

		FOR BHF USE					

LL1

2011
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2011)

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.

I. IDPH License ID Number: 0049841

Facility Name: Regency Rehabilitation Center, Llc

Address: 6631 Milwaukee Avenue Niles 60714
Number City Zip Code

County: Cook

Telephone Number: (847) 647-7444 Fax # (847) 647-6403

HFS ID Number:

Date of Initial License for Current Owners: 01/01/08

Type of Ownership:

☐ VOLUNTARY, NON-PROFIT
☐ Charitable Corp.
☐ Trust
IRS Exemption Code

☒ PROPRIETARY
☐ Individual
☐ Partnership
☐ Corporation
☐ "Sub-S" Corp.
☒ Limited Liability Co.
☐ Trust
☐ Other

☐ GOVERNMENTAL
☐ State
☐ County
☐ Other

In the event there are further questions about this report, please contact:
Name: Steve Lavenda Telephone Number: (847) 236-1111
Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/11 to 12/31/11 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) _____
(Type or Print Name) _____
(Title) _____

Paid
Preparer

(Signed) _____
(Print Name and Title) Cary Drazner, C.P.A.
(Firm Name & Address) Frost, Ruttenberg & Rothblatt, P.C.
111 Pfingsten Road, Suite 300 Deerfield, IL 60015
(Telephone) (847) 236-1111 Fax # (847) 236-1155

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Regency Rehabilitation Center, Llc # 0049841 Report Period Beginning: 01/01/11 Ending: 12/31/11

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

	Operating Expenses	Costs Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7	Adjusted Total 8	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	A. General Services											
1	Dietary	495,525	146,452	74,232	716,209		716,209	(26,184)	690,025			1
2	Food Purchase		617,479		617,479	(35,314)	582,165	(11,064)	571,101			2
3	Housekeeping	328,297	75,846		404,143		404,143	(2,476)	401,667			3
4	Laundry	166,315	43,068		209,383		209,383	(96)	209,287			4
5	Heat and Other Utilities			300,408	300,408		300,408	9,478	309,886			5
6	Maintenance	129,365	78,071	450,256	657,692		657,692	(73,966)	583,726			6
7	Other (specify):*							16,522	16,522			7
8	TOTAL General Services	1,119,502	960,916	824,896	2,905,314	(35,314)	2,870,000	(87,786)	2,782,214			8
	B. Health Care and Programs											
9	Medical Director			53,400	53,400		53,400		53,400			9
10	Nursing and Medical Records	4,488,390	286,943	92,765	4,868,098		4,868,098	(60,126)	4,807,972			10
10a	Therapy	122,153		36,000	158,153		158,153	(21,963)	136,190			10a
11	Activities	241,445	12,642	7,007	261,094		261,094		261,094			11
12	Social Services	156,449		6,743	163,192		163,192		163,192			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):*							7,732	7,732			15
16	TOTAL Health Care and Programs	5,008,437	299,585	195,915	5,503,937		5,503,937	(74,357)	5,429,580			16
	C. General Administration											
17	Administrative	191,400		991,323	1,182,723		1,182,723	(851,181)	331,542			17
18	Directors Fees											18
19	Professional Services			255,942	255,942	(1,261)	254,681	(167,037)	87,644			19
20	Dues, Fees, Subscriptions & Promotions			172,287	172,287		172,287	(71,937)	100,350			20
21	Clerical & General Office Expenses	135,474	52,501	547,711	735,686		735,686	(296,135)	439,551			21
22	Employee Benefits & Payroll Taxes			1,407,537	1,407,537	35,314	1,442,851		1,442,851			22
23	Inservice Training & Education											23
24	Travel and Seminar			10,163	10,163		10,163	883	11,046			24
25	Other Admin. Staff Transportation			765	765		765	12,862	13,627			25
26	Insurance-Prop.Liab.Malpractice			217,137	217,137		217,137	2,106	219,243			26
27	Other (specify):*							57,309	57,309			27
28	TOTAL General Administration	326,874	52,501	3,602,865	3,982,240	34,052	4,016,292	(1,313,130)	2,703,163			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	6,454,813	1,313,002	4,623,676	12,391,491	(1,261)	12,390,230	(1,475,272)	10,914,957			29

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

SEE ACCOUNTANTS' COMPILATION REPORT

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					9	10	
	D. Ownership	1	2	3	4	5	6	7	8			
30	Depreciation			67,760	67,760		67,760	919,480	987,240			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			111,700	111,700		111,700	1,163,581	1,275,281			32
33	Real Estate Taxes			630,000	630,000	1,261	631,261	24,654	655,915			33
34	Rent-Facility & Grounds			2,240,000	2,240,000		2,240,000	(2,240,000)				34
35	Rent-Equipment & Vehicles			11,935	11,935		11,935	9,361	21,296			35
36	Other (specify):*											36
37	TOTAL Ownership			3,061,395	3,061,395	1,261	3,062,656	(122,924)	2,939,733			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		1,488,032	203,354	1,691,386		1,691,386		1,691,386			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			489,250	489,250		489,250		489,250			42
43	Other (specify):*	196,663			196,663		196,663	(196,663)	0			43
44	TOTAL Special Cost Centers	196,663	1,488,032	692,604	2,377,299		2,377,299	(196,663)	2,180,636			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	6,651,476	2,801,034	8,377,675	17,830,185	0	17,830,185	(1,794,859)	16,035,326			45

THE TOTAL FOR COLUMN 5 MUST BE ZERO,PLEASE CORRECT

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

SEE ACCOUNTANTS' COMPILATION REPORT

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	(10,247)	02		4
5	Telephone, TV & Radio in Resident Rooms	(11,149)	06		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	266,799	30		9
10	Interest and Other Investment Income	(859)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(817)	02		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				18
19	Entertainment				19
20	Contributions	(1,000)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(403,740)	21		24
25	Fund Raising, Advertising and Promotional	(72,071)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(8,072)	21		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule	(334,261)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (575,418)		\$	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)	(1,219,441)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (1,219,441)		36
37	(sum of SUBTOTALS TOTAL ADJUSTMENTS (A) and (B))	\$ (1,794,859)		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

Report Period Beginning:

ID# 0049841

Ending:

01/01/11

12/31/11

NON-ALLOWABLE EXPENSES			Sch. V Line	
		Amount	Reference	
1	Bank Fees	\$ (5,912)	21	1
2	Theft & Damage	(640)	21	2
3	Marketing Salary	(196,663)	43	3
4	Miscellaneous Income	(221)	21	4
5	Collection Fees	(428)	20	5
6	Collections	(8,220)	21	6
7	Non Allowable Legal	(585)	19	7
8	Non Allowable Seminar	(50)	24	8
9	Capitalized R&M	(37,817)	06	9
10	Building Co. - Amortization	(78,702)	36	10
11	Building Co. - Licenses and Permits	(2,153)	20	11
12	Building Co. - Repairs	(2,871)	06	12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
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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	(334,261)		49

ID#

0049841

Report Period Beginning:

01/01/11

Ending:

12/31/11

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
50		\$		1
51				2
52				3
53				4
54				5
55				6
56				7
57				8
58				9
59				10
60				11
61				12
62				13
63				14
64				15
65				16
66				17
67				18
68				19
69				20
70				21
71				22
72				23
73				24
74				25
75				26
76				27
77				28
78				29
79				30
80				31
81				32
82				33
83				34
84				35
85				36
86				37
87				38
88				39
89				40
90				41
91				42
92				43
93				44
94				45
95				46
96				47
97				48
98				49

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 6-Supplemental		See 6-Supplemental		See 6-Supplemental		
				6631 Milwaukee, LLC		Building Co.

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)	
1	V	34	Rent	\$ 2,240,000	6631 Milwaukee, LLC		\$	\$ (2,240,000)	1
2	V	32	Interest Income	9,786	6631 Milwaukee, LLC			(9,786)	2
3	V	33	Rental Income - Taxes	630,000	6631 Milwaukee, LLC			(630,000)	3
4	V	30	Depreciation		6631 Milwaukee, LLC		641,866	641,866	4
5	V	36	Amortization		6631 Milwaukee, LLC		78,702	78,702	5
6	V	32	Interest Expense		6631 Milwaukee, LLC		1,176,406	1,176,406	6
7	V	20	License and Permits		6631 Milwaukee, LLC		2,153	2,153	7
8	V	33	Real Estate		6631 Milwaukee, LLC		645,920	645,920	8
9	V	6	Repairs		6631 Milwaukee, LLC		2,871	2,871	9
10	V	5	Utilities		6631 Milwaukee, LLC		6,001	6,001	10
11	V								11
12	V								12
13	V								13
14	Total			\$ 2,879,786			\$ 2,553,919	\$ * (325,867)	14

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

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	6	REPAIRS AND MAINT.	\$ 36,000	S.I.R. MANAGEMENT, INC.	100.00%	\$ 14,284	\$ (21,716)	15
16	V	7	EMP. BEN.-GEN. SERV.		S.I.R. MANAGEMENT, INC.	100.00%	1,134	1,134	16
17	V	10	NURSING	72,000	S.I.R. MANAGEMENT, INC.	100.00%	20,913	(51,087)	17
18	V	15	EMP. BEN.-H.C.		S.I.R. MANAGEMENT, INC.	100.00%	3,593	3,593	18
19	V	19	PROFESSIONAL FEES	205,200	S.I.R. MANAGEMENT, INC.	100.00%	17,114	(188,086)	19
20	V	20	FEES,SUBSCRIPTIONS		S.I.R. MANAGEMENT, INC.	100.00%	1,562	1,562	20
21	V	21	CLERICAL & GENERAL	72,000	S.I.R. MANAGEMENT, INC.	100.00%	70,365	(1,635)	21
22	V	24	EDUCATION & SEMINAR		S.I.R. MANAGEMENT, INC.	100.00%	933	933	22
23	V	25	OTHER ADMIN. STAFF TRANS.		S.I.R. MANAGEMENT, INC.	100.00%	12,862	12,862	23
24	V	26	INSURANCE		S.I.R. MANAGEMENT, INC.	100.00%	1,942	1,942	24
25	V	27	EMP. BEN.-GEN. ADMIN.		S.I.R. MANAGEMENT, INC.	100.00%	6,170	6,170	25
26	V	32	INTEREST		S.I.R. MANAGEMENT, INC.	100.00%	(11,753)	(11,753)	26
27	V	35	EQUIPMENT RENTAL		S.I.R. MANAGEMENT, INC.	100.00%	9,361	9,361	27
28	V								28
29	V	17	ADMINISTRATIVE	991,323	S.I.R. MANAGEMENT, INC.	100.00%	35,799	(955,524)	29
30	V	19	PROFESSIONAL FEES		S.I.R. MANAGEMENT, INC.	100.00%	2,571		30
31	V	21	CLERICAL & GENERAL		S.I.R. MANAGEMENT, INC.	100.00%	132,208	132,208	31
32	V	27	EMP. BEN.-GEN. ADMIN.		S.I.R. MANAGEMENT, INC.	100.00%	27,579	27,579	32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$ 1,376,523			\$ 346,637	\$ * (1,032,457)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

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	1	DIETARY SALARIES	\$ 36,000	S.I.R. MANAGEMENT, INC.	100.00%	\$ 9,816	\$ (26,184)	15
16	V	7	EMP. BEN.-DIETARY		S.I.R. MANAGEMENT, INC.	100.00%	1,707	1,707	16
17	V	10	NURSING SALARIES		S.I.R. MANAGEMENT, INC.	100.00%	10,211	10,211	17
18	V	15	EMP. BEN.-NURSING		S.I.R. MANAGEMENT, INC.	100.00%	1,768	1,768	18
19	V	17	ADMIN./LEGAL SALARIES		S.I.R. MANAGEMENT, INC.	100.00%	104,343	104,343	19
20	V	19	FIN. CONSULT./REGL. DIR.		S.I.R. MANAGEMENT, INC.	100.00%	20,297	20,297	20
21	V	27	EMP. BEN.-ADMINISTRATIVE		S.I.R. MANAGEMENT, INC.	100.00%	23,560	23,560	21
22	V								22
23	V								23
24	V	10A	DIRECTOR OF SPECIAL REHAB	36,000	S.I.R. MANAGEMENT, INC.	100.00%	14,037	(21,963)	24
25	V	15	EMPLOYEE BENFITS		S.I.R. MANAGEMENT, INC.	100.00%	2,371	2,371	25
26	V								26
27	V	6	MAINTENANCE SALARIES	72,841	S.I.R. MANAGEMENT, INC.	100.00%	68,252	(4,589)	27
28	V	7	EMPLOYEE BENEFITS		S.I.R. MANAGEMENT, INC.	100.00%	13,681	13,681	28
29	V								29
30	V	5	UTILITIES		S.I.R. MANAGEMENT, INC.	100.00%	3,477	3,477	30
31	V	6	REPAIRS AND MAINT.		S.I.R. MANAGEMENT, INC.	100.00%	1,422	1,422	31
32	V	19	PROFESSIONAL FEES		S.I.R. MANAGEMENT, INC.	100.00%	76	76	32
33	V	21	CLERICAL & GENERAL		S.I.R. MANAGEMENT, INC.	100.00%	97	97	33
34	V	26	INSURANCE		S.I.R. MANAGEMENT, INC.	100.00%	164	164	34
35	V	30	DEPRECIATION		S.I.R. MANAGEMENT, INC.	100.00%	11,102	11,102	35
36	V	32	INTEREST		S.I.R. MANAGEMENT, INC.	100.00%	9,573	9,573	36
37	V	33	REAL ESTATE TAXES		S.I.R. MANAGEMENT, INC.	100.00%	8,734	8,734	37
38	V	19	PROFESSIONAL FEES (RE TAX)		S.I.R. MANAGEMENT, INC.	100.00%	1,261	1,261	38
39	Total			\$ 144,841			\$ 305,950	\$ * 161,109	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

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	22	Employee Health Insurance	\$	CCS Employee Benefits Group	100.00%	\$ 624,958	\$ 624,958	15
16	V								16
17	V								17
18	V								18
19	V	22	Employee Health Insurance	624,958	CCS Employee Benefits Group	100.00%		(624,958)	19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								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								38
39	Total			\$ 624,958			\$ 624,958	\$ *	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

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	1	Dietary	\$	Xcel Supply, LLC	100.00%	\$	\$	15
16	V	3	Housekeeping	40,849	Xcel Supply, LLC	100.00%	38,373	(2,476)	16
17	V	4	Laundry	1,583	Xcel Supply, LLC	100.00%	1,487	(96)	17
18	V	6	Repairs & Maintenance	1,934	Xcel Supply, LLC	100.00%	1,817	(117)	18
19	V	10	Nursing	317,535	Xcel Supply, LLC	100.00%	298,285	(19,250)	19
20	V	11	Activities		Xcel Supply, LLC	100.00%			20
21	V	21	Office And Clerical		Xcel Supply, LLC	100.00%			21
22	V	22	Employee Benefits		Xcel Supply, LLC	100.00%			22
23	V	30	Fixed Assets-Depreciation	4,723	Xcel Supply, LLC	100.00%	4,437	(286)	23
24	V	39	Ancillary		Xcel Supply, LLC	100.00%			24
25	V								25
26	V								26
27	V								27
28	V								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								38
39	Total			\$ 366,625			\$ 344,399	\$ * (22,226)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

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			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								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								38
39	Total			\$			\$	\$ *	39

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			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								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								38
39	Total			\$			\$	\$ *	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

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			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								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								38
39	Total			\$			\$	\$ *	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

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			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								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								38
39	Total			\$			\$	\$ *	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

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			\$			\$	\$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								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								38
39	Total			\$			\$	\$ *	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

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	ATIED ASSOCIATES	34.7222%	ALBANY CARE INC	EVANSTON	6631 MILWAUKEE, LLC	LINCOLNWOOD	BUILDING CO.	1
2	BARRISH GROUP LTD PARTNERSHIP	12.1528%	BRYN MAWR CARE INC.	CHICAGO	SIR MANAGEMENT	LINCOLNWOOD	MANAGEMENT CO.	2
3	BRYAN BARRISH TRUST DTD 9/1/04	12.1528%	COLUMBUS PARK NURSING & REHABILITATION CENTER, INC.	CHICAGO	SIR PROPERTIES	LINCOLNWOOD	BUILDING CO.	3
4	JOSHUA DAVID BEHR	1.5625%	DECATUR MANOR HEALTHCARE,LLC	DECATUR	EXTENDED CARE-OWNER'S CO	LINCOLNWOOD	MANAGEMENT CO.	4
5	LINDSEY ERIN BEHR	1.5625%	ELMWOOD CARE, INC.	ELMWOOD PARK	XCEL MEDICAL SUPPLY, LLC	EVANSTON	SUPPLIES	5
6	LORI BARRISH	1.5625%	FAIRVIEW NURSING PLAZA, INC.	ROCKFORD	C.C.S. VEBA	EVANSTON	HEALTH INSURANCE	6
7	MICHAEL GIANNINI TRUST DTD 3/13/00	10.4166%	GREENWOOD CARE, INC.	EVANSTON				7
8	RALPH GESUALDO CHILDREN'S TRUST	12.1528%	MAPLEWOOD CARE, INC.	ELGIN				8
9	RALPH GESULADO	12.1528%	NEIGHBORS REHABILITATION CENTER,LLC	BYRON				9
10	THOMAS WINTER	1.5625%	ROCK ISLAND NURSING & REHAB CENTER,LLC	ROCK ISLAND				10
11			WILSON CARE, INC.	CHICAGO				11
12			APPLEWOOD REHABILITATION CENTER	MATTESON				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

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								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								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

Facility Name & ID Number Regency Rehabilitation Center, Llc # 0049841 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Bryan Barrish	Owner	Administrative	12.15	See Attached	4.3	9.56%	Alloc. Salary	\$ 21,478	17-7	1
2	Michael Giannini	Owner	Administrative	10.42	See Attached	3.76	9.40%	Alloc. Salary	17,934	17-7	2
3	Eric Rothner	Relative	Administrative	N/A	See Attached	0.64	1.38%	Alloc. Salary	14,637	17-7	3
4	Nenita Guzman	Relative	Dietary	N/A	See Attached	5.37	10.74%	Alloc. Salary	9,816	1-7	4
5	Sarah Barrish	Relative	Administrative	N/A	See Attached	5.37	10.74%	Alloc. Salary	12,859	17-7	5
6	Kirsten Barrish	Relative	Clerical	N/A	See Attached	4.3	10.75%	Alloc. Salary	4,835	21-7	6
7	Tom Winter	Owner	Administrative	1.56	See Attached	6.44	10.73%	Alloc. Salary	21,478	17-7	7
8	G. Matt Silvers	Relative	Administrative	N/A	See Attached	1.17	2.93%	Alloc. Salary	4,597	17-7	8
9	Adam Vales	Relative	Clerical	N/A	See Attached	3.73	9.33%	Alloc. Salary	6,608	22-7	9
10	Lori Barrish	Owner	Administrative	1.56	None	40	100.00%	Salary	119,165	17-1	10
11	Where applicable, the amounts reported on this page have been adjusted from the actual costs to reflect only amounts anticipated to be										11
12	considered allowable by the IL. Dept of HFS.										12
13								TOTAL	\$ 233,407		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

SEE ACCOUNTANTS' COMPILATION REPORT

VIII. ALLOCATION OF INDIRECT COSTS

Name of Related Organization _____

Street Address _____

City / State / Zip Code _____

Phone Number (_____) _____

Fax Number (_____) _____

	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						\$	\$		\$	1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										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	TOTALS					\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Regency Rehabilitation Center, Llc # 0049841 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 ☒ NO ☐

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

Name of Related Organization S.I.R. MANAGEMENT, INC.
Street Address 6840 N. LINCOLN
City / State / Zip Code LINCOLNWOOD, IL. 60712
Phone Number (847) 675 -7979
Fax Number (847) 675 -0555

	1	2	3	4	5	6	7	8	9	
	Schedule V		Unit of Allocation		Number of	Total Indirect	Amount of Salary	Facility	Allocation	
	Line	Item	(i.e.,Days, Direct Cost,	Total Units	Subunits Being	Cost Being	Cost Contained	Units	(col.8/col.4)x col.6	
	Reference		Square Feet)		Allocated Among	Allocated	in Column 6			
1	6	REPAIRS AND MAINT.	PATIENT DAYS	837,569	13	\$ 133,007	\$ 59,965	89,948	\$ 14,284	1
2	7	EMP. BEN.-GEN. SERV.	PATIENT DAYS	837,569	13	10,563		89,948	1,134	2
3	10	NURSING	PATIENT DAYS	837,569	13	194,733	194,733	89,948	20,913	3
4	15	EMP. BEN.-H.C.	PATIENT DAYS	837,569	13	33,459		89,948	3,593	4
5	19	PROFESSIONAL FEES	PATIENT DAYS	837,569	13	159,360	132,109	89,948	17,114	5
6	20	FEES,SUBSCRIPTIONS	PATIENT DAYS	837,569	13	14,549		89,948	1,562	6
7	21	CLERICAL & GENERAL	PATIENT DAYS	837,569	13	655,215	586,698	89,948	70,365	7
8	24	EDUCATION & SEMINAR	PATIENT DAYS	837,569	13	8,688		89,948	933	8
9	25	OTHER ADMIN. STAFF TRANS	PATIENT DAYS	837,569	13	119,765		89,948	12,862	9
10	26	INSURANCE	PATIENT DAYS	837,569	13	18,080		89,948	1,942	10
11	27	EMP. BEN.-GEN. ADMIN.	PATIENT DAYS	837,569	13	57,453		89,948	6,170	11
12	32	INTEREST	PATIENT DAYS	837,569	13	(109,444)		89,948	(11,753)	12
13	35	EQUIPMENT RENTAL	PATIENT DAYS	837,569	13	87,163		89,948	9,361	13
14										14
15	17	ADMINISTRATIVE	PATIENT DAYS	837,569	13	333,346	333,346	89,948	35,799	15
16	19	PROFESSIONAL FEES	PATIENT DAYS	837,569	13	23,941		89,948	2,571	16
17	21	CLERICAL & GENERAL	PATIENT DAYS	837,569	13	1,231,079	1,128,775	89,948	132,208	17
18	27	EMP. BEN.-GEN. ADMIN.	PATIENT DAYS	837,569	13	256,807		89,948	27,579	18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$ 3,227,764	\$ 2,435,627		\$ 346,637	25

Facility Name & ID Number Regency Rehabilitation Center, Llc # 0049841 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 ☒ NO ☐

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

Name of Related Organization S.I.R. MANAGEMENT, INC.
Street Address 6840 N. LINCOLN
City / State / Zip Code LINCOLNWOOD, IL. 60712
Phone Number (847) 675 -7979
Fax Number (847) 675 -0555

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	1	DIETARY SALARIES	PATIENT DAYS	837,569	13	\$ 91,408	\$ 91,408	89,948	\$ 9,816	1
2	7	EMP. BEN.-DIETARY	PATIENT DAYS	837,569	13	15,892		89,948	1,707	2
3	10	NURSING SALARIES	PATIENT DAYS	837,569	13	95,082	95,082	89,948	10,211	3
4	15	EMP. BEN.-NURSING	PATIENT DAYS	837,569	13	16,460		89,948	1,768	4
5	17	ADMIN./LEGAL SALARIES	PATIENT DAYS	837,569	13	971,606	971,606	89,948	104,343	5
6	19	FIN. CONSULT./REGL. DIR.	PATIENT DAYS	837,569	13	189,000		89,948	20,297	6
7	27	EMP. BEN.-ADMINISTRATIVE	PATIENT DAYS	837,569	13	219,385		89,948	23,560	7
8										8
9										9
10	10A	DIRECTOR OF SPECIAL REHA	SPECIAL REHAB INC.	315,820	13	123,146	123,146	36,000	14,037	10
11	15	EMPLOYEE BENFITS	SPECIAL REHAB INC.	315,820	13	20,802		36,000	2,371	11
12										12
13	6	MAINTENANCE SALARIES	MAINTENANCE INC.	367,402	13	344,256	344,256	72,841	68,252	13
14	7	EMPLOYEE BENEFITS	MAINTENANCE INC.	367,402	13	69,007		72,841	13,681	14
15										15
16	5	UTILITIES	ALLOCATED SQ FT	12,880	13	32,378		1,383	3,477	16
17	6	REPAIRS AND MAINT.	ALLOCATED SQ FT	12,880	13	13,246		1,383	1,422	17
18	19	PROFESSIONAL FEES	ALLOCATED SQ FT	12,880	13	705		1,383	76	18
19	21	CLERICAL & GENERAL	ALLOCATED SQ FT	12,880	13	899		1,383	97	19
20	26	INSURANCE	ALLOCATED SQ FT	12,880	13	1,527		1,383	164	20
21	30	DEPRECIATION	ALLOCATED SQ FT	12,880	13	103,394		1,383	11,102	21
22	32	INTEREST	ALLOCATED SQ FT	12,880	13	89,152		1,383	9,573	22
23	33	REAL ESTATE TAXES	ALLOCATED SQ FT	12,880	13	81,334		1,383	8,734	23
24	19	PROFESSIONAL FEES (RE TAX	ALLOCATED SQ FT	12,880	13	11,747		1,383	1,261	24
25	TOTALS					\$ 2,490,426	\$ 1,625,498		\$ 305,950	25

Facility Name & ID Number Regency Rehabilitation Center, Llc # 0049841 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 ☒ NO ☐

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

Name of Related Organization Xcel Supply, LLC
Street Address 2201 Main Street
City / State / Zip Code Evanston, IL 60202
Phone Number (847)328-7600
Fax Number (847)328-7615

	1	2	3	4	5	6	7	8	9	
	Schedule V		Unit of Allocation		Number of	Total Indirect	Amount of Salary	Facility	Allocation	
	Line	Item	(i.e.,Days, Direct Cost,	Total Units	Subunits Being	Cost Being	Cost Contained	Units	(col.8/col.4)x col.6	
	Reference		Square Feet)		Allocated Among	Allocated	in Column 6			
1	1	Dietary	Direct Allocation			\$	\$		\$	1
2	3	Housekeeping	Direct Allocation						38,373	2
3	4	Laundry	Direct Allocation						1,487	3
4	6	Repairs & Maintenance	Direct Allocation						1,817	4
5	10	Nursing	Direct Allocation						298,285	5
6	11	Activities	Direct Allocation							6
7	21	Office And Clerical	Direct Allocation							7
8	22	Employee Benefits	Direct Allocation							8
9	30	Fixed Assets-Depreciation	Direct Allocation						4,437	9
10	39	Ancillary	Direct Allocation							10
11										11
12										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	TOTALS					\$	\$		344,399	25

Ending: 12/31/11

(847)905-4040

SEE ACCOUNTANTS' COMPILATION REPORT

VIII. ALLOCATION OF INDIRECT COSTS

Name of Related Organization _____

Street Address _____

City / State / Zip Code _____

Phone Number (____) _____

Fax Number (____) _____

	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						\$	\$		\$	1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										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	TOTALS					\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Ending: 12/31/11

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Regency Rehabilitation Center, Llc # 0049841 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 ☐ NO ☐
- B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization _____
Street Address _____
City / State / Zip Code _____
Phone Number (____) _____
Fax Number (____) _____

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1						\$	\$			1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										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	TOTALS					\$	\$		\$	25

Facility Name & ID Number Regency Rehabilitation Center, Llc # 0049841 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 ☐ NO ☐

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

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number
Fax Number

()

()

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1						\$	\$			1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										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	TOTALS					\$	\$		\$	25

Ending: 12/31/11

SEE ACCOUNTANTS' COMPILATION REPORT

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	Lake Forest Bank		X	Line of Credit			\$	3,275,000			\$	111,700	1
2	Mortgage Payable		X					20,390,230				1,176,406	2
3													3
4													4
5	See Supplemental Schedule												5
	Working Capital												
6	Alloc. SIR Management	X										(2,180)	6
7	Member Loan - LFB		X					4,998,000					7
8	See Supplemental Schedule							4,000,000					8
9	TOTAL Facility Related						\$	32,663,230			\$	1,285,926	9
	B. Non-Facility Related*												
10	Interest Income		X									(859)	10
11	Interest Income - Bldg		X									(9,786)	11
12													12
13	See Supplemental Schedule												13
14	TOTAL Non-Facility Related						\$				\$	(10,646)	14
15	TOTALS (line 9+line14)						\$	32,663,230			\$	1,275,280	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ None Line # N/A

* 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.)

SEE ACCOUNTANTS' COMPILATION REPORT

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE - SUPPLEMENTAL SCHEDULE

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							\$					\$	1						
2													2						
3													3						
4													4						
5													5						
6													6						
7	TOTAL Long-Term												7						
	Working Capital																		
8	Member Loan		X				\$		\$ 4,000,000			\$	8						
9													9						
10													10						
11													11						
12													12						
13													13						
14	TOTAL Working Capital								4,000,000				14						
	B. Non-Facility Related*																		
15							\$		\$			\$	15						
16													16						
17													17						
18													18						
19													19						
20	TOTAL Non-Facility Related												20						

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

SEE ACCOUNTANTS' COMPILATION REPORT

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

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

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2010 report.		Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.		\$	732,609	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.)				\$	674,263	2
3. Under or (over) accrual (line 2 minus line 1).				\$	(58,346)	3
4. Real Estate Tax accrual used for 2011 report. (Detail and explain your calculation of this accrual on the lines below.)				\$	713,000	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.)				\$	1,261	5
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.				\$	655,915	7
Real Estate Tax History:						
Real Estate Tax Bill for Calendar Year:		2006		8		
		2007	552,631	9		
		2008	604,679	10		
		2009	683,760	11		
		2010	665,529	12		
\$678,766 x 1.05 = \$713,000 (Rounded)						
Allocation From SIR Management = \$8,734						
Beginning Accrual Adjusted						

	FOR BHF USE ONLY		
13	FROM R. E. TAX STATEMENT FOR 2010	\$	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.**

SEE ACCOUNTANTS' COMPILATION REPORT

FACILITY NAME	<u>Regency Rehabilitation Center, Llc</u>	COUNTY	<u>Cook</u>
FACILITY IDPH LICENSE NUMBER	<u>0049841</u>		
CONTACT PERSON REGARDING THIS REPORT	<u>Steve Lavenda</u>		
TELEPHONE	<u>(847) 236-1111</u>	FAX #:	<u>(847) 236-1155</u>

Enter the tax index number and real estate tax assessed for 2010 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 2010.

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.

2000 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME

Regency Rehabilitation Center, Llc

COUNTY

Cook

FACILITY IDPH LICENSE NUMBER

0049841

CONTACT PERSON REGARDING THIS REPORT

TELEPHONE ()

FAX #: ()

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2000 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 2000.

(A)	(B)	(C)	(D)
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Tax</u> <u>Applicable to</u> <u>Nursing Home</u>
1.		\$	\$
2.		\$	\$
3.		\$	\$
4.		\$	\$
5.		\$	\$
6.		\$	\$
7.		\$	\$
8.		\$	\$
9.		\$	\$
10.		\$	\$
TOTALS		\$	\$

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 & 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 2000 tax bills which were listed in Section A to this statement. Be sure to use the 2000 tax bill which is normally paid during 2001.

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 89,951

B. General Construction Type: Exterior Brick Frame Steel Number of Stories 5

C. Does the Operating Entity? ☐ (a) Own the Facility ☒ (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? ☒ (a) Own the Equipment ☒ (b) Rent equipment from a Related Organization. ☒ (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).

Regency Rehabilitation Center, LLC - Rehabilitation Company - Separate Building

Regency Senior Day Care - Home Health and Adult Care Agency - Separate Building

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? ☐ YES ☒ NO

If so, please complete the following:

1. Total Amount Incurred:

2. Number of Years Over Which it is Being Amortized:

3. Current Period Amortization:

4. Dates Incurred:

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				\$	1
2					2
3	TOTALS			\$	3

SEE ACCOUNTANTS' COMPILATION REPORT

XI. OWNERSHIP COSTS (continued)

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

	1		2	3	4	5	6	7	8	9	
	Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	300			1976	\$ 12,900,000	\$ 547,487	39	\$ 330,769	\$ (216,718)	\$ 613,186	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9											9
10											10
11											11
12											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

*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

Facility Name & ID Number Regency Rehabilitation Center, Llc

0049841

Report Period Beginning:

01/01/11

Ending:

12/31/11

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	
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									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67	Related Building Company (Pages 12F & 12G)		8,985,970			450,470	450,470	539,353	67
68	Related Party Allocations (Pages 12H & 12I)		161,709	5,053		7,191	2,138	69,446	68
69	Financial Statement Depreciation			67,760			(67,760)		69
70	TOTAL (lines 4 thru 69)		\$ 22,047,679	\$ 620,300		\$ 788,430	\$ 168,130	\$ 1,221,985	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Regency Rehabilitation Center, Llc

0049841

Report Period Beginning:

01/01/11

Ending:

12/31/11

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 22,047,679	\$ 620,300		\$ 788,430	\$ 168,130	\$ 1,221,985	1
2	Hvac Work	2008	31,540		20	1,577	1,577	6,177	2
3	Flooring	2008	20,700		20	2,957	2,957	11,336	3
4	Hvac Work	2008	13,495		20	675	675	2,587	4
5	Hvac Work	2008	3,900		20	195	195	748	5
6	Hvac Work	2008	11,798		20	590	590	2,212	6
7	Hvac Work	2008	8,425		20	421	421	1,580	7
8	Hvac Work	2008	5,479		20	274	274	1,004	8
9	Wallpaper Dining	2008	9,983		20	499	499	1,789	9
10	Flooring	2008	7,214		20	361	361	1,293	10
11	Boiler	2008	17,261		20	863	863	3,093	11
12	Parking Lot Work	2008	14,140		20	943	943	3,221	12
13	Cooling Coil	2008	18,430		20	922	922	2,995	13
14	Mixing Valve	2008	6,492		20	325	325	1,055	14
15	Dampers	2008	4,379		20	219	219	712	15
16	Hvac Work	2008	6,333		20	317	317	1,003	16
17	Hvac Work	2008	25,218		20	1,261	1,261	3,993	17
18	A/C Units	2008	7,452		20	373	373	1,304	18
19	Receptacles	2008	3,818		20	191	191	636	19
20	Window Shades	2008	7,365		20	368	368	1,350	20
21	Drapes	2008	2,601		20	130	130	466	21
22	Generator Supplies & Maintenance	2008	2,733		20	137	137	467	22
23	Cooling Tower Bearing & Belt Repair	2008	2,616		20	131	131	436	23
24	Electrical Elevator Repairs	2008	2,599		20	130	130	422	24
25	Replace Tower Fan Motor	2008	5,604		20	280	280	911	25
26	Keys & Locks For Med Rooms	2008	6,198		20	310	310	1,007	26
27	Xmmt Freight Error Repair	2008	4,022		20	201	201	687	27
28	Smoke Detectors	2008	2,881		20	144	144	540	28
29	Shower Faucets	2009	12,940		20	647	647	1,941	29
30	Ejector Pump	2009	6,242		20	312	312	832	30
31	Fire Dampers	2009	5,986		20	299	299	798	31
32	Fire Dampers	2009	3,246		20	162	162	433	32
33	Security System	2009	2,825		20	283	283	706	33
34	TOTAL (lines 1 thru 33)		\$ 22,331,594	\$ 620,300		\$ 804,925	\$ 184,625	\$ 1,279,717	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Regency Rehabilitation Center, Llc

0049841

Report Period Beginning:

01/01/11

Ending:

12/31/11

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 22,331,594	\$ 620,300		\$ 804,925	\$ 184,625	\$ 1,279,717	1
2	Door Alarms	2009	5,697		20	570	570	1,424	2
3	Ductwork	2009	13,130		20	657	657	1,532	3
4	Plumbing Work	2009	3,450		20	173	173	388	4
5	Roof	2009	87,084		20	5,045	5,045	11,351	5
6	Window Treatments	2009	3,458		20	173	173	519	6
7	Hot Water Work	2009	3,077		20	154	154	449	7
8	Condenser	2009	11,395		20	570	570	1,614	8
9	Rooftop Hvac Fans	2009	20,668		20	1,033	1,033	2,928	9
10	Dryer Vent/Exhaust	2009	14,755		20	738	738	1,967	10
11	Storm Drain Pipe Repair	2009	5,800		20	290	290	725	11
12	Exhaust Fan & Dampers	2009	9,809		20	490	490	1,226	12
13	Stats & Pneumatic Tubing	2009	4,276		20	214	214	552	13
14	Hvac Controller	2009	5,720		20	286	286	739	14
15	Extending Ductwork	2009	3,593		20	180	180	434	15
16	Boiler Repair	2009	5,323		20	266	266	599	16
17	Chiller Repair	2009	4,526		20	226	226	603	17
18	Sprinkler Heads	2009	6,000		20	300	300	850	18
19	Fire Alarm Repair	2009	2,994		20	150	150	399	19
20	Replace Smoke Damper	2009	2,887		20	144	144	385	20
21	Sprinkler System Repair	2009	3,433		20	172	172	415	21
22	Dryer Exhaust	2010	29,940		20	1,497	1,497	2,620	22
23	Hvac Work	2010	2,985		20	299	299	348	23
24	Nurse Call System	2010	3,078		20	308	308	359	24
25	Exit Doors	2010	4,780		20	239	239	319	25
26	Elevator Work	2010	3,126		20	391	391	716	26
27	Carpet Installation	2010	3,981		20	199	199	332	27
28	Sprinkler Work	2010	3,965		20	198	198	380	28
29	Elevator Renovations	2010	4,689		20	234	234	468	29
30	Laminate Panels, Hand Rails, Coffe Ceilings	2010	9,000		20	450	450	900	30
31	Flooring	2010	5,634		20	282	282	563	31
32	Fire Hydrated Tank	2011	2,985		20	149	149	149	32
33	Security Camera System	2011	7,967		20	1,328	1,328	1,328	33
34	TOTAL (lines 1 thru 33)		\$ 22,630,799	\$ 620,300		\$ 822,328	\$ 202,028	\$ 1,317,300	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Regency Rehabilitation Center, Llc

0049841

Report Period Beginning:

01/01/11

Ending:

12/31/11

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 22,630,799	\$ 620,300		\$ 822,328	\$ 202,028	\$ 1,317,300	1
2	Hvac- Coil Replacement	2011	12,168		20	406	406	406	2
3	Fire System- Sensor Modules	2011	3,064		20	102	102	102	3
4	Security Camera System	2011	8,612		20	1,292	1,292	1,292	4
5	Elevator Motor Work	2011	9,175		20	268	268	268	5
6	Elevator Door Operator	2011	8,547		20	214	214	214	6
7	Overbed Lights (24)	2011	2,330		20	97	97	97	7
8	Magnetic Door Closers	2011	7,474		20	125	125	125	8
9	Fire Pump Work	2011	3,225		20	54	54	54	9
10	Fire Alarm System Work	2011	4,641		20	58	58	58	10
11	Fire Doors	2011	3,300		20	28	28	28	11
12	Closet Soffit	2011	6,497		20	244	244	244	12
13	Repair Air Handler	2011	3,941		20	197	197	197	13
14	Replace Belts & Exhaust Fans	2011	15,623		20	781	781	781	14
15	Elevator Work	2011	3,778		20	189	189	189	15
16	Replace Valves	2011	3,190		20	160	160	160	16
17	Replace Control & Valve	2011	8,491		20	425	425	425	17
18	Repair Coil	2011	2,795		20	140	140	140	18
19	Prep/Paint 16 Rooms	2011	6,784		20	339	339	339	19
20	Water Purification System	2011	3,831		20	192	192	192	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)		\$ 22,748,264	\$ 620,300		\$ 827,635	\$ 207,335	\$ 1,322,608	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

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 12D, Carried Forward		\$ 22,748,264	\$ 620,300		\$ 827,635	\$ 207,335	\$ 1,322,608	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									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	TOTAL (lines 1 thru 33)		\$ 22,748,264	\$ 620,300		\$ 827,635	\$ 207,335	\$ 1,322,608	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Regency Rehabilitation Center, Llc

0049841

Report Period Beginning:

01/01/11

Ending:

12/31/11

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	Building Company Information								1
2	Buildings:								2
3									3
4									4
5									5
6									6
7									7
8	Leasehold Improvements:								8
9	Wallpaper/Installation	2009	18,410		20	1,811	1,811	5,433	9
10	Flooring	2009	44,832		20	2,242	2,242	4,484	10
11	Hand Rails/ Guards	2009	29,804		20	1,490	1,490	2,980	11
12	HVAC Upgrade	2010	306,200		20	15,310	15,310	30,620	12
13	Drapes, Cubicles, Coverlets	2010	166,306		20	8,597	8,597	17,194	13
14	Handrails	2010	59,608		20	2,980	2,980	5,961	14
15	Dialysis Room Piping	2010	19,324		20	966	966	1,932	15
16	Painting- 2nd Floor	2010	35,410		20	1,771	1,771	3,541	16
17	Painting- 4th Floor	2009	52,610		20	2,631	2,631	5,261	17
18	Pegasus- Nursing Stations	2009	165,000		20	8,250	8,250	16,500	18
19	Built In Furniture	2009	299,000		20	13,348	13,348	26,695	19
20	Flooring	2009	208,860		20	1,603	1,603	3,205	20
21	Flooring	2010	116,064		20	16,246	16,246	32,492	21
22	Window Treatments	2010	7,202		20	360	360	720	22
23	Corner Gaurds	2010	5,103		20	255	255	510	23
24	Flooring	2010	15,532		20	777	777	1,553	24
25	Telephone System	2010	42,428		20	2,121	2,121	7,313	25
26	Overbed Lights	2010	5,573		20	279	279	557	26
27	Overbed Lights	2010	9,240		20	462	462	924	27
28	Interior Signage	2010	5,424		20	271	271	542	28
29	Interior Signage	2010	4,305		20	215	215	431	29
30	Lighting	2010	26,692		20	1,335	1,335	2,669	30
31	Resident Room Locks	2010	6,990		20	350	350	699	31
32	1st Floor Resident Room Work	2011	4,500		20	225	225	225	32
33	PT Recovery Room	2011	4,000		20	200	200	310	33
34									34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Regency Rehabilitation Center, Llc

0049841

Report Period Beginning:

01/01/11

Ending:

12/31/11

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Building Company Information Continued		\$	\$		\$	\$	\$	1
2	Dialysis Water Purification	2011	6,385		20	319	319	319	2
3	Custom Cabinets	2011	4,000		20	200	200	200	3
4	Grocery Cabinets	2011	7,900		20	395	395	395	4
5	Carpet & Flooring	2011	3,717		20	186	186	186	5
6	Sprinkler Heads	2011	5,679		20	284	284	284	6
7	Outdoor Iron Gates and Fencing	2011	9,245		20	462	462	462	7
8	Elevator Flooring	2011	7,432		20	372	372	372	8
9	Sump Pump	2011	7,342		20	367	367	367	9
10	Landscape Improvements - Trees & Plants	2011	11,340		20	567	567	567	10
11	1st Floor Suites - Cabinets & Granite Tops	2011	28,700		20	1,435	1,435	1,435	11
12	Cabinetry	2011	8,600		20	430	430	430	12
13	Elevator Panels	2011	9,000		20	450	450	450	13
14	Window Treatment	2011	11,587		20	579	579	579	14
15	Window Treatment	2011	19,302		20	965	965	965	15
16	Resident Flooring - 1st Floor	2011	25,357		20	1,268	1,268	1,268	16
17	Window Treatments	2011	3,003		20	150	150	150	17
18	Cubicle Curtains - Dialysis	2011	7,051		20	353	353	353	18
19	Install Corner Guards	2011	3,840		20	192	192	192	19
20	Kitchen Dishwasher Install	2011	5,306		20	265	265	265	20
21	Fireproofing Rooms 201-202	2010	8,150		20	408	408	408	21
22	Family Room Wall Prep & Paint	2011	2,700		20	135	135	135	22
23	Check Valves, Sprayer, Faucet	2011	5,731		20	287	287	287	23
24	Sprinkler Heads	2011	9,299		20	465	465	465	24
25	Mason Wall for Garbage Enclosure	2011	6,500		20	325	325	325	25
26	2,3,4, Flr Bathrooms - Tiles, Walls, Flr	2011	190,991		20	9,550	9,550	9,550	26
27	Asbestos Handling	2011	441,394		20	22,070	22,070	22,070	27
28	Dialysis, Therapy, & Dining Rooms & 1st Flr & Basement Remod	2011	5,662,788		20	283,139	283,139	283,361	28
29	Architect Fees-Dialysis, Therapy&Dining Rooms&1st Flr&Basem	2011	479,093		20	23,955	23,955	23,955	29
30	Fees Dialysis, Therapy & Dining Rooms & 1st Flr & Basement Re	2011	299,630		20	14,982	14,982	14,982	30
31	Contracter Fee - Dialysis, Therapy & Dining Rooms & 1st Flr & B	2011	36,491		20	1,825	1,825	1,825	31
32									32
33									33
34	TOTAL (12F & 12G lines 1 thru 33)		\$ 8,985,970	\$		\$ 450,470	\$ 450,470	\$ 539,353	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Regency Rehabilitation Center, Llc

0049841

Report Period Beginning:

01/01/11

Ending:

12/31/11

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Related Party Information		\$	\$		\$	\$		1
2	Buildings:	1993	48,605	1,543	35	1,389	(154)	24,302	2
3									3
4									4
5									5
6									6
7									7
8	Leasehold Improvements:								8
9	S.I.R. Properties- SIR Management- Allocation	2010	2,933		20	147	147	196	9
10	S.I.R. Properties- SIR Management- Allocation	2009	2,918	255	20	146	(109)	409	10
11	S.I.R. Properties- SIR Management- Allocation	2007	851	70	20	43	(27)	213	11
12	S.I.R. Properties- SIR Management- Allocation	2002	193		20	10	10	92	12
13	S.I.R. Properties- SIR Management- Allocation	1999	6,159		20	308	308	3,849	13
14	S.I.R. Properties- SIR Management- Allocation	1998	2,943		20	147	147	1,987	14
15	S.I.R. Properties- SIR Management- Allocation	1997	183		20	9	9	142	15
16	S.I.R. Properties- SIR Management- Allocation	1994	463	12	20	23	11	405	16
17	S.I.R. Properties- SIR Management- Allocation	1993	788	4	20	39	35	730	17
18									18
19	SIR Management- Allocation	1993	12,323	343	20	611	268	11,607	19
20	SIR Management- Allocation	1994	38		20			38	20
21	SIR Management- Allocation	1995	282		20	14	14	231	21
22	SIR Management- Allocation	1997	18,935	424	20	929	505	14,003	22
23	SIR Management- Allocation	1999	1,489		20	75	75	911	23
24	SIR Management- Allocation	1999			20				24
25	SIR Management- Allocation	2000	1,758		20	84	84	1,014	25
26	SIR Management- Allocation	2007	5,648	521	20	282	(239)	1,184	26
27	SIR Management- Allocation	2008	15,565	1,487	20	981	(506)	3,772	27
28	SIR Management- Allocation	2009	38,678	354	20	1,934	1,580	4,341	28
29	SIR Management- Allocation	2011	957	40	20	20	(20)	20	29
30									30
31									31
32									32
33									33
34									34

SEE ACCOUNTANTS' COMPILATION REPORT

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

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	
1	Related Party Information Continued								1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									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	TOTAL (12H & 12I lines 1 thru 33)		\$ 161,709	\$ 5,053		\$ 7,191	\$ 2,138	\$ 69,446	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

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	\$1,441,888	\$99,951	\$150,288	\$50,337	10	\$250,956	71
72	Current Year Purchases	122,210	12	9,046	9,034	10	9,046	72
73	Fully Depreciated Assets	42,649	(286)	(262)	24	10	42,648	73
74								74
75	TOTALS	\$1,606,747	\$99,677	\$159,071	\$59,394		\$302,650	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		Alloc-SIR Management	2010	\$3,775	\$465	\$534	\$69	5	\$748
77									
78									
79									
80	TOTALS			\$3,775	\$465	\$534	\$69		\$748

E. Summary of Care-Related Assets				1	2
		Reference			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)			\$24,358,786
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)			\$720,442
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)			\$987,241
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)			\$266,799
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)			\$1,626,005

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	Office Building - 2009	\$500,000	\$	\$
87	Land- Vacant Parcel - 2009	400,000		
88	Land- Office Buidling - 2009	150,000		
89				
90				
91	TOTALS	\$1,050,000	\$	\$

G. Construction-in-Progress		
	Description	Cost
92		\$
93		
94		
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.

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A
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: *

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: \$ 21,296 Description: See Attached Schedule

(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					20
21	TOTAL		\$	\$	21

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.	/2012	\$
13.	/2013	\$
14.	/2014	\$

* 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

☒ 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)	\$			

- (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.

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	

- (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.
- SEE ACCOUNTANTS' COMPILATION REPORT

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

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39 - 03	hrs	\$		\$ 76,610	\$		\$ 76,610	1
2	Licensed Speech and Language Development Therapist	39 - 03	hrs			8,089			8,089	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39 - 03	hrs			118,655	834,710		953,365	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39 - 02	# of prescrpts				397,067		397,067	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):									12
13	Other (specify): See Supplemental						256,255		256,255	13
14	TOTAL			\$		\$ 203,354	\$ 1,488,032		\$ 1,691,386	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.

SEE ACCOUNTANTS' COMPILATION REPORT

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

		1	2	
		Operating	After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 60,476	\$ 112,692	1
2	Cash-Patient Deposits	104,070	104,070	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	4,810,046	4,810,046	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	29,136	29,136	6
7	Other Prepaid Expenses	4,414	4,414	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See Attached Schedule			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 5,008,142	\$ 5,060,358	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		1,350,000	13
14	Buildings, at Historical Cost		13,900,000	14
15	Leasehold Improvements, at Historical Cost	500,650	2,965,484	15
16	Equipment, at Historical Cost	406,741	1,570,831	16
17	Accumulated Depreciation (book methods)	(177,522)	(1,313,464)	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 (specify):			22
23	Other(specify): See Attached Schedule	1,291,511	13,646,756	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 2,021,380	\$ 32,119,607	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 7,029,522	\$ 37,179,965	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 727,552	\$ 2,022,268	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	104,070	104,070	28
29	Short-Term Notes Payable	3,275,000	12,273,000	29
30	Accrued Salaries Payable	464,373	464,373	30
31	Accrued Taxes Payable (excluding real estate taxes)	45,653	45,653	31
32	Accrued Real Estate Taxes(Sch.IX-B)	105,000	713,000	32
33	Accrued Interest Payable		106,414	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See Attached Schedule	108,649	125,771	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 4,830,297	\$ 15,854,549	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		20,390,230	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	See Attached Schedule			43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$	\$ 20,390,230	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 4,830,297	\$ 36,244,779	46
47	TOTAL EQUITY(page 18, line 24)	\$ 2,199,225	\$ 935,186	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 7,029,522	\$ 37,179,965	48

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 1,576,139	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 1,576,139	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	1,039,086	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	(416,000)	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)	\$ 623,086	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)	\$ 2,199,225	24 *

* This must agree with page 17, line 47.

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.

1			
	Revenue	Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	\$ 18,416,225	1
2	Discounts and Allowances for all Levels	(3,926,125)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 14,490,100	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	3,504,950	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 3,504,950	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		12
13	Barber and Beauty Care	1,125	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	331,456	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	47,910	19
20	Radiology and X-Ray	10,777	20
21	Other Medical Services	150,234	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 541,502	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	859	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 859	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>See Supplemental Schedule</u>	331,860	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 331,860	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 18,869,271	30

2			
	Expenses	Amount	
	A. Operating Expenses		
31	General Services	2,905,314	31
32	Health Care	5,503,937	32
33	General Administration	3,982,240	33
	B. Capital Expense		
34	Ownership	3,061,395	34
	C. Ancillary Expense		
35	Special Cost Centers	1,888,049	35
36	Provider Participation Fee	489,250	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 17,830,185	40
41	Income before Income Taxes (line 30 minus line 40)**	1,039,086	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 1,039,086	43

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? Cash Basis 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. SEE ACCOUNTANTS' COMPILATION REPORT

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

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	1,949	2,086	\$ 97,649	\$ 46.81	1
2	Assistant Director of Nursing	2,001	2,146	77,462	36.10	2
3	Registered Nurses	56,923	59,990	1,669,299	27.83	3
4	Licensed Practical Nurses	28,829	30,336	747,382	24.64	4
5	CNAs & Orderlies	166,640	175,357	1,839,007	10.49	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	7,210	7,927	122,153	15.41	8
9	Activity Director	3,141	3,591	53,695	14.95	9
10	Activity Assistants	17,618	18,721	187,750	10.03	10
11	Social Service Workers	9,018	9,582	156,449	16.33	11
12	Dietician	2,870	3,006	66,116	21.99	12
13	Food Service Supervisor	890	1,099	21,690	19.74	13
14	Head Cook	5,682	6,539	84,858	12.98	14
15	Cook Helpers/Assistants	34,138	36,944	322,861	8.74	15
16	Dishwashers					16
17	Maintenance Workers	6,215	6,522	129,365	19.84	17
18	Housekeepers	33,337	35,236	328,297	9.32	18
19	Laundry	17,228	18,662	166,315	8.91	19
20	Administrator	1,861	2,086	119,165	57.13	20
21	Assistant Administrator	1,900	2,018	72,235	35.80	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	10,323	10,887	135,474	12.44	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					31
32	Other Health Care(specify)					32
33	Other(specify) See Supplemental	9,669	10,659	254,254	23.85	33
34	TOTAL (lines 1 - 33)	417,442	443,394	\$ 6,651,476 *	\$ 15.00	34

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	833	\$ 38,232	01-03	35
36	Medical Director	Monthly	53,400	09-03	36
37	Medical Records Consultant	Monthly	4,512	10-03	37
38	Nurse Consultant	Monthly	72,000	10-03	38
39	Pharmacist Consultant	Monthly	16,253	10-03	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	140	7,007	11-03	44
45	Social Service Consultant	Monthly	6,743	12-03	45
46	Other(specify)				46
47	Dir of Specialized Services	Monthly	36,000	10a-03	47
48	Dir of Food Services	Monthly	36,000	01-03	48
49	TOTAL (lines 35 - 48)	973	\$ 270,147		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				52
53	TOTAL (lines 50 - 52)		\$		53

SEE ACCOUNTANTS' COMPILATION REPORT

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

** See instructions.

Facility Name & ID Number		Regency Rehabilitation Center, Llc		STATE OF ILLINOIS		Report Period Beginning:		01/01/11		Page 21		Ending:		12/31/11					
XIX. SUPPORT SCHEDULES																			
A. Administrative Salaries				Ownership				D. Employee Benefits and Payroll Taxes				F. Dues, Fees, Subscriptions and Promotions							
Name		Function		%		Amount		Description		Amount		Description		Amount					
Lori Barrish		Administrator		1.56		\$ 119,165		Workers' Compensation Insurance		\$ 195,550		IDPH License Fee		\$ 2,486					
Barbara Dabrowski		Assist Admin		0		53,450		Unemployment Compensation Insurance		116,528		Advertising: Employee Recruitment		55,479					
Jacqueline Gully		Assist Admin		0		18,785		FICA Taxes		508,838		Health Care Worker Background Check							
								Employee Health Insurance		556,523		(Indicate # of checks performed 348)		6,270					
								Employee Meals		35,314		Patient Background Checks							
								Illinois Municipal Retirement Fund (IMRF)*				Licenses and Permits		6,286					
								401K Contributions		4,300		Dues and Subscriptions		28,267					
								Employee Benefits-Other		25,798		Advertising		72,071					
TOTAL (agree to Schedule V, line 17, col. 1)												Alloc. - SIR Management				1,562			
(List each licensed administrator separately.)				\$ 191,400															
B. Administrative - Other																			
Description						Amount						Less: Public Relations Expense		()					
SIR Management - Consulting Fees						\$ 847,323						Non-allowable advertising		(72,071)					
SIR Management - Dir of Admin Services						72,000						Yellow page advertising		()					
SIR Management - Ancillary Admin. Charges						72,000						TOTAL (agree to Sch. V, line 20, col. 8)		\$ 100,350					
								TOTAL (agree to Schedule V, line 22, col.8)		\$ 1,442,851									
TOTAL (agree to Schedule V, line 17, col. 3)				\$ 991,323				E. Schedule of Non-Cash Compensation Paid to Owners or Employees				G. Schedule of Travel and Seminar**							
(Attach a copy of any management service agreement)																			
C. Professional Services																			
Vendor/Payee		Type				Amount		Description		Line #		Amount		Description		Amount			
Personnel Planners		Unemployment Tax Cnslt.				\$ 2,650						\$		Out-of-State Travel		\$			
SIR Management		Dir. Of Regulatory Service				36,000													
SIR Management		Accounting				36,000													
SIR Management		Bookkeeping				133,200								In-State Travel					
Frost, Ruttenberg & Rothblatt		Accounting				29,293													
e-Health Data Solutions		Data Processing				3,600													
Pinnacle Consulting		Customer Satisfaction				2,610													
Midwest Environment		Computing Services				2,500								Seminar Expense		10,113			
Chizek Consulting		Consulting Services				4,103								Alloc. - SIR Management		933			
HDSI		Computer Services				698													
Dalton Guardianship		Legal Fee				264													
See Supplemental Schedule						5,023								Entertainment Expense		()			
TOTAL (agree to Schedule V, line 19, column 3)								TOTAL				\$				(agree to Sch. V, line 24, col. 8)			
(If total legal fees exceed \$5,000, attach copy of invoices.)				\$ 255,941												TOTAL		\$ 11,046	
* Attach copy of IMRF notifications																**See instructions.			
SEE ACCOUNTANTS' COMPILATION REPORT																			

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
1	N/A		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? Yes

(2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. ICLTC \$26,035

(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? 10 Years

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 35,311 Line 10

(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. \$ 489,250
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. \$ N/A Has any meal income been offset against related costs? No Indicate the amount. \$ N/A

(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? None

d. Have vehicle usage logs been maintained? Yes

e. Are all vehicles stored at the nursing home during the night and all other times when not in use? No

f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes

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? No
Firm Name: N/A

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

(19) If total legal fees are in excess of \$5,000, have legal invoices and a summary of services performed been attached to this cost report? N/A
Attach invoices and a summary of services for all architect and appraisal fees.

SEE ACCOUNTANTS' COMPILATION REPORT