FOR BHF USE

LL1

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.

2016
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2016)

I. IDPH License ID Number: 0049460

Facility Name: Heartland of Galesburg

Address: 280 East Losey St (Number) Galesburg (City) 61401 (Zip Code)

County: Knox

Telephone Number: 309-343-2166 **Fax #** 309-343-3289

HFS ID Number:

Date of Initial License for Current Owners: 01/01/1964

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: Jeff Lewandowski **Telephone Number:** (419) 252-5736
Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/16 to 12/31/16 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) Martin D. Allen
(Title) Director

Paid Preparer
(Signed)
(Date)
(Print Name and Title)
(Firm Name & Address)
(Telephone) ( ) Fax # ( )

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

III. STATISTICAL DATA

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

	1 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	84	Skilled (SNF)	84	30,744	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	84	TOTALS	84	30,744	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	8,978	5,704	8,534	23,216	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	8,978	5,704	8,534	23,216	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 75.51%

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

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

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

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [ ] NO [X]

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

I. On what date did you start providing long term care at this location?
Date started 11/01/81

J. Was the facility purchased or leased after January 1, 1978?
YES [X] Date 04/07/11 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 84 and days of care provided 4,642

Medicare Intermediary CGS Administrators, LLC

IV. ACCOUNTING BASIS

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

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

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

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

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	215,960	13,857	19,361	249,178		249,178		249,178			1
2	Food Purchase		159,481		159,481		159,481	(22,379)	137,102			2
3	Housekeeping	145,724	15,877	707	162,308		162,308		162,308			3
4	Laundry	18,233	14,420	63	32,716		32,716		32,716			4
5	Heat and Other Utilities			144,051	144,051	969	145,020		145,020			5
6	Maintenance	46,571	16,311	82,370	145,252		145,252		145,252			6
7	Other (specify):* Med Waste			221	221		221		221			7
8	TOTAL General Services	426,488	219,946	246,773	893,207	969	894,176	(22,379)	871,797			8
	B. Health Care and Programs											
9	Medical Director			17,100	17,100		17,100		17,100			9
10	Nursing and Medical Records	1,450,130	129,192	38,160	1,617,482	23	1,617,505		1,617,505			10
10a	Therapy	490,427	6,686	75,452	572,565		572,565		572,565			10a
11	Activities	40,660	4,151	1,655	46,466		46,466		46,466			11
12	Social Services	92,223	38	3,020	95,281		95,281		95,281			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	TOTAL Health Care and Programs	2,073,440	140,067	135,387	2,348,894	23	2,348,917		2,348,917			16
	C. General Administration											
17	Administrative	85,664		290,813	376,477	(146,832)	229,645		229,645			17
18	Directors Fees											18
19	Professional Services			41,777	41,777		41,777	(41,777)				19
20	Dues, Fees, Subscriptions & Promotions			55,562	55,562		55,562	(23,547)	32,015			20
21	Clerical & General Office Expenses	219,497	36,462	201,056	457,015		457,015	(136,330)	320,685			21
22	Employee Benefits & Payroll Taxes			480,924	480,924	19,321	500,245		500,245			22
23	Inservice Training & Education			23	23		23		23			23
24	Travel and Seminar			7,986	7,986		7,986		7,986			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			21,700	21,700		21,700		21,700			26
27	Other (specify):*											27
28	TOTAL General Administration	305,161	36,462	1,099,841	1,441,464	(127,511)	1,313,953	(201,654)	1,112,299			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	2,805,089	396,475	1,482,001	4,683,565	(126,519)	4,557,046	(224,033)	4,333,013			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.
NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number Heartland of Galesburg #0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

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 1	Supplies 2	Other 3	Total 4	5	6	7	8	9	10	
	D. Ownership											
30	Depreciation			161,640	161,640	7,428	169,068		169,068			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			715,425	715,425	119,091	834,516	(716,173)	118,343			32
33	Real Estate Taxes			126,137	126,137		126,137		126,137			33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles			42,191	42,191		42,191		42,191			35
36	Other (specify):*											36
37	**TOTAL Ownership**			1,045,393	1,045,393	126,519	1,171,912	(716,173)	455,739			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		196,430		196,430		196,430		196,430			39
40	Barber and Beauty Shops			4,651	4,651		4,651		4,651			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			152,493	152,493		152,493		152,493			42
43	Other (specify):* IV | X-Ray & Lab		40,832	36,843	77,675		77,675		77,675			43
44	**TOTAL Special Cost Centers**		237,262	193,987	431,249		431,249		431,249			44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	2,805,089	633,737	2,721,381	6,160,207		6,160,207	(940,206)	5,220,001			45

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

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	$	10	$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(22,379)	2		4
5	Telephone, TV & Radio in Resident Rooms		21		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation		30		9
10	Interest and Other Investment Income		32		10
11	Discounts, Allowances, Rebates & Refunds	(994)	21		11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(194)	21		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)		27		16
17	Non-Care Related Fees				17
18	Fines and Penalties	(429)	21		18
19	Entertainment				19
20	Contributions	(1,254)	21		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(35,142)	19		22
23	Malpractice Insurance for Individuals		25		23
24	Bad Debt	(131,569)	21		24
25	Fund Raising, Advertising and Promotional	(23,547)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule	(724,698)			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (940,206)		$	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)		10a	34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (940,206)		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.		X	$		38
39						39
40	Gift and Coffee Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44	Exceptional Care Program		X			44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

Heartland of Galesburg

ID# 0049460

Report Period Beginning: 01/01/16

Ending: 12/31/16

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	Activity Income	$ 0	11	1
2	Misc. Income	0	21	2
3	Vending Income	(1,685)	21	3
4	Donations Revenue	(205)	21	4
5	Accouning/Collection Fees	(6,635)	19	5
6	Collection Agency	0	19	6
7	Loss on Disposal of Fixed Asset	0	36	7
8	HCP Lease Interest	(716,173)	32	8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	**Total**	(724,698)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

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

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(22,379)	0	0	0	0	0	0	0	0	0	0	(22,379)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	**TOTAL General Services**	(22,379)	0	0	0	0	0	0	0	0	0	0	(22,379)	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	**TOTAL Health Care and Programs**	0	0	0	0	0	0	0	0	0	0	0	0	16
	C. General Administration													
17	Administrative	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(41,777)	0	0	0	0	0	0	0	0	0	0	(41,777)	19
20	Fees, Subscriptions & Promotions	(23,547)	0	0	0	0	0	0	0	0	0	0	(23,547)	20
21	Clerical & General Office Expenses	(136,330)	0	0	0	0	0	0	0	0	0	0	(136,330)	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	0	0	0	0	0	0	0	0	0	26
27	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	27
28	**TOTAL General Administration**	(201,654)	0	0	0	0	0	0	0	0	0	0	(201,654)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(224,033)	0	0	0	0	0	0	0	0	0	0	(224,033)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Heartland of Galesburg # 0049460 **Report Period Beginning:** 01/01/16 **Ending:** 12/31/16

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

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY TOTALS	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
30	Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(716,173)	0	0	0	0	0	0	0	0	0	0	(716,173)	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	0	0	0	0	0	0	0	0	0	0	0	0	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	**TOTAL Ownership**	(716,173)	0	0	0	0	0	0	0	0	0	0	(716,173)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	**TOTAL Special Cost Centers**	0	0	0	0	0	0	0	0	0	0	0	0	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	(940,206)	0	0	0	0	0	0	0	0	0	0	(940,206)	45

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

VII. RELATED PARTIES

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

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
HCR Manor Care, LLC	100			HCR Manor Care Svcs	Toledo	Home Office
				HL Empl Svcs, LLC	Toledo	Personnel
				HL Rehab Svcs, LLC	Toledo	Therapy Mgmt Svcs
				HL Rehab Svcs, LLC	Toledo	Therapy Services
				HL Home Health Care	Toledo	Nursing Staff

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	See	Home Office Allocation	$ 290,813	HCR Manor Care Services, LLC	100.00%	$ 290,813	$	1
2	V	Page 8							2
3	V								3
4	V	1-44	Personnel	2,805,089	Heartland Employment Services, LLC	100.00%	2,805,089		4
5	V	10a	Therapy Management	9,230	Heartland Rehabilitation Services, LLC	100.00%	9,230		5
6	V								6
7	V								7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			$ 3,105,132			$ 3,105,132	$ *	14

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

VII. RELATED PARTIES

A. (Continued) Enter below the names of ALL owners and related organizations (parties) as defined in the instructions

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1			Heartland of Canton IL, LLC	Canton				1
2			Heartland of Champaign IL, LLC	Champaign				2
3			Heartland of Decatur IL, LLC	Decatur				3
4								4
5			Heartland of Henry IL, LLC	Henry				5
6			Heartland of Macomb IL, LLC	Macomb				6
7			Heartland of Moline IL, LLC	Moline				7
8			Heartland of Normal IL, LLC	Normal				8
9			Heartland of Paxton IL, LLC	Paxton				9
10			Heartland of Peoria IL, LLC	Peoria				10
11			Heartland-Riverview of East Peoria IL, LLC	East Peoria				11
12			Manor Care at Arlington Heights	Arlington Heights				12
13			Manor Care of Elk Grove Village IL, LLC	Elk Grove Village				13
14			Manor Care of Hinsdale IL, LLC	Hinsdale				14
15			Manor Care of Homewood IL, LLC	Homewood				15
16			Manor Care of Libertyville IL, LLC	Libertyville				16
17			Manor Care of Naperville IL, LLC	Naperville				17
18			Manor Care of Northbrook IL, LLC	Northbrook				18
19			Manor Care of Oak Lawn (East) IL, LLC	Oak Lawn				19
20			Manor Care of Oak Lawn (West) IL, LLC	Oak Lawn				20
21			Manor Care of Palos Heights (West) IL, LLC	Palos Heights				21
22			Manor Care of Palos Heights (East) IL, LLC	Palos Heights				22
23			Manor Care of Rolling Meadows IL, LLC	Rolling Meadows				23
24			Manor Care of South Holland IL, LLC	South Holland				24
25			Manor Care of Westmont IL, LLC	Westmont				25
26			Arden Courts of Elk Grove Village IL, LLC	Elk Grove Village				26
27			Arden Courts of Geneva IL, LLC	Geneva				27
28			Arden Courts of Glen Ellyn IL, LLC	Glen Ellyn				28
29			Arden Courts of Northbrook IL, LLC	Northbrook				29
30			Arden Courts of Palos Heights IL, LLC	Palos Heights				30

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

VII. RELATED PARTIES

A. (Continued) **Enter below the names of ALL owners and related organizations (parties) as defined in the instructions**

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1								1
2			Arden Courts of South Holland IL, LLC	South Holland				2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

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	N/A								$		1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	$		13

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

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

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 [X] NO [ ]

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

Name of Related Organization: HCR Manor Care Services LLC
Street Address: 333 North Summit Street
City / State / Zip Code: Toledo, OH 43604-2617
Phone Number: (419) 252-5500
Fax Number: (419) 254-5495

	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	5	Utilities - Pooled	Accumulated Cost	3,762,500,577	561 NFs, HHs, 8	$ 619,847	$	5,880,851	$ 969	1
2	5	Utilities - Direct to all SNFs	Accumulated Cost	3,293,915,113	359 NFs	0		5,880,851	0	2
3	5	Utilities - Direct to West Div SNFs	Accumulated Cost	764,848,030	75 NFs	0		5,880,851	0	3
4										4
5	10	Nursing - Pooled	Accumulated Cost	3,762,500,577	561 NFs, HHs, & Re	14,966	9,743	5,880,851	23	5
6	10	Nursing - Direct to all SNFs	Accumulated Cost	3,293,915,113	359 NFs	0		5,880,851	0	6
7	10	Nursing - Direct to West Div SNFs	Accumulated Cost	764,848,030	75 NFs	0		5,880,851	0	7
8										8
9	17	Gen/Admin-Pooled	Accumulated Cost	3,762,500,577	561 NFs, HHs, & Re	61,861,920	32,341,614	5,880,851	96,691	9
10	17	Gen/Admin-Direct to all SNFs	Accumulated Cost	3,293,915,113	359 NFs	14,679,699	5,396,995	5,880,851	26,209	10
11	17	Gen/Admin-Direct to West Div SN	Accumulated Cost	764,848,030	75 NFs	2,741,751	0	5,880,851	21,081	11
12										12
13	22	Empl Bnfts-Pooled	Accumulated Cost	3,762,500,577	561 NFs, HHs, & Re	5,141,603		5,880,851	8,038	13
14	22	Empl Bnfts-Direct to all SNFs	Accumulated Cost	3,293,915,113	359 NFs	6,319,907		5,880,851	11,283	14
15	22	Empl Bnfts-Direct to West Div SN	Accumulated Cost	764,848,030	75 NFs	0		5,880,851	0	15
16										16
17	30	Depreciation - Pooled	Accumulated Cost	3,762,500,577	561 NFs, HHs, & Re	3,929,156		5,880,851	6,141	17
18	30	Depreciation - Direct to all SNFs	Accumulated Cost	3,293,915,113	359 NFs	720,726		5,880,851	1,287	18
19	30	Depr - Direct to West Div SNFs	Accumulated Cost	764,848,030	75 NFs	0		5,880,851	0	19
20										20
21										21
22	32	Pooled Interest	Accumulated Cost	3,762,500,577		30,527,148		5,880,851	47,714	22
23	32	Directly Assigned Interest	Not Allocated			18,393,998			71,377	23
24		H/O Costs Allocated to Non-SNFs and Other Divisions				31,980,611				24
25	TOTALS					$ 176,931,332	$ 37,748,353		$ 290,813	25

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
		YES	NO				Original	Balance				
	A. Directly Facility Related											
	Long-Term											
1	Conv. Sub. Debentures		X				$ 964,387	$ 904,068		0.0790	$ 71,377	1
2												2
3												3
4												4
5												5
	Working Capital											
6												6
7	Pooled Interest										47,714	7
8	Interest Expense / Interest Income										(748)	8
9	TOTAL Facility Related						$ 964,387	$ 904,068			$ 118,343	9
	B. Non-Facility Related*											
10												10
11												11
12												12
13												13
14	TOTAL Non-Facility Related						$	$			$	14
15	TOTALS (line 9+line14)						$ 964,387	$ 904,068			$ 118,343	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. $ N/A Line #

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

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

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

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2015 report.	**Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.**	$ 149,361	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.)		$ 137,749	2
3. Under or (over) accrual (line 2 minus line 1).		$ (11,612)	3
4. Real Estate Tax accrual used for 2016 report. (Detail and explain your calculation of this accrual on the lines below.)		$ 137,749	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)		$	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. **TOTAL REFUND $ For Tax Year.** (Attach a copy of the real estate tax appeal board's decision.)		$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		$ 126,137	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	2011	83,972	8
	2012	140,433	9
	2013	146,092	10
	2014	149,361	11
	2015	137,749	12

Line 2: $137,748.80 = $68,874.40 for 1st half 2015 + $68,874.40 for 2nd half 2015

Line 4: Used same amount as line 2.

	FOR BHF USE ONLY		
13	FROM R. E. TAX STATEMENT FOR 2015	$	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.

2015 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Heartland of Galesburg COUNTY Knox

FACILITY IDPH LICENSE NUMBER 0049460

CONTACT PERSON REGARDING THIS REPORT Jeff Lewandowski

TELEPHONE (419) 252-5736 FAX #: (419) 254-5495

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

Enter the tax index number and real estate tax assessed for 2015 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 2015.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	99-10-427-018	See Attached	$ 137,748.80	$ 137,748.80
2.			$	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 137,748.80	$ 137,748.80

B. **Real Estate Tax Cost Allocations**

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

If YES, attach an explanation 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 2015 tax bills which were listed in Section A to this statement. Be sure to use the 2015 tax bill which is normally paid during 2016.

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 Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 23,388 B. General Construction Type: Exterior Masonry Frame Steel Number of Stories 1

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

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

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

N/A

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: 2. Number of Years Over Which it is Being Amortized:

3. Current Period Amortization: 4. Dates Incurred:

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

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Facillity		1983 & 2003	$ 121,935	1
2	Facillity		2006	47,025	2
3	TOTALS			$ 168,960	3

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	69		1964	1964	$ 407,801	$ 35,390		$ 35,390	$	$ 828,377	4
5	7			2003	570,110						5
6	7/1/06 Capital Rate Adj #1			2003	81,936						6
7	8			2005	637,826						7
8	7/1/06 Capital Rate Adj #14			2005	125,742						8
	Improvement Type**										
9	Building Improvements (Current Year Depreciation)					84,416		84,416		2,262,974	9
10	Building Improvements			1968	73						10
11	Building Improvements			1969	1,059						11
12	Building Improvements			1970	1,083						12
13	Building Improvements			1971	10,602						13
14	Building Improvements			1972	5,946						14
15	Building Improvements			1973	758						15
16	Building Improvements			1974	817						16
17	Building Improvements			1975	3,645						17
18	Building Improvements			1978	19,333						18
19	Land Improvements			1983	1,350						19
20	Building Improvements			1984	21,913						20
21	Building Improvements			1985	42,479						21
22	Land Improvements			1985	8,457						22
23	Building Improvements			1986	23,347						23
24	Land Improvements			1986	2,349						24
25	Building Improvements			1987	19,172						25
26	Building Improvements			1988	14,265						26
27	Land Improvements			1988	1,470						27
28	Building Improvements			1989	36,615						28
29	Land Improvements			1990	1,500						29
30	Building Improvements			1990	27,793						30
31	Building Improvements			1991	9,501						31
32	Building Improvements			1992	24,536						32
33	Building Improvements			1993	16,600						33
34	Land Improvements			1994	3,095						34
35	Building Improvements			1994	1,278						35
36											36

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

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

See Page 12A, Line 70 for total

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	Land Improvements	1995	$ 1,098	$		$	$	$	37
38	Building Improvements	1995	14,214						38
39	Building Improvements: Renovation of 4 bed area: Architect and	1996	23,693						39
40	engineering fees, demolition, masonary, concrete, drywall,								40
41	windows, doors, wood trim, paint, counter tops, electrical								41
42	Building Improvements : Wallcovering	1996	79,684						42
43	Building Improvements : Carpet and vinyl	1996	33,131						43
44	Builidng Improvements : Ceramic flooring	1996	40,886						44
45	Building Improvements : Millwork	1996	25,990						45
46	AUDIT ADJ 7/1/03 (#1) - PG 12A, LINE 45 (1996)	1996	(627)						46
47	Building Improvements : Electrical lighting, plumbing fixtures, ha	1996	51,580						47
48	rails, mirrors, lighting fixtures, signs, upgrade of alarm system,								48
49	vinyl flooring								49
50	Building Improvements : Doors	1997	10,728						50
51	Building Improvements : Electrical composite, automatic doors,	1997	38,947						51
52	metal doors, fire alarm system								52
53	Building Improvements : Capalo	1997	2,500						53
54	Building Improvements : Generator	1997	7,743						54
55	Building Improvements : Heating, Ventilation, Air Conditioning	1997	466,556						55
56	Building Improvements : Onan Genator	1997	17,482						56
57	Building Improvements : Soffits, gutters & trim	1997	9,962						57
58	Building Improvements : Generator	1997	24,885						58
59	Building Improvements - HVAC	1997	42,499						59
60	Land Improvements - Sidewald	1998	7,988						60
61	Building Improvements - Fire Prevention System	1998	35,013						61
62	Sidewalk	1999	7,988						62
63	Sidewalk	1999	900						63
64	AUDIT ADJ 7/1/03 (#2) - PG 12A, LINE 62	1999	(900)						64
65	Overhead from const	1999	2,681						65
66	AUDIT ADJ 7/1/03 (#2) - PG 12A, LINE 63	1999	(2,681)						66
67	Power control wiring for ne	1999	2,392						67
68	Sprinkler system upgrade	1999	19,107						68
69	AUDIT ADJ 7/1/03 (#3) - PG 12A, LINE 65	1999	(1,740)						69
70	TOTAL (lines 4 thru 69)		$ 3,084,150	$ 119,806		$ 119,806	$	$ 3,091,351	70

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	
1	Totals from Page 12A, Carried Forward		$ 3,084,150	$ 119,806		$ 119,806	$	$ 3,091,351	1
2	Air compressor	1999	598						2
3	Laundry room floor	1999	1,800						3
4	Sprinkler upgrade	1999	23,940						4
5	Fire sprinkler system	1999	2,971						5
6	Boiler	1999	33,600						6
7	HVAC upgrade	1999	2,420						7
8	Building improvements	1999	1,200						8
9	SMOKING HUT	2000	4,950						9
10	CONCRETE FOR SMOKE HUT	2000	350						10
11	CABINETRY	2000	3,690						11
12	ELECTRICAL	2000	20,205						12
13	ADDT'L COST SMOKING HUT	2000	645						13
14	ELECTRICAL	2000	10,880						14
15	ELECTRICAL	2000	3,454						15
16	HVAC	2000	21,662						16
17	ELECTRICAL/NEW OFFICE	2000	860						17
18	CABINETS	2000	1,369						18
19	HVAC	2000	1,736						19
20	HVAC	2000	193						20
21	ADDT'L COST FOR SPRINKLER SYST	2000	15,146						21
22	AUDIT ADJ 7/1/03 (#4) - PG 12B, LINE 18	2000	(15,146)						22
23	AIR / HUMIDIFIER COIL	2001	5,233						23
24	CANOPY	2001	1,200						24
25	CONCRETE PATIO	2001	5,500						25
26	Roof Upgrade - AUDIT ADJ 7/1/03 (#5) - CHG YEAR	2001	98,494						26
27	AUDIT ADJ 7/1/03 (#6) - PG 12B, LINE 24	2001	(6,839)						27
28	VWC	2002	1,172						28
29	Carpet	2002	1,534						29
30	Border	2002	111						30
31	Border	2002	125						31
32	Brick Work	2002	5,787						32
33	Addition Cost Brick Work	2002	643						33
34	TOTAL (lines 1 thru 33)		$ 3,333,633	$ 119,806		$ 119,806	$	$ 3,091,351	34

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	
1	Totals from Page 12B, Carried Forward		$ 3,333,633	$ 119,806		$ 119,806	$	$ 3,091,351	1
2	Artwork	2002	2,219						2
3	AUDIT ADJ 7/1/03 (#7) - PG 12B, LINE 29	2002	(2,219)						3
4	Paint & Wallcovering	2002	2,810						4
5	Paint & Wallcovering	2002	3,122						5
6	Carpet & Painting - AUDIT ADJ 7/1/03 (#9) - CHG YEAR	2002	34,932						6
7	Overhead & Interest	2003	431						7
8	AUDIT ADJ 7/1/03 (#8) - PG 12B, LINE 32	2003	(431)						8
9	Paint, Flooring & VWC	2003	12,182						9
10	Paint, Flooring & VWC	2003	1,354						10
11	Freight on Carpet	2003	56						11
12	Carpet, Wallcovering and Corner Guards	2003	12,197						12
13	Developers Costs - Architect & Engineering Fees	2003	96,312						13
14	7/1/06 Capital Rate Adj #4	2003	(10,839)						14
15	7/1/06 Capital Rate Adj #5	2003	(17,967)						15
16	Developers Costs - T&E, Reprod.,Permit & Plan Review Fees	2003	15,798						16
17	7/1/06 Capital Rate Adj #6	2003	(5,436)						17
18	Developers Costs - Overhead	2003	152,775						18
19	7/1/06 Capital Rate Adj #7	2003	(152,775)						19
20	Developers Costs - Interest	2003	13,748						20
21	7/1/06 Capital Rate Adj #8	2003	(13,748)						21
22	Millwork	2003	4,664						22
23	Soil and Concrete Testing, Water & Sewer Fees	2003	6,851						23
24	7/1/06 Capital Rate Adj #2	2003	(6,851)						24
25	Site Work/Preparation	2003	74,492						25
26	7/1/06 Capital Rate Adj #3	2003	(74,492)						26
27	CONSULTING SERVICES-PHASE 2 ADDITION	2003	3,200						27
28	ARCHITECTURAL SERVICES	2003	9,117						28
29	ENGINEERING COST-CENTRAL BATH RENOV	2004	4,013						29
30	ENGINEERING COST-CENTRAL BATH RENOV	2004	6,479						30
31	ARCHITECTURAL COSTS-CENTRAL BATH RENOV	2004	723						31
32	ARCHITECTURAL COST-CENTRAL BATH RENOV	2004	180						32
33									33
34	TOTAL (lines 1 thru 33)		$ 3,506,530	$ 119,806		$ 119,806	$	$ 3,091,351	34

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	
1	Totals from Page 12C, Carried Forward		$ 3,506,530	$ 119,806		$ 119,806	$	$ 3,091,351	1
2	ENGINEERING COST-CENTRAL BATH RENOV	2004	450						2
3	VINYL WALL COVERING	2004	266						3
4	BORDER	2004	948						4
5	ARCHITECTURAL COSTS-CENTRAL BATH RENOV	2004	2,986						5
6	BORDER FOR BATH	2004	85						6
7	ENGINEERING COST-CENTRAL BATH RENOV	2004	2,794						7
8	CARPET &COVE BASE	2004	6,273						8
9	VINYL WALL COVERING	2004	8,199						9
10	GAZEBO	2004	6,389						10
11	MATERIAL & SVCS-NURSING STA & BATH	2004	93,206						11
12	VINYL WALL COVERING	2005	497						12
13	GENERAL CONTRACTOR	2005	117,042						13
14	7/1/06 Capital Rate Adj #9	2005	(117,042)						14
15	SOIL TESTING	2005	1,790						15
16	7/1/06 Capital Rate Adj #10	2005	(1,790)						16
17	GAS SERVICE	2005	321						17
18	7/1/06 Capital Rate Adj #11	2005	(321)						18
19	SOIL TESTING	2005	3,370						19
20	7/1/06 Capital Rate Adj #12	2005	(3,370)						20
21	CONCRETE TESTING	2005	2,555						21
22	7/1/06 Capital Rate Adj #13	2005	(2,555)						22
23	GENERAL OVERHEAD	2005	8,273						23
24	7/1/06 Capital Rate Adj #15	2005	(8,273)						24
25	INTEREST ON CONSTRUCTION	2005	426						25
26	7/1/06 Capital Rate Adj #16	2005	(426)						26
27	CARPETING & PADS	2005	708						27
28	WALL COVERING	2005	4,135						28
29	CARPENTRY	2005	68,875						29
30	DRYWALL/STUDS	2005	1,500						30
31	DOORS/FRAMES	2005	1,125						31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 3,704,966	$ 119,806		$ 119,806	$	$ 3,091,351	34

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	
1	Totals from Page 12D, Carried Forward		$ 3,704,966	$ 119,806		$ 119,806	$	$ 3,091,351	1
2	ARCHITECT & ENGINEER COST	2005	59,040						2
3	ARCHITECT & ENGINEER COST	2005	8,988						3
4	ENGINEERING - CIVIL	2005	9,080						4
5	ENGINEERING - ELECTRIC	2005	600						5
6	LANDSCAPE DESIGN CONTRACTOR	2005	12,705						6
7	OVERHEAD	2005	106,428						7
8	7/1/06 Capital Rate Adj #18	2005	(106,428)						8
9	PERMIT FEES	2005	2,825						9
10	PLAN REVIEWS	2005	8,271						10
11	7/1/06 Capital Rate Adj #19	2005	(8,271)						11
12	INTEREST ON CONSTRUCTION	2005	16,467						12
13	7/1/06 Capital Rate Adj #20	2005	(16,467)						13
14	CARPETING AND PADS	2005	2,835						14
15	WALL COVERING	2005	9,095						15
16	CORNER GUARDS	2006	225						16
17	FIRE PROTECTION PIPING	2006	600						17
18	BASIC ELECTRICAL	2006	490						18
19	WALLCOVERINGS	2006	1,215						19
20	3 SETS OF DOORS	2006	4,226						20
21	INSTALL GUTTERS/WINDOWS	2006	14,500						21
22	VINYL WALL COVERING	2006	150						22
23	GUTTERS	2006	2,025						23
24	FLOORING-KITCHEN STORAGE	2006	6,278						24
25	EXPAND FREEZER & COOLER	2006	30,957						25
26	DOOR	2006	3,041						26
27	SIDEWALKS	2007	6,879						27
28	SIDEWALKS	2007	2,106						28
29	boiler room door	2007	2,419						29
30	Fire Sprinkler System	2007	2,728						30
31	Architecture for Concrete	2007	1,739						31
32	LAUNDRY RM IMP-DRYWALL, PAINT & DOORS	2007	11,516						32
33	DOOR LEADING TO KITCHEN	2007	2,127						33
34	TOTAL (lines 1 thru 33)		$ 3,903,355	$ 119,806		$ 119,806	$	$ 3,091,351	34

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	
1	Totals from Page 12E, Carried Forward		$ 3,903,355	$ 119,806		$ 119,806	$	$ 3,091,351	1
2	0707 NURSE STATION GEN'L OH	2007	631						2
3	0707 NURSE STATION CARPENTRY	2007	16,655						3
4	0707 NURSE STATION CABINETS	2007	12,567						4
5	HOT WATER HEATER	2008	11,677						5
6	new garage	2008	10,325						6
7	PT DOUBLE DOORS	2008	4,750						7
8	OT DOUBLE DOORS	2008	4,750						8
9	NEW GARAGE	2008	10,325						9
10	garage work	2008	1,950						10
11	Door Replacement / Renovation	2008	2,157						11
12									12
13	Concrete Ramp	2008	10,800						13
14	HVAC Controls	2009	2,540						14
15	HVAC Controls	2009	39,798						15
16									16
17	40685 Kithen door	2010	2,470						17
18	40686 front enterance awning	2010	3,198						18
19	40688 adj asset 40686-frnt ent awning	2010	3,198						19
20	40689 VCT flooring	2010	13,925						20
21	40690 add'l cost VCT flooring	2010	13,925						21
22									22
23	40701 Water Heater	2011	13,500						23
24	40702 acoustical ceiling	2011	7,200						24
25	40703 STAINLESS STEEL BACKSLACH	2011	7,650						25
26	40704 CEILING GRID IN DINING RM	2011	3,285						26
27									27
28	40712 WALL COVERING & CARPET in Front Corridor	2012	23,432						28
29	40720 BURNER ASSEMBLY FOR BOILER	2012	8,515						29
30	40721 WALLCOVERING in Front Corridor	2012	934						30
31	40722 FIRE DOOR In TV Lounge	2012	3,105						31
32	40723 WALLCOVERING in Front Corridor	2012	848						32
33	40724 WALL COVERING & CARPET-Front Corridor	2012	2,604						33
34	TOTAL (lines 1 thru 33)		$ 4,140,069	$ 119,806		$ 119,806	$	$ 3,091,351	34

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	
1	Totals from Page 12F, Carried Forward		$ 4,140,069	$ 119,806		$ 119,806	$	$ 3,091,351	1
2	40725 WALLCOVERING IN FRONT CORRIDOR	2012	3,713						2
3	40726 WALLCOVERING IN FRONT CORRIDOR	2012	609						3
4	40730 CONCRETE Front Bldg & SEAL COAT Parking Lot	2012	6,388						4
5	40738 Install WATER HEATER/rep HEAT Exchanger in boiler	2013	23,852						5
6	40747 LIGHTING UPGRADES	2014	7,027						6
7	40761 Shower stall repairs-installed new tile	2014	2,650						7
8	40762 Shower stall repairs-install flooring	2014	2,565						8
9									9
10	40766 Drain replaced, add flr sink in Kitchen Dishwash area	2015	6,638						10
11	40768 Floor replacement Kitchen Dishwash area	2015	6,165						11
12	40771 & 40776 Boiler - replace flue,burners, & controls	2015	14,967						12
13	40774 Repair Ktchen Wall - Studs, Durock, Paint	2015	2,565						13
14	40779 Install Firestop materials to 1st flr. smoke barriers	2015	14,874						14
15	40782 HM Doors (2) at SW exit & small dining rom	2015	3,149						15
16									16
17	Conduit & Wiring for Generator Life Safey Branch	2016	9,375						17
18	Fire Alarm System	2016	17,033						18
19	Sewer repair under concrete floor & flooring for dietary kitchen	2016	9,529						19
20	Roofing repairs to valley & flashing - installed ice guard	2016	4,997						20
21	Repair water damage Ceiling in employee break room	2016	4,114						21
22	Roof repair over cooler/freezer, east side of bldg	2016	4,822						22
23	Furnish & install Water Heater BTH-400 in mechanical room	2016	21,069						23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 4,306,170	$ 119,806		$ 119,806	$	$ 3,091,351	34

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XI. OWNERSHIP COSTS (continued)

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

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	$ 1,838,397	$ 41,834	$ 41,834	$		$ 1,739,242	71
72	Current Year Purchases	29,088						72
73	Fully Depreciated Assets							73
74	Home Office Depreciation			7,428	7,428			74
75	TOTALS	$ 1,867,485	$ 41,834	$ 49,262	$ 7,428		$ 1,739,242	75

D. Vehicle Costs. (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				$	$	$	$		$	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)	$ 6,342,615	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 161,640	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 169,068	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 7,428	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 4,830,593	85

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

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

G. Construction-in-Progress

	Description	Cost	
92		$	92
93			93
94			94
95		$	95

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

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease:
2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
   If NO, see instructions. ☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:	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.
   This amount was calculated by dividing the total amount to be amortized by the length of the lease ____.

9. Option to Buy: ☐ YES ☐ NO Terms: ____ *

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.	/2017	$
13.	/2018	$
14.	/2019	$

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

15. Is Movable equipment rental included in building rental? ☐ YES ☐ NO
16. Rental Amount for movable equipment: $ 20,645 Description: O2 Concentrators, Wheelchairs, Geri Chairs, Elec. Beds, Etc.
    (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	Patient Transportation	2013 Ford Van E350	$	$ 21,546	17
18					18
19				above figure includes	19
20				gas & maintenance	20
21	TOTAL		$	$ 21,546	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.

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

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
   - [X] NO

   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.

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	1193 hrs	$ 50,793	384	$ 24,198	$ 631	1,577	$ 75,622	1
2	Licensed Speech and Language Development Therapist	10a	894 hrs	38,044	40	2,535	36	934	40,615	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	10a	1258 hrs	53,558	559	35,212	6,019	1,817	94,789	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				196,430		196,430	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): IV Therapy	43, 2					40,832		40,832	12
13	Other (specify): X-Ray & Lab	43, 3				36,843			36,843	13
14	TOTAL			$ 142,395	983	$ 98,788	$ 243,948	4,328	$ 485,131	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.

STATE OF ILLINOIS

Facility Name & ID Number Heartland of Galesburg **#** 0049460 **Report Period Beginning:** 01/01/16 **Ending:** 12/31/16

XV. BALANCE SHEET - Unrestricted Operating Fund. **As of** 12/31/16 **(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	$ 14,160	$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 158,657)	897,227		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 911,387	$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	168,960		13
14	Buildings, at Historical Cost	4,306,166		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	1,867,485		16
17	Accumulated Depreciation (book methods)	(4,830,593)		17
18	Deferred Charges	94,487		18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 1,606,505	$	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 2,517,892	$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 177,155	$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	245,371		30
31	Accrued Taxes Payable (excluding real estate taxes)			31
32	Accrued Real Estate Taxes(Sch.IX-B)	137,749		32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	Accounts Payable	65,147		36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 625,422	$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	904,068		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)**	$ 904,068	$	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 1,529,490	$	46
47	**TOTAL EQUITY(page 18, line 24)**	$ 988,402	$	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 2,517,892	$	48

***(See instructions.)**

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ 1,551,728	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ 1,551,728	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(123,974)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	( )	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ (123,974)	17
	B. Transfers (Itemize):		
18	**Change in Interdivision**	(439,352)	18
19			19
20			20
21			21
22			22
23	**TOTAL Transfers (sum of lines 18-22)**	$ (439,352)	23
24	**BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)**	$ 988,402	24 *

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

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

	I. Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 5,930,308	1
2	Discounts and Allowances for all Levels	(2,626,633)	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 3,303,675	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	2,004,750	6
7	Oxygen		7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 2,004,750	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	1,685	12
13	Barber and Beauty Care	5,583	13
14	Non-Patient Meals	22,379	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	415,330	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	86,725	19
20	Radiology and X-Ray	32,106	20
21	Other Medical Services	160,203	21
22	Laundry		22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 724,011	23
	D. Non-Operating Revenue		
24	Contributions	205	24
25	Interest and Other Investment Income***		25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ 205	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Quarterly Incentive payments & Purchase Discounts	3,592	28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 3,592	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 6,036,233	30

	II. Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	893,207	31
32	Health Care	2,348,894	32
33	General Administration	1,441,464	33
	B. Capital Expense		
34	Ownership	1,045,393	34
	C. Ancillary Expense		
35	Special Cost Centers	278,756	35
36	Provider Participation Fee	152,493	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 6,160,207	40
41	**Income before Income Taxes (line 30 minus line 40)****	(123,974)	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ (123,974)	43

	III. Net Inpatient Revenue detailed by Payer Source		
44	Medicaid - Net Inpatient Revenue	$ 1,254,417	44
45	Private Pay - Net Inpatient Revenue	1,138,058	45
46	Medicare - Net Inpatient Revenue	448,139	46
47	Other-(specify) Hospice	140,599	47
48	Other-(specify) Insurance	322,462	48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	$ 3,303,675	49

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

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

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

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

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

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	2,097	2,291	$ 84,434	$ 36.85	1
2	Assistant Director of Nursing	3,741	4,086	111,112	27.19	2
3	Registered Nurses	11,658	12,734	308,102	24.20	3
4	Licensed Practical Nurses	15,667	17,113	316,544	18.50	4
5	CNAs & Orderlies	48,019	52,666	599,634	11.39	5
6	CNA Trainees	0	0	0		6
7	Licensed Therapist	5,854	6,392	272,065	42.56	7
8	Rehab/Therapy Aides	7,243	7,909	218,362	27.61	8
9	Activity Director	1,842	2,014	40,660	20.19	9
10	Activity Assistants					10
11	Social Service Workers	3,815	4,171	92,223	22.11	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	17,317	18,958	215,960	11.39	15
16	Dishwashers					16
17	Maintenance Workers	1,973	2,161	46,571	21.55	17
18	Housekeepers	12,421	13,597	145,724	10.72	18
19	Laundry	1,657	1,815	18,233	10.05	19
20	Administrator	2,080	2,080	85,664	41.18	20
21	Assistant Administrator	0	0	0		21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	8,809	9,617	219,497	22.82	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	2,041	2,236	30,304	13.55	31
32	Other Health Care(specify)					32
33	Other(specify)	0				33
34	TOTAL (lines 1 - 33)	146,234	159,840	$ 2,805,089 *	$ 17.55	34

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

** See instructions.

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		$		35
36	Medical Director	Monthly	17,100	9, 3	36
37	Medical Records Consultant	Monthly	2,080	10, 3	37
38	Nurse Consultant				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				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)		$ 19,180		49

C. CONTRACT NURSES

		1 Number of Hrs. Paid & Accrued	2 Total Contract Wages	3 Schedule V Line & Column Reference	
50	Registered Nurses		$	10, 3	50
51	Licensed Practical Nurses			10, 3	51
52	Certified Nurse Assistants/Aides			10, 3	52
53	TOTAL (lines 50 - 52)		$		53

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Andrew Musser (Jan-March)	Administrator	0	$ 21,489
Shaila Hart (April-December)	Administrator	0	64,175
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			$ 85,664

B. Administrative - Other

Description	Amount
Various Home Office Services - See Page 8 for breakdown	$ 290,813
TOTAL (agree to Schedule V, line 17, col. 3)	$ 290,813
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
KATHLEEN W KOLODGY ESQ	Legal Fees	$ 150
SNF Global	Legal Fees	34,992
(Legal Fees were adjusted off via Page 5, Line 22: therefore, no invoices are attached)		
Michael T. Mahoney LTD	Collection Services	6,260
Transworld	Collection Services	375
(Collections Costs were adjusted off via Page 5a, Line 5)		
TOTAL (agree to Schedule V, line 19, column 3)		
(For legal fee disclosure, see page 39 of instructions)		$ 41,777

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 37,182
Unemployment Compensation Insurance	38,390
FICA Taxes	198,218
Employee Health Insurance	191,716
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
Disability Payments	
401K	3,837
Appreciation, Oth Benefits & Mktg Adj	8,176
Tuition Program	
Smsp Match	33
Employee Uniforms	3,372
Home Office Allocation	19,321
TOTAL (agree to Schedule V, line 22, col.8)	$ 500,245

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

Description	Line #	Amount
		$
TOTAL		$

* Attach copy of IMRF notifications

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$
Advertising: Employee Recruitment	18,645
Health Care Worker Background Check	
(Indicate # of checks performed 199)	4,698
Patient Background Checks 226	2,260
Dues & Subscriptions	2,192
Association Dues	5,541
Advertising	21,465
Other Licenses and Permits	761
Less: Non-Allowable Association Dues	(2,082)
Less: Public Relations Expense	( )
Non-allowable advertising	(21,465)
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 32,015

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	7,986
Includes travel expense to the Home	
Office in Toledo, OH for regional meetings	
Seminar Expense	
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 7,986

**See instructions.

Facility Name & ID Number Heartland of Galesburg # 0049460 Report Period Beginning: 01/01/16 Ending: 12/31/16

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. **ICHA $2,226 & ACHA $1,233**

(3) Did the nursing home make political contributions or payments to a politica
action organization? **YES** If YES, have these costs
been properly adjusted out of the cost report? **YES**

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

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

(6) Indicate the total amount of both disposable and non-disposable diaper expense
and the location of this expense on Sch. V. $ **28,311** 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? **YES**
If YES, give effective date of lease. **04/07/11**

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

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

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Departmen
during this cost report period. $ **152,493**
This amount is to be recorded on line 42 of Schedule V.

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

(13) Have costs for all supplies and services which are of the type that can be billed tc
the Department, in addition to the daily rate, been properly classifiec
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 fo
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. $ **N/A** Has any meal income been offset against
related costs? **YES** Indicate the amount. $ **22,379**

(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 fo
residents? **NO** If YES, please indicate the amount of income earned from such a
program during this reporting period. $
c. What percent of all travel expense relates to transportation of nurses and patients? **N/A**
d. Have vehicle usage logs been maintained? **N/A**
e. Are all vehicles stored at the nursing home during the night and all other
times when not in use? **N/A**
f. Has the cost for commuting or other personal use of autos been adjusted
out of the cost report? **N/A**
g. Does the facility transport residents to and from day training? NO
Indicate the amount of income earned from providing such transportation during this reporting period. $

(17) Has an audit been performed by an independent certified public accounting firm? **NO**
Firm Name:

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

(19) Has a schedule for the legal fees reported on the cost report been provided by the facility?
See page 39 of the instructions for details. **NO**
Attach invoices and a summary of services for all architect and appraisal fees