

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
Eastern Division

In Re:	)	BK No.: 18-17563
McMAHAN-CLEMIS INSTITUTE OF	)	
OTOLARYNGOLOGY, S.C.,	)	Chapter: 11
	)	Honorable Janet S. Baer
	)	
Debtor(s)	)	

**SIXTH INTERIM ORDER AUTHORIZING USE OF CASH COLLATERAL  
PURSUANT TO § 363(c)(2) AND BANKRUPTCY RULE 4001(b)**

This matter coming on to be heard on Debtor, McMahan-Clemis Institute of Otolaryngology, S. C., Motion For Use Of Cash Collateral, Pursuant To § 363(c)(2) and (3) of the Bankruptcy Code and Bankruptcy Rule 4001(b), due and proper notice having been served, and this Court having jurisdiction over the parties and subject matter and being otherwise fully advised in the premises;

IT IS THEREFORE ORDERED THAT:

A. The Debtor is authorized to use cash collateral upon the terms and conditions contained in this Order to avoid immediate and irreparable harm to the estate.

B. As partial adequate protection to Lake Forest Bank ("LFB"), for the use of its Collateral or Cash Collateral, as defined in the Motion, pursuant to the terms of this interim Cash Collateral Order, LFB (A) is hereby granted and shall have post-petition replacement liens, to the extent and with the same validity and priority as held pre-petition, in and to the Cash Collateral and all post-petition property of the Debtor of the same type or kind substantially equivalent to the pre-petition Collateral, and (B) shall receive within seven (7) days after the filing of Debtor's Monthly Operating report for the particular month a payment from Debtor of an amount equal to thirty percent (30%) of the net cash income from said month after payment of all expenses provided herein as determined by Debtor's Monthly Operating Report for that month.

C. Subject to the terms and conditions contained in this Order, the Debtor may use the Collateral and Cash Collateral to the extent of its cash receipts for such month and plus or minus 10% of each line item set forth on its Budget, a copy of which is attached hereto as Exhibit A, up to and including ~~December~~ **October** 31, 2018. *(JSB)*

D. Debtor's Motion For Use of Cash Collateral Pursuant to § 363 and Bankruptcy Rule 4001(b) is continued for further hearing to ~~December 27, 2018~~ at 10:00 a.m.

*Oct 24, 2018*

Enter: *(JSB)*  
*Janet S. Baer* *MLU*  
Honorable Janet S. Baer  
United States Bankruptcy Judge

Dated: *9-26-2018*

Prepared by:

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**McManan Clemis Institute of Otolaryngology**

Monthly Budget for the period of

October 1, 2018 to December 31, 2018

	<u>October'18</u>	<u>November'18</u>	<u>December'18</u>
<b>Opening Balance</b>	\$ 25,466.78	\$ 26,293.91	\$ 28,293.64
<b>Income</b>	\$ 164,000.00	\$ 160,300.00	\$ 166,500.00
<b>Expenses</b>			
Rent	\$ 6,944.00	\$ 6,944.00	\$ 6,944.00
Payroll	\$ 25,576.62	\$ 25,576.62	\$ 25,576.62
Payroll Taxes (employee + employer)	\$ 7,648.12	\$ 7,648.12	\$ 7,648.12
Payroll Fees	\$ 160.00	\$ 195.00	\$ 160.00
Doctor's Payroll	\$ 22,334.64	\$ 27,918.30	\$ 22,334.64
Doctor's payroll taxes	\$ 8,434.60	\$ 10,543.25	\$ 8,434.60
Employer's Matching Taxes for Doctor	\$ 2,353.84	\$ 2,942.30	\$ 2,353.84
Heard Consult Group	\$ 1,500.00	\$ 500.00	\$ 500.00
Maintenance/Janitorial Services	\$ 600.00	\$ 600.00	\$ 600.00
Supplies	\$ 2,500.00	\$ 2,550.00	\$ 2,500.00
Equipment Lease CT scanner	\$ 2,690.00	\$ 2,690.00	\$ 2,690.00
Hearing Aid Vendors	\$ 8,000.00	\$ 8,500.00	\$ 8,500.00
Patient parking tickets	\$ 280.00	\$ 280.00	\$ 280.00
Health Insurance	\$ 4,135.00	\$ 4,135.00	\$ 4,135.00
IT Monthly Expenses	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00
Marketing	\$ 1,150.00	\$ 1,150.00	\$ 1,150.00
Dry Cleaning	\$ 325.00	\$ 260.00	\$ 260.00
Phone & Internet office	\$ 400.00	\$ 400.00	\$ 400.00
Emergency telephone service for after hour call	\$ 300.00	\$ 300.00	\$ 300.00
Light Comed suite 913 & 914	\$ 450.00	\$ 450.00	\$ 450.00
Office Liability Ins/WC (west bend)	\$ 1,495.00	\$ 1,495.00	\$ 1,495.00
Malpractice Insurance (Norcal)	\$ 2,473.00	\$ 2,473.00	\$ 2,473.00
Biohazard Disposal shaps/needles	\$ 300.00	\$ 300.00	\$ 300.00
Record Destruction/record storage fees	\$ 550.00	\$ 550.00	\$ 550.00
Navicure clearinghouse statement and claims	\$ 850.00	\$ 850.00	\$ 850.00
Eclinical (EMR) Practice management software	\$ -	\$ 1,200.00	\$ -
White City Coaliton	\$ 280.00	\$ 280.00	\$ 280.00
MaryEllen	\$ -	\$ -	\$ -
Northwestern Membership annual fees	\$ -	\$ -	\$ -
Stern	\$ 10,000.00	\$ 15,000.00	\$ 20,000.00
Sak	\$ 34,980.90	\$ 11,935.00	\$ 11,935.00
D&O ins	\$ 4,500.00	\$ 1,275.00	\$ 1,275.00
Post-petition payroll (Dr McMahan)	\$ -	\$ 11,167.32	\$ 13,005.49
Post-petition payroll taxes (employee + employ)	\$ -	\$ 5,394.22	\$ 6,282.12
Weiss Medical Staff Dues	\$ -	\$ 350.00	\$ -
Accountant	\$ -	\$ -	\$ 10,000.00
U. S. Trustee Fees	\$ 4,875.00	\$ -	\$ -
Cash Collateral Pymt to LFB	\$ 4,887.15	\$ 248.14	\$ 599.92
<b>Total Expenses</b>	<b>\$ 163,172.87</b>	<b>\$ 158,300.27</b>	<b>\$ 166,462.35</b>
<b>Net Income for the month</b>	<b>\$ 827.13</b>	<b>\$ 1,999.73</b>	<b>\$ 37.65</b>
<b>Closing Balance at the end of the month</b>	<b>\$ 26,293.91</b>	<b>\$ 28,293.64</b>	<b>\$ 28,331.29</b>