

RIVER BLUFF BOARD OF DIRECTORS AGENDA

Called by: Frank Perrecone, Chairman

DATE: Tuesday, September 17, 2024

TIME: 3:00 PM

Members: Trent Brass, Jim Knutson,
John Butitta, Jay Ferraro, Teresa
Gobeli, Bernice Marinelli, Bob
Nieman, Tim Delany

LOCATION: Finch Room
River Bluff Health & Rehabilitation
4401 North Main Street
Rockford, IL 61103

AGENDA:

- A. Call to Order
- B. Roll Call
- C. Approval of August 20, 2024 minutes
- D. Public Comment – This is the time we invite the public to address the River Bluff Board of Directors with issues and concerns. We ask you to limit your comments to three minutes. Personal attacks or inappropriate language of any sort will not be tolerated. We will allow a maximum of five speakers on a first come basis with sign up at the meeting. Speakers may not address zoning matters which are pending before the ZBA, the Zoning Committee or the County Board. Personnel matters or pending or threatened litigation may not be addressed in open session. An individual may speak a maximum of three times per calendar year on the same topic. This prohibition shall include the repetition of the same topic in a statement on what is purported to be a different topic. After acknowledgement by the chair, please stand and state your name. Thank you.
- E. Discussion Item – Administrators Report (Laura Schaffer)
 - 1. Census
 - 2. HMO Status
- F. Discussion Item – Financial Report (Steve Schultz)
 - 1. Financial Statements (see attachment)
- G. Endowment Fund Agreement between the Community Foundation of Northern Illinois, Inc. and River Bluff
- H. Other Matters
- I. Adjournment

Winnebago County Board
River Bluff Board of Directors Meeting
River Bluff Health & Rehabilitation
Winnebago County Administration Building
404 Elm Street, Room 303
Rockford, IL 61101

Tuesday, August 20, 2024
3:00 PM

Present:

Frank Perrecone, **Chairperson**
Trent Brass, Vice Chairperson
John Butitta
Tim Delany
Teresa Gobeli (via Zoom)
Jim Knutson
Bernice Marinelli
Bob Nieman

Others Present:

Patrick Thompson, Winnebago County Administrator
Steve Schultz, Winnebago County Chief Financial Officer
Mary Ann Wigton, Office Manager, River Bluff Health & Rehabilitation
Laura Schaffer, Administrator, River Bluff Health & Rehabilitation
Maggie Lewis, Human Resources Representative

Absent:

Jay Ferraro

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- E. Discussion Item – Administrators Report (Laura Schaffer)
 1. Census
 2. HMO Status
- F. Discussion Item – Financial Report (Steve Schultz and Mary Ann Wigton)
 1. Financial Statements (see attachment)
- G. River Bluff FY25 Budget
- H. Other Matters
- I. Adjournment

Call to Order

Chairperson Perrecone called the River Bluff Board of Directors meeting to order at 3:00 pm.

Roll Call

Chairperson Perrecone yes, Mr. Delany yes, Mr. Knutson yes, Ms. Marinelli yes, Mr. Nieman yes, Mr. Brass yes, Mr. Butitta yes.

A quorum is present.

Motion: Mr. Butitta made a motion to include board member Teresa Gobeli in the meeting via Zoom. Second: Mr. Knutson.

Teresa Gobeli was welcomed to the board meeting.

Approval of July 16, 2024 Minutes

Chairperson Perrecone called for a motion to approve the July 16, 2024 minutes.

Motion: Mr. Nieman. Second: Ms. Marinelli.

Chairperson Perrecone called for any discussion, corrections, or additions.

Motion passed by unanimous voice vote.

Public Comment

Chairperson Perrecone omitted reading the Public Comment Section of the Agenda due to there being no one present to speak.

Discussion Item – Administrators Report (Laura Schaffer)

Ms. Schaffer reviewed the Administrator's Report.

Ms. Lewis reported on new staff hired and noted that Housekeeping, Social Services, and the Business Office are fully staffed. Ms. Lewis reported on the nursing staff hired and the openings left to fill. In July, the Assistant Director of Nursing position was filled. The Annual Wellness Clinic will be on-site Wednesday, August 21, 2024, from 6:30 am to 8:30 am for employees. A Flu Shot Clinic is scheduled for October 1, 2024.

Ms. Schaffer reviewed other highlights of the Administrator's report.

Census

The census was 144 in June with 5 long-term, 3 short-term, and 2 respite admissions. The current census will be 152 as of August 21, 2024, with additional admits expected.

- Discussion followed.

Chairperson Perrecone called for any other questions about Ms. Schaffer's report.

The next Census Task Force meeting is scheduled for September 2, 2024.

Ms. Schaffer and Mr. Butitta will attend the Illinois Association of County Board Members Nursing Home Committee on Thursday, August 22, 2024.

Discussion Item – Financial Report (Steve Schultz and Mary Ann Wigton)

1. Financial Statements (see attachment)

Mr. Schultz reviewed the Budget for the month ended June 30, 2024.

- Discussion followed.

Mr. Schultz called for questions or comments.

- Discussion followed.

Mr. Schultz called for any other questions or comments.

River Bluff FY25 Budget

Mr. Schultz reviewed the Fiscal Year 2025 Budget.

- Discussion followed.

Ms. Wigton shared information on additional budget items for the 2025 Budget.

Motion: Mr. Knutson made the motion to approve the FY 2025 Budget. Second: Mr. Nieman.

- Discussion followed.

Motion passed by unanimous voice vote.

The Finance Department was thanked for their work in preparing the FY 2025 Budget and Mr. Schultz's support this past year.

Other Matters

- Community Foundation Update – Mr. Nieman met with Dan Ross, Community Foundation President. A contract setting up an Endowment Fund was shared with Mr. Schultz and Ms. Schaeffer. Approval for the contract language is pending from the Community Foundation's Board. The Board agreed to add it as an Agenda item for the next River Bluff Board meeting.
- Mr. Butitta will contact Mr. Stuart Gaines to meet with the River Bluff Board to educate the board on fiscal independence.
- Mr. Schultz will email CIP projects for the current year and FY25 to Board Members.

Adjournment

Chairperson Perrecone called for a motion to adjourn the meeting.

Motion: Mr. Nieman. Second: Mr. Butitta.

Motion passed by unanimous voice vote.

Respectfully submitted,

Nancy Bleile
Executive Assistant

County of Winnebago, Illinois
Schedule of Revenues, Expenses and Changes in Net Position
Budget and Actual
River Bluff Nursing Home

For the Month Ended July 31, 2024 (Unaudited)

	FY 2023 Actual <i>(Audited)</i>	FY 2024 Revised Annual Budget	FY 2024 Actual <i>(10-Month)</i>	Variance with Budget Over (Under)	% of Budget <i>(Target 83.3%)</i>
Operating Revenues					
Intergovernmental	804,447	426,611	420,232		
Charges for Services, net of bad debt exp	12,309,220	15,838,201	14,782,682		
Other	38,771	14,319	16,603		
Total Operating Revenues	13,152,438	16,279,131	15,219,517	(1,059,614)	93.49%
Operating Expenses					
Personnel	8,476,475	10,453,846	9,194,783	(1,259,063)	87.96%
Supplies and services	10,496,587	7,507,942	7,015,525	(492,417)	93.44%
Depreciation	331,690	355,000	-	(355,000)	0.00%
Capital Outlay	-	595,581	20,524	(575,057)	0.00%
Total Operating Expenses	19,304,752	18,912,369	16,230,832	(2,681,537)	85.82%
Operating income (loss)	(6,152,314)	(2,633,238)	(1,011,315)	1,621,923	
Non-Operating Revenues(Expenses)					
Property Taxes	1,877,661	2,819,000	2,132,169	(686,831)	75.64%
Transfer from Other Funds	1,337,000	-	-	-	NA
Total Non-Operating Rev (Exp)	3,214,661	2,819,000	2,132,169	(686,831)	75.64%
Net increase (decrease) in net position	(2,937,653)	185,762	1,120,854	935,092	
Total net position, beginning of period	(672,932)		(3,610,585)		
Prior period adjustment	-	-	-		
Total net position, end of period	(3,610,585)		(2,489,731)		
RBNH Expenses Paid by County:					
Employer Share Payroll Taxes	526,681		597,134		
Employer Share IMRF	170,546		148,641		
Worker's Comp & Settlements	NA		NA		
Total other RBNH expenses	697,227	-	745,775	-	-

County of Winnebago, Illinois
 Operating Revenues Detail
 Budget and Actual
 River Bluff Nursing Home

For the Month Ended July 31, 2024 (Unaudited)

	FY 2023 Actual <i>(Audited)</i>	FY 2024 Revised Annual Budget	FY 2024 Actual <i>(10-Month)</i>	Variance with Budget <i>Over (Under)</i>	% of Budget <i>(Target 83.3%)</i>
Operating Revenues					
Intergovernmental					
Federal Matching Aid	-	379,642	114,033		
State Quality Improvement	113,678	44,571	112,181		
State CNA Incentive	24,752	-	191,248		
Stimulus/Grant funds	666,017	-	-		
TIF revenue	-	2,398	2,770		
Total Intergovernmental	804,447	426,611	420,232	(6,379)	98.50%
Charges for Services					
Medicare	372,563	1,332,703	368,289		
Medicare-contractual allowance	686,603	-	636,701		
Medicaid	6,420,308	10,313,629	6,305,777		
Medicaid-contractual allowance	3,543,640	-	3,684,667		
Hospice	1,344,895	1,831,885	1,451,634		
Hospice-contractual allowance	653,873	-	778,085		
Insurance/Priv Pay	1,978,446	2,000,000	1,387,033		
Insurance-contractual allowance	(40,565)	-	(50,105)		
Ancillary revenue	567,335	599,984	400,099		
Other patient revenue	-	-	692		
Food charges	12,028	10,000	7,047		
Souvenir and other	-	-	-		
Total Charges for Services	15,539,126	16,088,201	14,969,919	(1,118,282)	93.05%
Less: Bad Debt Expense	(3,229,906)	(250,000)	(187,237)	62,763	74.89%
	12,309,220	15,838,201	14,782,682	(1,055,519)	93.34%
Other					
Uniform fees	14	-	28		
Donations	53	-	2,513		
Interest	312	-	4,383		
Other unclassified revenue	38,392	14,319	9,679		
Total Other	38,771	14,319	16,603	2,284	115.95%
Total Operating Revenues	13,152,438	16,279,131	15,219,517	(1,059,614)	93.49%

County of Winnebago, Illinois
Personnel Expense Detail
Budget and Actual
River Bluff Nursing Home

For the Month Ended July 31, 2024 (Unaudited)

	FY 2023 Actual <i>(Audited)</i>	FY 2024 Revised Annual Budget	FY 2024 Actual <i>(10-Month)</i>	Variance with Budget <i>Over (Under)</i>	% of Budget <i>(Target 83.3%)</i>
Personnel					
Admin & Business Office (70500)					
Regular Salaries	1,058,250	1,015,522	515,286	(500,236)	
Vacation Payouts	1,978	-	-	-	
Part-time Salaries	40,163	62,118	38,023	(24,095)	
Overtime	29,119	30,000	20,143	(9,857)	
Life Insurance	407	546	396	(150)	
Health Insurance	89,293	106,674	97,301	(9,373)	
Total Admin & Business Office	1,219,210	1,214,860	671,149	(543,711)	55.24%
Activities (71000)					
Regular Salaries	195,202	279,933	207,062	(72,871)	
Vacation Payouts	365	-	-	-	
Part-time Salaries	13,106	-	14,382	14,382	
Overtime	25,485	15,000	25,174	10,174	
Life Insurance	224	318	222	(96)	
Health Insurance	50,350	99,167	28,306	(70,861)	
Total Activities	284,732	394,418	275,146	(119,272)	69.76%
Social Services (71500)					
Regular Salaries	173,809	191,126	139,685	(51,441)	
Vacation Payouts	-	-	-	-	
Overtime	5,237	4,522	5,870	1,348	
Life Insurance	220	228	154	(74)	
Health Insurance	61,512	61,512	49,416	(12,096)	
Total Social Services	240,778	257,388	195,125	(62,263)	75.81%
Dietary (72020/72021/72023)					
Regular Salaries	702,042	992,139	641,440	(350,699)	
Vacation Payouts	604	-	1,828	1,828	
Part-time Salaries	53,273	60,000	40,862	(19,138)	
Overtime	60,429	65,918	65,572	(346)	
Life Insurance	909	1,049	856	(193)	
Health Insurance	139,480	153,663	129,354	(24,309)	
Total Dietary	956,737	1,272,769	879,912	(392,857)	69.13%

	FY 2023 Actual (Audited)	FY 2024 Revised Annual Budget	FY 2024 Actual (10-Month)	Variance with Budget Over (Under)	% of Budget (Target 83.3%)
Daily Services (72500/72530/72532)					
Regular Salaries	2,389,479	3,776,083	3,478,744	(297,339)	
Vacation Payouts	8,440	-	1,032	1,032	
Part-time Salaries	192,788	180,005	425,810	245,805	
Overtime	944,678	978,500	1,236,208	257,708	
Life Insurance	2,124	2,460	2,543	83	
Health Insurance	583,058	563,125	594,795	31,670	
Total Daily Services	4,120,567	5,500,173	5,739,132	238,959	104.34%
Housekeeping (73000)					
Regular Salaries	297,196	398,049	308,111	(89,938)	
Vacation Payouts	2,743	-	1,011	1,011	
Part-time Salaries	2,747	-	15,262	15,262	
Overtime	51,687	45,000	49,008	4,008	
Life Insurance	390	455	424	(31)	
Health Insurance	81,074	145,046	45,225	(99,821)	
Total Housekeeping	435,837	588,550	419,041	(169,509)	71.20%
Laundry (73500)					
Regular Salaries	42,955	29,118	43,263	14,145	
Overtime	683	-	4,575	4,575	
Life Insurance	37	45	25	(20)	
Health Insurance	3,314	8,735	7,769	(966)	
Total Laundry	46,989	37,898	55,632	17,734	146.79%
Nursing Admin (74000)					
Regular Salaries	893,472	972,128	766,714	(205,414)	
Vacation Payouts	692	-	-	-	
Part-time Salaries	43,915	-	39,281		
Overtime	13,877	10,000	4,219	(5,781)	
Life Insurance	429	500	322	(178)	
Health Insurance	190,826	205,162	149,110	(56,052)	
Total Nursing Admin	1,143,211	1,187,790	959,646	(267,425)	80.79%
Change in Pension Estimate	(25,705)				
Change in OPEB Estimate	54,119				
Total Personnel	8,476,475	10,453,846	9,194,783	(1,298,344)	87.96%

County of Winnebago, Illinois
Supplies & Services Expense Detail
Budget and Actual
River Bluff Nursing Home

For the Month Ended July 31, 2024 (Unaudited)

	FY 2023 Actual <i>(Audited)</i>	FY 2024 Revised Annual Budget	FY 2024 Actual <i>(10-Month)</i>	Variance with Budget <i>Over (Under)</i>	% of Budget <i>(Target 83.3%)</i>
Supplies & Services					
Food & Beverage (42250)	827,858	933,500	752,430		
Medical & Dental Supplies (42260)	554,489	525,500	392,409		
Other Departmental Supplies (42290)	545,919	598,800	649,775		
COVID-19 Related Supplies (42295)	130	-	-		
Consulting (43120-see detail below)	654,834	709,406	555,025		
IDHS Bed Assessments (43952/43953)	277,862	550,000	352,628		
Other Professional Services (43190 see detail below)	4,952,504	2,027,000	2,584,353		
All Others	2,682,991	2,163,736	1,728,905		
	<u>10,496,587</u>	<u>7,507,942</u>	<u>7,015,525</u>	(492,417)	93.44%
 Consulting (43120)					
Administration (70500)	67,513	56,000	29,781		
Activity Consulting (71000)	2,860	3,456	2,762		
Social Svc Consulting (71500)	840	1,800	768		
Dietary Consulting (72000)	35,952	47,000	29,766		
Medical Records Consulting (72500)	4,129	-	-		
Therapy/Rehab (72533:72535)	522,515	530,000	473,248		
Medical Director (72539)	17,400	17,400	15,950		
Pastoral Care (72540)	3,625	3,750	2,750		
Nursing Admin (74000)	-	50,000	-		
	<u>654,834</u>	<u>709,406</u>	<u>555,025</u>	(154,381)	78.24%
 Other Professional Services (43190)					
Activities (71000)	5,420	7,000	5,175		
Baker Tilly (70500)	37,630	-	-		
Nursing Temps (72500)	4,901,013	2,000,000	2,575,112		
Other	8,441	20,000	4,066		
	<u>4,952,504</u>	<u>2,027,000</u>	<u>2,584,353</u>	557,353	127.50%

County of Winnebago, Illinois
Statement of Net Position
River Bluff Nursing Home

For the Month Ended July 31, 2024 (Unaudited)

	FY 2023 Actual <i>(Audited)</i>	FY 2024 Actual	Variance with Prior Year <i>Over (Under)</i>
Current assets			
Cash and investments	-	-	-
Receivables, net property taxes	2,863,739	1,234,986	(1,628,753)
Receivables, net patient	1,929,095	2,852,606	923,511
Receivable from other governments	2,770	-	(2,770)
Inventory	133,405	133,405	-
Total current assets	4,929,009	4,220,997	(708,012)
Noncurrent assets			
Restricted cash and investments	85,510	123,809	38,299
Restricted net pension asset	69,864	69,864	-
Capital assets not being depreciated	645,548	645,548	-
Capital assets being depreciated, net	2,282,803	2,282,803	-
Total noncurrent assets	3,083,725	3,122,024	38,299
Total assets	8,012,734	7,343,021	(669,713)
Deferred outflows of resources			
Other post-employment benefit items	82,287	82,287	-
Pension items-IMRF	3,650,741	3,650,741	-
Total deferred outflows of resources	3,733,028	3,733,028	-
Total asset and deferred outflows of resources	11,745,762	11,076,049	(669,713)
Current liabilities			
Accounts payable	2,896,941	2,675,158	(221,783)
Accrued payroll	288,364	288,364	-
Payable to other governments	166,010	51,126	(114,884)
Other deferred revenue	-	-	-
Total current liabilities	3,351,315	3,014,648	(336,667)
Noncurrent liabilities			
Compensated absences	212,410	212,410	-
Advances from other funds	8,015,237	8,683,315	668,078
Net pension liability	-	-	-
Other post-employment benefit obligation	645,763	645,763	-
Total noncurrent liabilities	8,873,410	9,541,488	668,078
Total liabilities	12,224,725	12,556,136	331,411
Deferred inflows of resources			
Property taxes levied for next period	2,820,368	698,389	(2,121,979)
Other post-employment benefit items	134,406	134,406	-
Pension items - IMRF	176,849	176,849	-
Total deferred inflows of resources	3,131,623	1,009,644	(2,121,979)
Total liabilities and deferred inflows of resources	15,356,348	13,565,780	(1,790,568)
Net position			
Net investment in capital assets	2,928,351	2,928,351	-
Restricted for net pension asset	69,864	69,864	-
Restricted for patient funds-expendable	85,510	123,809	38,299
Unrestricted	(6,694,311)	(5,611,755)	1,082,556
Total net position	(3,610,586)	(2,489,731)	1,120,855
Total liabilities, deferred inflows and net position	11,745,762	11,076,049	(669,713)

AGENCY ENDOWMENT FUND AGREEMENT

COMMUNITY FOUNDATION OF NORTHERN ILLINOIS, INC., AND RIVER BLUFF NURSING HOME (“CHARITABLE ORGANIZATION”)

THIS AGREEMENT (the “Agreement”) is made and entered into as of July 31, 2024, by and between Community Foundation of Northern Illinois, Inc. (the “Community Foundation”), and River Bluff Nursing Home (“the Charitable Organization”).

Recitals

WHEREAS, the Charitable Organization desire to establish an agency endowment fund with the Community Foundation to support its exempt purpose; and

WHEREAS, the Community Foundation is an Illinois nonprofit corporation exempt from federal income taxes under Internal Revenue Code (“Code”) section 501(c)(3), a public charity described in Code section 170(b)(1)(A)(vi), and accordingly an appropriate institution within which to establish such an agency endowment fund; and

WHEREAS, the Community Foundation is willing and able to hold and administer such an agency endowment fund which shall serve the charitable purposes of the Community Foundation, subject to the terms and conditions hereof.

General Provisions

NOW THEREFORE, the parties agree as follows:

1. GIFT AND FUND DESIGNATION. The Charitable Organization hereby transfers irrevocably to the Community Foundation the property (cash, publicly traded securities, or other assets) described in the attached Exhibit A to establish an agency endowment fund to be known as the River Bluff Nursing Home Endowment Fund (the “Fund”). Subject to the right of the Community Foundation to reject any particular gift, from time to time the Community Foundation may accept additional irrevocable gifts of property from the Charitable Organization, all subject to the provisions hereof. All gifts to this Fund shall be irrevocable once accepted by the Community Foundation.

2. PURPOSE. The purpose of the Fund shall be to provide support to the Charitable Organization (a single tax-exempt nonprofit organization described in Code sections 501(c)(3) and either 509(a)(1), 509(a)(2), or 509(a)(3)), as directed by the Board of Directors (the “Board”) of the Community Foundation. Such support shall be used to further the charitable or other exempt purposes of the Charitable Organization within the

meaning of Code section 170(c)(1) or 170(c)(2)(B) and shall be consistent with the mission and purposes of the Community Foundation. Because the Fund will only provide support to a single Charitable Organization, it shall not be a donor advised fund.

3. ACCOUNTING. The receipts and disbursements of the Fund shall be accounted for separately and apart from those of other gifts to the Community Foundation. The Fund shall be accounted for on the financial statements of the Charitable Organization and Community Foundation pursuant to Financial Accounting Standards Board (FASB) Statement 136 and/or other applicable accounting standards.

4. INVESTMENT OF FUND ASSETS. The Community Foundation shall have all powers necessary, or in its judgment desirable, to carry out the purposes of the Fund including, but not limited to, the power to retain, invest, and reinvest the assets of the Fund and the power to commingle the assets of the Fund for investment purposes with those of other funds or the Community Foundation's general assets. Funds may be invested in uninsured securities and are subject to investment risks that may result in loss of value.

5. COSTS OF THE FUND. It is understood and agreed that the Fund shall share a fair portion of the total investment and administrative costs and expenses of the Community Foundation. Those costs and expenses charged against the Fund shall be determined in accordance with the then current fee schedule identified by the Community Foundation as applicable to funds of this type, as such schedule may be amended by the Community Foundation from time to time. Any costs and expenses incurred by the Community Foundation in accepting, transferring, or managing property donated to the Community Foundation for the Fund, including without limitation the Community Foundation's costs and expenses (including reasonable attorney's fees) of any claim or proceeding with respect to the Fund in which the Community Foundation is prevailing party, also shall be paid from the Fund.

6. GRANTS. The ordinary income, capital appreciation (realized and unrealized), and principal (both historic dollar value and any principal contributions, accumulations, additions, or reinvestments) allocable to the Fund, net of the fees and expenses set forth in this Agreement, may be committed, granted, or expended pursuant to the distribution (or spending) policy of the Community Foundation.

The Community Foundation's distribution (or spending) policy, as applied to endowments such as the Fund, shall be designed to consider total return concepts of investment and spending, with the goal of preserving the real spending power of endowments over time while balancing the need for consistent spending to support the charitable and similar purposes of such endowments. No distribution shall be made from the Fund that may in the judgment of the Community Foundation jeopardize or be inconsistent with the Community Foundation's Code section 501(c)(3) status or result in the imposition of any excise tax, penalty, or other tax, fine, or assessment under the Code.

7. ADMINISTRATIVE PROVISIONS. Notwithstanding anything herein to the contrary, the Community Foundation shall hold and administer the Fund, and all contributions and assets allocable to the Fund, subject to the provisions of applicable law and the Community Foundation's Articles of Incorporation and Bylaws, as amended from time to time. The Charitable Organization shall agree to comply with all policies and procedures, requests for reports, and other requirements imposed by the Community Foundation pursuant to this Agreement.

8. AMENDMENTS. The Board shall have all powers of modification, amendment and removal specified in United States Treasury Regulation section 1.170A-9(f)(1)(v)(B) or corresponding provisions of any subsequent federal tax laws, subject to the procedural and other requirements of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) of Illinois in Illinois Compiled Statutes section 760 ILCS 51, et. seq. and provisions of any subsequent state law.

If any gift to the Community Foundation for the Fund is accepted subject to conditions or restrictions as to the use of the gift or income therefrom, such conditions or restrictions will be honored, subject, however, to the authority of the Board to amend or vary the terms of any gift if continued adherence to any condition or restriction is in the judgment of the Board illegal, unnecessary, incapable of fulfillment, or inconsistent with the charitable or other exempt purposes of the Community Foundation or the needs of the community served by the Community Foundation.

The Fund shall continue so long as assets are available in the Fund and the purposes of the Fund can be served by its continuation. If the Fund is terminated or amended as defined above, the Community Foundation shall use any remaining assets in the Fund exclusively for charitable or other exempt purposes that: (a.) are within the scope of the charitable and other exempt purposes of the Community Foundation; and (b.) most nearly approximate, in the good faith opinion of the Board, the original purpose of the Fund.

9. GOVERNING LAW. This Agreement and all related proceedings shall be governed by and interpreted under the laws of the State of Illinois. Any action with respect to this Agreement shall be brought in or venued to a court of competent jurisdiction in Illinois.

10. NOT A SEPARATE TRUST. The Fund shall be a component part of the Community Foundation. All money and property in the Fund shall be held as general assets of the Community Foundation and not segregated as trust property of a separate trust.

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Execution

IN WITNESS WHEREOF, the Charitable Organization and the Community Foundation, by a duly authorized officer, have executed this Agreement as of the day and year first above written.

River Bluff Nursing Home (CHARITABLE ORGANIZATION):

Its Chief Financial Officer – Steve Schultz

COMMUNITY FOUNDATION OF NORTHERN ILLINOIS, INC.:

Its President – Daniel T. Ross