		FOR BHF USE					

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2010
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2010)

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

I. IDPH License ID Number: 0047720

Facility Name: Pine Acres Rehab & Living Center

Address: 1212 South Second Street (Number) DeKalb (City) 60115 (Zip Code)

County: DeKalb

Telephone Number: (815) 758-8151 **Fax #** (815) 758-6832

HFS ID Number:

Date of Initial License for Current Owners:

Type of Ownership:

	VOLUNTARY,NON-PROFIT	X	PROPRIETARY		GOVERNMENTAL
	Charitable Corp.		Individual		State
	Trust		Partnership		County
IRS Exemption Code			Corporation		Other
			"Sub-S" Corp.		
		X	Limited Liability Co.		
			Trust		
			Other		

In the event there are further questions about this report, please contact:
Name: Michael W. Martin **Telephone Number:** (217) 258-8888
Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 1/1/2010 to 12/31/2010 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

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

Officer or Administrator of Provider
(Signed)
(Date)
(Type or Print Name)
(Title)

Paid Preparer
(Signed) SEE ACCOUNTANTS' COMPILATION REPORT
(Date)
(Print Name and Title)
(Firm Name & Address) McGladrey & Pullen, LLP, 20 N. Martingale Road, Ste. 500, Schaumburg, IL 60173
(Telephone) (847) 517-7070 Fax # (847) 517-7067

MAIL TO: BUREAU OF HEALTH FINANCE
ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES
201 S. Grand Avenue East
Springfield, IL 62763-0001 Phone # (217) 782-1630

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

III. STATISTICAL DATA

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

	1 Beds at Beginning of Report Period	2 Licensure Level of Care	3 Beds at End of Report Period	4 Licensed Bed Days During Report Period	
1	119	Skilled (SNF)	119	43,435	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	119	TOTALS	119	43,435	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment: Medicaid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF	16,988	10,673	5,778	33,439	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	16,988	10,673	5,778	33,439	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 76.99%

D. How many bed-hold days during this year were paid by the Department?
0 (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)
None

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

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [X] NO [ ] Note : Non-allowable costs have been eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES [X] NO [ ]

I. On what date did you start providing long term care at this location?
Date started 2/1/06

J. Was the facility purchased or leased after January 1, 1978?
YES [X] Date 2/1/06 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 119 and days of care provided 5,713

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRUAL [X] MODIFIED CASH* [ ] CASH* [ ]

Is your fiscal year identical to your tax year? YES [X] NO [ ]

Tax Year: 12/31/10 Fiscal Year: 12/31/10

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	A. General Services	1	2	3	4	5	6	7	8	9	10	
1	Dietary	319,063	15,677	9,541	344,281		344,281		344,281			1
2	Food Purchase		218,438		218,438		218,438	(4,393)	214,045			2
3	Housekeeping	104,841	17,057		121,898		121,898	(15,000)	106,898			3
4	Laundry	11,238	197	109,713	121,148		121,148	15,000	136,148			4
5	Heat and Other Utilities			116,887	116,887		116,887		116,887			5
6	Maintenance	107,626	52,119	85,093	244,838		244,838		244,838			6
7	Other (specify):*											7
8	**TOTAL General Services**	542,768	303,488	321,234	1,167,490		1,167,490	(4,393)	1,163,097			8
	B. Health Care and Programs											
9	Medical Director			9,600	9,600		9,600		9,600			9
10	Nursing and Medical Records	2,257,655	131,878	46,218	2,435,751		2,435,751		2,435,751			10
10a	Therapy		4,460	586,083	590,543		590,543		590,543			10a
11	Activities	87,948	8,162	50	96,160		96,160		96,160			11
12	Social Services	61,320	446	1,324	63,090		63,090		63,090			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	**TOTAL Health Care and Programs**	2,406,923	144,946	643,275	3,195,144		3,195,144		3,195,144			16
	C. General Administration											
17	Administrative	95,394		120,000	215,394		215,394		215,394			17
18	Directors Fees											18
19	Professional Services			157,355	157,355		157,355	(3,190)	154,165			19
20	Dues, Fees, Subscriptions & Promotions			21,788	21,788		21,788	250	22,038			20
21	Clerical & General Office Expenses	170,487	30,929	59,990	261,406		261,406		261,406			21
22	Employee Benefits & Payroll Taxes			672,540	672,540		672,540		672,540			22
23	Inservice Training & Education											23
24	Travel and Seminar			2,794	2,794		2,794		2,794			24
25	Other Admin. Staff Transportation			5,729	5,729		5,729		5,729			25
26	Insurance-Prop.Liab.Malpractice			79,512	79,512		79,512	34,884	114,396			26
27	Other (specify):*											27
28	**TOTAL General Administration**	265,881	30,929	1,119,708	1,416,518		1,416,518	31,944	1,448,462			28
29	**TOTAL Operating Expense (sum of lines 8, 16 & 28)**	3,215,572	479,363	2,084,217	5,779,152		5,779,152	27,551	5,806,703			29

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

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number | Pine Acres Rehab & Living Center, LLC | #0047720 | Report Period Beginning: 1/1/2010 | Ending: 12/31/2010

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	D. Ownership	1	2	3	4	5	6	7	8	9	10	
30	Depreciation			30,104	30,104		30,104	192,007	222,111			30
31	Amortization of Pre-Op. & Org.											31
32	Interest							398,615	398,615			32
33	Real Estate Taxes							55,109	55,109			33
34	Rent-Facility & Grounds			410,004	410,004		410,004	(410,004)				34
35	Rent-Equipment & Vehicles			19,811	19,811		19,811		19,811			35
36	Other (specify):*											36
37	TOTAL Ownership			459,919	459,919		459,919	235,727	695,646			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		243,660		243,660		243,660		243,660			39
40	Barber and Beauty Shops	39,165	723		39,888		39,888		39,888			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			65,148	65,148		65,148		65,148			42
43	Other (specify):* Non-Allowable Cos	56,260		50,998	107,258		107,258	(107,258)				43
44	TOTAL Special Cost Centers	95,425	244,383	116,146	455,954		455,954	(107,258)	348,696			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	3,310,997	723,746	2,660,282	6,695,025		6,695,025	156,020	6,851,045			45

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer-ence	3 BHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(3,729)	2		4
5	Telephone, TV & Radio in Resident Rooms	(3,979)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(16,727)	30		9
10	Interest and Other Investment Income	(2,365)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax				13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions	(2,050)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(22,866)	43		24
25	Fund Raising, Advertising and Promotional				25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising	(767)	43		28
29	Other-Attach Schedule See Pg 5A	(86,986)			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (139,469)		$	30

BHF USE ONLY								
48		49		50		51		52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	295,489		34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$ 295,489		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ 156,020		37

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

Pine Acres Rehab & Living Center, LLC

ID# 0047720

Report Period Beginning: 1/1/2010

Ending: 12/31/2010

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	Labs - Part A	$ (7,764)	43	1
2	X-Rays - Part A	(920)	43	2
3	Wages-Marketing	(56,260)	43	3
4	Marketing	(12,652)	43	4
5	Offset Vending Machine Income	(664)	2	5
6	Non-Care Real Estate Taxes	(3,931)	32	6
7	Nonallowable Legal Fees	(4,795)	19	7
8				8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
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27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	**Total**	(86,986)		49

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

VII. RELATED PARTIES

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

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Steve and Bluma Jeremias	33	Wheaton Care Center	Wheaton	Pine Acres Realty,		
Mark and Chana Weldler	33	Community Nursing & Rehabilitation Center, LLC	Naperville	LLC	Dekalb	Real Estate
Chaim Rajchenbach	11					
The Family Rajchenbach Trust	11			Community Nursing		
Abraham J. Stern	4			and Rehab Realty,		
Susan L. Stern	4			LLC	Naperville	Real Estate
AMN Limited Partnership	4					

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

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

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V			$			$	$	1
2	V	30	Depreciation		Pine Acres Realty, LLC		208,734	208,734	2
3	V	32	Interest		Pine Acres Realty, LLC		400,980	400,980	3
4	V	33	Real Estate Taxes		Pine Acres Realty, LLC		59,040	59,040	4
5	V	34	Rent Expense	410,004	Pine Acres Realty, LLC			(410,004)	5
6	V	20	Licenses		Pine Acres Realty, LLC		250	250	6
7	V	26	Insurance		Pine Acres Realty, LLC		34,884	34,884	7
8	V	21	Bank Fees		Pine Acres Realty, LLC				8
9	V	19	Professional Fees		Pine Acres Realty, LLC		1,605	1,605	9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			$ 410,004			$ 705,493	$ * 295,489	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number | Pine Acres Rehab & Living Center, LLC | # 0047720 | Report Period Beginning: 1/1/2010 | Ending: 12/31/2010

VII. RELATED PARTIES (continued)

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

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

	1	2	3	4	5	6		7		8	
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		Compensation Included in Costs for this Reporting Period**		Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Steve Jeremias	COO	Administrative	33.00	0	25	50.00	Guar Pymnts	$ 60,000	L17,C3	1
2	Mark Weldler	CFO	Finance	33.00	0	25	50.00	Guar Pymnts	60,000	L17,C3	2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	$ 120,000		13

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 2/31/2010

VIII. ALLOCATION OF INDIRECT COSTS

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

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

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

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1						$	$		$	1
2										2
3				N/A						3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related											
	Long-Term											
1	Brickyard Bank		X	Mortgage	$17,919.51	01/01/06	$ 2,350,000	$	2/1/11	0.7750	$	1
2	Cambridge Realty Capital LTD		X	Mortgage	$17,450.05	07/1/08	6,695,044	6,672,394	5/1/2049	0.0635	400,980	2
3												3
4												4
5												5
	Working Capital											
6	Shareholder Loans	X		Working Capital	None	Varies	760,052		On Demand	Varies		6
7												7
8												8
9	TOTAL Facility Related				$35,369.56		$ 9,805,096	$ 6,672,394			$ 400,980	9
	B. Non-Facility Related*											
10								Capitalized Interest on CIP				10
11								Offset interest income			(2,365)	11
12												12
13												13
14	TOTAL Non-Facility Related						$	$			$ (2,365)	14
15	TOTALS (line 9+line14)						$ 9,805,096	$ 6,672,394			$ 398,615	15

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

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

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2009 report. **Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.**		$ 63,650	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	2009	$ 60,435	2
3. Under or (over) accrual (line 2 minus line 1).		$ (3,215)	3
4. Real Estate Tax accrual used for 2010 report. (Detail and explain your calculation of this accrual on the lines below.)		$ 62,255	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. **(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)**		$	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund.	**Rental House Taxes- Non-Allowable**	(3,931)	
TOTAL REFUND $ **For** **Tax Year.** **(Attach a copy of the real estate tax appeal board's decision.)**		$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		$ 55,109	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	2005	50,000	8
	2006	47,403	9
	2007	44,465	10
	2008	58,394	11
	2009	60,435	12

Assumed 9% increase on real estate taxes paid during the year.

	FOR BHF USE ONLY		
13	FROM R. E. TAX STATEMENT FOR 2009	$	13
14	PLUS APPEAL COST FROM LINE 5	$	14
15	LESS REFUND FROM LINE 6	$	15
16	AMOUNT TO USE FOR RATE CALCULATION	$	16

NOTES:

1. **Please indicate a negative number by use of brackets( ). Deduct any overaccrual of taxes from prior year.**
2. **If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.**
   This denial must be no more than four years old at the time the cost report is filed.

SEE ACCOUNTANTS' COMPILATION REPORT

2009 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME **Pine Acres Rehab & Living Center, LLC** COUNTY DeKalb

FACILITY IDPH LICENSE NUMBER 0047720

CONTACT PERSON REGARDING THIS REPORT Mark Weldler

TELEPHONE (815) 758-8151 FAX #: (815) 758-6832

A. **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2009 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2009.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	08-27-279-003	Nursing Home	$ 56,503.58	$ 56,503.58
2.	08-27-279-023	Rental House	$ 3,931.22	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 60,434.80	$ 56,503.58

B. **Real Estate Tax Cost Allocations**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? X YES _____ NO

If YES, attach an explanation and a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. **Tax Bills**

Attach a copy of the original 2009 tax bills which were listed in Section A to this statement. Be sure to use the 2009 tax bill which is normally paid during 2010.

PLEASE NOTE: ***Payment information from the Internet*** or otherwise is ***not considered acceptable tax bill documentation*** . Facilities located in Cook County are required to provide copies of their original **second installment** tax bill.

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 37,295 B. General Construction Type: Exterior Brick Frame _____ Number of Stories 1

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

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

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

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

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

None

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

1. Total Amount Incurred: N/A
2. Number of Years Over Which it is Being Amortized: N/A
3. Current Period Amortization: N/A
4. Dates Incurred: N/A

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

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Resident Use	126,760	2006	$ 196,341	1
2					2
3	TOTALS	126,760		$ 196,341	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XI. OWNERSHIP COSTS (continued)

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

	1 Beds*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	119		2006	1968	$ 1,736,051	$	40	$ 43,401	$ 43,401	$ 213,389	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	2 Ton Rooftop System			2007	4,562	456	10	456		1,596	9
10	Replace Heat Cable			2008	2,626	263	10	263		657	10
11	Replace Fan Motors			2008	3,441	344	10	344		860	11
12	Replace Unit Heater			2008	3,938	394	10	394		985	12
13	Replace Doors			2008	2,696	270	10	270		675	13
14	Move Electrical Box			2008	6,932	693	10	693		1,732	14
15	Sidewalk			2009	6,312	316	10	631	315	947	15
16	Retrofit Mechanical Room with Sprinklers			2009	2,800	140	10	280	140	420	16
17	Security Alarm for Front Doors			2009	4,644	232	10	464	232	696	17
18	Telephone System			2009	37,765	1,888	10	3,777	1,889	5,665	18
19	Telephone System Addition			2009	13,143	657	10	1,314	657	1,971	19
20	Fence			2009	5,708	285	10	571	286	856	20
21	Renovation & New Construction			2009	2,443,769		40	61,094	61,094	91,641	21
22	Architect Fees			2009	122,501		40	3,063	3,063	4,594	22
23	Demolition of Old House			2009	41,210		40	1,030	1,030	1,545	23
24	Carpet, Flooring & Wallcovering			2009	175,473		40	4,387	4,387	6,580	24
25	Construction Period Interest			2009	108,345		40	2,709	2,709	4,063	25
26	North Dining Room & Corridor Remodel			2009	101,743		40	2,544	2,544	3,816	26
27	Architect Fees			2009	102,207		40	2,555	2,555	3,833	27
28	Draw #11 Construction & Architect Fees			2009	13,159		40	329	329	494	28
29	Draw #12			2009	154,568		40	3,864	3,864	5,796	29
30	Doors & Hardware			2009	13,257		40	331	331	497	30
31	Panic Hardware			2009	3,730		40	93	93	140	31
32	Old House			2009	173,313		40	4,333	4,333	6,499	32
33	Ice Cube Machine (Expensed for Medicaid purposes)			2009		92			(92)		33
34	Telephone System Addition			2010	6,277		40	78	78	78	34
35	Satellite TV Installation			2010	8,250		10	413	413	413	35
36	A/C Unit Replacement (North Dining Room)			2010	10,000		10	500	500	500	36

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

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

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XI. OWNERSHIP COSTS (continued)

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

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37	Piping and Wiring (outside lights)	2010	$ 2,896	$	40	$ 36	$ 36	$ 36	37
38									38
39									39
40	To adjust Financial Statement Depreciation			12,302			(12,302)		40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		$ 5,311,316	$ 18,332		$ 140,217	$ 121,885	$ 360,974	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XI. OWNERSHIP COSTS (continued)

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

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	$ 813,059	$ 10,901	$ 81,023	$ 70,122	10	$ 367,288	71
72	Current Year Purchases	17,426	871	871		10	871	72
73	Fully Depreciated Assets							73
74								74
75	TOTALS	$ 830,485	$ 11,772	$ 81,894	$ 70,122		$ 368,159	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				$	$	$	$		$	76
77										77
78										78
79										79
80	TOTALS			$	$	$	$		$	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount		
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	$ 6,338,142	81	
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 30,104	82	
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 222,111	83	**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 192,007	84	
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 729,133	85	

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

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

G. Construction-in-Progress

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
If NO, see instructions. [X] YES [ ] NO

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

8. List separately any amortization of lease expense included on page 4, line 34. N/A
This amount was calculated by dividing the total amount to be amortized N/A
by the length of the lease .

9. Option to Buy: [ ] YES [ ] NO Terms: N/A *

10. Effective dates of current rental agreement:
Beginning
Ending

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

	Fiscal Year Ending	Annual Rent
12.	/2011	$
13.	/2012	$
14.	/2013	$

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

15. Is Movable equipment rental included in building rental? [ ] YES [X] NO

16. Rental Amount for movable equipment: $ 12,066 Description: Non-Med Equip. $2,402; Medical Equip $3,184; Computer Equip. $6,480
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	2008	Nissan Maxima	$ 699.90	$ 7,745	17
18					18
19					19
20					20
21	TOTAL		$ 699.90	$ 7,745	21

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

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

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

1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? ☐ YES ☒ NO

It is the policy of this facility to only hire certified nurses aides.

If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:
   - IN-HOUSE PROGRAM ☐
   - IN OTHER FACILITY ☐
   - COMMUNITY COLLEGE ☐
   - HOURS PER CNA ____

3. CLINICAL PORTION:
   - IN-HOUSE PROGRAM ☐
   - IN OTHER FACILITY ☐
   - HOURS PER CNA ____

B. EXPENSES

ALLOCATION OF COSTS (d)

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

C. CONTRACTUAL INCOME

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

$

D. NUMBER OF CNAs TRAINED

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

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
(c) For in-house training programs only. Do not include fringe benefits.
(d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.
(e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
(f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

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

	1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff Units of Service	Staff Cost	Outside Practitioner (other than consultant) Units	Outside Practitioner (other than consultant) Cost	Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
1	Licensed Occupational Therapist	10A(3,2)	hrs	$	2,907	$ 209,292	$ 2,596	2,907	$ 211,888	1
2	Licensed Speech and Language Development Therapist	10A(3,2)	hrs		1,189	85,612	374	1,189	85,986	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	10A(3,2)	hrs		4,044	291,179	1,490	4,044	292,669	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39(2)	# of prescrpts				208,224		208,224	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): Oxygen	39(2)					35,436		35,436	12
13	Other (specify):									13
14	TOTAL			$	8,140	$ 586,083	$ 248,120	8,140	$ 834,203	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XV. BALANCE SHEET - Unrestricted Operating Fund. As of 12/31/2010 (last day of reporting year)

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

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 45,874	$ 68,126	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance (50,000))	925,200	925,200	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	58,760	74,222	6
7	Other Prepaid Expenses	39,530	39,530	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See Sch 17A	334,629	398,243	9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 1,403,993	$ 1,505,321	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		196,341	13
14	Buildings, at Historical Cost		1,736,051	14
15	Leasehold Improvements, at Historical Cost	208,869	3,575,265	15
16	Equipment, at Historical Cost	114,598	830,485	16
17	Accumulated Depreciation (book methods)	(52,084)	(729,133)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (spe See Sch 17A		704,096	22
23	Other(specify):			23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 271,383	$ 6,313,105	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 1,675,376	$ 7,818,426	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 308,605	$ 308,605	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	200,210	200,210	30
31	Accrued Taxes Payable (excluding real estate taxes)	69,455	69,455	31
32	Accrued Real Estate Taxes(Sch.IX-B)		62,255	32
33	Accrued Interest Payable		33,786	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See Sch 17A	587,700	298,380	36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 1,165,970	$ 972,691	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable		6,672,394	39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$	$ 6,672,394	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 1,165,970	$ 7,645,085	46
47	**TOTAL EQUITY(page 18, line 24)**	$ 509,406	$ 173,341	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 1,675,376	$ 7,818,426	48

SEE ACCOUNTANTS' COMPILATION REPORT

***(See instructions.)**

Pine Acres Rehab & Living Center, LLC
Provider #: 0047720
01/01/10 - 12/31/10

Schedule 17A

XV. Balance Sheet

Line 9 - Other Current Assets (specify)	Operating	After Consolidation
RE Due From Title Company	-	13,302
RE Escrow - MIP	-	18,562
RE Escrow - RE Taxes	-	20,750
RE Escrow - Insurance	-	11,000
Due To/from Adminastar	130,437	130,437
Due To / from CNRC	204,192	204,192
Total Line 9 - Other Current Assets	334,629	398,243

Line 22 - Other Long Term Assets (specify)		
Escrow Construction in Progress	-	46,641
Escrow Non-Critical Rep	-	135,503
Escrow Replacement	-	335,349
Organizational Fees	-	197,410
Accum Amort-Org Fees	-	(10,807)
Total Line 22 - Other Long Term Assets	-	704,096

Line 36 - Other Current Liabilities (specify)		
Due To State	100,504	100,504
Resident Credit Balances	17,641	17,641
Due To/From Pine Acres Realty	289,320	-
Due To/From Lifelink	0	-
Advance Billing	180,235	180,235
Total Line 36 - Other Current Liabilities	587,700	298,380

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ 544,210	1
2	Restatements (describe):		2
3	**Prior Period Adjustment**	(48,153)	3
4			4
5			5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ 496,057	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	493,349	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	(480,000)	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ 13,349	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	**TOTAL Transfers (sum of lines 18-22)**	$	23
24	**BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)**	$ 509,406	24 *

*** This must agree with page 17, line 47.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

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

	Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 5,861,560	1
2	Discounts and Allowances for all Levels	(302,746)	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 5,558,814	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,270,558	6
7	Oxygen	70,386	7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 1,340,944	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	18,765	13
14	Non-Patient Meals	3,729	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	204,339	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray	425	20
21	Other Medical Services	39,652	21
22	Laundry	9,210	22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 276,120	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***		25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$	26
	E. Other Revenue (specify):**		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	See Schedule 19A	12,496	28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 12,496	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 7,188,374	30

	Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	1,167,490	31
32	Health Care	3,195,144	32
33	General Administration	1,416,518	33
	B. Capital Expense		
34	Ownership	459,919	34
	C. Ancillary Expense		
35	Special Cost Centers	390,806	35
36	Provider Participation Fee	65,148	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 6,695,025	40
41	**Income before Income Taxes (line 30 minus line 40)****	493,349	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ 493,349	43

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

** **Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.**
***LLC Members are cash basis tax payers.**

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

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

Pine Acres Rehab & Living Center, LLC
Provider #: 0047720
01/01/10 - 12/31/10

Schedule 19A

XVII. Income Statement

Line 28 - Other Revenue

Escort Services	229
Contribution Income	2,592
Interest Income	2,365
Vending Machine Income	664
Collection of previously W/O AR	3,413
Miscellaneous Ancillaries	962
Phone Income	1,668
Miscellaneous Income	603
Total Line 28 - Other Revenue	12,496

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)
(This schedule must cover the entire reporting period.)

		1 # of Hrs. Actually Worked	2** # of Hrs. Paid and Accrued	3 Reporting Period Total Salaries, Wages	4 Average Hourly Wage	
1	Director of Nursing	1,948	2,080	$ 83,984	$ 40.38	1
2	Assistant Director of Nursing	1,912	2,160	70,099	32.45	2
3	Registered Nurses	14,055	14,763	381,561	25.85	3
4	Licensed Practical Nurses	18,789	20,180	490,637	24.31	4
5	CNAs & Orderlies	79,530	84,029	1,073,714	12.78	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	5,576	6,093	55,070	9.04	8
9	Activity Director	1,962	2,156	37,712	17.49	9
10	Activity Assistants	4,493	4,974	50,236	10.10	10
11	Social Service Workers	3,299	3,499	61,320	17.53	11
12	Dietician					12
13	Food Service Supervisor	2,044	2,210	42,226	19.11	13
14	Head Cook	2,636	2,874	41,584	14.47	14
15	Cook Helpers/Assistants	22,324	23,504	235,253	10.01	15
16	Dishwashers					16
17	Maintenance Workers	5,722	6,301	107,626	17.08	17
18	Housekeepers	9,230	10,025	89,841	8.96	18
19	Laundry	2,501	2,817	26,238	9.31	19
20	Administrator	1,848	2,080	95,394	45.86	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	11,469	12,496	170,487	13.64	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	1,803	1,981	23,025	11.62	31
32	Other Health Care(specify)	3,910	4,236	79,565	18.78	32
33	Other(specify) See Sch 20A	3,868	4,183	95,425	22.81	33
34	TOTAL (lines 1 - 33)	198,919	212,641	$ 3,310,997 *	$ 15.57	34

B. CONSULTANT SERVICES

		1 Number of Hrs. Paid & Accrued	2 Total Consultant Cost for Reporting Period	3 Schedule V Line & Column Reference	
35	Dietary Consultant	225	$ 9,541	1(3)	35
36	Medical Director	Monthly	9,600	9(3)	36
37	Medical Records Consultant	Monthly	3,000	10(3)	37
38	Nurse Consultant	Monthly	1,000	10(3)	38
39	Pharmacist Consultant				39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	1	50	11(3)	44
45	Social Service Consultant	20	1,324	12(3)	45
46	Other(specify) MDS Consultant	Monthly	0	10(3)	46
47	Therapy Management	Monthly	1,600	10(3)	47
48	Education	Monthly	310	10(3)	48
49	TOTAL (lines 35 - 48)	246	$ 26,425		49

C. CONTRACT NURSES

		1 Number of Hrs. Paid & Accrued	2 Total Contract Wages	3 Schedule V Line & Column Reference	
50	Registered Nurses	119	$ 5,459	10(3)	50
51	Licensed Practical Nurses	849	33,956	10(3)	51
52	Certified Nurse Assistants/Aides	39	893	10(3)	52
53	TOTAL (lines 50 - 52)	1,007	$ 40,308		53

SEE ACCOUNTANTS' COMPILATION REPORT

* This total must agree with page 4, column 1, line 45.

** See instructions.

Pine Acres Rehab & Living Center, LLC
Provider #: 0047720
01/01/10 - 12/31/10

Schedule 20A

XVIII. Staffing & Salary Cost	Hours Wrkd	Hours Pd	Total Wages	Avg Hrly Wage
Line 33 - Other				
Beautician	1,872	2,103	39,165	18.62
Marketing Wages	1,996	2,080	56,260	27.05
	3,868	4,183	95,425	46

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Dalena Kemna-Kahn	Administrator	0	$ 95,394
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			$ 95,394

B. Administrative - Other

Description	Amount
Mark Weldler, Admin - Guar. Pmts.	$ 60,000
Steve Jeremias, CFO - Guar. Pmts.	60,000
TOTAL (agree to Schedule V, line 17, col. 3)	$ 120,000
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
Tax Collect - Collection Services	Legal	$ 2,025
Much Shelist	Legal	25,196
Stone Proguard & Koery	Legal	3,780
Legal Fees for loan origination	Legal	1,700
RSM McGladrey	Accounting	48,172
Paylocity	Payroll Fees	7,861
Personnel Planners, Inc.	Unemployment Consulting	1,395
MDI Achieve, Inc.	Computer Services	21,744
Ehealth Data Solutions	Computer Services	4,663
Madison Specs	Computer Services	12,463
FLS Group, LLC	Mortgagor Certificate Preparati	8,500
Other Vendors	See SCH 21A	19,856
TOTAL (agree to Schedule V, line 19, column 3)		
(If total legal fees exceed $5,000, attach copy of invoices.)		$ 157,355

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 106,887
Unemployment Compensation Insurance	42,675
FICA Taxes	235,757
Employee Health Insurance	268,533
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
Uniform Expense	966
Employee Physicals	13,215
Other Employee Benefits	4,507
TOTAL (agree to Schedule V, line 22, col.8)	$ 672,540

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
N/A		$
TOTAL		$

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$
Advertising: Employee Recruitment	2,730
Health Care Worker Background Check	
(Indicate # of checks performed 18)	164
Patient Background Checks 151	1,372
Miscellaneous Licenses & Fees	4,920
Miscellaneaous Dues & Subscriptions	1,999
IL Council on LTC	10,853
Less: Public Relations Expense	( )
Non-allowable advertising	( )
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 22,038

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	
Seminar Expense	2,794
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 2,794

* Attach copy of IMRF notifications

**See instructions.

SEE ACCOUNTANTS' COMPILATION REPORT

Pine Acres Rehab & Living Center, LLC
Provider #: 0047720
01/01/10 - 12/31/10

Schedule 21A

XIX.C. Professional Services

Vendor/Payee	Type	Amount	
Meyer Magence	Computer Services	125	
Innovative LTC Solutions	Computer Services	4,024	
Medifax-EDI	Software Maintenance	1,640	
Singer Networks	Hardware Maintenance	14,067	
		19,856	To PG21

Total for Page 3, Line 19, Column 3	157,355
Disallowed Legal Fees	-4,795
Real Estate Addition for Professional Fees	1,605
Total for Page 3, Line 19, Column 8	154,165

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

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

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
1			$		$	$	$	$	$	$	$	$	$
2													
3								N/A					
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		$		$	$	$	$	$	$	$	$	$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pine Acres Rehab & Living Center, LLC # 0047720 Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XX. GENERAL INFORMATION:

(1) Are nursing employees (RN,LPN,NA) represented by a union? **No**

(2) Are there any dues to nursing home associations included on the cost report? **Yes**
If YES, give association name and amount. **IL Council on Long Term Care $10,853**

(3) Did the nursing home make political contributions or payments to a political action organization? **No** If YES, have these costs been properly adjusted out of the cost report? **N/A**

(4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? **No** If YES, what is the capacity? **N/A**

(5) Have you properly capitalized all major repairs and equipment purchases? **Yes**
What was the average life used for new equipment added during this period? **10 Years**

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **18,643** Line **10**

(7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? **Yes** If NO, attach a complete explanation.

(8) Are you presently operating under a sale and leaseback arrangement? **No**
If YES, give effective date of lease. **N/A**

(9) Are you presently operating under a sublease agreement? YES **No** NO

(10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO **X** If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.
N/A

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. $ **65,148**
This amount is to be recorded on line 42 of Schedule V.

(12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? **No** If YES, attach an explanation of the allocation.

SEE ACCOUNTANTS' COMPILATION REPORT

(13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? **Yes**

(14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? **No** For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.

(15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. $ **0** Has any meal income been offset against related costs? **Yes** Indicate the amount. $ **3,729**

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? **No**
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? **No** If YES, please indicate the amount of income earned from such a program during this reporting period. $ **N/A**
c. What percent of all travel expense relates to transportation of nurses and patients? **0**
d. Have vehicle usage logs been maintained? **Adequate records have been maintained.**
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? **N/A**
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report?
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. $ **N/A**

(17) Has an audit been performed by an independent certified public accounting firm? **No**
Firm Name: **N/A**

(18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? **Yes**

(19) If total legal fees are in excess of $5,000, have legal invoices and a summary of services performed been attached to this cost report? **Yes**
Attach invoices and a summary of services for all architect and appraisal fees.