ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: University Rehabilitation Center		
Street Address: 500 South Art Bartell Drive		
City and Zip Code: Urbana, IL 61802		
County: Champaign	Health Service Area 004	Health Planning Area: 019

Applicant /Co-Applicant Identification
[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: Champaign County Board
Address: 1776 East Washington Street, Urbana, IL 61802-4581
Name of Registered Agent:
Name of Chief Executive Officer: C. Pius Weibel, Chair
CEO Address: 1776 East Washington Street, Urbana, IL 61802-4581
Telephone Number: 217-384-3772

Type of Ownership of Applicant/Co-Applicant

- ☐ Non-profit Corporation
- ☐ For-profit Corporation
- ☐ Limited Liability Company
- ☐ Partnership
- ☒ Governmental
- ☐ Sole Proprietorship
- ☐ Other

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

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

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

Name: Charles Sheets
Title: Attorney
Company Name: Polsinelli PC
Address: 150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606
Telephone Number: 312-873-3605
E-mail Address: csheets@polsinelli.com
Fax Number:

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

Name: Stacy J. Flanagan
Title: Partner
Company Name: Gutnicki LLP
Address: 4711 Golf Road, Suite 200, Skokie, Illinois 60076
Telephone Number: 847-745-6936
E-mail Address: sflanigan@gutnicki.com
Fax Number:

#18-026 County Nursing Home

Facility/Project Identification

Facility Name: University Rehabilitation Center		
Street Address: 500 South Art Bartell Drive		
City and Zip Code: Urbana, IL 61802		
County: Champaign	Health Service Area 004	Health Planning Area: 019

Applicant /Co-Applicant Identification

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

Exact Legal Name: University Rehabilitation Center of C-U, LLC
Address:
Name of Registered Agent:
Name of Chief Executive Officer: William "Avi" Rothner
CEO Address: 2201 Main St, Evanston, IL 60202
Telephone Number: (847) 905-4000

Type of Ownership of Applicant/Co-Applicant

- ☐ Non-profit Corporation
- ☐ For-profit Corporation
- ■ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ Other

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

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Primary Contact

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

Name: Charles Sheets
Title: Attorney
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Address: 150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606
Telephone Number: 312-873-3605
E-mail Address: csheets@polsinelli.com
Fax Number:

Additional Contact

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

Name: Stacy J. Flanagan
Title: Partner
Company Name: Gutnicki LLP
Address: 4711 Golf Road, Suite 200, Skokie, Illinois 60076
Telephone Number: 847-745-6936
E-mail Address: sflanigan@gutnicki.com
Fax Number:

Facility/Project Identification

Facility Name: University Rehabilitation Center		
Street Address: 500 South Art Bartell Drive		
City and Zip Code: Urbana, IL 61802		
County: Champaign	Health Service Area 004	Health Planning Area: 019

Applicant /Co-Applicant Identification

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

Exact Legal Name: University Rehab Real Estate, LLC
Address:
Name of Registered Agent:
Name of Chief Executive Officer: William "Avi" Rothner
CEO Address: 2201 Main St, Evanston, IL 60202
Telephone Number: (847) 905-4000

Type of Ownership of Applicant/Co-Applicant

- ☐ Non-profit Corporation
- ☐ For-profit Corporation
- ☒ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ Other

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

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

Primary Contact

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

Name: Charles Sheets
Title: Attorney
Company Name: Polsinelli PC
Address: 150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606
Telephone Number: 312-873-3605
E-mail Address: csheets@polsinelli.com
Fax Number:

Additional Contact

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

Name: Stacy J. Flanagan
Title: Partner
Company Name: Gutnicki LLP
Address: 4711 Golf Road, Suite 200, Skokie, Illinois 60076
Telephone Number: 847-745-6936
E-mail Address: sflanigan@gutnicki.com
Fax Number:

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

Name: William "Avi" Rothner
Title: President
Company Name: Altitude Health Services
Address: 2201 Main St, Evanston, IL 60202
Telephone Number: (847) 905-4000
E-mail Address:
Fax Number:

Site Ownership
[Provide this information for each applicable site]

Exact Legal Name of Site Owner: University Rehab Real Estate, LLC
Address of Site Owner:
Street Address or Legal Description of Site: 500 South Art Bartell Drive, Urbana, IL 61802 **Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.**
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee
[Provide this information for each applicable facility, and insert after this page.]

Exact Legal Name: University Rehabilitation Center of C-U, LLC
Address:

- ☐ Non-profit Corporation
- ☐ For-profit Corporation
- ■ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ Other

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.]

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

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

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

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

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

DESCRIPTION OF PROJECT

1. Project Classification

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

Part 1110 Classification:	Part 1120 Applicability or Classification: [Check one only.]
☐ Substantive	☐ Part 1120 Not Applicable
■ Non-substantive	☐ Category A Project
	☐ Category B Project
	☐ DHS or DVA Project

2. Narrative Description

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

The Champaign County Board ("County") has been operator and licensee of Champaign County Nursing Home since 1978. The proposed project contemplates the transfer of operational control of the Nursing Home from Champaign County to University Rehabilitation Center of C-U, LLC and transfer of the physical plant to University Rehab Real Estate, LLC. Upon approval by the Illinois Health Facilities and Services Review Board ("HFSRB"), University Rehabilitation Center of C-U, LLC will apply to the Illinois Department of Public Health ("IDPH") to become the licensee, necessitating a change of ownership.

As this is currently a County-owned and operated nursing home, this project is not exempt from obtaining HFSRB approval for the change of ownership.

The anticipated date of this transaction will occur when IDPH issues the license to University Rehabilitation Center of C-U, LLC.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)	$11,000,000		$11,000,000
TOTAL USES OF FUNDS	**$11,000,000**		**$11,000,000**
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	$,2750,000		$,2750,000
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages	$8,250,000		$8,250,000
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	**$11,000,000**		**$11,000,000**

NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Related Project Costs

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

Land acquisition is related to project ☐ Yes ☒ No
Purchase Price: $_____
Fair Market Value: $_____

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

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

Estimated start-up costs and operating deficit cost is $_____.

Project Status and Completion Schedules

Indicate the stage of the project's architectural drawings:

☒ None or not applicable ☐ Preliminary
☐ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): November 30, 2018

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

☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☐ Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
☒ Project obligation will occur after permit issuance.

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

State Agency Submittals

Are the following submittals up to date as applicable:
☐ Cancer Registry
☐ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☐ All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

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

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

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

Facility Bed Capacity and Utilization

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

FACILITY NAME: University Rehabilitation Center			**CITY: Urbana**		
REPORTING PERIOD DATES:		**From: 01/01/2017**		**to: 12/31/2017**	
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long Term Care	243		52,721	0	243
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify)					
TOTALS:	**243**		**52,721**	**0**	**243**

CERTIFICATION

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

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

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

Debra Busey
SIGNATURE

SIGNATURE

Debra Busey
PRINTED NAME

PRINTED NAME

Interim County Administrator
PRINTED TITLE

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 15 day of August 2018

Jacqueline K. Rhodes
Signature of Notary

Seal

OFFICIAL SEAL
JACQUELINE K RHODES
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires Mar 9, 2019

Notarization:
Subscribed and sworn to before me
this_____day of _____

Signature of Notary

Seal

*Insert EXACT legal name of the applicant

CERTIFICATION

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

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

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

SIGNATURE	SIGNATURE
William Rothner	
PRINTED NAME	PRINTED NAME
Manager	
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 15th day of August	Notarization: Subscribed and sworn to before me this_____day of _____
Signature of Notary	Signature of Notary
Seal	Seal

VICTORIA F KULKA
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
October 09, 2018

*Insert EXACT legal name of the applicant

#18-026 County Nursing Home

CERTIFICATION

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

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

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

SIGNATURE	SIGNATURE
William Rothner	
PRINTED NAME	PRINTED NAME
Manager	
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 15 day of August	Notarization: Subscribed and sworn to before me this_____day of _____
Signature of Notary	Signature of Notary
Seal	Seal

VICTORIA F KULKA
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
October 09, 2018

*Insert EXACT legal name of the applicant

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

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

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

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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

PURPOSE OF PROJECT

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

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

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

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

ALTERNATIVES

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

Alternative options **must** include:

A) Proposing a project of greater or lesser scope and cost;

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

C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and

D) Provide the reasons why the chosen alternative was selected.

2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**

3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

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

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

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

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative.**

2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following::

   a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;

   b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;

   c. The project involves the conversion of existing space that results in excess square footage.

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage of the proposed shell space;

2. The anticipated use of the shell space, specifying the proposed GSF tot be allocated to each department, area or function;

3. Evidence that the shell space is being constructed due to
   a. Requirements of governmental or certification agencies; or
   b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.

4. Provide:
   a. Historical utilization for the area for the latest five-year period for which data are available; and
   b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.

2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and

3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV – CHANGE OF OWNERSHIP OF COUNTY-OWNED LONG-TERM CARE FACILITIES

This Section is applicable to projects involving merger, consolidation or acquisition/change of ownership.

NOTE: For all projects involving a change of ownership THE TRANSACTION DOCUMENT must be submitted with the application for permit. The transaction document must be signed dated and contain the appropriate contingency language.

A. Criterion 1110.240(b), Impact Statement

Read the criterion and provide an impact statement that contains the following information:

1. Any change in the number of beds or services currently offered.
2. Who the operating entity will be.
3. The reason for the transaction.
4. Any anticipated additions or reductions in employees now and for the two years following completion of the transaction.
5. A cost-benefit analysis for the proposed transaction.

B. Criterion 1110.240(c), Access

Read the criterion and provide the following:

1. The current admission policies for the facilities involved in the proposed transaction.
2. The proposed admission policies for the facilities.
3. A letter from the CEO certifying that the admission policies of the facilities involved will not become more restrictive.

C. Criterion 1110.240(d), Health Care System

Read the criterion and address the following:

1. Explain what the impact of the proposed transaction will be on the other area providers.
2. List all of the facilities within the applicant's health care system and provide the following for each facility.
   a. the location (town and street address);
   b. the number of beds;
   c. a list of services; and
   d. the utilization figures for each of those services for the last 12 month period.
3. Provide copies of all present and proposed referral agreements for the facilities involved in this transaction.
4. Provide time and distance information for the proposed referrals within the system.
5. Explain the organization policy regarding the use of the care system providers over area providers.
6. Explain how duplication of services within the care system will be resolved.
7. Indicate what services the proposed project will make available to the community that are not now available.

APPEND DOCUMENTATION AS ATTACHMENT-19, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

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

V. 1120.120 - Availability of Funds

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

$2,750,000	a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	b)	Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
$8,250,000	d)	Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
_____	e)	Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
$11,000,000		**TOTAL FUNDS AVAILABLE**

APPEND DOCUMENTATION AS ATTACHMENT-20, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

VI. **1120.130 - Financial Viability**

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT-21, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

Provide Data for Projects Classified as:	**Category A or Category B (last three years)**			**Category B (Projected)**
Enter Historical and/or Projected Years:				**2021**
Current Ratio				0.84
Net Margin Percentage				4.4%
Percent Debt to Total Capitalization				N/A
Projected Debt Service Coverage				N/A
Days Cash on Hand				3.7 days
Cushion Ratio				N/A

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

2. Variance

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

APPEND DOCUMENTATION AS ATTACHMENT 22, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

VII. 1120.140 - Economic Feasibility

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

A. Reasonableness of Financing Arrangements

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

1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or

2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:

   A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or

   B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

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

1) That the selected form of debt financing for the project will be at the lowest net cost available;

2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;

3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. Circ.*	Const. $ (A x C)	Mod. $ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

APPEND DOCUMENTATION AS ATTACHMENT -23, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

VIII. Safety Net Impact Statement

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

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

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

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaidpatients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

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

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

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT-24, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

IX. Charity Care Information

Charity Care information MUST be furnished for ALL projects.

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three audited fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.

2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.

3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

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

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

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

APPEND DOCUMENTATION AS ATTACHMENT-25, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Section I, Identification, General Information, and Certification
Applicants

Certificates of Good Standing for University Rehabilitation Center of C-U, LLC and University Rehab Real Estate, LLC (collectively, the "Applicants") are attached at Attachment – 1.

University Rehabilitation Center of C-U, LLC will be the operator of the nursing home located at 500 Art Bartell Road, Urbana, Illinois 61802 formerly known as Champaign County Nursing Home (the "Nursing Home"). University Rehabilitation Center is a trade name of University Rehabilitation Center of C-U, LLC and is not separately organized.

University Rehab Real Estate, LLC will be the site owner of the Nursing Home.

Section I, Identification, General Information, and Certification

Site Ownership

A copy of the Asset Purchase Agreement the facility located at 500 South Art Bartell Drive, Urbana is attached at Attachment – 2.

ASSET PURCHASE AGREEMENT

by and between

THE COUNTY OF CHAMPAIGN, ILLINOIS,
a public body corporate and politic of the State of Illinois,
as Seller

and

ALTITUDE ACQUISITIONS, LLC,
an Illinois limited liability company,
as Purchaser

August 1, 2018

Champaign County Nursing Home
500 South Art Bartell Road
Urbana, Illinois 61802

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "***Agreement***") is made and entered into as of this 1st day of August, 2018 (the "***Effective Date***"), by and between **THE COUNTY OF CHAMPAIGN, ILLINOIS**, a public body corporate and politic of the State of Illinois ("***Seller***"), as seller, and **ALTITUDE ACQUISITIONS, LLC**, an Illinois limited liability company ("***Purchaser***"), as purchaser.

RECITALS

A. Seller owns and is the licensed operator of that certain 220 bed nursing facility, which is licensed for 243 skilled nursing beds, commonly known as Champaign County Nursing Home, 500 South Art Bartell Road, Champaign, Illinois 61802 (the "***Facility***"), including (i) the land on which the Facility is located, which is legally described on **Exhibit A**, attached hereto and made a part hereof, together with all easements, hereditaments, privileges and appurtenances appurtenant thereto (collectively, the "***Land***"), (ii) the buildings and improvements located on the Land, including the Facility and any patios, courtyards, fences, parking areas and storage structures (the "***Improvements***"), and (iii) the furniture, fixtures, equipment and systems located in the Improvements and used in connection with the ownership and operation of the Facility (the "***FF&E***").

B. Seller desires to sell and transfer the Property (as hereinafter defined) to Purchaser and Purchaser desires to purchase the Property from Seller on the terms and conditions set forth in this Agreement.

C. Concurrent with the closing of the transactions contemplated herein, Purchaser may, as lessor, enter into a new lease agreement for the Facility with Altitude Acquisitions, LLC, an Illinois limited liability company ("***New Operator***"), pursuant to which New Operator, as lessee, shall be the new licensed operator of the Facility.

D. Certain operational matters related to the transfer of the operations of the Facility from Seller to New Operator not otherwise addressed herein shall be handled pursuant to the terms of a separate operations transfer agreement (the "***OTA***") to be entered into by and among Seller, New Operator and SAK Management Services, LLC ("***Manager***"), which shall govern with respect to the transfer of the operations of the Facility from Seller and Manager to New Operator and shall provide for a closing thereunder concurrent with the Closing (as hereinafter defined) under this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the Purchase Price (as hereinafter defined) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows:

Attachment - 2

1. **PURCHASE AND SALE.** On the terms and conditions set forth herein, (a) Seller shall sell, assign, transfer, convey and deliver fee simple title in the Real Property to Purchaser on the Closing Date and Purchaser shall purchase the Real Property from Seller free and clear of all liens other than Permitted Exceptions (as defined herein), (b) Seller shall sell, assign, transfer, convey and deliver the Personal Property to Purchaser and Purchaser

shall purchase, receive and accept the Personal Property from Seller free and clear of all liens, and (c) Seller shall assign, transfer, convey and deliver the Intangible Property to Purchaser, and Purchaser shall purchase, receive and accept the Intangible Property from Seller free and clear of all liens.

2. **THE PROPERTY**. The "***Property***" shall collectively be the following:

a. **Real Property**. The real property shall consist of all of Seller's right, title and interest in: (i) the Land, (ii) the Improvements, (iii) the FF&E, (iv) any other interest of Seller in all easements, if any, to the extent of any such interest of Seller and (v) any other structure or improvements located on the Land (collectively, the "***Real Property***").

b. **Personal Property**. The personal property shall consist of all of Seller's right, title and interest in the computer hardware, telephones and telephone systems, non-proprietary marketing and promotional materials relating to the Facility, including data from websites or internet domains associated with the Facility, non-proprietary stationery, kitchen equipment, resident room furnishings in the possession of Seller or relating to the Real Property or the Improvements and all other tangible property and assets (except for FF&E) that is located on the Real Property and utilized in connection with the owning, operating or managing of the Facility (collectively, the "***Personal Property***").

c. **Intangible Property**. The intangible property being assigned, set over and transferred by Seller to Purchaser shall consist of: (i) any special use permits from the city or municipality, (ii) any certificate of need, (iii) goodwill associated with the business and the reputation of the Facility, and (iv) any third party warranties or guaranties associated with the Property, all to the extent related specifically to the Facility and as assignable by law (collectively, the "***Intangible Property***").

3. **EXCLUDED PROPERTY**. Notwithstanding those items set forth in **Section 2** above, the following shall be excluded from the sale by Seller to Purchaser hereunder (collectively, the "***Excluded Property***"): (a) cash and cash equivalents, short-term investments and third-party payor settlements, (b) Seller's rights under this Agreement and the agreements to be executed in connection herewith, (c) Seller's organizational documents, (d) personal property owned by residents of the Facility and not by Seller, (e) personal property owned by third party vendors and leased to Seller or any entity providing services at the Facility for use in connection with the operations of the Facility as indicated on Schedule 3, except to the extent Seller's interest in such leased property is legally transferable and expressly assumed by Purchaser or New Operator under this Agreement or the OTA as listed on Schedule 3, (f) any confidential or proprietary information of Seller or Seller's affiliates that is not primarily used or held in connection with the Facility, (g) any accounts receivable, accounts payable or liabilities associated with the operation of the Facility prior to the Closing Date, and (h) any items transferred pursuant to the terms of the OTA.

4. **CLOSING.**

a. **Closing Date.** The closing of the purchase and sale pursuant to this Agreement (the "***Closing***") shall take place through an escrow (the "***Closing Escrow***") to be

established with First American Title Insurance Company (the "***Title Company***"), pursuant to escrow instructions that conform to the terms hereof, on the first day of the first month after CON Approval (as hereinafter defined), provided however Purchaser shall have the option to extend the Closing Date for two additional one-month periods, to be effective at 12:01 a.m. on the following day (the "***Closing Date***"), provided that all other conditions to close as set forth herein have been satisfied or waived pursuant to the terms of this Agreement prior to the Closing Date.

b. **Possession.** All FF&E and Personal Property shall be located at the Facility on the Closing Date. After the Closing, Purchaser shall have free and clear title to the Property, subject to the Permitted Exceptions, and be entitled to possession of the Property, subject only to the possessory rights of the residents at the Facility in accordance with ordinary course operation of the Facility.

5. **PURCHASE PRICE.**

a. **Purchase Price.** In consideration for the conveyance of the Property, Purchaser shall pay to Seller the amount of **ELEVEN MILLION DOLLARS ($11,000,000.00)** (the "***Purchase Price***"), payable in immediately available funds on the Closing Date, plus or minus the credits and prorations set forth in this Agreement.

b. **Escrow Deposit.** Purchaser previously deposited with Seller the amount of Two Hundred Fifty Thousand Dollars ($250,000.00), as earnest money (the "***Initial Escrow Deposit***"). Within one (1) business days after the Effective Date, Seller and Purchaser shall execute the Strict Joint Order Escrow Instructions in the form of Exhibit B. Within three (3) business days of the execution of this Agreement, Seller shall transfer the Initial Escrow Deposit into the escrow established with the Title Company and Purchaser shall deposit with Title Company the additional amount of Eight Hundred Fifty Thousand Dollars ($850,000.00) (the "***Additional Escrow Deposit***" and, collectively with the Initial Escrow Deposit, the "***Escrow Deposit***"). The Escrow Deposit and any interest earned thereon shall be credited to Purchaser against the Purchase Price at Closing and transferred to the Closing Escrow for disbursement as provided herein.

c. **Purchase Price Allocation.** Prior to the Closing, the parties to this Agreement expressly agree to use best efforts to allocate the Purchase Price of the Property and among the real, personal and intangible property for all tax purposes. Purchaser's proposal for an allocation shall be delivered to Seller at least five (5) business days prior to the Closing Date. Any such agreed upon allocation shall be memorialized in writing prior to the Closing. After the Closing, the parties shall make consistent use of the agreed upon allocation, fair market value and useful lives for all tax purposes and in all filings, declarations and reports with the IRS in respect thereof, including the reports required to be filed under Section 1060 of the Internal Revenue Code. In any proceeding related to the determination of any tax, neither party shall contend or represent that such allocation is not a correct allocation.

6. **COSTS AND CREDITS.**

a. **Purchaser's Charges.** On the Closing Date, Purchaser shall be responsible for the cost of the Title Commitment, Lender's Title Policy (both as hereinafter defined) and endorsements to such Title Policy and recording fees for the Deed.

b. **Seller's Charges.** On the Closing Date, Seller shall be responsible for the cost of recording fees for the Removable Exceptions (as hereinafter defined) and Survey Defects (as hereinafter defined) which Seller is obligated or agreed to correct per **Section 9(d)** and for the owner's Title Policy (with Extended Coverage).

c. **Attorney's Fees.** Except as otherwise expressly set forth herein, each party hereto shall each pay their own attorney's and other professional fees in connection with this matter.

d. **Escrow Fees.** Seller and Purchaser shall equally pay any Closing escrow fees.

e. **Additional Fees.** Except as expressly provided otherwise in this Agreement, all other transaction costs shall be allocated between Seller and Purchaser in the manner customary for transactions in the location of the Facility.

7. **PRORATIONS.** The following shall be prorated as of the Closing Date (so that Purchaser receives all of the benefits and revenues, and is responsible for all of the expenses, commencing on the Closing Date and thereafter) and shall be settled by a credit or debit against the Purchase Price at the Closing:

a. **Real Estate Taxes.** The parties acknowledge there are no real estate taxes accrued, due or payable for the period prior to the Closing Date so there shall be no proration of real estate taxes made at Closing.

b. **Utilities.** Seller shall pay all utility charges attributable to the Property through and including the Closing Date that are not otherwise paid or prorated by Seller pursuant to the terms of the OTA. Charges and deposits for water, fuel, gas, oil, heat, electricity and other utility and operating charges and prepaid service contracts will be based upon the last available invoice. Seller will attempt to obtain final utility meter readings as close as possible to the Closing Date.

c. **Operational Prorations.** The operational prorations shall occur pursuant to the terms of the OTA, including without limitation, revenues and expenses pertaining to the Facility, utility charges for the billing period in which the Closing Date occurs, assumed contracts, utilities, prepaid income and expenses, bed taxes, security deposits, employee accruals, resident trust funds and other related items of revenue or expense attributable to the Facility, if any, which shall be prorated as of the Closing Date per the terms of the OTA.

8. **DUE DILIGENCE.**

a. **Due Diligence Items.** Purchaser and Seller acknowledge that prior to the Effective Date, Seller has provided Purchaser with access to an online data room containing copies of due diligence materials in Seller's possession.

b. **Third Party Reports.** Purchaser shall have forty-five (45) days from the Effective Date ("***Inspection Period***") to conduct due diligence. Seller shall permit Purchaser and its representatives, lender and lender's representatives, contractors, land surveyors, environmental companies and other agents ("***Representatives***") access to the Real Property in connection with the Purchaser's third party reports and due diligence, provided that such access rights are not disruptive to the operations at the Facility, provided Purchaser has delivered proof of insurance to Seller, and further provided that Purchaser and its Representatives are at all times in compliance with all state and federal laws governing the rights of the residents of the Facility.

c. **Indemnification.** Purchaser agrees to indemnify, defend, protect and hold harmless Seller, and Seller's respective affiliates, members, officers, directors and agents from and against any loss, injury, damage, claim, lien, cost or expense, including reasonable attorneys' fees and costs, arising from or related to the access rights exercised by Purchaser or its employees, consultants, agents or Representatives under this Agreement. Purchaser shall carry, and shall cause any of its agents or representatives entering onto the Real Property to carry, workers' compensation and general liability insurance in the amount of $1,000,000 per occurrence, which insurance shall name Seller as an additional insured. Purchaser shall keep the Property free and clear of any mechanic's or materialmen's liens arising out of any entry onto or inspection of the Property by or on behalf of Purchaser.

d. **Notice of Termination.** Purchaser shall have the right, in its sole discretion, to terminate this Agreement by written notice to Seller, at any time before the end of the Inspection Period ("***Inspection Termination Notice***"), in which event Seller shall promptly direct the Title Company to refund the Escrow Deposit to Purchaser, and all further rights and obligations of the parties hereto shall cease and terminate without any further liability of either party to the other (except those obligations which expressly survive such termination as provided in this Agreement). If Purchaser does not provide an Inspection Termination Notice on or before the end of the Inspection Period, this specific right of termination shall be itself terminated and, thereafter, Purchaser shall not have any right to terminate this Agreement based on any due diligence and the Escrow Deposit shall be nonrefundable except as otherwise expressly provided in this Agreement.

9. **TITLE AND SURVEY.**

a. **Title Policy.** With 10 days of execution of this Agreement, Seller shall delivered to Purchaser a commitment to issue standard Owner's Title Insurance Policy for the Property (the "***Title Commitment***") from the Title Company showing title to the Real Property vested in Seller. Seller covenants to reasonably cooperate with Purchaser to have the Title Company at Closing issue a title policy from the Title Commitment ("***Title***

Policy") or a markup or proforma of the Title Commitment, subject only to the Permitted Exceptions (as hereinafter defined).

b. **Survey**. With 10 days of execution of this Agreement, Seller shall delivered to Purchaser a proposed Plat of Subdivision for the Property that it intends to have recorded on or prior to the Closing Date. Purchaser may order a new ALTA Survey for the Real Property (the "***Survey***") at its cost.

c. **Permitted Exceptions and Removable Exceptions**. The term "***Permitted Exceptions***" shall mean: (i) the liens of real estate taxes that are not yet due and payable on the Closing Date; (ii) those items set forth on Schedule B to the Title Commitment and set forth on **Schedule 9(c)(ii);** provided, however, these are subject to objection by Purchaser upon review of title and survey; (iii) those easements and covenants described on **Schedule 9(c)(iii)** that the Seller intends on recording at or prior to the Closing; provided, however, these are subject to objection by Purchaser upon review of title and survey; (iv) matters disclosed by the Survey (other than Survey Defects) or that are otherwise accepted by Purchaser per the terms of this Agreement; and (v) the rights of residents in possession. The term "***Removable Exceptions***" shall mean title exceptions pertaining to liens or encumbrances of a definite or ascertainable amount that Seller will remove by the payment of money on the Closing Date.

d. **Correction of Survey Defects**. Within thirty (30) days after the Effective Date (the "***Objection Deadline***"), Purchaser shall notify Seller in writing if it objects to an item disclosed on the Plat of Subdivision or a Survey ("***Survey Defects***"). After receipt of notice from Purchaser, Seller shall have five (5) business days to provide written notice to Purchaser as to whether Seller elects to: (a) correct such Survey Defects before the Closing, (b) have the Title Company commit to insure over the Survey Defect, or (c) not remove or correct any such Survey Defects. If Seller fails to timely respond or elects not to remove or correct any such Survey Defects, then Purchaser may elect within five (5) business days with written notice to Seller to (x) take the Property as it then is; or (y) terminate this Agreement by written notice to Seller (which shall be deemed a termination pursuant to **Section 20(a)(i)** of this Agreement) and in which event the Escrow Deposit shall be returned to Purchaser.

10. **PRE-CLOSING COVENANTS.**

a. **Seller's Covenants.** Seller hereby agrees and covenants to Purchaser that between the Effective Date and the Closing Date, except as otherwise contemplated by this Agreement or with the prior written consent of Purchaser:

i. Seller shall use its best efforts to timely obtain any necessary third party consents for the valid conveyance, transfer, assignment or delivery of the Property being transferred per this Agreement.

ii. Seller shall notify the Illinois Department of Revenue (the "***IDR***") and shall request tax clearance certificates from IDR. No later than ten (10) business days prior to the Closing Date, Seller shall (1) obtain either a full release of claims from the IDR with respect to all debts owed by Seller or a statement setting forth

all IDR debts owed by Seller and (2) provide Purchaser with a statement setting forth the amount owed by Seller with respect to all Illinois and federal payroll, assessment and other taxes and all license fees, including supporting materials.

iii. Seller shall maintain all of its books and records related to the Facility in accordance with past practices.

iv. Seller shall pay when due all taxes, assessments and charges imposed upon Seller with respect to the Facility.

v. Seller will satisfy and discharge or contest in good faith all claims, liens, security interests and encumbrances on the Property, except for the Permitted Exceptions.

vi. Seller shall deliver the Property to Purchaser on the Closing Date in substantially the same condition and repair as on the Effective Date, ordinary wear and tear excepted.

vii. Seller will not sell any items of machinery, equipment, or other assets or Property used in connection with the Facility, other than in the ordinary course of business.

viii. Seller shall not make any capital expenditures on the Facility, except (A) in the event of a casualty or condemnation as permitted per the terms of this Agreement, (B) to make ordinary and necessary repairs to the Facility, or (C) to comply with a governmental or Life Safety Code regulation.

ix. Seller shall not change employment terms for the Facility employees, or institute, amend, or terminate its employment benefit plans, except for normal and customary raises or amendments consistent with prior business practices.

x. Seller shall maintain in force and renew as necessary on commercially reasonable terms the existing insurance policies as are now in effect for the Property.

xi. From the Effective Date until through the earliest of the Closing Date or the termination of this Agreement, Seller has not and shall not, directly or indirectly, (a) enter into negotiations with any party other than Purchaser regarding the sale of the Property, or (b) provide information to any party other than Purchaser regarding the sale of the Property.

b. **Purchaser's Covenants**. Purchaser hereby agrees and covenants that between the Effective Date and the Closing Date, Purchaser will (i) require New Operator to make all required applications, file such notices and pay such fees as are necessary in connection with New Operator's efforts to obtain the IDPH Licenses (collectively, the "***Facility Licenses***"), and (ii) cooperate with all reasonable requests from Seller with respect to obtaining any other consents or authorizations related to the sale of the Facility.

c. **General Joint Covenants.** Each party shall promptly notify the other party of any information delivered to or obtained by such party which would impair or prevent the consummation of the transactions contemplated hereby. Seller shall file and pursue that certificate of need approval ("***CON Approval***") required by the State of Illinois and Purchaser shall cooperate with Seller to provide information necessary for the CON Approval.

11. **CONVEYANCES.** Conveyance of the Real Property to Purchaser shall be by Special Warranty Deed (the "***Deed***"), containing full warranties of title for matters affecting title that occurred during Seller's ownership of the Property, free and clear of all liens, encumbrance and security interests, also containing the covenants set forth in Section 22, subject only to the Permitted Exceptions. Conveyance of the FF&E and Personal Property shall be by Bill of Sale (the "***Bill of Sale***") from Seller to Purchaser containing full warranties of title free and clear of all liens, encumbrances and security interests other than the Permitted Exceptions. Conveyance of the Intangible Property shall be by General Assignment (the "***General Assignment***") from Seller to Purchaser, containing full warranties of title and free and clear of all liens, encumbrances and security interest other than the Permitted Exceptions. Purchaser agrees that the presence of the Personal Property at the Facility on the Closing Date shall constitute delivery thereof.

12. **CLOSING DELIVERIES.**

a. **Purchaser's Closing Deliveries.** On or before the Closing Date, Purchaser agrees that it will deliver into the Closing Escrow (except as otherwise set forth below) executed originals of the following documents, in form and substance reasonably satisfactory to counsel for Seller and Purchaser ("***Purchaser's Closing Deliveries***"):

i. Deposit by wire transfer into the Closing Escrow, the balance of the Purchase Price due at Closing after crediting the Escrow Deposit, plus or minus the prorations and credits due at Closing.

ii. Such documents, certifications and statements as may be required by the Title Company to issue the Title Policy including, without limitation, a Title Company Disbursement Statement signed by Purchaser approving each and every one of the payments and disbursements made by the Title Company through the Closing Escrow.

iii. A Certificate of Good Standing or similar document for Purchaser from the Secretary of State of the state in which such Purchaser is organized, and certified copies of the resolutions of Purchaser authorizing the execution, delivery and consummation of this Agreement and the execution, delivery and consummation of all other agreements and documents executed in connection herewith, including all instruments required hereunder, sufficient in form and content to meet the requirements of law relevant to such transactions and certified by the managers of Purchaser as adopted and in full force and effect and unamended as of Closing.

iv. The Escrow Holdback Agreement.

v. A date-down certificate dated as of the Closing Date certifying that all of the representations and warranties made and given by Purchaser in this Agreement are true and correct as of the Closing Date.

vi. Such further instruments and documents as are reasonably necessary to complete the transfer of the Property to Purchaser in accordance with the terms of this Agreement.

b. **Seller's Closing Deliveries**. On or before the Closing Date, Seller will deliver into the Closing Escrow (except as otherwise set forth below) executed originals of the following documents, in form and substance reasonably satisfactory to counsel for Purchaser and Seller ("***Seller's Closing Deliveries***"):

i. The Deed conveying the Real Property from Seller to Purchaser, executed by Seller.

ii. The Bill of Sale for the FF&E and Personal Property at the Facility from Seller to Purchaser.

iii. The General Assignment for the Intangible Property, from Seller to Purchaser.

iv. Resolutions of the Champaign County Board (the "***Board***") authorizing Seller to execute the closing documents, sufficient in form and content to meet the requirements of law relevant to such transactions, which resolutions shall be certified to be true copies by the Clerk of the Board.

v. Such documents, certifications and statements as may be required by the Title Company to issue the Title Policy including, without limitation, a copy of the Title Company Disbursement Statement signed by Seller approving the payments and disbursements made by the Title Company.

vi. Any statement, affidavit or undertaking required by the Title Company in order to give Purchaser good and clear title to the Property per the requirements of this Agreement.

vii. Real Estate Transfer Tax Declarations for the Real Property, if any.

viii. A date-down certificate certifying that all of the representations and warranties made and given by Seller in this Agreement are true and correct as of the Closing Date.

ix. Copies of any payoff letters or releases with respect to any Removable Exceptions and any other mortgage secured by the Property.

x. The Escrow Holdback Agreement.

xi. Such further instruments and documents as are reasonably necessary to complete the transfer of the Property to Purchaser in accordance with the terms of this Agreement.

13. **SELLER'S REPRESENTATIONS AND WARRANTIES.** Seller hereby represents and warrants to Purchaser that the following statements are true and correct as of the date hereof and will be true and correct on the Closing Date:

a. **Status.** Seller is a public body corporate and politic under the laws of the State of Illinois and is duly qualified to own property and conduct business in the State of Illinois.

b. **Authority.** Seller has the full right, power and authority to enter into this Agreement.

c. **Necessary Action.** Seller has taken all action required under its organizational documents necessary to enter into this Agreement. This Agreement has been duly executed and delivered by Seller.

d. **Compliance with Agreements.** The execution, delivery and performance of this Agreement and the consummation of the transaction contemplated herein, and all related documents will not result in a default under any deed of trust, mortgage, note, agreement, organizational document, or other instrument or obligation to which Seller is a party or by which the Property may be bound or affected and which will not be released, paid off or otherwise satisfied in connection with or prior to the Closing.

e. **Binding Agreement.** This Agreement and all agreements to which Seller will become a party pursuant hereto are and will constitute the valid and legally binding obligations of Seller and are and will be enforceable against Seller in accordance with the respective terms hereof and thereof, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforceability of creditors' rights generally, general equitable principles and the discretion of courts in granting equitable remedies.

f. **Title.** Seller has fee simple title to the Real Property, free and clear of all liens, encumbrances, covenants, conditions, restrictions, leases, tenancies, licenses, claims and options, except for the Permitted Exceptions.

g. **No Default.** To the best of Seller's knowledge, there is no default by Seller with respect to any obligations under any mortgage, contract, lease or other agreement affecting or relating to the Property.

h. **Litigation.** There are no lawsuits, investigations or other proceedings pending or, to Seller's knowledge, threatened against the Seller related to the Facility or Seller's right to own the Property or Seller's right to enter into this Agreement, other than as set forth in **Schedule 13(h)**. To Seller's knowledge, there are no ongoing audits of the Facility's billing by any third-party payor.

i. **AS IS.** Purchaser acknowledges and agrees that neither Seller nor any agent or representative of Seller have made, and Seller is not liable or responsible for or bound in

any manner by any express or implied representations, warranties, covenants, agreements, obligations, guarantees, statements, information or inducements pertaining to the physical condition of the Property, and specifically, the Facility, including all environmental matters, the quantity, character, fitness and quality thereof, merchantability, fitness for particular purpose, the income, expenses or operation thereof, the value and profitability thereof, the structural and mechanical condition of the buildings, structures and improvements situated thereon, the plumbing, heating, air conditioning, electric and ventilating systems serving the Property and any other matter or thing whatsoever with respect thereto. Purchaser acknowledges, agrees, represents and warrants that it has and shall have the opportunity to inspect the Property and all matters comprising the Property, including the Facility, and has or shall have access to information and data relating to all of same as Purchaser deems necessary, prudent, appropriate or desirable for the purposes of this transaction. Purchaser acknowledges that it is fully familiar with the Property and Purchaser expressly agrees to accept the Property "**AS IS, WHERE IS AND WITH ALL FAULTS,**" in its current condition, subject to reasonable wear and tear. In addition to, and without limiting the foregoing, Purchaser further acknowledges and agrees that the Property is conveyed in its "**AS IS**" condition with respect to environmental matters, and Purchaser hereby assumes the risk that adverse past, present or future conditions may not be revealed in its inspection or investigation.

j. **Financial Statements.** To the best of Seller's knowledge, the financial statements furnished to New Operator and Purchaser are true, correct and complete in all respects, fairly represent the financial condition of New Operator and are not misleading in any respect.

k. **Survival of Representations or Warranties.** The representations and warranties of Seller under this Agreement shall survive the Closing of the transaction contemplated hereunder for the period of eighteen (18) months after the Closing Date; provided, however, that the representations and warranties set forth in **Section 13(a)** (Status) and **Section 13(b)** (Authority), together with any right to indemnification for breach thereof, shall survive the Closing and continue in full force and effect for the maximum period permitted by applicable law.

14. **PURCHASER'S REPRESENTATIONS AND WARRANTIES.** Purchaser hereby warrants and represents to Seller that the following statements are true and correct as of the date hereof and will be true and correct on the Closing Date:

a. **Status.** Purchaser is a limited liability company duly formed and validly existing under the laws of the State of Illinois and is duly qualified to own property and conduct business in the State of Illinois.

b. **Authority.** Purchaser has full right, power and authority to enter into this Agreement.

c. **Necessary Action.** Purchaser has taken all action required under its organizational documents necessary to enter into this Agreement. This Agreement has been duly executed and delivered by Purchaser.

d. **Survival of Representations and Warranties.** The representations and warranties of Purchaser under this Agreement shall survive the closing of the transactions completed hereunder for a period of eighteen (18) months after the Closing Date; provided, however, that the representations and warranties set forth in **Section 14(a)** (Status of Seller) and **Section 14(b)** (Authority), together with any right to indemnification for breach thereof, shall survive the Closing and continue in full force and effect for the maximum period permitted by applicable law.

15. **CONDITIONS TO PURCHASER'S OBLIGATIONS.** Purchaser's obligations under this Agreement, including the obligation to pay the Purchase Price and close this transaction, are contingent and subject to fulfillment of each of the following conditions prior to the Closing Date, any one of which may be waived by Purchaser in writing (collectively, "***Purchaser's Conditions Precedent***"):

a. **Certification.** Between the Effective Date and the Closing Date, there shall not have been any material adverse change in the regulatory status or condition of any of Seller's certifications for the Facility's participation in the Medicare and Medicaid reimbursement programs.

b. **Seller's Representations, Warranties and Covenants.** Seller's representations, warranties and covenants contained in this Agreement or in any certificate or document delivered in connection with this Agreement or the transactions contemplated herein shall be true as of the Closing Date as though such representations, warranties and covenants were then again made.

c. **Seller's Performance.** Seller shall have performed all of its obligations and covenants under this Agreement that are to be performed prior to or at Closing.

d. **Closing Deliveries.** Seller shall have executed and delivered all of Seller's Closing deliveries per **Section 12(b)**.

e. **Title Insurance.** On the Closing Date, Seller shall deliver insurable fee simple title to the Real Property, subject only to the Permitted Exceptions.

f. **Change in Ownership.** There has been no change in the ownership, operation or control of the Property (or any portion thereof) between the Effective Date and the Closing Date.

g. **Absence of Litigation.** No action or proceeding has been instituted or, to Seller's knowledge, threatened before any court or governmental body or authority the result of which is reasonably likely to prevent the acquisition by Purchaser of the Property, or the consummation of the transaction contemplated hereby. There are no orders which are entered after execution of this Agreement and prior to Closing and which shall result in the immediate forced closing of the Facility prior to the Closing Date.

h. **No Material Adverse Change.** Since the end of the Inspection Period, there shall have been no material adverse change in the physical condition of the Property. For purposes of this Agreement "material adverse change" shall mean any event, occurrence or change that is materially adverse to the physical condition of the Property, when taken

as a whole, but shall exclude any adverse effect resulting from, arising out of or relation to (A) war or terrorism, (B) acts of God; (C) changes affecting the Illinois senior housing industry generally, (D) changes in business or economic conditions in the United States generally, (E) actions made pursuant to the terms of this Agreement, the OTA or with Seller's express written consent; or (F) any announcement or disclosure of the pendency of the transactions set forth herein or in the OTA.

i. **Removal of Personal Property Liens.** The Property shall be free and clear of all liens, claims and encumbrances other than those expressly permitted herein or that will be paid or otherwise satisfied by Seller on the Closing Date.

j. **Zoning.** Purchaser shall receive zoning compliance letters reflecting the Property's compliance with respect to the Facility and permitting the continued operation by Purchaser or New Operator of the Facility on the Property as a skilled nursing facility, provided, Purchaser timely requested the same. There shall not be any change in the use of the Facility since the issuance of the zoning compliance letters to Purchaser.

k. **New Licenses.** Provided New Operator timely applied to IDPH and used best efforts to submit a correct and complete application, New Operator shall have received adequate assurance of obtaining the IDPH License, which may occur by receipt of a letter or email from IDPH stating that the License shall be issued upon notification of the Closing.

l. **Personal Property; FF&E.** All FF&E and other Personal Property shall be located at the Facility on the Closing Date. Unless specifically permitted pursuant to the terms of this Agreement, Seller shall not have removed any FF&E or Personal Property from the Facility.

m. **Licenses and Census.** To the extent required by law, as of the Closing Date:

i. The Facility is licensed by IDPH, which license shall on the Closing Date be in good standing and full force and effect, permitting the operation of the Facility as a skilled nursing facility with 243 skilled nursing beds (the "***Licensed Beds***").

ii. The Facility is not subject to a denial for payment of new admissions.

iii. The Facility shall be in substantial compliance with and certified for participation in Medicaid and Medicare programs, which certifications shall on the Closing Date be in good standing and full force and effect, subject to no waivers and limitations.

iv. On the date of the Closing, the census of residents at the Facility (based upon the immediately preceding seven (7) days prior to Closing Date) with verified payor sources shall be not less than 87.5% of the census of residents at the Facility (based upon the immediately preceding seven (7) days prior to the Effective Date) with verified payor sources.

n. **Code Violations.** There shall be no outstanding Life Safety Code or IDPH violations that have not been corrected at least three (3) business days prior to the Closing Date.

o. **Schedules and Exhibits.** Purchaser shall have approved of any Exhibits or Schedules added hereto, or updated, following the Effective Date.

p. **Operations Transfer Agreement.** Seller and New Operator shall have entered into the OTA in the form of **Exhibit C.** All conditions precedent required for the consummation of the transactions set forth in the OTA shall have been met, except for the Closing hereunder.

q. **Accuracy of Representations and Warranties of Seller.** No representation or warranty by or on behalf of Seller contained in this Agreement, and no statement by or on behalf of Seller in any certificate, list, exhibit or other instrument furnished or to be furnished to Purchaser by or on behalf of Seller pursuant hereto, contains any materially untrue statement, or omits or will omit to state any fact which is material and necessary in order to make the statements contained therein, in light of the circumstances under which they are made, not misleading in a material way. For the avoidance of doubt, and notwithstanding anything herein to the contrary, Seller shall have no liability for any inaccuracy or breach of any representation or warranty if Purchaser had knowledge of said inaccuracy or breach or the underlying facts giving rise to such inaccuracy or breach, before the Closing.

r. **Special Use Permit.** The City of Urbana, Illinois shall have issued such opinions and/or new permits, if needed, allowing a non-governmental entity to own and operate the Property.

s. **Board Approval.** The Board shall have approved the disposition of the Property by a vote of a two-thirds majority of the full Board.

16. **CONDITIONS TO SELLER'S OBLIGATIONS.** All obligations of Seller under this Agreement are subject to fulfillment of each of the following conditions prior to the Closing Date (or on the Closing Date where so indicated), any one or all of which may be waived by Seller in writing (collectively, "***Seller's Conditions Precedent***"):

a. **Purchaser's Representations, Warranties and Covenants.** Purchaser's representations, warranties and covenants contained in this Agreement or in any certificate or document delivered in connection with this Agreement or the transactions contemplated herein shall be true at the Effective Date and as of the date of Closing as though such representations, warranties and covenants were then again made.

b. **Purchaser's Performance.** Purchaser shall have performed its obligations and covenants under this Agreement that are to be performed prior to or at Closing, including but not limited to application for all appropriate licenses and delivery of all of Purchaser's Closing deliveries.

c. **Absence of Litigation.** No action or proceeding shall have been instituted, nor any judgment, order or decree entered by any court or governmental body or authority preventing the acquisition by Purchaser of the Property or the acquisition by Purchaser of the Personal Property or the consummation of any other transaction contemplated hereby.

d. **Closing Deliveries.** On the Closing Date, Purchaser shall have executed and delivered to Seller all of Purchaser's Closing Deliveries under **Section 12(a)**.

e. **Board Approval.** The Board shall have approved the disposition of the Property by a vote of two-thirds majority of the full Board.

f. **Special Use Permit.** The City of Urbana, Illinois shall have issued such opinions and/or new permits, if needed, allowing a non-governmental entity to own and operate the Property.

17. **ACCESS TO RECORDS.**

a. **Facility Records.** On the Closing Date, Seller shall leave at the Facility for Purchaser or New Operator all of Seller's records for the existing Facility employees and residents.

b. **Seller's Access to Records.** Subsequent to the Closing Date, Purchaser and New Operator shall grant Seller and its respective agents and representatives access to (upon reasonable prior notice and during normal business hours), including the right to make copies of, the books and records and supporting material of the Facility relating to the period prior to and including the Closing Date, at Seller's own expense, to, among other things, enable Seller to investigate and defend audits, claims, litigation or to file or defend cost reports.

c. **Purchaser's and New Operator's Access to Records.** Subsequent to the Closing Date, Seller shall grant Purchaser, New Operator and their respective agents and representatives reasonable access to (upon reasonable prior notice and during normal business hours), including the right to make copies of, books and records and supporting material of the Facility relating to the three (3) year period prior to the Closing Date, at Purchaser's or New Operator's own expense and to the extent reasonably necessary to enable Purchaser and New Operator to investigate and defend audits, claims, litigation or to file or defend cost reports.

18. **CASUALTY/CONDEMNATION.**

a. **Notice.** Seller shall promptly notify Purchaser of any casualty damage it becomes aware of, or notice of condemnation that Seller receives prior to the Closing Date.

b. **Non-Substantial Damage from Casualty.** If: (A) any portion of the Property is damaged by fire or casualty after the Effective Date and is not repaired and restored substantially to its original condition prior to Closing, and (B) at the time of Closing the estimated cost of repairs is Two Hundred Fifty Thousand Dollars ($250,000) or less, as determined by an independent adjuster engaged by Seller, and (C) for other reasons Purchaser has not otherwise elected to terminate pursuant to **Section 20(a)(ii)**, Purchaser

shall be required to purchase the Property in accordance with the terms of this Agreement, and at Seller's option, (i) Purchaser shall receive a credit at Closing of the estimated cost of repairs determined by the aforesaid independent adjuster and Seller shall retain all insurance claims and proceeds with respect thereto; or (ii) at Closing, Seller shall: (1) assign to Purchaser, without recourse, all insurance claims and proceeds with respect thereto (less sums theretofore expended in connection with such fire or casualty, if any, by Seller, including for temporary repairs or barricades) (in which event Purchaser shall have the right to participate in the adjustment and settlement of any insurance claim relating to said damage), and (2) credit Purchaser at Closing with an amount equal to Seller's insurance deductible. Seller shall have no liability or obligation with respect to the quantity or condition of the Property to the extent affected by such fire or casualty and shall be released from any representation and warranty regarding same to the extent affected by such fire or casualty. Notwithstanding the foregoing, Purchaser shall not be obligated to purchase the Property as set forth in this section in the event that such casualty materially interferes with the ability to operate the Facility as a skilled nursing facility with the Licensed Beds, in the sole discretion of Purchaser.

c. **Substantial Damage from Casualty**. If, at the time of Closing, the estimated cost of repairing such damage is more than Two Hundred Fifty Thousand Dollars ($250,000) with respect to the Facility, as determined by such independent adjuster, Purchaser may, in its sole discretion: (i) terminate this Agreement by notice to Seller within ten (10) days after receipt of notice of such casualty (which shall be deemed a termination pursuant to **Section 20(a)(ii)** of this Agreement); or (ii) proceed to Closing in accordance with **Section 18(b)**.

d. **Condemnation**. If, prior to Closing, a "material" portion of the Property is taken by eminent domain, then Purchaser shall have the right, within fifteen (15) days after receipt of notice of such material taking, to terminate this Agreement (which shall be deemed a termination pursuant to **Section 20(a)(i)** of this Agreement). If Purchaser elects to proceed and to consummate the purchase despite said material taking (such election being deemed to have been made unless Purchaser notifies Seller in writing to the contrary within fifteen (15) days after notice from Seller to Purchaser of any taking), or if there is less than a material taking prior to Closing, there shall be no reduction in or abatement of the Purchase Price, Purchaser shall be required to purchase the Property in accordance with the terms of this Agreement and Seller shall assign to Purchaser, without recourse, all of Seller's right, title and interest in and to any award made or to be made in the eminent domain proceeding (in which event Purchaser shall have the right to participate in the adjustment and settlement of such eminent domain proceeding). For the purpose of this section, the term "material" shall mean any taking of in excess of ten percent (15%) of the square footage of the Facility or twenty percent (20%) of the Real Property associated with the Facility that would: (i) adversely affect Purchaser's or New Operator's ability after said taking to operate the Facility in compliance with the IDPH License; or (ii) eliminate after said taking a means of egress and ingress to and from the Facility to a public right of way; or (iii) cause the use of the Facility after said taking to no longer be in compliance with all applicable zoning and building rules, regulations and ordinances.

19. **INDEMNIFICATION.**

a. **Indemnification by Purchaser.** Subject to the first dollar Basket and Ceiling described below, Purchaser agrees to indemnify and hold harmless Seller from and against all liabilities, claims, losses, demands and causes of action of any nature whatsoever (collectively, "***Losses***") arising out of: (i) any breach by Purchaser of its obligations, representations, warranties or covenants hereunder, (ii) injury to or death of persons or loss of or damage to property occurring on the Property or at the Facility on or after the Closing Date, (iii) any Third Party Claims (as hereinafter defined) or (iv) any liability which may arise from ownership, use or condition of the Property after the Closing Date to the extent it relates to the ownership or use of the Property on or after the Closing Date. Purchaser further agrees to pay any reasonable attorneys' fees and expenses incident to the defense by Seller of any such Losses (as hereinafter defined).

b. **Indemnification by Seller.** Subject to the first dollar Basket and Ceiling described below, Seller hereby agrees to indemnify and hold harmless Purchaser from and against all Losses arising out of: (i) any breach by Seller of its obligations, representations, warranties or covenants hereunder, (ii) injury to or death of persons or loss of or damage to property occurring on or at the Facility prior to the Closing Date or in any manner growing out of or connected with the use or occupancy of the Facility or the condition thereof, or the use of any adjoining sidewalks, streets or ways on or prior to the Closing Date, (iii) any Third Party Claims, or (iv) any liability which may arise from ownership, use or condition of the Property before the Closing Date to the extent it relates to the ownership or use of the Property before the Closing Date. Seller further agrees to pay any reasonable attorneys' fees and expenses incident to the defense by Purchaser of any such Losses.

c. **Indemnification Claims.** In the event that any liability, claim (including any Third Party Claim), demand or cause of action which is indemnified against by or under any term, provision, section or paragraph of this Agreement ("***Indemnitee's Claim***") is made against or received by any indemnified party (hereinafter "***Indemnitee***") hereunder, said Indemnitee shall notify the indemnifying party (hereinafter "***Indemnitor***") in writing within twenty one (21) calendar days of Indemnitee's receipt of written notice of said Indemnitee's Claim; provided, however, that Indemnitee's failure to timely notify Indemnitor of Indemnitee's receipt of an Indemnitee's Claim shall not impair, void, vitiate or invalidate Indemnitor's indemnity hereunder nor release Indemnitor from the same, which duty, obligation and indemnity shall remain valid, binding, enforceable and in full force and effect so long as Indemnitee's delay in notifying Indemnitor does not, solely by itself, directly and materially prejudice Indemnitor's right or ability to defend the Indemnified Claim. Upon its receipt of any or all Indemnitee's Claim(s), Indemnitor shall diligently and vigorously defend, compromise or settle said Indemnitee's Claim at Indemnitor's sole and exclusive cost and expense and shall promptly provide Indemnitee evidence thereof within twenty one (21) calendar days of the final, unappealable resolution of said Indemnitee's Claim, provided such claim is for litigation only. In the event of an Indemnitee's Claim unrelated to litigation (e.g., Medicaid takeback), Indemnitor shall be responsible for any damages, costs or expenses to Indemnitee, including, but not limited to, attorneys' fees incurred as a result of the indemnification event to be paid to Indemnitee within thirty (30) days of written demand for the same.

Upon the receipt of the written request of Indemnitee, Indemnitor shall within fourteen (14) calendar days provide Indemnitee a true, correct, accurate and complete written status report regarding the then-current status of said Indemnitee's Claim. Indemnitee may not settle or compromise an Indemnitee's Claim without Indemnitor's prior written consent. Failure to obtain such consent shall be deemed forfeiture by Indemnitee of its indemnification rights hereunder.

d. **Third Party Claim.** As used herein, "***Third Party Claim***" shall mean any claim, suit, or proceeding that is instituted against an Indemnitee by a person or entity other than an Indemnitor and which, if prosecuted successfully, would result in a Loss for which such Indemnitee is entitled to indemnification hereunder.

e. **Basket.** Neither Seller nor Purchaser shall have the right to assert any Indemnitee's Claim unless the claim, in the aggregate with any other claims proposed to be asserted by such Indemnitee, exceeds Fifty Thousand Dollars ($50,000) (the "***Basket***"), provided, however, that if and when such threshold is reached and thereafter, any and all claims shall be payable from the first dollar of such Losses, provided, however, the Basket shall not apply to indemnification for any Losses related to Recapture claims.

f. **Ceiling.** The maximum amount of liability that any party shall have to the other in all circumstances for any and all Losses or any other indemnification obligation related to this Agreement shall not exceed in the aggregate, an amount equal to One Million Dollars (the "***Ceiling***").

g. **Escrow Holdback.** On the Closing Date, Seller shall deposit in an interest-bearing escrow account with the Title Company the total sum equal to three percent (3%) of the Purchase Price (the "***Escrow Holdback***"). The Escrow Holdback shall be held by the Title Company and distributed in accordance with the terms of an escrow holdback agreement to be entered into by and among the Seller, Purchaser and New Operator (the "***Escrow Holdback Agreement***"). The purpose of the Escrow Holdback shall be to provide Purchaser and New Operator with readily available funds for satisfaction of all payment of any amounts due with respect to any of the Seller's indemnification obligations pursuant to this Agreement and to New Operator under the OTA, in all instances made before the three (3) year anniversary of the Closing Date (the "***Escrow Release Date***"). On the one (1) year anniversary of the Closing Date, a portion of the Escrow Holdback shall be released to Seller such that the balance of the funds remaining in the Escrow Holdback shall be equal to two percent (2%) of the Purchase Price. On the two (2) year anniversary of the Closing Date, a portion of the Escrow Holdback shall be released to Seller such that the balance of the funds remaining in the Escrow Holdback shall be equal to One Percent (1%) of the Purchase Price. On the Escrow Release Date, the Title Company shall deliver to Seller all amounts remaining in the Escrow Holdback, provided that on such date there does not exist a pending or unresolved Escrow Claim, in which event the amount of such pending or unresolved claim shall remain in the Escrow Holdback until paid to either Seller, Purchaser or New Operator in connection with the resolution of such claim.

h. **Indemnification Survival.**

i. The representations and warranties in **Section 13** and **Section 14** and the parties' obligations under this **Section 19** shall survive the Closing and remain effective for a period of for a period of eighteen (18) months from the Closing Date, except for those related to the representations and warranties specifically surviving the Closing until barred by applicable law (collectively, the "***Survival Period***").

ii. Notwithstanding any provision herein to the contrary, no claim may be asserted from the breach of any representation, warranty, covenant, or agreement contained herein after the expiration of the Survival Period as set forth in **Section 19(c)(i)**. Notwithstanding any limitation set forth in **Section 19(c)**, neither party shall be precluded from continuing to seek a remedy for claims initiated prior to the expiration of the Survival Period or other deadline for the making of claims or for filing claims or counterclaims that arise out of claims made prior to the expiration of the Survival Period or other deadline for the making of claims.

20. **TERMINATION.**

a. **Termination.** This Agreement may be terminated at any time prior to the Closing under the following circumstances:

i. the mutual written consent of all parties hereto;

ii. by Purchaser, if Seller is unable to meet a condition precedent prior to the Closing Date (as the same may be extended) as required by the terms of this Agreement or is in breach of its obligation to consummate the transaction contemplated by this Agreement pursuant to the terms hereof, and such breach has not been (A) waived in writing by Purchaser or (B) cured by Seller within ten (10) days after notice to Seller of such breach; provided, however, that in lieu of the termination rights offered under this clause (a), Purchaser may instead seek specific performance of this transaction; or

iii. by Seller, if Purchaser is unable to meet a condition precedent prior to the Closing Date (as the same may be extended) as required by the terms of this Agreement, including, specifically Seller's receipt of Board approval per Section 16(e), or if Purchaser is in breach of its obligation to consummate the transaction contemplated by this Agreement pursuant to the terms hereof, and such breach has not been (A) waived in writing by Seller or (B) cured by Purchaser within ten (10) days after notice to Purchaser of such breach.

b. **Effect of Termination.**

i. In the event this Agreement is terminated in accordance with the terms of **Section 20(a)**, the provisions of this Agreement shall immediately become void and of no further force and effect, except with respect to this **Section 20** and as otherwise specifically provided for in this Agreement.

ii. In the event that this Agreement is terminated in accordance with the terms of **Section 20(a)(i)** (including provisions deemed a termination of this Agreement by virtue of that Section), the entire Escrow Deposit shall be delivered to Purchaser and each party will thereafter be relieved of any obligation to the other party with respect to this Agreement, except as otherwise specifically provided for in this Agreement.

iii. In the event that this Agreement is terminated in accordance with the terms of **Section 20(a)(ii)** (or provisions deemed a termination of this Agreement by virtue of that Section), the entire Escrow Deposit shall be returned to Purchaser and Purchaser shall be entitled to reimbursement from Seller of all of Purchaser's out of pocket costs and expenses related to the potential acquisition of the Facility, including, without limitation, legal fees and fees paid to third parties in connection with Purchaser's Due Diligence Review.

iv. In the event that this Agreement is terminated in accordance with the terms of **Section 20(a)(iii)** (or provisions deemed a termination of this Agreement by virtue of that Section), the entire Escrow Deposit shall be delivered to Seller as Seller's sole and exclusive remedy.

v. Notwithstanding the foregoing, in the event that this Agreement is terminated in accordance with the terms of **Section 20(a)(iii)** as a result of the Board failing to approve the transaction as required by **Section 16(e)** or the failure of the City of Urbana to issue the Special Use as required by **Section 16(f)**, the entire Escrow Deposit shall be returned to Purchaser.

21. **LIABILITIES.**

a. **Seller's Liabilities.** Except as otherwise set forth in this Agreement, Purchaser does not assume, and shall not be liable for, any debts, liabilities or obligations of Seller including, but not limited to, any (i) liabilities or obligations of Seller to its creditors, (ii) liabilities or obligations of Seller with respect to any acts, events or transactions occurring after the Closing Date, (iii) liabilities or obligations of Seller for any federal, state, county or local taxes applicable to or assessed against Seller or the assets or business of Seller, or applicable to, incurred by and accrued or assessed against the Facility for periods on or prior to the Closing Date, (iv) contingent liabilities or obligations of Seller, whether known or unknown by Seller, Purchaser or New Operator, (v) any liabilities with respect to the Facility prior to the Closing Date or (vi) any other liabilities resulting from any act or failure to act by Seller on or prior to the Closing Date.

b. **Purchaser's Liabilities.** Except as otherwise set forth in this Agreement, Seller does not assume, and shall not be liable for, any debts, liabilities or obligations of Purchaser including, but not limited to, any (i) liabilities or obligations of Purchaser to its creditors, (ii) liabilities or obligations of Purchaser with respect to any acts, events or transactions occurring on or after the Closing Date, (iii) liabilities or obligations of Purchaser for any federal, state, county or local taxes applicable to or assessed against Purchaser or the assets or business of Purchaser, or applicable to, incurred by and accrued or assessed against the Facility on or after the Closing Date, (iv) contingent liabilities or

obligations of Purchaser, whether known or unknown by Purchaser, New Operator or Seller, or (v) any other liabilities resulting from any act or failure to act by Purchaser after the Closing Date.

c. **Anti-Sandbagging.** Notwithstanding anything herein to the contrary, neither party shall have liability for any inaccuracy or breach of any representation or warranty if, before the closing, the other party had actual knowledge of said inaccuracy or breach or the underlying facts giving rise to such inaccuracy or breach.

22. **POST-CLOSING COVENANTS.**

a. **Use Covenants.** Purchaser hereby covenants that beginning on the Closing Date and continuing through December 31, 2027:

i. Property Use . The Facility shall be operated as a skilled nursing facility with at least 220 licensed beds. The Facility shall not be used for any purpose except as a skilled nursing facility, geriatric center, long-term care facility or assisted living facility, provided it complies with **Section 22(a)(iii)** in all applicable instances.

ii. Residents. All persons who are residents of the Facility on the Commencement Date shall continue to be residents after the Commencement Date. New Operator shall not transfer any existing resident to another facility unless: (i) the resident has provided written consent; (ii) there is a medical necessity as determined by a medical professional in accordance with standard industry practice; (iii) the resident does not have a payor source, or (iv) the resident is a danger to the facility, the employees of the facility, and/or the other residents as determined by a medical professional in accordance with standard industry practice.

iii. Medicaid Beds. At least fifty percent (50%) of the licensed beds shall be primarily reserved and certified for Medicaid Managed Eligible Participants to the extent allowed by law and New Operator will use commercially reasonable efforts to accept all Medicaid Managed Eligible Participants. Medicaid Managed Eligible Participants means those individuals that are eligible to participate in the Illinois Medicaid as determined by HFS and/or other applicable governmental agencies.

iv. Priority to County Residents. New Operator shall provide priority for admissions to residents of Champaign County, Illinois where there are insufficient beds for both individuals within Champaign County, Illinois and outside of Champaign County, Illinois.

b. **Employees.** Purchaser shall ensure that New Operator: (i) re-hires all of the current employees at the Facility on the Closing Date who pass a background check at their current salary levels, (ii) does not terminate 10% or more of the current employees within the first 60 days following the Closing Date and (iii) does not terminate 20% or more of the current employees during the first 6 months after the Closing Date. Nothing in this paragraph, however, shall create any right in favor of any person not a party hereto, including the exiting employees, or constitute an employment agreement or condition of employment for any employee of Seller.

c. **Liquidated Damages.** The terms and conditions of this **Section 22** (and of **Section 19 of the OTA**) are fundamental terms of the sale transaction upon which Seller relied when entering into this Agreement. If there occurs a breach of **Section 22** by Purchaser or of **Section 19 of the OTA** by Purchaser, New Operator or their successors or assigns, Purchaser shall pay to Seller the amount equal to 5% of the Purchase Price, as liquidated damages (**"*Liquidated Damages*"**) within five (5) business days of request. At Seller's sole discretion, it may require prior to Closing, delivery of an upstream corporate guaranty of Purchaser's obligation to pay the Liquidated Damages from an entity approved by Seller and in a form and substance acceptable to Seller. The parties intend that the Liquidated Damages constitute compensation and not a penalty. The parties acknowledge and agree that Seller's harm caused by a breach of **Section 22** would be very difficult to accurately estimate and that the Liquidated Damages are a reasonable estimate of the anticipated or actual harm that might arise from such a breach.

d. **Successors and Assigns.** The use restrictions set forth in this **Section 22** shall apply to Purchaser's successors and assigns, although Purchaser shall in no event be relived of and may, at Seller's sole discretion, be included on the Deed.

e. **Survival.** This **Section 22(a)** shall survive the termination of this Agreement until December 31, 2027. Although, as of the Effective Date, Purchaser does not intend to sell or transfer ownership of the Facility, Purchaser may transfer ownership of the Facility at any time (in accordance with applicable laws) provided that Purchaser provides evidence satisfactory to Seller that the party to whom Purchaser proposes to transfer the Facility has agreed to comply with the terms of **Section 22(a)** and **Section 22(b)** and assume Purchaser's liquidated damages obligations.

f. **Notification of Breach.** Purchaser agrees to (i) promptly notify Seller of any breach to Section 22(a), and (ii) provide reasonable documentation necessary to confirm Purchaser's compliance with Section 22(a) as may be reasonably requested by Seller from time to time.

PUBLICITY. Neither Purchaser nor Seller shall, and each shall cause their respective affiliates, representatives and agents not to, issue or cause the publication of any press release, public or private announcement with respect to the transactions contemplated by this Agreement (including, an announcement or communication to any employee of the Facility) without the express prior written approval of the other party, except as necessary in connection with New Operator's efforts to obtain the IDPH License.

24. **NOTICES.** Any notice, request or other communication to be given by any party hereunder shall be in writing and shall be deemed adequately given only if (i) sent by personal delivery, (ii) by Federal Express or other overnight messenger service, (iii) first class registered or certified mail, postage prepaid, return receipt requested or (iv) by electronic mail, and addressed to the party for whom such notices are intended, addressed in each case as follows:

To Seller:

Champaign County Board
c/o C. Pius Weibel, Chair
1776 East Washington Street
Urbana, Illinois 61802
Email: cweibel@co.champaign.il.us

Champaign County Board
c/o Debra Busey, Intermin County Adminstator
1776 East Washington Street
Urbana, Illinois 61802
Email: dbusey@co.champaign.il.us

with a copy to:

Polsinelli PC
150 N. Riverside Plaza, Suite 3000
Chicago, IL 60606
Attention: Charles Sheets, Esq.
Email: CSheets@Polsinelli.com

If to Manager:

SAK Management Sevices, LLC
One Northfield Plaza, Suite 210
Northfield, IL 60093
Attn: Suzanne Koenig
Email: skoenig@sakmgmt.com

If to Purchaser:

Altitude Acquisitions, LLC
2201 Main Street
Evanston, Illinois 60202
Attention: Mr. William Rothner
arothner@altitudehs.com

with a copy to:

Gutnicki LLP
4711 Golf Road, Suite 200
Skokie, IL 60076
Attention:Stacy J. Flanigan
Email: sflanigan@gutnicki.com

Each such notice and other communication under this Agreement shall be effective or deemed delivered or furnished (a) if given by mail, on the third business day after such communication is deposited in the mail; (b) if given by electronic mail, when such communication is transmitted to the email address specified above if sent before 5:00 p.m. (Central), otherwise on the following business day; and (c) if given by hand delivery, when left at the address specified above, and (d) if sent by recognized overnight carrier, then on the next business day immediately following the day sent. The above addresses may be changed by notice of such change, delivered as provided herein, to the last address designated.

25. **BROKERS**. Seller hereby represents, covenants, and warrants to Purchaser that, except for Marcus & Millichap, it has employed no broker with respect to the transactions contemplated under this Agreement, and Seller hereby indemnifies Purchaser with respect to any claims of

brokers claiming to represent Seller with respect to the transactions contemplated under this Agreement. Purchaser hereby represents, covenants, and warrants to Seller that it has employed no broker with respect to the transactions contemplated under this Agreement, and Purchaser hereby indemnifies Seller with respect to any claims of brokers claiming to represent Purchaser with respect to the transactions contemplated under this Agreement.

26. **CONSENT.** Whenever the consent of a party is required hereunder, such consent shall not be unreasonably withheld, delayed or conditioned, unless this Agreement provides that such consent is given at the sole discretion of a party or as otherwise expressly provided for herein to the contrary.

27. **ASSIGNMENT.** Seller may not assign its rights hereunder without the prior written consent of Purchaser, and Purchaser may not assign its rights hereunder without the prior written consent of Seller other than with respect to a newly created affiliated entity, which shall assume and be responsible for all obligations of Purchaser set forth herein. Notwithstanding the foregoing, Purchaser shall remain liable for any pre-closing liabilities under this Agreement.

28. **CONSENT.** Whenever the consent of a party is required hereunder, such consent shall not be unreasonably withheld, delayed or conditioned, unless this Agreement provides that such consent is given at the sole discretion of a party or as otherwise expressly provided for herein to the contrary.

29. **EXHIBITS AND SCHEDULES.** Each Recital, Exhibit and Schedule shall be considered incorporated into this Agreement.

30. **TIME IS OF THE ESSENCE.** Time shall be of the essence in this Agreement.

31. **AMENDMENTS; SOLE AGREEMENT.** This Agreement may not be amended or modified in any respect whatsoever except by an instrument in writing signed by the parties hereto. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter of this Agreement, and the parties acknowledge and understand that, upon completion, all such Schedules and Exhibits shall be deemed to be made a part collectively hereof.

32. **SUCCESSORS.** Subject to the limitations on assignment set forth above, all the terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by and against the heirs, successors and assigns of the parties hereto.

33. **CAPTIONS.** The captions and table of contents of this Agreement are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

34. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois without regard to conflict of laws' provisions. Each party to this Agreement hereby irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement or any agreements or transactions contemplated hereby shall be brought exclusively in the state courts located in Champaign County, Illinois, or the federal courts located in the Central District of Illinois, and hereby expressly submits to the personal jurisdiction and venue of such courts for the purposes thereof and expressly waives any claim of improper venue and any claim that such courts are an inconvenient forum. Each party

hereby irrevocably consents to the service of process of any of the aforementioned courts in any such suit, action or proceeding by the mailing of copies thereof by certified mail, postage prepaid, to the address set forth in the notice section hereof, such service to become effective three (3) business days after such mailing.

35. **SEVERABILITY.** Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby and each such provision shall be valid and remain in full force and effect.

36. **USAGE.** All nouns and pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons, firm or firms, corporation or corporations, entity or entities or any other thing or things may require. "Any" or "any" when used in this Agreement shall mean "any and all." The word "including" when used in this Agreement, means "including, without limitation."

37. **HOLIDAYS.** Whenever under the terms and provisions of this Agreement the time for performance falls upon a Saturday, Sunday or nationally recognized legal holiday, such time for performance shall be extended to the next business day.

38. **COUNTERPARTS; .PDF SIGNATURES.** This Agreement may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument. Signatures exchanged by email in .pdf format shall be treated as original signatures of the parties for the purposes hereto.

39. **NO JOINT VENTURE.** Nothing contained herein shall be construed as forming a joint venture or partnership between the parties hereto with respect to the subject matter hereof. The parties hereto do not intend that any third party shall have any rights under this Agreement.

40. **NO STRICT CONSTRUCTION.** The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any of the parties hereto.

41. **ATTORNEYS FEES.** If any legal proceeding relating to this Agreement or the enforcement of any provision of this Agreement is brought against any party hereto, the prevailing party shall be entitled to recover reasonable attorneys' fees, costs and disbursements (in addition to any other relief to which the prevailing party may be entitled).

42. **WAIVER OF JURY TRIAL. EACH PARTY HERETO WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED IN CONNECTION HEREWITH OR HEREAFTER AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.**

[Signature Page Follows]

IN WITNESS WHEREOF, the hereto have caused this Agreement to be signed by persons authorized to do so on behalf of each of them respectively as of the day and year first above written.

SELLER:

THE COUNTY OF CHAMPAIGN, ILLINOIS, a public body corporate and politic of the State of Illinois

Attest:

By: C. Pius Weibel
C. Pius Weibel, County Board Chair

By: Gordy Hulten by MC
Gordy Hulten, County Clerk

PURCHASER:

ALTITUDE ACQUISITIONS, LLC, an Illinois limited liability company

By: _____
Name: _____
Its: _____

IN WITNESS WHEREOF, the hereto have caused this Agreement to be signed by persons authorized to do so on behalf of each of them respectively as of the day and year first above written.

SELLER:

THE COUNTY OF CHAMPAIGN, ILLINOIS, a public body corporate and politic of the State of Illinois

Attest:

By: _____
C. Pius Weibel, County Board Chair

By: _____
Gordy Hulten, County Clerk

PURCHASER:

ALTITUDE ACQUISITIONS, LLC, an Illinois limited liability company

By: _____
Name: _____
Its: _____

Schedule 9(c)(ii)

PERMITTED TITLE EXCEPTIONS

1. The land lies within the boundaries of St. Joseph Drainage District No. 3 and the Thomas Paine Sub-District thereof and is subject to assessments thereunder.

2. Rights of Way for drainage tiles, ditches, feeders, laterals and underground pipes, if any.

3. Rights of the public, the State of Illinois and the municipality in and to that part of the Land, if any, taken or used for road purposes. This includes but is not limited to the dedications recorded September 18, 1956 as Document 573410 and 71R11777.

4. Easement in favor of Illinois Power Company, and its successors and assigns, to install, operate and maintain all equipment necessary for the purpose of serving the land and other property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded December 8, 1989 in Book 1666 at page 815 as document no. 89R24240.

5. Easement in favor of Illinois Power company d/b/a AmerenIP, and its successors and assigns, to install, operate and maintain all equipment necessary for the purpose of serving the land and other property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded June 6, 2005 as document no. 200515058.

6. Easement in favor of Illinois Power company d/b/a AmerenIP, and its successors and assigns, to install, operate and maintain all equipment necessary for the purpose of serving the land and other property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded May 7, 2009 as document no. 2009R12976.

7. Easement in favor of Illinois Power company d/b/a AmerenIP, and its successors and assigns, to install, operate and maintain all equipment necessary for the purpose of serving the land and other property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded March 14, 20111 as document no. 2011R05489.

Schedule 9(c)(iii)

PERMITTED EXCEPTIONS – EASEMENTS AND COVENANTS TO BE RECORDED

1. Declaration of Covenants and Restrictions dated as of even date herewith by the County of Champaign for the benefit of the Property.

Schedule 13(h)

LITIGATION

None.

EXHIBIT A

LEGAL DESCRIPTION

Lot 1 of Champaign County Nursing Home Subdivision, a part of the City of Urbana, Illinois, per plat recorded _____, 2018 as Document No. _____, in Champaign County, Illinois.

Common Address: 500 South Art Bartell Road, Urbana, Illinois 61802

Parcel No.: 92-21-16-200-_____

EXHIBIT B

Strict Joint Order Escrow

EXHIBIT C

Operations Transfer Agreement

Section I, Identification, General Information, and Certification
Operating Identity/Licensee

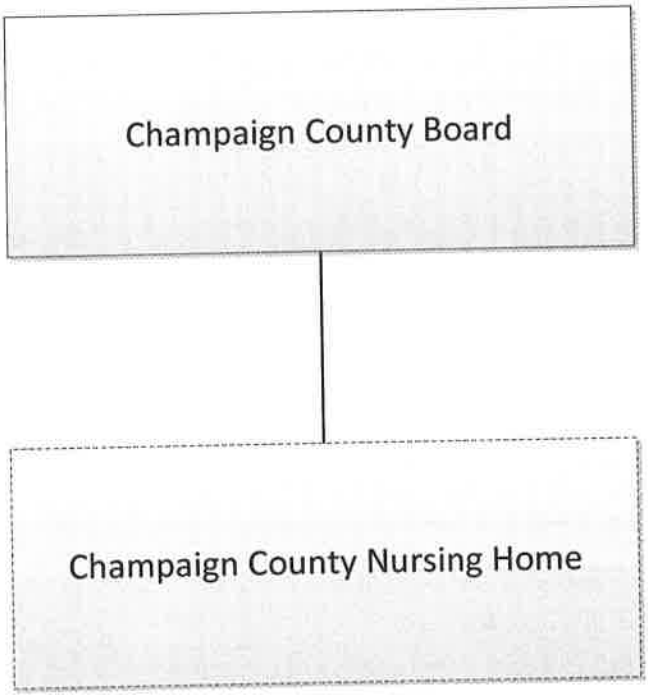
A Certificate of Good Standing for the University Rehabilitation Center of C-U, LLC is attached at Attachment – 3.

Section I, Identification, General Information, and Certification
Organizational Relationships

The pre-transaction and post-transaction organizational charts for the Nursing Home are attached at Attachment – 4.

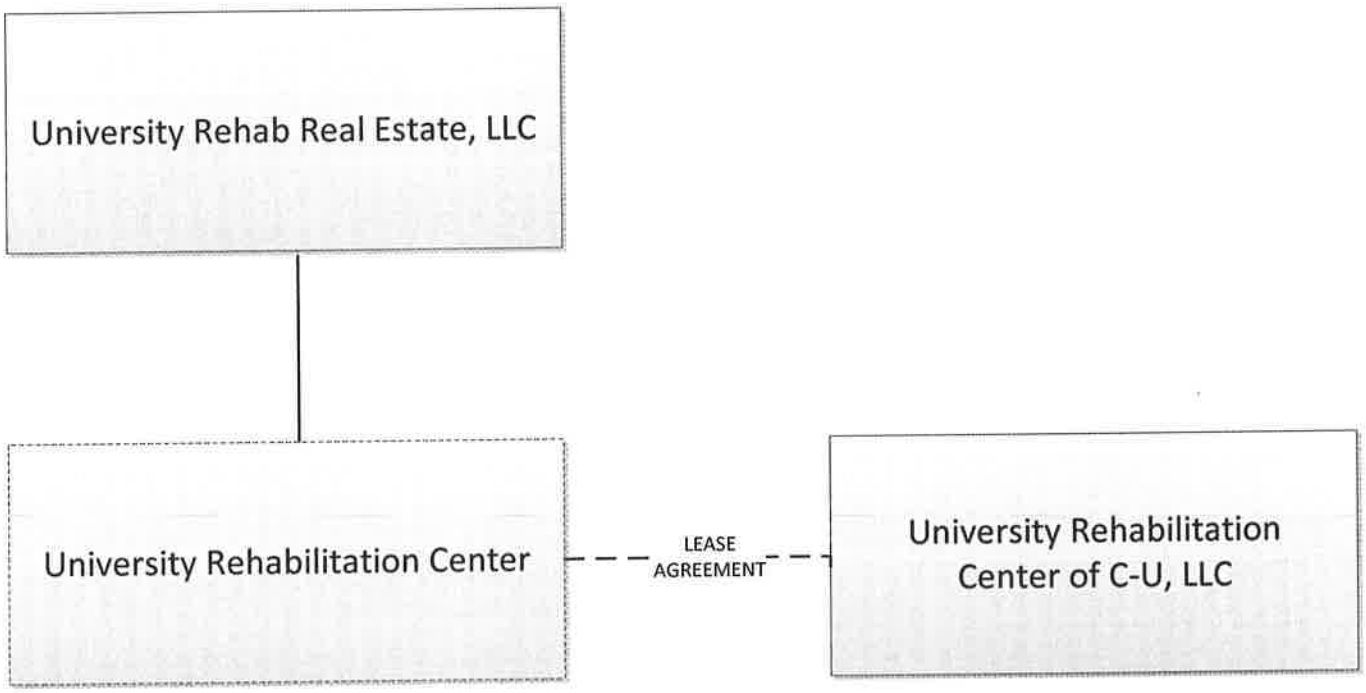
#18-026 County Nursing Home

CURRENT ORGANIZATIONAL STRUCTURE



#18-026 County Nursing Home

PROPOSED ORGANIZATIONAL STRUCTURE



ATTACHMENT - 4

Section I, Identification, General Information, and Certification
Flood Plain Requirements

The Applicants propose a change of ownership of the Nursing Home. The proposed project involves no construction or modernization. Accordingly, this criterion is not applicable.

Section I, Identification, General Information, and Certification
Historic Resources Preservation Act Requirements

The Applicants propose a change of ownership of the Nursing Home. The proposed project involves no construction or modernization. Accordingly, this criterion is not applicable.

Section I, Identification, General Information, and Certification
Cost Space Requirements

Cost Space Table							
		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	Cost	Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
Nursing	$11,000,000	133,192				133,192	
Total Clinical	$11,000,000	133,192				133,192	
NON CLINICAL	$0	0	0	0	0	0	0
Total Non-clinical	$0	0	0	0	0	0	0
TOTAL	$11,000,000	133,192				133,192	

Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230, Project Purpose, Background and Alternatives

Background of the Applicant

1. The Champaign County Board currently owns and operates the Nursing Home. A copy of the Nursing Home's license issued by the Illinois Department of Public Health ("IDPH") is attached at Attachment – 11A.

2. Certified listings of any adverse action taken against any facility owned and/or operated by the Applicants are attached at Attachments – 11B and 11C.

3. Authorizations permitting the State Board and IDPH access to any documents necessary to verify information submitted, including, but not limited to: official records of IDPH or other State agencies and the records of nationally recognized accreditation organizations are attached at Attachment – 11B and 11C.

4. The Applicants have not previously submitted an application for permit during this calendar year. Accordingly, this criterion is not applicable.

#18-026 County Nursing Home

3) g)

State of Illinois
Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois Statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Issued under the authority of
The State of Illinois
Department of Public Health

EXPIRATION DATE	I.D. NUMBER
02/17/2019	0046664

LONG TERM CARE LICENSE CATEGORY BGBE
SKILLED 243

UNRESTRICTED 243 TOTAL BEDS

BUSINESS ADDRESS
LICENSEE

CHAMPAIGN COUNTY BOARD

CHAMPAIGN COUNTY NURSING HOME
500 SOUTH ART BARTELL DRIVE
URBANA IL 61802
EFFECTIVE DATE: 02/18/18

The face of this license has a colored background. Printed by Authority of the State of Illinois • 5/16

#18-026 County Nursing Home

CHAMPAIGN COUNTY ADMINISTRATIVE SERVICES

1776 East Washington Street, Urbana, Illinois 61802-4581

ADMINISTRATIVE, BUDGETING, PURCHASING, & HUMAN RESOURCE MANAGEMENT SERVICES

Debra Busey, Interim County Administrator

August 15, 2018

Richard Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Vice Chair Sewell:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 an adverse action as defined in 77 IAC 1130.140 has been taken against the nursing home owned or operated by Champaign County during the three-year period prior to filing this application.

- NH 17-30296 – Type "AA" violation sustained, abuse and neglect deficiency deleted, and conditional license rescinded.
- NH17-S0335/NH 17-C0336 – Type "A" violation sustained, abuse deficiency deleted, and conditional license rescinded.

Additionally, pursuant to 77 Ill. Admin. Code § 1110.230(a)(3)(C), I hereby authorize the Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

Sincerely,

Debra Busey
Debra Busey
Interim County Administrator

Subscribed and sworn to me
This 15 day of August, 2018

Jacqueline K Rhodes
Notary Public

OFFICIAL SEAL
JACQUELINE K RHODES
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires Mar 9, 2019

University Rehabilitation Center of C-U, LLC

August 15, 2018

Richard Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Vice Chair Sewell:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against any nursing home owned or operated by University Rehabilitation Center of C-U, LLC, an Illinois limited liability company, in the State of Illinois during the three year period prior to filing this application.

Additionally, pursuant to 77 Ill. Admin. Code § 1110.230(a)(3)(C), I hereby authorize the Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

Sincerely,

William Rothner
Manager

Subscribed and sworn to me
This 15th day of August, 2018

Victoria F. Kulka
Notary Public

VICTORIA F KULKA
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
October 09, 2018

University Rehab Real Estate, LLC

August 15, 2018

Richard Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Vice Chair Sewell:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against any nursing home owned or operated by University Rehab Real Estate, LLC, an Illinois limited liability company, in the State of Illinois during the three year period prior to filing this application.

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Sincerely,

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Section III, Project Purpose, Background and Alternatives – Information Requirements.
Criterion 1110.230(b), Project Purpose, Background and Alternatives

Purpose of the Project

1. The purpose of this project is to ensure that the residents of Champaign County continue to have access to quality long-term care services, and to ensure that there will be a continued commitment to the provision of care to the underserved and indigent residents of Champaign County. The purpose of changing the licensee of the Nursing Home is to maintain access to high quality skilled nursing home services for residents of Champaign County.

   Champaign County Nursing Home started as a poor farm and has since evolved into a long-term care facility providing 24-hour care. Historically, the Nursing Home has accepted all residents regardless of ability to pay. Importantly, approximately 70 percent of the residents are Medicaid beneficiaries. Over the past several years, Champaign County has incurred significant losses in operating the Nursing Home. Over the past three and a half years, these losses have averaged $1.235 million annually. See Attachments 12A – 12C . The losses are primarily driven by the large number of Medicaid residents served by the Nursing Home. In 2017, Medicaid reimbursement averaged $133.73 per Medicaid resident day (i.e., total Medicaid revenue/total Medicaid resident days); however, operating expenses averaged $209.47 per resident day. As a result, the facility incurred an operating margin loss of $75.74 per Medicaid resident per day, or $3,130,637.16.

   The financial impact upon Champaign County of continuing to operate the Nursing Home is untenable. Nevertheless, Champaign County has been continuously committed to providing care to its underprivileged and elderly for over 100 years. Thus, Champaign County set out to explore options of how to continue to provide care at the Nursing Home in a fiscally responsible manner.

   The Champaign County Board approved the sale of the nursing home to University Rehabilitation Center of C-U, LLC, who has expertise in value engineering and can implement programs designed to improve quality and reduce costs that are unavailable to Champaign County. Through value engineering, University Rehabilitation Center of C-U, LLC will redesign resident care and eliminate functional redundancies to ensure that the residents of Champaign County continue to have access to high quality skilled nursing home services in the future.

2. A map of the market area for the Nursing Home is attached at Attachment – 12D. The market area encompasses a 17 mile radius around the Nursing Home. The boundaries of the market area of are as follows:

   - North 17 miles to Rantoul.
   - Northwest 17 miles to Mahomet.
   - West 17 miles to Seymour
   - Southwest 17 miles to Ivesdale.
   - South 17 miles to Villa Grove.
   - Southeast 17 miles to Sidney.
   - East 17 miles to Fithian.
   - Northeast 17 miles to Royal.

#18-026 County Nursing Home

Champaign County Nursing Home
Balance Sheet

ASSETS

Current Assets

Cash	
Cash	$265,592.69
Petty Cash	$300.00
Total Cash	$265,892.69
Rec., Net of Uncollectible Amounts	
Accts Rec-Nursing Home Private Pay	$2,329,564.96
Accts Rec-Nursing Home Med Adv/ HMO/ Ins	$1,143,533.65
Total Rec., Net of Uncollectible Amounts	$3,473,098.61
Rec., Net of Uncollectible Amounts	
Accts Rec-Nursing Home Hospice	$111,875.60
Allowance for Uncollectible Accts-Private Pay	($319,701.19)
Allowance for Uncollectible Accts-Patient Care P	($605,988.38)
Allowance for Uncollectible Accts-Patient Care H	$11,807.46
Total Rec., Net of Uncollectible Amounts	($802,006.51)
Accrued Interest	
Interest Receivable	($9.57)
Property Tax Revenue Receivable	$269,881.61
Total Accrued Interest	$269,872.04
Intergvt. Rec., Net of Uncollectibl	
Due From Collector Funds	$0.00
Due from Other Governmental Units	$1,373,589.45
Due from IL Public Aid	$338,541.54
Due from IL Department of Aging-Title XX	$94,366.65
Due from US Treasury-Medicare	$414,403.85
Due From VA-Adult Daycare	$69,017.85
Due From VA-Nursing Home Care	$240,995.23
Allowance for Uncollectible Accts-IPA	($21,701.51)
Allowance for Uncollectible Accts-Medicare	($9,375.60)
Allowance For Uncollectible Accts-VA Adult Day C	($1,350.71)
Total Intergvt. Rec., Net of Uncollectibl	$2,498,486.75
Prepaid Expenses	
Prepaid Expenses	$128,443.26
Stores Inventory	$0.00
Total Prepaid Expenses	$128,443.26
Long-Term Investments	
Patient Trust Cash, Invested	$15,829.52
Total Long-Term Investments	$15,829.52
Total Current Assets	$5,849,616.36

Fixed Assets

Nursing Home Buildings	$23,473,119.72
Improvements not Buildings	$1,083,202.49
Equipment, Furniture & Autos	$1,654,610.55
Construction in Progress	$0.00
Accumulated Deprecreciation-Land Improvements	($374,342.27)
Accumulated Depreciation-Equipment, Furniture, &	($1,345,719.03)
Accumulated Depreciation-Buildings	($6,446,305.49)
Total Fixed Assets	$18,044,565.97
Total ASSETS	$23,894,182.33

Champaign County Nursing Home
Balance Sheet

12/31/17

LIABILITIES & EQUITY

Current Liabilities

A/R Refunds	($10,183.23)
Accounts Payable	$5,018,319.91
Accounts Payable Suspense Acc	$0.00
Salaries & Wages Payable	$332,647.84
Interest Payable - Bonds	$22,933.41
Due To Accounts Payable Fund	($216.40)
Due to General Corporate Fund	$726,802.00
Due to Other Funds	$0.00
Due to Others (Non-Government)	($3.68)
Tax Anticipation Notes Payable	$128,935.02
Notes Payable	$279.66
Total Current Liabilities	$6,219,514.53

Non-Current Liabilities

Nursing Home Patient Trust Fund	$15,829.52
Bonds Payable	$2,265,000.00
Accrued Compensated Absences	$191,230.36
Total Non-Current Liabilities	$2,472,059.88
Total Current Liabilities	$8,691,574.41

Equity

Revenues	($21.60)
Retained Earnings-Unreserved	$16,521,560.26
Year To Date Earnings	$0.00
Contributed Capital	$0.00
Year To Date Earnings	($1,318,930.74)
Total Equity	$15,202,607.92
Total LIABILITIES & EQUITY	$23,894,182.33

#18-026 County Nursing Home

Champaign County Nursing Home
Actual vs Budget Statement of Operations

12/31/17

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Operating Income						
Miscellaneous Revenue	1,089.90	1,076.00	13.90	2,776.28	13,000.00	(10,223.72)
Medicare A Revenue	219,110.24	225,830.00	(6,719.76)	1,834,120.59	2,710,125.00	(876,004.41)
Medicare B Revenue	5,034.79	17,913.00	(12,878.21)	165,529.22	215,000.00	(49,470.78)
Medicaid Revenue	380,777.31	547,730.00	(166,952.69)	5,527,611.39	6,573,145.00	(1,045,533.61)
Private Pay Revenue	354,034.96	293,736.00	60,298.96	3,343,003.77	3,525,063.00	(182,059.23)
Adult Day Care Revenue	13,722.85	19,576.00	(5,853.15)	193,883.05	235,000.00	(41,116.95)
Total Income	973,770.05	1,105,861.00	(132,090.95)	11,066,924.30	13,271,333.00	(2,204,408.70)
Operating Expenses						
Administration	271,813.03	291,438.00	19,624.97	3,369,763.98	3,495,111.00	125,347.02
Environmental Services	68,871.89	95,260.00	26,388.11	1,110,540.89	1,142,064.00	31,523.11
Laundry	15,965.58	17,646.00	1,680.42	161,831.27	210,993.00	49,161.73
Maintenance	88,455.52	22,634.00	(65,821.52)	255,771.81	270,519.00	14,747.19
Nursing Services	474,108.94	491,035.00	16,926.06	5,888,119.30	5,890,946.00	2,826.70
Activities	19,941.27	26,426.00	6,484.73	235,072.02	316,485.00	81,412.98
Social Services	19,776.92	23,733.00	3,956.08	226,954.30	284,081.00	57,126.70
Physical Therapy	20,325.93	30,590.00	10,264.07	296,579.70	366,519.00	69,939.30
Occupational Therapy	19,736.38	33,629.00	13,892.62	232,454.54	402,987.00	170,532.46
Speech Therapy	1,498.91	8,978.00	7,479.09	54,784.09	107,637.00	52,852.91
Respiratory Therapy	1,040.00	4,578.00	3,538.00	17,698.77	54,925.00	37,226.23
Total This Department	2,538.91	13,556.00	11,017.09	72,482.86	162,562.00	90,079.14
Food Services	121,813.50	118,539.00	(3,274.50)	1,195,887.36	1,421,346.00	225,458.64
Barber & Beauty	3,843.18	7,800.00	3,956.82	70,545.93	93,061.00	22,515.07
Adult Day Care	15,796.00	18,399.00	2,603.00	181,700.89	220,040.00	38,339.11
Alzheimers and Related Disorders	20,648.04	59,991.00	39,342.96	302,607.06	719,364.00	416,756.94
Total Expenses	1,163,635.09	1,250,676.00	87,040.91	13,600,311.91	14,996,078.00	1,395,766.09
Net Operating Income	(189,865.04)	(144,815.00)	(45,050.04)	(2,533,387.61)	(1,724,745.00)	(808,642.61)
NonOperating Income						
Local Taxes	100,796.26	98,803.00	1,993.26	1,209,592.67	1,185,658.00	23,934.67
Miscellaneous NI Revenue		351.00	(351.00)	4,864.20	4,300.00	564.20
Total NonOperating Income	100,796.26	99,154.00	1,642.26	1,214,456.87	1,189,958.00	24,498.87
Net Income (Loss)	(89,068.78)	(45,661.00)	(43,407.78)	(1,318,930.74)	(534,787.00)	(784,143.74)

#18-026 County Nursing Home

Champaign County Nursing Home
Actual vs Budget Statement of Operations

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Operating Income						
Miscellaneous Revenue						
Lunch Reimbursement	340.00	163.00	177.00	733.00	2,000.00	(1,267.00)
Late Charge, NSF Check Charge		413.00	(413.00)	(486.36)	5,000.00	(5,486.36)
Other Miscellaneous Revenue	749.90	500.00	249.90	2,529.64	6,000.00	(3,470.36)
Total Miscellaneous Revenue	1,089.90	1,076.00	13.90	2,776.28	13,000.00	(10,223.72)
Medicare A Revenue						
Medicare A	156,045.42	75,273.00	80,772.42	1,124,549.31	903,375.00	221,174.31
NH Pt_Care - Medicare Advantage/ Hmo	58,908.01	150,557.00	(91,648.99)	678,078.72	1,806,750.00	(1,128,671.28)
ARD_Pt Care - Medicare Advantage/ HMO	4,156.81		4,156.81	31,492.56		31,492.56
Total Medicare A Revenue	219,110.24	225,830.00	(6,719.76)	1,834,120.59	2,710,125.00	(876,004.41)
Medicare B Revenue						
Medicare B	5,034.79	17,913.00	(12,878.21)	165,529.22	215,000.00	(49,470.78)
Total Medicare B Revenue	5,034.79	17,913.00	(12,878.21)	165,529.22	215,000.00	(49,470.78)
Medicaid Revenue						
Medicaid Title XIX (IDHFS)	302,812.71	444,729.00	(141,916.29)	4,307,580.25	5,336,836.00	(1,029,255.75)
ARD - Medicaid Title XIX (IDHFS)	46,549.36	69,724.00	(23,174.64)	701,435.02	836,798.00	(135,362.98)
Patient Care-Hospice	31,415.24	33,209.00	(1,793.76)	513,957.31	398,574.00	115,383.31
ARD Patient Care - Hospice		68.00	(68.00)	4,638.81	937.00	3,701.81
Total Medicaid Revenue	380,777.31	547,730.00	(166,952.69)	5,527,611.39	6,573,145.00	(1,045,533.61)
Private Pay Revenue						
VA-Veterans Nursing Home Care	24,815.99	30,945.00	(6,129.01)	507,070.34	371,351.00	135,719.34
ARD - VA - Veterans Care	880.00		880.00	67,100.00		67,100.00
Nursing Home Patient Care - Private Pay	257,083.12	232,123.00	24,960.12	2,255,280.07	2,785,520.00	(530,239.93)
Nursing Home Beauty Shop Revenue	1,432.00	2,913.00	(1,481.00)	22,945.20	35,000.00	(12,054.80)
Medical Supplies Revenue	2,658.00	5,000.00	(2,342.00)	25,862.77	60,000.00	(34,137.23)
Patient Transportation Charges	1,952.39	1,663.00	289.39	16,482.10	20,000.00	(3,517.90)
ARD Patient Care- Private Pay	65,213.46	21,092.00	44,121.46	448,263.29	253,192.00	195,071.29
Total Private Pay Revenue	354,034.96	293,736.00	60,298.96	3,343,003.77	3,525,063.00	(182,059.23)
Adult Day Care Revenue						
VA-Veterans Adult Daycare	2,910.00	8,326.00	(5,416.00)	54,340.68	100,000.00	(45,659.32)
IL Department Of Aging-Day Care Grant (Title XX)	6,248.85	8,750.00	(2,501.15)	96,934.37	105,000.00	(8,065.63)
Adult Day Care Charges-Private Pay	4,564.00	2,500.00	2,064.00	42,608.00	30,000.00	12,608.00
Total Adult Day Care Revenue	13,722.85	19,576.00	(5,853.15)	193,883.05	235,000.00	(41,116.95)
Total Income	973,770.05	1,105,861.00	(132,090.95)	11,066,924.30	13,271,333.00	(2,204,408.70)
Operating Expenses						
Administration						
Reg. Full-Time Employees	20,170.33	33,736.00	13,565.67	279,582.49	404,777.00	125,194.51
Reg. Part-Time Employees		624.00	624.00		7,400.00	7,400.00
Temp. Salaries & Wages	10,951.63	837.00	(10,114.63)	75,271.70	10,000.00	(65,271.70)
Per Diem	144.64	250.00	105.36	2,304.64	3,000.00	695.36
Overtime	631.58		(631.58)	5,310.89		(5,310.89)
TOPS - Balances	397.62	372.00	(25.62)	(7,615.52)	4,442.00	12,057.52
TOPS - FICA	30.41	49.00	18.59	(582.59)	566.00	1,148.59
Social Security - Employer	1,270.71	2,678.00	1,407.29	25,754.73	32,070.00	6,315.27
IMRF - Employer Cost	614.27	2,952.00	2,337.73	22,462.79	35,424.00	12,961.21
Workers' Compensation Insurance	862.49	1,051.00	188.51	10,501.74	12,535.00	2,033.26
Unemployment Insurance	482.98	1,362.00	879.02	4,228.27	16,300.00	12,071.73

#18-026 County Nursing Home

Champaign County Nursing Home
Actual vs Budget Statement of Operations

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Employee Health/Life Insurance	5,097.83	6,227.00	1,129.17	55,512.89	74,636.00	19,123.11
Employee Development/Recognition	42.70	212.00	169.30	352.23	2,500.00	2,147.77
Employee Physicals/Lab	70.00	3,750.00	3,680.00	27,527.70	45,000.00	17,472.30
Stationary & Printing	418.56	250.00	(168.56)	1,109.61	3,000.00	1,890.39
Books, Periodicals & Manuals		24.00	24.00	472.75	200.00	(272.75)
Copier Supplies	561.33	500.00	(61.33)	561.33	6,000.00	5,438.67
Postage, UPS, Federal Express	841.53	337.00	(504.53)	4,588.10	4,000.00	(588.10)
Equipment < $2,500		25.00	25.00	231.16	300.00	68.84
Operational Supplies	1,901.51	549.00	(1,352.51)	15,299.00	6,500.00	(8,799.00)
Audit & Accounting Fees	(9,439.13)	4,587.00	14,026.13	25,111.87	55,000.00	29,888.13
Attorney Fees	3,892.50	5,000.00	1,107.50	148,696.53	60,000.00	(88,696.53)
Engineering Fees		1,250.00	1,250.00	2,132.38	15,000.00	12,867.62
Professional Services	47,014.22	41,800.00	(5,214.22)	630,076.35	501,534.00	(128,542.35)
Job Required Travel Expense	25.48	174.00	148.52	891.95	2,000.00	1,108.05
Insurance	22,841.42	24,174.00	1,332.58	274,097.04	290,000.00	15,902.96
Property Loss & Liability Claims		174.00	174.00		2,000.00	2,000.00
Computer Services	9,880.23	8,337.00	(1,543.23)	107,544.85	100,000.00	(7,544.85)
Telephone Services	1,374.91	1,674.00	299.09	16,111.98	20,000.00	3,888.02
Automobile Maintenance	53.00		(53.00)	53.00		(53.00)
Equipment Maintenance	3,507.95	87.00	(3,420.95)	4,551.83	1,000.00	(3,551.83)
Legal Notices, Advertising	1,866.03	3,337.00	1,470.97	18,846.89	40,000.00	21,153.11
Photocopy Services	1,424.14	898.00	(526.14)	7,925.59	10,732.00	2,806.41
Public Relations	673.66	174.00	(499.66)	970.35	2,000.00	1,029.65
Dues & Licenses	15,908.81	1,712.00	(14,196.81)	26,792.83	20,500.00	(6,292.83)
Conferences & Training		837.00	837.00		10,000.00	10,000.00
Finance Charges, Bank Fees	713.51	837.00	123.49	29,944.97	10,000.00	(19,944.97)
Cable/Satellite TV Expense	5,543.52	2,500.00	(3,043.52)	32,154.17	30,000.00	(2,154.17)
IPA Licensing Fee	34,128.77	45,575.00	11,446.23	429,186.32	546,790.00	117,603.68
Fines & Penalties	181.00	2,500.00	2,319.00	46,984.34	30,000.00	(16,984.34)
General Liability Claims		2,500.00	2,500.00		30,000.00	30,000.00
Furnishings, Office Equipment		1,750.00	1,750.00	3,310.43	21,000.00	17,689.57
Depreciation Expense	64,700.00	65,238.00	538.00	771,245.02	782,735.00	11,489.98
Bad Debt Expense	19,475.40	16,674.00	(2,801.40)	222,550.36	200,000.00	(22,550.36)
Miscellaneous Expense				42.00		(42.00)
Interest-Tax Anticipation Notes Payable		299.00	299.00	4,979.16	3,500.00	(1,479.16)
Interest- Bonds Payable	3,557.49	3,565.00	7.51	42,689.86	42,670.00	(19.86)
Total Administration	271,813.03	291,438.00	19,624.97	3,369,763.98	3,495,111.00	125,347.02
Environmental Services						
Reg. Full-Time Employees	30,129.06	27,175.00	(2,954.06)	343,463.69	326,089.00	(17,374.69)
Reg. Part-Time Employees	1,443.18	845.00	(598.18)	10,577.00	10,019.00	(558.00)
Overtime	2,750.19	309.00	(2,441.19)	14,920.35	3,664.00	(11,256.35)
TOPS - Balances	(1,615.50)	250.00	1,865.50	(12,305.11)	3,000.00	15,305.11
TOPS- FICA	(123.59)	87.00	210.59	(941.35)	1,000.00	1,941.35
Social Security - Employer	1,160.36	2,167.00	1,006.64	26,531.11	25,993.00	(538.11)
IMRF - Employer Cost	1,084.27	2,399.00	1,314.73	29,505.22	28,711.00	(794.22)
Workers' Compensation Insurance	771.98	853.00	81.02	10,406.22	10,159.00	(247.22)
Unemployment Insurance	565.09	1,538.00	972.91	6,624.39	18,357.00	11,732.61
Employee Health/Life Insurance	2,244.27	7,112.00	4,867.73	35,819.63	85,322.00	49,502.37
Equipment < $2,500				48.82		(48.82)
Operational Supplies	4,050.33	4,587.00	536.67	40,522.04	55,000.00	14,477.96
Gas Service	12,011.58	14,587.00	2,575.42	124,065.66	175,000.00	50,934.34
Electric Service	7,256.74	25,000.00	17,743.26	385,775.93	300,000.00	(85,775.93)
Water Service	2,979.41	2,924.00	(55.41)	36,376.50	35,000.00	(1,376.50)
Pest Control Service	636.35	530.00	(106.35)	5,999.85	6,250.00	250.15
Waste Disposal & Recycling	3,317.06	2,924.00	(393.06)	33,393.22	35,000.00	1,606.78

#18-026 County Nursing Home

Champaign County Nursing Home
Actual vs Budget Statement of Operations

12/31/17

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Equipment Rentals	258.00	299.00	41.00	3,096.00	3,500.00	404.00
Sewer Service & Tax	(46.89)	1,674.00	1,720.89	16,661.72	20,000.00	3,338.28
Total Environmental Services	66,871.89	95,260.00	26,388.11	1,110,540.89	1,142,064.00	31,523.11
Laundry						
Reg. Full-Time Employees	11,274.58	7,445.00	(3,829.58)	92,817.78	89,252.00	(3,565.78)
Reg. Part-Time Employees		832.00	832.00	3,876.66	9,885.00	6,008.34
Overtime	1,379.79	126.00	(1,253.79)	5,321.43	1,468.00	(3,853.43)
TOPS Balances	(80.28)	87.00	167.28	(168.21)	1,000.00	1,168.21
TOPS - FICA	(6.14)	12.00	18.14	(12.87)	100.00	112.87
Social Security - Employer	492.94	645.00	152.06	7,179.78	7,696.00	516.22
IMRF - Employer Cost	523.54	713.00	189.46	8,012.45	8,501.00	488.55
Workers' Compensation Insurance	283.22	258.00	(25.22)	2,839.53	3,008.00	168.47
Unemployment Insurance	222.51	460.00	237.49	1,855.07	5,487.00	3,631.93
Employee Health/Life Insurance	744.44	4,008.00	3,263.56	25,280.48	48,096.00	22,815.52
Laundry Supplies	617.35	837.00	219.65	5,542.35	10,000.00	4,457.65
Linen & Bedding		1,674.00	1,674.00	7,718.96	20,000.00	12,281.04
Operational Supplies				57.00		(57.00)
Laundry & Cleaning Service	513.63	549.00	35.37	1,510.86	6,500.00	4,989.14
Total Laundry	15,965.58	17,646.00	1,680.42	161,831.27	210,993.00	49,161.73
Maintenance						
Reg. Full-Time Employees	4,479.65	5,472.00	992.35	42,381.69	65,653.00	23,271.31
Overtime	385.32	69.00	(316.32)	1,754.93	806.00	(948.93)
TOPS - Balances	(495.18)	87.00	582.18	(180.38)	1,000.00	1,180.38
TOPS - FICA	(37.88)	21.00	58.88	(13.80)	230.00	243.80
Social Security - Employer	181.46	431.00	249.54	3,141.69	5,084.00	1,942.31
IMRF - Employer Cost	159.31	468.00	308.69	3,497.96	5,616.00	2,118.04
Workers' Compensation Insurance	128.55	172.00	43.45	1,262.44	1,987.00	724.56
Unemployment Insurance	90.68	315.00	224.32	716.42	3,670.00	2,953.58
Employee Health/Life Insurance	1,810.28	1,338.00	(472.28)	7,101.40	16,023.00	8,921.60
Gasoline & Oil		125.00	125.00	808.80	1,500.00	691.20
Tools		30.00	30.00	(188.59)	250.00	438.59
Ground Supplies	83.90	87.00	3.10	83.90	1,000.00	916.10
Maintenance Supplies	466.18	1,674.00	1,207.82	18,495.94	20,000.00	1,504.06
Equipment < $2,500	1,324.70	174.00	(1,150.70)	3,349.30	2,000.00	(1,349.30)
Operational Supplies	443.97	30.00	(413.97)	1,320.11	250.00	(1,070.11)
Professional Services	1,451.73	31.00	(1,420.73)	1,451.73	350.00	(1,101.73)
Automobile Maintenance	281.20	837.00	555.80	4,442.60	10,000.00	5,557.40
Equipment Maintenance	2,773.31	2,087.00	(686.31)	20,880.27	25,000.00	4,119.73
Equipment Rentals		12.00	12.00		100.00	100.00
Nursing Home Building Repair/Maintenance	28,440.26	8,337.00	(20,103.26)	94,764.04	100,000.00	5,235.96
Dues & Licenses				75.00		(75.00)
Conferences & Training				353.38		(353.38)
Landscaping Services	896.00		(896.00)	896.00		(896.00)
Parking Lot/Sidewalk Maintenance		837.00	837.00	1,384.90	10,000.00	8,615.10
Nursing Home Building Construction/Improvements	45,592.08		(45,592.08)	47,992.08		(47,992.08)
Total Maintenance	88,455.52	22,634.00	(65,821.52)	255,771.81	270,519.00	14,747.19
Nursing Services						
Reg. Full-Time Employees	163,147.46	129,158.00	(33,989.46)	1,732,133.72	1,549,830.00	(182,303.72)
Reg. Part-Time Employees	10,281.36	3,860.00	(6,421.36)	100,062.02	46,276.00	(53,786.02)
Temp. Salaries & Wages	14,070.25	5,000.00	(9,070.25)	222,573.16	60,000.00	(162,573.16)
Overtime	62,011.66	27,404.00	(34,607.66)	629,867.96	328,749.00	(301,118.96)
TOPS - Balances	5,955.89	837.00	(5,118.89)	(21,412.83)	10,000.00	31,412.83
No Benefit Full-Time Employees	98,720.27	105,997.00	7,276.73	1,131,674.80	1,271,942.00	140,267.20

#18-026 County Nursing Home

12/31/17

Champaign County Nursing Home
Actual vs Budget Statement of Operations

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
No Benefit Part-Time Employees	18,362.09	23,489.00	5,126.91	237,090.54	281,868.00	44,777.46
TOPS - FICA	455.62	72.00	(383.62)	(1,638.08)	765.00	2,403.08
Social Security - Employer	13,750.11	22,559.00	8,808.89	289,965.37	270,708.00	(19,257.37)
IMRF - Employer Cost	10,757.34	24,919.00	14,161.66	300,244.25	299,017.00	(1,227.25)
Workers' Compensation Insurance	8,588.53	8,819.00	230.47	101,592.03	105,806.00	4,213.97
Unemployment Insurance	6,535.30	7,590.00	1,054.70	50,960.54	91,069.00	40,108.46
Employee Health/Life Insurance	24,821.75	28,850.00	4,028.25	313,185.50	346,112.00	32,926.50
Books, Periodicals & Manuals		174.00	174.00	292.77	2,000.00	1,707.23
Stocked Drugs	934.35	3,092.00	2,157.65	37,806.93	37,093.00	(713.93)
Pharmacy Charges-Public Aid	790.40	1,921.00	1,130.60	17,394.42	22,975.00	5,580.58
Oxygen	3,248.69	1,412.00	(1,836.69)	12,816.96	16,900.00	4,083.04
Incontinence Supplies	3,266.35	9,268.00	6,001.65	67,636.45	111,194.00	43,557.55
Pharmacy Charges - Insurance	2,043.08	9,769.00	7,725.92	74,887.43	117,129.00	42,241.57
Equipment < $2,500		837.00	837.00	4,388.53	10,000.00	5,611.47
Operational Supplies	19,623.48	17,069.00	(2,554.48)	147,351.53	204,795.00	57,443.47
Pharmacy Charges-Medicare	10,945.39	8,423.00	(2,522.39)	96,806.24	101,043.00	4,236.76
Medical/Dental/Mental Health	(17,200.00)	4,174.00	21,374.00	37,925.00	50,000.00	12,075.00
Professional Services	10,575.52	31,674.00	21,098.48	196,655.51	380,000.00	183,344.49
Job Require Travel				56.71		(56.71)
Laboratory Fees	398.19	1,400.00	1,003.81	5,474.05	16,745.00	11,270.95
Equipment Rentals	1,910.00	2,500.00	590.00	44,064.22	30,000.00	(14,064.22)
Dues & Licenses		49.00	49.00	50.00	500.00	450.00
Conferences & Training		500.00	500.00	1,402.00	6,000.00	4,598.00
Contract Nursing Services		9,174.00	9,174.00	1,905.84	110,000.00	108,094.16
Medicare Medical Services	28.00	1,045.00	1,017.00	54,125.87	12,430.00	(41,695.87)
Medical/ Health Equipment	89.86		(89.86)	779.86		(779.86)
Total Nursing Services	474,108.94	491,035.00	16,926.06	5,888,119.30	5,890,946.00	2,826.70
Activities						
Reg. Full-Time Employees	13,626.87	16,009.00	2,382.13	153,125.80	192,086.00	38,960.20
Reg. Part-Time Employees	914.84	1,403.00	488.16	13,049.19	16,770.00	3,720.81
Overtime	104.52	44.00	(60.52)	1,018.02	473.00	(545.02)
TOPS - Balances	16.34	174.00	157.66	(123.52)	2,000.00	2,123.52
Part Time Non Benefit	293.45		(293.45)	293.45		(293.45)
TOPS - FICA	1.25	21.00	19.75	(9.45)	153.00	162.45
Social Security - Employer	504.79	1,340.00	835.21	11,913.23	16,014.00	4,100.77
IMRF - Employer Cost	485.83	1,474.00	988.17	13,240.00	17,688.00	4,448.00
Workers' Compensation Insurance	361.45	528.00	166.55	4,900.33	6,259.00	1,358.67
Unemployment Insurance	246.29	964.00	717.71	2,833.48	11,557.00	8,723.52
Employee Health/Life Insurance	2,983.38	3,630.00	646.62	29,261.32	43,560.00	14,298.68
Equipment < $2,500		12.00	12.00		100.00	100.00
Operational Supplies	272.56	625.00	352.44	4,049.97	7,500.00	3,450.03
Professional Services	129.70	150.00	20.30	1,505.20	1,800.00	294.80
Conferences & Training		52.00	52.00	15.00	525.00	510.00
Total Activities	19,941.27	26,426.00	6,484.73	235,072.02	316,485.00	81,412.98
Social Services						
Reg. Full-Time Employees	15,311.92	15,996.00	684.08	158,508.35	191,897.00	33,388.65
Reg. Part-Time Employees				5,626.81		(5,626.81)
Overtime	77.73	207.00	129.27	2,396.07	2,462.00	65.93
TOPS - Balances	(621.56)	174.00	795.56	(5,316.60)	2,000.00	7,316.60
TOPS - FICA	(47.55)	21.00	68.55	(406.72)	153.00	559.72
Social Security - Employer	747.96	1,239.00	491.04	12,219.49	14,868.00	2,648.51
IMRF - Employer Cost	819.99	1,375.00	555.01	13,622.88	16,423.00	2,800.12
Workers' Compensation Insurance	486.98	487.00	0.02	4,945.59	5,811.00	865.41
Unemployment Insurance	210.48	799.00	588.52	2,512.54	9,522.00	7,009.46

#18-026 County Nursing Home

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Employee Health/Life Insurance	2,229.97	3,188.00	958.03	26,678.12	38,245.00	11,566.88
Operational Supplies		24.00	24.00		200.00	200.00
Professional Services	561.00	174.00	(387.00)	6,167.77	2,000.00	(4,167.77)
Conferences & Training		49.00	49.00		500.00	500.00
Total Social Services	19,776.92	23,733.00	3,956.08	226,954.30	284,081.00	57,126.70
Physical Therapy						
Reg. Full-Time Employees	155.60	4,740.00	4,584.40	51,534.83	56,803.00	5,268.17
Overtime		30.00	30.00	2,049.22	283.00	(1,766.22)
TOPS - Balances		87.00	87.00	(8,547.13)	1,000.00	9,547.13
No Benefit Full-Time Employees				11,037.43		(11,037.43)
TOPS - FICA		11.00	11.00	(653.86)	77.00	730.86
Social Security - Employer	(134.09)	374.00	508.09	4,665.48	4,367.00	(298.48)
IMRF - Employer Cost	(258.62)	402.00	660.62	5,153.35	4,824.00	(329.35)
Workers' Compensation Insurance	4.71	145.00	140.29	1,875.50	1,707.00	(168.50)
Unemployment Insurance		269.00	269.00	873.27	3,206.00	2,332.73
Employee Health/Life Insurance	1,485.52	1,863.00	377.48	17,826.24	22,257.00	4,430.76
Operational Supplies				80.57		(80.57)
Professional Services	19,072.81	22,669.00	3,596.19	210,684.80	271,995.00	61,310.20
Total Physical Therapy	20,325.93	30,590.00	10,264.07	296,579.70	366,519.00	69,939.30
Occupational Therapy						
Reg. Full-Time Employees		4,546.00	4,546.00		54,497.00	54,497.00
TOPS - Balances		12.00	12.00		100.00	100.00
TOPS - FICA		8.00	8.00		8.00	8.00
Social Security - Employer		352.00	352.00		4,169.00	4,169.00
IMRF - Employer Cost		392.00	392.00		4,605.00	4,605.00
Workers' Compensation Ins.		144.00	144.00		1,629.00	1,629.00
Unemployment Insurance		216.00	216.00		2,592.00	2,592.00
Employee Health/Life Insurance		1,426.00	1,426.00		17,013.00	17,013.00
Professional Services	19,736.38	26,533.00	6,796.62	232,454.54	318,374.00	85,919.46
Total Occupational Therapy	19,736.38	33,629.00	13,892.62	232,454.54	402,987.00	170,532.46
Speech Therapy						
Professional Services	1,498.91	8,978.00	7,479.09	54,784.09	107,637.00	52,852.91
Total Speech Therapy	1,498.91	8,978.00	7,479.09	54,784.09	107,637.00	52,852.91
Respiratory Therapy						
Professional Services	1,040.00		(1,040.00)	17,698.77		(17,698.77)
Professional Services		4,578.00	4,578.00		54,925.00	54,925.00
Total Respiratory Therapy	1,040.00	4,578.00	3,538.00	17,698.77	54,925.00	37,226.23
Total This Department	2,538.91	13,556.00	11,017.09	72,482.86	162,562.00	90,079.14
Food Services						
Reg. Full-Time Employees	30,192.30	30,702.00	509.70	347,749.00	368,303.00	20,554.00
Reg. Part-Time Employees	17,007.71	1,719.00	(15,288.71)	73,091.05	20,518.00	(52,573.05)
Temp. Salaries & Wages				11,600.21		(11,600.21)
Overtime	11,603.74	3,268.00	(8,335.74)	60,503.93	39,106.00	(21,397.93)
TOPS - Balances	2,758.60	87.00	(2,671.60)	(1,390.55)	1,000.00	2,390.55
TOPS - FICA	211.03	11.00	(200.03)	(106.38)	77.00	183.38
Social Security - Employer	2,032.46	2,728.00	695.54	34,903.62	32,736.00	(2,167.62)
IMRF - Employer Cost	1,832.44	3,017.00	1,184.56	37,959.70	36,160.00	(1,799.70)
Workers' Compensation Insurance	1,218.69	1,069.00	(149.69)	12,755.99	12,795.00	39.01
Unemployment Insurance	1,271.02	1,988.00	716.98	10,530.39	23,779.00	13,248.61
Employee Health/Life Insurance	5,894.82	7,855.00	1,960.18	65,304.30	94,172.00	28,867.70
Books, Periodicals & Manuals				183.60		(183.60)

#18-026 County Nursing Home

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Food	32,485.69		(32,485.69)	143,494.98		(143,494.98)
Non-Food Supply	1,672.70		(1,672.70)	19,777.50		(19,777.50)
Nutritional Supplements	10,723.96	5,000.00	(5,723.96)	23,733.95	60,000.00	36,266.05
Equipment < $2,500		49.00	49.00	495.98	500.00	4.02
Operational Supplies	731.55		(731.55)	8,978.36		(8,978.36)
Professional Services	1,525.23	125.00	(1,400.23)	6,922.15	1,500.00	(5,422.15)
Equipment Rentals	404.95	424.00	19.05	4,859.40	5,000.00	140.60
Dues & Licenses		24.00	24.00	85.00	200.00	115.00
Conferences & Training		49.00	49.00	390.00	500.00	110.00
Food Service		60,424.00	60,424.00	333,818.57	725,000.00	391,181.43
Furnishings, Office Equipment	246.61		(246.61)	246.61		(246.61)
Total Food Services	121,813.50	118,539.00	(3,274.50)	1,195,887.36	1,421,346.00	225,458.64
Barber & Beauty						
Reg. Full-Time Employees	2,973.79	4,682.00	1,708.21	47,421.46	56,118.00	8,696.54
TOPS - Balances	(201.14)	174.00	375.14	(2,505.33)	2,000.00	4,505.33
TOPS - FICA	(15.39)	21.00	36.39	(191.66)	153.00	344.66
Social Security - Employer	111.27	366.00	254.73	3,002.19	4,293.00	1,290.81
IMRF - Employer Cost	113.82	397.00	283.18	3,330.65	4,742.00	1,411.35
Workers' Compensation Insurance	82.61	149.00	66.39	1,412.52	1,678.00	265.48
Unemployment Insurance	35.46	257.00	221.54	634.84	3,073.00	2,438.16
Employee Health/Life Insurance	742.76	1,667.00	924.24	17,083.48	20,004.00	2,920.52
Operational Supplies		87.00	87.00	357.78	1,000.00	642.22
Total Barber & Beauty	3,843.18	7,800.00	3,956.82	70,545.93	93,061.00	22,515.07
Adult Day Care						
Reg. Full-Time Employees	12,276.68	10,994.00	(1,282.68)	126,844.34	131,840.00	4,995.66
Reg. Part-Time Employees				5.83		(5.83)
Overtime	363.44	78.00	(285.44)	3,353.49	925.00	(2,428.49)
TOPS - Balances	(130.03)		130.03	(5,034.87)		5,034.87
TOPS - FICA	(9.94)		9.94	(385.16)		385.16
Social Security - Employer	444.44	846.00	401.56	9,151.60	10,086.00	934.40
IMRF - Employer Cost	395.77	932.00	536.23	10,188.91	11,140.00	951.09
Workers' Compensation Insurance	322.68	334.00	11.32	3,750.75	3,942.00	191.25
Unemployment Insurance	197.10	542.00	344.90	1,777.66	6,471.00	4,693.34
Employee Health/Life Insurance	740.16	3,371.00	2,630.84	19,470.94	40,386.00	20,915.06
Gasoline & Oil	734.76	837.00	102.24	10,671.27	10,000.00	(671.27)
Equipment < $2,500	(5.77)	49.00	54.77	24.05	500.00	475.95
Operational Supplies	156.19	125.00	(31.19)	1,429.29	1,500.00	70.71
Professional Services				60.00		(60.00)
Field Trips/Activities		49.00	49.00		500.00	500.00
Dues & Licenses	275.00	30.00	(245.00)	275.00	250.00	(25.00)
Conferences & Training		212.00	212.00	50.00	2,500.00	2,450.00
Automobiles, Vehicles	35.52		(35.52)	62.02		(62.02)
Furnishings, Office Equipment				5.77		(5.77)
Total Adult Day Care	15,796.00	18,399.00	2,603.00	181,700.89	220,040.00	38,339.11
Alzheimers and Related Disord						
Reg. Full-Time Employees	7,190.51	21,019.00	13,828.49	112,777.66	252,129.00	139,351.34
Overtime	388.13	3,049.00	2,660.87	11,720.14	36,533.00	24,812.86
TOPS - Balances	(643.48)	250.00	893.48	(4,726.63)	3,000.00	7,726.63
No Benefit Full-Time Employees	5,781.87	13,974.00	8,192.13	59,199.78	167,600.00	108,400.22
No Benefit Part-Time Employees	3,666.04	6,504.00	2,837.96	44,993.81	78,026.00	33,032.19
TOPS - FICA	(49.23)	21.00	70.23	(361.59)	230.00	591.59
Social Security - Employer	536.31	3,407.00	2,870.69	16,530.68	40,873.00	24,342.32
IMRF - Employer Cost	399.47	3,765.00	3,365.53	18,356.94	45,147.00	26,790.06

#18-026 County Nursing Home

Description	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Workers' Compensation Insurance	467.69	1,334.00	866.31	6,465.57	15,975.00	9,509.43
Unemployment Insurance	255.52	2,158.00	1,902.48	3,166.90	25,819.00	22,652.10
Employee Health/Life Insurance	2,181.02	4,285.00	2,103.98	32,833.68	51,332.00	18,498.32
Equipment < $2,500				89.46		(89.46)
Operational Supplies	166.69		(166.69)	239.16		(239.16)
Professional Services	307.50	100.00	(207.50)	1,127.50	1,200.00	72.50
Conferences & Training		125.00	125.00	194.00	1,500.00	1,306.00
Total Alzheimers and Related Disorders	20,648.04	59,991.00	39,342.96	302,607.06	719,364.00	416,756.94
Total Expenses	1,163,635.09	1,250,676.00	87,040.91	13,600,311.91	14,996,078.00	1,395,766.09
Net Operating Income	(189,865.04)	(144,815.00)	(45,050.04)	(2,533,387.61)	(1,724,745.00)	(808,642.61)
NonOperating Income						
Local Taxes						
Current-Nursing Home Operating	100,796.26	98,803.00	1,993.26	1,209,592.67	1,185,658.00	23,934.67
Total Local Taxes	100,796.26	98,803.00	1,993.26	1,209,592.67	1,185,658.00	23,934.67
Miscellaneous NI Revenue						
Restricted Donations		163.00	(163.00)	1,684.24	2,000.00	(315.76)
Vending Machine Revenue		188.00	(188.00)	3,179.96	2,300.00	879.96
Total Miscellaneous NI Revenue		351.00	(351.00)	4,864.20	4,300.00	564.20
Total NonOperating Income	100,796.26	99,154.00	1,642.26	1,214,456.87	1,189,958.00	24,498.87
Net Income (Loss)	(89,068.78)	(45,661.00)	(43,407.78)	(1,318,930.74)	(534,787.00)	(784,143.74)

#18-026 County Nursing Home

12/31/17

Champaign County Nursing Home
Historical Statement of Operations

Description	01/17	02/17	03/17	04/17	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	Total
Operating Income													
Miscellaneous Revenue	112	64	(113)	57	1,068	(165)	345	27	281		10	1,090	2,776
Medicare A Revenue	172,451	205,010	145,345	115,410	102,584	141,201	132,920	125,003	115,570	196,096	163,422	219,110	1,834,121
Medicare B Revenue	23,385	10,072	23,966	17,972	21,305	13,258	18,827	9,202	9,811	2,992	9,703	5,035	165,529
Medicaid Revenue	425,618	543,639	528,869	456,811	431,742	457,092	466,019	419,987	471,442	396,294	549,320	380,777	5,527,811
Private Pay Revenue	343,926	175,239	235,958	277,659	292,265	216,809	210,686	287,156	238,800	369,286	341,185	354,035	3,343,004
Adult Day Care Revenue	18,025	18,796	26,090	14,888	17,153	16,749	15,000	11,672	9,964	18,991	12,733	13,723	193,883
Total Income	983,517	952,820	960,115	882,898	866,116	844,943	843,797	853,047	845,868	983,658	1,076,374	973,770	11,066,924
Operating Expenses													
Administration	256,410	256,529	246,657	285,368	339,491	277,973	292,523	274,867	289,508	302,390	276,237	271,813	3,369,764
Environmental Services	90,505	85,609	97,021	67,156	124,200	100,693	91,904	96,382	83,274	96,849	108,076	68,872	1,110,541
Laundry	13,782	10,616	12,879	13,592	11,732	12,982	12,544	16,115	13,258	13,808	14,556	15,966	161,831
Maintenance	13,566	13,550	14,636	21,336	7,975	23,186	10,215	9,731	21,337	18,363	13,422	88,456	255,772
Nursing Services	563,352	477,286	490,406	465,525	485,234	518,541	489,606	461,945	449,748	494,626	517,740	474,109	5,888,119
Activities	21,909	19,613	20,521	20,916	23,049	19,090	18,098	18,617	18,595	18,368	16,356	19,941	235,072
Social Services	24,080	24,018	17,851	14,016	18,879	18,653	12,767	19,156	17,841	21,019	18,896	19,777	226,954
Physical Therapy	28,893	32,645	32,814	29,849	29,663	23,020	20,091	18,461	20,133	24,909	15,777	20,326	296,580
Occupational Therapy	23,243	23,502	21,475	15,351	14,334	15,211	22,305	23,981	20,529	17,312	15,476	19,736	232,455
Speech Therapy	9,046	5,056	8,775	6,619	5,696	5,260	4,856	2,541	1,474	1,996	1,966	1,499	54,784
Respiratory Therapy													
Respiratory Therapy	2,101	2,104	1,611	1,246	1,963	2,425	1,363	1,479	852	1,125	390	1,040	17,699
Total This Department	11,147	7,161	10,386	7,865	7,659	7,685	6,219	4,019	2,326	3,120	2,356	2,539	72,483
Food Services	108,279	110,907	101,839	92,095	95,268	82,277	95,150	89,119	94,027	99,075	106,036	121,814	1,195,887
Barber & Beauty	8,075	6,320	6,860	6,606	7,313	7,942	4,864	5,674	4,751	4,241	4,058	3,843	70,546
Adult Day Care	16,141	13,554	14,523	15,514	16,029	16,620	15,251	14,429	12,968	15,635	15,240	15,796	181,701
Alzheimers and Related Disorders	26,916	24,180	28,003	24,634	27,305	33,254	26,684	24,547	21,361	22,151	22,926	20,648	302,607
Total Expenses	1,206,299	1,105,490	1,115,871	1,079,823	1,208,129	1,157,128	1,118,220	1,077,043	1,069,656	1,151,866	1,147,152	1,163,635	13,600,312
Net Operating Income	(222,782)	(152,670)	(155,755)	(196,925)	(342,013)	(312,184)	(274,424)	(223,995)	(223,789)	(168,208)	(70,778)	(189,865)	(2,533,388)
NonOperating Income													
Local Taxes	100,172	100,172	100,172	100,172	100,172	100,172	104,540	100,796	100,834	100,796	100,796	100,796	1,209,593
Miscellaneous NI Revenue	300	1,059	592	136	913	50	976			837			4,864
Total NonOperating Income	100,472	101,232	100,764	100,308	101,085	100,222	105,517	100,796	100,834	101,634	100,796	100,796	1,214,457
Net Income (Loss)	(122,310)	(51,438)	(54,991)	(96,616)	(240,928)	(211,962)	(168,907)	(123,199)	(122,955)	(66,574)	30,018	(89,069)	(1,318,931)

#18-026 County Nursing Home

Champaign County Nursing Home
Historical Statement of Operations

12/31/17 — 1

Description	01/17	02/17	03/17	04/17	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	Total
Operating Income													
Miscellaneous Revenue													
Lunch Reimbursement	27	54	18	36	96	39	96	27				340	733
Late Charge, NSF Check Charge	85		(340)	1	1	(234)							(486)
Other Miscellaneous Revenue		10	209	20	970	30	249		281		10	750	2,530
Total Miscellaneous Revenue	112	64	(113)	57	1,068	(165)	345	27	281		10	1,090	2,776
Medicare A Revenue													
Medicare A	79,798	134,181	87,973	68,146	56,449	84,982	65,891	74,572	76,005	125,915	114,593	156,045	1,124,549
NH Pt_Care - Medicare Advantage/	88,270	70,829	57,372	47,264	46,135	56,219	52,206	43,224	39,564	70,181	47,906	58,908	678,079
ARD_Pt Care - Medicare Advantage/	4,382						14,823	7,208			923	4,157	31,493
Total Medicare A Revenue	172,451	205,010	145,345	115,410	102,584	141,201	132,920	125,003	115,570	196,096	163,422	219,110	1,834,121
Medicare B Revenue													
Medicare B	23,385	10,072	23,966	17,972	21,305	13,258	18,827	9,202	9,811	2,992	9,703	5,035	165,529
Total Medicare B Revenue	23,385	10,072	23,966	17,972	21,305	13,258	18,827	9,202	9,811	2,992	9,703	5,035	165,529
Medicaid Revenue													
Medicaid Title XIX (IDHFS)	325,730	426,513	395,868	339,565	353,607	397,412	273,575	325,588	383,490	311,475	471,943	392,813	4,307,580
ARD - Medicaid Title XIX (IDHFS)	69,106	60,995	70,904	75,828	29,321		139,166	51,851	54,714	55,281	47,720	46,549	701,435
Patient Care-Hospice	26,447	55,827	62,098	41,418	48,813	59,680	53,278	42,548	33,238	29,538	29,657	31,415	513,957
ARD Patient Care - Hospice	4,335	304											4,639
Total Medicaid Revenue	425,618	543,639	528,869	456,811	431,742	457,092	466,019	419,987	471,442	396,294	549,320	380,777	5,527,611
Private Pay Revenue													
VA-Veterans Nursing Home Care	51,635	50,225	47,375	87,939	73,825	38,165	31,838	22,086	31,813	28,069	19,285	24,816	507,070
ARD - VA - Veterans Care	6,820	6,160	7,260	6,600	5,940		7,920	6,380	6,600	6,820	5,720	880	67,100
Nursing Home Patient Care - Private	258,949	96,762	152,502	159,811	202,342	171,958	93,002	200,738	142,716	268,157	251,259	257,083	2,255,280
Nursing Home Beauty Shop Revenue	2,412	1,995	2,413	2,061	2,234	2,250	1,761	2,077	1,008	1,714	1,592	1,432	22,945
Medical Supplies Revenue	(641)	4,090	1,982	179	2,406	2,780	2,356	1,807	2,702	2,812	2,734	2,658	25,863
Patient Transportation Charges	1,659	1,952	833	237	(4)	1,656	1,227	901	586	2,448	3,036	1,952	16,482
ARD Patient Care- Private Pay	23,092	14,056	23,594	20,833	5,522		72,583	53,168	53,376	59,266	57,560	65,213	448,263
Total Private Pay Revenue	343,926	175,239	235,958	277,659	292,265	216,809	210,686	287,156	238,800	369,286	341,185	354,035	3,343,004
Adult Day Care Revenue													
VA-Veterans Adult Daycare	8,505	6,933	6,686	3,370	4,188	4,308	4,000	3,642	3,845	3,053	2,900	2,910	54,341
IL Department Of Aging-Day Care Gr	6,500	10,129	15,036	8,362	9,314	8,248	8,000	8,030		10,188	6,879	6,249	96,934
Adult Day Care Charges-Private Pay	3,020	1,734	4,368	3,256	3,651	4,192	3,000		6,119	5,750	2,954	4,564	42,608

#18-026 County Nursing Home

Champaign County Nursing Home
Historical Statement of Operations

Description	01/17	02/17	03/17	04/17	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	Total
Total Adult Day Care Revenue	18,025	18,796	26,090	14,988	17,153	16,749	15,000	11,672	9,964	18,991	12,733	13,723	193,883
Total Income	983,517	952,820	960,115	882,898	886,116	844,943	843,797	853,047	845,868	983,658	1,076,374	973,770	11,066,924
Operating Expenses													
Administration													
Reg. Full-Time Employees	22,820	21,909	23,795	21,897	24,824	24,035	24,355	34,068	20,046	21,507	20,157	20,170	279,582
Temp. Salaries & Wages	1,170	1,143	1,021	836	1,168	5,040	10,801	12,483	10,068	10,450	10,139	10,952	75,272
Per Diem	135	135	225	225	180	180	148	257	338	113	225	145	2,305
Overtime	1,121	87	56	426	500	328	533	349	322	184	772	632	5,311
TOPS - Balances	948	134	1,986	1,302	7	(168)	(2,859)	(10,493)	640	398	89	398	(7,616)
TOPS - FICA	73	10	152	100	1	(13)	(219)	(803)	49	30	7	30	(583)
Social Security - Employer	1,866	1,710	1,842	1,747	1,957	1,926	2,890	3,547	2,334	2,448	2,217	1,271	25,755
IMRF - Employer Cost	2,035	1,732	1,888	1,925	2,093	2,054	1,791	3,183	1,403	1,857	1,888	614	22,463
Workers' Compensation Insurance	718	690	725	699	777	773	1,138	1,404	908	954	852	862	10,502
Unemployment Insurance	797	705	(75)	453	371	362	390	38	200	259	245	483	4,228
Employee Health/Life Insurance	5,072	5,072	5,178	5,142	5,142	5,142	5,142	5,158	5,142	1,348	2,874	5,098	55,513
Employee Development/Recognition	30	24	30	25	22	24	33	36	25		60	43	352
Employee Physicals/Lab	1,270	4,679	3,695	2,609	1,095	1,594	1,600	2,174	2,410	5,231	1,100	70	27,528
Stationary & Printing						374	317					419	1,110
Books, Periodicals & Manuals	69					404							473
Copier Supplies												561	561
Postage, UPS, Federal Express		505	412	560	435	502	527	158	445	205		842	4,588
Equipment < $2,500			24	42			165						231
Operational Supplies	2,397	857	1,721	780	1,081	787	1,420	1,067	1,717	928	643	1,902	15,299
Audit & Accounting Fees	3,141	3,141	3,141	3,141	3,141	3,141	3,141	3,141	3,141	3,141	3,141	(9,439)	25,112
Attorney Fees	1,000	11,457	5,483	2,995	14,457	17,377	15,286	8,309	21,920	30,468	16,053	3,893	148,697
Engineering Fees			163				1,590			379			2,132
Professional Services	59,595	57,274	48,595	54,894	42,265	52,739	56,420	49,206	52,333	51,534	58,208	47,014	630,076
Job Required Travel Expense	43	51	71	67	71	41	103	293	64	21	42	25	892
Insurance	22,841	22,841	22,841	22,841	22,841	22,841	22,841	22,841	22,841	22,841	22,841	22,841	274,097
Computer Services	12,815	8,606	8,536	8,523	8,531	8,522	8,717	8,704	8,223	8,265	8,223	9,880	107,545
Telephone Services	1,056	1,286	1,331	2,849	1,323	1,189	1,280	1,112	1,077	1,084	1,149	1,375	16,112
Automobile Maintenance												53	53
Equipment Maintenance										622	421	3,508	4,552
Legal Notices, Advertising	1,982	912	1,074	1,764	414	1,943	2,298	1,325	802	4,188	280	1,866	18,847
Photocopy Services	250	900	1,884	(85)	650	650	650	650	305	650		1,424	7,926
Public Relations	33	6	(349)		384	13	53			40	118	674	970
Dues & Licenses	1,625	1,775	(5,517)	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	15,909	26,793
Finance Charges, Bank Fees	1,507	4,257	319	5,782	1,478	66	635	310	9,513	5,266	99	714	29,945
Cable/Satellite TV Expense	2,591	2,640	2,901	2,640	2,640	2,640	2,640	2,640	2,640	2,640		5,544	32,154
IPA Licensing Fee	40,988	36,847	39,301	35,088	36,411	35,239	34,687	35,021	33,685	34,808	32,981	34,129	429,186

#18-026 County Nursing Home

Champaign County Nursing Home
Historical Statement of Operations

Description	01/17	02/17	03/17	04/17	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	Total
Fines & Penalties			5,875	36,242	2,696		1,989		1			181	46,984
Furnishings, Office Equipment						1,447				1,863			3,310
Depreciation Expense	62,602	61,587	64,778	64,678	64,700	64,700	64,700	64,700	64,700	64,700	64,700	64,700	771,245
Bad Debt Expense					92,909	16,899	17,645	18,318	16,929	18,847	21,527	19,475	222,550
Miscellaneous Expense										42			42
Transfers to General Corporate Fund													
Interest-Tax Anticipation Notes Paya							4,493	486	104	(104)			4,979
Interest- Bonds Payable	3,819	3,558	3,556	3,556	3,301	3,557	3,557	3,557	3,557	3,557	3,557	3,557	42,690
Total Administration	256,410	256,529	246,657	285,368	339,491	277,973	292,523	274,867	289,508	302,390	276,237	271,813	3,369,764
Environmental Services													
Reg. Full-Time Employees	28,123	25,114	33,422	27,256	29,258	32,886	27,562	29,152	28,955	26,008	25,599	30,129	343,464
Reg. Part-Time Employees	845	724	885	765	857	1,115	573	828	811	891	841	1,443	10,577
Overtime	2,128	295	121	193	1,416	847	1,060	485	912	1,568	3,145	2,750	14,920
TOPS - Balances	183	557	(890)	517	(1,372)	(796)	(2,401)	559	(6,289)	(161)	(597)	(1,616)	(12,305)
TOPS- FICA	14	43	(68)	40	(105)	(61)	(184)	43	(481)	(12)	(46)	(124)	(941)
Social Security - Employer	2,358	1,975	2,585	2,173	2,375	2,684	2,150	2,391	2,285	2,178	2,217	1,160	26,531
IMRF - Employer Cost	2,729	2,100	2,812	2,521	2,692	2,989	2,183	2,937	2,294	2,480	2,683	1,084	29,505
Workers' Compensation Insurance	866	773	1,040	824	892	1,038	814	938	954	720	777	772	10,406
Unemployment Insurance	951	846	2	872	796	774	306	105	377	516	513	565	6,624
Employee Health/Life Insurance	2,988	2,988	2,988	2,988	3,726	3,726	3,726	2,985	2,985	2,237	2,237	2,244	35,820
Equipment < $2,500			49										49
Operational Supplies	3,374	3,012	5,152	1,363	5,215	1,637	4,900	5,532	2,459	1,698	2,131	4,050	40,522
Gas Service	17,247	12,147	12,161	10,912	9,760	6,837	3,553	2,512	3,025	12,024	21,877	12,012	124,066
Electric Service	20,074	27,491	28,172	8,391	61,439	38,647	40,504	41,008	37,777	37,838	37,179	7,257	385,776
Water Service	2,697	4,069	3,122	3,173	2,727	2,814	3,042	2,710	2,357	3,570	3,116	2,979	36,377
Pest Control Service	511		511	511	511	636	511	636	511	511	511	636	6,000
Waste Disposal & Recycling	3,306	2,280	3,037	2,720	2,396	3,268	1,949	2,866	2,684	3,021	2,551	3,317	33,393
Equipment Rentals	258	258	258	258	258	258	258	258	258	258	258	258	3,096
Sewer Service & Tax	1,853	938	1,661	1,679	1,360	1,394	1,400	436	1,400	1,502	3,085	(47)	16,662
Total Environmental Services	90,505	85,609	97,021	67,158	124,200	100,693	91,904	96,382	83,274	96,849	108,076	68,872	1,110,541
Laundry													
Reg. Full-Time Employees	6,893	6,771	7,625	5,608	6,772	8,477	7,268	7,230	7,936	8,866	8,078	11,275	92,818
Reg. Part-Time Employees	1,309	1,190	1,100	278									3,877
Overtime	795	89	4	4	315	121	340	281	710	228	1,055	1,380	5,321
TOPS Balances	534	162	(183)	(458)	(116)	(1,176)	116	(161)	(74)	86	1,182	(80)	(168)
TOPS - FICA	41	12	(14)	(35)	(9)	(90)	9	(12)	(6)	7	90	(6)	(13)
Social Security - Employer	672	601	643	452	531	641	557	557	647	743	642	493	7,180
IMRF - Employer Cost	782	638	697	523	608	714	572	679	673	847	757	524	8,012
Workers' Compensation Insurance	245	238	263	174	203	255	214	221	236	261	246	283	2,840
Unemployment Insurance	279	265	(12)	228	214	264	109	21	83	76	106	223	1,855

#18-026 County Nursing Home

Description	01/17	02/17	03/17	04/17	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	Total
Employee Health/Life Insurance	2,231	2,231	2,231	2,231	2,231	2,231	2,231	2,230	2,230	2,230	2,230	744	25,280
Laundry Supplies		1,222		3,646							57	617	5,542
Linen & Bedding		236		300	543	1,111	586	4,570	373				7,719
Operational Supplies											57		57
Laundry & Cleaning Service		(3,038)	525	641	441	435	542	500	450	444	57	514	1,511
Total Laundry	13,782	10,616	12,879	13,592	11,732	12,982	12,544	16,115	13,258	13,808	14,556	15,966	161,831
Maintenance													
Reg. Full-Time Employees	4,074	3,866	4,272	3,483	2,140	2,398	2,064	2,354	4,077	4,726	4,446	4,480	42,382
Overtime	1,010	(541)	5	14	9	30	149	93	243	209	149	385	1,755
TOPS - Balances	31	749	(938)	(3)	(39)	43	(122)	148	(147)	412	180	(495)	(180)
TOPS - FICA	2	57	(72)		(3)	3	(9)	11	(11)	32	14	(38)	(14)
Social Security - Employer	343	296	351	242	166	190	161	195	316	374	327	181	3,142
IMRF - Employer Cost	397	315	381	277	186	214	163	241	337	420	408	159	3,498
Workers' Compensation Insurance	122	116	126	106	64	73	58	76	116	140	136	129	1,262
Unemployment Insurance	143	129	(10)	80	69	37			61	64	53	91	716
Employee Health/Life Insurance	1,021	1,021	1,021	1,021	(464)	278	278	278	278	278	278	1,810	7,101
Gasoline & Oil							809						809
Tools		(189)											(189)
Ground Supplies												84	84
Maintenance Supplies	456	1,270	609	1,409	614	556	1,662	1,088	2,889	3,179	4,298	466	18,496
Equipment < $2,500	773	569	102			244	180	75	183	(102)		1,325	3,349
Operational Supplies		211							15		650	444	1,320
Professional Services												1,452	1,452
Automobile Maintenance	459	40	99	52	1,775	440		612	285	207	194	281	4,443
Equipment Maintenance	53	3,750	4,253	562	249	1,215			4,763	2,045	1,216	2,773	20,880
Nursing Home Building Repair/Maint	4,535	1,888	4,136	14,019	2,453	17,463	4,769	2,639	7,932	5,419	1,072	28,440	94,764
Dues & Licenses				75									75
Conferences & Training			300				53						353
Landscaping Services												896	896
Parking Lot/Sidewalk Maintenance	148				757					480			1,385
Nursing Home Building Construction/I								1,920		480		45,592	47,992
Total Maintenance	13,566	13,550	14,636	21,336	7,975	23,186	10,215	9,731	21,337	18,363	13,422	88,456	255,772
Nursing Services													
Reg. Full-Time Employees	139,160	129,888	142,836	130,313	133,200	140,476	150,712	158,042	153,832	143,109	147,417	163,147	1,732,134
Reg. Part-Time Employees	6,506	4,244	10,616	8,873	6,288	5,824	9,313	8,067	4,353	11,241	14,457	10,281	100,062
Temp. Salaries & Wages	23,848	20,418	17,293	20,792	22,799	18,722	19,699	16,995	14,627	19,637	13,672	14,070	222,573
Overtime	79,404	37,470	38,790	41,543	51,809	50,654	55,808	41,924	46,054	52,954	71,447	62,012	629,868
TOPS - Balances	(4,530)	6,383	(836)	(1,046)	(2,676)	5,141	(5,500)	(15,987)	(18,264)	3,338	6,608	5,956	(21,413)
No Benefit Full-Time Employees	115,981	89,124	97,099	95,716	84,300	82,320	77,055	87,825	94,819	104,355	104,362	98,720	1,131,675
No Benefit Part-Time Employees	16,556	12,958	21,079	19,852	17,224	27,855	28,194	18,831	20,089	18,936	17,154	18,362	237,091

#18-026 County Nursing Home

Champaign County Nursing Home
Historical Statement of Operations

Description	01/17	02/17	03/17	04/17	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	Total
TOPS - FICA	(347)	488	(64)	(80)	(205)	393	(421)	(1,223)	(1,397)	255	506	456	(1,638)
Social Security - Employer	28,702	21,979	24,898	23,579	23,247	24,770	25,594	24,559	24,661	26,727	27,499	13,750	289,965
IMRF - Employer Cost	29,677	21,375	25,379	25,398	23,878	25,774	24,467	28,008	24,166	28,064	33,299	10,757	300,244
Workers' Compensation Insurance	9,027	7,678	8,632	8,245	7,835	8,354	8,518	8,616	8,358	9,098	8,643	8,589	101,592
Unemployment Insurance	11,355	8,598	(1,153)	5,600	3,673	2,808	2,174	990	4,076	3,318	2,985	6,535	50,961
Employee Health/Life Insurance	29,188	28,448	27,705	27,705	27,705	29,926	21,766	24,011	23,999	23,237	24,672	24,822	313,186
Books, Periodicals & Manuals			145	148									293
Stocked Drugs	2,898	2,108	3,966	2,105	2,112	3,625	2,389	3,027	9,834	2,949	1,859	934	37,807
Pharmacy Charges-Public Aid	1,469	1,111	1,309	1,117	1,943	2,185	1,245	1,598	1,682	1,633	1,312	790	17,394
Oxygen	1,310	1,141	804	1,048	1,260	886	525	764	576	1,085	169	3,249	12,817
Incontinence Supplies	5,431	5,352	5,561	3,928	7,022	6,826	6,558	5,526	7,665	5,501	5,000	3,266	67,636
Pharmacy Charges - Insurance	6,407	11,397	6,362	6,127	7,680	7,228	4,842	5,880	5,598	5,892	5,431	2,043	74,887
Equipment < $2,500	262		451		118	3,557							4,389
Operational Supplies	18,980	11,041	10,547	6,298	7,883	10,298	8,419	12,601	11,716	15,356	14,587	19,623	147,352
Pharmacy Charges-Medicare	7,581	16,170	8,547	7,516	6,156	4,694	7,648	5,710	3,194	10,385	8,260	10,945	96,806
Medical/Dental/Mental Health	4,175	7,775	5,975	5,600	5,600	5,600	5,600	5,600	5,600	1,800	1,800	(17,200)	37,925
Professional Services	23,858	24,693	27,047	13,560	23,634	33,699	21,278	12,931	390	2,234	2,756	10,576	196,656
Job Require Travel					57								57
Laboratory Fees	875	1,270	402	(300)	500	633	346		611	74	667	396	5,474
Equipment Rentals	4,590	5,846	6,732	3,712	2,833	3,218	2,829	3,279	2,782	3,206	3,126	1,910	44,064
Dues & Licenses	50												50
Conferences & Training	697					705							1,402
Contract Nursing Services								1,906					1,906
Medicare Medical Services	240	331	283	8,173	19,359	12,370	10,546	2,466	36	240	54	28	54,126
Medical/ Health Equipment									690			90	780
Total Nursing Services	563,352	477,286	490,406	465,525	485,234	518,541	489,606	461,945	449,748	494,626	517,740	474,109	5,888,119
Activities													
Reg. Full-Time Employees	13,262	11,668	13,243	13,348	14,713	13,856	14,169	12,782	11,678	10,561	10,219	13,627	153,126
Reg. Part-Time Employees	2,445	1,837	1,589	1,099	1,144	937	361	418	750	861	692	915	13,049
Overtime	414	7	40	15	93	5	148	22	18	10	141	105	1,018
TOPS - Balances	451	552	67	287	835	(1,412)	(1,200)	(650)	343	766	(179)	16	(124)
Part TIme Non Benefit												293	293
TOPS - FICA	34	42	5	22	64	(108)	(92)	(50)	26	59	(14)	1	(9)
Social Security - Employer	1,208	1,009	1,097	1,105	1,194	1,132	1,059	1,025	898	848	833	505	11,913
IMRF - Employer Cost	1,395	1,073	1,193	1,286	1,331	1,269	1,085	1,258	895	954	1,017	486	13,240
Workers' Compensation Insurance	470	404	430	446	475	452	419	412	372	327	333	361	4,900
Unemployment Insurance	495	451	(23)	417	299	253	227	59	156	130	124	246	2,833
Employee Health/Life Insurance	1,513	2,251	2,254	2,256	2,254	2,254	1,511	2,996	2,996	2,996	2,996	2,983	29,261
Operational Supplies	222	189	497	361	391	322	329	345	331	727	63	273	4,050
Professional Services		130	130	259	255	130	83		130	130	130	130	1,505
Conferences & Training				15									15

#18-026 County Nursing Home

Champaign County Nursing Home
Historical Statement of Operations

Description	01/17	02/17	03/17	04/17	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	Total
Total Activities	21,909	19,613	20,521	20,916	23,049	19,090	18,098	18,617	18,595	18,368	16,356	19,941	235,072
Social Services													
Reg. Full-Time Employees	15,124	17,578	11,502	9,240	12,040	16,167	9,312	12,120	13,260	13,830	13,023	15,312	158,508
Reg. Part-Time Employees	704	1,350	1,279	1,111	1,102	81							5,627
Overtime	568	88	165	26	364	338	212	94	195	112	155	78	2,396
TOPS - Balances	772	(2,029)	(374)	(357)	149	(3,311)	(117)	2,692	(1,202)	(593)	(326)	(622)	(5,317)
TOPS - FICA	59	(155)	(29)	(27)	11	(253)	(9)	206	(92)	(45)	(25)	(48)	(407)
Social Security - Employer	1,236	1,439	953	821	1,031	1,268	704	951	1,014	1,036	1,019	748	12,219
IMRF - Employer Cost	1,443	1,588	977	952	1,181	1,395	704	1,184	1,029	1,159	1,191	820	13,623
Workers' Compensation Insurance	473	566	374	318	395	487	271	372	391	405	407	487	4,946
Unemployment Insurance	515	537	(51)	392	244	120	120	46	174	133	71	210	2,513
Employee Health/Life Insurance	2,925	2,925	2,925	1,540	2,233	2,233	1,487	1,490	1,490	2,970	2,230	2,230	26,678
Professional Services	259	130	130		130	130	83		1,583	2,012	1,150	561	6,168
Total Social Services	24,080	24,018	17,851	14,016	18,879	18,653	12,767	19,156	17,841	21,019	18,896	19,777	226,954
Physical Therapy													
Reg. Full-Time Employees	4,923	4,998	4,661	4,008	4,771	5,444	4,805	4,824	4,656	4,799	3,492	156	51,535
Overtime	737	621	367	6	236	64	9	2	3	3	1		2,049
TOPS - Balances	(605)	(76)	541	(357)	(71)	(1,194)	(920)	(158)	(103)	(130)	(5,475)		(8,547)
No Benefit Full-Time Employees	1,888	1,790	2,101	2,064	2,496	698							11,037
TOPS - FICA	(46)	(6)	41	(27)	(5)	(91)	(70)	(12)	(8)	(10)	(419)		(654)
Social Security - Employer	563	541	528	473	564	468	336	369	342	352	262	(134)	4,665
IMRF - Employer Cost	660	568	576	548	643	506	341	452	346	395	377	(259)	5,153
Workers' Compensation Insurance	204	198	198	191	217	188	136	150	137	142	110	5	1,876
Unemployment Insurance	237	248	(35)	243	156	25							873
Employee Health/Life Insurance	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	17,826
Operational Supplies								81					81
Professional Services	18,848	22,277	22,349	21,214	19,171	15,426	13,968	11,269	13,275	17,873	15,942	19,073	210,685
Total Physical Therapy	28,893	32,645	32,814	29,849	29,663	23,020	20,091	18,461	20,133	24,909	15,777	20,326	296,580
Occupational Therapy													
Professional Services	23,243	23,502	21,475	15,351	14,334	15,211	22,305	23,981	20,529	17,312	15,476	19,736	232,455
Total Occupational Therapy	23,243	23,502	21,475	15,351	14,334	15,211	22,305	23,981	20,529	17,312	15,476	19,736	232,455
Speech Therapy													
Professional Services	9,046	5,056	8,775	6,619	5,696	5,260	4,856	2,541	1,474	1,996	1,966	1,499	54,784
Total Speech Therapy	9,046	5,056	8,775	6,619	5,696	5,260	4,856	2,541	1,474	1,996	1,966	1,499	54,784
Respiratory Therapy													
Professional Services	2,101	2,104	1,611	1,246	1,963	2,425	1,363	1,479	852	1,125	390	1,040	17,699

#18-026 County Nursing Home

Champaign County Nursing Home
Historical Statement of Operations

Description	01/17	02/17	03/17	04/17	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	Total
Total Respiratory Therapy	2,101	2,104	1,611	1,246	1,963	2,425	1,363	1,479	852	1,125	390	1,040	17,699
Total This Department	11,147	7,161	10,386	7,865	7,659	7,685	6,219	4,019	2,326	3,120	2,356	2,539	72,483
Food Services													
Reg. Full-Time Employees	27,319	28,444	29,155	29,040	27,539	25,836	28,607	36,099	30,562	28,250	26,705	30,192	347,749
Reg. Part-Time Employees	676	827	729	2,851	3,590	3,546	3,533	2,510	5,687	15,498	16,635	17,008	73,091
Temp. Salaries & Wages	2,424	2,340	2,655	1,327	549	1,042	813	399	51				11,600
Overtime	6,190	3,034	1,727	1,802	5,109	3,383	4,701	4,595	5,417	3,928	9,014	11,604	60,504
TOPS - Balances	2,303	(1,093)	1,163	(1,769)	(1,495)	(1,543)	(166)	(2,421)	1,076	390	(593)	2,759	(1,391)
TOPS - FICA	176	(84)	89	(135)	(114)	(118)	(13)	(185)	82	30	(45)	211	(106)
Social Security - Employer	2,768	2,620	2,643	2,613	2,732	2,584	2,868	3,310	3,203	3,516	4,013	2,032	34,904
IMRF - Employer Cost	3,014	2,575	2,847	2,903	3,035	2,773	2,933	4,032	3,260	3,947	5,007	1,832	37,960
Workers' Compensation Insurance	910	945	976	990	939	921	986	1,195	1,009	1,344	1,322	1,219	12,756
Unemployment Insurance	1,152	1,122	(73)	996	1,000	808	687	261	1,218	1,046	1,042	1,271	10,530
Employee Health/Life Insurance	4,467	5,955	5,212	4,467	4,467	4,464	5,207	4,459	4,459	8,868	7,383	5,895	65,304
Books, Periodicals & Manuals										184			184
Food		100	(100)					30,139	30,626	24,516	25,730	32,486	143,495
Non-Food Supply					185	686	1,382	752	573	2,647	11,879	1,673	19,778
Nutritional Supplements	772	6,445	1,314	2,895	1,689	1,381	2,042	483	139	983	(5,133)	10,724	23,734
Equipment < $2,500					496								496
Operational Supplies		1,212	704	389	441	38	9		5,002	451		732	8,978
Professional Services									1,198	1,525	2,874	1,525	6,922
Equipment Rentals	405	405	405	405	405	405	405		405	810	405	405	4,859
Dues & Licenses			85										85
Conferences & Training		15	30	75	60	30	30	75	60	15			390
Food Service	55,703	56,044	52,478	43,244	44,641	36,038	41,126	3,416		1,128			333,819
Furnishings, Office Equipment												247	247
Total Food Services	108,279	110,907	101,839	92,095	95,268	82,277	95,150	89,119	94,027	99,075	106,036	121,814	1,195,887
Barber & Beauty													
Reg. Full-Time Employees	4,636	4,214	4,847	4,214	4,816	5,415	4,666	4,401	2,539	2,381	2,317	2,974	47,421
TOPS - Balances	707	60	(239)	(100)	54	54	(2,079)	(929)	316	(14)	(135)	(201)	(2,505)
TOPS - FICA	54	5	(18)	(8)	4	4	(159)	(71)	24	(1)	(10)	(15)	(192)
Social Security - Employer	297	270	327	280	311	366	284	292	163	150	150	111	3,002
IMRF - Employer Cost	347	286	356	323	352	410	288	355	152	169	180	114	3,331
Workers' Compensation Insurance	139	126	140	131	145	166	132	139	72	70	71	83	1,413
Unemployment Insurance	145	139	(38)	168	145	41						35	635
Employee Health/Life Insurance	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	743	17,083
Operational Supplies	265	(265)		111			246						358
Total Barber & Beauty	8,075	6,320	6,860	6,606	7,313	7,942	4,864	5,674	4,751	4,241	4,058	3,843	70,546

Adult Day Care

#18-026 County Nursing Home

12/31/17

Champaign County Nursing Home
Historical Statement of Operations

Description	01/17	02/17	03/17	04/17	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	Total
Reg. Full-Time Employees	8,956	8,105	10,075	9,883	11,283	17,040	9,854	9,719	9,094	10,098	10,461	12,277	126,844
Reg. Part-Time Employees				6									6
Overtime	477	62	6	24	12	199	687	728	204	141	448	363	3,353
TOPS - Balances	611	520	(545)	394	(814)	(5,931)	(677)	835	127	108	467	(130)	(5,035)
TOPS - FICA	47	40	(42)	30	(62)	(454)	(52)	64	10	8	36	(10)	(385)
Social Security - Employer	686	595	725	752	832	887	1,142	825	682	771	810	444	9,152
IMRF - Employer Cost	793	633	788	870	942	1,000	1,185	1,014	679	877	1,012	396	10,189
Workers' Compensation Insurance	268	242	284	313	339	354	441	308	259	564	56	323	3,751
Unemployment Insurance	275	267	4	292	162	164	104	54	140	55	64	197	1,778
Employee Health/Life Insurance	2,991	2,248	2,248	2,248	2,248	2,248	1,506	761	745	743	743	740	19,471
Gasoline & Oil	969	770	943	654	925	883	908		871	2,013	1,000	735	10,671
Equipment < $2,500								30				(6)	24
Operational Supplies	42	22	36	49	162	170	152	91	157	249	143	156	1,429
Professional Services						60							60
Dues & Licenses												275	275
Conferences & Training		50											50
Automobiles, Vehicles	27											38	62
Furnishings, Office Equipment										6			6
Total Adult Day Care	16,141	13,554	14,523	15,514	16,029	16,620	15,251	14,429	12,968	15,635	15,240	15,796	181,701
Alzheimers and Related Disord													
Reg. Full-Time Employees	10,899	9,734	11,795	10,070	12,727	10,283	9,177	9,834	7,135	7,003	6,929	7,191	112,778
Overtime	355		321	31	1,705	3,956	2,205	379	561	501	1,318	388	11,720
TOPS - Balances	(990)	355	245	(1,013)	(3,056)	568	(119)	(525)	373	(71)	150	(643)	(4,727)
No Benefit Full-Time Employees	5,263	4,825	5,449	5,108	5,050	5,349	3,808	4,440	3,996	4,672	5,457	5,782	59,200
No Benefit Part-Time Employees	3,883	2,495	3,235	3,310	3,400	4,976	5,017	3,592	3,566	4,201	3,653	3,666	44,994
TOPS - FICA	(76)	27	19	(78)	(234)	43	(9)	(40)	29	(5)	11	(49)	(362)
Social Security - Employer	1,537	1,282	1,566	1,405	1,715	1,860	1,512	1,429	1,100	1,218	1,370	536	16,531
IMRF - Employer Cost	1,769	1,377	1,698	1,626	1,927	2,113	1,522	1,746	1,081	1,378	1,721	399	18,357
Workers' Compensation Insurance	599	510	626	539	641	617	525	563	420	866	91	468	6,466
Unemployment Insurance	652	552	25	523	311	365	123	3	180	135	44	256	3,167
Employee Health/Life Insurance	2,921	2,921	2,921	2,921	2,921	2,921	2,921	2,921	2,921	2,181	2,181	2,181	32,834
Equipment < $2,500				89									89
Operational Supplies										72		167	239
Professional Services	103	103	103	103	103	103		205				308	1,128
Conferences & Training					95	99							194
Total Alzheimers and Related Disord	26,916	24,180	28,003	24,634	27,305	33,254	26,684	24,547	21,361	22,151	22,926	20,648	302,607
Total Expenses	1,206,299	1,105,490	1,115,871	1,079,823	1,208,129	1,157,128	1,118,220	1,077,043	1,069,656	1,151,866	1,147,152	1,163,635	13,600,312
Net Operating Income	(222,782)	(152,670)	(155,755)	(196,925)	(342,013)	(312,184)	(274,424)	(223,995)	(223,789)	(168,208)	(70,778)	(189,865)	(2,533,388)

#18-026 County Nursing Home

Champaign County Nursing Home
Historical Statement of Operations

Description	01/17	02/17	03/17	04/17	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	Total
NonOperating Income													
Local Taxes													
Current-Nursing Home Operating	100,172	100,172	100,172	100,172	100,172	100,172	104,540	100,796	100,834	100,796	100,796	100,796	1,209,593
Total Local Taxes	100,172	100,172	100,172	100,172	100,172	100,172	104,540	100,796	100,834	100,796	100,796	100,796	1,209,593
Miscellaneous NI Revenue													
Restricted Donations	300	162	592	136	75	50	248			122			1,684
Vending Machine Revenue		897			838		729			716			3,180
Total Miscellaneous NI Revenue	300	1,059	592	136	913	50	976			837			4,864
Total NonOperating Income	100,472	101,232	100,764	100,308	101,085	100,222	105,517	100,796	100,834	101,634	100,796	100,796	1,214,457
Net Income (Loss)	(122,310)	(51,438)	(54,991)	(96,616)	(240,928)	(211,962)	(168,907)	(123,199)	(122,955)	(66,574)	30,018	(89,069)	(1,318,931)

#18-026 County Nursing Home

Champaign County Nursing Home
General Ledger Trial Balance Report

12/31/17

Account No	Description	Current Activity	Year-to-Date
	Cash		
8100010100	Cash	$244,341.93	$265,592.69
8100010210	Petty Cash	$0.00	$300.00
	Rec., Net of Uncollectible Amounts		
8100011501	Accts Rec-Nursing Home Private Pay	$113,241.26	$2,329,564.96
8100011503	Accts Rec-Nursing Home Med Adv/ HMO/ Ins	($1,431.47)	$1,143,533.65
	Rec., Net of Uncollectible Amounts		
8100011504	Accts Rec-Nursing Home Hospice	$2,062.64	$111,875.60
8100011601	Allowance for Uncollectible Accts-Private Pay	($2,904.66)	($319,701.19)
8100011603	Allowance for Uncollectible Accts-Patient Care P	($12,983.60)	($605,988.38)
8100011604	Allowance for Uncollectible Accts-Patient Care H	$0.00	$11,807.46
	Accrued Interest		
8100011510	Interest Receivable	$0.00	($9.57)
8100011520	Property Tax Revenue Receivable	$100,796.26	$269,881.61
	Intergvt. Rec., Net Of Uncollectibl		
8100013200	Due from Other Governmental Units	($62,171.59)	$1,373,589.45
8100013230	Due from IL Public Aid	($273,920.48)	$338,541.54
8100013231	Due from IL Department of Aging-Title XX	$11,155.85	$94,366.65
8100013232	Due from US Treasury-Medicare	($1,898.26)	$414,403.85
8100013235	Due From VA-Adult Daycare	$5,910.00	$69,017.85
8100013236	Due From VA-Nursing Home Care	($8,404.01)	$240,995.23
8100013330	Allowance for Uncollectible Accts-IPA	$59,147.33	($21,701.51)
8100013332	Allowance for Uncollectible Accts-Medicare	($3,512.00)	($9,375.60)
8100013335	Allowance For Uncollectible Accts-VA Adult Day C	$0.00	($1,350.71)
	Prepaid Expenses		
8100014100	Prepaid Expenses	$174,763.78	$128,443.26
	Long-Term Investments		
8100015340	Patient Trust Cash, Invested	$0.00	$15,829.52
	Total Current Assets	$344,192.98	$5,849,616.36
	Fixed Assets		
8100016265	Nursing Home Buildings	($6,741.25)	$23,473,119.72
8100016300	Improvements not Buildings	$0.00	$1,083,202.49
8100016400	Equipment, Furniture & Autos	$0.00	$1,654,610.55
8100016901	Accumulated Deprecreciation-Land Improvements	($4,000.00)	($374,342.27)
8100016902	Accumulated Depreciation-Equipment, Furniture, &	($8,700.00)	($1,345,719.03)
8100016903	Accumulated Depreciation-Buildings	($52,000.00)	($6,446,305.49)
	Total Fixed Assets	($71,441.25)	$18,044,565.97
	Current Liabilities		
8100020001	A/R Refunds	$4,750.04	$10,183.23
8100020300	Accounts Payable	($561,368.74)	($5,018,319.91)
8100020305	Accounts Payable Suspense Acc	($2,400.00)	$0.00
8100020400	Salaries & Wages Payable	($76,168.10)	($332,647.84)
8100020410	Interest Payable - Bonds	$39,112.48	($22,933.41)
8100020710	Due To Accounts Payable Fund	$0.00	$216.40
8100020730	Due to General Corporate Fund	$0.00	($726,802.00)
8100020850	Due to Others (Non-Government)	$3.68	$3.68
8100020910	Tax Anticipation Notes Payable	$0.00	($128,935.02)
8100020920	Notes Payable	$0.00	($279.66)
	Non-Current Liabilities		
8100020700	Nursing Home Patient Trust Fund	$0.00	($15,829.52)
8100020930	Bonds Payable	$240,000.00	($2,265,000.00)
8100025120	Accrued Compensated Absences	($5,749.87)	($191,230.36)

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Account No	Description	Current Activity	Year-to-Date
	Total Current Liabilities	($361,820.51)	($8,691,574.41)
	Equity		
8100017200	Revenues	$0.00	$21.60
8100027230	Retained Earnings-Unreserved	$0.00	($16,521,560.26)
	Total Equity	$0.00	($16,521,538.66)
	Miscellaneous Revenue		
8141036920	Lunch Reimbursement	($340.00)	($733.00)
8141036930	Late Charge, NSF Check Charge	$0.00	$486.36
8141036990	Other Miscellaneous Revenue	($749.90)	($2,529.64)
	Medicare A Revenue		
8141033126	Medicare A	($156,045.42)	($1,124,549.31)
8141034529	NH Pt_Care - Medicare Advantage/ Hmo	($58,908.01)	($678,078.72)
8141034543	ARD_Pt Care - Medicare Advantage/ HMO	($4,156.81)	($31,492.56)
	Medicare B Revenue		
8141033127	Medicare B	($5,034.79)	($165,529.22)
	Medicaid Revenue		
8141033128	Medicaid Title XIX (IDHFS)	($302,812.71)	($4,307,580.25)
8141033134	ARD - Medicaid Title XIX (IDHFS)	($46,549.36)	($701,435.02)
8141034519	Patient Care-Hospice	($31,415.24)	($513,957.31)
8141034541	ARD Patient Care - Hospice	$0.00	($4,638.81)
	Private Pay Revenue		
8141033124	VA-Veterans Nursing Home Care	($24,815.99)	($507,070.34)
8141033131	ARD - VA - Veterans Care	($880.00)	($67,100.00)
8141034522	Nursing Home Patient Care - Private Pay	($257,083.12)	($2,255,280.07)
8141034533	Nursing Home Beauty Shop Revenue	($1,432.00)	($22,945.20)
8141034534	Medical Supplies Revenue	($2,658.00)	($25,862.77)
8141034535	Patient Transportation Charges	($1,952.39)	($16,482.10)
8141034542	ARD Patient Care- Private Pay	($65,213.46)	($448,263.29)
	Adult Day Care Revenue		
8141033123	VA-Veterans Adult Daycare	($2,910.00)	($54,340.68)
8141033463	IL Department Of Aging-Day Care Grant (Title XX)	($6,248.85)	($96,934.37)
8141034520	Adult Day Care Charges-Private Pay	($4,564.00)	($42,608.00)
	Total Operating Income	($973,770.05)	($11,066,924.30)
	Administration		
8141051103	Reg. Full-Time Employees	$20,170.33	$279,582.49
8141051105	Temp. Salaries & Wages	$10,951.63	$75,271.70
8141051106	Per Diem	$144.64	$2,304.64
8141051109	Overtime	$631.58	$5,310.89
8141051110	TOPS - Balances	$397.62	($7,615.52)
8141051300	TOPS - FICA	$30.41	($582.59)
8141051301	Social Security - Employer	$1,270.71	$25,754.73
8141051302	IMRF - Employer Cost	$614.27	$22,462.79
8141051304	Workers' Compensation Insurance	$862.49	$10,501.74
8141051305	Unemployment Insurance	$482.98	$4,228.27
8141051306	Employee Health/Life Insurance	$5,097.83	$55,512.89
8141051320	Employee Development/Recognition	$42.70	$352.23
8141051321	Employee Physicals/Lab	$70.00	$27,527.70
8141052201	Stationary & Printing	$418.56	$1,109.61
8141052203	Books, Periodicals & Manuals	$0.00	$472.75
8141052204	Copier Supplies	$561.33	$561.33
8141052206	Postage, UPS, Federal Express	$841.53	$4,588.10
8141052244	Equipment < $2,500	$0.00	$231.16

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Account No	Description	Current Activity	Year-to-Date
8141052293	Operational Supplies	$1,901.51	$15,299.00
8141053301	Audit & Accounting Fees	($9,439.13)	$25,111.87
8141053303	Attorney Fees	$3,892.50	$148,696.53
8141053304	Engineering Fees	$0.00	$2,132.38
8141053307	Professional Services	$47,014.22	$630,076.35
8141053312	Job Required Travel Expense	$25.48	$891.95
8141053320	Insurance	$22,841.42	$274,097.04
8141053329	Computer Services	$9,880.23	$107,544.85
8141053333	Telephone Services	$1,374.91	$16,111.98
8141053340	Automobile Maintenance	$53.00	$53.00
8141053342	Equipment Maintenance	$3,507.95	$4,551.83
8141053370	Legal Notices, Advertising	$1,866.03	$18,846.89
8141053385	Photocopy Services	$1,424.14	$7,925.59
8141053389	Public Relations	$673.66	$970.35
8141053393	Dues & Licenses	$15,908.81	$26,792.83
8141053437	Finance Charges, Bank Fees	$713.51	$29,944.97
8141053440	Cable/Satellite TV Expense	$5,543.52	$32,154.17
8141053461	IPA Licensing Fee	$34,128.77	$429,186.32
8141053475	Fines & Penalties	$181.00	$46,984.34
8141054433	Furnishings, Office Equipment	$0.00	$3,310.43
8141056701	Depreciation Expense	$64,700.00	$771,245.02
8141056702	Bad Debt Expense	$19,475.40	$222,550.36
8141056704	Miscellaneous Expense	$0.00	$42.00
8141058201	Interest-Tax Anticipation Notes Payable	$0.00	$4,979.16
8141058206	Interest- Bonds Payable	$3,557.49	$42,689.86
	Environmental Services		
8141551103	Reg. Full-Time Employees	$30,129.06	$343,463.69
8141551104	Reg. Part-Time Employees	$1,443.18	$10,577.00
8141551109	Overtime	$2,750.19	$14,920.35
8141551110	TOPS - Balances	($1,615.50)	($12,305.11)
8141551300	TOPS- FICA	($123.59)	($941.35)
8141551301	Social Security - Employer	$1,160.36	$26,531.11
8141551302	IMRF - Employer Cost	$1,084.27	$29,505.22
8141551304	Workers' Compensation Insurance	$771.98	$10,406.22
8141551305	Unemployment Insurance	$565.09	$6,624.39
8141551306	Employee Health/Life Insurance	$2,244.27	$35,819.63
8141552244	Equipment < $2,500	$0.00	$48.82
8141552293	Operational Supplies	$4,050.33	$40,522.04
8141553330	Gas Service	$12,011.58	$124,065.66
8141553331	Electric Service	$7,256.74	$385,775.93
8141553332	Water Service	$2,979.41	$36,376.50
8141553334	Pest Control Service	$636.35	$5,999.85
8141553336	Waste Disposal & Recycling	$3,317.06	$33,393.22
8141553351	Equipment Rentals	$258.00	$3,096.00
8141553446	Sewer Service & Tax	($46.89)	$16,661.72
	Laundry		
8142051103	Reg. Full-Time Employees	$11,274.58	$92,817.78
8142051104	Reg. Part-Time Employees	$0.00	$3,876.66
8142051109	Overtime	$1,379.79	$5,321.43
8142051110	TOPS Balances	($80.28)	($168.21)
8142051300	TOPS - FICA	($6.14)	($12.87)
8142051301	Social Security - Employer	$492.94	$7,179.78

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Account No	Description	Current Activity	Year-to-Date
8142051302	IMRF - Employer Cost	$523.54	$8,012.45
8142051304	Workers' Compensation Insurance	$283.22	$2,839.53
8142051305	Unemployment Insurance	$222.51	$1,855.07
8142051306	Employee Health/Life Insurance	$744.44	$25,280.48
8142052228	Laundry Supplies	$617.35	$5,542.35
8142052291	Linen & Bedding	$0.00	$7,718.96
8142052293	Operational Supplies	$0.00	$57.00
8142053391	Laundry & Cleaning Service	$513.63	$1,510.86
	Maintenance		
8142551103	Reg. Full-Time Employees	$4,479.65	$42,381.69
8142551109	Overtime	$385.32	$1,754.93
8142551110	TOPS - Balances	($495.18)	($180.38)
8142551300	TOPS - FICA	($37.88)	($13.80)
8142551301	Social Security - Employer	$181.46	$3,141.69
8142551302	IMRF - Employer Cost	$159.31	$3,497.96
8142551304	Workers' Compensation Insurance	$128.55	$1,262.44
8142551305	Unemployment Insurance	$90.68	$716.42
8142551306	Employee Health/Life Insurance	$1,810.28	$7,101.40
8142552215	Gasoline & Oil	$0.00	$808.80
8142552216	Tools	$0.00	($188.59)
8142552217	Ground Supplies	$83.90	$83.90
8142552222	Maintenance Supplies	$466.18	$18,495.94
8142552244	Equipment < $2,500	$1,324.70	$3,349.30
8142552293	Operational Supplies	$443.97	$1,320.11
8142553307	Professional Services	$1,451.73	$1,451.73
8142553340	Automobile Maintenance	$281.20	$4,442.60
8142553342	Equipment Maintenance	$2,773.31	$20,880.27
8142553386	Nursing Home Building Repair/Maintenance	$28,440.26	$94,764.04
8142553393	Dues & Licenses	$0.00	$75.00
8142553395	Conferences & Training	$0.00	$353.38
8142553458	Landscaping Services	$896.00	$896.00
8142553476	Parking Lot/Sidewalk Maintenance	$0.00	$1,384.90
8142554429	Nursing Home Building Construction/Improvements	$45,592.08	$47,992.08
	Nursing Services		
8143051103	Reg. Full-Time Employees	$163,147.46	$1,732,133.72
8143051104	Reg. Part-Time Employees	$10,281.36	$100,062.02
8143051105	Temp. Salaries & Wages	$14,070.25	$222,573.16
8143051109	Overtime	$62,011.66	$629,867.96
8143051110	TOPS - Balances	$5,955.89	($21,412.83)
8143051143	No Benefit Full-Time Employees	$98,720.27	$1,131,674.80
8143051144	No Benefit Part-Time Employees	$18,362.09	$237,090.54
8143051300	TOPS - FICA	$455.62	($1,638.08)
8143051301	Social Security - Employer	$13,750.11	$289,965.37
8143051302	IMRF - Employer Cost	$10,757.34	$300,244.25
8143051304	Workers' Compensation Insurance	$8,588.53	$101,592.03
8143051305	Unemployment Insurance	$6,535.30	$50,960.54
8143051306	Employee Health/Life Insurance	$24,821.75	$313,185.50
8143052203	Books, Periodicals & Manuals	$0.00	$292.77
8143052212	Stocked Drugs	$934.35	$37,806.93
8143052231	Pharmacy Charges-Public Aid	$790.40	$17,394.42
8143052233	Oxygen	$3,248.69	$12,816.96
8143052234	Incontinence Supplies	$3,266.35	$67,636.45

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Account No	Description	Current Activity	Year-to-Date
8143052236	Pharmacy Charges - Insurance	$2,043.08	$74,887.43
8143052244	Equipment < $2,500	$0.00	$4,388.53
8143052293	Operational Supplies	$19,623.48	$147,351.53
8143052298	Pharmacy Charges-Medicare	$10,945.39	$96,806.24
8143053306	Medical/Dental/Mental Health	($17,200.00)	$37,925.00
8143053307	Professional Services	$10,575.52	$196,655.51
8143053312	Job Require Travel	$0.00	$56.71
8143053322	Laboratory Fees	$396.19	$5,474.05
8143053351	Equipment Rentals	$1,910.00	$44,064.22
8143053393	Dues & Licenses	$0.00	$50.00
8143053395	Conferences & Training	$0.00	$1,402.00
8143053465	Contract Nursing Services	$0.00	$1,905.84
8143053483	Medicare Medical Services	$28.00	$54,125.87
8143054473	Medical/ Health Equipment	$89.86	$779.86
	Activities		
8144051103	Reg. Full-Time Employees	$13,626.87	$153,125.80
8144051104	Reg. Part-Time Employees	$914.84	$13,049.19
8144051109	Overtime	$104.52	$1,018.02
8144051110	TOPS - Balances	$16.34	($123.52)
8144051144	Part Time Non Benefit	$293.45	$293.45
8144051300	TOPS - FICA	$1.25	($9.45)
8144051301	Social Security - Employer	$504.79	$11,913.23
8144051302	IMRF - Employer Cost	$485.83	$13,240.00
8144051304	Workers' Compensation Insurance	$361.45	$4,900.33
8144051305	Unemployment Insurance	$246.29	$2,833.48
8144051306	Employee Health/Life Insurance	$2,983.38	$29,261.32
8144052293	Operational Supplies	$272.56	$4,049.97
8144053307	Professional Services	$129.70	$1,505.20
8144053395	Conferences & Training	$0.00	$15.00
	Social Services		
8144151103	Reg. Full-Time Employees	$15,311.92	$158,508.35
8144151104	Reg. Part-Time Employees	$0.00	$5,626.81
8144151109	Overtime	$77.73	$2,396.07
8144151110	TOPS - Balances	($621.56)	($5,316.60)
8144151300	TOPS - FICA	($47.55)	($406.72)
8144151301	Social Security - Employer	$747.96	$12,219.49
8144151302	IMRF - Employer Cost	$819.99	$13,622.88
8144151304	Workers' Compensation Insurance	$486.98	$4,945.59
8144151305	Unemployment Insurance	$210.48	$2,512.54
8144151306	Employee Health/Life Insurance	$2,229.97	$26,678.12
8144153307	Professional Services	$561.00	$6,167.77
	Physical Therapy		
8144551103	Reg. Full-Time Employees	$155.60	$51,534.83
8144551109	Overtime	$0.00	$2,049.22
8144551110	TOPS - Balances	$0.00	($8,547.13)
8144551143	No Benefit Full-Time Employees	$0.00	$11,037.43
8144551300	TOPS - FICA	$0.00	($653.86)
8144551301	Social Security - Employer	($134.09)	$4,665.48
8144551302	IMRF - Employer Cost	($258.62)	$5,153.35
8144551304	Workers' Compensation Insurance	$4.71	$1,875.50
8144551305	Unemployment Insurance	$0.00	$873.27
8144551306	Employee Health/Life Insurance	$1,485.52	$17,826.24

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Account No	Description	Current Activity	Year-to-Date
8144552293	Operational Supplies	$0.00	$80.57
8144553307	Professional Services	$19,072.81	$210,684.80
	Occupational Therapy		
8144653307	Professional Services	$19,736.38	$232,454.54
	Speech Therapy		
8144853307	Professional Services	$1,498.91	$54,784.09
	Respiratory Therapy		
8144753307	Professional Services	$1,040.00	$17,698.77
	Food Services		
8145051103	Reg. Full-Time Employees	$30,192.30	$347,749.00
8145051104	Reg. Part-Time Employees	$17,007.71	$73,091.05
8145051105	Temp. Salaries & Wages	$0.00	$11,600.21
8145051109	Overtime	$11,603.74	$60,503.93
8145051110	TOPS - Balances	$2,758.60	($1,390.55)
8145051300	TOPS - FICA	$211.03	($106.38)
8145051301	Social Security - Employer	$2,032.46	$34,903.62
8145051302	IMRF - Employer Cost	$1,832.44	$37,959.70
8145051304	Workers' Compensation Insurance	$1,218.69	$12,755.99
8145051305	Unemployment Insurance	$1,271.02	$10,530.39
8145051306	Employee Health/Life Insurance	$5,894.82	$65,304.30
8145052203	Books, Periodicals & Manuals	$0.00	$183.60
8145052210	Food	$32,485.69	$143,494.98
8145052225	Non-Food Supply	$1,672.70	$19,777.50
8145052235	Nutritional Supplements	$10,723.96	$23,733.95
8145052244	Equipment < $2,500	$0.00	$495.98
8145052293	Operational Supplies	$731.55	$8,978.36
8145053307	Professional Services	$1,525.23	$6,922.15
8145053351	Equipment Rentals	$404.95	$4,859.40
8145053393	Dues & Licenses	$0.00	$85.00
8145053395	Conferences & Training	$0.00	$390.00
8145053411	Food Service	$0.00	$333,818.57
8145054433	Furnishings, Office Equipment	$246.61	$246.61
	Barber & Beauty		
8145551103	Reg. Full-Time Employees	$2,973.79	$47,421.46
8145551110	TOPS - Balances	($201.14)	($2,505.33)
8145551300	TOPS - FICA	($15.39)	($191.66)
8145551301	Social Security - Employer	$111.27	$3,002.19
8145551302	IMRF - Employer Cost	$113.82	$3,330.65
8145551304	Workers' Compensation Insurance	$82.61	$1,412.52
8145551305	Unemployment Insurance	$35.46	$634.84
8145551306	Employee Health/Life Insurance	$742.76	$17,083.48
8145552293	Operational Supplies	$0.00	$357.78
	Adult Day Care		
8146051103	Reg. Full-Time Employees	$12,276.68	$126,844.34
8146051104	Reg. Part-Time Employees	$0.00	$5.83
8146051109	Overtime	$363.44	$3,353.49
8146051110	TOPS - Balances	($130.03)	($5,034.87)
8146051300	TOPS - FICA	($9.94)	($385.16)
8146051301	Social Security - Employer	$444.44	$9,151.60
8146051302	IMRF - Employer Cost	$395.77	$10,188.91
8146051304	Workers' Compensation Insurance	$322.68	$3,750.75
8146051305	Unemployment Insurance	$197.10	$1,777.66

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Account No	Description	Current Activity	Year-to-Date
8146051306	Employee Health/Life Insurance	$740.16	$19,470.94
8146052215	Gasoline & Oil	$734.76	$10,671.27
8146052244	Equipment < $2,500	($5.77)	$24.05
8146052293	Operational Supplies	$156.19	$1,429.29
8146053307	Professional Services	$0.00	$60.00
8146053393	Dues & Licenses	$275.00	$275.00
8146053395	Conferences & Training	$0.00	$50.00
8146054430	Automobiles, Vehicles	$35.52	$62.02
8146054433	Furnishings, Office Equipment	$0.00	$5.77
	Alzheimers and Related Disorders		
8146251103	Reg. Full-Time Employees	$7,190.51	$112,777.66
8146251109	Overtime	$388.13	$11,720.14
8146251110	TOPS - Balances	($643.48)	($4,726.63)
8146251143	No Benefit Full-Time Employees	$5,781.87	$59,199.78
8146251144	No Benefit Part-Time Employees	$3,666.04	$44,993.81
8146251300	TOPS - FICA	($49.23)	($361.59)
8146251301	Social Security - Employer	$536.31	$16,530.68
8146251302	IMRF - Employer Cost	$399.47	$18,356.94
8146251304	Workers' Compensation Insurance	$467.69	$6,465.57
8146251305	Unemployment Insurance	$255.52	$3,166.90
8146251306	Employee Health/Life Insurance	$2,181.02	$32,833.68
8146252244	Equipment < $2,500	$0.00	$89.46
8146252293	Operational Supplies	$166.69	$239.16
8146253307	Professional Services	$307.50	$1,127.50
8146253395	Conferences & Training	$0.00	$194.00
	Total Operating Expenses	$1,163,635.09	$13,600,311.91
	Local Taxes		
8141031132	Current-Nursing Home Operating	($100,796.26)	($1,209,592.67)
	Miscellaneous NI Revenue		
8141036350	Restricted Donations	$0.00	($1,684.24)
8141036912	Vending Machine Revenue	$0.00	($3,179.96)
	Total NonOperating Income	($100,796.26)	($1,214,456.87)
		$0.00	$0.00

Note: Zero (0.00) balance indicates General Ledger is in balance.

#18-026 County Nursing Home

Champaign County Nursing Home
Statement of Cash Flows (Indirect Method)
For the Period of
January 2017 to December 2017

CASH FLOW FROM OPERATING ACTIVITIES:	
Net Income (Loss) YTD	**($1,318,930.74)**
Depreciation Expense	771,245.02
(Incr.)/Decr. In Accounts Receivable	($486,446.93)
(Incr.)/Decr. In Prepaid Expenses	($107,246.27)
(Incr.)/Decr. In Inventory	-
(Incr.)/Decr. In Patient Trust	$5,677.02
Incr./(Decr.) in Accounts Payable	$1,830,467.58
Incr./(Decr.) in Salaries and Wages Payable	$34,032.36
Incr./(Decr.) in Interest Payable	$19.89
Incr./(Decr.) in Accrued Com. Absences	($74,630.19)
Incr./(Decr.) in Other Liabilities	($15,863.93)
Net Cash Provided by Operating Activities	**638,323.81**
CASH FLOW FROM INVESTING ACTIVITIES:	
Purchase of Equipment	($12,430.52)
Improvements / (CIP)	$11,385.38
Net Cash Provided by Investing Activities	**(1,045.14)**
CASH FLOW FROM FINANCING ACTIVITIES:	
Increase in Tax Anticipation Note	($892,821.98)
Notes Payable - Medicaid	-
(Decrease) Due to General Corp. Fund	$444,000.00
(Decrease) in Bonds Payable	($240,000.00)
Increase in Equity Adjustment	$4,430.66
Net Cash Provided by Financing Activities	**(684,391.32)**
TOTAL CASH FLOW	**(47,112.65)**
BEGINNING CASH, 01/01/17	**313,005.34**
ENDING CASH, 12/31/17	**$ 265,892.69**

#18-026 County Nursing Home

Mr. Tancredi,

Tina Giorgio forwarded your e-mail below to me for a response. My firm represents TCM Bank, N.A. in connection with the data incident.

As you mentioned in your e-mail, the [Affinity and Licensing Agreement][and][Agent Agreement] was terminated pursuant to a Termination Agreement dated August 8, 2017. We understand that all parties to the agreement remain obligated to keep confidential the information received in connection with the party's performance under the agreement. The parties also agreed that they would only use customer data, account information and other information related to such accounts and applications for the establishment, operation and maintenance of the program. With your bank's participation in the program having been terminated for over a year, it is not clear to us how the bank would utilize the cardholder information for a permitted use. Upon becoming aware of the incident, TCM properly notified affected cardholders and applicants, is unaware of any further actions that need to be taken by your bank.

Given this, we view any current disclosure of cardholder information to no longer be covered by the terms of the agreement since any such disclosure would no longer be for a purpose permitted under the agreement[s].

As Ms. Giorgio has previously advised, due to a misconfiguration of the website that was hosted and maintained by a third-party vendor, some applicants' personal data was potentially exposed. At this time, TCM has no reason to believe that this information was acquired or used by unauthorized parties. TCM also has not identified any instances of fraud or identity theft related to individuals impacted by this event.

Nevertheless, TCM took the extra step of notifying those individuals whose personal information was stored on the website that was hosted and maintained by the third-party vendor. Notification letters were mailed on Friday, August 3, 2018. Included with these letters was an offer of complimentary credit monitoring and identity theft protection services for one year and information on a dedicated call center where customers can go for additional information. At this time, TCM believes that the website issue has been corrected, and TCM has tested the correction, as has the vendor. In an abundance of caution, TCM has engaged a well-known data security firm to further validate these findings.

As far as Albina Community Bank is concerned, no ICBA Bancard clients were affected. If you would like, TCM will provide you with the name of the BSB applicant. However, TCM is not able to provide any additional the cardholder information at this time.

Sincerely,

Bruce A. Radke

ENTERPRISE FUNDS

Purpose: Enterprise funds are used to account for activities for which a fee is charged to external users for goods or services.

Exhibit F-1

COUNTY OF CHAMPAIGN, ILLINOIS
NURSING HOME FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2016 and 2015

ASSETS	2016	2015
CURRENT ASSETS:		
Cash	$ 313,060	$ 366,629
Receivables, Net of Uncollectible Amounts:		
Patient Accounts	1,218,794	3,553,516
Property Taxes	1,243,868	1,166,286
Intergovernmental	2,229,394	1,122,431
Other	897	828
Due From Other Funds	35,456	35,456
Inventories	21,112	21,112
Prepaid Items	10,862	69,720
Resident Trust Accounts	21,646	25,260
NONCURRENT ASSETS:		
Capital Assets:		
Buildings and Improvements	24,561,009	23,962,405
Equipment	1,604,828	1,599,143
Less Accumulated Depreciation	(7,419,141)	(6,643,050)
Total Assets	23,841,785	25,279,736
DEFERRED OUTFLOW OF RESOURCES		
Related to Pension Liability	1,544,583	1,844,213
Total Assets and Deferred Outflows of Resources	$ 25,386,368	$ 27,123,949
LIABILITIES		
CURRENT LIABILITIES:		
Accrued Salaries Payable	258,623	208,824
Accounts Payable	2,564,488	1,319,819
Due To Other Funds	982,920	285,484
Funds Held For Others	21,646	25,260
Compensated Absences Payable	53,172	58,637
Tax Anticipation Notes Payable	1,021,757	997,829
Due to Other Governments	0	693,950
NONCURRENT LIABILITIES:		
Compensated Absences Payable	212,688	234,549
Net Obligation for Other Post-Employment Benefits	224,375	212,537
Net Pension Liability	1,749,296	3,084,325
Total Liabilities	7,088,965	7,121,214
DEFERRED INFLOW OF RESOURCES		
Subsequent Year's Property Taxes	1,243,868	1,166,286
Related to Penson Liability	41,167	29,036
Total Deferred Inflow of Resources	1,285,035	1,195,322
NET POSITION		
Invested in Capital Assets	18,746,696	18,918,498
Unrestricted	(1,734,328)	(111,085)
Total Net Position	$ 17,012,368	$ 18,807,413

#18-026 County Nursing Home

Exhibit F-2

COUNTY OF CHAMPAIGN, ILLINOIS
NURSING HOME FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
ACTUAL AND BUDGET (NON-GAAP BASIS)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

	2016				2015
	Actual (GAAP Basis)	Actual (Budgetary Basis)	Budget (Final)	Budget (Original)	Actual (GAAP Basis)
OPERATING REVENUES:					
Charges for Services	$11,353,204	$12,837,268	$15,585,241	$15,542,306	$13,314,667
Miscellaneous	3,268	(3,776)	29,500	29,500	33,476
Total Operating Revenues	11,356,472	12,833,492	15,614,741	15,571,806	13,348,143
OPERATING EXPENSES:					
Salaries	6,667,136	6,692,520	7,238,215	7,106,873	6,034,219
Fringe Benefits	1,027,453	1,978,054	2,543,299	2,674,641	2,451,180
Commodities	843,742	392,151	868,304	884,696	851,321
Services	4,711,924	4,029,190	5,472,504	5,169,062	5,339,185
Capital Outlay	0	312,287	361,885	556,000	0
Depreciation	776,091	0	0	0	729,799
Total Operating Expenses	14,026,346	13,404,202	16,484,207	16,391,272	15,405,704
OPERATING INCOME (LOSS)	(2,669,874)	(570,710)	(869,466)	(819,466)	(2,057,561)
NON-OPERATING REVENUES (EXPENSES):					
Property Tax	1,162,511	$1,197,967	1,173,917	1,173,917	1,175,543
Intergovernmental Revenue	0	0	0	0	0
Investment Earnings	545	545	300	300	488
Donations	4,542	4,542	3,500	3,500	5,400
Gain (Loss) on Disposal of Capital Assets	0	0	0	0	0
Interest Expense	(6,955)	(6,955)	(11,000)	(7,000)	(2,974)
Net Non-Operating Revenues (Expenses)	1,160,643	1,196,099	1,166,717	1,170,717	1,178,457
INCOME (LOSS) BEFORE TRANSFERS	(1,509,231)	625,389	297,251	351,251	(879,104)
Transfers In	0	0	0	0	0
Transfers Out	(285,814)	(23,712)	(307,765)	(311,765)	(307,490)
CHANGE IN NET POSITION	(1,795,045)	601,677	(10,514)	39,486	(1,186,594)
NET POSITION--Beginning of Year	18,807,413	(359,849)	(359,849)	(359,849)	19,994,007
NET POSITION--End of Year	17,012,368	241,828	(370,363)	(320,363)	18,807,413

Revenues/Transfers In Conversion to GAAP Basis	(1,512,476)
Expenses/Transfers Out Conversion to GAAP Basis	(884,246)
Beginning Net Position Conversion to GAAP Basis	19,167,262
GAAP Basis Net Position	17,012,368

Exhibit F-3

COUNTY OF CHAMPAIGN, ILLINOIS
NURSING HOME FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2016 and 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Receipts from Customers	$ 12,584,162	$ 13,536,138
Cash Payments to Employees for Services	(6,644,663)	(6,079,952)
Cash Payments to Suppliers and Other Funds For Goods and Services	(6,287,536)	(8,355,523)
Net Cash Provided (Used) By Operating Activities	(348,037)	(899,337)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Property Taxes Received	1,162,511	1,175,543
Gifts And Donations Received	4,542	5,400
Cash Received from Tax Anticipation Borrowing	1,021,757	997,829
Tax Anticipation Borrowing Repaid	(997,829)	(971,120)
Interest Paid on Tax Anticipation Borrowing	(6,955)	(2,974)
Transfers/Loans Paid To Other Funds	(285,814)	(307,490)
Net Cash Provided (Used) By Non-Capital Financing Activities	898,212	897,188
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Payments for Acquisition and Construction of Capital Assets	(604,289)	(336,897)
Net Cash Provided (Used) By Capital and Related Financing Activities	(604,289)	(336,897)
CASH FLOWS FROM INVESTMENT ACTIVITIES:		
Interest Received on Investments and Bank Deposits	545	488
Net Cash Provided (Used) By Investment Activities	545	488
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(53,569)	(338,558)
Cash and Cash Equivalents at Beginning of Year	366,629	705,187
Cash and Cash Equivalents at End of Year	$ 313,060	$ 366,629
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating Income (Loss)	($2,669,874)	($2,057,561)
Adjust For Non-Cash Revenue/Expense:		
Depreciation Expense	776,091	729,799
Increase (Decrease) in Net Obligation for OPEB	11,838	21,723
Decrease (Increase) in Net Deferred Inflows/Outflows	311,761	(1,122,473)
Increase(Decrease) in Net Pension Liability	(1,335,029)	1,539,668
Adjust For Non-Revenue/Expense Cash Flows:		
Decrease (Increase) in Receivables	1,227,690	223,451
Decrease (Increase) in Due From Other Funds	0	(35,456)
Decrease (Increase) in Inventories	0	(15,347)
Decrease (Increase) in Prepaid Items	58,858	(59,453)
Increase (Decrease) in Salaries & Compensated Absences Payable	22,473	(45,733)
Increase (Decrease) in Payables	1,244,669	(182,068)
Increase (Decrease) in Due to Other Governments	(693,950)	43,480
Increase (Decrease) in Due To Other Funds	697,436	60,633
Net Cash Provided (Used) By Operating Activities	$ (348,037)	$ (899,337)

Non-cash Investing, Capital and Financing Activities:
In fiscal year 2016, the Nursing Home did not receive any non-cash donations.

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ENTERPRISE FUNDS

Purpose: Enterprise funds are used to account for activities for which a fee is charged to external users for goods or services.

Exhibit F-1

COUNTY OF CHAMPAIGN, ILLINOIS
NURSING HOME FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2015 and 2014

ASSETS	2015	2014
CURRENT ASSETS:		
Cash	$366,629	$705,187
Investments	0	0
Receivables, Net of Uncollectible Amounts:		
Patient Accounts	3,553,516	3,850,165
Property Taxes	1,166,286	1,134,954
Intergovernmental	1,122,431	1,048,241
Accrued Interest	0	0
Other	828	1,820
Due From Other Funds	35,456	0
Inventories	21,112	5,765
Prepaid Expenses	69,720	10,267
Resident Trust Accounts	25,260	20,720
NONCURRENT ASSETS:		
Capital Assets:		
Buildings and Improvements	23,962,405	23,768,952
Construction in Progress	0	0
Equipment	1,599,143	1,455,699
Less Accumulated Depreciation	(6,643,050)	(5,913,251)
Total Assets	25,279,736	26,088,519
DEFERRED OUTFLOW OF RESOURCES		
Deferred amount related to Pension Liability	1,844,213	0
Total Assets and Deferred Outflows of Resources	27,123,949	26,088,519
LIABILITIES		
CURRENT LIABILITIES:		
Accrued Salaries Payable	208,824	195,802
Accounts Payable	1,319,819	1,501,887
Due To Other Funds	285,484	224,851
Funds Held For Others	25,260	20,720
Compensated Absences Payable	58,637	351,941
Tax Anticipation Notes Payable	997,829	971,120
Due to Other Governments	693,950	650,470
NONCURRENT LIABILITIES:		
Compensated Absences Payable	234,549	0
Net Obligation for Other Post-Employment Benefits	212,537	190,814
Net Pension Liability	3,084,325	0
Total Liabilities	7,121,214	4,107,605
DEFERRED INFLOW OF RESOURCES		
Subsequent year's property taxes	1,166,286	1,134,954
Related to Penson Liability	29,036	0
Total Deferred Inflow of Resources	1,195,322	1,134,954
NET POSITION		
Invested in Capital Assets	18,918,498	19,311,400
Unrestricted	(111,085)	1,534,560
Total Net Position	18,807,413	20,845,960

Exhibit F-2

COUNTY OF CHAMPAIGN, ILLINOIS
NURSING HOME FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
ACTUAL AND BUDGET (NON-GAAP BASIS)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

	2015				2014
	Actual (GAAP Basis)	Actual (Budgetary Basis)	Budget (Final)	Budget (Original)	Actual (GAAP Basis)
OPERATING REVENUES:					
Charges for Services	$13,314,667	$13,325,107	$15,400,134	$15,400,134	$15,842,972
Miscellaneous	33,476	33,476	27,500	27,500	47,168
Total Operating Revenues	13,348,143	13,358,583	15,427,634	15,427,634	15,890,140
OPERATING EXPENSES:					
Salaries	6,034,219	6,088,799	7,468,460	7,479,687	6,701,210
Fringe Benefits	2,451,180	2,012,120	2,588,722	2,577,495	2,301,060
Commodities	851,321	867,890	919,493	841,676	1,251,993
Services	5,339,185	5,274,279	5,323,327	5,119,454	5,714,702
Capital Outlay	0	237,639	289,452	571,142	0
Depreciation	729,799	0	0	0	807,945
Total Operating Expenses	15,405,704	14,480,727	16,589,454	16,589,454	16,776,910
OPERATING INCOME (LOSS)	(2,057,561)	(1,122,144)	(1,161,820)	(1,161,820)	(886,770)
NON-OPERATING REVENUES (EXPENSES):					
Property Tax	1,175,543	1,140,087	1,142,494	1,142,494	1,096,991
Intergovernmental Revenue	0	0	0	0	0
Investment Earnings	488	488	300	300	442
Donations	5,400	5,400	3,500	3,500	8,785
Gain (Loss) on Disposal of Capital Assets	0	0	0	0	0
Interest Expense	(2,974)	(2,974)	(7,000)	(7,000)	(3,790)
Net Non-Operating Revenues (Expenses)	1,178,457	1,143,001	1,139,294	1,139,294	1,102,428
INCOME (LOSS) BEFORE TRANSFERS	(879,104)	20,857	(22,526)	(22,526)	215,658
Transfers In	0	0	0	0	0
Transfers Out	(307,490)	(307,490)	(317,665)	(317,665)	(307,665)
CHANGE IN NET POSITION	(1,186,594)	(286,633)	(340,191)	(340,191)	(92,007)
NET POSITION--Beginning of Year (As Restated)	19,994,007	(73,216)	(73,216)	(73,216)	20,937,967
NET POSITION--End of Year	18,807,413	(359,849)	(413,407)	(413,407)	20,845,960

Revenues/Transfers In Conversion to GAAP Basis	25,016
Expenses/Transfers Out Conversion to GAAP Basis	(924,977)
Beginning Net Position Conversion to GAAP Basis	20,067,223
GAAP Basis Net Position	18,807,413

Exhibit F-3

COUNTY OF CHAMPAIGN, ILLINOIS
NURSING HOME FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Receipts from Customers	$13,536,138	$14,095,580
Cash Payments to Employees for Services	(6,079,952)	(6,627,779)
Cash Payments to Suppliers and Other Funds For Goods and Services	(8,355,523)	(9,219,123)
Net Cash Provided (Used) By Operating Activities	(899,337)	(1,751,322)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Property Taxes Received	1,175,543	1,096,991
Operating Grants Received	0	0
Gifts And Donations Received	5,400	8,785
Cash Received from Tax Anticipation Borrowing	997,829	1,909,005
Tax Anticipation Borrowing Repaid	(971,120)	(937,885)
Interest Paid on Tax Anticipation Borrowing	(2,974)	(3,790)
Cash Received from Intergovernmental Borrowing	0	438,053
Transfers/Loans Received From Other Funds	0	0
Transfers/Loans Paid To Other Funds	(307,490)	(307,665)
Net Cash Provided (Used) By Non-Capital Financing Activities	897,188	2,203,494
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Cash Received from Sale of Capital Assets	0	0
Payments for Acquisition and Construction of Capital Assets	(336,897)	(117,041)
Net Cash Provided (Used) By Capital and Related Financing Activities	(336,897)	(117,041)
CASH FLOWS FROM INVESTMENT ACTIVITIES:		
Interest Received on Investments and Bank Deposits	488	442
Net Cash Provided (Used) By Investment Activities	488	442
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(338,558)	335,573
Cash and Cash Equivalents at Beginning of Year	705,187	369,614
Cash and Cash Equivalents at End of Year	366,629	705,187
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating Income (Loss)	($2,057,561)	($886,770)
Adjust For Non-Cash Revenue/Expense:		
Depreciation Expense	729,799	807,945
Bad Debt Expense	0	311,984
Increase (Decrease) in Net Obligation for OPEB	21,723	25,626
Decrease (Increase) in Net Deferred Inflows/Outflows	(1,122,473)	0
Increase(Decrease) in Net Pension Liability	1,539,668	0
Adjust For Non-Revenue/Expense Cash Flows:		
Decrease (Increase) in Receivables	223,451	(1,567,022)
Decrease (Increase) in Intergovernmental Receivables	0	(539,522)
Decrease (Increase) in Due From Other Funds	(35,456)	0
Decrease (Increase) in Inventories	(15,347)	5,974
Decrease (Increase) in Prepaid Items	(59,453)	9,984
Increase (Decrease) in Salaries & Comp Absences Payable	(45,733)	0
Increase (Decrease) in Payables	(182,068)	391,170
Increase (Decrease) in Due to Other Govts	43,480	212,417
Increase (Decrease) in Due To Other Funds	60,633	(523,108)
Net Cash Provided (Used) By Operating Activities	(899,337)	(1,751,322)

Non-cash Investing, Capital and Financing Activities:
In fiscal year 2015, the Nursing Home did not receive any non-cash donations.

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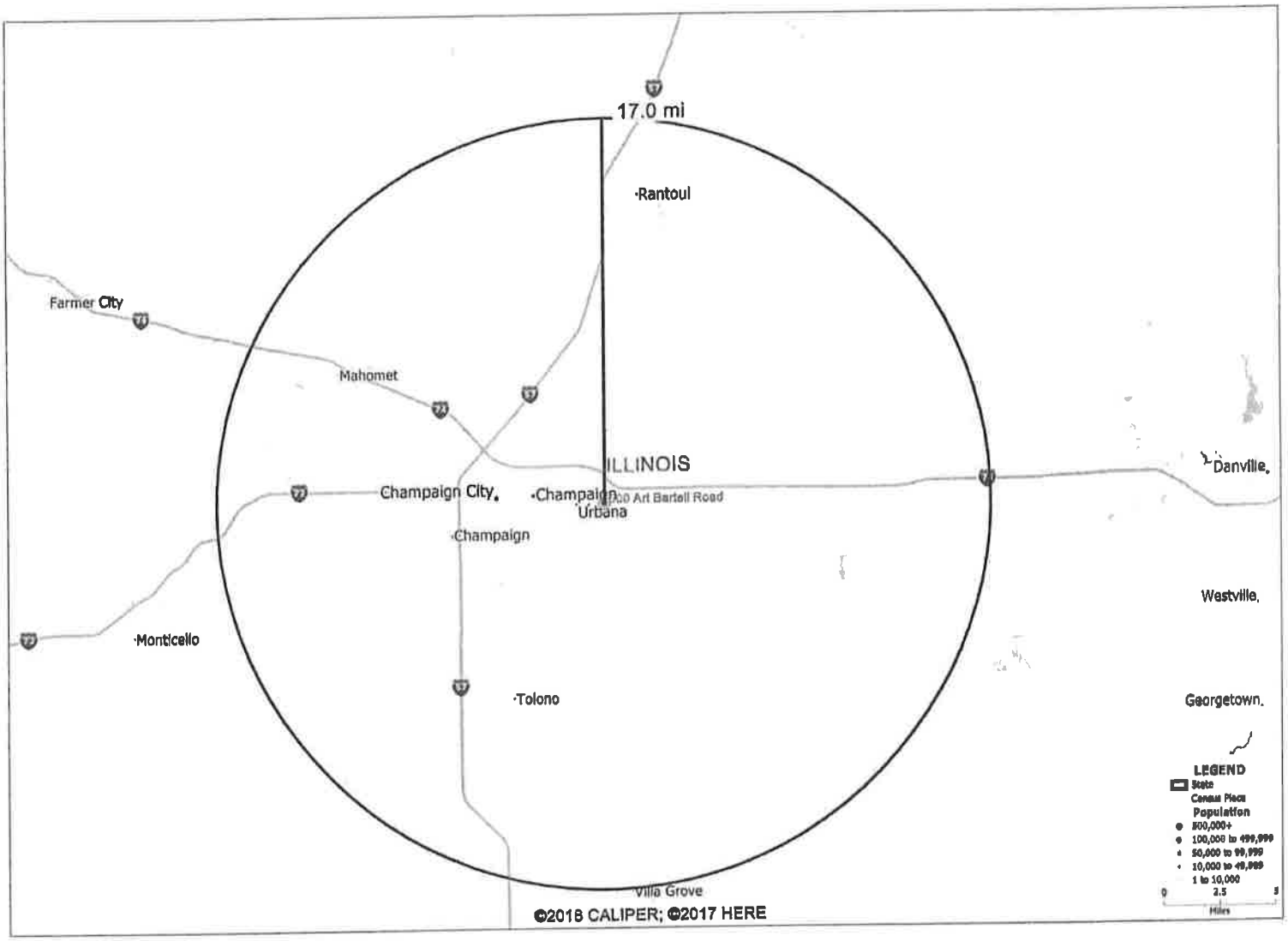
#18-026 County Nursing Home



Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230(c), Project Purpose, Background and Alternatives

Alternatives

1. **Do Nothing**

   The Champaign County Board concluded that notably adverse circumstances would eventually arise if it did not take thoughtful and strategic action. The operation of the Nursing Home has yielded substantial losses every year for an extended period of time. Champaign County explored commercially reasonable means to operate the facility more efficiently or effectively without sacrificing resident care. It engaged external consultants and operators to assist in the operation without success. Champaign County concluded is not feasible to continue operating the Nursing Home and would be fiscally irresponsible when considering the obligations to the entire population of Champaign County. Further, the long-term interests of the residents of the Nursing Home would be compromised by not taking affirmative action to provide for their present, as well as their future health needs.

   Cost: Technically, doing nothing would have no cost. However, the financial and social cost would be such that this alternative had to be disregarded as a viable option.

2. **Close Champaign County Nursing Home**

   From a purely fiscal perspective, this alternative might make the most sense. However, Champaign County takes its commitment to providing care to the underserved residents of Champaign County seriously. History has shown that a County-run facility simply exiting the market without any organized plan on how to continue providing care to the residents dependent upon the County can have a notably adverse effect on access to care. For that reason, simply announcing the closure of the facility and transferring the existing residents to other facilities was not the responsible option from either a social or a health planning perspective.

   Cost: The cost of closing the Nursing Home would not be significant to Champaign County. However, the cost to current residents and the potential impact of not considering future residents would be substantial. This option is not consistent with the goal of identifying an orderly way to exit the marketplace and still provide for future Champaign County residents.

3. **Bring in an Experienced Management Company to Operate the Facility**

   This option was tried and did not succeed. A reputable and experienced management company was identified and brought in to operate the Nursing Home. Despite their experience over that of Champaign County's, the facility continues to operate at a substantial loss and necessitated the exploration of additional alternatives.

   Cost: The cost of this alternative was worth trying – but having done so and having been unable to produce the necessary results, is not worth pursuing again.

4. **Pursue a Joint-Venture between Champaign County and a Private Entity**

   There is no incentive for a private operator to take on the risk involved with the ownership and operation of a long-term care facility without being able to enjoy the potential upside. There is no reason for Champaign County to continue in its ownership capacity if all efforts have yielded the conclusion that the County needs to exit the marketplace as a provider of long-term care services.

Cost: The cost would be similar to the current proposal, but with the guarantee of further fiscal strain. When compared to the current proposal, a joint venture with continued ownership interest does not make any sense.

5. Sell Champaign County Nursing Home Outright

From a purely financial perspective, along with the possibility of simply closing the Nursing Home, selling it makes the most sense. It would relieve Champaign County of the financial burden of owning and operating a skilled nursing facility. Further, the proceeds from the sale should be sufficient to retire the bonds issued for the Nursing Home's construction.

Cost: $11,000,000

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(a), Size of the Project

The proposed project contemplates the transfer of operational control of the Nursing Home from Champaign County to University Rehabilitation Center of C-U, LLC and transfer of the physical plant to University Rehab Real Estate, LLC. Pursuant to Section 1110, Appendix B of the HFSRB's rules, the State standard is 350-570 gross square feet per bed for a total of 85,050 – 138,510 gross square feet for 243 beds. The total gross square footage of the Nursing Home is 133,192 of gross square feet (or 548.12 GSF per bed). Accordingly, the Nursing Home meets the State standard per bed.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	**BGSF/DGSF**	**STATE STANDARD**	**DIFFERENCE**	**MET STANDARD?**
Nursing	133,192	85,050 – 138,510	N/A	Meets State Standard

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(b), Project Services Utilization

By the second year of operation, annual utilization of the Nursing Home shall exceed HFSRB's utilization standard of 90%. Pursuant to Section 1125.210(c) of the State Board's rules, general long-term care facility should operate at or above an annual utilization rate of 90%. The Nursing Home operates 195 skilled nursing beds. To achieve 90% utilization, the Nursing Facility would need an average of 176 residents per day (or 64,058 resident days). Historically, the Nursing Home has exceeded the State Board standard and is expected to continue to meet the State Board standard in the future.

Table 1110.234(b) Utilization					
	Dept./ Service	Historical Utilization	Projected Utilization	State Standard	Met Standard?
2016	Nursing	67,098	N/A	64,233	Yes
2017	Nursing	52,721	N/A	64,058	No
2020	Nursing	N/A	66,795	64,233	

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(c), Unfinished or Shell Space

This project will not include unfinished space designed to meet an anticipated future demand for service. Accordingly, this criterion is not applicable.

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(d), Assurances

This project will not include unfinished space designed to meet an anticipated future demand for service. Accordingly, this criterion is not applicable.

Criterion 1110.240(b), Impact Statement

1. Transactional Documents

   The executed Asset Purchase Agreement for the Nursing Home is attached at Attachments19A. Language conditioning the change of ownership upon HFSRB approval is included in Sections 4a and 10c of the Asset Purchase Agreement.

2. Change in Services Currently Offered

   There will be no change in the services currently offered at Champaign County Nursing Home.

3. Operating Entity

   University Rehabilitation Center of C-U, LLC will be the operating entity of the Nursing Home.

4. Reason for the Transaction

   The purpose of the proposed acquisition of the Nursing Home is to maintain access to high quality skilled nursing home services to residents of Champaign County. University Rehabilitation Center of C-U, LLC has expertise in value engineering and can implement programs designed to improve quality and reduce costs that are not available to the Champaign County. Through value engineering University Rehabilitation Center of C-U, LLC will redesign patient care and eliminate functional redundancies to ensure the Nursing Home remains viable in the future.

5. Anticipated Additions or Reductions of Employees

   No significant additions or reductions in employees are anticipated. University Rehabilitation Center of C-U, LLC determines its staffing needs according to its census. Going forward, staffing hours and/or positions will be added or reduced according to resident census and care needs. The Applicants anticipate no reduction in employees.

6. Cost-Benefit Analysis

   The proposed transaction contemplates a change of ownership of the Nursing Home. University Rehab Real Estate, LLC will acquire substantially all of the assets of the Nursing Home for $11,000,000. While the Applicants will incur costs inherent in operating a skilled nursing facility, it will likely achieve costs savings through value engineering initiatives.

ASSET PURCHASE AGREEMENT

by and between

THE COUNTY OF CHAMPAIGN, ILLINOIS,
a public body corporate and politic of the State of Illinois,
as Seller

and

ALTITUDE ACQUISITIONS, LLC,
an Illinois limited liability company,
as Purchaser

July 23, 2018

Champaign County Nursing Home
500 South Art Bartell Road
Urbana, Illinois 61802

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "***Agreement***") is made and entered into as of this 23rd day of July, 2018 (the "***Effective Date***"), by and between **THE COUNTY OF CHAMPAIGN, ILLINOIS**, a public body corporate and politic of the State of Illinois ("***Seller***"), as seller, and **ALTITUDE ACQUISITIONS, LLC**, an Illinois limited liability company ("***Purchaser***"), as purchaser.

RECITALS

A. Seller owns and is the licensed operator of that certain 220 bed nursing facility, which is licensed for 243 skilled nursing beds, commonly known as Champaign County Nursing Home, 500 South Art Bartell Road, Champaign, Illinois 61802 (the "***Facility***"), including (i) the land on which the Facility is located, which is legally described on **Exhibit A**, attached hereto and made a part hereof, together with all easements, hereditaments, privileges and appurtenances appurtenant thereto (collectively, the "***Land***"), (ii) the buildings and improvements located on the Land, including the Facility and any patios, courtyards, fences, parking areas and storage structures (the "***Improvements***"), and (iii) the furniture, fixtures, equipment and systems located in the Improvements and used in connection with the ownership and operation of the Facility (the "***FF&E***").

B. Seller desires to sell and transfer the Property (as hereinafter defined) to Purchaser and Purchaser desires to purchase the Property from Seller on the terms and conditions set forth in this Agreement.

C. Concurrent with the closing of the transactions contemplated herein, Purchaser may, as lessor, enter into a new lease agreement for the Facility with Altitude Acquisitions, LLC, an Illinois limited liability company ("***New Operator***"), pursuant to which New Operator, as lessee, shall be the new licensed operator of the Facility.

D. Certain operational matters related to the transfer of the operations of the Facility from Seller to New Operator not otherwise addressed herein shall be handled pursuant to the terms of a separate operations transfer agreement (the "***OTA***") to be entered into by and among Seller, New Operator and SAK Management Services, LLC ("***Manager***"), which shall govern with respect to the transfer of the operations of the Facility from Seller and Manager to New Operator and shall provide for a closing thereunder concurrent with the Closing (as hereinafter defined) under this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the Purchase Price (as hereinafter defined) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows:

1. **PURCHASE AND SALE.** On the terms and conditions set forth herein, (a) Seller shall sell, assign, transfer, convey and deliver fee simple title in the Real Property to Purchaser on the Closing Date and Purchaser shall purchase the Real Property from Seller free and clear of all liens other than Permitted Exceptions (as defined herein), (b) Seller shall sell, assign, transfer, convey and deliver the Personal Property to Purchaser and Purchaser

shall purchase, receive and accept the Personal Property from Seller free and clear of all liens, and (c) Seller shall assign, transfer, convey and deliver the Intangible Property to Purchaser, and Purchaser shall purchase, receive and accept the Intangible Property from Seller free and clear of all liens.

2. **THE PROPERTY**. The "***Property***" shall collectively be the following:

a. **Real Property**. The real property shall consist of all of Seller's right, title and interest in: (i) the Land, (ii) the Improvements, (iii) the FF&E, (iv) any other interest of Seller in all easements, if any, to the extent of any such interest of Seller and (v) any other structure or improvements located on the Land (collectively, the "***Real Property***").

b. **Personal Property**. The personal property shall consist of all of Seller's right, title and interest in the computer hardware, telephones and telephone systems, non-proprietary marketing and promotional materials relating to the Facility, including data from websites or internet domains associated with the Facility, non-proprietary stationery, kitchen equipment, resident room furnishings in the possession of Seller or relating to the Real Property or the Improvements and all other tangible property and assets (except for FF&E) that is located on the Real Property and utilized in connection with the owning, operating or managing of the Facility (collectively, the "***Personal Property***").

c. **Intangible Property**. The intangible property being assigned, set over and transferred by Seller to Purchaser shall consist of: (i) any special use permits from the city or municipality, (ii) any certificate of need, (iii) goodwill associated with the business and the reputation of the Facility, and (iv) any third party warranties or guaranties associated with the Property, all to the extent related specifically to the Facility and as assignable by law (collectively, the "***Intangible Property***").

3. **EXCLUDED PROPERTY**. Notwithstanding those items set forth in **Section 2** above, the following shall be excluded from the sale by Seller to Purchaser hereunder (collectively, the "***Excluded Property***"): (a) cash and cash equivalents, short-term investments and third-party payor settlements, (b) Seller's rights under this Agreement and the agreements to be executed in connection herewith, (c) Seller's organizational documents, (d) personal property owned by residents of the Facility and not by Seller, (e) personal property owned by third party vendors and leased to Seller or any entity providing services at the Facility for use in connection with the operations of the Facility as indicated on Schedule 3, except to the extent Seller's interest in such leased property is legally transferable and expressly assumed by Purchaser or New Operator under this Agreement or the OTA as listed on Schedule 3, (f) any confidential or proprietary information of Seller or Seller's affiliates that is not primarily used or held in connection with the Facility, (g) any accounts receivable, accounts payable or liabilities associated with the operation of the Facility prior to the Closing Date, and (h) any items transferred pursuant to the terms of the OTA.

4. **CLOSING.**

a. **Closing Date.** The closing of the purchase and sale pursuant to this Agreement (the "***Closing***") shall take place through an escrow (the "***Closing Escrow***") to be

established with First American Title Insurance Company (the "***Title Company***"), pursuant to escrow instructions that conform to the terms hereof, on the first day of the first month after CON Approval (as hereinafter defined), provided however Purchaser shall have the option to extend the Closing Date for two additional one-month periods, to be effective at 12:01 a.m. on the following day (the "***Closing Date***"), provided that all other conditions to close as set forth herein have been satisfied or waived pursuant to the terms of this Agreement prior to the Closing Date.

b. **Possession**. All FF&E and Personal Property shall be located at the Facility on the Closing Date. After the Closing, Purchaser shall have free and clear title to the Property, subject to the Permitted Exceptions, and be entitled to possession of the Property, subject only to the possessory rights of the residents at the Facility in accordance with ordinary course operation of the Facility.

5. **PURCHASE PRICE.**

a. **Purchase Price**. In consideration for the conveyance of the Property, Purchaser shall pay to Seller the amount of **ELEVEN MILLION DOLLARS ($11,000,000.00)** (the "***Purchase Price***"), payable in immediately available funds on the Closing Date, plus or minus the credits and prorations set forth in this Agreement.

b. **Escrow Deposit**. Purchaser previously deposited with Seller the amount of Two Hundred Fifty Thousand Dollars ($250,000.00), as earnest money (the "***Initial Escrow Deposit***"). Within one (1) business days after the Effective Date, Seller and Purchaser shall execute the Strict Joint Order Escrow Instructions in the form of Exhibit B. Within three (3) business days of the execution of this Agreement, Seller shall transfer the Initial Escrow Deposit into the escrow established with the Title Company and Purchaser shall deposit with Title Company the additional amount of Eight Hundred Fifty Thousand Dollars ($850,000.00) (the "***Additional Escrow Deposit***" and, collectively with the Initial Escrow Deposit, the "***Escrow Deposit***"). The Escrow Deposit and any interest earned thereon shall be credited to Purchaser against the Purchase Price at Closing and transferred to the Closing Escrow for disbursement as provided herein.

c. **Purchase Price Allocation**. Prior to the Closing, the parties to this Agreement expressly agree to use best efforts to allocate the Purchase Price of the Property and among the real, personal and intangible property for all tax purposes. Purchaser's proposal for an allocation shall be delivered to Seller at least five (5) business days prior to the Closing Date. Any such agreed upon allocation shall be memorialized in writing prior to the Closing. After the Closing, the parties shall make consistent use of the agreed upon allocation, fair market value and useful lives for all tax purposes and in all filings, declarations and reports with the IRS in respect thereof, including the reports required to be filed under Section 1060 of the Internal Revenue Code. In any proceeding related to the determination of any tax, neither party shall contend or represent that such allocation is not a correct allocation.

6. **COSTS AND CREDITS.**

a. **Purchaser's Charges.** On the Closing Date, Purchaser shall be responsible for the cost of the Title Commitment, Lender's Title Policy (both as hereinafter defined) and endorsements to such Title Policy and recording fees for the Deed.

b. **Seller's Charges.** On the Closing Date, Seller shall be responsible for the cost of recording fees for the Removable Exceptions (as hereinafter defined) and Survey Defects (as hereinafter defined) which Seller is obligated or agreed to correct per **Section 9(d)** and for the owner's Title Policy (with Extended Coverage).

c. **Attorney's Fees.** Except as otherwise expressly set forth herein, each party hereto shall each pay their own attorney's and other professional fees in connection with this matter.

d. **Escrow Fees.** Seller and Purchaser shall equally pay any Closing escrow fees.

e. **Additional Fees.** Except as expressly provided otherwise in this Agreement, all other transaction costs shall be allocated between Seller and Purchaser in the manner customary for transactions in the location of the Facility.

7. **PRORATIONS.** The following shall be prorated as of the Closing Date (so that Purchaser receives all of the benefits and revenues, and is responsible for all of the expenses, commencing on the Closing Date and thereafter) and shall be settled by a credit or debit against the Purchase Price at the Closing:

a. **Real Estate Taxes.** The parties acknowledge there are no real estate taxes accrued, due or payable for the period prior to the Closing Date so there shall be no proration of real estate taxes made at Closing.

b. **Utilities.** Seller shall pay all utility charges attributable to the Property through and including the Closing Date that are not otherwise paid or prorated by Seller pursuant to the terms of the OTA. Charges and deposits for water, fuel, gas, oil, heat, electricity and other utility and operating charges and prepaid service contracts will be based upon the last available invoice. Seller will attempt to obtain final utility meter readings as close as possible to the Closing Date.

c. **Operational Prorations.** The operational prorations shall occur pursuant to the terms of the OTA, including without limitation, revenues and expenses pertaining to the Facility, utility charges for the billing period in which the Closing Date occurs, assumed contracts, utilities, prepaid income and expenses, bed taxes, security deposits, employee accruals, resident trust funds and other related items of revenue or expense attributable to the Facility, if any, which shall be prorated as of the Closing Date per the terms of the OTA.

8. **DUE DILIGENCE.**

a. **Due Diligence Items.** Purchaser and Seller acknowledge that prior to the Effective Date, Seller has provided Purchaser with access to an online data room containing copies of due diligence materials in Seller's possession.

b. **Third Party Reports.** Purchaser shall have forty-five (45) days from the Effective Date ("***Inspection Period***") to conduct due diligence. Seller shall permit Purchaser and its representatives, lender and lender's representatives, contractors, land surveyors, environmental companies and other agents ("***Representatives***") access to the Real Property in connection with the Purchaser's third party reports and due diligence, provided that such access rights are not disruptive to the operations at the Facility, provided Purchaser has delivered proof of insurance to Seller, and further provided that Purchaser and its Representatives are at all times in compliance with all state and federal laws governing the rights of the residents of the Facility.

c. **Indemnification.** Purchaser agrees to indemnify, defend, protect and hold harmless Seller, and Seller's respective affiliates, members, officers, directors and agents from and against any loss, injury, damage, claim, lien, cost or expense, including reasonable attorneys' fees and costs, arising from or related to the access rights exercised by Purchaser or its employees, consultants, agents or Representatives under this Agreement. Purchaser shall carry, and shall cause any of its agents or representatives entering onto the Real Property to carry, workers' compensation and general liability insurance in the amount of $1,000,000 per occurrence, which insurance shall name Seller as an additional insured. Purchaser shall keep the Property free and clear of any mechanic's or materialmen's liens arising out of any entry onto or inspection of the Property by or on behalf of Purchaser.

d. **Notice of Termination.** Purchaser shall have the right, in its sole discretion, to terminate this Agreement by written notice to Seller, at any time before the end of the Inspection Period ("***Inspection Termination Notice***"), in which event Seller shall promptly direct the Title Company to refund the Escrow Deposit to Purchaser, and all further rights and obligations of the parties hereto shall cease and terminate without any further liability of either party to the other (except those obligations which expressly survive such termination as provided in this Agreement). If Purchaser does not provide an Inspection Termination Notice on or before the end of the Inspection Period, this specific right of termination shall be itself terminated and, thereafter, Purchaser shall not have any right to terminate this Agreement based on any due diligence and the Escrow Deposit shall be nonrefundable except as otherwise expressly provided in this Agreement.

9. **TITLE AND SURVEY.**

a. **Title Policy.** With 10 days of execution of this Agreement, Seller shall delivered to Purchaser a commitment to issue standard Owner's Title Insurance Policy for the Property (the "***Title Commitment***") from the Title Company showing title to the Real Property vested in Seller. Seller covenants to reasonably cooperate with Purchaser to have the Title Company at Closing issue a title policy from the Title Commitment ("***Title***

Policy") or a markup or proforma of the Title Commitment, subject only to the Permitted Exceptions (as hereinafter defined).

b. **Survey**. With 10 days of execution of this Agreement, Seller shall delivered to Purchaser a proposed Plat of Subdivision for the Property that it intends to have recorded on or prior to the Closing Date. Purchaser may order a new ALTA Survey for the Real Property (the "***Survey***") at its cost.

c. **Permitted Exceptions and Removable Exceptions**. The term "***Permitted Exceptions***" shall mean: (i) the liens of real estate taxes that are not yet due and payable on the Closing Date; (ii) those items set forth on Schedule B to the Title Commitment and set forth on **Schedule 9(c)(ii);** provided, however, these are subject to objection by Purchaser upon review of title and survey; (iii) those easements and covenants described on **Schedule 9(c)(iii)** that the Seller intends on recording at or prior to the Closing; provided, however, these are subject to objection by Purchaser upon review of title and survey; (iv) matters disclosed by the Survey (other than Survey Defects) or that are otherwise accepted by Purchaser per the terms of this Agreement; and (v) the rights of residents in possession. The term "***Removable Exceptions***" shall mean title exceptions pertaining to liens or encumbrances of a definite or ascertainable amount that Seller will remove by the payment of money on the Closing Date.

d. **Correction of Survey Defects**. Within thirty (30) days after the Effective Date (the "***Objection Deadline***"), Purchaser shall notify Seller in writing if it objects to an item disclosed on the Plat of Subdivision or a Survey ("***Survey Defects***"). After receipt of notice from Purchaser, Seller shall have five (5) business days to provide written notice to Purchaser as to whether Seller elects to: (a) correct such Survey Defects before the Closing, (b) have the Title Company commit to insure over the Survey Defect, or (c) not remove or correct any such Survey Defects. If Seller fails to timely respond or elects not to remove or correct any such Survey Defects, then Purchaser may elect within five (5) business days with written notice to Seller to (x) take the Property as it then is; or (y) terminate this Agreement by written notice to Seller (which shall be deemed a termination pursuant to **Section 20(a)(i)** of this Agreement) and in which event the Escrow Deposit shall be returned to Purchaser.

10. **PRE-CLOSING COVENANTS.**

a. **Seller's Covenants**. Seller hereby agrees and covenants to Purchaser that between the Effective Date and the Closing Date, except as otherwise contemplated by this Agreement or with the prior written consent of Purchaser:

i. Seller shall use its best efforts to timely obtain any necessary third party consents for the valid conveyance, transfer, assignment or delivery of the Property being transferred per this Agreement.

ii. Seller shall notify the Illinois Department of Revenue (the "***IDR***") and shall request tax clearance certificates from IDR. No later than ten (10) business days prior to the Closing Date, Seller shall (1) obtain either a full release of claims from the IDR with respect to all debts owed by Seller or a statement setting forth

all IDR debts owed by Seller and (2) provide Purchaser with a statement setting forth the amount owed by Seller with respect to all Illinois and federal payroll, assessment and other taxes and all license fees, including supporting materials.

iii. Seller shall maintain all of its books and records related to the Facility in accordance with past practices.

iv. Seller shall pay when due all taxes, assessments and charges imposed upon Seller with respect to the Facility.

v. Seller will satisfy and discharge or contest in good faith all claims, liens, security interests and encumbrances on the Property, except for the Permitted Exceptions.

vi. Seller shall deliver the Property to Purchaser on the Closing Date in substantially the same condition and repair as on the Effective Date, ordinary wear and tear excepted.

vii. Seller will not sell any items of machinery, equipment, or other assets or Property used in connection with the Facility, other than in the ordinary course of business.

viii. Seller shall not make any capital expenditures on the Facility, except (A) in the event of a casualty or condemnation as permitted per the terms of this Agreement, (B) to make ordinary and necessary repairs to the Facility, or (C) to comply with a governmental or Life Safety Code regulation.

ix. Seller shall not change employment terms for the Facility employees, or institute, amend, or terminate its employment benefit plans, except for normal and customary raises or amendments consistent with prior business practices.

x. Seller shall maintain in force and renew as necessary on commercially reasonable terms the existing insurance policies as are now in effect for the Property.

xi. From the Effective Date until through the earliest of the Closing Date or the termination of this Agreement, Seller has not and shall not, directly or indirectly, (a) enter into negotiations with any party other than Purchaser regarding the sale of the Property, or (b) provide information to any party other than Purchaser regarding the sale of the Property.

b. **Purchaser's Covenants**. Purchaser hereby agrees and covenants that between the Effective Date and the Closing Date, Purchaser will (i) require New Operator to make all required applications, file such notices and pay such fees as are necessary in connection with New Operator's efforts to obtain the IDPH Licenses (collectively, the "***Facility Licenses***"), and (ii) cooperate with all reasonable requests from Seller with respect to obtaining any other consents or authorizations related to the sale of the Facility.

c. **General Joint Covenants.** Each party shall promptly notify the other party of any information delivered to or obtained by such party which would impair or prevent the consummation of the transactions contemplated hereby. Seller shall file and pursue that certificate of need approval ("***CON Approval***") required by the State of Illinois and Purchaser shall cooperate with Seller to provide information necessary for the CON Approval.

11. **CONVEYANCES.** Conveyance of the Real Property to Purchaser shall be by Special Warranty Deed (the "***Deed***"), containing full warranties of title for matters affecting title that occurred during Seller's ownership of the Property, free and clear of all liens, encumbrance and security interests, also containing the covenants set forth in Section 22, subject only to the Permitted Exceptions. Conveyance of the FF&E and Personal Property shall be by Bill of Sale (the "***Bill of Sale***") from Seller to Purchaser containing full warranties of title free and clear of all liens, encumbrances and security interests other than the Permitted Exceptions. Conveyance of the Intangible Property shall be by General Assignment (the "***General Assignment***") from Seller to Purchaser, containing full warranties of title and free and clear of all liens, encumbrances and security interest other than the Permitted Exceptions. Purchaser agrees that the presence of the Personal Property at the Facility on the Closing Date shall constitute delivery thereof.

12. **CLOSING DELIVERIES.**

a. **Purchaser's Closing Deliveries.** On or before the Closing Date, Purchaser agrees that it will deliver into the Closing Escrow (except as otherwise set forth below) executed originals of the following documents, in form and substance reasonably satisfactory to counsel for Seller and Purchaser ("***Purchaser's Closing Deliveries***"):

i. Deposit by wire transfer into the Closing Escrow, the balance of the Purchase Price due at Closing after crediting the Escrow Deposit, plus or minus the prorations and credits due at Closing.

ii. Such documents, certifications and statements as may be required by the Title Company to issue the Title Policy including, without limitation, a Title Company Disbursement Statement signed by Purchaser approving each and every one of the payments and disbursements made by the Title Company through the Closing Escrow.

iii. A Certificate of Good Standing or similar document for Purchaser from the Secretary of State of the state in which such Purchaser is organized, and certified copies of the resolutions of Purchaser authorizing the execution, delivery and consummation of this Agreement and the execution, delivery and consummation of all other agreements and documents executed in connection herewith, including all instruments required hereunder, sufficient in form and content to meet the requirements of law relevant to such transactions and certified by the managers of Purchaser as adopted and in full force and effect and unamended as of Closing.

iv. The Escrow Holdback Agreement.

v. A date-down certificate dated as of the Closing Date certifying that all of the representations and warranties made and given by Purchaser in this Agreement are true and correct as of the Closing Date.

vi. Such further instruments and documents as are reasonably necessary to complete the transfer of the Property to Purchaser in accordance with the terms of this Agreement.

b. **Seller's Closing Deliveries**. On or before the Closing Date, Seller will deliver into the Closing Escrow (except as otherwise set forth below) executed originals of the following documents, in form and substance reasonably satisfactory to counsel for Purchaser and Seller ("***Seller's Closing Deliveries***"):

i. The Deed conveying the Real Property from Seller to Purchaser, executed by Seller.

ii. The Bill of Sale for the FF&E and Personal Property at the Facility from Seller to Purchaser.

iii. The General Assignment for the Intangible Property, from Seller to Purchaser.

iv. Resolutions of the Champaign County Board (the "***Board***") authorizing Seller to execute the closing documents, sufficient in form and content to meet the requirements of law relevant to such transactions, which resolutions shall be certified to be true copies by the Clerk of the Board.

v. Such documents, certifications and statements as may be required by the Title Company to issue the Title Policy including, without limitation, a copy of the Title Company Disbursement Statement signed by Seller approving the payments and disbursements made by the Title Company.

vi. Any statement, affidavit or undertaking required by the Title Company in order to give Purchaser good and clear title to the Property per the requirements of this Agreement.

vii. Real Estate Transfer Tax Declarations for the Real Property, if any.

viii. A date-down certificate certifying that all of the representations and warranties made and given by Seller in this Agreement are true and correct as of the Closing Date.

ix. Copies of any payoff letters or releases with respect to any Removable Exceptions and any other mortgage secured by the Property.

x. The Escrow Holdback Agreement.

xi. Such further instruments and documents as are reasonably necessary to complete the transfer of the Property to Purchaser in accordance with the terms of this Agreement.

13. **SELLER'S REPRESENTATIONS AND WARRANTIES.** Seller hereby represents and warrants to Purchaser that the following statements are true and correct as of the date hereof and will be true and correct on the Closing Date:

a. **Status.** Seller is a public body corporate and politic under the laws of the State of Illinois and is duly qualified to own property and conduct business in the State of Illinois.

b. **Authority.** Seller has the full right, power and authority to enter into this Agreement.

c. **Necessary Action.** Seller has taken all action required under its organizational documents necessary to enter into this Agreement. This Agreement has been duly executed and delivered by Seller.

d. **Compliance with Agreements.** The execution, delivery and performance of this Agreement and the consummation of the transaction contemplated herein, and all related documents will not result in a default under any deed of trust, mortgage, note, agreement, organizational document, or other instrument or obligation to which Seller is a party or by which the Property may be bound or affected and which will not be released, paid off or otherwise satisfied in connection with or prior to the Closing.

e. **Binding Agreement.** This Agreement and all agreements to which Seller will become a party pursuant hereto are and will constitute the valid and legally binding obligations of Seller and are and will be enforceable against Seller in accordance with the respective terms hereof and thereof, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforceability of creditors' rights generally, general equitable principles and the discretion of courts in granting equitable remedies.

f. **Title.** Seller has fee simple title to the Real Property, free and clear of all liens, encumbrances, covenants, conditions, restrictions, leases, tenancies, licenses, claims and options, except for the Permitted Exceptions.

g. **No Default.** To the best of Seller's knowledge, there is no default by Seller with respect to any obligations under any mortgage, contract, lease or other agreement affecting or relating to the Property.

h. **Litigation.** There are no lawsuits, investigations or other proceedings pending or, to Seller's knowledge, threatened against the Seller related to the Facility or Seller's right to own the Property or Seller's right to enter into this Agreement, other than as set forth in **Schedule 13(h)**. To Seller's knowledge, there are no ongoing audits of the Facility's billing by any third-party payor.

i. **AS IS.** Purchaser acknowledges and agrees that neither Seller nor any agent or representative of Seller have made, and Seller is not liable or responsible for or bound in

any manner by any express or implied representations, warranties, covenants, agreements, obligations, guarantees, statements, information or inducements pertaining to the physical condition of the Property, and specifically, the Facility, including all environmental matters, the quantity, character, fitness and quality thereof, merchantability, fitness for particular purpose, the income, expenses or operation thereof, the value and profitability thereof, the structural and mechanical condition of the buildings, structures and improvements situated thereon, the plumbing, heating, air conditioning, electric and ventilating systems serving the Property and any other matter or thing whatsoever with respect thereto. Purchaser acknowledges, agrees, represents and warrants that it has and shall have the opportunity to inspect the Property and all matters comprising the Property, including the Facility, and has or shall have access to information and data relating to all of same as Purchaser deems necessary, prudent, appropriate or desirable for the purposes of this transaction. Purchaser acknowledges that it is fully familiar with the Property and Purchaser expressly agrees to accept the Property "**AS IS, WHERE IS AND WITH ALL FAULTS,**" in its current condition, subject to reasonable wear and tear. In addition to, and without limiting the foregoing, Purchaser further acknowledges and agrees that the Property is conveyed in its "**AS IS**" condition with respect to environmental matters, and Purchaser hereby assumes the risk that adverse past, present or future conditions may not be revealed in its inspection or investigation.

j. **Financial Statements.** To the best of Seller's knowledge, the financial statements furnished to New Operator and Purchaser are true, correct and complete in all respects, fairly represent the financial condition of New Operator and are not misleading in any respect.

k. **Survival of Representations or Warranties.** The representations and warranties of Seller under this Agreement shall survive the Closing of the transaction contemplated hereunder for the period of eighteen (18) months after the Closing Date; provided, however, that the representations and warranties set forth in **Section 13(a)** (Status) and **Section 13(b)** (Authority), together with any right to indemnification for breach thereof, shall survive the Closing and continue in full force and effect for the maximum period permitted by applicable law.

14. **PURCHASER'S REPRESENTATIONS AND WARRANTIES.** Purchaser hereby warrants and represents to Seller that the following statements are true and correct as of the date hereof and will be true and correct on the Closing Date:

a. **Status.** Purchaser is a limited liability company duly formed and validly existing under the laws of the State of Illinois and is duly qualified to own property and conduct business in the State of Illinois.

b. **Authority.** Purchaser has full right, power and authority to enter into this Agreement.

c. **Necessary Action.** Purchaser has taken all action required under its organizational documents necessary to enter into this Agreement. This Agreement has been duly executed and delivered by Purchaser.

d. **Survival of Representations and Warranties.** The representations and warranties of Purchaser under this Agreement shall survive the closing of the transactions completed hereunder for a period of eighteen (18) months after the Closing Date; provided, however, that the representations and warranties set forth in **Section 14(a)** (Status of Seller) and **Section 14(b)** (Authority), together with any right to indemnification for breach thereof, shall survive the Closing and continue in full force and effect for the maximum period permitted by applicable law.

15. **CONDITIONS TO PURCHASER'S OBLIGATIONS.** Purchaser's obligations under this Agreement, including the obligation to pay the Purchase Price and close this transaction, are contingent and subject to fulfillment of each of the following conditions prior to the Closing Date, any one of which may be waived by Purchaser in writing (collectively, "***Purchaser's Conditions Precedent***"):

a. **Certification.** Between the Effective Date and the Closing Date, there shall not have been any material adverse change in the regulatory status or condition of any of Seller's certifications for the Facility's participation in the Medicare and Medicaid reimbursement programs.

b. **Seller's Representations, Warranties and Covenants.** Seller's representations, warranties and covenants contained in this Agreement or in any certificate or document delivered in connection with this Agreement or the transactions contemplated herein shall be true as of the Closing Date as though such representations, warranties and covenants were then again made.

c. **Seller's Performance.** Seller shall have performed all of its obligations and covenants under this Agreement that are to be performed prior to or at Closing.

d. **Closing Deliveries.** Seller shall have executed and delivered all of Seller's Closing deliveries per **Section 12(b)**.

e. **Title Insurance.** On the Closing Date, Seller shall deliver insurable fee simple title to the Real Property, subject only to the Permitted Exceptions.

f. **Change in Ownership.** There has been no change in the ownership, operation or control of the Property (or any portion thereof) between the Effective Date and the Closing Date.

g. **Absence of Litigation.** No action or proceeding has been instituted or, to Seller's knowledge, threatened before any court or governmental body or authority the result of which is reasonably likely to prevent the acquisition by Purchaser of the Property, or the consummation of the transaction contemplated hereby. There are no orders which are entered after execution of this Agreement and prior to Closing and which shall result in the immediate forced closing of the Facility prior to the Closing Date.

h. **No Material Adverse Change.** Since the end of the Inspection Period, there shall have been no material adverse change in the physical condition of the Property. For purposes of this Agreement "material adverse change" shall mean any event, occurrence or change that is materially adverse to the physical condition of the Property, when taken

as a whole, but shall exclude any adverse effect resulting from, arising out of or relation to (A) war or terrorism, (B) acts of God; (C) changes affecting the Illinois senior housing industry generally, (D) changes in business or economic conditions in the United States generally, (E) actions made pursuant to the terms of this Agreement, the OTA or with Seller's express written consent; or (F) any announcement or disclosure of the pendency of the transactions set forth herein or in the OTA.

i. **Removal of Personal Property Liens.** The Property shall be free and clear of all liens, claims and encumbrances other than those expressly permitted herein or that will be paid or otherwise satisfied by Seller on the Closing Date.

j. **Zoning.** Purchaser shall receive zoning compliance letters reflecting the Property's compliance with respect to the Facility and permitting the continued operation by Purchaser or New Operator of the Facility on the Property as a skilled nursing facility, provided, Purchaser timely requested the same. There shall not be any change in the use of the Facility since the issuance of the zoning compliance letters to Purchaser.

k. **New Licenses.** Provided New Operator timely applied to IDPH and used best efforts to submit a correct and complete application, New Operator shall have received adequate assurance of obtaining the IDPH License, which may occur by receipt of a letter or email from IDPH stating that the License shall be issued upon notification of the Closing.

l. **Personal Property; FF&E.** All FF&E and other Personal Property shall be located at the Facility on the Closing Date. Unless specifically permitted pursuant to the terms of this Agreement, Seller shall not have removed any FF&E or Personal Property from the Facility.

m. **Licenses and Census.** To the extent required by law, as of the Closing Date:

i. The Facility is licensed by IDPH, which license shall on the Closing Date be in good standing and full force and effect, permitting the operation of the Facility as a skilled nursing facility with 243 skilled nursing beds (the "***Licensed Beds***").

ii. The Facility is not subject to a denial for payment of new admissions.

iii. The Facility shall be in substantial compliance with and certified for participation in Medicaid and Medicare programs, which certifications shall on the Closing Date be in good standing and full force and effect, subject to no waivers and limitations.

iv. On the date of the Closing, the census of residents at the Facility (based upon the immediately preceding seven (7) days prior to Closing Date) with verified payor sources shall be not less than 87.5% of the census of residents at the Facility (based upon the immediately preceding seven (7) days prior to the Effective Date) with verified payor sources.

n. **Code Violations.** There shall be no outstanding Life Safety Code or IDPH violations that have not been corrected at least three (3) business days prior to the Closing Date.

o. **Schedules and Exhibits.** Purchaser shall have approved of any Exhibits or Schedules added hereto, or updated, following the Effective Date.

p. **Operations Transfer Agreement.** Seller and New Operator shall have entered into the OTA in the form of **Exhibit C**. All conditions precedent required for the consummation of the transactions set forth in the OTA shall have been met, except for the Closing hereunder.

q. **Accuracy of Representations and Warranties of Seller.** No representation or warranty by or on behalf of Seller contained in this Agreement, and no statement by or on behalf of Seller in any certificate, list, exhibit or other instrument furnished or to be furnished to Purchaser by or on behalf of Seller pursuant hereto, contains any materially untrue statement, or omits or will omit to state any fact which is material and necessary in order to make the statements contained therein, in light of the circumstances under which they are made, not misleading in a material way. For the avoidance of doubt, and notwithstanding anything herein to the contrary, Seller shall have no liability for any inaccuracy or breach of any representation or warranty if Purchaser had knowledge of said inaccuracy or breach or the underlying facts giving rise to such inaccuracy or breach, before the Closing.

r. **Special Use Permit.** The City of Urbana, Illinois shall have issued such opinions and/or new permits, if needed, allowing a non-governmental entity to own and operate the Property.

s. **Board Approval.** The Board shall have approved the disposition of the Property by a vote of a two-thirds majority of the full Board.

16. **CONDITIONS TO SELLER'S OBLIGATIONS.** All obligations of Seller under this Agreement are subject to fulfillment of each of the following conditions prior to the Closing Date (or on the Closing Date where so indicated), any one or all of which may be waived by Seller in writing (collectively, "***Seller's Conditions Precedent***"):

a. **Purchaser's Representations, Warranties and Covenants.** Purchaser's representations, warranties and covenants contained in this Agreement or in any certificate or document delivered in connection with this Agreement or the transactions contemplated herein shall be true at the Effective Date and as of the date of Closing as though such representations, warranties and covenants were then again made.

b. **Purchaser's Performance.** Purchaser shall have performed its obligations and covenants under this Agreement that are to be performed prior to or at Closing, including but not limited to application for all appropriate licenses and delivery of all of Purchaser's Closing deliveries.

c. **Absence of Litigation.** No action or proceeding shall have been instituted, nor any judgment, order or decree entered by any court or governmental body or authority preventing the acquisition by Purchaser of the Property or the acquisition by Purchaser of the Personal Property or the consummation of any other transaction contemplated hereby.

d. **Closing Deliveries.** On the Closing Date, Purchaser shall have executed and delivered to Seller all of Purchaser's Closing Deliveries under **Section 12(a)**.

e. **Board Approval.** The Board shall have approved the disposition of the Property by a vote of two-thirds majority of the full Board.

f. **Special Use Permit.** The City of Urbana, Illinois shall have issued such opinions and/or new permits, if needed, allowing a non-governmental entity to own and operate the Property.

17. **ACCESS TO RECORDS.**

a. **Facility Records.** On the Closing Date, Seller shall leave at the Facility for Purchaser or New Operator all of Seller's records for the existing Facility employees and residents.

b. **Seller's Access to Records.** Subsequent to the Closing Date, Purchaser and New Operator shall grant Seller and its respective agents and representatives access to (upon reasonable prior notice and during normal business hours), including the right to make copies of, the books and records and supporting material of the Facility relating to the period prior to and including the Closing Date, at Seller's own expense, to, among other things, enable Seller to investigate and defend audits, claims, litigation or to file or defend cost reports.

c. **Purchaser's and New Operator's Access to Records.** Subsequent to the Closing Date, Seller shall grant Purchaser, New Operator and their respective agents and representatives reasonable access to (upon reasonable prior notice and during normal business hours), including the right to make copies of, books and records and supporting material of the Facility relating to the three (3) year period prior to the Closing Date, at Purchaser's or New Operator's own expense and to the extent reasonably necessary to enable Purchaser and New Operator to investigate and defend audits, claims, litigation or to file or defend cost reports.

18. **CASUALTY/CONDEMNATION.**

a. **Notice.** Seller shall promptly notify Purchaser of any casualty damage it becomes aware of, or notice of condemnation that Seller receives prior to the Closing Date.

b. **Non-Substantial Damage from Casualty.** If: (A) any portion of the Property is damaged by fire or casualty after the Effective Date and is not repaired and restored substantially to its original condition prior to Closing, and (B) at the time of Closing the estimated cost of repairs is Two Hundred Fifty Thousand Dollars ($250,000) or less, as determined by an independent adjuster engaged by Seller, and (C) for other reasons Purchaser has not otherwise elected to terminate pursuant to **Section 20(a)(ii)**, Purchaser

shall be required to purchase the Property in accordance with the terms of this Agreement, and at Seller's option, (i) Purchaser shall receive a credit at Closing of the estimated cost of repairs determined by the aforesaid independent adjuster and Seller shall retain all insurance claims and proceeds with respect thereto; or (ii) at Closing, Seller shall: (1) assign to Purchaser, without recourse, all insurance claims and proceeds with respect thereto (less sums theretofore expended in connection with such fire or casualty, if any, by Seller, including for temporary repairs or barricades) (in which event Purchaser shall have the right to participate in the adjustment and settlement of any insurance claim relating to said damage), and (2) credit Purchaser at Closing with an amount equal to Seller's insurance deductible. Seller shall have no liability or obligation with respect to the quantity or condition of the Property to the extent affected by such fire or casualty and shall be released from any representation and warranty regarding same to the extent affected by such fire or casualty. Notwithstanding the foregoing, Purchaser shall not be obligated to purchase the Property as set forth in this section in the event that such casualty materially interferes with the ability to operate the Facility as a skilled nursing facility with the Licensed Beds, in the sole discretion of Purchaser.

c. **Substantial Damage from Casualty**. If, at the time of Closing, the estimated cost of repairing such damage is more than Two Hundred Fifty Thousand Dollars ($250,000) with respect to the Facility, as determined by such independent adjuster, Purchaser may, in its sole discretion: (i) terminate this Agreement by notice to Seller within ten (10) days after receipt of notice of such casualty (which shall be deemed a termination pursuant to **Section 20(a)(ii)** of this Agreement); or (ii) proceed to Closing in accordance with **Section 18(b)**.

d. **Condemnation**. If, prior to Closing, a "material" portion of the Property is taken by eminent domain, then Purchaser shall have the right, within fifteen (15) days after receipt of notice of such material taking, to terminate this Agreement (which shall be deemed a termination pursuant to **Section 20(a)(i)** of this Agreement). If Purchaser elects to proceed and to consummate the purchase despite said material taking (such election being deemed to have been made unless Purchaser notifies Seller in writing to the contrary within fifteen (15) days after notice from Seller to Purchaser of any taking), or if there is less than a material taking prior to Closing, there shall be no reduction in or abatement of the Purchase Price, Purchaser shall be required to purchase the Property in accordance with the terms of this Agreement and Seller shall assign to Purchaser, without recourse, all of Seller's right, title and interest in and to any award made or to be made in the eminent domain proceeding (in which event Purchaser shall have the right to participate in the adjustment and settlement of such eminent domain proceeding). For the purpose of this section, the term "material" shall mean any taking of in excess of ten percent (15%) of the square footage of the Facility or twenty percent (20%) of the Real Property associated with the Facility that would: (i) adversely affect Purchaser's or New Operator's ability after said taking to operate the Facility in compliance with the IDPH License; or (ii) eliminate after said taking a means of egress and ingress to and from the Facility to a public right of way; or (iii) cause the use of the Facility after said taking to no longer be in compliance with all applicable zoning and building rules, regulations and ordinances.

19. **INDEMNIFICATION.**

a. **Indemnification by Purchaser.** Subject to the first dollar Basket and Ceiling described below, Purchaser agrees to indemnify and hold harmless Seller from and against all liabilities, claims, losses, demands and causes of action of any nature whatsoever (collectively, "***Losses***") arising out of: (i) any breach by Purchaser of its obligations, representations, warranties or covenants hereunder, (ii) injury to or death of persons or loss of or damage to property occurring on the Property or at the Facility on or after the Closing Date, (iii) any Third Party Claims (as hereinafter defined) or (iv) any liability which may arise from ownership, use or condition of the Property after the Closing Date to the extent it relates to the ownership or use of the Property on or after the Closing Date. Purchaser further agrees to pay any reasonable attorneys' fees and expenses incident to the defense by Seller of any such Losses (as hereinafter defined).

b. **Indemnification by Seller.** Subject to the first dollar Basket and Ceiling described below, Seller hereby agrees to indemnify and hold harmless Purchaser from and against all Losses arising out of: (i) any breach by Seller of its obligations, representations, warranties or covenants hereunder, (ii) injury to or death of persons or loss of or damage to property occurring on or at the Facility prior to the Closing Date or in any manner growing out of or connected with the use or occupancy of the Facility or the condition thereof, or the use of any adjoining sidewalks, streets or ways on or prior to the Closing Date, (iii) any Third Party Claims, or (iv) any liability which may arise from ownership, use or condition of the Property before the Closing Date to the extent it relates to the ownership or use of the Property before the Closing Date. Seller further agrees to pay any reasonable attorneys' fees and expenses incident to the defense by Purchaser of any such Losses.

c. **Indemnification Claims.** In the event that any liability, claim (including any Third Party Claim), demand or cause of action which is indemnified against by or under any term, provision, section or paragraph of this Agreement ("***Indemnitee's Claim***") is made against or received by any indemnified party (hereinafter "***Indemnitee***") hereunder, said Indemnitee shall notify the indemnifying party (hereinafter "***Indemnitor***") in writing within twenty one (21) calendar days of Indemnitee's receipt of written notice of said Indemnitee's Claim; provided, however, that Indemnitee's failure to timely notify Indemnitor of Indemnitee's receipt of an Indemnitee's Claim shall not impair, void, vitiate or invalidate Indemnitor's indemnity hereunder nor release Indemnitor from the same, which duty, obligation and indemnity shall remain valid, binding, enforceable and in full force and effect so long as Indemnitee's delay in notifying Indemnitor does not, solely by itself, directly and materially prejudice Indemnitor's right or ability to defend the Indemnified Claim. Upon its receipt of any or all Indemnitee's Claim(s), Indemnitor shall diligently and vigorously defend, compromise or settle said Indemnitee's Claim at Indemnitor's sole and exclusive cost and expense and shall promptly provide Indemnitee evidence thereof within twenty one (21) calendar days of the final, unappealable resolution of said Indemnitee's Claim, provided such claim is for litigation only. In the event of an Indemnitee's Claim unrelated to litigation (e.g., Medicaid takeback), Indemnitor shall be responsible for any damages, costs or expenses to Indemnitee, including, but not limited to, attorneys' fees incurred as a result of the indemnification event to be paid to Indemnitee within thirty (30) days of written demand for the same.

Upon the receipt of the written request of Indemnitee, Indemnitor shall within fourteen (14) calendar days provide Indemnitee a true, correct, accurate and complete written status report regarding the then-current status of said Indemnitee's Claim. Indemnitee may not settle or compromise an Indemnitee's Claim without Indemnitor's prior written consent. Failure to obtain such consent shall be deemed forfeiture by Indemnitee of its indemnification rights hereunder.

d. **Third Party Claim**. As used herein, "***Third Party Claim***" shall mean any claim, suit, or proceeding that is instituted against an Indemnitee by a person or entity other than an Indemnitor and which, if prosecuted successfully, would result in a Loss for which such Indemnitee is entitled to indemnification hereunder.

e. **Basket**. Neither Seller nor Purchaser shall have the right to assert any Indemnitee's Claim unless the claim, in the aggregate with any other claims proposed to be asserted by such Indemnitee, exceeds Fifty Thousand Dollars ($50,000) (the "***Basket***"), provided, however, that if and when such threshold is reached and thereafter, any and all claims shall be payable from the first dollar of such Losses, provided, however, the Basket shall not apply to indemnification for any Losses related to Recapture claims.

f. **Ceiling**. The maximum amount of liability that any party shall have to the other in all circumstances for any and all Losses or any other indemnification obligation related to this Agreement shall not exceed in the aggregate, an amount equal to One Million Dollars (the "***Ceiling***").

g. **Escrow Holdback**. On the Closing Date, Seller shall deposit in an interest-bearing escrow account with the Title Company the total sum equal to three percent (3%) of the Purchase Price (the "***Escrow Holdback***"). The Escrow Holdback shall be held by the Title Company and distributed in accordance with the terms of an escrow holdback agreement to be entered into by and among the Seller, Purchaser and New Operator (the "***Escrow Holdback Agreement***"). The purpose of the Escrow Holdback shall be to provide Purchaser and New Operator with readily available funds for satisfaction of all payment of any amounts due with respect to any of the Seller's indemnification obligations pursuant to this Agreement and to New Operator under the OTA, in all instances made before the three (3) year anniversary of the Closing Date (the "***Escrow Release Date***"). On the one (1) year anniversary of the Closing Date, a portion of the Escrow Holdback shall be released to Seller such that the balance of the funds remaining in the Escrow Holdback shall be equal to two percent (2%) of the Purchase Price. On the two (2) year anniversary of the Closing Date, a portion of the Escrow Holdback shall be released to Seller such that the balance of the funds remaining in the Escrow Holdback shall be equal to One Percent (1%) of the Purchase Price. On the Escrow Release Date, the Title Company shall deliver to Seller all amounts remaining in the Escrow Holdback, provided that on such date there does not exist a pending or unresolved Escrow Claim, in which event the amount of such pending or unresolved claim shall remain in the Escrow Holdback until paid to either Seller, Purchaser or New Operator in connection with the resolution of such claim.

h. **Indemnification Survival.**

i. The representations and warranties in **Section 13** and **Section 14** and the parties' obligations under this **Section 19** shall survive the Closing and remain effective for a period of for a period of eighteen (18) months from the Closing Date, except for those related to the representations and warranties specifically surviving the Closing until barred by applicable law (collectively, the "***Survival Period***").

ii. Notwithstanding any provision herein to the contrary, no claim may be asserted from the breach of any representation, warranty, covenant, or agreement contained herein after the expiration of the Survival Period as set forth in **Section 19(c)(i)**. Notwithstanding any limitation set forth in **Section 19(c)**, neither party shall be precluded from continuing to seek a remedy for claims initiated prior to the expiration of the Survival Period or other deadline for the making of claims or for filing claims or counterclaims that arise out of claims made prior to the expiration of the Survival Period or other deadline for the making of claims.

20. **TERMINATION.**

a. **Termination.** This Agreement may be terminated at any time prior to the Closing under the following circumstances:

i. the mutual written consent of all parties hereto;

ii. by Purchaser, if Seller is unable to meet a condition precedent prior to the Closing Date (as the same may be extended) as required by the terms of this Agreement or is in breach of its obligation to consummate the transaction contemplated by this Agreement pursuant to the terms hereof, and such breach has not been (A) waived in writing by Purchaser or (B) cured by Seller within ten (10) days after notice to Seller of such breach; provided, however, that in lieu of the termination rights offered under this clause (a), Purchaser may instead seek specific performance of this transaction; or

iii. by Seller, if Purchaser is unable to meet a condition precedent prior to the Closing Date (as the same may be extended) as required by the terms of this Agreement, including, specifically Seller's receipt of Board approval per Section 16(e), or if Purchaser is in breach of its obligation to consummate the transaction contemplated by this Agreement pursuant to the terms hereof, and such breach has not been (A) waived in writing by Seller or (B) cured by Purchaser within ten (10) days after notice to Purchaser of such breach.

b. **Effect of Termination.**

i. In the event this Agreement is terminated in accordance with the terms of **Section 20(a)**, the provisions of this Agreement shall immediately become void and of no further force and effect, except with respect to this **Section 20** and as otherwise specifically provided for in this Agreement.

ii. In the event that this Agreement is terminated in accordance with the terms of **Section 20(a)(i)** (including provisions deemed a termination of this Agreement by virtue of that Section), the entire Escrow Deposit shall be delivered to Purchaser and each party will thereafter be relieved of any obligation to the other party with respect to this Agreement, except as otherwise specifically provided for in this Agreement.

iii. In the event that this Agreement is terminated in accordance with the terms of **Section 20(a)(ii)** (or provisions deemed a termination of this Agreement by virtue of that Section), the entire Escrow Deposit shall be returned to Purchaser and Purchaser shall be entitled to reimbursement from Seller of all of Purchaser's out of pocket costs and expenses related to the potential acquisition of the Facility, including, without limitation, legal fees and fees paid to third parties in connection with Purchaser's Due Diligence Review.

iv. In the event that this Agreement is terminated in accordance with the terms of **Section 20(a)(iii)** (or provisions deemed a termination of this Agreement by virtue of that Section), the entire Escrow Deposit shall be delivered to Seller as Seller's sole and exclusive remedy.

v. Notwithstanding the foregoing, in the event that this Agreement is terminated in accordance with the terms of **Section 20(a)(iii)** as a result of the Board failing to approve the transaction as required by **Section 16(e)** or the failure of the City of Urbana to issue the Special Use as required by **Section 16(f)**, the entire Escrow Deposit shall be returned to Purchaser.

21. **LIABILITIES.**

a. **Seller's Liabilities.** Except as otherwise set forth in this Agreement, Purchaser does not assume, and shall not be liable for, any debts, liabilities or obligations of Seller including, but not limited to, any (i) liabilities or obligations of Seller to its creditors, (ii) liabilities or obligations of Seller with respect to any acts, events or transactions occurring after the Closing Date, (iii) liabilities or obligations of Seller for any federal, state, county or local taxes applicable to or assessed against Seller or the assets or business of Seller, or applicable to, incurred by and accrued or assessed against the Facility for periods on or prior to the Closing Date, (iv) contingent liabilities or obligations of Seller, whether known or unknown by Seller, Purchaser or New Operator, (v) any liabilities with respect to the Facility prior to the Closing Date or (vi) any other liabilities resulting from any act or failure to act by Seller on or prior to the Closing Date.

b. **Purchaser's Liabilities.** Except as otherwise set forth in this Agreement, Seller does not assume, and shall not be liable for, any debts, liabilities or obligations of Purchaser including, but not limited to, any (i) liabilities or obligations of Purchaser to its creditors, (ii) liabilities or obligations of Purchaser with respect to any acts, events or transactions occurring on or after the Closing Date, (iii) liabilities or obligations of Purchaser for any federal, state, county or local taxes applicable to or assessed against Purchaser or the assets or business of Purchaser, or applicable to, incurred by and accrued or assessed against the Facility on or after the Closing Date, (iv) contingent liabilities or

obligations of Purchaser, whether known or unknown by Purchaser, New Operator or Seller, or (v) any other liabilities resulting from any act or failure to act by Purchaser after the Closing Date.

c. **Anti-Sandbagging**. Notwithstanding anything herein to the contrary, neither party shall have liability for any inaccuracy or breach of any representation or warranty if, before the closing, the other party had actual knowledge of said inaccuracy or breach or the underlying facts giving rise to such inaccuracy or breach.

22. **POST-CLOSING COVENANTS.**

a. **Use Covenants**. Purchaser hereby covenants that beginning on the Closing Date and continuing through December 31, 2027:

i. Property Use . The Facility shall be operated as a skilled nursing facility with at least 220 licensed beds. The Facility shall not be used for any purpose except as a skilled nursing facility, geriatric center, long-term care facility or assisted living facility, provided it complies with **Section 22(a)(iii)** in all applicable instances.

ii. Residents. All persons who are residents of the Facility on the Commencement Date shall continue to be residents after the Commencement Date. New Operator shall not transfer any existing resident to another facility unless: (i) the resident has provided written consent; (ii) there is a medical necessity as determined by a medical professional in accordance with standard industry practice; (iii) the resident does not have a payor source, or (iv) the resident is a danger to the facility, the employees of the facility, and/or the other residents as determined by a medical professional in accordance with standard industry practice.

iii. Medicaid Beds. At least fifty percent (50%) of the licensed beds shall be primarily reserved and certified for Medicaid Managed Eligible Participants to the extent allowed by law and New Operator will use commercially reasonable efforts to accept all Medicaid Managed Eligible Participants. Medicaid Managed Eligible Participants means those individuals that are eligible to participate in the Illinois Medicaid as determined by HFS and/or other applicable governmental agencies.

iv. Priority to County Residents. New Operator shall provide priority for admissions to residents of Champaign County, Illinois where there are insufficient beds for both individuals within Champaign County, Illinois and outside of Champaign County, Illinois.

b. **Employees**. Purchaser shall ensure that New Operator: (i) re-hires all of the current employees at the Facility on the Closing Date who pass a background check at their current salary levels, (ii) does not terminate 10% or more of the current employees within the first 60 days following the Closing Date and (iii) does not terminate 20% or more of the current employees during the first 6 months after the Closing Date. Nothing in this paragraph, however, shall create any right in favor of any person not a party hereto, including the exiting employees, or constitute an employment agreement or condition of employment for any employee of Seller.

c. **Liquidated Damages**. The terms and conditions of this **Section 22** (and of **Section 19 of the OTA**) are fundamental terms of the sale transaction upon which Seller relied when entering into this Agreement. If there occurs a breach of **Section 22** by Purchaser or of **Section 19 of the OTA** by Purchaser, New Operator or their successors or assigns, Purchaser shall pay to Seller the amount equal to 5% of the Purchase Price, as liquidated damages ("***Liquidated Damages***") within five (5) business days of request. At Seller's sole discretion, it may require prior to Closing, delivery of an upstream corporate guaranty of Purchaser's obligation to pay the Liquidated Damages from an entity approved by Seller and in a form and substance acceptable to Seller. The parties intend that the Liquidated Damages constitute compensation and not a penalty. The parties acknowledge and agree that Seller's harm caused by a breach of **Section 22** would be very difficult to accurately estimate and that the Liquidated Damages are a reasonable estimate of the anticipated or actual harm that might arise from such a breach.

d. **Successors and Assigns**. The use restrictions set forth in this **Section 22** shall apply to Purchaser's successors and assigns, although Purchaser shall in no event be relived of and may, at Seller's sole discretion, be included on the Deed.

e. **Survival**. This **Section 22(a)** shall survive the termination of this Agreement until December 31, 2027. Although, as of the Effective Date, Purchaser does not intend to sell or transfer ownership of the Facility, Purchaser may transfer ownership of the Facility at any time (in accordance with applicable laws) provided that Purchaser provides evidence satisfactory to Seller that the party to whom Purchaser proposes to transfer the Facility has agreed to comply with the terms of **Section 22(a)** and **Section 22(b)** and assume Purchaser's liquidated damages obligations.

f. **Notification of Breach**. Purchaser agrees to (i) promptly notify Seller of any breach to Section 22(a), and (ii) provide reasonable documentation necessary to confirm Purchaser's compliance with Section 22(a) as may be reasonably requested by Seller from time to time.

PUBLICITY. Neither Purchaser nor Seller shall, and each shall cause their respective affiliates, representatives and agents not to, issue or cause the publication of any press release, public or private announcement with respect to the transactions contemplated by this Agreement (including, an announcement or communication to any employee of the Facility) without the express prior written approval of the other party, except as necessary in connection with New Operator's efforts to obtain the IDPH License.

24. **NOTICES**. Any notice, request or other communication to be given by any party hereunder shall be in writing and shall be deemed adequately given only if (i) sent by personal delivery, (ii) by Federal Express or other overnight messenger service, (iii) first class registered or certified mail, postage prepaid, return receipt requested or (iv) by electronic mail, and addressed to the party for whom such notices are intended, addressed in each case as follows:

To Seller: Champaign County Board
c/o C. Pius Weibel, Chair
1776 East Washington Street
Urbana, Illinois 61802
Email: cweibel@co.champaign.il.us

Champaign County Board
c/o Debra Busey, Intermin County Adminstator
1776 East Washington Street
Urbana, Illinois 61802
Email: dbusey@co.champaign.il.us

with a copy to: Polsinelli PC
150 N. Riverside Plaza, Suite 3000
Chicago, IL 60606
Attention: Charles Sheets, Esq.
Email: CSheets@Polsinelli.com

If to Manager: SAK Management Sevices, LLC
One Northfield Plaza, Suite 210
Northfield, IL 60093
Attn: Suzanne Koenig
Email: skoenig@sakmgmt.com

If to Purchaser: Altitude Acquisitions, LLC
2201 Main Street
Evanston, Illinois 60202
Attention: Mr. William Rothner
arothner@altitudehs.com

with a copy to: Gutnicki LLP
4711 Golf Road, Suite 200
Skokie, IL 60076
Attention:Stacy J. Flanigan
Email: sflanigan@gutnicki.com

Each such notice and other communication under this Agreement shall be effective or deemed delivered or furnished (a) if given by mail, on the third business day after such communication is deposited in the mail; (b) if given by electronic mail, when such communication is transmitted to the email address specified above if sent before 5:00 p.m. (Central), otherwise on the following business day; and (c) if given by hand delivery, when left at the address specified above, and (d) if sent by recognized overnight carrier, then on the next business day immediately following the day sent. The above addresses may be changed by notice of such change, delivered as provided herein, to the last address designated.

25. **BROKERS**. Seller hereby represents, covenants, and warrants to Purchaser that, except for Marcus & Millichap, it has employed no broker with respect to the transactions contemplated under this Agreement, and Seller hereby indemnifies Purchaser with respect to any claims of

brokers claiming to represent Seller with respect to the transactions contemplated under this Agreement. Purchaser hereby represents, covenants, and warrants to Seller that it has employed no broker with respect to the transactions contemplated under this Agreement, and Purchaser hereby indemnifies Seller with respect to any claims of brokers claiming to represent Purchaser with respect to the transactions contemplated under this Agreement.

26. **CONSENT**. Whenever the consent of a party is required hereunder, such consent shall not be unreasonably withheld, delayed or conditioned, unless this Agreement provides that such consent is given at the sole discretion of a party or as otherwise expressly provided for herein to the contrary.

27. **ASSIGNMENT**. Seller may not assign its rights hereunder without the prior written consent of Purchaser, and Purchaser may not assign its rights hereunder without the prior written consent of Seller other than with respect to a newly created affiliated entity, which shall assume and be responsible for all obligations of Purchaser set forth herein. Notwithstanding the foregoing, Purchaser shall remain liable for any pre-closing liabilities under this Agreement.

28. **CONSENT**. Whenever the consent of a party is required hereunder, such consent shall not be unreasonably withheld, delayed or conditioned, unless this Agreement provides that such consent is given at the sole discretion of a party or as otherwise expressly provided for herein to the contrary.

29. **EXHIBITS AND SCHEDULES**. Each Recital, Exhibit and Schedule shall be considered incorporated into this Agreement.

30. **TIME IS OF THE ESSENCE**. Time shall be of the essence in this Agreement.

31. **AMENDMENTS; SOLE AGREEMENT**. This Agreement may not be amended or modified in any respect whatsoever except by an instrument in writing signed by the parties hereto. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter of this Agreement, and the parties acknowledge and understand that, upon completion, all such Schedules and Exhibits shall be deemed to be made a part collectively hereof.

32. **SUCCESSORS**. Subject to the limitations on assignment set forth above, all the terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by and against the heirs, successors and assigns of the parties hereto.

33. **CAPTIONS**. The captions and table of contents of this Agreement are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

34. **GOVERNING LAW**. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois without regard to conflict of laws' provisions. Each party to this Agreement hereby irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement or any agreements or transactions contemplated hereby shall be brought exclusively in the state courts located in Champaign County, Illinois, or the federal courts located in the Central District of Illinois, and hereby expressly submits to the personal jurisdiction and venue of such courts for the purposes thereof and expressly waives any claim of improper venue and any claim that such courts are an inconvenient forum. Each party

hereby irrevocably consents to the service of process of any of the aforementioned courts in any such suit, action or proceeding by the mailing of copies thereof by certified mail, postage prepaid, to the address set forth in the notice section hereof, such service to become effective three (3) business days after such mailing.

35. **SEVERABILITY**. Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby and each such provision shall be valid and remain in full force and effect.

36. **USAGE**. All nouns and pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons, firm or firms, corporation or corporations, entity or entities or any other thing or things may require. "Any" or "any" when used in this Agreement shall mean "any and all." The word "including" when used in this Agreement, means "including, without limitation."

37. **HOLIDAYS**. Whenever under the terms and provisions of this Agreement the time for performance falls upon a Saturday, Sunday or nationally recognized legal holiday, such time for performance shall be extended to the next business day.

38. **COUNTERPARTS; .PDF SIGNATURES**. This Agreement may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument. Signatures exchanged by email in .pdf format shall be treated as original signatures of the parties for the purposes hereto.

39. **NO JOINT VENTURE**. Nothing contained herein shall be construed as forming a joint venture or partnership between the parties hereto with respect to the subject matter hereof. The parties hereto do not intend that any third party shall have any rights under this Agreement.

40. **NO STRICT CONSTRUCTION**. The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any of the parties hereto.

41. **ATTORNEYS FEES**. If any legal proceeding relating to this Agreement or the enforcement of any provision of this Agreement is brought against any party hereto, the prevailing party shall be entitled to recover reasonable attorneys' fees, costs and disbursements (in addition to any other relief to which the prevailing party may be entitled).

42. **WAIVER OF JURY TRIAL. EACH PARTY HERETO WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED IN CONNECTION HEREWITH OR HEREAFTER AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.**

[Signature Page Follows]

IN WITNESS WHEREOF, the hereto have caused this Agreement to be signed by persons authorized to do so on behalf of each of them respectively as of the day and year first above written.

SELLER:

THE COUNTY OF CHAMPAIGN, ILLINOIS, a public body corporate and politic of the State of Illinois

Attest:

By: C. Pius Weibel
C. Pius Weibel, County Board Chair

By: Gordy Hulten by PC
Gordy Hulten, County Clerk

PURCHASER:

ALTITUDE ACQUISITIONS, LLC, an Illinois limited liability company

By: _____
Name: _____
Its: _____

IN WITNESS WHEREOF, the hereto have caused this Agreement to be signed by persons authorized to do so on behalf of each of them respectively as of the day and year first above written.

SELLER:

THE COUNTY OF CHAMPAIGN, ILLINOIS, a public body corporate and politic of the State of Illinois

Attest:

By: _____
C. Pius Weibel, County Board Chair

By: _____
Gordy Hulten, County Clerk

PURCHASER:

ALTITUDE ACQUISITIONS, LLC, an Illinois limited liability company

By: _____
Name: _____
Its: _____

Schedule 9(c)(ii)

PERMITTED TITLE EXCEPTIONS

1. The land lies within the boundaries of St. Joseph Drainage District No. 3 and the Thomas Paine Sub-District thereof and is subject to assessments thereunder.

2. Rights of Way for drainage tiles, ditches, feeders, laterals and underground pipes, if any.

3. Rights of the public, the State of Illinois and the municipality in and to that part of the Land, if any, taken or used for road purposes. This includes but is not limited to the dedications recorded September 18, 1956 as Document 573410 and 71R11777.

4. Easement in favor of Illinois Power Company, and its successors and assigns, to install, operate and maintain all equipment necessary for the purpose of serving the land and other property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded December 8, 1989 in Book 1666 at page 815 as document no. 89R24240.

5. Easement in favor of Illinois Power company d/b/a AmerenIP, and its successors and assigns, to install, operate and maintain all equipment necessary for the purpose of serving the land and other property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded June 6, 2005 as document no. 200515058.

6. Easement in favor of Illinois Power company d/b/a AmerenIP, and its successors and assigns, to install, operate and maintain all equipment necessary for the purpose of serving the land and other property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded May 7, 2009 as document no. 2009R12976.

7. Easement in favor of Illinois Power company d/b/a AmerenIP, and its successors and assigns, to install, operate and maintain all equipment necessary for the purpose of serving the land and other property, together with the right of access to said equipment, and the provisions relating thereto contained in the grant recorded March 14, 20111 as document no. 2011R05489.

Schedule 9(c)(iii)

PERMITTED EXCEPTIONS – EASEMENTS AND COVENANTS TO BE RECORDED

1. Declaration of Covenants and Restrictions dated as of even date herewith by the County of Champaign for the benefit of the Property.

Schedule 13(h)

LITIGATION

None.

EXHIBIT A

LEGAL DESCRIPTION

Lot 1 of Champaign County Nursing Home Subdivision, a part of the City of Urbana, Illinois, per plat recorded _____, 2018 as Document No. _____, in Champaign County, Illinois.

Common Address: 500 South Art Bartell Road, Urbana, Illinois 61802

Parcel No.: 92-21-16-200-_____

EXHIBIT B

Strict Joint Order Escrow

EXHIBIT C

Operations Transfer Agreement

Section VI, Mergers, Consolidations and Acquisitions/Changes of Ownership
Criterion 1110.240(c), Access

1. Current Admissions Policy

   A copy of the current admissions policy and financial assistance policy for the Nursing Home is attached as Attachment 19B.

2. Proposed Admissions Policy

   University Rehabilitation Center of C-U, LLC plans to retain the Nursing Home's current admission policy.

3. Admission Policy Certification

   A letter from William Rothner, Manager, University Rehabilitation Center of C-U, LLC certifying the admissions policies of the Nursing Home will not become more restrictive after acquisition by University Rehabilitation Center of C-U, LLC is attached as Attachment 19D.

Champaign County Nursing Home
Policy and Procedure

Admission/Re-admission of Residents to CCNH

Policy:

It is our intention to admit/readmit residents into the nursing department in gradual stages over the course of 3 (three) shifts to ensure the new residents are fully informed of their rights and ensure the nursing department is fully aware of their medical and psychological needs.

Process:

All new admissions and readmissions (resident goes to the hospital, is admitted there and subsequently returns to the nursing home) require the completion of the 'Verification Of Completion of Admission Process' form by a nurse on each of the first three shifts of arrival or re-admission.

An admission note is required in the nurses' notes explaining the general status, time of admission, diagnoses, means of arrival and with whom.

Vital signs will be taken and recorded in the medical record each shift for five days (15 shifts). A nurses note is also required each of those 15 (fifteen) shifts to note the resident's status.

See M/C Charting Requirements policy for those residents admitted into the nursing home with Medicare as the payment source.

M/C readmissions who return to the facility in the same 100 day stay must have new nurses notes and new MAR begun each time they are readmitted after admission and discharge from the hospital.

The following documents are required for every admission/readmission:
Physicians' orders
Nurses Notes
Medication Profile
Dietary card
Door Sign
Psych med consent and Aims Form
Infection reports
Skin Assessment
Decubitus report to ADON
Decubitus risk assessment
Fall Risk assessment
Pain assessment
3 day bladder assessment

MDS tracking forms (Rehab Unit only)
ICD-9 codes for all medications
M/C documentation (Daily Skilled Nurses Notes)
Elopement Risk Assessment
CNA Transfer Assessment
Advance Directives
Valuables list
Injection Record
T.B. Record
Acuity Determination
Rehab or General Admission Physical Assessment Form

Each shift has required tasks as indicated by Physical Assessment Forms. All tasks are to be completed and signed off by the designated staff nurse. The Verification of Completion of Admission Process form is to be turned in to the DON by the nurse on the third shift after the resident is admitted. The admitting shift is shift one.

Admission to the rehab unit requires the use of the Rehab Assessment form as well as the Daily Skilled Nurses Notes form and adherence to the M/C Charting Requirements Policy.

Admission to other locations requires use of the General Admissions Assessment Form.

Admission to Garden View Court also requires use of assessments as required by the Alzheimer's Unit Program.

QA:

Complaints re: the admission process will be brought before the monthly QA committee for review.

Success rates of admissions performed timely and according to protocol will be reported to the QA committee monthly, as well.

University Rehabilitation Center of C-U, LLC

August 15, 2018

Richard Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Admission Policies

Dear Vice Chair Sewell:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that the admissions policy for University Rehabilitation Center will not become more restrictive as a result of the proposed change of ownership.

Sincerely,

William Rothner
Manager

Subscribed and sworn to me
This 15th day of August, 2018

Notary Public

VICTORIA F KULKA
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
October 09, 2018

Section VI, Mergers, Consolidations and Acquisitions/Changes of Ownership
Criterion 1110.240(d), Health Care System

1. Impact on Other Area Providers

   There will be no change in the scope of services as a result of the acquisition of the Nursing Home. The acquisition will not impact other unaffiliated long term care facilities as the transaction consists of a change of control of the operating entity.

2. Facilities within Applicant's Health Care System

   University Rehabilitation Center of C-U, LLC does not own and/or operate any other healthcare facilities in the State of Illinois.

3. Present and Proposed Referral Agreements

   There are no current or proposed referral agreements for the facilities involved in this transaction. Therefore, this criterion is not applicable.

4. Time and Distance for Proposed Referrals

   There are no current or proposed referral agreements for the facilities involved in this transaction. Therefore, this criterion is not applicable.

5. Use of Care System Providers

   The change of operator of the Nursing Home will have no impact on area long term care facilities. The change of operator will not restrict the use of other area long term care providers, and University Rehabilitation Center of C-U, LLC will admit residents pursuant to a non-discriminatory admission policy.

6. Duplication of Services

   As set forth throughout this application, the proposed transaction contemplates a change of ownership of the Nursing Home. Accordingly, the proposed transaction involves the change of operator of an existing long term care facility; there will be no duplication of services.

7. Services Not Available to the Community

   University Rehabilitation Center of C-U, LLC will continue to provide long term care services currently provided at the Nursing Home. No new services are planned for the acquired facility.

Section IX, Financial Feasibility
Criterion 1120.130 – Financial Viability Waiver

Attached at Attachment – 21 please find Champaign County's bond rating from Moody's Investors Service (Aa2 as of June 22, 2017).

Attached at Attachment – 21A are pro forma financial statements for University Rehabilitation Center of C-U, LLC for the first three years of operation.

MOODY'S
INVESTORS SERVICE

Rating Action: Moody's Affirms Aa2 on Champaign County, IL's GO and GOLT Debt; Outlook Negative

22 Jun 2017

New York, June 22, 2017 -- Summary Rating Rationale

Moody's Investors Service has affirmed the Aa2 rating on Champaign County, IL's general obligation unlimited tax (GOULT) and general obligation limited tax (GOLT) debt and assigned a negative outlook. As of fiscal 2015, the county had $32.6 million and $1.4 million in outstanding GOULT and GOLT debt.

The Aa2 rating incorporates the county's large and diverse tax base that benefits from the institution stability provided by the University of Illinois (A1 negative); satisfactory operating fund reserves; modest debt burden and moderate pension burden. The rating also takes into consideration a degree of enterprise risk associated with ownership of a nursing home facility. The lack of notching on the GOLT debt reflects the nature of Illinois local governments' certificates and notes, which are payable from any available funds and are a first budget obligation.

Rating Outlook

The negative outlook reflects the expectation that without material changes to operating revenues or expenditures, continued support of the county nursing home will likely continue to weaken the county's reserve position, placing downward pressure on the rating.

Factors that Could Lead to an Upgrade

Growth of operating fund reserves

Reduced enterprise risk associated with the ownership of a nursing home

Material tax base growth and improvement of resident income indices

Factors that Could Lead to a Downgrade

Weakening of operating reserves

Contraction of the county's tax base or weakening of resident income indices

Growth of the county's debt or pension burden

Legal Security

The county's GOULT debt is secured by a dedicated property tax levy, unlimited as to rate or amount. The county's GOLT debt certificates are secured by an all available funds pledge, and are a first budget obligation.

Use of Proceeds

Not applicable.

Obligor Profile

Champaign County covers approximately 1,000 square miles 130 miles south of Chicago (Ba1 negative). The county's population has steadily grown and was estimated at 205,766 in 2015.

Methodology

The principal methodology used in this rating was US Local Government General Obligation Debt published in December 2016. Please see the Rating Methodologies page on www.moodys.com for a copy of this methodology.

Regulatory Disclosures

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

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#18-026 County Nursing Home

BUDGETED CENSUS DAYS AND INCOME STATEMENT

		First Six Months	Second Six Months	Second Year	Third Year
Budgeted Census Days					
Private Pay		4,362	4,763	9,125	9,672
Public Pay		18,075	22,075	41,975	44,493
Other		5,542	5,773	15,695	16,637
Total Census Days		27,979	32,611	66,795	70,802
Budgeted Income					
Private Pay	(Rate $300.00)	$1,308,600.00			
Private Pay	(Rate $300.00)		$1,428,900.00		
Private Pay	(Rate $310.00)			$2,828,750.00	
Private Pay	(Rate $320.00)				$3,095,040.00
Public Aid	(Rate $155.00)	$2,801,625.00			
Public Aid	(Rate $155.00)		$3,421,625.00		
Public Aid	(Rate $160.00)			$6,716,000.00	
Public Aid	(Rate $165.00)				$7,341,345.00
Other Patient Days		$2,300,000.00	$2,656,700.00	$7,146,700.00	$7,200,000.00
Other Income (Attach a Schedule)		$210,000.00	$265,000.00	$525,000.00	$530,000.00
Total Income		$6,620,225.00	$7,772,225.00	$17,216,450.00	$18,166,385.00

#18-026 County Nursing Home

PROJECTED OPERATING AND CAPITOL COSTS

	First Six Months	Second Six Months	Second Year	Third Year
General Services				
Dietary	$278,000.00	$300,062.00	$600,000.00	$624,000.00
Food Purchase	$251,400.00	$261,158.00	$535,515.00	$556,936.00
Housekeeping	$198,500.00	$211,310.00	$345,515.00	$359,336.00
Laundry	$59,900.00	$61,900.00	$133,590.00	$141,336.00
Heat and Other Utilities	$268,100.00	$278,118.00	$560,000.00	$582,400.00
Maintenance	$125,800.00	$129,972.00	$230,000.00	$239,200.00
Other (Specify)				
Total General Services	$1,181,700.00	$1,242,520.00	$2,404,620.00	$2,503,208.00
Health Care Programs				
Medical Director	$12,000.00	$12,000.00	$25,000.00	$25,000.00
Nursing and Medical Records	$2,275,000.00	$2,875,150.00	$5,460,010.00	$5,766,410.00
Activities	$100,000.00	$113,030.00	$235,000.00	$244,400.00
Social Services	$99,800.00	$111,300.00	$232,565.00	$241,868.00
Nurse Aide Training				
Program Transportation				
Other (Specify) ancillary expenses	$650,770.00	$692,780.00	$1,957,663.00	$2,235,970.00
Total Health Care Programs	$3,137,570.00	$3,804,260.00	$7,910,238.00	$8,513,648.00
General Administration				
Administrator	$55,000.00	$65,000.00	$130,000.00	$140,000.00
Director's Fee	$0.00	$0.00	$0.00	$0.00
Professional Services	$40,000.00	$30,000.00	$80,000.00	$83,200.00
Fees, Subscriptions, Promotions	$15,000.00	$15,000.00	$35,000.00	$36,400.00
Clerical and Office Expenses	$490,000.00	$544,160.00	$1,157,695.00	$1,204,003.00
Employee Benefits & Payroll Tax	$808,200.00	$888,320.00	$1,603,080.00	$1,667,203.00
In-Service Training & Education				
Travel & Seminar				
Other Administrative Staff Transportation				
Insurance-Property Liability & Malpractice	$150,700.00	$170,900.00	$321,600.00	$334,464.00
Other (Specify) see schedule	$320,300.00	$380,307.00	$788,090.00	$750,000.00
Total General Administration	$1,879,200.00	$2,093,687.00	$4,115,465.00	$4,215,270.00
TOTAL OPERATING EXPENSES	$6,198,470.00	$7,140,467.00	$14,430,323.00	$15,232,126.00

#18-026 County Nursing Home

	First Six Months	Second Six Months	Second Year	Third Year
Ownership				
Depreciation	$10,000.00	$20,000.00	$50,000.00	$70,000.00
Amortization of Pre-Operation & Organization	$1,111.00	$1,111.00	$2,222.00	$2,222.00
Interest	$34,513.00	$74,526.00	$140,750.00	$116,000.00
Real Estate Taxes	$125,000.00	$125,000.00	$275,000.00	$286,000.00
Rent - Facility and Grounds	$360,000.00	$360,000.00	$720,000.00	$720,000.00
Rent - Equipment and Vehicles				
Other (Specify) management fee	$350,000.00	$369,623.00	$845,766.00	$850,000.00
TOTAL OWNERSHIP	$880,624.00	$950,260.00	$2,033,738.00	$2,044,222.00
SUMMARY				
Projected Profit (or Loss)	-$458,869.00	-$318,502.00	$752,389.00	$890,037.00
Owner's Equity at Beginning of Period		-$458,869.00	-$777,371.00	-$24,982.00
Owner's Equity at End of Period	-$458,869.00	-$777,371.00	-$24,982.00	$865,055.00

#18-026 County Nursing Home

BALANCE SHEET

	First Six Months	Second Six Months	Second Year	Third Year
Current Assets				
Cash on Hand and in Banks	$84,725.00	$67,051.00	$95,599.00	$51,286.00
Cash - Patient Deposits	$50,000.00	$50,000.00	$50,000.00	$50,000.00
Accounts and Short-Term Notes Receivable - Patients (less allowance 150000)	$2,852,517.00	$3,404,800.00	$3,665,563.00	$3,905,035.00
Supply Inventory (priced at)				
Short-term Investments				
Pre-paid Expenses	$100,000.00	$100,000.00	$100,000.00	$100,000.00
Accounts Receivable (Owners or Related Parties)				
Other (Specify)				
Other (Specify)				
Total Current Assets	$3,087,242.00	$3,621,851.00	$3,911,162.00	$4,106,321.00
Long-Term Assets				
Long-Term Notes Receivable				
Long-Term Investments				
Land				
Buildings, at Historical Cost				
Equipment, at Historical Cost	$200,000.00	$300,000.00	$400,000.00	$500,000.00
Accumulated Amortization ('-' for negative)	-$20,000.00	-$30,000.00	-$80,000.00	-$150,000.00
Deferred Charges				
Organization and Pre-Operating Costs	$100,000.00	$100,000.00	$100,000.00	$100,000.00
Accumulate Amortization, Organization and Pre-Operating Costs	-$1,111.00	-$2,222.00	-$4,444.00	-$6,666.00
Restricted Funds				
Other Long-Term Assets (Specify) security deposit	$300,000.00	$300,000.00	$300,000.00	$300,000.00
Other (Specify)				
Total Long-Term Assets	$578,889.00	$667,778.00	$715,556.00	$743,334.00
TOTAL ASSETS	$3,666,131.00	$4,289,629.00	$4,626,718.00	$4,849,655.00

#18-026 County Nursing Home

Current Liabilities

	First Six Months	Second Six Months	Second Year	Third Year
Accounts Payable	$850,000.00	$960,000.00	$950,000.00	$950,000.00
Officer's Accounts Payable				
Patient Deposits	$50,000.00	$50,000.00	$50,000.00	$50,000.00
Short-Term Notes Payable				
Accrued Salaries Payable	$150,000.00	$150,000.00	$160,000.00	$175,000.00
Accrued Taxes Payable (Excluding Real Estate Taxes)	$200,000.00	$225,000.00	$230,000.00	$240,000.00
Accrued Real Estate Taxes	$125,000.00	$250,000.00	$250,000.00	$260,000.00
Accrued Interest Payable	$10,000.00	$12,000.00	$11,700.00	$9,600.00
Deferred Compensation				
Federal & State Income Tax				
Other Current Liabilities (Specify)				
owner loans	$1,000,000.00	$1,000,000.00	$1,000,000.00	$1,000,000.00
line of credit	$1,740,000.00	$2,420,000.00	$2,000,000.00	$1,300,000.00
Total Current Liabilities	$4,125,000.00	$5,067,000.00	$4,651,700.00	$3,984,600.00

Long-Term Liabilities

Long-Term Notes Payable				
Mortgage Payable				
Bonds Payable				
Deferred Compensation				
Other Long-Term Liabilities (Specify)				
Total Long-Term Liabilities	$0.00	$0.00	$0.00	$0.00
TOTAL LIABILITIES	$4,125,000.00	$5,067,000.00	$4,651,700.00	$3,984,600.00

SUMMARY

Total Equity	-$458,869.00	-$777,371.00	-$24,982.00	$865,055.00
Total Liabilities and Equity	$3,666,131.00	$4,289,629.00	$4,626,718.00	$4,849,655.00

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(a), Reasonableness of Financing Arrangements

Attached at Attachments – 23A and 23B is are letters from University Rehabilitation Center of C-U, LLC and University Rehab Real Estate, LLC the total estimated project costs will be funded through cash and a $8,250,000 mortgage.

University Rehabilitation Center of C-U, LLC

August 15, 2018

Richard Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Reasonableness of Financing Arrangements

Dear Vice Chair Sewell:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1120.140(a) that the total estimated project costs and related costs will be funded in part by borrowing because borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

I further certify the pursuant to 77 Ill. Admin Code § 1120.140(b) that the selected form of debt financing for the project will be at the lowest net cost available

Sincerely,

William Rothner
Manager, University Rehabilitation Center of C-U, LLC

Subscribed and sworn to me
This 15th day of August, 2018

Victoria F. Kulka
Notary Public

VICTORIA F KULKA
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
October 09, 2018

University Rehab Real Estate, LLC

August 15, 2018

Richard Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

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Sincerely,

William Rothner
Manager, University Rehab Real Estate, LLC

Subscribed and sworn to me
This 15th day of August, 2018

Notary Public

VICTORIA F KULKA
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
October 09, 2018

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(b), Conditions of Debt Financing

Letters from William Rothner, manager of University Rehabilitation Center of C-U, LLC and University Rehab Real Estate, LLC certifying the selected form of debt financing will be the lowest cost available is attached at Attachments – 23A and 23B.

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(c), Reasonableness of Project and Related Costs

The Applicants propose a change in the operator of the Nursing Home. The proposed project involves no construction or modernization. Accordingly, this criterion is not applicable.

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(d), Projected Operating Costs

Operating Expenses: $14,430,323

Resident Days: 66,795

Operating Expense per Resident Day: $216.04

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(e), Total Effect of Project on Capital Costs

Capital Costs:	
Depreciation:	$ 50,000
Amortization:	$ 0
Interest	$ 140,750
Total Capital Costs:	$ 190,750

Resident Days: 66,795

Capital Costs per Resident Day: $2.86

Section VIII, Safety Net Impact Statement

The Applicants propose a change of ownership of Champaign County Nursing Home. A change of ownership constitutes a non-substantive project. Accordingly, this criterion is not applicable.

Section IX, Charity Care Information

Champaign County Nursing Home as a county owned facility has no historical data on charity care. Thus, it cannot report charity care data.

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

INDEX OF ATTACHMENTS

ATTACHMENT NO.		PAGES
2	Site Ownership	
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	
5	Flood Plain Requirements	
6	Historic Preservation Act Requirements	
7	Project and Sources of Funds Itemization	
8	Obligation Document if required	
9	Cost Space Requirements	
10	Discontinuation	
11	Background of the Applicant	
12	Purpose of the Project	
13	Alternatives to the Project	
14	Size of the Project	
15	Project Service Utilization	
16	Unfinished or Shell Space	
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18	Chang of Ownership of County-owned Long-Term Care Facilities	
	Financial and Economic Feasibility:	
20	Availability of Funds	
21	Financial Waiver	
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23	Economic Feasibility	
24	Safety Net Impact Statement	
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