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: 0046870

Facility Name: Stearns Nsg & Rehab Center

Address: 3900 Stearns Avenue (Number) Granite City (City) 62040 (Zip Code)

County: Madison

Telephone Number: (618)931-3900 **Fax #** (618)931-0766

HFS ID Number:

Date of Initial License for Current Owners: January 1, 2005

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: Gary F. Eye **Telephone Number:** (716)972-2392
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 01/01/2016 to 12/31/2016 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) Gary F. Eye
(Title) Senior VP of Finance of Tara Cares

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 Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	109	Skilled (SNF)	109	39,894	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	109	TOTALS	109	39,894	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	24,129	4,972	6,789	35,890	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	24,129	4,972	6,789	35,890	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 89.96%

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 01/01/2005

J. Was the facility purchased or leased after January 1, 1978?
YES [X] Date January 01, 2005 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 109 and days of care provided 3,438

Medicare Intermediary Wisconsin Physicians Insurance Corp. (WPS)

IV. ACCOUNTING BASIS

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

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

Tax Year: 1/1/ to 12/31/16 Fiscal Year: 1/1 to 12/31/16

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

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	257,850	23,055	9,388	290,293		290,293	(1,152)	289,141			1
2	Food Purchase		232,371		232,371		232,371	10	232,381			2
3	Housekeeping	173,602	37,884	114	211,600		211,600		211,600			3
4	Laundry	37,858	11,926	275	50,059		50,059	14	50,073			4
5	Heat and Other Utilities			122,211	122,211		122,211	956	123,167			5
6	Maintenance	64,549	60,026	59,340	183,915		183,915	(11,945)	171,970			6
7	Other (specify):* see trial balance			21,902	21,902		21,902	168	22,070			7
8	**TOTAL General Services**	533,859	365,262	213,230	1,112,351		1,112,351	(11,949)	1,100,402			8
	B. Health Care and Programs											
9	Medical Director			20,400	20,400		20,400		20,400			9
10	Nursing and Medical Records	2,199,264	160,906	28,035	2,388,205		2,388,205	(16,740)	2,371,465			10
10a	Therapy		5,274	591,801	597,075		597,075	41,041	638,116			10a
11	Activities	68,271	6,703	5,240	80,214		80,214		80,214			11
12	Social Services	84,898	27	3,000	87,925		87,925		87,925			12
13	CNA Training											13
14	Program Transportation			18,607	18,607		18,607		18,607			14
15	Other (specify):* see trial balance			10,369	10,369		10,369	(3,799)	6,570			15
16	**TOTAL Health Care and Programs**	2,352,433	172,910	677,452	3,202,795		3,202,795	20,502	3,223,297			16
	C. General Administration											
17	Administrative	243,059		340,152	583,211		583,211	(112,721)	470,490			17
18	Directors Fees											18
19	Professional Services			35,744	35,744		35,744	(2,478)	33,266			19
20	Dues, Fees, Subscriptions & Promotions			30,313	30,313		30,313	(16,053)	14,260			20
21	Clerical & General Office Expenses	20,569	53,592	80,018	154,179		154,179	(8,747)	145,432			21
22	Employee Benefits & Payroll Taxes			426,318	426,318		426,318	(952)	425,366			22
23	Inservice Training & Education											23
24	Travel and Seminar			25,738	25,738		25,738	220	25,958			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			26,727	26,727		26,727	(2,600)	24,127			26
27	Other (specify):* see trial balance			475,455	475,455		475,455	(466,033)	9,422			27
28	**TOTAL General Administration**	263,628	53,592	1,440,465	1,757,685		1,757,685	(609,364)	1,148,321			28
29	**TOTAL Operating Expense (sum of lines 8, 16 & 28)**	3,149,920	591,764	2,331,147	6,072,831		6,072,831	(600,811)	5,472,020			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 Stearns Nsg & Rehab Center #0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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			36,389	36,389		36,389	319,970	356,359			30
31	Amortization of Pre-Op. & Org.											31
32	Interest							116,639	116,639			32
33	Real Estate Taxes			107,096	107,096		107,096		107,096			33
34	Rent-Facility & Grounds			232,501	232,501		232,501	(211,295)	21,206			34
35	Rent-Equipment & Vehicles			71,671	71,671		71,671		71,671			35
36	Other (specify):* **Off Site Storage**			2,819	2,819		2,819		2,819			36
37	**TOTAL Ownership**			450,476	450,476		450,476	225,314	675,790			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers											39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			257,408	257,408		257,408		257,408			42
43	Other (specify):* **see trial balance**			218,144	218,144		218,144	(63,314)	154,830			43
44	**TOTAL Special Cost Centers**			475,552	475,552		475,552	(63,314)	412,238			44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	3,149,920	591,764	3,257,175	6,998,859		6,998,859	(438,811)	6,560,048			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 Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	(63)	2		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds	(11)	21		11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(150)	2		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	(1,430)	21		18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(471,257)	27		24
25	Fund Raising, Advertising and Promotional	(10,243)	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	(30,775)			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (513,929)		$	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)	75,118		34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$ 75,118		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (438,811)		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						44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

Stearns Nsg & Rehab Center

ID# 0046870

Report Period Beginning: 01/01/2016

Ending: 12/31/2016

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	Remove Non-allowable Admin - Prof Dues	$ (4,141)	20	1
2	Remove Non-allowable Admissions Other Supplies	(8,799)	21	2
3	Remove Non-allowable Admiss - Profl Dues	(50)	20	3
4	Remove Non-allowable Finance Charges	(729)	22	4
5	Remove Non-allowable Insurance Costs	(2,600)	26	5
6	Remove Non-allowable HR EE Background Checks	(1,649)	20	6
7	Remove Non-allowable BO Tax Prep Fees	(2,478)	19	7
8	Additional Allowable Dietary	81	1	8
9	Additional Allowable Food	223	2	9
10	Additional Allowable Maintenance	725	6	10
11	Additional Allowable Laundry	14	4	11
12	Additional Allowable Nursing and Med. Records	13	10	12
13	Additional Allowable Sharpsmart	168	7	13
14	Additional Allowable CM Code Set	412	15	14
15	Additional Allowable Heat and Other Utilities	956	5	15
16	Additional Allowable Dues, Fees, Subscriptions	30	20	16
17	Additional Allow Clerical & General Office Exp	1,547	21	17
18	Additional Allow Clerical & General Office Exp	12	21	18
19	Additional Allowable Travel	220	24	19
20	Remove Non-Allowable IV Prescription Drug costs	(635)	43	20
21	Offset Misc. Rev Med Surg	(1,463)	10	21
22	Offset Misc. Rev Food Supp	(91)	10	22
23	Offset Misc. Rev Incontinent	(781)	10	23
24	Offset Misc. Rev Non-Med. Equipment	(127)	6	24
25	Offset Misc. Revenue Equip	(1)	10	25
26	Offset Misc. Revenue Other	(14)	21	26
27	Offset Interco Sold Services Revenue	(880)	10	27
28	Offset Interco Sold Services Revenue	(321)	6	28
29	Offset Interco Sold Services Revenue	(740)	1	29
30	Offset Interco Sold Services Revenue	(493)	1	30
31	Offset Interco Sold Services Revenue	(380)	22	31
32	Capitalize Repairs & Maintenance & Equipment	(3,077)	6	32
33	Capitalize Repairs & Maintenance & Equipment	(2,616)	10	33
34	Capitalize Repairs & Maintenance & Equipment	(5,255)	10	34
35	Capitalize Repairs & Maintenance & Equipment	(6,437)	6	35
36	Capitalize Repairs & Maintenance & Equipment	(2,708)	6	36
37	Deprecaition/Amort LHI	9,777	30	37
38	Deprecaition/Amort Mme	3,715	30	38
39	Current Year Depreciation Audit Adjustments LHI	(659)	30	39
40	Remove Non-allowable Prior Year Costs	(1,544)	43	40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	**Total**	(30,775)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 **Report Period Beginning:** 01/01/2016 **Ending:** 12/31/2016

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

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY TOTALS	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
1	Dietary	(1,152)	0	0	0	0	0	0	0	0	0	0	(1,152)	1
2	Food Purchase	10	0	0	0	0	0	0	0	0	0	0	10	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	14	0	0	0	0	0	0	0	0	0	0	14	4
5	Heat and Other Utilities	956	0	0	0	0	0	0	0	0	0	0	956	5
6	Maintenance	(11,945)	0	0	0	0	0	0	0	0	0	0	(11,945)	6
7	Other (specify):*	168	0	0	0	0	0	0	0	0	0	0	168	7
8	**TOTAL General Services**	(11,949)	0	0	0	0	0	0	0	0	0	0	(11,949)	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	(11,074)	(5,666)	0	0	0	0	0	0	0	0	0	(16,740)	10
10a	Therapy	0	41,041	0	0	0	0	0	0	0	0	0	41,041	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):*	412	(4,211)	0	0	0	0	0	0	0	0	0	(3,799)	15
16	**TOTAL Health Care and Programs**	(10,662)	31,164	0	0	0	0	0	0	0	0	0	20,502	16
	C. General Administration													
17	Administrative	0	(112,721)	0	0	0	0	0	0	0	0	0	(112,721)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(2,478)	0	0	0	0	0	0	0	0	0	0	(2,478)	19
20	Fees, Subscriptions & Promotions	(16,053)	0	0	0	0	0	0	0	0	0	0	(16,053)	20
21	Clerical & General Office Expenses	(8,695)	(52)	0	0	0	0	0	0	0	0	0	(8,747)	21
22	Employee Benefits & Payroll Taxes	(1,109)	157	0	0	0	0	0	0	0	0	0	(952)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	220	0	0	0	0	0	0	0	0	0	0	220	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	(2,600)	0	0	0	0	0	0	0	0	0	0	(2,600)	26
27	Other (specify):*	(471,257)	0	5,224	0	0	0	0	0	0	0	0	(466,033)	27
28	**TOTAL General Administration**	(501,972)	(112,616)	5,224	0	0	0	0	0	0	0	0	(609,364)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(524,583)	(81,452)	5,224	0	0	0	0	0	0	0	0	(600,811)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 **Report Period Beginning:** 01/01/2016 **Ending:** 12/31/2016

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	12,833	0	307,137	0	0	0	0	0	0	0	0	319,970	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	0	0	116,639	0	0	0	0	0	0	0	0	116,639	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	0	0	(211,295)	0	0	0	0	0	0	0	0	(211,295)	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**	12,833	0	212,481	0	0	0	0	0	0	0	0	225,314	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):*	(2,179)	(61,135)	0	0	0	0	0	0	0	0	0	(63,314)	43
44	**TOTAL Special Cost Centers**	(2,179)	(61,135)	0	0	0	0	0	0	0	0	0	(63,314)	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	(513,929)	(142,587)	217,705	0	0	0	0	0	0	0	0	(438,811)	45

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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
DTD HC, LLC	50%	Granite Nursing and Rehabilitation Center, LLC	Granite City	Tara Pharmacy SE, LL	Birmingham	Pharmacy
D & N, LLC	50%	White Hall Nursing and Rehabilitation Center, LLC	White Hall	Tara Therapy, LLC	Orchard Park	Therapy
		Calhoun Nursing and Rehabilitation Center, LLC	Hardin	Raimax Healthcare So	Orchard Park	Software
		Scenic Nursing and Rehabilitation Center, LLC	Herculaneum	Stearns Property Com	Granite City	Property Company
		Jefferson City Nursing & Rehabilitation Center, LLC	Jefferson City	3690 Associates, LLC	Orchard Park	Clearing Account
		Riverside Nursing and Rehabilitation Center, LLC	Kansas City	Health Care Risk Grou	Orchard Park	Insurance
		Douglasville Nursing & Rehabilitation Center, LLC	Douglasville	Aurora Cares, LLC d/l	Orchard Park	Support Office

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

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

1 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	17	Administrative Services Costs	$ 340,152	Aurora Cares, LLC d/b/a Tara Cares	0.00%	$ 227,431	$ (112,721)	1
2	V	15	Patient Care Software	3,600	Raimax Healthcare Solutions Group, LLC	0.00%	(250)	(3,850)	2
3	V	15	Wireless Access Points License Fee	630	Raimax Healthcare Solutions Group, LLC	0.00%	669	39	3
4	V	21	Wireless Access Points installation Fee	208	Raimax Healthcare Solutions Group, LLC	0.00%	157	(51)	4
5	V	21	Wireless Access Points equipment sales	204	Raimax Healthcare Solutions Group, LLC	0.00%	203	(1)	5
6	V	10	Pharmacy Consulting Services	23,544	Tara Pharmacy SE, LLC	0.00%	17,878	(5,666)	6
7	V	43	Flu Vac/Prescription Drugs-Residents	178,125	Tara Pharmacy SE, LLC	0.00%	116,990	(61,135)	7
8	V	22	Flu/TB/HepB Vaccine for Employees	2,431	Tara Pharmacy SE, LLC	0.00%	2,588	157	8
9	V	15	Misc. Sales & Delivery Charges	400	Tara Pharmacy SE, LLC	0.00%		(400)	9
10	V	10a	Physical Therapy Fees	134,644	Tara Therapy, LLC	0.00%	160,279	25,635	10
11	V	10a	Occupational Therapy Fees	276,811	Tara Therapy, LLC	0.00%	271,949	(4,862)	11
12	V	10a	Speech Therapy Fees	180,457	Tara Therapy, LLC	0.00%	200,725	20,268	12
13	V								13
14	Total			$ 1,141,206			$ 998,619	$ * (142,587)	14

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

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [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)	
15	V	34	Rent	$ 232,501	Stearns Property Company, LLC	0.00%	$	$ (232,501)	15
16	V	30	Depreciation Leasehold Imp		Stearns Property Company, LLC	0.00%	170,488	170,488	16
17	V	30	Depreciation Major Moveable		Stearns Property Company, LLC	0.00%	29,471	29,471	17
18	V	30	Depreciation Bldg & Improve		Stearns Property Company, LLC	0.00%	107,178	107,178	18
19	V	27	Amort Loan Acquisition Costs		Stearns Property Company, LLC	0.00%	5,224	5,224	19
20	V	32	Interest-Capital/Long-Term Debt		Stearns Property Company, LLC	0.00%	116,639	116,639	20
21	V	34	Mortgage Insurance Premium		Stearns Property Company, LLC	0.00%	21,206	21,206	21
22	V								22
23	V								23
24	V	1	Dietary Services	977	Scenic Nursing and Rehabilitation Center, LLC	0.00%	977		24
25	V	15	Nursing Admin Services	259	Scenic Nursing and Rehabilitation Center, LLC	0.00%	259		25
26	V	15	Nursing Admin Services	173	White Hall Nursing and Rehabilitation Center, LLC	0.00%	173		26
27	V	6	Maintenance Services	298	White Hall Nursing and Rehabilitation Center, LLC	0.00%	298		27
28	V	27	Administrative Services	284	White Hall Nursing and Rehabilitation Center, LLC	0.00%	284		28
29	V	27	Human Resources Services	157	White Hall Nursing and Rehabilitation Center, LLC	0.00%	157		29
30	V	15	Nursing Admin Services	120	White Hall Nursing and Rehabilitation Center, LLC	0.00%	120		30
31	V	1	Dietary Services	357	Granite Nursing and Rehabilitation Center, LLC	0.00%	357		31
32	V	10	RN Services	639	Calhoun Nursing and Rehabilitation Center, LLC	0.00%	639		32
33	V					0.00%			33
34	V					0.00%			34
35	V					0.00%			35
36	V					0.00%			36
37	V					0.00%			37
38	V								38
39	Total			$ 235,765			$ 453,470	$ * 217,705	39

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

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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			Jonesboro Nursing and Rehabilitation Center, LLC					1
2			Lake City Nursing and Rehabilitation Center, LLC					2
3			Mobile Nursing and Rehabilitation Center, LLC					3
4			Florence Nursing and Rehabilitation Center, LLC					4
5			Birmingham Nrs&Rehab Center East, LLC					5
6			Birmingham Nursing and Rehabilitation Center, LLC					6
7			Eight Mile Nursing and Rehabilitation Center, LLC					7
8			North Hill Nursing and Rehabilitation Center, LLC					8
9			Elba Nursing and Rehabilitation Center, LLC					9
10			Quince Nursing and Rehabilitation Center, LLC					10
11			Allenbrooke Nursing and Rehabilitation Center, LLC					11
12			Tupelo Nursing and Rehabilitation Center, LLC					12
13			Brandon Nursing and Rehabilitation Center, LLC					13
14			Lakeland Nursing and Rehabilitation Center, LLC					14
15			McComb Nursing and Rehabilitation Center, LLC					15
16			Cleveland Nursing and Rehabilitation Center, LLC					16
17			Chadwick Nursing and Rehabilitation Center, LLC					17
18			Manhattan Nursing and Rehabilitation Center, LLC					18
19			Ruleville Nursing and Rehabilitation Center, LLC					19
20			Farmerville Nursing and Rehabilitation Center, LLC					20
21			Bernice Nursing and Rehabilitation Center, LLC					21
22			Ruston Nursing and Rehabilitation Center, LLC					22
23			Natchitoches Nursing and Rehabilitation Center, LLC					23
24			Winnfield Nursing and Rehabilitation Center, LLC					24
25			Ringgold Nursing and Rehabilitation Center, LLC					25
26			Arcadia Nursing and Rehabilitation Center, LLC					26
27			Jena Nursing and Rehabilitation Center, LLC					27
28								28
29			** The above listed facilites are related by					29
30			common ownership					30

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	DTD HC, LLC	Owner		50.00	0	0	0.00	0	$ 0	17	1
2	D & N, LLC	Owner		50.00	0	0	0.00	0	0	17	2
3	Donald T. Denz	CFO & CoCEO	Finance/ Admin	0.00	***	0.74	1.85	Fin/ Adm. of TC	5,581	17	3
4		for Tara Cares	of Tara Cares								4
5	Norbert A. Bennett	CEO for Tara Cares	Finance/ Admin	0.00	***	0.74	1.85	Fin/ Adm. of TC	5,581	17	5
6			of Tara Cares								6
7	Suzette Wilson	Vice President	Admin of	0.00	***	0.74	1.85	VP of TC	4,985	17	7
8			Tara Cares								8
9	*** Compensation paid only through Support Office and allocated share reported in column 7.										9
10											10
11											11
12											12
13								TOTAL	$ 16,147		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 Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 2/31/2016

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: Aurora Cares, LLC d/b/a Tara Cares
Street Address: PO Box 428
City / State / Zip Code: Orchard Park, NY 14127
Phone Number: (716)662-4955
Fax Number: (716)662-2529

	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	Administrative Services Costs	Total Costs	393,631,114	40	$ 327,613	$ 248,771	6,658,655	$ 5,540	1
2	5	Administrative Services Costs	Days	1,573,569	36	39,084	0	35,880	891	2
3	6	Administrative Services Costs	Days	1,573,569	36	73,458	0	35,880	1,673	3
4	10	Administrative Services Costs	Total Costs	393,631,114	40	2,792,167	2,199,184	6,658,655	47,222	4
5	17	Administrative Services Costs	Days	1,573,569	36	5,935,931	5,935,931	35,880	135,352	5
6	19	Administrative Services Costs	Days	1,573,569	36	10,996	0	35,880	251	6
7	20	Administrative Services Costs	Days	1,573,569	36	13,064	0	35,880	298	7
8	21	Administrative Services Costs	Days	1,573,569	36	280,112	0	35,880	6,389	8
9	22	Administrative Services Costs	Days	1,573,569	36	874,230	0	35,880	19,934	9
10	24	Administrative Services Costs	Days	1,573,569	36	142,490	0	35,880	3,251	10
11	26	Administrative Services Costs	Days	1,573,569	36	5,764	0	35,880	131	11
12	27	Administrative Services Costs	Days	1,573,569	36	92,390	0	35,880	2,106	12
13	30	Administrative Services Costs	Days	1,573,569	36	83,854	0	35,880	1,912	13
14	31	Administrative Services Costs	Days	1,573,569	36	10,324	0	35,880	235	14
15	33	Administrative Services Costs	Days	1,573,569	36	30,404	0	35,880	693	15
16	34	Administrative Services Costs	Days	1,573,569	36	66,534	0	35,880	1,517	16
17	35	Administrative Services Costs	Days	1,573,569	36	1,606	0	35,880	36	17
18										18
19										19
20		NOTE: Aurora Cares, LLC d/b/a Tara Cares provides administrative support services under contract to the reporting facility.								20
21		Aurora Cares, LLC has no ownership interest and does not manage the reporting facility. Therefore, Aurora Cares, LLC is not								21
22		considered a Home Office by CMS and as defined in 42 CRF 421.404.								22
23										23
24										24
25	TOTALS					$ 10,780,021	$ 8,383,886		$ 227,431	25

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	Lancaster Pollard Mortgage Company		X	Land and Building	$16,942.18	6/20/12	$ 4,566,200	$ 4,201,590	7/1/47	0.0275	$ 116,639	1
2												2
3												3
4												4
5												5
	Working Capital											
6	None											6
7												7
8												8
9	TOTAL Facility Related				$16,942.18		$ 4,566,200	$ 4,201,590			$ 116,639	9
	B. Non-Facility Related*											
10	None											10
11												11
12												12
13												13
14	TOTAL Non-Facility Related						$	$			$	14
15	TOTALS (line 9+line14)						$ 4,566,200	$ 4,201,590			$ 116,639	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. $ 21,206 Line # 34

*** 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 Stearns Nsg & Rehab Center # 0046870 **Report Period Beginning:** 01/01/2016 **Ending:** 12/31/2016

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.**	$	97,400	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.)	$	100,696	2
3. Under or (over) accrual (line 2 minus line 1).	$	3,296	3
4. Real Estate Tax accrual used for 2016 report. (Detail and explain your calculation of this accrual on the lines below.)	$	103,800	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.	$	107,096	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	2011	82,717	8
	2012	90,101	9
	2013	90,466	10
	2014	92,799	11
	2015	100,696	12

	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 Stearns Nsg & Rehab Center COUNTY Madison

FACILITY IDPH LICENSE NUMBER 0046870

CONTACT PERSON REGARDING THIS REPORT Gary F. Eye

TELEPHONE (716) 662-4955, ext. 392 FAX #: (716) 662-4468

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.	22-1-20-09-07-201-013	3900 Stearns Avenue	$ 100,695.56	$ 100,695.56
2.			$	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 100,695.56	$ 100,695.56

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 Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 32,578 B. General Construction Type: Exterior Masonry Frame Steel Reinforcement Number of Stories One

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 [X] (b) Rent equipment from a Related Organization. [ ] (c) Rent equipment from Completely Unrelated Organization.

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

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

None

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

1. Total Amount Incurred: 63,995
2. Number of Years Over Which it is Being Amortized: 5 years (60 Months)
3. Current Period Amortization: Included in Schedule VII B Ln 1-8
4. Dates Incurred: Various and on the books of related entities

Nature of Costs: Inc. CapitalizedPre-openingSalaries,Benefits&OtherCostsIncurred2009&2010. AlloctedViaRelatedOrgCost&ReportedSchVII B
(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	Long Term Care	195,584	2011	$ 191,114	1
2					2
3	TOTALS	195,584		$ 191,114	3

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	109		2011	1972	$ 4,287,120	$ 107,178	40	$ 107,178	$	$ 589,479	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	Alumalite Front Sign			2005	515		10			515	9
10	Sign			2005	800		10			800	10
11	Electrical and Mechanical Repairs capitalized for Medicaid			2005	11,308		3			11,308	11
12	Cabinetry Install for Therapy Room			2006	10,980	915	12	915		9,608	12
13	Emergency Lights (outside)			2006	1,621	135	12	135		1,418	13
14	Painting - Back Railings			2006	3,780		5			3,780	14
15	Outside Lights			2006	1,419	118	12	118		1,242	15
16	Walkway			2006	2,100	175	12	175		1,837	16
17	Roof			2006	152,600	12,717	12	12,717		133,525	17
18	Cabinetry - Therapy Room			2006	2,433	203	12	203		2,129	18
19	Plumbing and Mechanical Repairs capitalized for Medicaid			2006	3,808		3			3,808	19
20	Plumbing and Mechanical Repairs capitalized for Medicaid			2007	9,163		3			9,163	20
21	Air Conditioners (10)			2007	10,033		10			10,033	21
22	Closet Doors			2007	7,675	698	11	698		6,628	22
23	Kitchen Hoods and Sprinklers			2007	11,130	1,012	11	1,012		9,613	23
24	Resident Restrooms- tile, mirrors, drains, fixtures, shut offs, handrails, paint			2007	85,475	8,548	10	8,548		81,201	24
25	1 Resident Shower Room- tile, mirrors, drains, fixtures, shut offs			2007	50,679	4,607	11	4,607		43,768	25
26	Guest Bathroom - tile, sinks, faucets, toilet, drains, shut offs, paint, ceiling			2008	7,820	782	10	782		6,647	26
27	3 Shower Rooms - tile, drains, shut offs, paint, faucets			2008	61,673	6,167	10	6,167		52,422	27
28	Res bathrooms- tile, lighting, mirrors, hand rails, toilets, faucets, shut offs			2008	54,775	5,478	10	5,478		46,559	28
29	Electrical & Floor Repair capitalized for Medicaid			2008	4,710		3			4,710	29
30	A/C Unites (5)			2008	2,150		5			2,150	30
31	Fire Alarm Motherboard			2008	3,165	317	10	317		2,690	31
32	Nurses Stations (North & South)			2008	34,900	3,490	10	3,490		29,665	32
33	Kitchen Upgrade-waste/water line, metal studs, interior partition, new electrical			2008	44,605	4,461	10	4,461		37,914	33
34	Facility Sign			2008	11,365	1,136	10	1,136		9,660	34
35	**Dish Machine**			2008	14,180	1,418	10	1,418		12,053	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 Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	Hot Water Heater Pump	2009	$ 527	$ 59	9	$ 59	$	$ 439	37
38	Floor Installation	2009	40,021	4,447	9	4,447		33,351	38
39	Office Countertops	2009	1,259	140	9	140		1,049	39
40	Water Heater 100 Gallon & Pump	2009	8,225	914	9	914		6,854	40
41	Direct TV Systems	2009	15,858	1,762	9	1,762		13,215	41
42	Water Heater	2010	6,800	850	8	850		5,525	42
43	Water Heater (100 gallon)	2010	8,200	1,025	8	1,025		6,663	43
44	Phone System Upgrade (Nurse Station)	2010	1,061	133	8	133		862	44
45	Back Door / frame replacement	2010	3,409	426	8	426		2,770	45
46	Lighting & Room Signage capitalized for Medicaid	2010	13,829		3			13,829	46
47	TCU Wing Renovation	2011	630,780	90,111	7	90,111		495,613	47
48	Ceiling & Door Replacement	2011	80,229	11,461	7	11,461		63,037	48
49	Locks (6 coded/keyed)	2011	3,352	335	10	335		1,774	49
50	Electrical (Dining/NRS)	2011	4,466	298	15	298		1,576	50
51	A/C Unit	2011	1,104	156	5	156		1,104	51
52	Utility Room Renovation Drywall/plumbing/electric/cabinets	2011	16,150	1,077	15	1,077		5,697	52
53	Landscaping	2011	7,890	526	15	526		2,784	53
54	Water Softener	2011	2,074	207	10	207		1,097	54
55	Installation of 61 overbed lights-Capitalized for Medicaid	2011	12,272	1,227	5	1,227		12,271	55
56	Addtl TCU Wing Renovation - generator/flooring	2011	23,658	3,380	7	3,380		18,589	56
57	Ceiling, Smoke Door & Door Replacement	2011	19,522	2,789	7	2,789		15,339	57
58	Replace 41 Windowns - Capitalized for Medicaid	2011	6,070	607	5	607		6,070	58
59	Dining Room Wall Repair - Capitalized for Medicaid	2011	3,220	321	5	321		3,220	59
60	Laundry Room Ceiling/Lighting/Drywall/Painting-Cap for MCD	2011	5,769	576	5	576		5,769	60
61	Apoxy Coating Front Porch Floor	2011	5,005	709	5	709		5,005	61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		$ 5,812,732	$ 283,091		$ 283,091	$	$ 1,847,827	70

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

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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		$ 5,812,732	$ 283,091		$ 283,091	$	$ 1,847,827	1
2	Kitchen Sewer Line	2012	28,671	1,433	20	1,433		6,451	2
3	Additional new drains for sinks	2012	725	36	20	36		163	3
4	MagLock System Courtyard Gate	2012	4,800	480	10	480		2,007	4
5	Dietary Mixer Repair Capitalized for Medicaid	2012	2,873		3			2,873	5
6	Lobby/Lounge Door Hardware Capitalized for Medicaid	2012	4,360		3			4,360	6
7	Burnisher Repair Capitalized for Medicaid	2012	2,628		3			2,628	7
8	Sewer&DrainCleaning/Cableing,WaterLines-Cap for Medicaid	2012	4,698		3			4,698	8
9	RAC PTAC Unit	2013	672	134	5	134		470	9
10	81 gal Water Heater	2013	6,577	658	10	658		2,302	10
11	Cabling Installation for Wireless Access Point	2013	2,589	128	20	128		452	11
12	Asphalt parking lot	2013	49,183	6,148	8	6,148		21,518	12
13	Plumbing,Sprinkler,Wall&Burnisher Repairs - Cap for MCD	2013	31,755	5,293	3	5,293		31,755	13
14	Remove/Replace sidewalks to tie to existing 2 exit doors	2014	7,500	500	15	500		1,250	14
15	Seal Parking Lot	2014	2,900	725	2	725		2,900	15
16	Pave Walkway	2015	2,500	313	8	313		469	16
17	Repair Cooler Floor - Capitalized for Medicaid	2016	3,483	116	15	116		116	17
18	Repair Air Conditioner - Roof Top Unit Capitalized for Medicaid	2016	2,954	148	10	148		148	18
19	Sewer&DrainCleaning/Cableing,WaterLines-Cap for Medicaid	2016	2,708	451	3	451		451	19
20									20
21									21
22	Note: See additional building improvements made by former		533,613	27,771		27,771		474,208	22
23	property owner Healthcare REIT, Inc. on supplemental								23
24	schedule included as page 24 of the cost report.								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)		$ 6,507,921	$ 327,425		$ 327,425	$	$ 2,407,046	34

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

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	$ 308,510	$ 39,823	$ 39,823	$	Various	$ 225,316	71
72	Current Year Purchases	10,948	811	811		Various	810	72
73	Fully Depreciated Assets	178,033	2,422	2,422		Various	178,033	73
74								74
75	TOTALS	$ 497,491	$ 43,056	$ 43,056	$		$ 404,159	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	Residents to/from Doctors	2013 Champion Bus	2014	$ 54,596	$ 13,649	$ 13,649	$	4	$ 34,122	76
77										77
78										78
79										79
80	TOTALS			$ 54,596	$ 13,649	$ 13,649	$		$ 34,122	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)	$ 7,251,122	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 384,130	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 384,130	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 2,845,327	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	None	$	$	$	86
87					87
88					88
89					89
90					90
91	TOTALS	$	$	$	91

G. Construction-in-Progress

	Description	Cost	
92	None	$	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 Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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:				$			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 ☒ X NO
16. Rental Amount for movable equipment: $ 90,487 Description: see separate schedule
    (Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			$	$	17
18					18
19					19
20					20
21	TOTAL		$	$	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 Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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.

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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

	1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist		hrs	$		$	$		$	1
2	Licensed Speech and Language Development Therapist		hrs							2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist		hrs							4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy		# of prescrpts							9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):									12
13	Other (specify):									13
14	TOTAL			$		$	$		$	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.

Facility Name & ID Number Stearns Nsg & Rehab Center **#** 0046870 **Report Period Beginning:** 01/01/2016 **Ending:** 12/31/2016

XV. BALANCE SHEET - Unrestricted Operating Fund. **As of** 12/31/2016 **(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	$ 58,800	$	1
2	Cash-Patient Deposits	12,561		2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	1,581,743		3
4	Supply Inventory (priced at cost)	9,031		4
5	Short-Term Investments			5
6	Prepaid Insurance	3,207		6
7	Other Prepaid Expenses	11,446		7
8	Accounts Receivable (owners or related parties)	82,671		8
9	Other(specify): Non resident A/R (see TB)	6,980		9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 1,766,439	$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost	141,599		15
16	Equipment, at Historical Cost	130,823		16
17	Accumulated Depreciation (book methods)	(127,286)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds	(654)		21
22	Other Long-Term Assets (spe Deposits-Long Term	2,711		22
23	Other(specify):			23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 147,193	$	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 1,913,632	$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 115,822	$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	13,653		28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	290,993		30
31	Accrued Taxes Payable (excluding real estate taxes)	40,684		31
32	Accrued Real Estate Taxes(Sch.IX-B)	(8,407)		32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	Employee Benefits Payable	21,340		36
37	Accrued Expenses	188,808		37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 662,893	$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			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)**	$	$	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 662,893	$	46
47	**TOTAL EQUITY(page 18, line 24)**	$ 1,250,739	$	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 1,913,632	$	48

***(See instructions.)**

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ 1,169,380	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ 1,169,380	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(638,641)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants	720,000	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)**	$ 81,359	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)**	$ 1,250,739	24 *

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

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	$ 5,620,920	1
2	Discounts and Allowances for all Levels	286,991	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 5,907,911	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	437,906	6
7	Oxygen		7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 437,906	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		13
14	Non-Patient Meals	63	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	5,152	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	2,041	21
22	Laundry		22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 7,256	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	57	25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ 57	26
	E. Other Revenue (specify):**		
27	**Settlement Income (Insurance, Legal, Etc.)**		27
28	**Prior Year Net Revenue**	1,787	28
28a	**Purchase Discounts & Misc Revenue**	5,302	28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 7,089	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 6,360,219	30

	II. Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	1,112,351	31
32	Health Care	3,202,795	32
33	General Administration	1,757,685	33
	B. Capital Expense		
34	Ownership	450,476	34
	C. Ancillary Expense		
35	Special Cost Centers	218,144	35
36	Provider Participation Fee	257,408	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 6,998,859	40
41	**Income before Income Taxes (line 30 minus line 40)****	(638,640)	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ (638,640)	43

	III. Net Inpatient Revenue detailed by Payer Source		
44	Medicaid - Net Inpatient Revenue	$ 3,186,754	44
45	Private Pay - Net Inpatient Revenue	797,712	45
46	Medicare - Net Inpatient Revenue	1,709,806	46
47	Other-(specify) **Hospice**	213,639	47
48	Other-(specify)		48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	$ 5,907,911	49

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

** **Does this agree with taxable income (loss) per Federal Income Tax Return? see attached 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 Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	2,032	2,316	$ 91,977	$ 39.71	1
2	Assistant Director of Nursing	1,112	1,222	36,658	30.00	2
3	Registered Nurses	9,389	9,706	340,480	35.08	3
4	Licensed Practical Nurses	32,128	34,138	749,228	21.95	4
5	CNAs & Orderlies	78,587	82,561	927,385	11.23	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,933	1,989	32,761	16.47	9
10	Activity Assistants	3,198	3,593	35,510	9.88	10
11	Social Service Workers	3,849	4,153	84,898	20.44	11
12	Dietician	1,059	1,177	36,056	30.63	12
13	Food Service Supervisor	2,833	3,002	61,894	20.62	13
14	Head Cook					14
15	Cook Helpers/Assistants	6,365	6,687	69,118	10.34	15
16	Dishwashers	9,084	9,902	90,782	9.17	16
17	Maintenance Workers	3,974	4,155	64,549	15.54	17
18	Housekeepers	16,165	17,210	173,602	10.09	18
19	Laundry	3,279	3,919	37,858	9.66	19
20	Administrator	1,808	2,056	77,284	37.59	20
21	Assistant Administrator					21
22	Other Administrative	5,781	6,118	108,238	17.69	22
23	Office Manager	1,979	2,081	47,437	22.80	23
24	Clerical	1,826	1,926	30,669	15.92	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	1,939	2,092	32,184	15.38	31
32	Other Health Care(specify)					32
33	Other(specify) Central Supply	1,765	1,891	21,352	11.29	33
34	TOTAL (lines 1 - 33)	190,085	201,894	$ 3,149,920 *	$ 15.60	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	41	$ 2,163	1-3	35
36	Medical Director	244	20,400	9-3	36
37	Medical Records Consultant	48	3,300	10-3	37
38	Nurse Consultant				38
39	Pharmacist Consultant	$18/bed/month	23,544	10-3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	46	3,000	11-3	44
45	Social Service Consultant	46	3,000	12-3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	425	$ 55,407		49

C. CONTRACT NURSES

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

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Christine Warcup	Administrator	0	$ 77,284
Blair Smith	Bus Office Manager	0	47,438
Nicole Miner	Bus Office Asst	0	30,669
Shantay Bastain	Human Resouces	0	7,839
Lynde Carlisle	Human Resouces	0	24,652
Miranda Scoggins	Admissions Director	0	55,177
		0	
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			$ 243,059

B. Administrative - Other

Description	Amount
Tara Cares Administrative Services Fee	$ 340,152
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)	$ 340,152

C. Professional Services

Vendor/Payee	Type	Amount
Freed, Maxick & Battaglia	Accounting Fees	$ 2,518
Freed, Maxick & Battaglia	Tax Fees	2,478
Various Legal Fees - See attached listings		30,748
TOTAL (agree to Schedule V, line 19, column 3) (For legal fee disclosure, see page 39 of instructions)		$ 35,744

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 78,902
Unemployment Compensation Insurance	70,983
FICA Taxes	236,259
Employee Health Insurance	19,416
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
Worker Compensation Safety Rec. Program	1,703
Employee Benefits - Other	11,811
Employee Benefits - Short Term Disability	487
Employee Benefits - Hepatitis B Vaccination	
Employee Benefits - Dental	1,108
H.S.A. ER Contibution	3,340
Employee Benefit Life Insurance (ER)	1,357
TOTAL (agree to Schedule V, line 22, col.8)	$ 425,366

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

Description	Line #	Amount
None in allowable cost		$
(Column 8) of Schedule V		
TOTAL		$

* Attach copy of IMRF notifications

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$ 498
Advertising: Employee Recruitment	3,477
Health Care Worker Background Check	1,101
(Indicate # of checks performed 47)	
Patient Background Checks 132	1,509
Facility Advertising	10,243
IL Health Care Assn/Chamber of Comm	8,562
Non-Allowable/IHCA/ChamberComm	(4,141)
City Business License/Citrix/CDW Computer	2,106
Academy of Nutrition/Allscripts	1,148
Less: Public Relations Expense	( )
Non-allowable advertising	(10,243)
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 14,260

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	25,038
Seminar Expense	920
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 25,958

**See instructions.

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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. **IHCA $4,421 net of non-allowables**

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

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

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

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **30,239** Line **10-2**

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

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

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

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

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. $ **257,408**
This amount is to be recorded on line 42 of Schedule V.

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

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

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

(15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. $ **None** Has any meal income been offset against related costs? **Yes** Indicate the amount. $ **63**

(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? **N/A**
d. Have vehicle usage logs been maintained? **Yes**
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? **Yes**
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? **No Personal Use**
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) 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. **Yes**
Attach invoices and a summary of services for all architect and appraisal fees

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	Improvements Made by Healthcare REIT (covered by rent at outset		$	$		$	$	$	37
38	of Change of Ownership):								38
39									39
40	Cove Base	2006	16,775	1,398	12	1,398		13,280	40
41	Sprinkler System Cost @ 6/30/06	2006	120,650	10,450	12	10,450		99,275	41
42	Sprinkler System Addl Cost Post 6/30/06	2006	4,750						42
43	Painting of Facility Cost @ 6/30/06	2006	117,665		5			117,665	43
44	Painting of Facility Addl Cost Post 6/30/06	2006	750					750	44
45	Exterior Siding Cost @ 6/30/06	2006	54,360	3,993	12	3,993		37,937	45
46	Exterior Siding Addl Cost Post 6/30/06	2006	(6,440)						46
47	Handrails and Chairrails	2006	12,705	1,059	12	1,059		10,058	47
48	Ducts & Fire Dampers for Fire Alarm System	2006	1,445	144	10	144		1,373	48
49	A/C Units (10)	2006	9,284		5			9,284	49
50	Carpeting	2006	3,894		5			3,894	50
51	Grease Trap	2005	8,421	648	13	648		6,802	51
52	Air Conditioning Units (6)	2005	3,818		5			3,818	52
53	Air Conditioning Units (5)	2005	2,600	200	13	200		2,100	53
54	Doors (2) Beauty Shop, Office	2005	2,044	157	13	157		1,651	54
55	Doors (2)	2005	3,997	307	13	307		3,228	55
56	Replacement Windows	2005	6,555	328	10	328		6,554	56
57	Sprinkler System	2005	56,150	4,319	13	4,319		45,352	57
58	Fire Alarm System	2005	22,294	1,115	10	1,115		22,294	58
59	Closet Doors	2005	2,400	185	13	185		1,939	59
60	Smoke Damper	2005	700	35	10	35		700	60
61	Roof Repairs - Replace Shingles, Patch, Seal	2005	13,500	675	10	675		13,500	61
62	Replacement Doors	2005	1,697	131	13	131		1,371	62
63	Replacement Doors	2005	2,186	168	13	168		1,765	63
64	Compressor for Walk-in Freezer	2005	1,525	76	10	76		1,525	64
65	Air Conditioning Units (strip) (23)	2005	22,573		5			22,573	65
66	Doors	2005	3,092	238	13	238		2,497	66
67	Aspire Telephone System	2005	10,992	550	10	550		10,992	67
68	Fire Damper	2005	1,420	109	13	109		1,147	68
69									69
70	**TOTAL (lines 4 thru 69)**		**$ 501,802**	**$ 26,285**		**$ 26,285**	**$**	**$ 443,324**	70

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

Facility Name & ID Number Stearns Nsg & Rehab Center # 0046870 Report Period Beginning: 01/01/2016 Ending: 12/31/2016

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	Totals from Page 23 REIT, Carried Forward		$ 501,802	$ 26,285		$ 26,285	$	$ 443,324	37
38	Air Conditioning Units (2) - 4 ton & 5 ton	2005	11,617		5			11,617	38
39	Pave Walkway, Roadway, Turnaround	2005	5,150		8			5,150	39
40	Exterior Siding	2006	6,440	644	10	644		6,118	40
41	Double Bowl Sinks (2)	2006	1,104	92	12	92		874	41
42	5-ton Rooftop A/C Unit	2006	7,500	750	12	750		7,125	42
43									43
44									44
45									45
46									46
47									47
48									48
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66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		$ 533,613	$ 27,771		$ 27,771	$	$ 474,208	70

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