		FOR BHF USE			

LL1

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

2019
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2019)

I. IDPH License ID Number: 0039768

Facility Name: Lexington Health Care Center of Lake Zurich Inc.

Address: 930 South Rand Road (Number) Lake Zurich (City) 60047 (Zip Code)

County: Lake

Telephone Number: 847-726-1200 **Fax #** 847-726-1265

HFS ID Number:

Date of Initial License for Current Owners: 08/20/94

Type of Ownership:

	VOLUNTARY,NON-PROFIT	x	PROPRIETARY		GOVERNMENTAL
	Charitable Corp.		Individual		State
	Trust		Partnership		County
	IRS Exemption Code		Corporation		Other
		x	"Sub-S" Corp.		
			Limited Liability Co.		
			Trust		
			Other		

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/2019 to 12/31/2019 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider	(Signed)	(Date)
	(Type or Print Name)	
	(Title)	
Paid Preparer	(Signed)	(Date)
	(Print Name and Title)	Rob Schlicht Director
	(Firm Name & Address)	Wipfli LLP 10000 Innovation Drive, Suite 250, Milwaukee WI 53226
	(Telephone)	414-431-9335 Fax # 414-431-9303

MAIL TO: BUREAU OF HEALTH FINANCE
ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES
201 S. Grand Avenue East
Springfield, IL 62763-0001 Phone # (217) 782-1630

In the event there are further questions about this report, please contact:
Name: Rob Schlicht Telephone Number: 414-431-9335
Email Address:

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds ____________

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	203	Skilled (SNF)	203	74,095	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	203	TOTALS	203	74,095	7

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF			9,747	9,747	8
9	SNF/PED					9
10	ICF	32,296	8,805	5,303	46,404	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	32,296	8,805	15,050	56,151	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 75.78%

D. How many bed reserve days during this year were paid by the Department?
none (Do not include bed reserve days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)
none

F. Does the facility maintain a daily midnight census? yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [x] NO [ ]

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES [ ] NO [x]

I. On what date did you start providing long term care at this location?
Date started 08/20/94

J. Was the facility purchased or leased after January 1, 1978?
YES [x] Date 08/20/94 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [x] NO [ ] If YES, enter number of beds certified 203 and days of care provided 6,729

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRUAL [x] MODIFIED CASH* [ ] CASH* [ ]

Is your fiscal year identical to your tax year? YES [x] NO [ ]

Tax Year: 12/31/19 Fiscal Year: 12/31/19

* All facilities other than governmental must report on the accrual basis.

Facility Name & ID Number: Lexington Health Care Center of Lake Zuricl # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	A. General Services	1	2	3	4	5	6	7	8	9	10	
1	Dietary	200,339	18,943	547,480	766,762		766,762		766,762			1
2	Food Purchase		174,325		174,325		174,325	(619)	173,706			2
3	Housekeeping	221,782	19,527	257,904	499,213		499,213	581	499,794			3
4	Laundry		9,222		9,222		9,222		9,222			4
5	Heat and Other Utilities			240,162	240,162		240,162	17,980	258,142			5
6	Maintenance	46,365		181,243	227,608		227,608	149,223	376,831			6
7	Other (specify):* mgmt co alloc bene							17,303	17,303			7
8	TOTAL General Services	468,486	222,017	1,226,789	1,917,292		1,917,292	184,468	2,101,760			8
	B. Health Care and Programs											
9	Medical Director			45,100	45,100		45,100		45,100			9
10	Nursing and Medical Records	5,627,535	373,505	337,879	6,338,919		6,338,919	27,360	6,366,279			10
10a	Therapy											10a
11	Activities	101,472	8,782	9,317	119,571		119,571		119,571			11
12	Social Services	184,343		4,621	188,964		188,964		188,964			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):* mgmt co alloc bene							3,513	3,513			15
16	TOTAL Health Care and Programs	5,913,350	382,287	396,917	6,692,554		6,692,554	30,873	6,723,427			16
	C. General Administration											
17	Administrative	129,109		1,657,128	1,786,237		1,786,237	(1,657,128)	129,109			17
18	Directors Fees											18
19	Professional Services			186,974	186,974		186,974	154,270	341,244			19
20	Dues, Fees, Subscriptions & Promotions			30,687	30,687		30,687	4,129	34,816			20
21	Clerical & General Office Expenses	132,265	65,384	39,771	237,420		237,420	802,470	1,039,890			21
22	Employee Benefits & Payroll Taxes			1,159,722	1,159,722		1,159,722		1,159,722			22
23	Inservice Training & Education			5,099	5,099		5,099		5,099			23
24	Travel and Seminar							85	85			24
25	Other Admin. Staff Transportation			7,765	7,765		7,765	14,347	22,112			25
26	Insurance-Prop.Liab.Malpractice			776,585	776,585		776,585	11,747	788,332			26
27	Other (specify):* mgmt co alloc bene							103,097	103,097			27
28	TOTAL General Administration	261,374	65,384	3,863,731	4,190,489		4,190,489	(566,983)	3,623,506			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	6,643,210	669,688	5,487,437	12,800,335		12,800,335	(351,642)	12,448,693			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	D. Ownership	1	2	3	4	5	6	7	8	9	10	
30	Depreciation			65,586	65,586		65,586	258,070	323,656			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			38,873	38,873		38,873	426,247	465,120			32
33	Real Estate Taxes							185,564	185,564			33
34	Rent-Facility & Grounds			726,682	726,682		726,682	(726,682)				34
35	Rent-Equipment & Vehicles			87,191	87,191		87,191	4,174	91,365			35
36	Other (specify):*											36
37	**TOTAL Ownership**			918,332	918,332		918,332	147,373	1,065,705			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		323,352	1,170,966	1,494,318		1,494,318		1,494,318			39
40	Barber and Beauty Shops			25,403	25,403		25,403	(25,403)				40
41	Coffee and Gift Shops			1,150	1,150		1,150	(260)	890			41
42	Provider Participation Fee			411,911	411,911		411,911		411,911			42
43	Other (specify):* **nonallowable**			932,105	932,105		932,105	(932,105)				43
44	**TOTAL Special Cost Centers**		323,352	2,541,535	2,864,887		2,864,887	(957,768)	1,907,119			44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	6,643,210	993,040	8,947,304	16,583,554		16,583,554	(1,162,037)	15,421,517			45

***Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.**

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer-ence	3 BHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(1,049)	2		4
5	Telephone, TV & Radio in Resident Rooms	(19,408)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	14,644	30		9
10	Interest and Other Investment Income	(10,103)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(8,605)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(71,039)	43		18
19	Entertainment				19
20	Contributions	(22)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(735,043)	43		24
25	Fund Raising, Advertising and Promotional	(35,626)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Pg 5a	(133,243)			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (999,494)		$	30

BHF USE ONLY									
48		49		50		51		52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(162,543)		34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$ (162,543)		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (1,162,037)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.			$		38
39						39
40	Gift and Coffee Shops					40
41	Barber and Beauty Shops					41
42	Laboratory and Radiology					42
43	Prescription Drugs					43
44						44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

STATE OF ILLINOIS

Lexington Health Care Center of Lake Zurich Inc.

ID# 0039768

Report Period Beginning: 01/01/2019

Ending: 12/31/2019

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	laboratory exp	$ (36,897)	43	1
2	xray exp	(25,302)	43	2
3				3
4	personal item replacement	(163)	43	4
5	collections	(6,835)	19	5
6	barber & beauty income	(25,403)	40	6
7	Lobbying	(1,799)	20	7
8	Salesforce Computer consulting	(7,859)	19	8
9	gift shop income	(260)	41	9
10	miscellaneous income	(26,365)	21	10
11	Propco trust fees	(75)	43	11
12	Finance charges	(2,285)	32	12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	**Total**	(133,243)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(1,049)	0	0	430	0	0	0	0	0	0	0	(619)	2
3	Housekeeping	0	0	581	0	0	0	0	0	0	0	0	581	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	17,980	0	0	0	0	0	0	0	0	17,980	5
6	Maintenance	0	0	149,149	74	0	0	0	0	0	0	0	149,223	6
7	Other (specify):*	0	0	17,303	0	0	0	0	0	0	0	0	17,303	7
8	**TOTAL General Services**	(1,049)	0	185,013	504	0	0	0	0	0	0	0	184,468	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	27,360	0	0	0	0	0	0	0	0	27,360	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	3,513	0	0	0	0	0	0	0	0	3,513	15
16	**TOTAL Health Care and Programs**	0	0	30,873	0	0	0	0	0	0	0	0	30,873	16
	C. General Administration													
17	Administrative	0	0	0	(1,657,128)	0	0	0	0	0	0	0	(1,657,128)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(14,694)	35,553	133,411	0	0	0	0	0	0	0	0	154,270	19
20	Fees, Subscriptions & Promotions	(1,799)	0	5,928	0	0	0	0	0	0	0	0	4,129	20
21	Clerical & General Office Expenses	(26,365)	0	828,835	0	0	0	0	0	0	0	0	802,470	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	0	85	0	0	0	0	0	0	0	85	24
25	Other Admin. Staff Transportation	0	0	0	14,347	0	0	0	0	0	0	0	14,347	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	11,747	0	0	0	0	0	0	0	11,747	26
27	Other (specify):*	0	0	0	103,097	0	0	0	0	0	0	0	103,097	27
28	**TOTAL General Administration**	(42,858)	35,553	968,174	(1,527,852)	0	0	0	0	0	0	0	(566,983)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(43,907)	35,553	1,184,060	(1,527,348)	0	0	0	0	0	0	0	(351,642)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense D. Ownership	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
30	Depreciation	14,644	221,067	0	22,359	0	0	0	0	0	0	0	258,070	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(12,388)	401,807	0	36,828	0	0	0	0	0	0	0	426,247	32
33	Real Estate Taxes	0	168,614	0	16,950	0	0	0	0	0	0	0	185,564	33
34	Rent-Facility & Grounds	0	(726,682)	0	0	0	0	0	0	0	0	0	(726,682)	34
35	Rent-Equipment & Vehicles	0	0	0	4,174	0	0	0	0	0	0	0	4,174	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	**TOTAL Ownership**	2,256	64,806	0	80,311	0	0	0	0	0	0	0	147,373	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	(25,403)	0	0	0	0	0	0	0	0	0	0	(25,403)	40
41	Coffee and Gift Shops	(260)	0	0	0	0	0	0	0	0	0	0	(260)	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	(932,180)	75	0	0	0	0	0	0	0	0	0	(932,105)	43
44	**TOTAL Special Cost Centers**	(957,843)	75	0	0	0	0	0	0	0	0	0	(957,768)	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	(999,494)	100,434	1,184,060	(1,447,037)	0	0	0	0	0	0	0	(1,162,037)	45

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Use Page 6-Supplemental as necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
See Page 6-Supplemental		See Page 6-Supplemental		See Page 6-Supplemental		

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [x] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
1	V	19	Professional fees	$	Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	$ 35,553	$ 35,553	1
2	V	30	Depreciation		Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	221,067	221,067	2
3	V	32	Interet		Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	346,357	346,357	3
4	V	32	Amortization of Mortgage Costs		Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	55,450	55,450	4
5	V	33	Property Taxes		Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	168,614	168,614	5
6	V	34	Rental Expense	726,682	Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**		(726,682)	6
7	V	43	Trust fees		Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	75	75	7
8	V								8
9	V								9
10	V								10
11	V								11
12	V				** The owners of Lexington Health Care Center of Lake Zurich Inc. own 100% of Lexington Health Care				12
13	V				Systems of Lake Zurich Limited Partnership				13
14	Total			$ 726,682			$ 827,116	$ * 100,434	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [x] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

	1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
	Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	3	Housekeeping Supplies	$	Royal Management Corp.	**	$ 581	$ 581	15
16	V	5	Utilities - gas & electric		Royal Management Corp.	**	16,943	16,943	16
17	V	5	Utilities - water & sewer		Royal Management Corp.	**	576	576	17
18	V	5	Utilities - maintenance office		Royal Management Corp.	**	461	461	18
19	V	6	Management Allocation - salaries		Royal Management Corp.	**	134,759	134,759	19
20	V	6	Repairs & maintenance		Royal Management Corp.	**	14,230	14,230	20
21	V	6	Scavenger & exterminating		Royal Management Corp.	**	160	160	21
22	V	7	Management Allocation - empoyee benefits		Royal Management Corp.	**	17,303	17,303	22
23	V	10	Medical consultant		Royal Management Corp.	**			23
24	V	10	Management Allocation - salaries		Royal Management Corp.	**	27,360	27,360	24
25	V	15	Management Allocation - empoyee benefits		Royal Management Corp.	**	3,513	3,513	25
26	V	17	Management Allocation - salaries		Royal Management Corp.	**			26
27	V	19	Computer consultant & supplies		Royal Management Corp.	**	45,070	45,070	27
28	V	19	Professional fees		Royal Management Corp.	**	88,341	88,341	28
29	V	20	Dues & subscriptions		Royal Management Corp.	**	971	971	29
30	V	20	Advertising - help wanted		Royal Management Corp.	**	4,957	4,957	30
31	V	21	Management Allocation - salaries		Royal Management Corp.	**	802,957	802,957	31
32	V	21	Bank charges		Royal Management Corp.	**	2,788	2,788	32
33	V	21	Office supplies & printing		Royal Management Corp.	**	5,944	5,944	33
34	V	21	Postage		Royal Management Corp.	**	3,596	3,596	34
35	V	21	Telephone		Royal Management Corp.	**	13,550	13,550	35
36	V								36
37	V								37
38	V		** The owners of Lexington Health Care Center of Lake Zurich, Inc. own 100% of Royal Management Corp						38
39	Total			$			$ 1,184,060	$ * 1,184,060	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [ ] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

	1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
	Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	23	Inservice training	$	Royal Management Corp	**	$	$	15
16	V	24	Travel & seminar		Royal Management Corp	**	85	85	16
17	V	25	Auto expense		Royal Management Corp	**	14,347	14,347	17
18	V	26	Insurance general		Royal Management Corp	**	11,747	11,747	18
19	V	27	Management Allocation - employee benefits		Royal Management Corp	**	103,097	103,097	19
20	V	30	Depreciation		Royal Management Corp	**	22,359	22,359	20
21	V	32	Interest		Royal Management Corp	**	36,828	36,828	21
22	V	2	Amortization of mortgage costs		Royal Management Corp	**	430	430	22
23	V	33	Property taxes		Royal Management Corp	**	16,950	16,950	23
24	V	34	Rent expense		Royal Management Corp	**			24
25	V	35	Equipment rental		Royal Management Corp	**	3,313	3,313	25
26	V	17	Management fees	1,657,128	Royal Management Corp	**		(1,657,128)	26
27	V	35	Auto lease		Royal Management Corp	**	861	861	27
28	V	6	Security		Royal Management Corp	**	74	74	28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V		** The owners of Lexington Health Care Center of Lake Zurich, Inc. own 100% of Royal Management Corp.						38
39	Total			$ 1,657,128			$ 210,091	$ * (1,447,037)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

VII. RELATED PARTIES

A. (Continued) Enter below the names of ALL owners and related organizations (parties) as defined in the instructions.

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1	James Samatas Discretionary Trust	33.33	Lexington HC Ctr. of Bloomingdale, Inc	Bloomingdale	Eastgate Manor	Algonquin	Supportive Living	1
2	John Samatas Discretionary Trust	33.33	Lexington HC Ctr. of Chicago Ridge, Inc.	Chicago Ridge	of Algonquin, LLC		Facility	2
3	Cynthia Thiem Discretionary Trust	33.34	Lexington HC Ctr. of Elmhurst, Inc.	Elmhurst	Vesta Management	Lombard	Mgmt. Company	3
4			Lexington HC Ctr. of LaGrange, Inc.	LaGrange	Group LLC			4
5			Lexington HC Ctr. of Lombard, Inc.	Lomard	Lexington Health	Lake Zurich	Real Estate	5
6			Lexington HC Ctr. of Orland Park, Inc.	Orland Park	Care Systems of		Property	6
7			Lexington HC Ctr. of Schaumburg, Inc.	Schaumburg	Lake Zurich Ltd.			7
8			Lexington HC Ctr. of Streamwood, Inc.	Steamwood	Ptsp.			8
9			Lexington HC Ctr. of Wheeling, Inc.	Wheeling	Royal Management	Lombard	Mgmt. Company	9
10					Corporation			10
11					Lexington Financial	Lombard	Finance Company	11
12					Services II, LLC			12
13					Lexington Square	Lombard	Independent and	13
14					Life Care of		Assisted Living	14
15					Lombard, LLC			15
16					Lexington Square	Elmhurst	Independent	16
17					Life Care of Elmhurst,		Living Facility	17
18					Elmhurst, LLC			18
19					Heron Point	Lombard	Mgmt. Company	19
20					Management			20
21					Corporation			21
22					Samvest of	Lombard	Lessor	22
23					Lombard II, LLC			23
24					North Heron	Lombard	Finance Company	24
25					Investments, LLC			25
26					Curatess, LLC	Lombard	Telemedicine	26
27					Republic	Lombard	Construction	27
28					Construction of		Company	28
29					Illinois, Inc.			29
30								30

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

VII. RELATED PARTIES

A. (Continued) Enter below the names of ALL owners and related organizations (parties) as defined in the instructions.

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1					Lexington Home	Lombard	Home Health	1
2					Health Care, Inc.			2
3					Lexington Hospice	Lombard	Hospice	3
4					Services, LLC			4
5					Lexington Private	Lombard	Healthcare	5
6					Home Care			6
7					Merit Sleep	Lombard	Management	7
8					Management, LLC		Company	8
9					Samvest of	Algonquin	Real Estate	9
10					Algonquin Ltd. Ptsp		Property	10
11					Sambell of	Bloomingdale	Real Estate	11
12					Bloomingdale Ltd. Pts		Property	12
13					Sambell of Chicago	Chicago Ridge	Real Estate	13
14					Ridge Ltd. Ptsp.		Property	14
15					Sambell of	Elmhurst	Real Estate	15
16					Elmhurst II Ltd. Ptsp.		Property	16
17					Sambell of	LaGrange	Real Estate	17
18					LaGrange Ltd. Ptsp.		Property	18
19					Lexington Health	Lombard	Real Estate	19
20					Care Systems of		Property	20
21					Lombard Ltd. Ptsp.			21
22					Lexington Health	Orland Park	Real Estate	22
23					Care Systems of		Property	23
24					Orland Park Ltd. Ptsp			24
25					Sambell of	Schaumburg	Real Estate	25
26					Schaumburg Ltd. Ptsp		Property	26
27					Lexington HC Sys	Real Estate	Real Estate	27
28					of Wheeling Ltd Ptsp	Property	Property	28
29					Sambell of	Real Estate	Real Estate	29
30					Streamwood Ltd Ptsp	Property	Property	30

Facility Name & ID Number Lexington Health Care Center of Lake Zuric # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1	2	3	4	5	6		7		8	
					Compensation Received From Other	Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		Compensation Included in Costs for this Reporting Period**		Schedule V. Line & Column	
	Name	Title	Function	Ownership Interest	Nursing Homes*	Hours	Percent	Description	Amount	Reference	
1	owners took no salary in 2019								$		1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	$		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees).
FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 2/31/2019

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES x NO

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization: Royal Management Corp
Street Address: 665 W. North Avenue, Suite 500
City / State / Zip Code: Lombard IL 60148
Phone Number: (630-458-4700
Fax Number: (630-458-4796

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	3	Housekeeping Supplies	Bed days svailable	669,997	10	$ 5,256	$	74,095	$ 581	1
2	5	Utilities - gas & electric	Bed days svailable	669,997	10	153,206		74,095	16,943	2
3	5	Utilities - water & sewer	Bed days svailable	669,997	10	5,210		74,095	576	3
4	5	Utilities - maintenance office	Bed days svailable	669,997	10	4,168		74,095	461	4
5	6	Management Allocation - salaries	Bed days svailable	669,997	10	1,218,541	1,218,541	74,095	134,759	5
6	6	Repairs & maintenance	Bed days svailable	669,997	10	128,674		74,095	14,230	6
7	6	Scavenger & exterminating	Bed days svailable	669,997	10	1,449		74,095	160	7
8	7	Management Allocation - empoyee be	Bed days svailable	669,997	10	156,456		74,095	17,302	8
9	10	Medical consultant	Bed days svailable	669,997	10			74,095	0	9
10	10	Management Allocation - salaries	Bed days svailable	669,997	10	247,396	247,396	74,095	27,360	10
11	15	Management Allocation - empoyee be	Bed days svailable	669,997	10	31,764		74,095	3,513	11
12	17	Management Allocation - salaries	Bed days svailable	669,997	10			74,095	0	12
13	19	Computer consultant & supplies	Bed days svailable	669,997	10	407,540		74,095	45,070	13
14	19	Professional fees	Bed days svailable	669,997	10	798,815		74,095	88,341	14
15	20	Dues & subscriptions	Bed days svailable	669,997	10	8,782		74,095	971	15
16	20	Advertising - help wanted	Bed days svailable	669,997	10	44,822		74,095	4,957	16
17	21	Management Allocation - salaries	Bed days svailable	669,997	10	7,260,666	7,260,666	74,095	802,957	17
18	21	Bank charges	Bed days svailable	669,997	10	25,210		74,095	2,788	18
19	21	Office supplies & printing	Bed days svailable	669,997	10	53,750		74,095	5,944	19
20	21	Postage	Bed days svailable	669,997	10	32,511		74,095	3,595	20
21	21	Telephone	Bed days svailable	669,997	10	122,542		74,095	13,552	21
22										22
23										23
24										24
25	TOTALS					$ 10,706,758	$ 8,726,603		$ 1,184,060	25

Facility Name & ID Number: Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 2/31/2019

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES [x] NO [ ]

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization: Royal Management Corp
Street Address: 665 W. North Avenue, Suite 500
City / State / Zip Code: Lombard IL 60148
Phone Number: (630-458-4700
Fax Number: (630-458-4796

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	23	Inservice training	Bed days available	669,997	10	$	$	74,095	$	1
2	24	Travel & seminar	Bed days available	669,997	10	770		74,095	85	2
3	25	Auto expense	Bed days available	669,997	10	129,730		74,095	14,347	3
4	26	Insurance general	Bed days available	669,997	10	106,220		74,095	11,747	4
5	27	Management Allocation - employee b	Bed days available	669,997	10	932,246		74,095	103,097	5
6	30	Depreciation	Bed days available	669,997	10	202,177		74,095	22,359	6
7	32	Interest	Bed days available	669,997	10	333,015		74,095	36,828	7
8	2	Amortization of mortgage costs	Bed days available	669,997	10	3,885		74,095	430	8
9	33	Property taxes	Bed days available	669,997	10	153,272		74,095	16,950	9
10	34	Rent expense	Bed days available	669,997	10			74,095		10
11	35	Equipment rental	Bed days available	669,997	10	29,955		74,095	3,313	11
12	17	Management fees	Bed days available	669,997	10			74,095		12
13	35	Auto lease	Bed days available	669,997	10	7,784		74,095	861	13
14	6	Security	Bed days available	669,997	10	672		74,095	74	14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$ 1,899,726	$		$ 210,091	25

Facility Name & ID Number Lexington Health Care Center of Lake Zuricl # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
		YES	NO				Original	Balance				
	A. Directly Facility Related											
	Long-Term											
1	MB Finanancial		x	mortgage	fixed, prin, var	9/15/17	$ 6,373,440	$ 5,799,850	9/15/19	libor+3.5	$ 357,299	1
2	LHCS Lake Zurich LP*	x		mortgage	varies	9/15/17			9/15/19	libor+3.5	(10,942)	2
3												3
4	*Interco Note Receivable							finance charge insurance policy			2,285	4
5												5
	Working Capital											
6	Shareholders	x		working capital	none	varies	270,033	3,354,504	demand	0.0150	36,588	6
7												7
8												8
9	TOTAL Facility Related						$ 6,643,473	$ 9,154,354			$ 385,230	9
	B. Non-Facility Related*											
10								amortization of loan costs			55,450	10
11								interest income offset			(10,103)	11
12								allocated from mgmt co			36,828	12
13								fiannce charges			(2,285)	13
14	TOTAL Non-Facility Related						$	$			$ 79,890	14
15	TOTALS (line 9+line14)						$ 6,643,473	$ 9,154,354			$ 465,120	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. $ ____________ Line # __________

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7. (See instructions.)

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2. (See instructions.)

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.

1. Real Estate Tax accrual used on 2018 report.	$	166,114	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.) 2018	$	161,428	2
3. Under or (over) accrual (line 2 minus line 1).	$	(4,686)	3
4. Real Estate Tax accrual used for 2019 report. (Detail and explain your calculation of this accrual on the lines below.)	$	173,300	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. **(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)**	$		5
allocated from management co		16,950	
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. **TOTAL REFUND $ ______ For ______ Tax Year.** **(Attach a copy of the real estate tax appeal board's decision.)**	$		6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.	$	185,564	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:	Year	Amount	Line
	2014	169,523	8
	2015	163,680	9
	2016	165,626	10
	2017	163,337	11
	2018	149,011	12

FOR BHF USE ONLY

Line			Line
13	FROM R. E. TAX STATEMENT FOR 2018	$	13
14	PLUS APPEAL COST FROM LINE 5	$	14
15	LESS REFUND FROM LINE 6	$	15
16	AMOUNT TO USE FOR RATE CALCULATION	$	16

NOTES:

1. Please indicate a negative number by use of brackets( ). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity. **This denial must be no more than four years old at the time the cost report is filed.**

2018 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lexington Health Care Center of Lake Zurich Inc. COUNTY Lake

FACILITY IDPH LICENSE NUMBER 0039768

CONTACT PERSON REGARDING THIS REPORT Karen Gillis

TELEPHONE 630-458-4700 FAX #: 630-458-4795

A. **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2018 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2018.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	14-28-100-020	land & building	$ 149,011.00	$ 149,011.00
2.	Royal Management Corp (Samvest of Lombard II)		$ 249,182.00	$ 16,950.00
3.	14-29-200-033	land & building	$ 12,417.00	$ 12,417.00
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 410,610.00	$ 178,378.00

B. **Real Estate Tax Cost Allocations**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? ______ YES ______ NO

If YES, attach an explanation and a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. **Tax Bills**

Attach a copy of the original 2018 tax bills which were listed in Section A to this statement. Be sure to use the 2018 tax bill which is normally paid during 2019.

PLEASE NOTE: ***Payment information from the Internet*** or otherwise is ***not considered acceptable tax bill documentation*** . Facilities located in Cook County are required to provide copies of their original **second installment** tax bill.

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 78,901 B. General Construction Type: Exterior brick Frame steel Number of Stories 3

C. Does the Operating Entity? [ ] (a) Own the Facility [x] (b) Rent from a Related Organization. [ ] (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? [x] (a) Own the Equipment [x] (b) Rent equipment from a Related Organization. [x] (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).
n/a

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? [ ] YES [x] NO
If so, please complete the following:

1. Total Amount Incurred: n/a 2. Number of Years Over Which it is Being Amortized: n/a

3. Current Period Amortization: n/a 4. Dates Incurred: n/a

Nature of Costs:
(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	resident care	250,344	1990	$ 495,000	1
2	Management Company allocatino			20,391	2
3	TOTALS	250,344		$ 515,391	3

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Beds*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	203		1994	1994	$ 6,418,907	$	40	$ 160,473	$ 160,473	$ 4,065,311	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	Land Improvements			1994	10,701		10			10,701	9
10	Land Improvements			1994	13,330		10			13,330	10
11	Leasehold Improvements			1994	4,737		15			4,737	11
12	Leasehold Improvements			1995	4,005		15			4,005	12
13	Land Improvements			1995	3,221		10			3,221	13
14	Building Improvements			1995	3,019		40	75	75	1,882	14
15	Building Improvements			1995	64,500	1,654	39	1,654		40,867	15
16	Patio			1996	1,168		15			1,168	16
17	Compressor			1996	5,145		10			5,145	17
18	Road sidewalk			1997	18,094		20			18,094	18
19	Foundation/Sprinkler			1997	2,068	59	35	59		1,328	19
20	Flagpoles			1997	1,573		15			1,573	20
21	Basement rehab			1998	12,867		10			12,867	21
22	MDS Telnet wiring			1998	3,365		10			3,365	22
23	Flag Pole			1998	787		15			787	23
24	Resurface/restripe parking lot			1998	4,977		10			4,977	24
25	Transfer 10 beds from shelter care			1998	2,260	57	40	57		1,201	25
26	1st floor lobby tile			1999	12,153		10			12,153	26
27	Parking lot repair			2000	3,740		10			3,740	27
28	Roof repair			2000	10,770		10			10,770	28
29	Automatic door			2000	1,300		10			1,300	29
30	Kitchen rehab			2000	16,886		10			16,886	30
31	Compressor			2001	4,350		10			4,350	31
32	Boiler vent			2001	3,228		10			3,228	32
33	Fire pump			2001	1,766		10			1,766	33
34	Kitchen rehab			2001	721		10			721	34
35	Elevator infrared curtains			2001	4,500		10			4,500	35
36	Therapy Room Rehab			2004	64,473	3,224	20	3,224		49,433	36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete

See Page 12A, Line 70 for total

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	Elevator Upgrade	2004	$ 3,487	$ 174	20	$ 174	$	$ 2,626	37
38	HVAC Compressor	2004	11,845	592	20	592		9,029	38
39	Sidewalk, raise and support	2005	700	35	20	35		503	39
40	Pavement for parking lot	2005	6,650	333	20	333		4,854	40
41	Water softner	2005	2,635	132	20	132		1,968	41
42	Plumbing and sprinkler	2005	4,469	223	20	223		3,328	42
43	Lobby and lounge rehab	2005	44,560	2,228	20	2,228		33,234	43
44	Therapy room rehab	2005	1,721	86	20	86		1,226	44
45	First floor therapy room	2005	42,424	2,121	20	2,121		31,149	45
46	Transitional unit	2005	9,898	495	20	495		7,095	46
47	Countertop	2005	845		5			845	47
48	Wallcovering	2005	439		5			439	48
49	Panel Brick Replacement	2006	16,001	800	20	800		10,734	49
50	Landscaping Improvement	2006	4,640		5			4,640	50
51	HVAC	2006	3,999		10			3,999	51
52	Kitchen Rehab	2006	2,553		10			2,553	52
53	Wall Mounted Cabinets	2006	10,451		10			10,451	53
54	Therapy room rehab	2006	2,829		10			2,829	54
55	Solo step install	2006	3,689		10			3,689	55
56	Transitional unit	2006	31,685	1,584	20	1,584		20,725	56
57	Employee Lunchroom rehab	2006	1,766		10			1,766	57
58	Fine Dining	2006	22,517	1,126	20	1,126		15,013	58
59	Land Improvements	2006	5,374	358	15	358		4,744	59
60	Emergency AC	2006	7,564		10			7,564	60
61	Wood Flooring	2006	1,526		10			1,526	61
62	HVAC	2007	2,716		10			2,716	62
63	Emergency AC	2007	18,731		10			18,731	63
64	First floor remodel-carpentry, flooring, plumbing, painting,	2007	701,565		40	17,539	17,539	223,622	64
65	fixtures								65
66	Landscaping	2008	15,920	1,061	15	1,061		12,644	66
67	Parking Lot Repairs	2008	4,224	211	20	211		2,374	67
68	Roof	2008	33,700	1,685	20	1,685		19,518	68
69	Employee Locker Rooms	2008	3,732	93	40	93		1,046	69
70	TOTAL (lines 4 thru 69)		$ 7,723,466	$ 18,331		$ 196,418	$ 178,087	$ 4,770,586	70

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		$ 7,723,466	$ 18,331		$ 196,418	$ 178,087	$ 4,770,586	1
2	Second floor remodel - carpentry, electrical, flooring,	2008	555,633		27	20,205	20,205	230,674	2
3	painting								3
4	Irrigation System	2009	15,335	1,022	15	1,022		10,561	4
5	Landscaping Enhancements	2009	8,276	552	15	552		5,750	5
6	Quick connects	2009	7,611	381	20	381		3,937	6
7	HVAC Chiller	2009	102,185	5,109	20	5,109		53,645	7
8	HVAC-1st floor admin office	2009	7,295	365	20	365		3,680	8
9	2nd floor remodel	2009	9,331	339	27	339		3,729	9
10	Basement Office	2009	2,755	100	27	100		1,025	10
11	Patio Pergola	2009	8,905	445	20	445		4,598	11
12	3rd floor remodel-Carpentry,plumbing,electrical,handrails	2009	398,350		27	14,485	14,485	147,264	12
13	painting,alarm system								13
14									14
15									15
16									16
17	Med Room Remodel-painting,flooring	2010	5,531	202	27	202		1,868	17
18	Office carpentry,flooring,electrical,painting,plumbing,signs	2010	51,465	4,149	27	4,149		37,341	18
19	Exhaust System	2010	83,215	3,035	27	3,035		27,315	19
20	Office spot cooler	2010	3,456	126	27	126		1,145	20
21	Ceiling insulations	2010	2,640	96	27	96		896	21
22	Remodel pantry-shelves	2010	4,402	161	27	161		1,489	22
23	Paint over bed lights	2010	5,512	201	27	201		1,809	23
24	Exterior Door	2010	2,618	95	27	95		863	24
25	Remodel Library/Lounge and physician office-flooring,	2010	7,796	284	27	284		2,587	25
26	art framing,flooring								26
27	2nd floor remodel-carpentry,plumbing,electrical	2010	4,838	176	27	176		1,717	27
28	Concrete repair-ramp & railing	2010	10,029	669	15	669		6,188	28
29	Office remodel-doors, carpentry, locks	2011	20,714	753	27	753		6,348	29
30	Landscaping Enhancements	2011	4,987	332	15	332		2,905	30
31	Fire pump and drain line	2011	8,360	304	27	304		2,458	31
32	Laundry room remodel-painting, tile	2011	7,835	285	27	285		2,375	32
33									33
34	TOTAL (lines 1 thru 33)		$ 9,062,540	$ 37,512		$ 250,289	$ 212,777	$ 5,332,753	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		$ 9,062,540	$ 37,512		$ 250,289	$ 212,777	$ 5,332,753	1
2	Locker Room-paint, cabinets	2011	7,504	273	27	273		2,275	2
3	2nd floor remodel-doors and locks	2011	17,692	643	27	643		5,358	3
4	HVAC Chiller	2011	99,609		27	3,622	3,622	30,485	4
5	Parking lot-Stripe and seal	2011	51,148		20	2,558	2,558	21,097	5
6									6
7	Building wiring	2012	25,124		27	914	914	6,624	7
8	Replace pipe kitchen	2012	4,202		27	153	153	1,159	8
9									9
10	Update Dishwashing Area in Kitchen: Tile, Drywall	2013	10,078		27	366	366	2,290	10
11									11
12	Landscaping - adding trees main entrance	2014	10,152		15	56	56	337	12
13									13
14	Repair condensor coil in kitchen cooler	2014	3,402		20	170	170	935	14
15	2nd floor shower room - install handrails	2014	4,234		27	156	156	858	15
16									16
17	EMR Entire Buidling Wiring	2015	5,315	193	27	193		885	17
18	R/M Reclass: Fire Alarm Inspection	2015	2,547		20	127	127	573	18
19	R/M Reclass: Add Insulation to emergency exhaust pip in hallway	2015	3,100		20	155	155	698	19
20	R/M Reclass: Paving and coating parking lot	2015	5,500		20	275	275	1,238	20
21									21
22	Paving and Seal Coating in Parking Lot	2016	2,500	10	20	10		40	22
23	Electrical Work - Throughout Facility	2016	4,253	18	20	18		72	23
24	Physical Therapy Rm. - Surfacing, Plumbing, Drywall, Wiring, Pa	2016	3,654	66	28	66		264	24
25	Resident Rooms - Installing Chair Rails in First Floor Rooms	2016	6,192	52	10	52		208	25
26	R/M Reclass: Radiator Repair - removing, re-cored, reinstalling, a	2016	8,942		15	298	298	1,192	26
27	filling with new coolant								27
28									28
29	Installation of water heater-Mechanical room	2017	13,042	1,304	10	1,304		2,825	29
30									30
31	Provide power to touchscreens	2019	3,081	26	40	26		26	31
32									32
33	Reconcile book depreciation			(89)			89		33
34	TOTAL (lines 1 thru 33)		$ 9,353,811	$ 40,008		$ 261,724	$ 221,716	$ 5,412,192	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		$ 9,353,811	$ 40,008		$ 261,724	$ 221,716	$ 5,412,192	1
2	Building - management company	2002	282,177		40	10,162	10,162	144,135	2
3	HVAC, electrical, security system - management company	2003	2,478		30	123	123	2,195	3
4	Key card system - management company	2004	389		20	32	32	300	4
5	VAV TX controls - management company	2005	119		20	10	10	88	5
6	Building improvements - management company	2006	86		20	9	9	76	6
7	Building improvements - management company	2008	12,215		20	455	455	5,828	7
8	Building improvements - management company	2009	2,268		20	200	200	1,303	8
9	Building improvements - management company	2010	2,236		20	157	157	1,187	9
10	Building improvements - management company	2011	1,756		20	133	133	696	10
11	Building improvements - management company	2012	5,167		20	311	311	1,458	11
12	Building improvements - management company	2013	4,584		20	211	211	1,820	12
13	Building improvements - management company	2014	2,481		20	403	403	1,367	13
14	Building improvements - management company	2015	436		20	87	87	240	14
15	Building improvements - management company	2016	7,199		20	869	869	1,810	15
16	Building improvements - management company	2017	4,540		20	320	320	477	16
17	Building improvements - management company	2018	816		20	48	48	47	17
18	Building improvements - management company	2019	14,705		20	398	398	245	18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 9,697,463	$ 40,008		$ 275,652	$ 235,644	$ 5,575,464	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XI. OWNERSHIP COSTS (continued)

C. Equipment Costs-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	$ 192,353	$ 24,278	$ 24,278	$	5-10	$ 160,711	71
72	Current Year Purchases	18,204	1,300	1,300		5	1,300	72
73	Fully Depreciated Assets	1,396,203					1,396,203	73
74	allocated from mgmt company	535,301		19,004	19,004		478,343	74
75	TOTALS	$ 2,142,061	$ 25,578	$ 44,582	$ 19,004		$ 2,036,557	75

D. Vehicle Costs. (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				$	$	$	$		$	76
77										77
78										78
79	allocated from mgmt company			51,465		3,422	3,422		42,706	79
80	TOTALS			$ 51,465	$	$ 3,422	$ 3,422		$ 42,706	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	$ 12,406,380	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 65,586	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 323,656	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 258,070	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 7,654,727	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		$	$	$	86
87					87
88					88
89					89
90					90
91	TOTALS	$	$	$	91

G. Construction-in-Progress

	Description	Cost	
92		$	92
93			93
94			94
95		$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease:
2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
   If NO, see instructions. ☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				$			3
4	Additions							4
5								5
6								6
7	TOTAL				$ **			7

8. List separately any amortization of lease expense included on page 4, line 34.
   This amount was calculated by dividing the total amount to be amortized
   by the length of the lease .

9. Option to Buy: ☐ YES ☐ NO Terms: *

10. Effective dates of current rental agreement:
    Beginning
    Ending

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	/2020	$
13.	/2021	$
14.	/2022	$

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? ☐ YES ☐ NO
16. Rental Amount for movable equipment: $ 90,504 Description: see schedule 14a
    (Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			$	$	17
18					18
19					19
20	management comp allocation			74	20
21	TOTAL		$	$ 74	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

XIII. EXPENSES RELATING TO CERTIFIED NURSE AIDE (CNA) TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility.)

1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?
   [ ] YES
   [x] NO

   If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - COMMUNITY COLLEGE [ ]
   - HOURS PER CNA ____

3. CLINICAL PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - HOURS PER CNA ____

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	$	$	$	$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	$	$	$	$
10	SUM OF line 9, col. 1 and 2 (e)	$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities.

$

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
(c) For in-house training programs only. Do not include fringe benefits.
(d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.
(e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
(f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff Units of Service	Staff Cost	Outside Practitioner (other than consultant) Units	Outside Practitioner (other than consultant) Cost	Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
1	Licensed Occupational Therapist	39(3)	hrs	$	7,846	$ 419,581	$	7,846	$ 419,581	1
2	Licensed Speech and Language Development Therapist	39(3)	hrs		1,828	114,113		1,828	114,113	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39(3)	hrs		13,851	633,748	2,714	13,851	636,462	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39(2)	# of prescrpts				286,587		286,587	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): ambulance	39(2)				3,525			3,525	12
13	Other (specify): see Sch 16a	39(2)					34,051		34,051	13
14	TOTAL			$	23,525	$ 1,170,967	$ 323,352	23,525	$ 1,494,319	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed on this schedule.

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XV. BALANCE SHEET - Unrestricted Operating Fund. As of 12/31/2019 (last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 1,423,652	$ 1,428,174	1
2	Cash-Patient Deposits	909	909	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 1,809,334)	1,303,536	1,303,536	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	405,045	405,120	6
7	Other Prepaid Expenses	16,659	16,659	7
8	Accounts Receivable (owners or related parties)	(1,171)	293,806	8
9	Other(specify):			9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 3,148,630	$ 3,448,204	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	8,906	8,906	12
13	Land		495,000	13
14	Buildings, at Historical Cost		8,216,488	14
15	Leasehold Improvements, at Historical Cost	1,035,948	1,115,341	15
16	Equipment, at Historical Cost	821,379	1,603,692	16
17	Accumulated Depreciation (book methods)	(1,398,669)	(6,932,750)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (spe **Recv Insur Recov**	182,949	182,949	22
23	Other(specify):			23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 650,513	$ 4,689,626	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 3,799,143	$ 8,137,830	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 612,926	$ 612,926	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	1,575	1,575	28
29	Short-Term Notes Payable		744,250	29
30	Accrued Salaries Payable	556,730	556,730	30
31	Accrued Taxes Payable (excluding real estate taxes)	23,672	23,672	31
32	Accrued Real Estate Taxes(Sch.IX-B)		173,300	32
33	Accrued Interest Payable		24,983	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	see schedule 17a	11,576,449	3,044,257	36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 12,771,352	$ 5,181,693	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	3,354,504	2,610,254	39
40	Mortgage Payable		5,799,850	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$ 3,354,504	$ 8,410,104	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 16,125,856	$ 13,591,797	46
47	**TOTAL EQUITY(page 18, line 24)**	$ (12,326,713)	$ (5,453,967)	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 3,799,143	$ 8,137,830	48

*(See instructions.)

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ (10,853,550)	1
2	Restatements (describe):		2
3	post closing adjustment	(39,389)	3
4			4
5			5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ (10,892,939)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(1,433,774)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	( )	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ (1,433,774)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	**TOTAL Transfers (sum of lines 18-22)**	$	23
24	**BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)**	$ (12,326,713)	24 *

*** This must agree with page 17, line 47.**

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense

	I. Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 21,538,201	1
2	Discounts and Allowances for all Levels	(12,136,574)	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 9,401,627	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	4,248,222	6
7	Oxygen	3,866	7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 4,252,088	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop	260	12
13	Barber and Beauty Care	28,412	13
14	Non-Patient Meals	1,049	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	585,485	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	261,726	19
20	Radiology and X-Ray	27,064	20
21	Other Medical Services	555,601	21
22	Laundry		22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 1,459,597	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	10,103	25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ 10,103	26
	E. Other Revenue (specify):******		
27	**Settlement Income (Insurance, Legal, Etc.)**		27
28	miscellaneous	26,365	28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 26,365	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 15,149,780	30

	II. Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	1,917,292	31
32	Health Care	6,692,554	32
33	General Administration	4,190,489	33
	B. Capital Expense		
34	Ownership	918,332	34
	C. Ancillary Expense		
35	Special Cost Centers	2,452,976	35
36	Provider Participation Fee	411,911	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 16,583,554	40
41	**Income before Income Taxes (line 30 minus line 40)****	(1,433,774)	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ (1,433,774)	43

	III. Net Inpatient Revenue detailed by Payer Source		
44	Medicaid - Net Inpatient Revenue	$ 6,126,511	44
45	Private Pay - Net Inpatient Revenue	1,486,023	45
46	Medicare - Net Inpatient Revenue	343,841	46
47	Other-(specify) mgd care	1,445,252	47
48	Other-(specify)		48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	$ 9,401,627	49

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? ____________ If not, please attach a reconciliation.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Facility Name & ID Number Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)
(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	1,881	2,109	$ 145,681	$ 69.08	1
2	Assistant Director of Nursing	1,869	2,096	87,852	41.91	2
3	Registered Nurses	52,495	63,012	2,290,753	36.35	3
4	Licensed Practical Nurses	11,520	13,564	417,377	30.77	4
5	CNAs & Orderlies	91,617	109,122	1,888,978	17.31	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,464	1,799	37,554	20.87	9
10	Activity Assistants	4,507	5,462	63,918	11.70	10
11	Social Service Workers	7,215	7,905	184,343	23.32	11
12	Dietician	1,025	1,172	29,848	25.47	12
13	Food Service Supervisor	613	641	16,341	25.49	13
14	Head Cook	1,047	1,192	24,285	20.37	14
15	Cook Helpers/Assistants	10,217	10,802	129,865	12.02	15
16	Dishwashers					16
17	Maintenance Workers	1,865	2,256	46,365	20.55	17
18	Housekeepers	15,601	17,938	221,782	12.36	18
19	Laundry					19
20	Administrator	1,772	2,229	129,109	57.92	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	5,273	6,762	132,062	19.53	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	1,902	2,207	45,084	20.43	31
32	Other Health Care(specify)					32
33	Other(specify) see sched 20a	20,623	24,301	752,013	30.95	33
34	TOTAL (lines 1 - 33)	232,506	274,569	$ 6,643,210 *	$ 24.20	34

* This total must agree with page 4, column 1, line 45. ** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant		$		35
36	Medical Director		30,000	9-3	36
37	Medical Records Consultant		423	10-3	37
38	Nurse Consultant				38
39	Pharmacist Consultant		21,562	10-3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant		5,200	11-3	44
45	Social Service Consultant		4,410	12-3	45
46	Other(specify) Marketing		6,110	43-3	46
47	pulmonary		44,279	10-3	47
48	CARF Consultant/Other		9,225	10-3	48
49	TOTAL (lines 35 - 48)		$ 121,209		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses		$		50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides	9,220	262,390	10-3	52
53	TOTAL (lines 50 - 52)	9,220	$ 262,390		53

Facility Name & ID Number: Lexington Health Care Center of Lake Zurich Inc. # 0039768 Report Period Beginning: 01/01/2019 Ending: 12/31/2019

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Michelle Negron	Administrator	0	$ 129,109
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			$ 129,109

B. Administrative - Other

Description	Amount
shared services	$ 749,289
management fees - Royal ops	907,839
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)	$ 1,657,128

C. Professional Services

Vendor/Payee	Type	Amount
RSM US LLP	Accounting	$ 34,257
Royal Management	pension admin	1,620
Perosnnel Planners	quarterly UI claims	945
Collies International	Appraisal	3,400
LHCC Lagrange	Field exam	1,930
Much Shelist	Legal fees	6,625
Scott & Kraus	Legal fees	1,981
Duane Morris	Legal fees	3,708
Shire Law	legal fees	902
Generation Law	legal fees	8,004
Lifecare Innovation	legal fees	6,144
see page 21a		117,459
TOTAL (agree to Schedule V, line 19, column 3) (For legal fee disclosure, see page 39 of instructions)		$ 186,975

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 211,809
Unemployment Compensation Insurance	31,700
FICA Taxes	490,683
Employee Health Insurance	363,699
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
401k contribution	41,186
tuition	3,500
uniforms	(687)
miscellaneous benefits	17,832
TOTAL (agree to Schedule V, line 22, col.8)	$ 1,159,722

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
		$
TOTAL		$

* Attach copy of IMRF notifications

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$ 1,990
Advertising: Employee Recruitment	11,931
Health Care Worker Background Check (Indicate # of checks performed)	
Patient Background Checks	8,645
miscellaneous licenses and permits	1,226
IHCA	6,332
miscellaneous dues and subscriptions	563
lobbying portion of IHCA dues	(1,799)
allocated from mgmt co	5,928
Less: Public Relations Expense	( )
Non-allowable advertising	( )
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 34,816

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	
Seminar Expense	
allocated from mgmt co	85
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 85

**See instructions.

XX. GENERAL INFORMATION:

(1) Are nursing employees (RN,LPN,NA) represented by a union? **No**

(2) Are there any dues to nursing home associations included on the cost report? **yes**
If YES, give association name and amount. **IHCA - $6332**

(3) Did the nursing home make political contributions or payments to a political action organization? **yes** If YES, have these costs been properly adjusted out of the cost report? **yes**

(4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? **no** If YES, what is the capacity? **n/a**

(5) Have you properly capitalized all major repairs and equipment purchases? **yes**
What was the average life used for new equipment added during this period? **5**

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **36,531** Line **10(2)**

(7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? **yes** If NO, attach a complete explanation.

(8) Are you presently operating under a sale and leaseback arrangement? **No**
If YES, give effective date of lease. **n/a**

(9) Are you presently operating under a sublease agreement? ____ YES **x** NO

(10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES ____ NO **x** If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.
n/a

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. $ **411,911**
This amount is to be recorded on line 42 of Schedule V.

(12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? **no** If YES, attach an explanation of the allocation.

(13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? **yes**

(14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? **no** For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.

(15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. $ **0** Has any meal income been offset against related costs? **no** Indicate the amount. $ **0**

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? **no**
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? **no** If YES, please indicate the amount of income earned from such a program during this reporting period. $ **n/a**
c. What percent of all travel expense relates to transportation of nurses and patients? **0**
d. Have vehicle usage logs been maintained? **adequate records have been maintained**
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? **yes**
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? **n/a**
g. Does the facility transport residents to and from day training? no
Indicate the amount of income earned from providing such transportation during this reporting period. $ **N/A**

(17) Has an audit been performed by an independent certified public accounting firm? **yes**
Firm Name: **RSM US LLP**

(18) Have all costs which do not relate to the provision of long term care been adjusted out out of Schedule V? **yes**

(19) Has a schedule for the legal fees reported on the cost report been provided by the facility? See page 39 of the instructions for details. **yes**
Attach invoices and a summary of services for all architect and appraisal fees