

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF LOUISIANA  
Lafayette Division**

**IN RE:**

**CASE NO. 16-50740**

**PROGRESSIVE ACUTE CARE, LLC, *et al.***

**CHAPTER 11**

**DEBTORS**

**JOINTLY ADMINISTERED**

**SECOND AND FINAL APPLICATION FOR COMPENSATION OF  
KING, REINSCH, PROSSER & CO, LLP,  
CERTIFIED PUBLIC ACCOUNTANTS FOR DEBTORS**

David D. Schmit, CPA, and the firm of King, Reinsch, Prosser & Co., LLP (collectively “Applicants”), certified public accountants for Progressive Acute Care, LLC (“PAC”), Progressive Acute Care Avoyelles, LLC (“PAC Avoyelles”), Progressive Acute Care Oakdale, LLC (“PAC Oakdale”) and Progressive Acute Care Winn, LLC (“PAC Winn”) as debtors and debtors-in-possession (collectively, the “Debtors”), hereby file this *Second and Final Application for Compensation* (“Application”) and respectfully represent:

1.

This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. § 157(b). Venue is properly before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2.

On May 31, 2016 (“Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the U.S. Code (“Bankruptcy Code”). An Official Committee of Unsecured Creditors (the “Committee”) has been appointed in this case; and, a plan of liquidation for the Debtors was confirmed by this Court on July 12, 2017.

3.

This Court approved Applicants’ retention by the Debtors by *Order* [P-438] entered January 30, 2017. Applicants were retained by the Debtors in connection with the preparation of the Debtors’

consolidated federal and state income tax returns for the year ending December 31, 2016; and, providing related tax consulting services during the pendency of this jointly administered proceeding.

4.

This Application represents Applicants' second and final application for compensation. Applicants' first interim application for compensation was granted by order [P-509] entered on April 27, 2017, allowing professional fees in the amount of \$5,875.00 for services rendered and expenses incurred from November 21, 2016 through March 15, 2017, which amount has been paid in full by the Debtors.

5.

Applicants seek an allowance of \$18,862.50 in accounting fees for services rendered and expenses incurred from March 16, 2017 through July 31, 2017. Applicants do not have any funds held in trust.

6.

Your Applicants show that the following factors under *In the Matter of First Colonel Corp. of America*, 544 F.2d 1291 (15<sup>th</sup> Cir. 1977), *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974); and, the *United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. §330* are to be considered in awarding fees in this case:

- a) **Time and Labor Required:** Your Applicants attach hereto an itemization of the time spent from March 16, 2017 through July 31, 2017.
- b) **Novelty and Difficulty of the Questions:** The questions posed during this case were not strange or complicated for an experienced Certified Public Accountant, but sometimes required immediate attention.
- c) **The Skill Requisite to Perform Services Properly:** The skills required were those of a Certified Public Accountant.

- d) **The Preclusion of Other Employment Due to Acceptance of the Case:** Applicants' efforts in representing the Debtors did not severely preclude other employment.
- e) **The Customary Fee:** The fees charged by your Applicants are customary in the area.
- f) **Whether the Fee is Fixed or Contingent:** The fees charged are not contingent in nature.
- g) **Time Limitations:** The time limitations imposed by the client, creditors, or other circumstances are addressed in (d) above.
- h) **The Amount Involved and the Results Obtained:** Applicants charged the amount for traditional services for the preparation of consolidated federal and state income tax returns in conjunction with the Chapter 11 Bankruptcy requirements.
- i) **The Experience, Reputation and Ability of Applicant:** These factors are expressed in (c) above.
- j) **The Undesirability of the Case:** This is not an undesirable case.
- k) **The Nature and Length of Professional Relationship:** The professional relationship with the client began prior to the Petition Date and has continued until the date of this Application.

7.

Applicants also request an Order that the compensation and reimbursement of costs and expenses requested herein be paid forthwith by the Debtors, and/or any disbursing agent(s) out of funds held by them and out of the Debtors' estates as a priority claim pursuant to 11 U.S.C. §507(a)(2).

8.

All services by Applicants were rendered to and on behalf of the Debtors and their estates and no other person.

**WHEREFORE**, your Applicants pray that this Application be granted and that:

(1) there be an Order made by this Court approving reasonable compensation for professional accounting fees to David D. Schmit, CPA and the firm of King, Reinsch, Prosser & Co., LLP in the sum of \$18,862.50 for services rendered from March 16, 2017 through July 31, 2017;

(2) the Order direct the Debtors and/or disbursing agent(s) to pay the balance of said fees and expenses forthwith out of the Debtors' funds held by them and out of the Debtors' estates as a priority administrative claim pursuant to 11 U.S.C. §507;

(3) the Order make this award and all prior awards final; and,

(4) Applicants be granted any and all other relief to which they may be entitled.

Respectfully submitted,

By: /s/ Barbara B. Parsons  
William E. Steffes (#12426)  
Barbara B. Parsons (#28714)  
STEFFES, VINGIELLO & McKENZIE, LLC  
13702 Coursey Blvd., Building 3  
Baton Rouge, Louisiana 70817  
Telephone: (225) 751-1751  
Facsimile: (225) 751-1998  
E-mail: [bparsons@steffeslaw.com](mailto:bparsons@steffeslaw.com)

*Counsel for Debtors*

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF LOUISIANA  
Lafayette Division**

**IN RE:**

**CASE NO. 16-50740**

**PROGRESSIVE ACUTE CARE, LLC, *et al.***

**CHAPTER 11**

**DEBTORS**

**JOINTLY ADMINISTERED**

**ITEMIZATION OF TIME OF KING, REINSCH, PROSSER & CO., LLP,  
CERTIFIED PUBLIC ACCOUNTANTS FOR DEBTORS**

SEE ATTACHED ITEMIZATION

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF LOUISIANA  
Lafayette Division**

<b>IN RE:</b>	<b>CASE NO. 16-50740</b>
<b>PROGRESSIVE ACUTE CARE, LLC, <i>et al.</i></b>	<b>CHAPTER 11</b>
<b>DEBTORS</b>	<b>JOINTLY ADMINISTERED</b>

**RECAP OF TIME OF KING, REINSCH, PROSSER, LLP,  
CERTIFIED PUBLIC ACCOUNTANTS FOR DEBTORS,  
FOR THE PERIOD OF MARCH 16, 2017 THROUGH JULY 31, 2017**

**ACCOUNTANT SERVICES:**

	<u>Hours</u>	<u>Services</u>
<u>Invoice No. 56219</u>	92.75	\$18,412.50
<u>Invoice No. 56975</u>	3.00	\$ 450.00
<b>TOTAL SERVICES</b>		<b><u>\$18,862.50</u></b>

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF LOUISIANA  
Lafayette Division**

**IN RE:**

**CASE NO. 16-50740**

**PROGRESSIVE ACUTE CARE, LLC, *et al.***

**CHAPTER 11**

**DEBTORS**

**JOINTLY ADMINISTERED**

**DECLARATION**

**STATE OF IOWA  
COUNTY OF WOODBURY**

I, David D. Schmit, CPA, named in the foregoing application, do hereby make solemn oath that I have read such application and that all of the allegations of fact contained therein are true and correct to the best of my knowledge, information and belief.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed this 22<sup>nd</sup> day of August, 2017.

/s/ David D. Schmit  
**DAVID D. SCHMIT**



522 4th Street, Suite 200  
Sioux City, IA 51101-1620  
712.258.5550  
Fax: 712.277.6705  
www.krpcpa.com

Invoice No. 56219  
Date 04/21/2017  
Client No. 3537

Progressive Acute Care  
c/o Barbara Parsons  
13702 Coursey Blvd., Building 3  
Baton Rouge, LA 70817

Please return top portion with remittance.

Amount enclosed \$ \_\_\_\_\_

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**For Professional Services Rendered as Follows:**

Progress billing on 2016 federal and Louisiana income tax returns and related conferences from March 16, 2017 through April 15, 2017

Partner	45.00 hrs at \$250	\$ 11,250.00
Staff	47.75 hrs at \$150	<u>7,162.50</u>
Current Amount Due		\$ <u>18,412.50</u>

DUE UPON RECEIPT: Interest at 1.25% monthly after 30 days.



# Billing Worksheet

**Bill Manager - Owner - Client Code**  
**For the Period: 01/01/1990 - 04/15/2017**

**Bill Manager: Schmit, David (0016) | Owner: Schmit, David (0016)**

**3537.00 - Progressive Acute Care**

c/o Wayne Thompson  
2210 7th Street  
Mandeville, LA 70471

Owner:	Schmit, David (0016)
Secondary Partner:	Schmit, David (0016)
Bill Manager:	Schmit, David (0016)
Manager:	Schmit, David (0016)
Responsible Person:	Schmit, David (0016)
FYE	December

Eng Desc

Last Invoice	03/27/2017
Fee	0.00

WIP as of 04/15/2017

Progress 0.00

NetWIP  
18412.50

Invoiced

## App Retainer

## Net Invoice

## Method

Reason Code

## Allocation

Type of Bill

WIP - 00 - Progressive Acute Care -			Memo	Hours	Amount	Cumulative	Invoice
EXPEN BILL	708 TYPING-WORD PROCESS	Whitaker,A	03/27/2017	Preparation of 2016 tax documents for submission to the courts 708 Totals	1.75 262.50 262.50	262.50	
EXPEN BILL	711 PROOF-ASSEMBLE REPO	Jaminet,St	04/06/2017	Processing and assembling 2016 K-1s 711 Totals	3.00 450.00 450.00	712.50	
TAX	PREP	Ashland,Lu	03/16/2017	Preparing workpapers to support the 2016 Form 1065 and LA state return, develop pending items to discuss with management	9.25 1387.50	2100.00	
TAX	PREP	Schmit,Dav	03/18/2017	Discuss pending matters with staff	1.00 250.00	2350.00	
TAX	PREP	Ashland,Lu	03/23/2017	Preparing 2016 Form 1065 and LA state return	8.25 1237.50	3587.50	
TAX	PREP	Ashland,Lu	03/25/2017	Reconciling gain on sale, fixed assets, preparing book to tax reconciliation, preparing federal Form 1065 and LA state return	11.00 1650.00	5237.50	
TAX	PREP	Ashland,Lu	03/27/2017	Making changes to books for difference in bank rec., reviewing email correspondence from management	0.50 75.00	5312.50	
TAX	PREP	Gilbertson	03/27/2017	Preparation of 2016 tax documents for submission to the courts	1.00 250.00	5562.50	
TAX	PREP	Ashland,Lu	03/28/2017	reviewing information received through email correspondence with management regarding missing items	1.00 150.00	5712.50	
TAX	PREP	Gilbertson	03/28/2017	Discussions with management and staff regarding pending matters	1.00 250.00	5962.50	
TAX	PREP	Ashland,Lu	03/29/2017	Preparing 2016 Form 1065 and LA state return	6.00 900.00	6862.50	
TAX	PREP	Schmit,Dav	03/30/2017	Discuss pending matters with staff	0.50 125.00	6987.50	
TAX	PREP	Ashland,Lu	03/30/2017	Preparing 2016 Form 1065 and LA state return	4.00 600.00	7587.50	
TAX	PREP	Schmit,Dav	03/31/2017	Discuss pending matters with staff	0.50 125.00	7712.50	
TAX	PREP	Gilbertson	04/04/2017	Review of workpapers supporting 2016 returns	12.00 3000.00	10712.50	
TAX	PREP	Gilbertson	04/05/2017	Review workpapers supporting 2016 tax return and analyzing gain loss on sale of assets	10.00 2500.00	13212.50	
TAX	PREP	Gilbertson	04/06/2017	Review of 1065 and issuing K-1's	7.00 1750.00	14962.50	
TAX	PREP	Gilbertson	04/13/2017	Finalizing K-1's support	6.00 1500.00	16462.50	
TAX	PREP	Schmit,Dav	04/15/2017	Final review of tax returns for 2016 402 Totals	6.00 1500.00 17250.00	17962.50	
TAX	TXPLN	Ashland,Lu	03/21/2017	Researching cancellation of Debt income and applicable asset acquisitions and reporting requirements for asset acquisitions (Form 8954)	1.50 225.00	18187.50	
TAX	TXPLN	Ashland,Lu	03/24/2017	Researching cancellation of debt income reporting for partnerships and partners 505 Totals	1.50 225.00 450.00 18412.50	18412.50	
00 - Progressive Acute Care					3.00 92.75	450.00 18412.50	



522 4th Street, Suite 200  
Sioux City, IA 51101-1620  
712.258.5550  
Fax: 712.277.6705  
www.krpcpa.com

Invoice No. 56975  
Date 07/28/2017  
Client No. 3537

Progressive Acute Care  
c/o Barbara Parsons  
13702 Coursey Blvd., Building 3  
Baton Rouge, LA 70817

Please return top portion with remittance.

Amount enclosed \$ \_\_\_\_\_

**For Professional Services Rendered as Follows:**

Progress billing on 2016 federal and Louisiana income tax returns and  
related conferences from April 16, 2017 through July 15, 2017

Staff 3.00 hrs at \$150 \$ 450.00

Current Amount Due \$ 450.00

DUE UPON RECEIPT: Interest at 1.25% monthly after 30 days.

**Bill Manager - Owner - Client Code**  
**For the Period: 01/01/1990 - 07/15/2017**

Last Invoice	04/21/2017
Fee	0.00

# Memo

1

Hours	Amount
1	100
2	200
3	300
4	400
5	500
6	600
7	700
8	800
9	900
10	1000
11	1100
12	1200
13	1300
14	1400
15	1500
16	1600
17	1700
18	1800
19	1900
20	2000
21	2100
22	2200
23	2300
24	2400
25	2500
26	2600
27	2700
28	2800
29	2900
30	3000
31	3100
32	3200
33	3300
34	3400
35	3500
36	3600
37	3700
38	3800
39	3900
40	4000
41	4100
42	4200
43	4300
44	4400
45	4500
46	4600
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67	6700
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71	7100
72	7200
73	7300
74	7400
75	7500
76	7600
77	7700
78	7800
79	7900
80	8000
81	8100
82	8200
83	8300
84	8400
85	8500
86	8600
87	8700
88	8800
89	8900
90	9000
91	9100
92	9200
93	9300
94	9400
95	9500
96	9600
97	9700
98	9800
99	9900
100	10000

**Cumulative**

# Invoice

Whitaker, A

04/20/2017

or submission

3.00

450.00

450.00

1

17 Enter 08/22/17 16:08:27 Billing Pg 4 of 4