samaritan Home of Flanagan
205 North Adams Street
Flanagan, Illinois

We have audited the accompanying statements of financial position of Good Samaritan Home of Flanagan, as of December 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Good Samaritan Home of Flanagan as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

McGladrey & Pullen, LLP

Springfield, Illinois
April 26, 2010

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Statements of Financial Position
December 31, 2009 and 2008

	2009	2008
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 368,995	\$ 77,947
Accounts receivable, net of allowance for doubtful accounts 2009 \$50,000; 2008 \$29,000	380,313	528,224
Accounts receivable, related party	20,407	-
Prepaid insurance	12,780	3,712
Inventory	15,085	15,082
Total current assets	<u>797,580</u>	<u>624,965</u>
Board Designated Cash and Investments	17,937	85,427
Property and Equipment:		
Land and land improvements	127,472	127,472
Building and building improvements	5,539,542	5,491,784
Furniture, equipment and fixtures	956,934	953,730
Vehicles	97,743	97,743
	<u>6,721,691</u>	<u>6,670,729</u>
Less accumulated depreciation	<u>(3,561,240)</u>	<u>(3,366,761)</u>
Net property and equipment	<u>3,160,451</u>	<u>3,303,968</u>
Other Assets:		
Remainder interest in real estate	191,000	205,000
Investment in LSN insurance program	97,242	77,562
Total other assets	<u>288,242</u>	<u>282,562</u>
Total assets	<u>\$ 4,264,210</u>	<u>\$ 4,296,922</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 228,951	\$ 247,564
Notes payable	152,319	417,148
Payable on life lease	88,983	-
Current portion of deferred revenue	52,600	61,800
Recourse obligation	620,107	-
Accrued liabilities	391,521	313,989
Worker's compensation	23,045	-
Residents and insurance refunds payable	47,961	-
Total current liabilities	<u>1,605,487</u>	<u>1,040,501</u>
Long-Term Liabilities:		
Deferred revenue	629,384	782,409
Notes payable	317,947	335,808
Worker's compensation	47,118	-
Total long-term liabilities	<u>994,449</u>	<u>1,118,217</u>
Total liabilities	<u>2,599,936</u>	<u>2,158,718</u>
Net Assets:		
Unrestricted	1,429,002	1,933,204
Temporarily restricted	235,272	205,000
Total net assets	<u>1,664,274</u>	<u>2,138,204</u>
Total liabilities and net assets	<u>\$ 4,264,210</u>	<u>\$ 4,296,922</u>

See Notes to Financial Statements.

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Statements of Activities
Years Ended December 31, 2009 and 2008

	2009	2008
Operating revenue:		
Net resident income	\$ 3,230,248	\$ 3,466,611
Management fee income	250,568	-
	<u>3,480,816</u>	<u>3,466,611</u>
Operating expenses:		
Nursing	1,415,877	1,581,197
Housekeeping and plant	324,600	404,218
Dietary	361,408	419,853
Employee welfare	574,445	523,014
Laundry and linen	54,908	53,627
Independent living	148,793	127,354
Apartments	55,836	50,563
Management expenses	186,922	-
	<u>3,122,789</u>	<u>3,159,826</u>
Income before general and administrative expenses and capital expenses	358,027	306,785
General and administrative expenses	824,641	690,464
(Loss) before capital expenses	<u>(466,614)</u>	<u>(383,679)</u>
Capital expenses:		
Interest	27,192	31,440
Depreciation, net of amounts charged to independent living and apartments	115,209	128,225
	<u>142,401</u>	<u>159,665</u>
(Loss) before other income	<u>(609,015)</u>	<u>(543,344)</u>
Other income:		
Miscellaneous	20,559	5,973
Interest and net investment income (loss)	7,566	(36,299)
Fundraising	23,314	19,019
Gift/memorial income, net	53,374	73,380
	<u>104,813</u>	<u>62,073</u>
Change in unrestricted net assets	<u>(504,202)</u>	<u>(481,271)</u>
Temporarily restricted net assets:		
Contributions	44,272	-
Change in fair value of investment in remainder interest in real estate	(14,000)	57,000
	<u>30,272</u>	<u>57,000</u>
Change in net assets	(473,930)	(424,271)
Net Assets:		
Beginning of year	2,138,204	2,562,475
End of year	<u>\$ 1,664,274</u>	<u>\$ 2,138,204</u>

See Notes to Financial Statements.

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Statements of Cash Flows
Years Ended December 31, 2009 and 2008

	2009	2008
Cash Flows from Operating Activities:		
Change in net assets	\$ (473,930)	\$ (424,271)
Adjustments to reconcile change in net assets to net cash flows provided by (used in) operating activities:		
Depreciation	194,479	203,915
Net unrealized and realized (gain)/loss from investments	(4,894)	41,262
Provision for doubtful accounts	42,000	37,024
Change in fair value of investment in remainder interest in real estate	14,000	(57,000)
Increase in investment in LSN insurance program	(19,680)	(14,333)
Amortization of life lease contracts	(58,742)	(52,217)
(Increase) decrease in assets:		
Accounts receivable	85,504	(189,361)
Prepaid expenses and other current assets	(9,071)	25,114
Increase (decrease) in liabilities:		
Accounts payable	70,370	49,582
Accrued expenses and other current liabilities	147,695	42,067
Patient refund payable	47,961	-
Net cash provided by (used in) operating activities	35,692	(338,218)
Cash Flows from Investing Activities:		
Purchase of investments	(1,604)	(4,779)
Proceeds from sales and maturities of investments	73,988	86,863
Purchase of property and equipment	(50,962)	(46,018)
Net cash provided by investing activities	21,422	36,066
Cash Flows from Financing Activities:		
Proceeds from life lease contracts (deferred revenue)	-	60,000
Payments on life lease contracts (deferred revenue)	(103,483)	(55,000)
Payments of refunds on active life lease contracts (deferred revenue)	-	(47,931)
Proceeds from notes payable	-	1,289,000
Payments on notes payable	(282,690)	(894,388)
Net proceeds received on factored receivables	620,107	-
Net cash provided by financing activities	233,934	351,681
Increase in cash and cash equivalents	291,048	49,529
Cash and Cash Equivalents:		
Beginning	77,947	28,418
Ending	\$ 368,995	\$ 77,947
Supplemental Disclosures of Cash Flow Information:		
Cash payments for interest	\$ 27,192	\$ 31,440

See Notes to Financial Statements.

**Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)**

Notes to Financial Statements

Note 1. Nature of Business and Summary of Significant Accounting Policies

Nature of business: Good Samaritan Home of Flanagan (the Organization) is an Illinois not-for-profit corporation located in Flanagan, Illinois. The Organization operates a Long-Term Care facility, which is licensed annually by the Illinois Department of Public Health (IDPH) to operate 60 beds, all of which are licensed for skilled nursing care and dually certified for Medicare and Medicaid. In addition, the Organization provides 8 apartments and 26 duplexes and other related services for the elderly in exchange for a one-time accommodation fee and a monthly fee.

The Organization became certified by the Center for Medicare and Medicaid Services (CMS) on October 17, 2005 to use all 60 beds for Medicare Residents.

On December 23, 2009, the Organization changed its name to "The Good Samaritan Group." See Note 15 for more information on the restructuring subsequent event.

Basis of presentation: Net assets, support and revenue are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and the changes therein are classified and reported as follows:

Unrestricted net assets: Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets: Net assets subject to donor-imposed restrictions that may or will be met either by actions of the Organization and/or the passage of time.

Permanently restricted net assets: Net assets subject to donor imposed restrictions that neither expire by the passage of time and/or otherwise by actions of the Organization.

Revenue recognition: Revenue and the related accounts receivable is recognized for each day a resident resides in the facility. The amounts are based on a reimbursement methodology determined by the rules and regulations of the applicable third-party payor or by the facility for private pay residents. The third-party payor rules and regulations and required record keeping and documentation requirements are complex and noncompliance may result in adjustment or loss of revenue.

A significant portion of the Organization's revenue is based on the rules of the following third-party payors:

Illinois Department of Public Aid (IDPA) – Medicaid – Daily rates of \$113.20, established during 2008, and \$118.85, and \$120.48, effective January 1, 2009 and October 1, 2009, respectively, were established prospectively consisting of three components – capital, support and nursing services. The daily rate is determined after the timely filing of an annual cost report. Amounts billed under the Medicaid program can take 60 to 120 days or more for collection. The amounts paid are subject to audit.

Centers for Medicare and Medicaid Services (CMS) – Medicare – The Medicare program uses a Prospective Payment System (PPS) which is based upon the RUGS (Resource Utilization Groups) III System. The RUG category, and therefore the amount of revenue, is determined by a resident clinical documentation and level-of-care information. The amounts paid are subject to post-payment medical review and may be adjusted retroactively, normally for a period of one to two years. Each RUG category is assigned a geographically-adjusted federal reimbursement.

Receivables due from governmental agencies are subject to audit and retroactive adjustment by the State of Illinois. Such adjustments are recognized in operations in the year of settlement.

**Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Revenue from monthly apartment fees, unrestricted gifts and revenue from invested funds are recorded in income when earned.

Resident receivables: Resident receivables, where a third-party payor is responsible for paying the amount, are carried at a net amount determined by the original charge for the service provided, less an estimate made for contractual adjustments or discounts provided to third-party payors.

Resident receivables due directly from the residents are carried at the original charge for the service provided less amounts covered by third-party payors and less an estimated allowance for doubtful receivables, if appropriate. Management determines the allowance for doubtful accounts by identifying troubled accounts and by historical experience applied to an aging of accounts. A resident receivable is considered past due when the amount billed remains unpaid for more than 30 days subject to a third-party payor's agreed upon terms, if applicable. The Organization does not charge interest on resident receivable accounts which are past due. Resident receivables are written off as bad debt expense when deemed uncollectible. Recoveries of receivables previously written off are recorded as a reduction of bad debt expense when received.

Receivables sold to Flanagan State Bank (see Note 2) with recourse are included with patient receivables, and the associated repurchase obligation is recorded as a liability on the statement of financial position.

Cash and cash equivalents: Cash equivalents include all highly liquid investments with an original maturity of three months or less when purchased unless it is classified as board designated.

Income taxes: The Organization is a not-for-profit corporation as defined under Internal Revenue Code Section 501(c)(3). In addition, the Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. Therefore, no provision for income taxes has been made on these financial statements.

The corporation adopted the guidance for accounting for uncertainty in income taxes, on January 1, 2008. This guidance clarifies the accounting for uncertainty in income taxes recognized in an organization's financial statement. The guidance prescribes a more-likely-than-not recognition threshold and measurement attribute for financial statement recognition of a tax position taken or expected to be taken. Amounts requiring recognition under the guidance are reflected as a liability for uncertain tax benefits along with any associated interest and penalties that would be payable to the taxing authorities upon examination. There were no uncertain tax benefits identified or recorded as a liability as of December 31, 2009 and 2008.

Tax returns filed by the Organization may be subject to examination by the Internal Revenue Service (IRS) up to three years from the extended due date of each return. Tax returns filed by the Organization through fiscal year 2006 are no longer subject to examination by the IRS.

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Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Functional allocations of expenses: The costs of providing the various programs and other activities have been summarized on a functional basis as follows:

	2009	2008
Resident services	\$ 3,078,268	\$ 3,319,491
General and administrative	768,907	643,158
Management expense related to Livingston Manor	186,922	-
Fund raising	55,734	47,306
	<u>\$ 4,089,831</u>	<u>\$ 4,009,955</u>

Advertising: The Organization expenses advertising costs as they are incurred. For the years ended December 31, 2009 and 2008 amounts expensed for advertising were approximately \$50,461 and \$59,258, respectively.

Investments: Investments, which consist primarily of mutual funds, are measured at fair value on the balance sheet. Investment income (including realized gains and losses on investments, interest, and dividends) is included in the change in unrestricted net assets unless restricted by donor. Investment income which is subject to donor imposed restrictions is included in the change in temporarily restricted net income.

Cash balances in excess of insured amounts: The Organization may, at times, maintain cash deposits in amounts that exceed federally-insured limits. The Organization has not experienced any losses.

Reclassifications: Certain 2008 amounts have been reclassified to conform to the 2009 presentation with no change to the previously-reported net assets.

Notes payable: Interest expense is recognized when it accrues on the related debt.

Property and equipment: Property and equipment are recorded at cost, if purchased, or fair value, if contributed. Depreciation expense was \$194,479 and \$203,915 for the years ended December 31, 2009 and 2008, respectively. Depreciation is computed using the straight-line method over the assets estimated useful life as follows:

	Years
Land improvements	15
Building and building improvements	7 - 40
Furniture, equipment and fixtures	5 - 25
Vehicles	7

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the data of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. While actual results may differ from those estimates, management does not expect the differences, if any, to have a material effect on the financial statements.

Deferred revenue: Fees paid by a resident upon entering into a life lease contract are recorded as deferred revenue and are amortized to income using the straight-line method over the term of the contract.

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Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Conditional asset retirement obligation: The Organization recognizes a liability for the fair value of any unconditional asset retirement obligation if the fair value of the liability can be estimated. An obligation is unconditional if there is a legal obligation to perform the retirement. Substantially all of the impact of adopting this guidance relates to the estimated cost to remove asbestos from the nursing home. The Organization has not recorded any assets, liabilities or changes in net assets as a result of the adoption of this guidance.

Adoption of accounting pronouncements: In June 2009, the FASB issued an accounting pronouncement establishing the FASB "Accounting Standards Codification" (the "ASC") as the sole source of the authoritative accounting principles recognized by the FASB to be applied to nongovernmental entities. Pursuant to the provisions of the Accounting Standards Codification, the Company has updated references to GAPP in its financial statement footnotes issued for the year ended December 31, 2009. The adoption of the Accounting Standards Codification did not impact the Organization's financial statement presentation.

During the year ended December 31, 2009, the Organization adopted the amended guidance related to Subsequent Events, which describes the accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. This standard required the disclosure of the date financial statements are issued or are available to be issued. See Note 15 regarding subsequent events for the related disclosure. The adoption of this standard did not have a material impact on the financial statements.

In September 2006, the FASB issued authoritative guidance related to *Fair Value Measurements*, which defines fair value, establishes a framework for measuring fair value in GAAP, and expands disclosures about fair value measurements. In February 2008, the FASB issued authoritative guidance which allows for the delay of the effective date of the guidance for fair value measurements for one year for all nonfinancial assets and liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis. The Organization adopted the provisions of the guidance for nonfinancial assets and liabilities effective January 1, 2009, and its adoption did not have a material impact on the Organization's consolidated financial position, results of operation or cash flows.

Recently issued accounting pronouncements: In August 2009, the FASB issued guidance clarifying the measurement of liabilities stated at fair value in the absence of observable market information. This guidance is effective for the Organization beginning January 1, 2010. The adoption of this guidance is not expected to have a material impact on the Organization's consolidated financial position, results of operations or cash flows.

In April 2009, the FASB issued guidance concerning mergers and acquisitions for not-for-profit organizations. The new standard provides guidance in the accounting and disclosures for not-for-profit business combinations. The guidance also requires not-for-profit entities to concurrently adopt the FASB guidance on business combinations and non-controlling interest in consolidated financial statements, and the guidance related to goodwill and other intangibles. This guidance is effective for mergers for which the merger date is on or after the beginning of an initial reporting period beginning on or after December 15, 2009 and for acquisitions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2009. The Organization has not determined the effect the adoption of this guidance will have on its consolidated financial statement.

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Notes to Financial Statements

Note 2. Sale of Accounts Receivable

During 2009, the Organization entered into an agreement with Flanagan State Bank (the Bank) to sell all of their accounts receivables from their long-term care facility to the Bank in order to provide cash for current operations. In connection with this agreement, the Bank advances cash to the Organization based on the fair value of the receivables transferred. The Bank also withholds a certain amount (cash reserve) in order to satisfy the Organization's repurchase obligation and to cover any fees which are due to the Bank. The initial reserve was 21% of the initial balance transferred and the reserve amount is periodically adjusted in accordance with a formula established in the agreement. The bank also charges a fee of 1.8 percent of receivables transferred for processing these transactions.

The Organization is required to repurchase any receivable transferred to the Bank if the receivable is determined to be uncollectible, therefore, the Organization records the amount advanced less any payments made on the transferred receivables as a "recourse obligation" on the statement of financial position.

In connection with this agreement, the financial statements as of and for the year ended December 31, 2009 reflects the following amounts:

	2009
Cash on reserve at Flanagan State Bank (included in cash and cash equivalents)	\$ 102,441
Accounts receivable sold with recourse to the Bank	599,852
Recourse obligation	620,107
Bank processing fee (included in general and administrative expenses)	66,861

The accounts receivable sold with recourse to the Bank includes \$169,539 of cash received for receivables which are related to 2010 fees which have been pre-billed to the residents, and does not include the \$50,000 allowance for doubtful accounts.

Note 3. Investments

The composition of Board Designated cash and investments as of December 31, 2009 and 2008 is set forth in the following table. Investments are carried at market value.

	2009	2008
Mutual funds	\$ 15,317	\$ 81,159
Money market, savings and cash	2,620	4,268
	<u>\$ 17,937</u>	<u>\$ 85,427</u>

Designated cash and investments have been designated by the Board for specific purposes including reserve funds for the apartments and duplexes, building projects, mission endowment, and legacies.

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Notes to Financial Statements

Note 3. Investments (Continued)

Investment income (loss) is comprised of the following for the years ended December 31, 2009 and 2008:

	2009	2008
Interest and dividend income	\$ 2,672	\$ 4,963
Realized gains on sale of securities	146	5,437
Changes in net unrealized gains (losses)	4,748	(46,699)
	<u>\$ 7,566</u>	<u>\$ (36,299)</u>

Note 4. Accrued Liabilities

Accrued liabilities at December 31, 2009 and 2008 consist of the following:

	2009	2008
Legal fees (Note 15)	\$ 141,255	\$ -
Vacation and sick pay	129,240	183,780
Payroll	53,086	65,470
Real estate taxes	55,000	46,519
Payroll taxes	11,940	17,220
Other	1,000	1,000
	<u>\$ 391,521</u>	<u>\$ 313,989</u>

Note 5. Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following:

	2009	2008
Remainder interest in real estate	\$ 191,000	\$ 205,000
Contributions for roof replacement	44,272	-
	<u>\$ 235,272</u>	<u>\$ 205,000</u>

Note 6. Duplexes and Deferred Duplex Entrance Fees

The Organization maintains apartment and duplex units where the residents are required to pay a fee upon entrance. They are then entitled to occupy an apartment for life or until they can no longer care for themselves. The residents also pay a monthly fee to cover items such as utilities, activity programs, transportation services and housekeeping.

The residents do not retain any ownership of the occupied units. The entrance fee consists of a life lease payment and, for certain contracts, a noninterest-bearing note. A portion of the life lease payment is refundable upon early termination in accordance with the terms of the agreements. The life lease payments are recorded as deferred revenue and amortized to income over a predetermined schedule per the contract, limited to the extent that such amortization would reduce the remaining balance below the refundable amount.

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Notes to Financial Statements

Note 6. Duplexes and Deferred Duplex Entrance Fees (Continued)

Deferred revenue at December 31, 2009 and 2008 consists of the following:

	2009	2008
Unamortized residential apartment life lease payments	\$ 681,984	\$ 844,209
Less current portion of unamortized life lease payments	52,600	61,800
	<u>\$ 629,384</u>	<u>\$ 782,409</u>

Note 7. Notes Payable

The debt of the Organization at December 31, 2009 and 2008, consists of the following:

	2009	2008
Note payable, Flanagan State Bank, annual interest rate of 6.5%, paid off in January 2009.	\$ -	\$ 242,000
Note payable, Flanagan State Bank, maturity April 25, 2013, installments of \$3,050, including interest at 6% payable monthly. The note is secured by a portion of the Organization's property.	334,866	352,056
Note payable, unsecured, St. Petri Evangelical Lutheran Church of Flanagan, Illinois, annual interest rate of 7.0%, maturity November 1, 2011, interest is payable annually on November 1st. The church reserves the right to call the note payable upon demand.	25,000	25,000
Note payable, State Bank of Graymont, maturity August 13, 2011, interest rate is variable for five year periods based on the United States Treasury 5 year note interest rate, present interest rate 4.39%, secured by irrevocable \$100,000 letter of credit from Flanagan State Bank that expires concurrent with the maturity of the debt. The bank reserves the right to call the note payable upon demand.	100,000	100,000
Notes payable to residents, unsecured, noninterest-bearing, due upon termination of the residence contract by resident.	10,400	33,900
	<u>470,266</u>	<u>752,956</u>
Less current maturities	<u>(152,319)</u>	<u>(417,148)</u>
Long-term debt	<u>\$ 317,947</u>	<u>\$ 335,808</u>

Annual maturities required on the long term debt as of December 31, 2009, are as follows:

Year Ending December 31,	Amount
2010	\$ 152,319
2011	17,963
2012	19,071
2013	<u>280,913</u>
	<u>\$ 470,266</u>

**Good Samaritan Home of Flanagan
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Notes to Financial Statements

Note 8. Employee Benefit Plans

In 2008, the Organization maintained a profit sharing plan for its employees who are eligible as defined in the Plan. The Organization's contributions to the profit sharing plan were \$0 and \$37,151 for the years ended December 31, 2009 and 2008, respectively. Effective on December 31, 2008, the Organization discontinued the profit sharing plan and implemented a new retirement plan qualified under Section 401(k) of the Internal Revenue Code in 2009. The 401(k) plan is available to all full-time employees age 21 or older with at least one year of service. Eligible employees may contribute up to the limits allowed under IRS regulations. The Organization's discretionary contribution to this plan was \$11,081 for the year ended December 31, 2009.

Note 9. Risk Retention Group

The Organization participates in a Risk Retention Group (RRG) through Life Services Network (LSN) for its general liability and worker's compensation insurance. The RRG is protected self insurance in that the RRG is responsible for the first \$250,000 of each claim and that there is reinsurance on a claims-made basis for any claims above this amount. Each member's premium goes towards the establishment of a loss fund to pay claims, reinsurance premiums and administrative expenses. The Organization is not liable for the negligence of another member of the RRG. Upon entering the RRG, the Organization made an initial deposit of \$10,643 for its share of the initial capitalization of the RRG. This initial capitalization can only be lost if there were a depletion of the loss fund. This deposit is reflected in Other Assets, along with the increase in value due to its share of the RRG earnings to date. The carrying values of this investment at December 31, 2009 and 2008 were \$97,242 and \$77,562, respectively. The Organization has experienced no losses since it began participation in the RRG.

The Organization has not recorded a liability for any incurred losses under the self insured portion of this plan since it is not aware of any known or potential claims.

The Organization incurred \$198,546 and \$89,597 of expense under this arrangement during the years ended December 31, 2009 and 2008, respectively.

In 2009, the Organization was notified that LSN worker's compensation trust has failed and has been placed in state receivership as a result. The Organization was notified that they owed \$70,163 and will pay this amount in monthly installments of \$2,010 over 36 months with a 2% interest charge for a total of \$72,348.

Note 10. Revenue Concentration

Revenue sources for the years ended December 31, 2009 and 2008 were as follows:

	2009	2008
Private pay (routine and ancillary)	\$ 1,517,974	\$ 1,721,717
Medicaid	1,161,431	1,169,541
Medicare	550,843	575,353
	<u>\$ 3,230,248</u>	<u>\$ 3,466,611</u>

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Notes to Financial Statements

Note 11. Remainder Interest in Real Estate

In 1996, a donor named the Organization as a remainder beneficiary to 40 acres of farmland included in a life estate. The fair value of the remainder interest is determined by computing the present value of an estimated value of the farmland discounted at 3.45% over the expected life of the donor. The estimated market values of the land as of December 31, 2009 and 2008 was \$220,000. The estimated value of the farmland is determined by adjusting the original appraisal value by an appropriate rate of inflation as determined by real estate specialists. The carrying value at December 31, 2009 and 2008 was \$191,000 and \$205,000, respectively.

Note 12. Commitments and Contingencies

The United States Department of Justice and other federal agencies routinely conduct regulatory investigations and compliance audits of health care providers. The Organization is subject to these regulatory efforts. Management is currently unaware of any regulatory matters which may have a material adverse effect on the Organization's financial position or changes in net assets.

Note 13. Endowment Funds

The Organization's endowment consists of two individual funds established for a variety of purposes. Its endowment includes funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Organization has interpreted the Illinois Uniform Management of Institutional Funds Act (UMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The Organization does not currently possess any donor restricted assets. All assets discussed in this disclosure are Board-designated and classified in unrestricted net assets.

The Organization's endowment net asset composition by type of fund is as follows for the years ended December 31, 2009 and 2008:

	2009				2008			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board-designated	17,937	-	-	17,937	81,159	-	-	81,159
	<u>\$ 17,937</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,937</u>	<u>\$ 81,159</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,159</u>

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Notes to Financial Statements

Note 13. Endowment Funds (Continued)

The changes in endowment net assets for the Organization were as follows for the years ended December 31, 2009 and 2008:

	2009				2008			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ 81,159	\$ -	\$ -	\$ 81,159	\$ 164,643	\$ -	\$ -	\$ 164,643
Investment return:								
Investment income	1,604	-	-	1,604	4,779	-	-	4,779
Net appreciation (depreciation) (realized and unrealized)	4,894	-	-	4,894	(41,263)	-	-	(41,263)
Total investment return	6,498	-	-	6,498	(36,484)	-	-	(36,484)
Appropriation of endowment assets for expenditure	(50,000)	-	-	(50,000)	(47,000)	-	-	(47,000)
Transfers to cash accounts	(22,340)	-	-	(22,340)	-	-	-	-
Endowment net assets, end of year	\$ 15,317	\$ -	\$ -	\$ 15,317	\$ 81,159	\$ -	\$ -	\$ 81,159

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or Illinois UMIFA requires the Organization to retain as a fund of perpetual duration. There were no deficiencies of this nature that are reported in unrestricted net assets as of December 31, 2009 and 2008.

Return Objectives and Risk Parameters

The Organization has not adopted investment and spending policies for the Organization's endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. Actual returns in any given year may vary from the intended amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization is currently developing its policy of appropriating its endowment funds. In establishing this policy, the Organization is considering the long-term expected return on its endowment. Accordingly, over the long term, the Organization expects the spending policy to allow its endowment to steadily grow each year. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

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Notes to Financial Statements

Note 14. Fair Value Measurements

The following information is designed to enable the reader of the financial statements to assess the inputs used to develop fair value measurement by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. Assets and liabilities carried at fair value are required to be classified and disclosed in one of the following three categories.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The guidance requires the use of valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources, or unobservable, meaning those that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. In that regard, the standard establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

A description of the valuation methodologies used for assets and liabilities measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below.

Securities available for sale (recurring): The fair values of the Organization's securities available-for-sale are determined using Level 1 inputs, which are derived from readily available pricing.

Remainder interest in real estate (recurring): The fair value of the Organization's remainder interest in real estate is determined using Level 3 inputs, which are derived from estimates determined by real estate specialists.

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Notes to Financial Statements

Note 14. Fair Value Measurements (Continued)

The following table summarizes assets measured at fair value on a recurring basis as of December 31, 2009, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

	Total	Quoted Prices	Significant Other	Significant
		in Active Markets for Identical Assets Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3
2009				
Assets:				
Primarily mutual bond and stock funds	\$ 17,937	\$ 17,937	\$ -	\$ -
Remainder interest in real estate	191,000	-	-	191,000
	<u>\$ 208,937</u>	<u>\$ 17,937</u>	<u>\$ -</u>	<u>\$ 191,000</u>
2008				
Assets:				
Primarily mutual bond and stock funds	\$ 81,159	\$ 81,159	\$ -	\$ -
Remainder interest in real estate	205,000	-	-	205,000
	<u>\$ 286,159</u>	<u>\$ 81,159</u>	<u>\$ -</u>	<u>\$ 205,000</u>

Disclosure for Recurring Fair Value Measurements Using Level 3 Inputs

The following table presents additional information about the Organization's remainder interest in real estate measured at fair value on a recurring basis.

Beginning balance, January 1, 2009	\$ 205,000
Investment purchases	-
Investment sales	-
Change in fair value	(14,000)
Change in unrealized gains (losses) on investment	-
Ending Balance, December 31, 2009	<u>\$ 191,000</u>

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Notes to Financial Statements

Note 15. Restructuring and Subsequent Events

Subsequent events have been evaluated through April 26, 2010, the date the financial statements were available to be issued. Through that date, there were no events requiring disclosure, other than the events described below.

On March 1, 2009, the Board of Directors voted to restructure the Organization from a single 501(C)3 organization to one with separate not-for-profit 501(C)3 organizations in a Parent-Subsidiary model. The new corporate structure will include the following associated organizations:

- Good Samaritan Group (parent company)
- Good Samaritan of Flanagan - operate the Flanagan nursing home
- Good Samaritan of Pontiac - operate the Pontiac nursing home (formerly Livingston Manor)
- Good Samaritan Service Company - provide management services for nursing homes

Although the reorganization has been approved by the Board of Directors, the reorganization will not formally take place until 2010 after the various matters associated with Livingston Manor have been concluded. In connection with this reorganization the Organization has entered in various agreements with the County of Livingston for the construction of a new nursing home facility and management of the operations of Livingston Manor nursing home, as follows:

Operations transfer agreement: This agreement provides for the transfer of the operations of Livingston Manor to the Good Samaritan Home of Flanagan. This is the governing document which provides the overall structure for the transfer of operations of Livingston Manor to Good Samaritan Home of Flanagan. This document provides for the management of Livingston Manor while the Organization is in process of obtaining the certificate of need and other licenses required by the regulatory bodies. This agreement (and the associated extensions) provides for the transfer of Livingston Manor operations to Good Samaritan Home of Pontiac on or before March 31, 2010, and the transfer took place on March 1, 2010.

Management agreement: The Organization entered into a management agreement with Livingston County (owner of the Livingston Manor in Pontiac) to manage the operations of Livingston Manor until the long-term care facility is transferred to a new facility, which will be built in Pontiac, IL. The management agreement will pay the Organization a management fee of \$12,500 per month plus various travel and other related expense for the time spent by the Organization's administrator working at Livingston Manor. During 2009, the Organization incurred management fee expenses of \$186,922 and management fee income of \$250,568 related to this agreement. As of December 31, 2009, the Organization has recorded an account receivable of \$20,407 related to the management fee.

Commercial lease agreement: The Organization entered into an agreement to lease Livingston Manor facility beginning on April 1, 2010. The lease will remain in place until a new facility is constructed and all of the residents from Livingston Manor are transferred to the new facility. The rent is calculated at 3 percent of the gross income less operating expenses as defined in the commercial lease agreement.

Economic Development Grant Agreement: This agreement between the Organization and the County of Livingston provides the Organization with an economic development grant which consists of two parts; (1) an operations grant for a maximum of two years at the rate of up to \$1 million per year to be used to pay for operating expenses, real estate taxes and the commercial lease noted above; and (2), a construction grant up to 15% of the cost of the new facility with a maximum of \$2.5 million.

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Notes to Financial Statements

Note 15. Restructuring and Subsequent Events (Continued)

There are also associated agreements for the assignment and assumption of intangible property and contract interests of Livingston Manor to Good Samaritan Home of Pontiac.

In connection with the reorganization and obtaining various regulatory approvals to build and operate the new facility, the Organization accrued \$141,255 of professional fees which are included in the statement of financial position and statement of activities as of and for the year ended December 31, 2009.

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Schedules of Resident Income (Unaudited)
Year Ended December 31, 2009

	Resident Days	Average Residents Per Day	Amount	Amount Per Resident Day
Routine services:				
Private	7,403	20.3	\$ 1,229,050	\$ 166.02
HMO	32	0.1	16,839	526.22
Medicaid	10,536	28.9	1,194,281	113.35
Medicare - Part A	1,458	4.0	505,135	346.46
Medicare - Part B	-	-	28,869	-
	<u>19,429</u>	<u>53.3</u>	<u>2,974,174</u>	<u>153.08</u>
Less Illinois Nursing Home License Fee	-	-	(32,850)	(1.69)
Net routine services	<u>19,429</u>	<u>53.3</u>		<u>\$ 151.39</u>
			<u>2,941,324</u>	
Ancillary services:				
Independent living			127,263	
Apartments			104,838	
Transportation			2,800	
Meals to nonresidents			15,407	
Medical supplies			6,861	
Resident purchases			1,669	
Beauty shop			10,190	
Incontinence income			9,206	
Miscellaneous income			10,690	
Total ancillary services			<u>288,924</u>	
Net resident income			<u>\$ 3,230,248</u>	

**Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)**

**Schedules of Resident Income (Unaudited) (Continued)
Year Ended December 31, 2008**

	Resident Days	Average Residents Per Day	Amount	Amount Per Resident Day
Routine services:				
Private	9,286	25.4	\$ 1,405,806	\$ 151.39
HMO	137	0.4	9,294	67.84
Medicaid	10,386	28.5	1,202,391	115.77
Medicare - Part A	1,482	4.1	535,046	361.03
Medicare - Part B	-	-	31,013	-
	<u>21,291</u>	<u>58.4</u>	<u>3,183,550</u>	<u>149.55</u>
Less Illinois Nursing Home License Fee	-	-	(32,850)	(1.54)
Net routine services	<u>21,291</u>	<u>58.4</u>		<u>\$ 148.01</u>
			<u>3,150,700</u>	
Ancillary services:				
Independent living			130,474	
Apartments			117,988	
Transportation			6,342	
Meals to nonresidents			19,147	
Medical supplies			16,009	
Resident purchases			1,405	
Beauty shop			10,843	
Incontinence income			13,702	
Miscellaneous income			1	
Total ancillary services			<u>315,911</u>	
Net resident income			<u>\$ 3,466,611</u>	

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Schedules of Operating Expenses (Unaudited)
Years Ended December 31, 2009 and 2008

	2009		2008	
	Amount	Amount Per Resident Day	Amount	Amount Per Resident Day
Nursing salaries:				
Registered nurses	\$ 288,603	\$ 14.85	\$ 293,703	\$ 13.79
Licensed practical nurses	197,190	10.15	156,176	7.34
Nurses aides	440,676	22.68	585,069	27.48
Resident assistant	16,282	0.84	25,570	1.20
Administrative	14,068	0.72	13,130	0.62
Contract nursing	46,459	2.39	59,549	2.80
Physical therapy aide	30,830	1.59	28,142	1.32
Total nursing salaries	1,034,108	53.22	1,161,339	54.55
Activity salaries:				
Social services	19,300	0.99	21,528	1.01
Activity	75,412	3.88	84,000	3.95
Total activity salaries	94,712	4.87	105,528	4.96
Total salaries	1,128,820	58.09	1,266,867	59.51
Other nursing costs:				
Medical and nursing supplies	35,278	1.82	34,570	1.62
House drugs	460	0.02	6,705	0.31
Pharmacy	36,408	1.87	41,146	1.93
Therapy	82,813	4.26	88,341	4.15
Laboratory	7,396	0.38	6,425	0.30
Occupational therapy	59,939	3.09	55,651	2.61
Speech therapy	8,618	0.44	8,593	0.40
Incontinent supplies	27,880	1.43	29,319	1.38
Activity and social services:				
Supplies and expense	3,028	0.16	8,268	0.39
Nurse aide training	1,113	0.06	212	0.01
Consultants:				
Pharmacy	5,530	0.28	18,712	0.88
Activity	516	0.03	684	0.03
Therapy	-	-	500	0.02
Social services	516	0.03	565	0.03
Medical records	2,902	0.15	959	0.05
Chaplain	8,660	0.45	7,680	0.36
Medical director	6,000	0.31	6,000	0.28
Total other nursing costs	287,057	14.78	314,330	14.75
Total nursing	\$ 1,415,877	\$ 72.87	\$ 1,581,197	\$ 74.26

(Continued)

(An Illinois Not-for-Profit Corporation)

Schedules of Operating Expenses (Unaudited) (Continued)
Years Ended December 31, 2009 and 2008

	2009		2008	
	Amount	Amount Per Resident Day	Amount	Amount Per Resident Day
Housekeeping, laundry and plant:				
Maintenance salaries	\$ 54,196	\$ 2.79	\$ 56,972	\$ 2.68
Housekeeping salaries	78,809	4.06	113,137	5.31
Driver salaries	6,113	0.31	9,949	0.47
Maintenance and housekeeping supplies	10,755	0.55	20,093	0.94
Repairs and maintenance	53,083	2.73	62,360	2.93
Purchased services	4,436	0.23	6,528	0.31
Heat	25,610	1.32	40,637	1.91
Electric	62,177	3.20	64,116	3.01
Cable TV	8,160	0.42	9,555	0.45
Water	12,327	0.63	11,004	0.42
Auto	6,750	0.35	8,489	0.40
Medical waste	2,184	0.11	1,378	0.06
Total housekeeping and plant	\$ 324,600	\$ 16.70	\$ 404,218	\$ 18.89
Dietary:				
Dietary salaries	\$ 194,343	\$ 10.00	\$ 234,799	\$ 11.03
Food	150,019	7.72	163,405	7.67
Dietary supplies	13,923	0.72	15,188	0.71
Dietary consultant	2,785	0.14	5,490	0.26
Miscellaneous	338	0.02	971	0.05
Total dietary	\$ 361,408	\$ 18.60	\$ 419,853	\$ 19.72

(Continued)

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Schedules of Operating Expenses (Unaudited) (Continued)
Years Ended December 31, 2009 and 2008

	2009		2008	
	Amount	Amount Per Resident Day	Amount	Amount Per Resident Day
Employee welfare:				
Payroll taxes	\$ 134,357	\$ 6.92	\$ 155,922	\$ 7.32
Workers' compensation insurance	158,774	8.17	73,800	3.47
Employee benefit plan	11,081	0.57	37,151	1.74
Employee insurance	246,384	12.68	222,967	10.47
Employee benefits	15,332	0.79	23,333	1.10
Employee uniforms	-	-	752	0.04
Unemployment compensation	6,817	0.35	4,552	0.21
Classified advertising	1,700	0.09	4,537	0.21
Total employee welfare	\$ 574,445	\$ 29.57	\$ 523,014	\$ 24.56
Laundry and linen:				
Laundry salaries	\$ 48,279	\$ 2.48	\$ 49,857	\$ 2.34
Laundry supplies	3,025	0.16	2,475	0.12
Linen replacement	3,604	0.19	1,295	0.06
Total laundry and linen	\$ 54,908	\$ 2.83	\$ 53,627	\$ 2.52

(Continued)

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Schedules of Operating Expenses (Unaudited) (Continued)
Years Ended December 31, 2009 and 2008

	2009	2008
Independent living:		
Salaries	\$ 7,596	\$ 8,220
Advertising and public relations	-	-
Utilities	6,367	4,679
Repairs and maintenance	16,736	8,126
Purchased services	1,465	189
Real estate taxes	62,153	49,800
Depreciation	41,457	41,178
Insurance	13,019	15,162
	<u>148,793</u>	<u>127,354</u>
Total independent living	\$ 148,793	\$ 127,354
Apartment:		
Salaries	\$ 4,159	\$ 4,111
Advertising and public relations	-	-
Utilities	2,726	3,242
Repairs and maintenance	2,524	1,689
Depreciation	37,813	34,511
Insurance	8,614	7,010
	<u>55,836</u>	<u>50,563</u>
Total apartments	\$ 55,836	\$ 50,563

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Schedules of General and Administrative Expenses (Unaudited)
Years Ended December 31, 2009 and 2008

	2009		2008	
	Amount	Amount Per Resident Day	Amount	Amount Per Resident Day
Executive director	\$ 74,785	\$ 3.85	\$ 84,344	\$ 3.96
Office salaries	89,881	4.63	97,514	4.58
Bookkeeper salaries	33,173	1.71	58,981	2.77
Fund development salaries	46,934	2.42	45,071	2.12
Postage	7,155	0.37	5,104	0.24
Public relations and advertising	54,955	2.83	64,957	3.05
Professional fees	270,292	13.91	141,214	6.63
Resident expenses	1,987	0.10	1,004	0.05
Meetings and travel	11,805	0.61	4,019	0.19
Data processing costs	12,534	0.65	13,539	0.64
Contributions	50	-	535	0.03
Dues and subscriptions	4,947	0.25	8,094	0.38
Equipment rental and maintenance	6,080	0.31	7,571	0.36
Beauty shop	11,573	0.60	11,603	0.54
Minor equipment	532	0.03	3,592	0.17
Insurance	59,236	3.05	64,930	3.05
Insurance, Directors' and Officers	8,660	0.45	5,049	0.24
Wellspring	-	-	1,926	0.09
Office supplies and expense	10,601	0.55	9,825	0.46
Flowers	1,350	0.07	2,041	0.10
Training	7,824	0.40	8,608	0.40
Telephone	9,464	0.49	9,341	0.44
Bank processing fee (Note 2)	66,861	3.44	-	-
Miscellaneous	33,962	1.75	41,602	1.95
Total general and administrative expenses	\$ 824,641	\$ 42.47	\$ 690,464	\$ 32.44

McGladrey & Pullen

Certified Public Accountants

**Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)**

Financial Report and Supplementary Information
12.31.08

McGladrey & Pullen LLP is a member firm of RSM | US LLP, a
limited liability partnership and the principal U.S. member

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Board of Directors
Good Samaritan Home of Flanagan
205 North Adams Street
Flanagan, Illinois

We have audited the accompanying statements of financial position of Good Samaritan Home of Flanagan (an Illinois Not-for-Profit Corporation), as of December 31, 2008 and 2007, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Good Samaritan Home of Flanagan (An Illinois Not-for-Profit Corporation) as of December 31, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

McGladrey & Pullen, LLP

Springfield, Illinois
May 7, 2009

McGladrey & Pullen LLP is a member firm of RSM International –
an affiliation of separate and independent legal entities.

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Statements of Financial Position
December 31, 2008 and 2007

	2008	2007
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 77,947	\$ 28,418
Accounts receivable, net of allowance for doubtful accounts of 2008, \$29,000, and 2007, \$0	528,224	375,887
Prepaid insurance	3,712	28,826
Inventory	15,082	15,082
Total current assets	<u>624,965</u>	<u>448,213</u>
Board Designated Cash and Investments	85,427	208,773
Property and Equipment:		
Land and land improvements	127,472	127,472
Building and building improvements	5,491,784	5,484,212
Furniture, equipment and fixtures	953,730	915,303
Vehicles	97,743	97,743
	<u>6,670,729</u>	<u>6,624,730</u>
Less accumulated depreciation	(3,366,761)	(3,162,846)
Net property and equipment	<u>3,303,968</u>	<u>3,461,884</u>
Other Assets:		
Remainder interest in real estate (Note 2)	205,000	148,000
Investment in LSN insurance program	77,562	63,229
Total other assets	<u>282,562</u>	<u>211,229</u>
Total assets	<u>\$ 4,296,922</u>	<u>\$ 4,330,099</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 239,374	\$ 189,792
Mortgages, notes payable and line-of-credit	417,148	158,900
Current portion of deferred revenue	61,800	81,130
Accrued liabilities:		
Payroll	64,391	52,091
Vacation and sick pay	183,780	184,800
Real estate taxes	46,519	49,275
Payroll taxes	17,220	11,569
Employee withholdings	1,079	1,396
Security deposits	9,190	1,000
Total current liabilities	<u>1,040,501</u>	<u>709,953</u>
Long-Term Liabilities:		
Deferred revenue	782,409	858,227
Notes payable	335,808	199,444
Total long-term liabilities	<u>1,118,217</u>	<u>1,057,671</u>
Total liabilities	<u>2,158,718</u>	<u>1,767,624</u>
Net Assets:		
Unrestricted	1,933,204	2,414,475
Temporarily restricted (Note 2)	205,000	148,000
Total net assets	<u>2,138,204</u>	<u>2,562,475</u>
Total liabilities and net assets	<u>\$ 4,296,922</u>	<u>\$ 4,330,099</u>

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Statements of Activities
Years Ended December 31, 2008 and 2007

	2008	2007
Operating revenue:		
Net resident income	\$ 3,466,611	\$ 3,409,995
Net assets released from restrictions	-	15,000
	<u>3,466,611</u>	<u>3,424,995</u>
Operating expenses:		
Nursing	1,581,197	1,606,516
Housekeeping and plant	404,218	381,914
Dietary	419,853	406,903
Employee welfare	523,014	472,773
Laundry and linen	53,627	59,529
Independent living	127,354	119,129
Apartments	50,563	48,460
	<u>3,159,826</u>	<u>3,095,224</u>
Income before general and administrative expenses and capital expenses	306,785	329,771
General and administrative expenses	690,464	506,578
(Loss) before capital expenses	<u>(383,679)</u>	<u>(176,807)</u>
Capital expenses:		
Interest	31,440	24,627
Depreciation, net of amounts charged to independent living and apartments	128,225	118,355
	<u>159,665</u>	<u>142,982</u>
(Loss) before other income	<u>(543,344)</u>	<u>(319,789)</u>
Other income:		
Miscellaneous	5,973	3,449
Interest and net investment income (loss)	(36,299)	11,889
Fundraising	19,019	12,298
Gift/memorial income, net	73,380	62,647
	<u>62,073</u>	<u>90,283</u>
Change in unrestricted net assets	<u>(481,271)</u>	<u>(229,506)</u>
Temporarily restricted net assets:		
Net assets released from restrictions	-	(15,000)
Change in fair value of investment in remainder interest in real estate	57,000	-
	<u>57,000</u>	<u>(15,000)</u>
Change in net assets	(424,271)	(244,506)
Net Assets:		
Beginning of year	2,562,475	2,806,981
End of year	<u>\$ 2,138,204</u>	<u>\$ 2,562,475</u>

See Notes to Financial Statements.

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Statements of Cash Flows
Years Ended December 31, 2008 and 2007

	2008	2007
Cash Flows from Operating Activities:		
Change in net assets	\$ (424,271)	\$ (244,506)
Adjustments to reconcile change in net assets to net cash flows used in operating activities:		
Depreciation	203,915	197,356
Net unrealized and realized gains from investments	41,262	(6,695)
Provision for doubtful accounts	37,024	-
Change in fair value of investment in remainder interest in real estate	(57,000)	-
Increase in investment in LSN insurance program	(14,333)	(18,005)
Amortization of life lease contracts	(52,217)	(59,504)
(Increase) in assets:		
Accounts receivable	(189,361)	(20,549)
Prepaid expenses and other current assets	25,114	(7,911)
Increase (decrease) in liabilities:		
Accounts payable	49,582	91,219
Accrued expenses and other current liabilities	42,067	21,827
Net cash (used in) operating activities	<u>(338,218)</u>	<u>(46,768)</u>
Cash Flows from Investing Activities:		
Purchase of investments	(4,779)	(34,347)
Proceeds from sales and maturities of investments	86,863	37,367
Purchase of property and equipment	(46,018)	(131,303)
Net cash provided by (used in) investing activities	<u>36,066</u>	<u>(128,283)</u>
Cash Flows from Financing Activities:		
Proceeds from life lease contracts (deferred revenue)	60,000	235,931
Payments on life lease contracts (deferred revenue)	(55,000)	(144,912)
Payments of refunds on active life lease contracts (deferred revenue)	(47,931)	-
Proceeds from note payable, line-of-credit	1,289,000	238,000
Payments on note payable, line-of-credit	(894,388)	(185,200)
Net cash provided by financing activities	<u>351,681</u>	<u>143,819</u>
Increase (decrease) in cash and cash equivalents	49,529	(31,232)
Cash and Cash Equivalents:		
Beginning	<u>28,418</u>	<u>59,650</u>
Ending	<u>\$ 77,947</u>	<u>\$ 28,418</u>
Supplemental Disclosures of Cash Flow Information:		
Cash payments for interest	<u>\$ 31,440</u>	<u>\$ 24,627</u>

See Notes to Financial Statements.

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Notes to Financial Statements

Note 1. Nature of Business and Summary of Significant Accounting Policies

Nature of business: Good Samaritan Home of Flanagan (the Organization) is an Illinois not-for-profit corporation located in Flanagan, Illinois. The Organization operates a Long-Term Care facility, which is licensed annually by the Illinois Department of Public Health (IDPH) to operate 60 beds, all of which are licensed for skilled nursing care and dually certified for Medicare and Medicaid. In addition, the Organization provides 8 apartments and 26 duplexes and other related services for the elderly in exchange for a one-time accommodation fee and a monthly fee.

The Organization became certified by the Center for Medicare and Medicaid Services (CMS) on October 17, 2005 to use all 60 beds for Medicare Residents.

Basis of presentation: Net assets, support and revenue are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and the changes therein are classified and reported as follows:

Unrestricted net assets: Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets: Net assets subject to donor-imposed restrictions that may or will be met either by actions of the Organization and/or the passage of time.

Permanently restricted net assets: Net assets subject to donor imposed restrictions that neither expire by the passage of time and/or otherwise by actions of the Organization.

Revenue recognition: Revenue and the related accounts receivable is recognized for each day a resident resides in the facility. The amounts are based on a reimbursement methodology determined by the rules and regulations of the applicable third-party payor or by the facility for private pay residents. The third-party payor rules and regulations and required record keeping and documentation requirements are complex and noncompliance may result in adjustment or loss of revenue.

A significant portion of the Organization's revenue is based on the rules of the following third-party payors:

Illinois Department of Public Aid (IDPA) – Medicaid – Daily rates of \$101.77, established during 2007, and \$113.20, effective February 1, 2008, were established prospectively consisting of three components – capital, support and nursing services. The daily rate is determined after the timely filing of an annual cost report. Amounts billed under the Medicaid program can take 60 to 120 days or more for collection. The amounts paid are subject to audit.

Centers for Medicare and Medicaid Services (CMS) – Medicare – The Medicare program uses a Prospective Payment System (PPS) which is based upon the RUGS (Resource Utilization Groups) III System. The RUG category, and therefore the amount of revenue, is determined by a resident clinical documentation and level-of-care information. The amounts paid are subject to post-payment medical review and may be adjusted retroactively, normally for a period of one to two years. Each RUG category is assigned a geographically-adjusted federal reimbursement.

Receivables due from governmental agencies are subject to audit and retroactive adjustment by the State of Illinois. Such adjustments are recognized in operations in the year of settlement.

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Revenue from monthly apartment fees, unrestricted gifts and revenue from invested funds are recorded in income when earned.

Resident receivables: Resident receivables, where a third-party payor is responsible for paying the amount, are carried at a net amount determined by the original charge for the service provided, less an estimate made for contractual adjustments or discounts provided to third-party payors.

Resident receivables due directly from the residents are carried at the original charge for the service provided less amounts covered by third-party payors and less an estimated allowance for doubtful receivables, if appropriate. Management determines the allowance for doubtful accounts by identifying troubled accounts and by historical experience applied to an aging of accounts. A resident receivable is considered past due when the amount billed remains unpaid for more than 30 days subject to a third-party payor's agreed upon terms, if applicable. The Organization does not charge interest on resident receivable accounts which are past due. Resident receivables are written off as bad debt expense when deemed uncollectible. Recoveries of receivables previously written off are recorded as a reduction of bad debt expense when received.

Cash and cash equivalents: Cash equivalents include all highly liquid investments with an original maturity of three months or less when purchased unless it is classified as board designated.

Income taxes: The Organization is a not-for-profit corporation as defined under Internal Revenue Code Section 501(c)(3). In addition, the Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. Therefore, no provision for income taxes has been made on these financial statements.

Functional allocations of expenses: The costs of providing the various programs and other activities have been summarized on a functional basis as follows:

	2008	2007
Resident services	\$ 3,319,491	\$ 3,238,206
General and administrative	643,158	464,359
Fund raising	47,306	42,219
	<u>\$ 4,009,955</u>	<u>\$ 3,744,784</u>

Advertising: The Organization expenses advertising costs as they are incurred. For the years ended December 31, 2008 and 2007 amounts expensed for advertising were approximately \$59,258 and \$60,000, respectively.

Investments: Investments, which consist primarily of mutual funds, are measured at fair value in the balance sheet. Investment income (including realized gains and losses on investments, interest, and dividends) is included in the change in unrestricted net assets unless restricted by donor. Investment income which is subject to donor imposed restrictions is included in the change in temporarily restricted net income.

Cash balances in excess of insured amounts: The Organization may, at times, maintain cash deposits in amounts that exceed federally-insured limits. The Organization has not experienced any losses.

Reclassifications: Certain 2007 amounts have been reclassified to conform to the 2008 presentation with no change to the previously-reported net assets.

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Mortgages, notes payable and line-of-credit: Interest expense is recognized when it accrues on the related debt.

Property and equipment: Property and equipment are recorded at cost, if purchased, or fair value, if contributed. Depreciation expense was \$203,915 and \$197,356 for the years ended December 31, 2008 and 2007, respectively. Depreciation is computed using the straight-line method over the assets estimated useful life as follows:

	<u>Years</u>
Land improvements	15
Building and building improvements	7 - 40
Furniture, equipment and fixtures	5 - 25
Vehicles	7

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the data of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. While actual results may differ from those estimates, management does not expect the differences, if any, to have a material effect on the financial statements.

Deferred revenue: Fees paid by a resident upon entering into a life lease contract are recorded as deferred revenue and are amortized to income using the straight-line method over the term of the contract.

Fair value measurement: The Organization adopted Statement of Financial Accounting Standards No. 157 (SFAS 157), *Fair Value Measurements*, effective January 1, 2008. SFAS 157 defines fair value, establishes a framework for measuring fair value and expands disclosure of fair value measurements. The adoption of SFAS 157 did not have a material impact on the financial statements or results of operations of the Organization. In accordance with Financial Accounting Standards Board Staff Position (FSP) No. 157-2, *Effective Date of FASB Statement No. 157*, the Organization will delay application of SFAS 157 for nonfinancial assets and nonfinancial liabilities such as goodwill, other intangibles, real estate owned, and repossessed assets until January 1, 2009. SFAS 157 applies to all assets and liabilities that are measured and reported on a fair value basis. See Note 12 for additional information.

The Organization also adopted Statement of Financial Accounting Standards No. 159 (SFAS 159), *The Fair Value Option for Financial Assets and Financial Liabilities – Including an Amendment of SFAS No. 115*, as of January 1, 2008. SFAS 159 provides companies the option to report select financial assets and liabilities at fair value. This statement also establishes presentation and disclosure requirements designed to facilitate comparisons between companies that choose different measurement attributes for similar types of assets and liabilities. After the initial adoption, the election is made at the acquisition of a financial asset or financial liability and it may not be revoked. The Organization has not elected the fair value option for any financial assets or liabilities.

Good Samaritan Home of Flanagan
(An Illinois Not-for-Profit Corporation)

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Recent accounting pronouncements: In July 2006, the Financial Accounting Standards Board (FASB) issued Interpretation No. 48 (FIN 48), *Accounting for Uncertainty in Income Taxes*. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with Statement No. 109, *Accounting for Income Taxes*. FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on derecognition of tax benefits, classification on the balance sheet, interest and penalties, accounting in interim periods, disclosure, and transition. In December 2008, the FASB provided for a deferral of the effective date of FIN 48 for certain nonpublic enterprises to annual financial statements for fiscal years beginning after December 15, 2008. The Organization has elected this deferral and accordingly will be required to adopt FIN 48 in its 2009 annual financial statements. Prior to adoption of FIN 48, the Organization will continue to evaluate its uncertain tax positions and related income tax contingencies under Statement No. 5, *Accounting for Contingencies*. SFAS No. 5 requires the Organization to accrue for losses it believes are probable and can be reasonably estimated. Management is currently assessing the impact of FIN 48 on its consolidated financial position and results of operations and has not yet determined if the adoption of FIN 48 will have a material effect on its financial statements.

Restructuring: On March 1, 2009, the Board of Directors voted to restructure the Organization from a single 501(c)3 organization to one with separate not-for-profit 501(c)3 organizations in a Parent-Subsidiary model. The restructuring is expected to be approved and effective in 2009, with the new parent company name of Good Samaritan, Inc.

Note 2. Investments

The composition of Board Designated cash and investments as of December 31, 2008 and 2007 is set forth in the following table. Investments are carried at market value.

	2008	2007
Mutual funds -The Vanguard Group	\$ 81,159	\$ 164,643
Money market, savings and cash	4,268	44,130
	<u>\$ 85,427</u>	<u>\$ 208,773</u>

Designated cash and investments have been designated by the Board for specific purposes including reserve funds for the apartments and duplexes, building projects, mission endowment, and legacies.

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Notes to Financial Statements

Note 2. Investments (Continued)

Investment income is comprised of the following for the years ended December 31, 2008 and 2007:

	2008	2007
Interest and dividend income	\$ 4,963	\$ 5,194
Realized gains on sale of securities	5,437	6,002
Changes in net unrealized gains (losses)	(46,699)	693
	<u>\$ (36,299)</u>	<u>\$ 11,889</u>

Note 3. Temporarily Restricted Net Assets

Temporarily restricted net assets of \$205,000 and \$148,000 were available for a remainder interest in real estate at December 31, 2008 and 2007, respectively.

Note 4. Duplexes and Deferred Duplex Entrance Fees

The Organization maintains apartment and duplex units where the residents are required to pay a fee upon entrance. They are then entitled to occupy an apartment for life or until they can no longer care for themselves. The residents also pay a monthly fee to cover items such as utilities, activity programs, transportation services and housekeeping.

The residents do not retain any ownership of the occupied units. The entrance fee consists of a life lease payment and, for certain contracts, a noninterest-bearing note. A portion of the life lease payment is refundable upon early termination in accordance with the terms of the agreements. The life lease payments are recorded as deferred revenue and amortized to income over a predetermined schedule per the contract, limited to the extent that such amortization would reduce the remaining balance below the refundable amount.

Deferred revenue at December 31, 2008 and 2007 consists of the following:

	2008	2007
Unamortized residential apartment life lease payments	\$ 844,209	\$ 939,357
Less current portion of unamortized life lease payments	61,800	81,130
	<u>\$ 782,409</u>	<u>\$ 858,227</u>

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Notes to Financial Statements

Note 5. Mortgages and Notes Payable

The debt of the Organization at December 31, 2008 and 2007, consists of the following:

	2008	2007
Note payable, Flanagan State Bank, annual interest rate of 6.5%, maturity February 25, 2009, interest payable monthly. The note is secured by a portion of the Organization's property.	\$ 242,000	\$ -
Note payable, Flanagan State Bank, maturity April 25, 2013, installments of \$3,050, including interest at 6% payable monthly. (See Note 6) The note is secured by a portion of the Organization's property.	352,056	199,444
Note payable, unsecured, St. Petri Evangelical Lutheran Church of Flanagan, Illinois, annual interest rate of 7.0%, maturity November 1, 2011, interest is payable annually on November 1st. The church reserves the right to call the note payable upon demand.	25,000	25,000
Note payable, State Bank of Graymont, maturity August 13, 2011, interest rate is variable for five year periods based on the United States Treasury 5 year note interest rate, present interest rate 4.39%, secured by irrevocable \$100,000 letter of credit from Flanagan State Bank that expires concurrent with the maturity of the debt. The bank reserves the right to call the note payable upon demand. The note is secured by a letter of credit issued by Flanagan State Bank.	100,000	100,000
Notes payable to residents, unsecured, noninterest-bearing, due upon termination of the residence contract by resident.	33,900	33,900
	752,956	358,344
Less current maturities	(417,148)	(158,900)
Long-term debt	\$ 335,808	\$ 199,444

Annual maturities required on the long term debt as of December 31, 2008, are as follows:

Year Ending December 31,	Amount
2009	\$ 417,148
2010	16,919
2011	17,963
2012	19,071
2013	281,855
	\$ 752,956

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Notes to Financial Statements

Note 6. Employee Benefit Plans

The Organization maintains a 403(b) Plan for its employees who are eligible as defined in the Plan. The Organization makes no contributions to the Plan. Effective on December 31, 2008, the Organization discontinued its 403(b) plan and is in the process of developing a new 401(k) plan to be implemented in 2009.

The Organization provides an asset sharing plan that covers all employees who have completed one year of service, work 200 hours annually and are 21 years of age, as defined by the Plan. The Organization makes a discretionary contribution to the Plan. The participant vests in the employer contributions ratably over a four-year vesting period. The Organization's contributions to the asset sharing plan were \$37,151 and \$38,719 for the years ended December 31, 2008 and 2007, respectively, and are included in the employee welfare on the statements of activities.

Note 7. Risk Retention Group

The Organization participates in a Risk Retention Group (RRG) through Life Services Network (LSN) for its general liability and worker's compensation insurance. The RRG is protected self insurance in that the RRG is responsible for the first \$250,000 of each claim and that there is reinsurance on a claims-made basis for any claims above this amount. Each member's premium goes towards the establishment of a loss fund to pay claims, reinsurance premiums and administrative expenses. The Organization is not liable for the negligence of another member of the RRG. Upon entering the RRG, the Organization made an initial deposit of \$10,643 for its share of the initial capitalization of the RRG. This initial capitalization can only be lost if there were a depletion of the loss fund. This deposit is reflected in Other Assets, along with the increase in value due to its share of the RRG earnings to date. The carrying values of this investment at December 31, 2008 and 2007 were \$77,562 and \$63,229, respectively. The Organization has experienced no losses since it began participation in the RRG.

The Organization has not recorded a liability for any incurred losses under the self insured portion of this plan since it is not aware of any known or potential claims.

The Organization incurred \$89,597 and \$97,594 of expense under this arrangement during the years ended December 31, 2008 and 2007, respectively.

Note 8. Revenue Concentration

Revenue sources for the years ended December 31, 2008 and 2007 were as follows:

	2008	2007
Private pay (routine and ancillary)	\$ 1,721,717	\$ 1,885,084
Medicaid	1,169,541	828,724
Medicare	575,353	696,187
	<u>\$ 3,466,611</u>	<u>\$ 3,409,995</u>

Note 9. Remainder Interest in Real Estate

The Organization is a beneficiary of a remainder interest in real estate of the Virginia L. Barth Estate. The remainder interest, recorded at the fair value of the underlying property (net of the donee's life interest), will be transferred to the Organization upon the death of the holder of a life estate. The estimated market values of the land as of December 31, 2008 and 2007 were \$220,000 and \$190,000, respectively. Calculation of the donee's life interest in the property were \$15,000 and \$42,000, thus providing carrying values at December 31, 2008 and 2007 of \$205,000 and \$148,000, respectively.

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Notes to Financial Statements

Note 10. Commitments and Contingencies

The United States Department of Justice and other federal agencies routinely conduct regulatory investigations and compliance audits of health care providers. The Organization is subject to these regulatory efforts. Management is currently unaware of any regulatory matters which may have a material adverse effect on the Organization's financial position or changes in net assets.

Note 11. Endowment Funds

The Organization's endowment consists of two individual funds established for a variety of purposes. Its endowment includes funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Organization has interpreted the Illinois Uniform Management of Institutional Funds Act (UMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The Organization does not currently possess any donor restricted assets. All assets discussed in this disclosure are Board-designated and classified in unrestricted net assets.

The Organization's endowment net asset composition by type of fund is as follows for the years ended December 31, 2008 and 2007:

	2008				2007			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board-designated	81,159	-	-	81,159	164,643	-	-	164,643
	<u>\$ 81,159</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,159</u>	<u>\$ 164,643</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 164,643</u>

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Notes to Financial Statements

Note 11. Endowment Funds (Continued)

The changes in endowment net assets for the Organization were as follows for the years ended December 31, 2008 and 2007:

	2008				2007			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ 164,643	\$ -	\$ -	\$ 164,643	\$ 130,158	\$ -	\$ -	\$ 130,158
Investment return:								
Investment income	4,779	-	-	4,779	4,967	-	-	5,194
Net depreciation (realized and unrealized)	(41,263)	-	-	(41,263)	5,558	-	-	-
Total investment return	(36,484)	-	-	(36,484)	10,525	-	-	5,194
Contributions	-	-	-	-	25,000	-	-	-
Appropriation of endowment assets for expenditure	(47,000)	-	-	(47,000)	(1,040)	-	-	-
Other changes:								
Transfers to create board-designated endowment funds	-	-	-	-	-	-	-	-
Endowment net assets, end of year	\$ 81,159	\$ -	\$ -	\$ 81,159	\$ 164,643	\$ -	\$ -	\$ 135,352

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or Illinois UMIFA requires the Organization to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in unrestricted net assets were none as of December 31, 2008 and 2007. These deficiencies resulted from unfavorable market fluctuations that occurred after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Directors.

Return Objectives and Risk Parameters

The Organization has not adopted investment and spending policies for the Organization's endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. Actual returns in any given year may vary from the intended amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

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Notes to Financial Statements

Note 11. Endowment Funds (Continued)

Spending Policy and How the investment Objectives Relate to Spending Policy

The Organization is currently developing its policy of appropriating its endowment funds. In establishing this policy, the Organization is considering the long-term expected return on its endowment. Accordingly, over the long term, the Organization expects the spending policy to allow its endowment to steadily grow each year. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Note 12. Fair Value Measurements

SFAS 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. SFAS 157 requires the use of valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources, or unobservable, meaning those that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. In that regard, SFAS 157 establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

A description of the valuation methodologies used for assets and liabilities measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below.

Securities available for sale (recurring): The fair values of the Organization's securities available-for-sale are determined using Level 1 inputs, which are derived from readily available pricing.

Remainder interest in real estate (recurring): The fair value of the Organization's remainder interest in real estate is determined using Level 3 inputs, which are derived from estimates determined by real estate specialists.

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Notes to Financial Statements

Note 12. Fair Value Measurements (Continued)

The following table summarizes assets measured at fair value on a recurring basis as of December 31, 2008, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value.

	Total	Level 1	Level 2	Level 3
Assets:				
Managed separate investment accounts, primarily equity securities	\$ 81,159	\$ 81,159	\$ -	\$ -
Remainder interest in real estate	205,000	-	-	205,000
	<u>\$ 286,159</u>	<u>\$ 81,159</u>	<u>\$ -</u>	<u>\$ 205,000</u>

Disclosure for Recurring Fair Value Measurements Using Level 3 Inputs

The following table presents additional information about the Organization's remainder interest in real estate measured at fair value on a recurring basis.

Beginning balance, January 1, 2007	\$ 148,000
Investment purchases	-
Investment sales	-
Realized gains included in change in net assets	57,000
Change in unrealized gains (losses) on investment	-
Ending Balance, December 31, 2008	<u>\$ 205,000</u>
Unrealized gains included in change in net assets relating to asset still held as of December 31, 2008	<u>\$ 57,000</u>

Note 13. Subsequent Events

Factoring of receivables: Effective January 13, 2009, the Organization entered into a receivable factoring agreement with Flanagan State Bank. Under the agreement, the receivables will be purchased by the Bank at their net value. Additionally, a deposit account will be established and controlled by the Bank with a minimum deposit amount of 21% of the face value of the receivables sold by the Organization.

Nursing home management: On November 13, 2008, the Organization entered into an agreement to manage the operations of Livingston Manor Nursing Home, a county-owned home in Pontiac, Illinois. The management contract is effective January 1, 2009 through June 30, 2009 with plans for the Organization to assume ownership on July 1, 2009.

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Schedules of Resident Income (Unaudited)
Year Ended December 31, 2008

	Resident Days	Average Residents Per Day	Amount	Amount Per Resident Day
Routine services:				
Private	9,286	25.4	\$ 1,405,806	\$ 151.39
HMO	137	0.4	9,294	67.84
Medicaid	10,386	28.5	1,202,391	115.77
Medicare - Part A	1,482	4.1	535,046	361.03
Medicare - Part B	-	-	31,013	-
	<u>21,291</u>	<u>58.4</u>	<u>3,183,550</u>	<u>149.55</u>
Less Illinois Nursing Home License Fee	-	-	(32,850)	(1.54)
Net routine services	<u>21,291</u>	<u>58.4</u>		<u>\$ 147.99</u>
			<u>3,150,700</u>	
Ancillary services:				
Independent living			130,474	
Apartments			117,988	
Transportation			6,342	
Meals to nonresidents			19,147	
Medical supplies			16,009	
Resident purchases			1,405	
Crafts			-	
Beauty shop			10,843	
Incontinence income			13,702	
Miscellaneous income			1	
Total ancillary services			<u>315,911</u>	
Net resident income			<u>\$ 3,466,611</u>	

Good Samaritan Home of Flanagan
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Schedules of Resident Income (Unaudited) (Continued)
 Year Ended December 31, 2007

	Resident Days	Average Residents Per Day	Amount	Amount Per Resident Day
Routine services:				
Private	9,886	27.1	\$ 1,569,577	\$ 158.77
HMO	122	0.3	36,352	297.97
Medicaid	8,339	22.8	861,574	103.32
Medicare - Part A	1,843	5.0	622,565	337.80
Medicare - Part B	-	-	37,270	-
	<u>20,190</u>	<u>55.2</u>	<u>3,127,338</u>	<u>154.89</u>
Less Illinois Nursing Home License Fee	-	-	(32,850)	(1.63)
Net routine services	<u>20,190</u>	<u>55.2</u>		<u>\$ 153.26</u>
			<u>3,094,488</u>	
Ancillary services:				
Independent living			127,621	
Apartments			121,359	
Transportation			5,188	
Meals to nonresidents			7,954	
Medical supplies			16,302	
Resident purchases			3,126	
Crafts			2,682	
Beauty shop			10,129	
Incontinence income			21,133	
Miscellaneous income			13	
Total ancillary services			<u>315,507</u>	
Net resident income			<u>\$ 3,409,995</u>	

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Schedules of Operating Expenses (Unaudited)
Years Ended December 31, 2008 and 2007

	2008		2007	
	Amount	Amount Per Resident Day	Amount	Amount Per Resident Day
Nursing salaries:				
Registered nurses	\$ 293,703	\$ 13.79	\$ 264,100	\$ 13.08
Licensed practical nurses	156,176	7.34	183,085	9.07
Nurses aides	585,069	27.48	568,048	28.14
Resident assistant	25,570	1.20	45,389	2.25
Administrative	13,130	0.62	14,073	0.70
Contract nursing	59,549	2.80	44,246	2.19
Physical therapy aide	28,142	1.32	37,680	1.86
Total nursing salaries	1,161,339	54.55	1,156,821	57.29
Activity salaries:				
Social services	21,528	1.01	28,122	1.39
Activity	84,000	3.95	97,941	4.85
Total activity salaries	105,528	4.96	126,063	6.24
Total salaries	1,266,867	59.51	1,282,684	63.53
Other nursing costs:				
Medical and nursing supplies	34,570	1.62	37,502	1.86
House drugs	6,705	0.31	1,422	0.07
Pharmacy	41,146	1.93	45,411	2.25
Therapy	88,341	4.15	87,872	4.35
Laboratory	6,425	0.30	3,749	0.19
Occupational therapy	55,651	2.61	69,669	3.45
Speech therapy	8,593	0.40	8,988	0.45
Incontinent supplies	29,319	1.38	33,600	1.66
Activity and social services:				
Supplies and expense	8,268	0.39	10,134	0.50
Nurse aide training	212	0.01	2,917	0.14
Consultants:				
Pharmacy	18,712	0.88	4,138	0.20
Activity	684	0.03	837	0.04
Therapy	500	0.02	-	-
Social services	565	0.03	1,531	0.08
Medical records	959	0.05	2,562	0.13
Chaplain	7,680	0.36	8,000	0.40
Medical director	6,000	0.28	5,500	0.27
Total other nursing costs	314,330	14.75	323,832	16.04
Total nursing	\$ 1,581,197	\$ 74.26	\$ 1,606,516	\$ 79.57

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Schedules of Operating Expenses (Unaudited) (Continued)
Years Ended December 31, 2008 and 2007

	2008		2007	
	Amount	Amount Per Resident Day	Amount	Amount Per Resident Day
Housekeeping, laundry and plant:				
Maintenance salaries	\$ 56,972	\$ 2.68	\$ 72,929	\$ 3.61
Housekeeping salaries	113,137	5.31	81,046	4.01
Driver salaries	9,949	0.47	11,724	0.58
Maintenance and housekeeping supplies	20,093	0.94	23,108	1.14
Repairs and maintenance	62,360	2.93	53,150	2.63
Purchased services	6,528	0.31	7,873	0.39
Heat	40,637	1.91	39,770	1.97
Electric	64,116	3.01	63,069	3.14
Cable TV	9,555	0.45	8,820	0.44
Water	11,004	0.52	7,305	0.36
Auto	8,489	0.40	11,429	0.57
Medical waste	1,378	0.06	1,691	0.08
Total housekeeping and plant	\$ 404,218	\$ 18.99	\$ 381,914	\$ 18.92
Dietary:				
Dietary salaries	\$ 234,799	\$ 11.03	\$ 234,956	\$ 11.64
Food	163,405	7.67	148,446	7.35
Dietary supplies	15,188	0.71	17,938	0.89
Dietary consultant	5,490	0.26	4,330	0.21
Miscellaneous	971	0.05	1,233	0.06
Total dietary	\$ 419,853	\$ 19.72	\$ 406,903	\$ 20.15

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Schedules of Operating Expenses (Unaudited) (Continued)
 Years Ended December 31, 2008 and 2007

	2008		2007	
	Amount	Amount Per Resident Day	Amount	Amount Per Resident Day
Employee welfare:				
Payroll taxes	\$ 155,922	\$ 7.32	\$ 144,517	\$ 7.16
Workers' compensation insurance	73,800	3.47	69,788	3.46
Employee benefit plan	37,151	1.74	38,719	1.92
Employee insurance	222,967	10.47	193,911	9.60
Employee benefits	23,333	1.10	20,113	1.00
Employee uniforms	752	0.04	684	0.03
Unemployment compensation	4,552	0.21	-	-
Classified advertising	4,537	0.21	5,041	0.24
Total employee welfare	\$ 523,014	\$ 24.56	\$ 472,773	\$ 23.41
Laundry and linen:				
Laundry salaries	\$ 49,857	\$ 2.34	\$ 53,173	\$ 2.63
Laundry supplies	2,475	0.12	3,915	0.19
Linen replacement	1,295	0.06	2,441	0.13
Total laundry and linen	\$ 53,627	\$ 2.52	\$ 59,529	\$ 2.95

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Schedules of Operating Expenses (Unaudited) (Continued)
 Years Ended December 31, 2008 and 2007

	2008	2007
Independent living:		
Salaries	\$ 8,220	\$ 6,583
Advertising and public relations	-	36
Utilities	4,679	4,137
Repairs and maintenance	8,126	12,024
Purchased services	189	1,151
Real estate taxes	49,800	49,800
Depreciation	41,178	40,398
Insurance	15,162	5,000
	<u>127,354</u>	<u>119,129</u>
Total independent living	\$ 127,354	\$ 119,129
Apartment:		
Salaries	\$ 4,111	\$ 3,032
Advertising and public relations	-	25
Utilities	3,242	5,049
Repairs and maintenance	1,689	249
Depreciation	34,511	38,605
Insurance	7,010	1,500
	<u>50,563</u>	<u>48,460</u>
Total apartments	\$ 50,563	\$ 48,460

Good Samaritan Home of Fianagan
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Schedules of General and Administrative Expenses (Unaudited)
Years Ended December 31, 2008 and 2007

	2008		2007	
	Amount	Amount Per Resident Day	Amount	Amount Per Resident Day
Executive director	\$ 84,344	\$ 3.96	\$ 77,872	\$ 3.86
Office salaries	97,514	4.58	70,897	3.51
Bookkeeper salaries	58,981	2.77	55,145	2.73
Fund development salaries	45,071	2.12	41,837	2.07
Postage	5,104	0.24	5,175	0.26
Public relations and advertising	64,957	3.05	61,646	3.05
Professional fees	141,214	6.63	56,853	2.82
Resident expenses	1,004	0.05	2,049	0.10
Meetings and travel	4,019	0.19	4,949	0.25
Data processing costs	13,539	0.64	10,956	0.54
Contributions	535	0.03	100	-
Dues and subscriptions	8,094	0.38	9,331	0.46
Equipment rental and maintenance	7,571	0.36	5,166	0.26
Beauty shop	11,603	0.54	10,123	0.50
Minor equipment	3,592	0.17	83	-
Insurance	64,930	3.05	55,795	2.76
Insurance, Directors' and Officers	5,049	0.24	4,949	0.25
Wellspring	1,926	0.09	2,185	0.11
Office supplies and expense	9,825	0.46	11,382	0.56
Flowers	2,041	0.10	1,949	0.10
Training	8,608	0.40	8,264	0.41
Telephone	9,341	0.44	7,221	0.36
Miscellaneous	41,602	1.95	2,651	0.13
Total general and administrative expenses	\$ 690,464	\$ 32.44	\$ 506,578	\$ 25.09

ATTACHMENT 42

REASONABLENESS OF PROJECT AND RELATED COSTS

A. Reasonableness of Financing Arrangements

See Attached Certification

B. Conditions of Debt Financing

See Attached Certification

C. Reasonableness of Project Costs

Department	Cost/Square Foot (New)	Gross Square Feet (New)	Construction \$	Total Cost
Long Term Care	\$212.37	48,797	\$10,362,817	\$10,362,817
Total	\$212.37	48,797	\$10,362,817	\$10,362,817

D. Projected Operating Costs

As provided in the Good Samaritan – Pontiac, Projected Financial Report (Compiled) 12.31.11 through 12.31.16, the projected operating cost for 2014 equals \$5,901,156 for 43,260 patient days.

E. Total Effect of the Project on Capital Costs

As provided in the Good Samaritan – Pontiac, Projected Financial Report (Compiled) 12.31.11 through 12.31.16, the Capital Expenses for 2013 equals \$399,188 for 43,260 patient days.

ATTACHMENT 42

77 Ill. Admin. Code § 1120.140 Conditions of Debt Financing

Good Samaritan - Pontiac

In accordance with 77 Ill. Admin. Code 1120.140, I attest that the conditions of debt financing are reasonable in that the selected form of debt financing for the project will be at the lowest net cost available. At the present time, our analysis is to use commercial borrowing for the project cost and related costs. This is less costly and affords the participation of a guarantor for the lender.

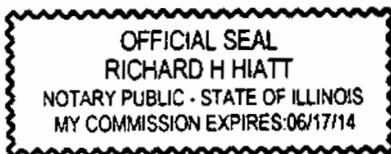
By: Jenda Jaraalief MSA PhD.

Its: CEO/CFO

Notarization:

Subscribed and sworn to me this 6 day of MAR, 2012

Richard H Hiatt
Signature of Notary



ATTACHMENT 42

77 Ill. Admin. Code § 1125.800 Reasonableness of Financing Arrangements

Good Samaritan - Pontiac

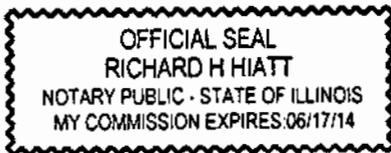
In accordance with 77 Ill. Admin. Code 1125.800, I attest that the total estimated project costs and related costs will be funded in total or in part by borrowing because borrowing is less costly than the liquidation of existing investments.

By Glenda Jankovich MRA, PhD.
Its: CEO/CFO

Notarization:

Subscribed and sworn to me this 6 day of MAY, 2012

Richard H Hiatt
Signature of Notary



ATTACHMENT 43

SAFETY NET IMPACT

Not Applicable to Skilled Nursing Facilities per 20 ILCS 3960/5.4

ATTACHMENT 44

CHARITY CARE

GOOD SAMARITAN - PONTIAC

	2010	2011
Net Patient Revenue	\$1,910,069	\$2,680,194
Amount of Charity Care	0	0
Cost of Charity Care	\$87,405	\$495,534

APPENDIX 1
PATIENT REFERRAL LETTERS



**SAINT JAMES-JOHN W. ALBRECHT
MEDICAL CENTER**

February 20, 2012

Chairman Dale Galassie
Illinois Health Facilities Planning Board
525 W. Jefferson, 2nd Floor
Springfield, IL 62761

**RE: PROJECTED AND HISTORIC REFERRALS
GOOD SAMARITAN PONTIAC SKILLED NURSING FACILITY**

Dear Chairman Galassie:

OSF Saint James Hospital ("Facility") intends to utilize the proposed skilled nursing facility at Good Samaritan Pontiac ("Nursing Facility"), a long-term care facility, which is applying for a Certificate of Need ("CON") permit application to establish 122 skilled nursing beds at Good Samaritan Pontiac located in Pontiac, Illinois.

The Facility estimates that after the project is completed, the Facility will refer approximately sixty (60) patients annually to the Nursing Facility in the twenty-four (24) months following the completion of this project. These patients would come from within, or be amenable to relocating to, health service area 4, where the Nursing Facility is located.

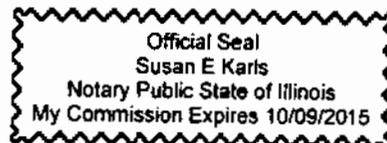
In the past twelve (12) months, the Facility has referred approximately 205 patients to other long-term care facilities. The zip code of residence of those patients is not available, but Exhibit A is attached with the other information.

I verify that, to the best of my knowledge, the Facility has not used the above-mentioned referrals to support another pending CON application for a long-term care facility.

Respectfully,

David T. Ochs
President/CEO

DTO:deh



Subscribed and sworn to before me this 20 day of February, 2012.

Notary Public Susan E. Karls

EXHIBIT A				
Attachment to letter: Projected and Historic Referral to				
Good Samaritan Pontiac Skilled Nursing Facility				
Application of CON				
Facility Name: OSF Saint James Hospital				
Number of Patients	54	Resident Zip Codes		
Referred to OTHER		of Those Patients	Not Available	
LTC Facilities	205			



Advocate BroMenn Medical Center

1304 Franklin Avenue || Normal, IL 61761 || T 309.454.1400 || advocatehealth.com
Mailing Address: P.O. Box 2850 || Bloomington, IL 61702-2850

March 1, 2012

Chairman Dale Galassie
Illinois Health Facilities and Services Review Board
525 West Jefferson, 2nd Floor
Springfield, IL 62761

RE: Projected and Historical Referrals to the Good Samaritan Pontiac Skilled Nursing Facility

Dear Chairman Galassie:

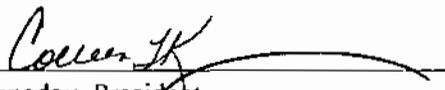
Advocate BroMenn Medical Center ("Facility") supports the plans for the proposed skilled nursing facility at Good Samaritan Pontiac ("Nursing Facility"), a long-term care facility, which is applying for a Certificate of Need ("CON") permit application to establish 122 skilled nursing beds at Good Samaritan Pontiac located in Pontiac, Illinois.

The Facility plans to include the Nursing Facility on the list of long-term care facilities options considered appropriate for continued care for patients post discharge from the Facility.

At this time approximately 10 percent of the Facility's admissions are discharged to a skilled nursing facility or into custodial care. Information regarding patients' actual choices for skilled nursing care facilities is not tracked by the Facility. Patients whose home addresses at time of admission to the Facility are within the Nursing Facility's service area are generally believed to be amenable to relocating to health service area 4 where the Nursing Facility is located.

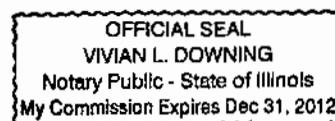
I verify that, to the best of my knowledge, the Facility has not used the information provided above to support another CON application for a long-term care facility.

Respectfully,

Signature: 
Colleen Kannaday, President

Subscribed and Sworn To before me
This 1st day of March, 2012

Notary Public 



Livingston County Public Health Department

310 E. Torrance Ave., P. O. Box 650, Pontiac, IL 61764
Phone 815-844-7174 * TDD 1-800-526-0844 * Fax 815-844-7468 * www.lchd.us



Public Health
Prevent. Promote. Protect.

Chairman Dale Galassie
Illinois Health Facilities and Services Review Board
525 West Jefferson, 2nd Floor
Springfield, IL 62761

Re: Projected and Historic Referrals to the Good Samaritan Pontiac Skilled Nursing Facility

Dear Chairman Galassie:

The Livingston County Health Department administers the Care Coordination Unit (CCU) through the Illinois Department of Aging for Livingston County. The CCU is responsible for completing Choices for Care Screenings in the county. These screenings are completed on anyone entering a long term care facility, regardless of age or level of care, providing there isn't a history of mental illness or developmental disability. The purpose of the prescreen is to assess the need for long term care and review options which are available as an alternative to LTC placement.

The following are statistics on the number of prescreens completed by the Livingston County CCU.

2009: 311 prescreens
2010: 337 prescreens
2011: 281 prescreens

Following are tables listing the zip codes by prescreen completed and the facilities that these individuals was admitted to during the time period beginning on January 1, 2011 and ending on 12/31/2011.

Facility Name	Number
Evenglow	67
Asta Care of Pontiac	61
Fairview Haven	24
Good Samaritan – Flanagan	21
Good Samaritan – Pontiac	20
Heritage Health – Dwight	19
Flanagan Rehabilitation & Health Care Center	9
Asta Care of Colfax	9
Meadows Mennonite Home	4
Heritage Health – Streator	1
Other	17
Wasn't admitted to LTC (deceased or went home)	5

The number that were admitted to a Supportive Living Facility from 1/1/2011 – 12/31/2011

Facility Name	Number
Heritage Woods – Dwight	14
Woodridge - Pontiac	10

Zip code	Town	# of prescreens completed
61764	Pontiac	131
60420	Dwight	35
61739	Fairbury	35
61740	Flanagan	14
60460	Odell	11
61364	Streator	7
61741	Forrest	7
60929	Cullom	5
60921	Chatsworth	5
61319	Cornell	5
61333	Long Point	3
60416	Coal City	3
61769	Saunemin	2
60470	Ransom	2
61760	Minonk	2
61726	Chenoa	2
61743	Graymont	2
60407	Braceville	2
61701	Bloomington	1
61728	Colfax	1
61321	Dana	1
60481	Wilmington	1
61603	Peoria	1
60946	Kempton	1
61742	Goodfield	1
61516	Benson	1

Respectfully,

MaLinda Hillman

MaLinda Hillman, RN, BSN, CPHA, Administrator
Livingston County Health Department

SUBSCRIBED and SWORN TO before me

This 5th day of March, 2012

Patricia L. Campbell

Notary Public



APPENDIX 2
COMMUNITY SUPPORT LETTERS



Good Samaritan

A complete retirement community

June 2, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

To Whom It May Concern:

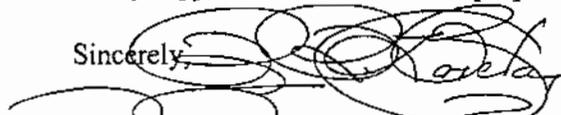
It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, Il.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,


Rev. Raymond C. Davelay
Immanuel Eves
Minonk, Il. 61760

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 254

St. John's Ev. Lutheran Church

P.O. Box 458 • 311 South Jackson Street • Flanagan, Illinois 61740
Ph: (815) 796-4595 • Email: stjohne1@frontiernet.net

June 2, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,



PASTOR



St. Paul's Lutheran Church

326 S. Oak Street
P.O. Box 410
Forrest, Illinois 61741
Church: (815) 657-8506
Corinne Blissard, Pastor

June 2, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL. 62761

To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,

Corinne Blissard
Pastor St. Paul's Lutheran
Forrest, IL 61741

"Blessed to be a blessing"

First Baptist Church

515 N. Ladd Street

Pontiac, IL 61764

815-842-4321

www.fbcpontiac.org

James O. Wolfe III
Pastor

Karen M. Boucher
Associate Pastor

4 June, 2010

Illinois Health Facilities Planning Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

To Whom It May Concern:

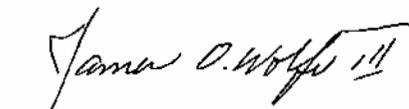
It is my pleasure to write in support of the Good Samaritan – Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, Illinois.

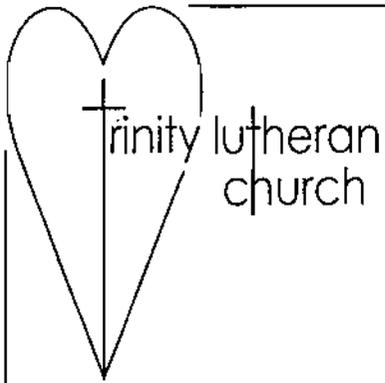
I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,


James O. Wolfe III



June 3, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson Street, 2nd Floor
Springfield, Illinois 62761

To whom it may concern:

I write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, Illinois.

A new and strategically located skilled nursing facility could provide a needed health care service in this area of Illinois for years to come, especially with the onset of the baby-boom generation's entry into retirement. A new facility could contribute to the welfare of many residents in and around Pontiac, and make Good Samaritan-Pontiac a more viable and attractive option.

Sincerely,
Pastor Tom Krieger





G. Michael Ingles
416 W. Henry Street
Pontiac, IL 61764-2418

Home: 815-844-6219 Mobile: 815-342-6973
Email: ingles.mike@yahoo.com

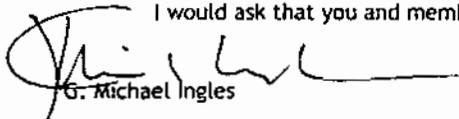
June 11, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

As a resident of Livingston County and a member of the Livingston County Board, I am concerned about the availability of a broad and inclusive range of health care services. Currently, availability of quality nursing home related services is severely limited. These type of services are critical if we are to remain a viable community for our residents, and to make our economic development efforts attractive to prospective businesses and their potential employees.

Good Samaritan has undertaken the process to develop a 122 bed facility, to provide sub-acute and skilled nursing care. Current facilities are either fully occupied or restricted to the populations they serve. It is imperative that their application is approved such that they may move forward to insure quality care for all our residents.

I would ask that you and members of the Planning Board lend your support to this project.



G. Michael Ingles

June 11, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Illinois 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

I am aware of the effort Good Samaritan has undertaken to steadily improve access to quality post-acute care in our community. I strongly support this ongoing endeavor as it will address a significant need in Livingston County. In particular, Good Samaritan will provide sub-acute and skilled nursing care to those high acuity patients leaving hospitals "sicker and quicker." Some patients who need this important level of care may have to leave the Livingston County area for services.

While there are other excellent facilities in the area, many are either fully occupied or are restricted to serving special populations. Furthermore, not all are capable of handling the high acuity patient that will be served by Good Samaritan.

The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

A handwritten signature in cursive script that reads "Jeanne Rapp". The signature is written in black ink and is positioned above the typed name and address.

Jeanne Rapp
21912 N 1710 East Road
Pontiac, IL 61764



Dan Rutherford

Assistant Republican Leader
State Senator • 53rd District

District Office:
320 N. Plum St.
Pontiac, IL 61764
815/842-3632
Fax: 815/842-2875

Springfield Office:
309-C Capitol Building
Springfield, IL 62706
217/782-6597
Fax: 217/782-7818

E-mail: danrutherford@danrutherford.com

June 4, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

I write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, Illinois.

Good Samaritan took over an aging facility in Pontiac that is operating on a waiver for the square footage of the rooms and does not have restroom facilities in each room. They want to replace the existing facility with an improved structure.

A new structure would be better for both the residents and staff. Patients and clients would benefit from skilled nursing and/or rehabilitation services.

Thank you for your consideration of their application.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Rutherford".

Dan Rutherford
State Senator

TIMOTHY V. JOHNSON
15TH DISTRICT, ILLINOIS

AGRICULTURE

GENERAL FARM COMMODITIES
AND RISK MANAGEMENT

HORTICULTURE AND ORGANIC
AGRICULTURE

TRANSPORTATION AND
INFRASTRUCTURE

HIGHWAYS AND TRANSIT

RAILROADS, PIPELINES, AND
HAZARDOUS MATERIALS

ECONOMIC DEVELOPMENT, PUBLIC
BUILDINGS, AND EMERGENCY
MANAGEMENT



Congress of the United States
House of Representatives
Washington, DC 20515-1315

- REPLY TO:
WASHINGTON OFFICE:
 1207 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-2371
- DISTRICT OFFICE:
 2004 FOX DRIVE
CHAMPAIGN, IL 61820
(217) 403-4690
- 202 NORTH PROSPECT ROAD
SUITE 203
BLOOMINGTON, IL 61704
(309) 683-7049
- 655 WEST LINCOLN
UNIT 8
CHARLESTON, IL 61920
(217) 348-6759
- 1001 MARKET STREET
SUITE 102
MOUNT CARMEL, IL 62863
(618) 262-8719

June 10, 2010

Illinois Health Facilities Planning Board
525 W Jefferson Street, 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, Illinois.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities. I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,

Timothy V. Johnson
Member of Congress

TVJ/bk



Pontiac Area CHAMBER of COMMERCE

June 7, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

To Whom It May Concern,

On Behalf of the Board of Directors of the Pontiac Area Chamber of Commerce, we would like to offer our support to Good Samaritan Flanagan & Pontiac for the construction and operation of a skilled nursing facility in Pontiac, Illinois.

Good Samaritan Pontiac (formerly Livingston Manor) has played an integral part in the healthcare needs of the residents of this county for over 150 years. The Pontiac community and its residents have wholeheartedly embraced this facility and it has our full support and backing for the long term continued commitment to serving not only the elderly, but rehabilitative residents of Pontiac and Livingston County.

It is our belief that the Skilled Nursing Facility will provide a highly needed healthcare service in this area of Illinois and will continue to contribute to the welfare and well being of many residents of urban and rural communities neighboring Pontiac.

We have every confidence that many patients and clients would benefit greatly from the Skilled Nursing and/or Rehabilitation services that Good Samaritan Pontiac, its administration and highly trained staff would provide.

Therefore, Good Samaritan Pontiac, has the support and backing of the Pontiac Area Chamber of Commerce in its quest for the Skilled Nursing Facility in which it is applying for.

Sincerely,

Cheri Lambert
President and CEO

CL/rk

210 NORTH PLUM STREET • P.O. BOX 534 • PONTIAC, ILLINOIS 61764

PHONE 815-844-5131 • FAX 815-844-2600

www.pontiacchamber.org • E-mail: clambert@pontiacchamber.org





June 4, 2010

To the Illinois Health Facilities
Planning Board

Perry A. Klopfenstein

Owner

P.A. Klopfenstein Company, Inc.
Box 404, Pontiac, Illinois 61764
1-800-847-6686

210 N. Oak Street
ph (815) 844-6686
fax (815) 842-3027

I fully support the Good Samaritan-Pontiac's certificate of need to build a new facility.

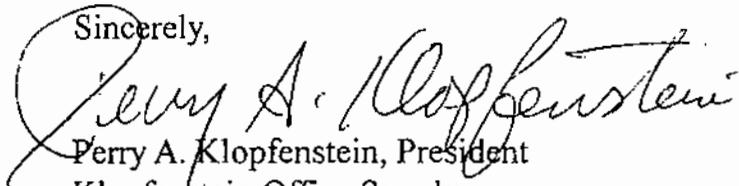
It is needed, and a new facility will help many citizens in the future.

I feel as people live longer this need will increase, and building a new facility will be helpful.

Good Samaritan has a wonderful reputation -- and their presence in a new building can serve many!

Please grant them their wish.

Sincerely,



Perry A. Klopfenstein, President
Klopfenstein Office Supply
Pontiac, IL 61764
800 847 6686



Good Samaritan

A complete retirement community

June 2, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,

*Almond A.
Martha Funeral Homes
Cullom, Illinois*

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 265



Good Samaritan

A complete retirement community

June 2, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,

Patrick McAuliffe
Martin Funeral Homes
Pontiac, Illinois

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 266

**CITIZENS STATE
BANK OF CROPSEY**

130 S. MAIN ST.
CROPSEY, IL 61731
309-377-2751

804 W OAK, BOX 204
FAIRBURY, IL 61739
815-692-4000

June 8, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St. 2nd Floor
Springfield, IL. 62761

RE: Letter of Support

Dear Sirs:

Please be advised that we are writing in support of the Good Samaritan-Pontiac Certificate of need application to construct and operate a skilled nursing facility in Pontiac, IL.

It is our opinion that this skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

We are confident that many patients and clients would benefit from such a skilled nursing and/or rehabilitation services.

We fully support Good Samaritan's proposal.

Sincerely,



Robert W. Rinkenberger
Executive Vice President

Terry McCoy, *President*
Douglas McCoy, *Vice President*
Michael McCoy, *Secretary-Treasurer*



417 Sherman Ave. • P.O. Box 376 • Pontiac, Illinois 61764-0376 • Ph. 815-844-3117 • FAX 815-844-3110

June 8, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Illinois 62761

To whom it may concern:

I am writing this letter in support of the Good Samaritan – Pontiac certificate of need application to construct and operate a skilled nursing facility in Pontiac, Illinois.

Our area of Central Illinois has a continuing need for skilled nursing facilities to provide highly needed health care services. Good Samaritan has an outstanding reputation and therefore, I am confident this new facility will greatly contribute to the welfare of many residents in our area.

I therefore, fully support Good Samaritan's proposal.

Sincerely,
MCCOY CONSTRUCTION CO.

A handwritten signature in black ink, appearing to read 'Terry S. McCoy'.

Terry S. McCoy, President

TSM: njm



Good Samaritan

A complete retirement community

June 2, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, Il.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,

Marilyn Reiness
702 Country Side Lane
Pontiac, Il. 61764

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740
www.yourgoodsamaritan.com



FLANAGAN *State* BANK

ESTABLISHED 1913

June 3, 2010

Illinois Health Facilities Planning Board
525 W Jefferson St., 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

I am writing to support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support the Good Samaritan's proposal.

Sincerely,

Kent Schwerin, President
Flanagan State Bank

FLANAGAN
124 S. Main St.
P.O. Box 368
Flanagan, IL 61740
Phone 815/796-2264
Fax 815/796-2624

EL PASO
111 N. Fayette St.
P.O. Box 318
El Paso, IL 61738
Phone 309/527-7300
Fax 309/527-7309

BENSON
403 State St.
P.O. Box 257
Benson, IL 61516
Phone 309/394-2785
Fax 309/394-2788

BLOOMINGTON
2401 E. Washington St.
Bloomington, IL 61704
Phone 309/661-6333
Fax 309/661-6338

LE ROY
500 S. Persimmon Dr.
Le Roy, IL 61752
Phone 309/962-4707
Fax 309/962-4709

www.flanaganstatebank.com



Greenberg
& Associates, Inc.

June 6, 2010

Executive Secretary
Health Facilities Planning Board
525 West Jefferson Street
2nd Floor
Springfield, IL 62761

Dear Secretary:

As a business person in the Livingston County area, I am very concerned about the needs of the community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that residents have adequate access to the kind of quality health care services needed in the community is important to me and the citizens in the Livingston County area.

I am aware of the effort Good Samaritan has taken over the years to steadily improve access to quality post-acute care in this community. I strongly support their ongoing endeavor as it will address a significant need in Livingston County. In particular, Good Samaritan will provide sub-acute and skilled nursing care to those high acuity patients leaving hospitals "sicker and quicker". Some patients who need this important level of care may have to leave the community for services.

While there are other excellent facilities in the area, many are either fully occupied or are restricted to serving special populations. Furthermore, not all are capable of handling the high acuity patient that will be serviced by Good Samaritan.

The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in the community. I appeal to you and the members of the Planning Board to lead your support to this new project.

Sincerely,


Stanley P. Greenberg
President



June 8, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

James A. Day, D.D.S.
Fellow, American College of Dentists
Fellow, International College of Dentists
Fellow, Academy of General Dentistry
Fellow, International Congress of
Oral Implantology

Bruce Unterman, D.D.S.
Fellow, Academy of General Dentistry
Advanced Tier of IAO Membership
International Assoc. for Orthodontics

Brian R. Rotsch, D.D.S.
Fellow, International Congress of
Oral Implantology
Fellow, Academy of General Dentistry

Andrew D. Jordan, D.D.S.

To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,

James A. Day, D.D.S.

Bruce E. Unterman, D.D.S.

Brian Rotsch, D.D.S.

Andrew Jordan, D.D.S.

519 North Plum Street
Pontiac, Illinois 61764
Ph: 815-844-6184
Fax: 815-844-1071



Good Samaritan

A complete retirement community

June 2, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,

Mary E. Edengier
Mary's Homestyle Lunch

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Fianagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 273

June 8, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a Business Associate in the Livingston County area, I am very concerned about the needs of our community. You may not be aware that access to quality nursing home services is severely limited.

I am aware of the effort Good Samaritan has undertaken to steadily improve access to quality post-acute care in our community. I strongly support this ongoing endeavor as it will address a significant need in Livingston County. In particular, Good Samaritan will provide sub-acute and skilled nursing care to those high acuity patients leaving hospitals "sicker and quicker".

Many of the other area facilities are either fully occupied or are restricted to serving special populations. The development of 122 licensed nursing beds at Good Samaritan will help address one of the significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,



Melanie Wheeler, MSW, LSW
1364 N. Forrest Dr.
Metamora, IL 61548
309.635.7575



Heart To Heart
SUPPORT SERVICES, N.F.P.

101 W. South St., P.O. Box 237
Flanagan, IL 61740
815-796-2207
E-mail: h2hserve@hotmail.com
www.Heart2HeartSupport.org

June 4, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

To whom It May concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,

Sandy K. Egle
Executive Director

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

Dear Secretary,

As a business person in the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

I am aware of the effort Good Samaritan has undertaken to steadily improve access to quality post-acute care in our community. I strongly support this ongoing endeavor as it will address a significant need in Livingston County. In particular, Good Samaritan will provide sub-acute and skilled nursing care to those high acuity patients leaving hospitals "sicker and quicker." Some patients who need this important level of care may have to leave the Livingston County area for services.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - BEVERLY BEAUFORD, RPL
Address - 3116 AUBURN RD
City, State, Zip - BLOOMINGTON, IL 61704
Date - JUNE 7, 2010

Beverly Beauford
CONSULTANT PHARMACEUTICIST
SERVING LONG TERM CARE RESIDENTS
OF LIVINGSTON, McLEAN & WOODFORD COUNTIES.



McSherry Agency, Inc.

209 W. Madison Pontiac, Illinois 61764

104 S. Main St., Flanagan, Illinois 61740

Phone: (815) 844-3183 Fax: (815)844-2504

June 7, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield IL 62761

To Whom It May Concern

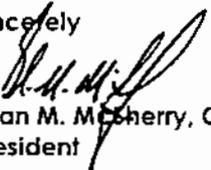
It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely


Brian M. McSherry, CIC
President



The Daily Leader

Serving Livingston County since 1880

June 3, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

To whom it may concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac.

I believe the skilled nursing facility will provide a highly needed health care service in this area and will contribute to the welfare of many residents of urban and rural communities.

I am confident that there is a need for this facility and that many clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Respectfully yours,

Pam McDowell
Publisher
Pontiac Daily Leader
Pontiac, Illinois



Good Samaritan

A complete retirement community

June 2, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, Il.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,

Donald Schell
Schells Jewelry

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 279

D DOUGLASS FINANCIAL SERVICES

305A W. Washington St.
Pontiac, Illinois 61764
Ph: 815-842-4393
Fax: 815-842-4383
darrell.douglass@verizon.net

DARRELL DOUGLASS
Registered Representative

June 3, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St. 2nd Floor
Springfield, IL 62761

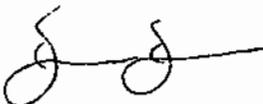
To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

This area in the state of Illinois is in need of the type of health care services that can be offered by Good Samaritan. These services will certainly contribute to the welfare of Livingston County residents as well as neighboring communities.

I fully support Good Samaritan's proposal.

Sincerely,



Darrell Douglass, Pres.
Douglass Financial Services



BANK of PONTIAC

June 4, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson Street, 2nd Floor
Springfield, Illinois 62761

To Whom It May Concern:

It is a pleasure to write this letter in support of the Good Samaritan – Pontiac Certificate of Need Application for the construction and operation of a skilled nursing facility in Pontiac, Illinois. The skilled nursing facility would provide highly-needed health care in this area, and its services would contribute to the welfare of many residents of urban and rural communities.

Bank of Pontiac is confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services and fully supports Good Samaritan's proposal.

Sincerely,

BANK OF PONTIAC

Bill Kauffman
President & CEO

BK/jr

MAIN BANK
300 W. Washington St.
P.O. Box 710
Pontiac, IL 61764-0710
Phone 815/844-6155
Fax 815/842-2977

ODELL BANK
200 S. Waupansie St.
P.O. Box 350
Odell, IL 60460-0350
Phone 815/998-2131
Fax 815/998-2431

WEST BANK
1703 W. Reynolds St.
P.O. Box 72
Pontiac, IL 61764-0072
Phone 815/842-1069
Fax 815/842-1705

www.bankofpontiac.com



Printing Craftsmen of Pontiac, Inc.

Dean Hamilton, President

June 3, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St. 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,

Dean Hamilton

Dean Hamilton
President

Livingston County needs a good skilled care facility, and one that has a strong belief in the value of Rehabilitation after surgery, and Good Samaritan certainly does provide that kind of care.

In hoping that we hear soon that Good Samaritan will get the go-ahead to start building a new home in Pontiac. Most of my friends are already into their eighties, and could easily fill 125 beds - and soon!

Sincerely,

Marie Tronc

Dear Secretary,

June 7th

Being a resident of Pontiac, and since I'm nearly 75 years of age, I have been looking into the available Nursing Home situations in our town, and find good ones lacking! My husband was in the "best" (most costly) one, and his care was very poor, except on the days Hospice went to care for him. I'm familiar with Good Samaritan because I had three elderly aunts who resided at their home in Flanagan, and I saw them weekly, and sometimes oftener. They finally died - one at 96, the next at 97 and the baby of the family died at 99. They were a real challenge at their age, and they were so lovingly cared for that we chose the Chapel at Good Sam" so their friends could all be with them - and we had wonderful support from their friends and the staff members at their funerals and even afterward.



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

I am aware of the effort Good Samaritan has undertaken to steadily improve access to quality post-acute care in our community. I strongly support this ongoing endeavor as it will address a significant need in Livingston County. In particular, Good Samaritan will provide sub-acute and skilled nursing care to those high acuity patients leaving hospitals "sicker and quicker." Some patients who need this important level of care may have to leave the Livingston County area for services.

While there are other excellent facilities in the area, many are either fully occupied or are restricted to serving special populations. Furthermore, not all are capable of handling the high acuity patient that will be served by Good Samaritan.

The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - *Mario E. Irons*
Address - *1388 B Turtle Drive*
City, State, Zip - *Pontiac, IL 61764*
Date - *June 8, 2010*

Phone: (815) 796-2288

Fax: (815) 796-2280

6-10-2010

Executive Secretary
Health Facilities Planning Board
525 W Jefferson St 2nd Floor
Springfield, Ill 62761

Dear Secretary:

Having been a resident of the Livingston County Area for 72 years I am very concerned about the health care needs available in the county.

As background I served on the Fairbury Hospital board for 24 yrs. The hospital is now gone. The hospital had build a nursing which had 66 beds and it is also gone. For this reason I am interested in the effort Good Samaritan is doing in taking over the Livingston Manor home from Livingston county.

In my opinion the area needs to keep the 122 beds available for the citizens of the county. Good Samaritan has always been able to supply excellent care and I believe they will continue to do so.

Please support the request of Good Samaritan for the benefit of Livingston County.

Sincerely,



Carl Borngasser
110 W Columbia
Fairbury, Ill 61739

815-692-2143



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - Terri Heins
Address - 700 E. John St.
City, State, Zip - Pontiac IL 61764
Date - 6/3/2010

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 287



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - DENNIS L. EVIELSIZER
Address - 7828N 2500E RD
City, State, Zip - 61741
Date - 06-04-10

Phone: (815) 796-2288

Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

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As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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Sincerely,

Name - Lois E. Heine
Address - 7 Crystal Court
City, State, Zip - Pontiac, Illinois 61764
Date - June 5, 2010

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodneighbor.com 289



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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Sincerely,

Name -
Address -
City, State, Zip -
Date -

Ronald Deany
31669E 1200N RD
Chattanooga IL 60944
5-5-2010

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 290



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - *Cholon Quiff*
Address - *12600 E 1700 W Rd*
City, State, Zip - *PONTIAC IL 61764*
Date - *6-4-2010*

Phone: (815) 796-2288
Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - *Delwayne + Marion WillRite*
Address - *109 W. Lee*
City, State, Zip - *Pontiac IL 61764*
Date - *6-3-10*

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com
APPENDIX 2 292



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Mike Shields
Marilyn A. Shields

Name - MIKE / MARILYN SHIELDS
Address -
City, State, Zip - PONTIAC, IL. 61740
Date - 6/11/10

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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Sincerely,

Name - JOHN FRANEY
Address - 6410 N 31st EAST ROAD
City, State, Zip - CHATTSWORTH, IL 60921
Date - 6-11-10

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 294



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

I am aware of the effort Good Samaritan has undertaken to steadily improve access to quality post-acute care in our community. I strongly support this ongoing endeavor as it will address a significant need in Livingston County. In particular, Good Samaritan will provide sub-acute and skilled nursing care to those high acuity patients leaving hospitals "sicker and quicker." Some patients who need this important level of care may have to leave the Livingston County area for services.

While there are other excellent facilities in the area, many are either fully occupied or are restricted to serving special populations. Furthermore, not all are capable of handling the high acuity patient that will be served by Good Samaritan.

The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - *Donna L. Hohimer*
Address - *1842 County Rd. 3000E*
City, State, Zip - *Minonk, IL 61760*
Date - *June 4, 2010*

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 295

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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While there are other excellent facilities in the area, many are either fully occupied or are restricted to serving special populations. Furthermore, not all are capable of handling the high acuity patient that will be served by Good Samaritan.

The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Beverly J. Truitt
510 S. Jackson
P.O. Box 294
Jennings, IL 61740

800 N. Seminole Dr.
Pontiac, Il. 61764-1526
(815) 842-1415
June 3, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il. 62761

Dear Secretary,

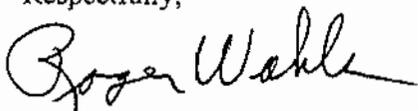
I am a resident of Livingston County. I am a small business owner and have been active in local civic affairs by serving on our County Board from 1998-2008 and Pontiac Redeveloping Our United Downtown, (PROUD), from 1992-1998 as Chair of its' Economic Redevelopment committee, and as Vice President and President of PROUD. I also served on our County 911 Board from 2004-2008 and was Vice Chairman. I currently serve on the Board of Directors of our County Farm Bureau and am active in local civic organizations and our church.

This involvement in local affairs over the years has provided me with insight and appreciation of what it takes to create and maintain a self-sufficient community that can remain capable of caring for its citizens. Our County's chief industry is agriculture and we have an aging population spread over more than 1,000 square miles, mostly rural. Subsequently, we have a great need to maintain and have access to quality health care and nursing home services.

Good Samaritan has been addressing these needs for many years and now has undertaken the task of improving access to quality post-acute care in our County. Through my work while a County Board member I was keenly involved in the lengthy and intense process of accessing the need for and provision of sub-acute and skilled nursing care within our County's borders, near family and friends of residents who support them.

There are other excellent facilities within the County, but many are fully occupied or not equipped to care for the acute patients that Good Sam will be capable of handling. The ability of Good Sam to be enabled to provide 122 licensed nursing beds in the geographical center of our vast County is crucial. Please join with us in supporting our need for this project.

Respectfully,



Roger Wahls
Major, USMC (Ret.)



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - *Marceline Schleeter*
Address -
City, State, Zip - *13191 E 2600 N Rd Cornell, Ill 61319*
Date - *6-3-2029*

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com
APPENDIX 2 298



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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Sincerely,

John (Jack) Viett

Name - JOHN (JACK) VIETT
Address - 806 N. CHEROKEE LANE
City, State, Zip - PONTIAC, ILL. 61764
Date - JUNE 3, 2010

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com
APPENDIX 2 299



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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Sincerely,

George and Dee Dee Raube

Name - George / Dee Dee Raube
Address - 17088 Billet Rd
City, State, Zip - Pontiac, IL 61764
Date - 6-3-2010

Phone: (815) 796-2288

Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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Sincerely,

Name - *Drew Wilson*
Address - *319 Pickett St.*
City, State, Zip - *Chenoa, Ill. 61726*
Date - *6-3-10*

Phone: (815) 796-2288

Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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Sincerely,

Daryl N Holt

Name - DARYL N. HOLT
Address - 311 LINDSEY ST,
City, State, Zip - DWIGHT, IL 60420
Date - 6/4/10

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com
APPENDIX 2 302



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - Tim + Ranelle Kruger
Address - 109 N Jefferson
City, State, Zip - Flanagan, IL 61740
Date - 6/5/10

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourneedsAPPENDIX2.com304



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name -
Address -
City, State, Zip -
Date -

JON GOEBEL
2664 N 2200 E RD
FAIRBURY, IL 61739

06-04-10

Phone: (815) 796-2288
Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

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Sincerely,

Dorelle + Marileigh Pritchard
Name - *601 W Reynolds St*
Address - *Quincy, Ill 61764*
City, State, Zip -
Date - *June 5, 2010*

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com
APPENDIX 2 306



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

Dear Secretary,

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Glenn R. Hillman
Name - *Marjorie Hillman et*
Address - *115 N Tuna Rd*
City, State, Zip - *Flanagan IL 61740*
Date - *5-5-2010*

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 307



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Harold Holz

Name -

Address -

City, State, Zip

Date -

Harold Holz
5629 E. 2800 North Road
Ancona, Illinois 61311
June 7, 2010

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 308

June 4, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As residents of the Livingston County area, we are very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to us and to our family and friends.

We are aware of the effort Good Samaritan has undertaken to steadily improve access to quality post-acute care in our community. We strongly support this ongoing endeavor as it will address a significant need in Livingston County. In particular, Good Samaritan will provide sub-acute and skilled nursing care to those high acuity patients leaving hospitals. Some patients who need this important level care may have to leave the area for the services, causing separation from their family and loved ones.

While there are other excellent facilities in the area, many are either fully occupied or are restricted to serving specific populations. Furthermore, not all are capable of handling the high acuity patient that will be served by "Good Sam".

The development of 122 licensed nursing beds at "Good Sam" will help address one of the most significant needs in our community. We appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,



Doug & Amber Carls
117 S. Main St.
Flanagan, IL 61740



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - *Emma Bunting*
Address - *547 S. 4th*
City, State, Zip - *Airburg Il 61739*
Date -

Phone: (815) 796-2288

Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

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Sincerely,

Name - Loni DUFFY
Address - 813 Cherokee Lane
City, State, Zip - Pontiac, IL 61764
Date - 6/5/10

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740
www.yourgoodsamaritan.com

APPENDIX 2 311



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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Sincerely,

Nancy Kutzner

Name - *Nancy Kutzner*
Address - *PO Box 573*
City, State, Zip - *Flanagan, IL 61740*
Date -

Phone: (815) 796-2288

Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

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Sincerely,

Alan W. Barling
15799 E. 2120 North Rd.
Pontiac, IL. 61764

Phone: (815) 796-2288

Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

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Sincerely,

Name - *Jan and Dean Zehrt*
Address - *Box 38*
City, State, Zip - *Flanagan, IL 61746*
Date - *6-8-10*

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com 314

APPENDIX 2



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

I am aware of the effort Good Samaritan has undertaken to steadily improve access to quality post-acute care in our community. I strongly support this ongoing endeavor as it will address a significant need in Livingston County. In particular, Good Samaritan will provide sub-acute and skilled nursing care to those high acuity patients leaving hospitals "sicker and quicker." Some patients who need this important level of care may have to leave the Livingston County area for services.

While there are other excellent facilities in the area, many are either fully occupied or are restricted to serving special populations. Furthermore, not all are capable of handling the high acuity patient that will be served by Good Samaritan.

The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - *Donna M. Myer*
Address - *809 N. CHEROKEE LN.*
City, State, Zip - *PONTIAC, IL 61764*
Date - *6-10-10*

Phone: (815) 796-2288
Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740
www.yourgoodsamaritan.com



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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Sincerely, *Edna Haydette*

Name - *Edna Haydette*
Address - *P.O. 1347*
City, State, Zip - *Carlin, IL 60929*
Date - *6/9/10*

Phone: (815) 796-2288
Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

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Sincerely,

Caryl Barling
15799 E. 2120
Pontiac, IL 61764

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com

APPENDIX 2 317

June 5, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

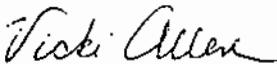
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Sincerely,



Vicki Allen
32951 E 1400 North Rd.
Cullom, IL 60929
June 5, 2010



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

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Sincerely,

Name -
Address -
City, State, Zip -
Date -

Gronne V Enger
728 W South St
Pontiac, IL 6176
6/8/10

Phone: (815) 796-2288

Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

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Sincerely,

Dolores Seggeman

Name -
Address - 25 Oakwood Dr.
City, State, Zip - Pontiac, IL 61764
Date - 6/7/2010

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Name - BILL FLOTT
Address - 311 PROSPECT
City, State, Zip - DWIGHT, IL 60420
Date - JUNE 6, 2010

Phone: (815) 796-2288

Fax: (815) 796-2280

June 11, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Sir or Madam,

I am a resident of Livingston County, IL and believe I understand the health care needs of our community. Access to *quality* nursing home services is limited. It is very important to me and my family that we have quality health care services locally available.

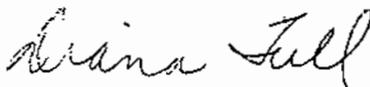
Good Samaritan Home has "stepped forward" and taken steps to ensure that we have quality post-acute care available to our community. There is a significant need for this service in Livingston County and I strongly support this endeavor. Specifically, Good Samaritan will provide sub-acute and skilled nursing care to those leaving hospitals sometimes too soon, in my opinion, so that they will not have to go elsewhere for services.

There are other local facilities, but I believe that Good Samaritan is the most capable in handling the high acuity patient.

It is my opinion that the growth of a 122 licensed nursing bed facility at Good Samaritan will complete the needs in our community for this service.

Please support this new project.

Sincerely,



Diana Tull
511 S. 3rd St.
Fairbury, IL 61739



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

I am aware of the effort Good Samaritan has undertaken to steadily improve access to quality post-acute care in our community. I strongly support this ongoing endeavor as it will address a significant need in Livingston County. In particular, Good Samaritan will provide sub-acute and skilled nursing care to those high acuity patients leaving hospitals "sicker and quicker." Some patients who need this important level of care may have to leave the Livingston County area for services.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Elaine Young

Name - Elaine Young
Address - 22969 N 3000 E. Rd.
City, State, Zip - Emington, IL 60934
Date - 6/11/10

Phone: (815) 796-2288
Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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The development of 122 licensed nursing beds at Good Samaritan will help address one of the most significant needs in our community. I appeal to you and members of the Planning Board to lend your support to this new project.

Sincerely,

Robert E. Young
County Bd. member
Name - Robert Young
Address - 22969 N 3008 East Rd.
City, State, Zip - Emington, IL 60934
Date - 6/11/10

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

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APPENDIX 2 324



Good Samaritan

A complete retirement community

June 2, 2010

Illinois Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

It is my pleasure to write in support of the Good Samaritan-Pontiac Certificate of Need application to construct and operate a skilled nursing facility in Pontiac, IL.

I believe the skilled nursing facility will provide a highly needed health care service in this area of Illinois and will contribute to the welfare of many residents of urban and rural communities.

I would be confident that many patients and clients would benefit from skilled nursing and/or rehabilitation services.

I fully support Good Samaritan's proposal.

Sincerely,

Tom & Lynn Nagle

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com
APPENDIX 2 325



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

Dear Secretary,

As a resident of the Livingston County area, I am very concerned about the needs of our community, particularly those relating to the availability of health care. You may not be aware that access to quality nursing home services is severely limited. Ensuring that we have adequate access to the kind of quality health care services we need in our community is important to me and to my family and friends.

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Sincerely,

Name - *Delores Woodlawn*
Address - *18286 E 1800 N Rd.*
City, State, Zip *Quincy, IL 61764*
Date - *6-10-10*

Phone: (815) 796-2288
Fax: (815) 796-2280



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

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Sincerely,

Philip & Nancy LaPiccata

Name -
Address - 301 Elmwood
City, State, Zip - Pontiac IL 61764
Date - 6/19/10

Phone: (815) 796-2288

Fax: (815) 796-2280

205 N. Adams Street, Flanagan, IL 61740

www.yourgoodsamaritan.com
APPENDIX 2 327



Good Samaritan

A complete retirement community

June 2, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, Il 62761

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Sincerely,

Name - *Marilyn & John Asper*
Address - *509 S. Jefferson St.*
City, State, Zip - *Flanagan, Il. 61740*
Date - *6-18-10*

Phone: (815) 796-2288
Fax: (815) 796-2280

June 17, 2010

Executive Secretary
Health Facilities Planning Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Secretary,

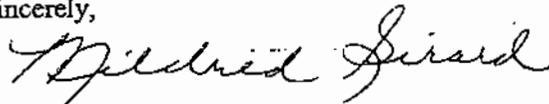
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Sincerely,



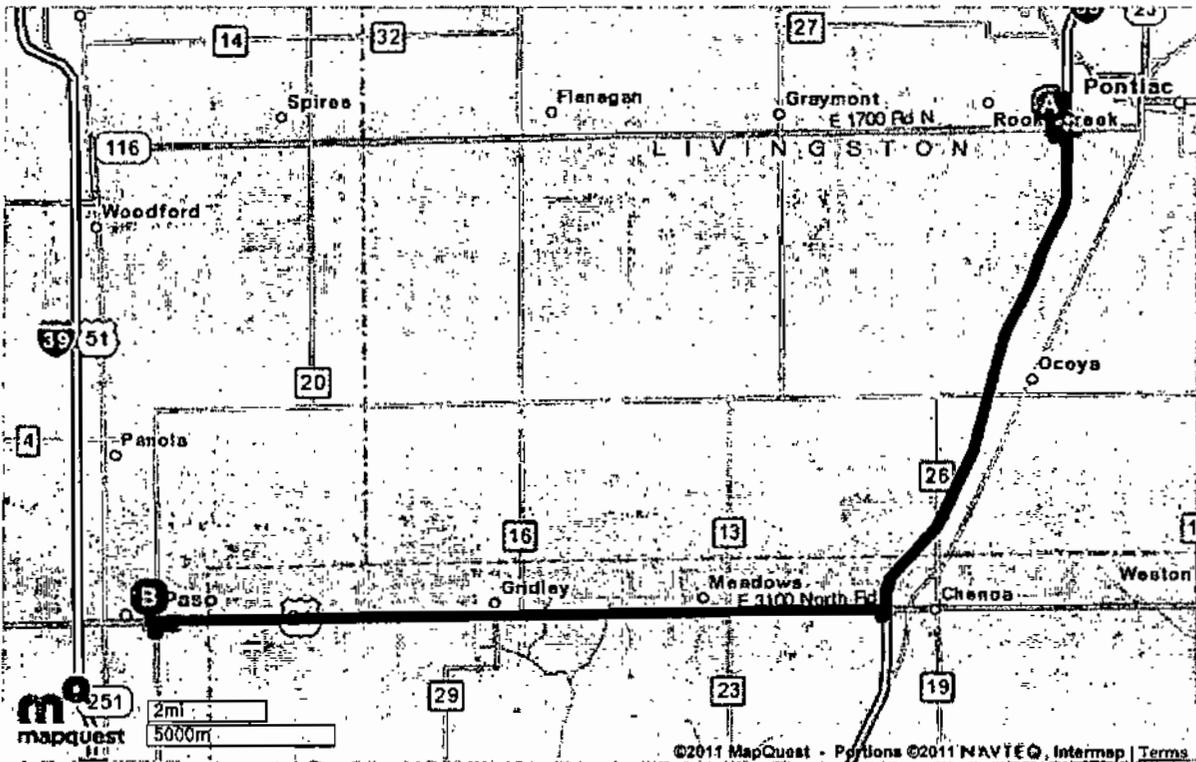
Mildred Girard
P. O. Box 312
Cornell, IL 61319
Telephone: (815) 358-2247

APPENDIX 3
MAPQUEST MAPS



Notes

Trip to:
555 E Clay St
El Paso, IL 61738-1508
25.03 miles
30 minutes

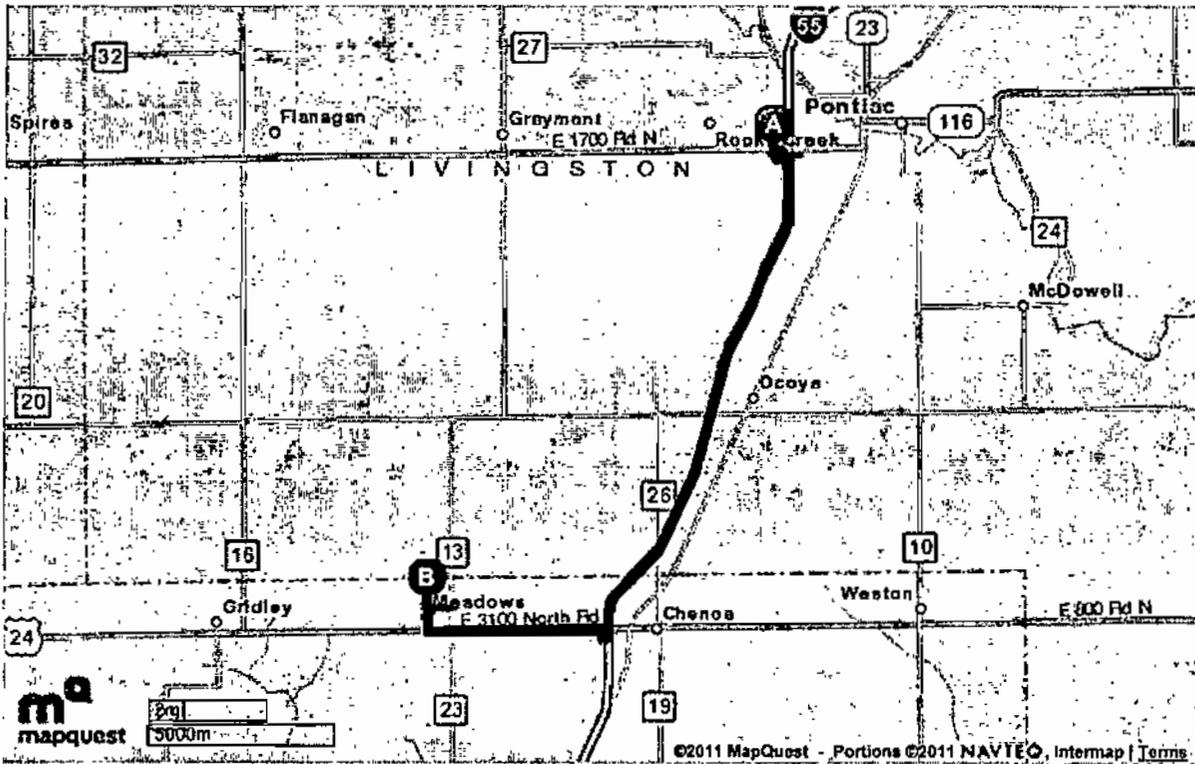


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Notes

Trip to:
24588 Church St
Chenoa, IL 61726-9395
14.62 miles
18 minutes

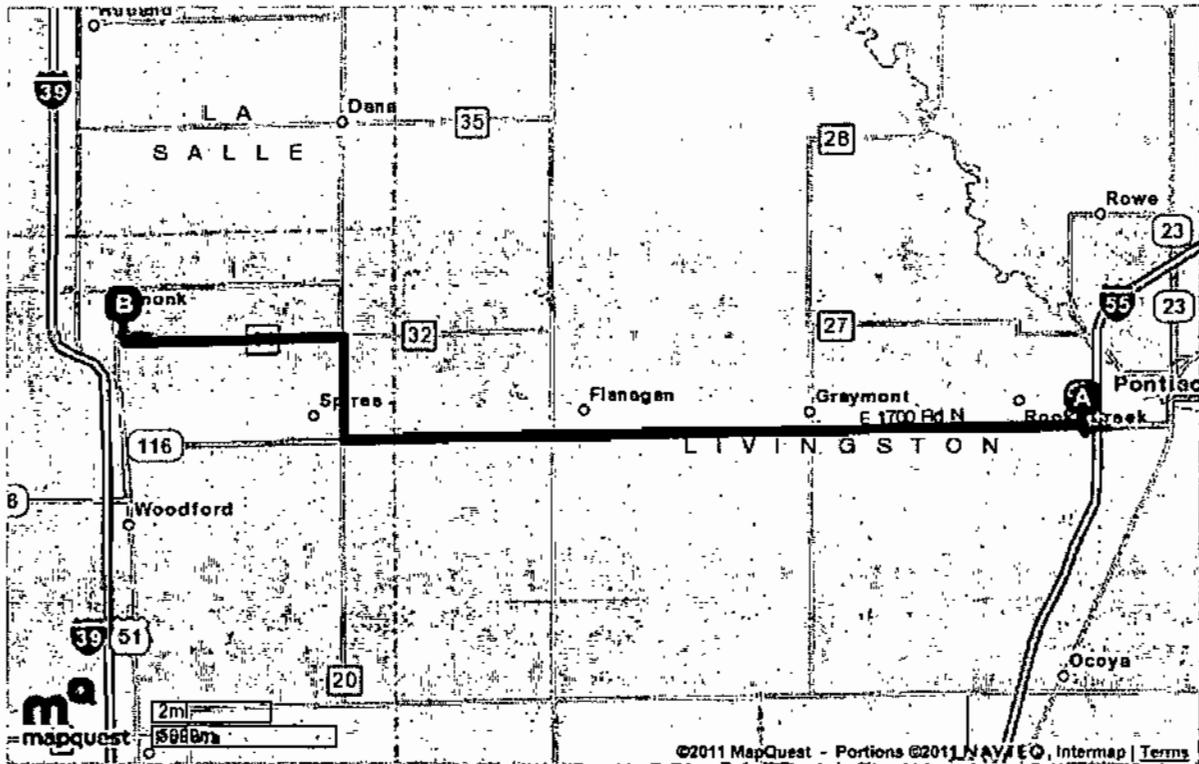


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Notes

Trip to:
201 Locust St
Minonk, IL 61760-1511
20.77 miles
25 minutes

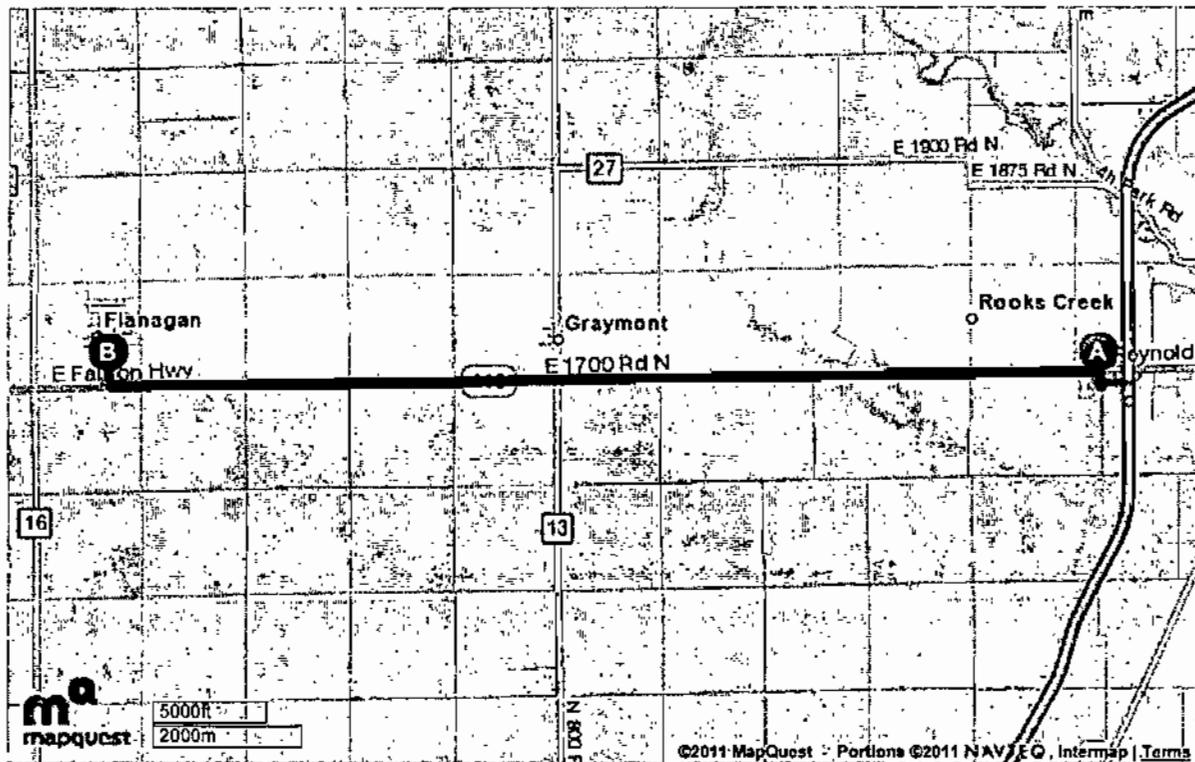


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Trip to:
201 E Falcon Hwy
Flanagan, IL 61740-9108
9.68 miles
11 minutes

Notes

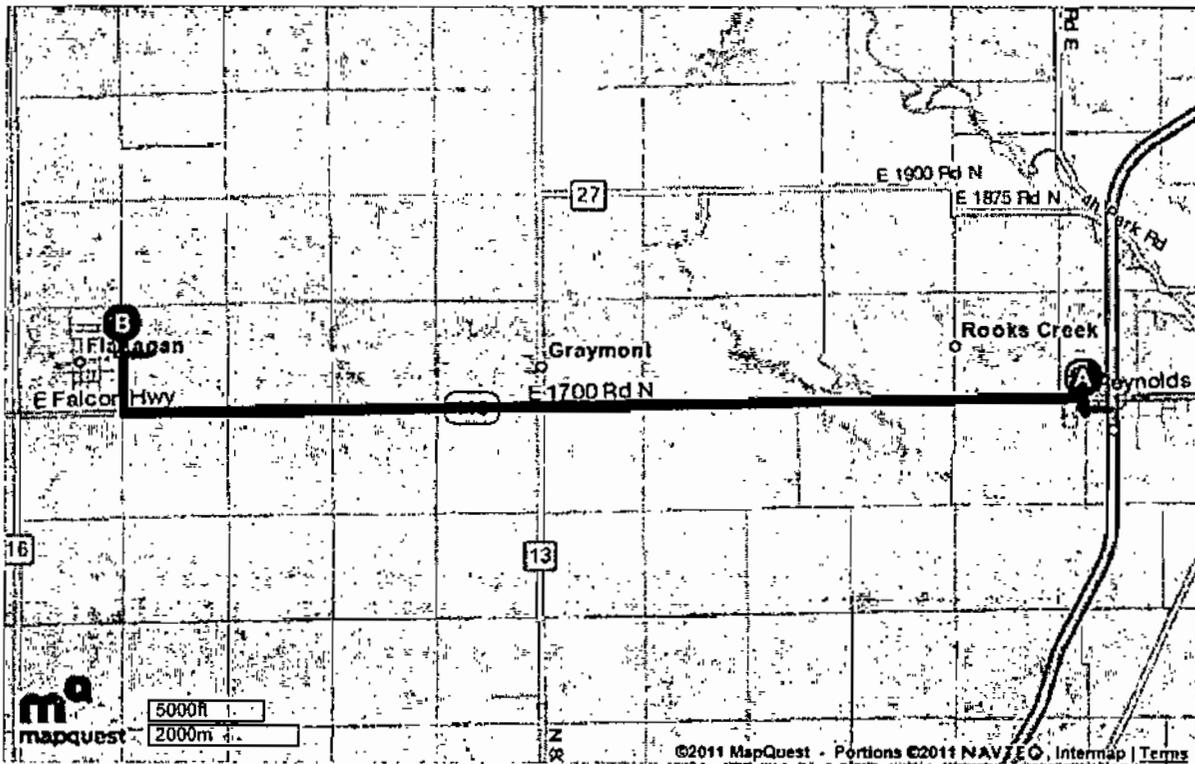


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Notes

Trip to:
205 N Adams St
Flanagan, IL 61740-9036
9.93 miles
12 minutes

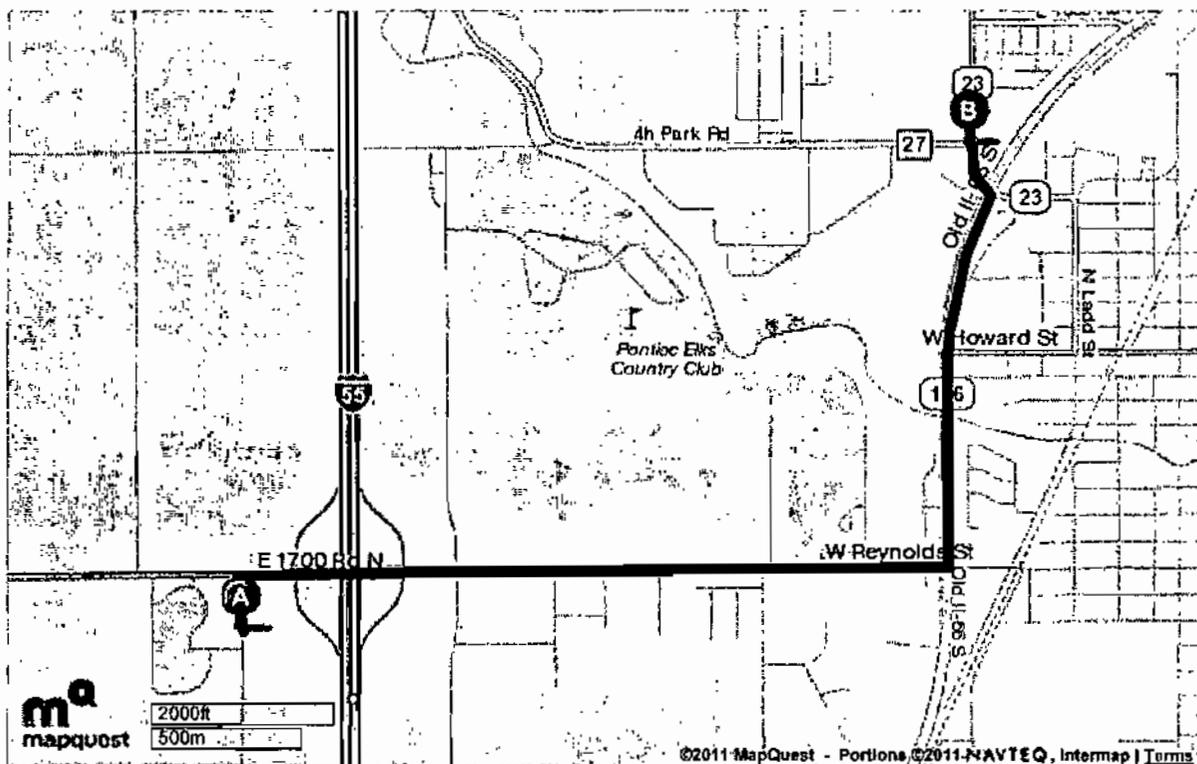


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Notes

Trip to:
1100 4h Park Rd
Pontiac, IL 61764
2.89 miles
5 minutes

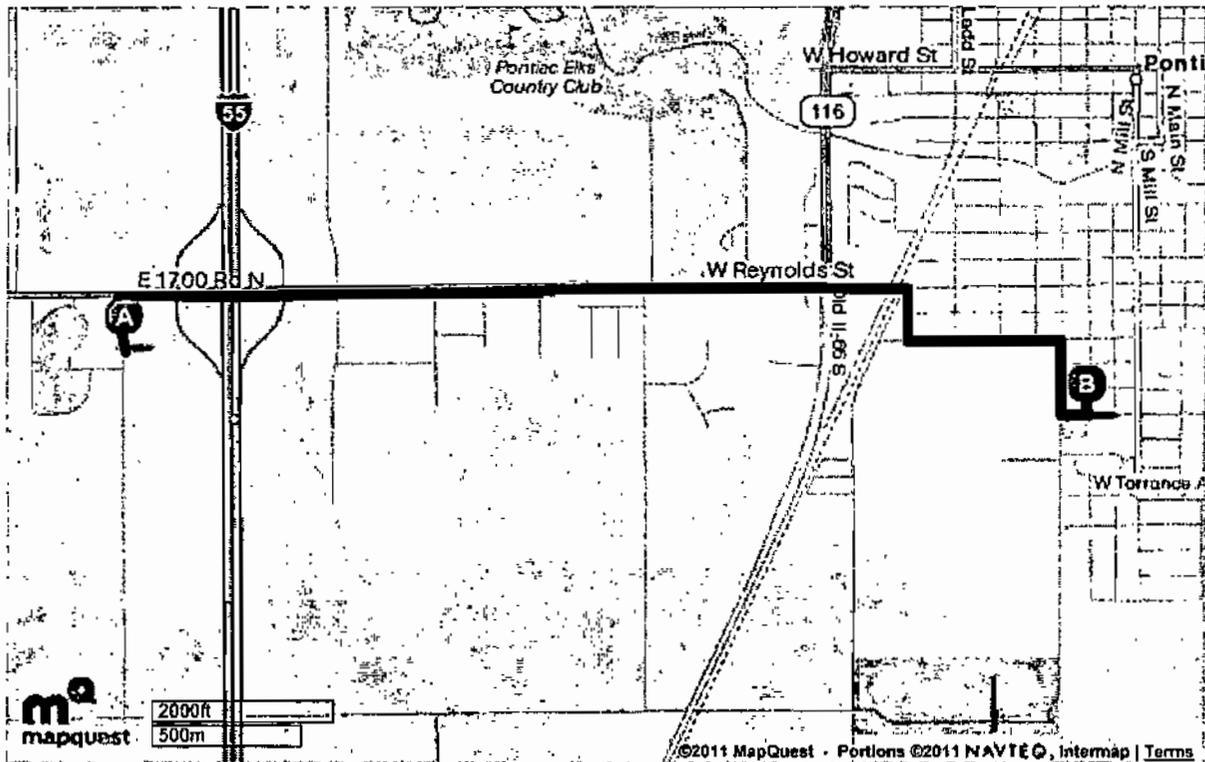


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Trip to:
300 W Lowell Ave
Pontiac, IL 61764-2614
2.79 miles
6 minutes

Notes

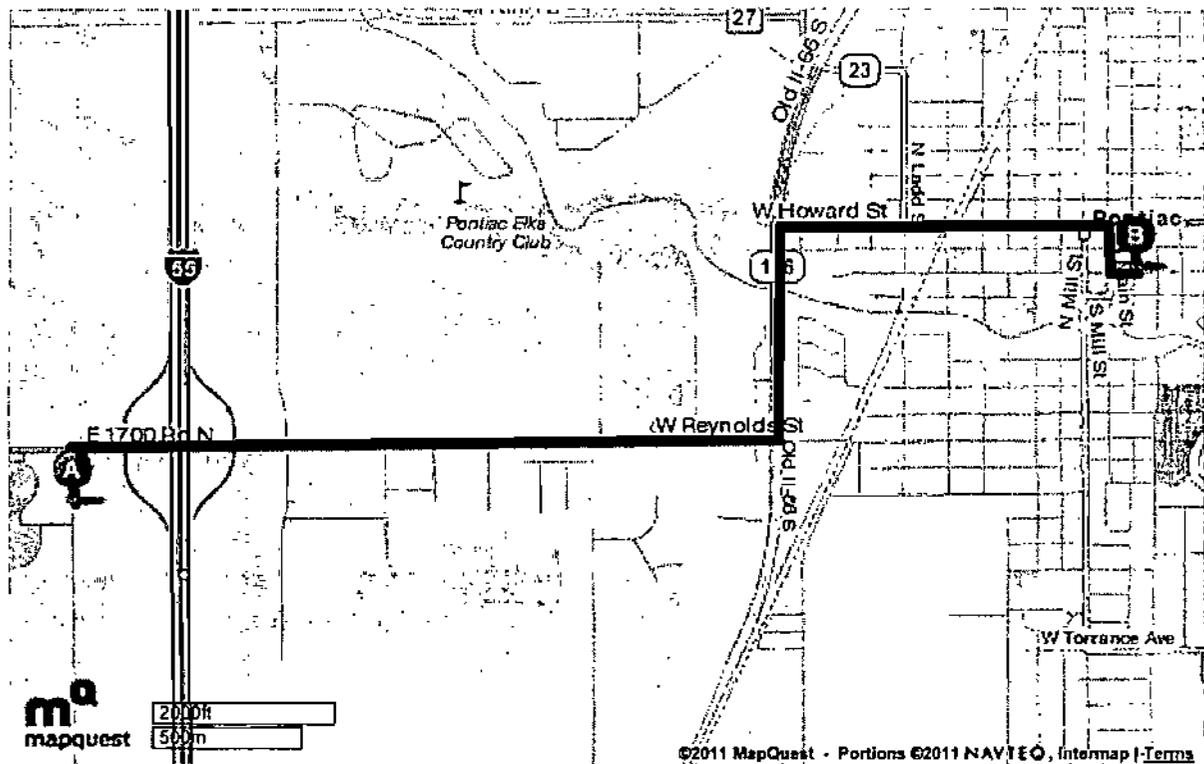


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Notes

Trip to:
215 E Washington St
Pontiac, IL 61764-2011
3.35 miles
8 minutes



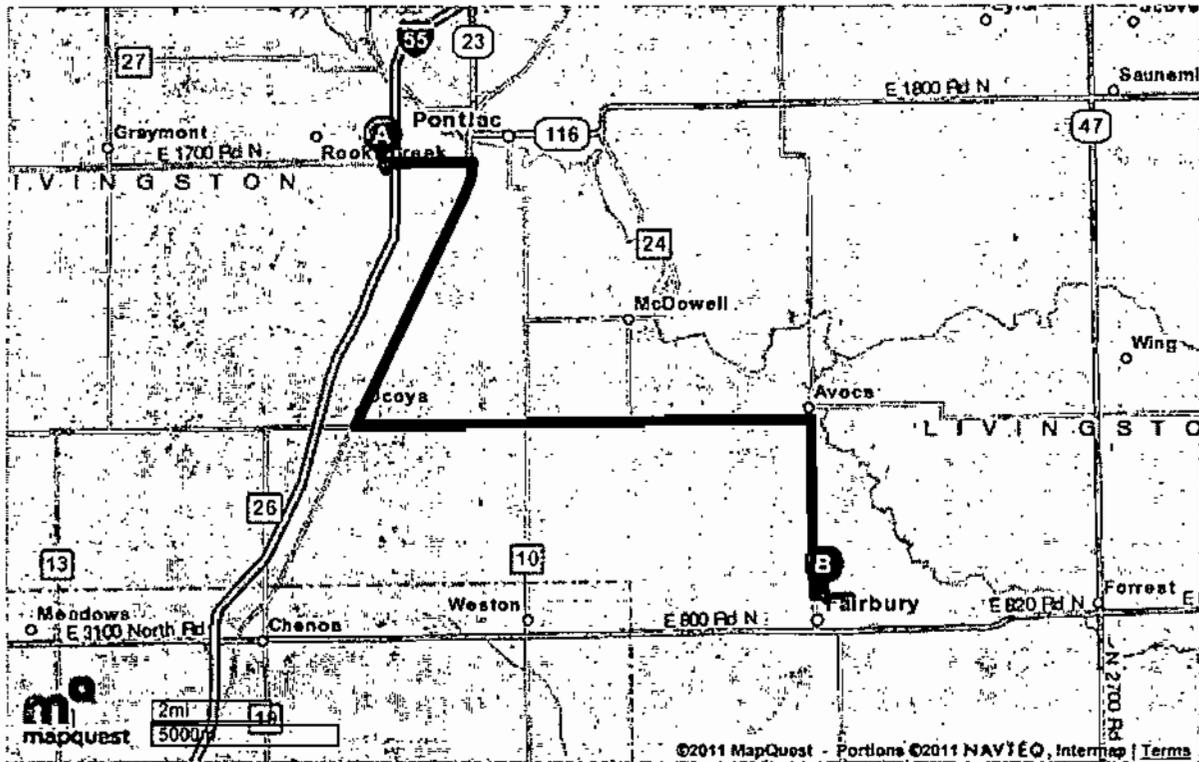
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Notes

Trip to:
605 N 4th St
Fairbury, IL 61739-1210
19.97 miles
27 minutes

Notes



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Notes

Trip to:
300 E Mazon Ave
Dwight, IL 60420-1104
22.34 miles
24 minutes



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