

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA  
THIRD DIVISION**

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In Re:

Chapter 7

Carefree Living of America (Burnsville), Inc.  
Carefree Living of America (St. Cloud), Inc.  
Carefree Living of America (Brainerd), Inc.

Case No.      01-33545  
                    01-33546  
                    01-33547

Debtors.

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**MOTION AND APPLICATION FOR FEES AND EXPENSES  
OF LETHERT, SKWIRA, SCHULTZ AND CO. - ACCOUNTANTS**

1.      Lethert, Skwira, Schultz and Co. ("**Applicant**") the Accountants for the Chapter 7 Trustee in the above-captioned bankruptcy estate, respectfully moves for an award of fees and expenses for services rendered this bankruptcy estate.

2.      The Court has jurisdiction over this Application under 28 U.S.C. §§ 157 and 1334. This Application arises under 11 U.S.C. §§ 330 and 331 and it is filed under Bankruptcy Rules 2016, 9013, and 9014.

3.      The Petition commencing this bankruptcy case under Chapter 11 was filed on August 18, 2001. On January 4, 2002, Brian F. Leonard was appointed a Trustee in the case. On September 30, 2002, this case was converted to a Chapter 7 case. This case is now pending in this Court. Brian F. Leonard is the duly appointed and acting Chapter 7 Trustee.

4.      Based upon the facts and reasons set forth below, Applicant applies for allowance of accounts' fees as accountants for the Trustee.

5.      On March 8, 2002, the Court entered an Order authorizing the Debtor to retain the Applicant, which Order is attached hereto as Exhibit A.

6.      Pursuant to the Court's authorization, Applicant has performed substantial accounting services in representing the Trustee and the interests of this estate.

7. The services performed by Applicant for the Trustee include:

Preparation of income tax returns for Debtors, and consolidated affiliates, for the year ended December 31, 2002, as reflected on Exhibit B attached hereto.

8. All services for which compensation is requested were performed for and incurred on behalf of the Trustee and not on behalf of any other entity.

9. No retainer has been paid to Applicant. To date Applicant has received no payment of fees and expenses. Applicant is unaware of any other administrative expenses, except Trustee fees and legal counsel fees which may be applied for by the Chapter 7 Trustee. Under a previous order of this Court, the Applicant was allowed compensation for tax returns for the Debtors prepared for the year 2000 and 2001 in the amount of \$14,469.50.

10. The undersigned has rendered a total of 49.25 hours of service, for which reasonable compensation in the amount of \$6,010.00 is requested, as reflected on Exhibit B. The hourly rates being charged in this case are reflected in Exhibit B. The undersigned believes the hourly rates and charges for services rendered herein are reasonable and similar for services in the Twin Cities market area. The undersigned has also incurred out-of-pocket expenses in the amount of \$0.00.

11. The undersigned has no agreement with any other party to share any award of compensation herein, except with the members of the undersigned's firm.

**WHEREFORE**, Applicant requests an Order:

1. Allowing compensation for services in the amount of \$6,010.00 pursuant to 11 U.S.C. §§ 330 and 331.

2. Authorizing Brian F. Leonard, the Chapter 7 Trustee for the Debtor, to pay the allowed fees; and

3. Granting any other relief the Court deems just and proper.

**LETHERT, SKWIRA, SCHULTZ AND CO.**

Dated: 8/25, 2004

By Gerald M. Faletti  
Gerald M. Faletti

**VERIFICATION**

The undersigned, a principal of the Applicant, states under penalty of perjury that he has read the foregoing Application and the information stated therein is true and correct to the best of his knowledge.

Dated: 8/25/04

By Gerald M. Faletti  
Gerald M. Faletti

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UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA

In Re:

Chapter 11

Carefree Living of America (Burnsville), Inc.  
Carefree Living of America (St. Cloud), Inc.  
Carefree Living of America (Brainerd), Inc.

Case No. 01-33545  
01-33546  
01-33547

Debtors.

ORDER

Upon the Application of the Chapter <sup>11</sup> Trustee seeking authority to hire Lethert, Skwira,  
Schultz and Co. (herein the "Accountants"), and upon the Court being fully advised in the premises,

*EPR*

IT IS HEREBY

ORDERED, that the retention of the Accountants by the Chapter <sup>11</sup> Trustee is hereby  
approved.

*CAK*

Dated:

3/8/02.

*Gregory F. Kisher*

Gregory F. Kisher  
Chief Judge  
United States Bankruptcy Court  
District of Minnesota

NOTICE OF ENTRY AND FILING ORDER OR JUDGEMENT  
Filed and Docket Entry made on MAR 8 - 2002  
Patrick G. De Wane, Clerk, By *[Signature]*

(117)





**LEHERT, SKWIRA, SCHULTZ & Co. LLP**

*CRIMINAL PUBLIC ACCOUNTANTS • BUSINESS CONSULTANTS*

170 EAST SEVENTH PLACE, SUITE 100  
ST. PAUL, MINNESOTA 55101  
TELEPHONE (651) 221-5771  
FAX (651) 221-7967

August 16, 2004

Carefree Facilities  
c/o Mr. Brian Leonard  
100 S. 5th St., Ste. 1200  
Minneapolis, MN 55402

84710/6  
Invoice: 99713

**FINAL BILLING ON THE FOLLOWING:**

Professional services rendered  
for the preparation of federal and state  
income tax returns for the year ended  
December 31, 2002

	<u>Hours</u>
JB JEANNE BRUDER	
1/7/2004 TRIAL BALANCE	1.50
St. Cloud 1/02-8/02	
1/8/2004 TRIAL BALANCE	3.00
Burnsville	
1/8/2004 TRIAL BALANCE	3.00
Brainerd	
1/22/2004 TRIAL BALANCE	2.00
2/6/2004 TAX RETURN PREPARATION	0.25
2/14/2004 TAX RETURN PREPARATION	1.25
2/16/2004 TAX RETURN PREPARATION	3.00
Brainerd return	
2/16/2004 TAX RETURN PREPARATION	2.50
Burnsville	
2/17/2004 TAX RETURN PREPARATION	3.00
ST Cloud	
2/17/2004 TAX RETURN PREPARATION	0.50
write of intercompany to offset taxes	
2/18/2004 TAX RETURN PREPARATION	0.25
3/10/2004 TAX RETURN PREPARATION	2.00
research filing of consolidated returns	
4/23/2004 TAX RETURN PREPARATION	1.50
4/27/2004 TAX RETURN PREPARATION	6.00
4/28/2004 TAX RETURN PREPARATION	7.50

TERMS: PAYABLE DUE ON RECEIPT  
AN INTEREST CHARGE OF 1.5% PER MONTH WILL BE CHARGED ON ALL PAST DUE ACCOUNTS  
THIS IS AN ANNUAL PERCENTAGE RATE OF 18%

**B**

6/25/2004 TAX RETURN PREPARATION	.25
6/29/2004 TAX RETURN PREPARATION	1.25
7/1/2004 TAX RETURN PREPARATION	<u>3.00</u>
JB JEANNE BRUDER	<u>41.75</u>
GMF GERALD M FALETTI	
1/20/2004	
PLANNING, PREPARATION & REVIEW	0.50
discussion with Brian Leonard, review file and discussion with Louann Timms	
2/6/2004	
PLANNING, PREPARATION & REVIEW	0.25
2/22/2004	
PLANNING, PREPARATION & REVIEW	1.25
3/10/2004	
PLANNING, PREPARATION & REVIEW	0.25
consolidated v. separate returns	
3/30/2004	
PLANNING, PREPARATION & REVIEW	0.25
Discuss with Brian Leonard	
4/28/2004	
PLANNING, PREPARATION & REVIEW	0.25
6/1/2004	
PLANNING, PREPARATION & REVIEW	1.00
6/2/2004	
PLANNING, PREPARATION & REVIEW	0.25
7/2/2004	
PLANNING, PREPARATION & REVIEW	<u>0.50</u>
GMF GERALD M FALETTI	<u>4.50</u>
PJJ PAMELA J JENSEN	
2/24/2004 XEROX & MAILING	0.75
7/6/2004 XEROX & MAILING	<u>0.50</u>
PJJ PAMELA J JENSEN	<u>1.25</u>
JBL JESSICA B LITECKY	
2/17/2004	
PLANNING, PREPARATION & REVIEW	0.25
Check 2002 return - Burnsville.	

2/17/2004		
PLANNING, PREPARATION & REVIEW	0.25	
Check 2002 return for St. Cloud		
2/17/2004		
PLANNING, PREPARATION & REVIEW	<u>0.25</u>	
Check 2002 return for Brainerd		
JBL JESSICA B LITECKY	<u>0.75</u>	
ALM ANNIE L MAREK		
4/29/2004		
PLANNING, PREPARATION & REVIEW	0.25	
Checking return		
AMT ANGIE M THOMSON		
7/1/2004 TAX RETURN PREPARATION		0.25
Checked tax return for SUMMA Management, Inc. & facilities		
LAT LINDA A TANTZEN		
2/25/2004 XEROX AND MAILING	0.25	
MLD. 1120 (3)		
7/6/2004 XEROX AND MAILING	<u>0.25</u>	
MLD. 1120		
LAT LINDA A TANTZEN	<u>0.50</u>	
		6,010.00

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**ORDER**

A motion and application by Lethert, Skwira, Schultz and Co. (the "**Applicant**") for an award of fees and expenses for accounting services rendered to the Chapter 7 Trustee in the above cases came on for hearing on the 5th day of October, 2004 at 10:00 o'clock a.m. Appearances were noted in the record.

Based upon all the files and proceedings in this case, and upon said motion and application, it is hereby,

ORDERED, that Lethert, Skwira, Schultz and Co. is hereby awarded compensation in the amount of \$6,010.00 for services rendered for preparation of federal and state income tax returns for the year 2002 filed on behalf of the above bankruptcy estates. The Chapter 7 Trustee is authorized to pay the amount of this award in his discretion in the administration of these bankruptcy estates.

Dated: October \_\_\_\_\_, 2004

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Gregory F. Kishel  
Chief Judge