

		FOR BHF USE					

LL1

2012
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2012)

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: 0036095

Facility Name: Lexington of Schaumburg

Address: 675 South Roselle Road Schaumburg 60193
Number City Zip Code

County: Cook

Telephone Number: (847) 351-5500 Fax # (847) 352-8592

HFS ID Number:

Date of Initial License for Current Owners: 3/3/90

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: Amanda Springborn Telephone Number: (314) 925-3838
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 01/01/2012 to 12/31/2012 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) _____
(Firm Name & Address) McGladrey LLP
20 N. Martingale Road, Ste. 500, Schaumburg, IL 60173
(Telephone) (847) 517-7070 Fax # (847) 517-7067

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

Facility Name & ID Number Lexington of Schaumburg# 0036095 Report Period Beginning: 01/01/2012 Ending: 12/31/2012

III. STATISTICAL DATA

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

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>214</u>	Skilled (SNF)	<u>214</u>	<u>78,324</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>214</u>	TOTALS	<u>214</u>	<u>78,324</u>	7

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF			<u>16,966</u>	<u>16,966</u>	8
9	SNF/PED					9
10	ICF	<u>42,141</u>	<u>8,872</u>		<u>51,013</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>42,141</u>	<u>8,872</u>	<u>16,966</u>	<u>67,979</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 86.79%

D. How many bed-hold days during this year were paid by the Department?

None (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.

(E.g., day care, "meals on wheels", outpatient therapy)

None

F. Does the facility maintain a daily midnight census?

YesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES ☒NO ☐Note : Non-allowable costs have been
eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☐NO ☒

I. On what date did you start providing long term care at this location?

Date started 04/01/90

J. Was the facility purchased or leased after January 1, 1978?

YES ☐Date New ConstructionNO ☒

K. Was the facility certified for Medicare during the reporting year?

YES ☒NO ☐If YES, enter number
of beds certified 214 and days of care provided 14,960Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRUAL ☒

MODIFIED

CASH* ☐CASH* ☐

Is your fiscal year identical to your tax year?

YES ☒NO ☐Tax Year: 12/31/12Fiscal Year: 12/31/12

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

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	412,880	45,001	13,053	470,934		470,934		470,934			1
2	Food Purchase		392,342		392,342		392,342	(22,356)	369,986			2
3	Housekeeping	344,228	42,350		386,578		386,578	400	386,978			3
4	Laundry	82,172	22,916		105,088		105,088		105,088			4
5	Heat and Other Utilities			217,564	217,564		217,564	7,894	225,458			5
6	Maintenance	34,962		162,104	197,066		197,066	90,536	287,602			6
7	Other (specify):* Mgmt Co. - Allocated							11,976	11,976			7
8	TOTAL General Services	874,242	502,609	392,721	1,769,572		1,769,572	88,450	1,858,022			8
	B. Health Care and Programs											
9	Medical Director			63,263	63,263		63,263		63,263			9
10	Nursing and Medical Records	5,131,501	482,633	194,437	5,808,571		5,808,571	42,876	5,851,447			10
10a	Therapy											10a
11	Activities	243,890	27,452	8,210	279,552		279,552		279,552			11
12	Social Services	159,537		4,997	164,534		164,534		164,534			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):* Mgmt Co. - Allocated							6,145	6,145			15
16	TOTAL Health Care and Programs	5,534,928	510,085	270,907	6,315,920		6,315,920	49,021	6,364,941			16
	C. General Administration											
17	Administrative	145,926		1,613,029	1,758,955		1,758,955	(1,572,926)	186,029			17
18	Directors Fees											18
19	Professional Services			280,151	280,151		280,151	(1,178)	278,973			19
20	Dues, Fees, Subscriptions & Promotions			27,737	27,737		27,737	16,575	44,312			20
21	Clerical & General Office Expenses	215,412	33,520	51,243	300,175		300,175	658,814	958,989			21
22	Employee Benefits & Payroll Taxes			1,078,738	1,078,738		1,078,738	22,356	1,101,094			22
23	Inservice Training & Education			14,674	14,674		14,674	1,057	15,731			23
24	Travel and Seminar							3,137	3,137			24
25	Other Admin. Staff Transportation			2,228	2,228		2,228	19,987	22,215			25
26	Insurance-Prop.Liab.Malpractice			484,816	484,816		484,816	4,334	489,150			26
27	Other (specify):* Mgmt Co. - Allocated							105,968	105,968			27
28	TOTAL General Administration	361,338	33,520	3,552,616	3,947,474		3,947,474	(741,876)	3,205,598			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	6,770,508	1,046,214	4,216,244	12,032,966		12,032,966	(604,405)	11,428,561			29

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

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

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total					9	10	
	D. Ownership	1	2	3	4	5	6	7	8			
30	Depreciation			234,286	234,286		234,286	376,635	610,921			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			42,801	42,801		42,801	453,655	496,456			32
33	Real Estate Taxes							403,981	403,981			33
34	Rent-Facility & Grounds			1,789,301	1,789,301		1,789,301	(1,784,971)	4,330			34
35	Rent-Equipment & Vehicles			104,768	104,768		104,768	3,737	108,505			35
36	Other (specify):*											36
37	TOTAL Ownership			2,171,156	2,171,156		2,171,156	(546,963)	1,624,193			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		682,138	1,721,050	2,403,188		2,403,188		2,403,188			39
40	Barber and Beauty Shops			17,366	17,366		17,366		17,366			40
41	Coffee and Gift Shops			2,036	2,036		2,036		2,036			41
42	Provider Participation Fee			439,482	439,482		439,482		439,482			42
43	Other (specify):* Non-Allowable Co	132,003		184,353	316,356		316,356	(316,356)				43
44	TOTAL Special Cost Centers	132,003	682,138	2,364,287	3,178,428		3,178,428	(316,356)	2,862,072			44
	GRAND TOTAL COST											
45	(sum of lines 29, 37 & 44)	6,902,511	1,728,352	8,751,687	17,382,550		17,382,550	(1,467,724)	15,914,826			45

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

		1	2	3	
	NON-ALLOWABLE EXPENSES	Amount	Refer- ence	BHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms	(6,563)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	1,373	30		9
10	Interest and Other Investment Income	(6,517)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(12,067)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions	(6,555)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(53,085)	43		24
25	Fund Raising, Advertising and Promotional				25
26	Income Taxes and Illinois Personal Property Replacement Tax	(5,220)	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Pg 5A	(226,221)	Var.		29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (314,855)		\$	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	2	
		Amount	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)	(1,152,869)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (1,152,869)		36
(sum of SUBTOTALS				
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (1,467,724)		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	2	3	4	
		Yes	No	Amount	Reference	
38	Medically Necessary Transport.		X	\$		38
39						39
40	Gift and Coffee Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44						44
45	Other-Attach Schedule		X			45
46	Other-Attach Schedule		X			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

Lexington of Schaumburg

ID# 0036095

Report Period Beginning: 01/01/2012

Ending: 12/31/2012

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Nonallowable marketing events	\$ (47,661)	43	1
2	Labs-Part A	(8,073)	43	2
3	X-Rays-Part A	(35,372)	43	3
4	Reclsas to LHI to R&M	6,356	6	4
5	Trust Fees	(50)	43	5
6	Out of period legal	(3,511)	19	6
7	Collections	(23,759)	19	7
8	Marketing Salary	(132,003)	21	8
9	Diagnostics Managed Care	(4,123)	43	9
10	Unrealized loss on FMV swap	28,132	43	10
11	Dues & Subscriptions marketing	(523)	20	11
12	Travel & Seminar Marketing	(462)	24	12
13	Development Expense	(5,172)	43	13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32

33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(226,221)		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
<u>See Page 6-Supplemental</u>		<u>See Page 6-Supplemental</u>		<u>See Page 6-Supplemental</u>		

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	19	<u>Professional Fees</u>	\$	<u>Sambell of Schaumburg Limited Partnership</u>	**	\$ <u>200</u>	\$ <u>200</u>	1
2	V	30	<u>Depreciation</u>		<u>Sambell of Schaumburg Limited Partnership</u>	**	<u>317,197</u>	<u>317,197</u>	2
3	V	32	<u>Amortization of mortgage costs</u>		<u>Sambell of Schaumburg Limited Partnership</u>	**	<u>2,717</u>	<u>2,717</u>	3
4	V	32	<u>Interest expense</u>		<u>Sambell of Schaumburg Limited Partnership</u>	**	<u>438,092</u>	<u>438,092</u>	4
5	V	33	<u>Property taxes</u>		<u>Sambell of Schaumburg Limited Partnership</u>	**	<u>397,300</u>	<u>397,300</u>	5
6	V	34	<u>Rental expense</u>	<u>1,789,301</u>	<u>Sambell of Schaumburg Limited Partnership</u>	**		<u>(1,789,301)</u>	6
7	V								7
8	V	43	<u>Trust fees</u>		<u>Sambell of Schaumburg Limited Partnership</u>	**	<u>50</u>	<u>50</u>	8
9	V	43	<u>Unrealized gain FMV swap</u>	<u>28,132</u>	<u>Sambell of Schaumburg Limited Partnership</u>	**		<u>(28,132)</u>	9
10	V		<u>** The owners of Lexington Health Care Center of Schaumburg, Inc. own 100% of Sambell of Schaumburg Ltd. Ptsp.</u>						10
11	V								11
12	V								12
13	V								13
14	Total			\$ <u>1,817,433</u>			\$ <u>1,155,556</u>	\$ * <u>(661,877)</u>	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 Schedule V	2 Line	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
		Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	3 Housekeeping supplies	\$	Royal Management Corp.	**	\$ 400	\$ 400	15
16	V	5 Utilities - gas & electric		Royal Management Corp.	**	6,688	6,688	16
17	V	5 Utilities - water & sewer		Royal Management Corp.	**	296	296	17
18	V	5 Utilities - maintenance office		Royal Management Corp.	**	910	910	18
19	V	6 Management allocation - salaries		Royal Management Corp.	**	75,372	75,372	19
20	V	6 Repairs & maintenance		Royal Management Corp.	**	8,415	8,415	20
21	V	6 Scavenger & exterminating		Royal Management Corp.	**	393	393	21
22	V	7 Management allocation - employee benefits		Royal Management Corp.	**	11,976	11,976	22
23	V	10 Medical consultant		Royal Management Corp.	**	4,202	4,202	23
24	V	10 Management allocation - salaries		Royal Management Corp.	**	38,674	38,674	24
25	V	15 Management allocation - employee benefits		Royal Management Corp.	**	6,145	6,145	25
26	V	17 Management allocation - salaries		Royal Management Corp.	**	40,103	40,103	26
27	V	19 Computer consultant & supplies		Royal Management Corp.	**	18,895	18,895	27
28	V	19 Professional fees		Royal Management Corp.	**	6,997	6,997	28
29	V	20 Dues & subscriptions		Royal Management Corp.	**	1,283	1,283	29
30	V	20 Advertising - help wanted		Royal Management Corp.	**	15,815	15,815	30
31	V	21 Management allocation - salaries		Royal Management Corp.	**	626,787	626,787	31
32	V	21 Bank charges		Royal Management Corp.	**	3,470	3,470	32
33	V	21 Office supplies & printing		Royal Management Corp.	**	11,040	11,040	33
34	V	21 Postage		Royal Management Corp.	**	4,472	4,472	34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$			\$ 882,333	\$ * 882,333	39

* 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	21	Telephone	\$	Royal Management Corp.	**	\$ 13,045	\$ 13,045	15
16	V	24	Travel & seminar		Royal Management Corp.	**	3,137	3,137	16
17	V	25	Auto expense		Royal Management Corp.	**	19,987	19,987	17
18	V	26	Insurance general		Royal Management Corp.	**	4,334	4,334	18
19	V	27	Management allocation - employee benefits		Royal Management Corp.	**	105,968	105,968	19
20	V	30	Depreciation		Royal Management Corp.	**	58,065	58,065	20
21	V	32	Interest		Royal Management Corp.	**	17,711	17,711	21
22	V	32	Amortization of mortgage costs		Royal Management Corp.	**	1,652	1,652	22
23	V	33	Property taxes		Royal Management Corp.	**	6,681	6,681	23
24	V	34	Rent expense		Royal Management Corp.	**	4,330	4,330	24
25	V	35	Equipment rental		Royal Management Corp.	**	1,766	1,766	25
26	V	17	Management fees	1,613,029	Royal Management Corp.	**		(1,613,029)	26
27	V	35	Auto Lease Expense		Royal Management Corp.	**	1,971	1,971	27
28	V	23	Inservice Training		Royal Management Corp.	**	1,057	1,057	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			\$ 1,613,029			\$ 239,704	\$ * (1,373,325)	39

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

Facility Name & ID Number

Lexington of Schaumburg

0036095

Report Period Beginning:

01/01/2012

Ending:

12/31/2012

VII. RELATED PARTIES

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

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1	James Samatas Discretionary Trust	22.33%	Lexington HC Ctr. of Lombard, Inc.	Lombard	Eastgate Manor	Algonquin	Supportive	1
2	John Samatas Discretionary Trust	22.33%	Lexington HC Ctr. of Bloomingdale, Inc.	Bloomingdale	of Algonquin, LLC		Living Facility	2
3	Cynthia Thiem Discretionary Trust	22.34%	Lexington HC Ctr. of Chicago Ridge, Inc.	Chicago Ridge	Lexington Square	Lombard	Independent	3
4	Jeffrey J. Bell Revocable Trust	8.25%	Lexington HC Ctr. of Elmhurst, Inc.	Elmhurst	Life Care of		and Assisted	4
5	Lawrence W. Bell Revocable Trust	8.25%	Lexington HC Ctr. of LaGrange, Inc.	LaGrange	Lombard, LLC		Living Facility	5
6	David S. Bell Revocable Trust	8.25%	Lexington HC Ctr. of Lake Zurich, Inc.	Lake Zurich	Lexington Square	Elmhurst	Independent	6
7	David S. Bell 2001 Trust	2.75%	Lexington HC Ctr. of Streamwood, Inc.	Streamwood	Life Care of		Living Facility	7
8	Jeffrey J. Bell 2001 Trust	2.75%	Lexington HC Ctr. of Wheeling, Inc.	Wheeling	Elmhurst, LLC			8
9	Lawrence W. Bell 2001 Trust	2.75%	Lexington HC Ctr. of Orland Park, Inc.	Orland Park	Vesta Management	Lombard	Management	9
10					Group, LLC		Company	10
11					Sambell of	Schaumburg	Real Estate	11
12					Schaumburg		Property	12
13					Ltd. Ptsp.			13
14					Royal Management	Lombard	Management	14
15					Corporation		Company	15
16					Lexington Financial	Lombard	Finance	16
17					Services, LLC		Company	17
18					Samvest of Lombard	Lombard	Lessor	18
19					II, LLC			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 Lexington of Schaumburg # 0036095 Report Period Beginning: 01/01/2012 Ending: 12/31/2012

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	James Samatas	Owner/Officer	Administrative	22.33%	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	\$ 11,170	L17, C7	1
2	John Samatas	Owner/Officer	Admin/Plant Ops	22.33%	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	8,180	L17, C7	2
3	Cynthia Thiem	Owner/Officer	Administrative	22.34%	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	9,902	L17, C7	3
4	Daniel Thiem	Executive VP	Administrative	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	7,425	L17, C7	4
5	Jason Samatas	Executive Committee	Administrative	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	3,426	L17, C7	5
6		Member									6
7											7
8		Certain individuals work in excess of 40 hours per week.									8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 40,103		13

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

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

Facility Name & ID Number Lexington of Schaumburg# 0036095

Report Period Beginning:

01/01/2012Ending: 2/31/2012

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

Royal Management Corp.

Street Address

665 W. North Avenue, Suite 500

City / State / Zip Code

Lombard, IL 60148

Phone Number

(630) 458-4700

Fax Number

(630) 458-4796

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	3	Housekeeping supplies	Bed Days	725,412	10	\$ 3,707	\$	78,324	\$ 400	1
2	5	Utilities - gas & electric	Bed Days	725,412	10	61,939		78,324	6,688	2
3	5	Utilities - water & sewer	Bed Days	725,412	10	2,741		78,324	296	3
4	5	Utilities - maintenance office	Bed Days	725,412	10	8,424		78,324	910	4
5	6	Management allocation - salaries	Bed Days	725,412	10	698,068	698,068	78,324	75,372	5
6	6	Repairs & maintenance	Bed Days	725,412	10	77,933		78,324	8,415	6
7	6	Scavenger & exterminating	Bed Days	725,412	10	3,642		78,324	393	7
8	7	Management allocation - employee	Bed Days	725,412	10	110,922		78,324	11,976	8
9	10	Medical consultant	Bed Days	725,412	10	38,914		78,324	4,202	9
10	10	Management allocation - salaries	Bed Days	725,412	10	358,188	358,188	78,324	38,674	10
11	15	Management allocation - employee	Bed Days	725,412	10	56,916		78,324	6,145	11
12	17	Management allocation - salaries	Bed Days	725,412	10	371,421	371,421	78,324	40,103	12
13	19	Computer consultant & supplies	Bed Days	725,412	10	174,999		78,324	18,895	13
14	19	Professional fees	Bed Days	725,412	10	64,806		78,324	6,997	14
15	20	Dues & subscriptions	Bed Days	725,412	10	11,884		78,324	1,283	15
16	20	Advertising - help wanted	Bed Days	725,412	10	146,469		78,324	15,815	16
17	21	Management allocation - salaries	Bed Days	725,412	10	5,805,098	5,805,098	78,324	626,787	17
18	21	Bank charges	Bed Days	725,412	10	32,134		78,324	3,470	18
19	21	Office supplies & printing	Bed Days	725,412	10	102,249		78,324	11,040	19
20	21	Postage	Bed Days	725,412	10	41,415		78,324	4,472	20
21	21	Telephone	Bed Days	725,412	10	120,819		78,324	13,045	21
22	24	Travel and Seminar	Bed Days	725,412	10	29,058		78,324	3,137	22
23										23
24										24
25	TOTALS					\$ 8,321,746	\$ 7,232,775		\$ 898,515	25

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	Lexington Financial Services LLC	X		Mortgage	Varies	5/22/08	\$ 7,982,000	\$ 7,205,548	01/01/2033	Variable	\$ 438,092	2							
3												3							
4												4							
5							Interest on financing insurance premium				1,595	5							
	Working Capital																		
6	Bank of America		X	Working Capital	Varies	9/30/12	13,700,000	1,570,000	9/30/13	Prime/Libor	37,021	6							
7	Shareholder	X		Working Capital	Varies	5/11/12	200,000	200,000	Demand	Prime	4,185	7							
8												8							
9	TOTAL Facility Related						\$ 21,882,000	\$ 8,975,548			\$ 480,893	9							
	B. Non-Facility Related*																		
10								Amortization of loan cost			2,717	10							
11								Interest Income offset			(2,332)	11							
12								Allocate from Home Office			19,363	12							
13								Less shareholder interest			(4,185)	13							
14	TOTAL Non-Facility Related						\$				\$ 15,563	14							
15	TOTALS (line 9+line14)						\$ 21,882,000	\$ 8,975,548			\$ 496,456	15							

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A 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.)

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

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2011 report.		Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.		\$	394,800	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.)		2011		\$	379,311	2																				
3. Under or (over) accrual (line 2 minus line 1).				\$	(15,489)	3																				
4. Real Estate Tax accrual used for 2012 report. (Detail and explain your calculation of this accrual on the lines below.)				\$	391,200	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.)		Allocated from Mgmt. Co.			6,681																					
				\$	48,332	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 \$ (26,743) For 2009 Tax Year. (Attach a copy of the real estate tax appeal board's decision.)				\$	(26,743)	6																				
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.				\$	403,981	7																				
Real Estate Tax History:																										
Real Estate Tax Bill for Calendar Year:		2007	415,099	8	<table><tr><td></td><td colspan="2">FOR BHF USE ONLY</td><td></td></tr><tr><td>13</td><td>FROM R. E. TAX STATEMENT FOR 2011</td><td>\$</td><td>13</td></tr><tr><td>14</td><td>PLUS APPEAL COST FROM LINE 5</td><td>\$</td><td>14</td></tr><tr><td>15</td><td>LESS REFUND FROM LINE 6</td><td>\$</td><td>15</td></tr><tr><td>16</td><td>AMOUNT TO USE FOR RATE CALCULATION</td><td>\$</td><td>16</td></tr></table>			FOR BHF USE ONLY			13	FROM R. E. TAX STATEMENT FOR 2011	\$	13	14	PLUS APPEAL COST FROM LINE 5	\$	14	15	LESS REFUND FROM LINE 6	\$	15	16	AMOUNT TO USE FOR RATE CALCULATION	\$	16
	FOR BHF USE ONLY																									
13	FROM R. E. TAX STATEMENT FOR 2011	\$	13																							
14	PLUS APPEAL COST FROM LINE 5	\$	14																							
15	LESS REFUND FROM LINE 6	\$	15																							
16	AMOUNT TO USE FOR RATE CALCULATION	\$	16																							
		2008	425,860	9																						
		2009	357,470	10																						
		2010	383,165	11																						
		2011	379,311	12																						
See attached real estate accrual sheet																										

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.**

2011 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME
Lexington of Schaumburg

COUNTY
Cook

FACILITY IDPH LICENSE NUMBER
0036095

CONTACT PERSON REGARDING THIS REPORT
Karen Gillis

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

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2011 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 2011.

(A)	(B)	(C)	(D)
Tax Index Number	Property Description	Total Tax	Tax Applicable to Nursing Home
1. 07-27-201-039-000	Land & Building	\$ 379,311.20	\$ 379,311.20
2. Royal Management Corp. (Samvest of		\$ 230,165.98	\$ 6,681.00
3. Lombard II)	Land & Building	\$	\$
4.		\$	\$
5.		\$	\$
6.		\$	\$
7.		\$	\$
8.		\$	\$
9.		\$	\$
10.		\$	\$
TOTALS		\$ 609,477.18	\$ 385,992.20

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? X YES NO

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

C. **Tax Bills**

Attach a copy of the original 2011 tax bills which were listed in Section A to this statement. Be sure to use the 2011 tax bill which is normally paid during 2012.

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.**

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 85,541 **B. General Construction Type:** Exterior Concrete Frame Steel Number of Stories 3

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).

N/A

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:	N/A	2. Number of Years Over Which it is Being Amortized:	N/A
----------------------------------	------------	---	------------

3. Current Period Amortization:	N/A	4. Dates Incurred:	N/A
--	------------	---------------------------	------------

Nature of Costs:

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

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	Resident Care	230,000	1988	\$ 211,532	1
2	Management Company Allocation			22,023	2
3	TOTALS	230,000		\$ 233,555	3

Facility Name & ID Number Lexington of Schaumburg

0036095

Report Period Beginning:

01/01/2012

Ending:

12/31/2012

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	214		1990	1990	\$ 6,091,126	\$	35	\$ 174,032	\$ 174,032	\$ 3,956,408
5			1995	1995	146,217	4,178	35	4,178		68,932
6										
7										
8										
	Improvement Type**									
9	Building improvements		1991		3,521		10			3,491
10	Building improvements		1992		860	25	35	25		506
11	Land improvements		1992		5,764		20	146	146	5,764
12	Land improvements		1992		5,000		20	250	250	4,875
13	Fan coil units in offices		1996		5,149	147	35	147		2,427
14	Basement rehab		1997		14,697		10			14,697
15	Brick		1997		1,500	43	35	43		661
16	Dining room rehab		1997		6,422		10			6,422
17	Parking lot repave and restripe		1998		2,777		10			2,777
18	Wiring		1998		3,667		10			3,667
19	Retile 2nd and 3rd floor corridors		1998		10,100		10			10,100
20	Plumbing for HVAC		1998		2,263		5			2,263
21	Lobby-floor tile		1999		7,478		10			7,478
22	Wallpaper-labor		1999		9,705		10			9,705
23	New patio		1999		19,039	1,269	15	1,269		16,816
24	New pay phone/wiring		1999		2,975		10			2,976
25	Roof repairs		2000		9,625		10			9,625
26	Water heater		2000		6,688		10			6,688
27	Automatic door		2000		1,300		10			1,300
28	Rehab project - paint resident rooms, carpet hallways, and tile		2000		52,760		10			52,760
29	Water heater and storage tanks		2001		12,102		10			12,102
30	Garbage area		2001		4,788		20			4,788
31										
32										
33										
34										
35										
36										

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

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

See Page 12A, Line 70 for total

Facility Name & ID Number Lexington of Schaumburg

0036095

Report Period Beginning:

01/01/2012

Ending:

12/31/2012

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	Roof	2002	\$ 25,600	\$ 2,560	10	\$ 2,560	\$	\$ 26,453	37
38	Facility rehab - paint resident rooms, carpet hallways, and tile	2002	327,253	16,363	20	16,363		186,364	38
39	Elevator electronic curtain	2002	4,500	225	10	225		4,500	39
40	Elevator upgrade	2002	5,471	274	10	274		5,471	40
41	Painting and decorating	2003	13,477	1,348	10	1,348		12,131	41
42	Electrical improvements	2003	844	42	20	42		382	42
43	Repave parking lot	2004	28,840	721	40	721		6,068	43
44	Dining room remodel - paint	2004	11,387	569	20	569		4,933	44
45	Landscaping	2005	593	30	20	30		222	45
46	HVAC upgrade	2005	17,734	887	20	887		6,282	46
47	Generator upgrade	2005	19,650	983	20	983		7,863	47
48	Window replacement	2005	3,899	195	20	195		1,430	48
49	Flooring replacement	2005	1,483	74	20	74		543	49
50	Lobby, lounge and reception rehab	2005	27,180	1,359	20	1,359		9,513	50
51	Therapy room rehab	2005	35,135	1,757	20	1,757		12,590	51
52	Create first floor therapy room	2005	32,045	1,602	20	1,602		12,550	52
53	Create transitional care unit	2005	29,170	1,458	20	1,458		10,329	53
54	Basement renovation	2005	5,996	300	20	300		2,100	54
55	Countertops	2005	845		5			845	55
56	Interior signs	2005	4,412		5			4,412	56
57	Window treatments	2005	912		5			912	57
58	Wall covering	2005	439		5			439	58
59	Panel Brick Replacement	2006	17,387	869	20	869		5,359	59
60	Landscaping Enhancement	2006	7,608	507	15	507		3,169	60
61	HVAC	2006	12,232	612	20	612		3,723	61
62	Sink	2006	2,331	117	20	117		779	62
63	TCU Units	2006	16,379	819	20	819		5,119	63
64	Employee lunch room rehab	2006	8,127	406	20	406		2,640	64
65	Dining room rehab	2006	2,357	118	20	118		767	65
66	Basement renovation	2006	9,465	473	20	473		2,996	66
67	Oxygen room rehab	2006	2,664	133	20	133		843	67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 7,100,938	\$ 40,463		\$ 214,891	\$ 174,428	\$ 4,548,955	70

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

Facility Name & ID Number Lexington of Schaumburg

0036095

Report Period Beginning:

01/01/2012 Ending: 12/31/2012

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 7,100,938	\$ 40,463		\$ 214,891	\$ 174,428	\$ 4,548,955	1
2	Replace Sidewalk	2007	14,625	731	20	731		3,960	2
3	Landscaping	2007	15,700	785	20	785		4,121	3
4	Emergency A/C	2007	15,545	777	20	777		4,338	4
5	1st Floor Remodel - Carpentry, Flooring, Plumbing, Paint	2007	676,072		40	16,902	16,902	90,144	5
6	Bathroom Faucets	2007	12,358	618	20	618		3,141	6
7	Landscaping	2008	10,000	667	15	667		3,112	7
8	Roofing	2008	11,950	598	20	598		2,591	8
9	HVAC-Air tank	2008	2,671	67	40	67		296	9
10	HVAC-Spot Cooler	2008	3,790	95	40	95		380	10
11	Electrical-Fire panel upgrade	2008	71,077	1,777	40	1,777		8,293	11
12	Electrical-Replace Gasket	2008	6,125	613	10	613		2,758	12
13	2nd floor remodel-carpentry, painting, plumbing,electrical	2008	558,949		27	20,325	20,325	84,688	13
14	Panel Brick Replacement	2009	184,595	9,230	20	9,230		27,690	14
15	Land Improvements	2009	12,400	620	20	620		2,170	15
16	Parking Lot	2009	4,600	230	20	230		805	16
17	Front Entrance Improvements	2009	28,660	717	40	717		2,390	17
18	HVAC Quick Connectors	2009	5,591	140	40	140		478	18
19	HVAC Spot Cooler	2009	4,254	106	40	106		362	19
20	1st floor Admin-Tile,electical	2009	11,679	292	40	292		876	20
21	Kitchen Plumbing	2009	8,210	821	10	821		2,874	21
22	Fire Alarm Electrical	2009	31,710	793	40	793		2,643	22
23	Glass & Mirror Med Room	2009	2,836	284	10	284		1,065	23
24	2nd Floor Remodel -Carpentry	2009	14,592	730	20	730		2,808	24
25	Patio Pergola	2009	9,505	475	20	475		1,544	25
26	Patio Fence	2009	5,100	255	20	255		786	26
27	Landscaping	2009	17,332	1,155	15	1,155		4,043	27
28	3rd Floor Remodel-Carpentry, flooring,electrical,painting	2009	627,866		27	22,832	22,832	74,204	28
29	Landscaping Enhancement	2010	14,885	992	15	992		2,646	29
30	Physician Office carpentry	2010	4,849	177	27	177		369	30
31	Kitchen Pantries construction	2010	5,676	207	27	207		414	31
32	HVAC Admin Office	2010	7,357	268	27	268		570	32
33	Loading Ramp/Foundation Wall	2010	3,000	200	15	200		583	33
34	TOTAL (lines 1 thru 33)		\$ 9,504,497	\$ 64,883		\$ 299,370	\$ 234,487	\$ 4,886,097	34

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

Facility Name & ID Number Lexington of Schaumburg

0036095

Report Period Beginning:

01/01/2012 Ending: 12/31/2012

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 9,504,497	\$ 64,883		\$ 299,370	\$ 234,487	\$ 4,886,097	1
2	Hallway doors	2010	14,916	1,492	10	1,492		3,108	2
3	Library/Lounge carpentry,electrical,painting,signs	2010	5,009	183	27	183		366	3
4	Basement carpentry	2010	3,945	144	27	144		408	4
5	Patio/Pergola	2010	12,005	1,201	10	1,201		2,602	5
6	Office carpentry,flooring,electrical,painting,signs,HVAC	2010	50,935	3,993	27	3,993		7,986	6
7									7
8	Fire Dampers	2011	65,681		27	2,388	2,388	2,587	8
9	Parking Lot Remodel	2011	169,749		27	6,173	6,173	6,173	9
10	Kitchen Hood/duct work	2011	22,604	822	27	822		1,027	10
11	Payroll Office Remodel - Electrical and Wiring	2011	2,696	98	27	98		155	11
12	Metal edging & drain tile	2011	5,442	363	27	363		393	12
13	Repair doors on 1st floor	2011	39,986	1,454	27	1,454		1,454	13
14	Office Remodel - carpentry,flooring,electrical,painting,signs	2011	22,584	821	27	821		889	14
15	Exhaust Study HVAC	2011	5,736	209	27	209		365	15
16	Pipe and fitting	2011	4,375	159	27	159		199	16
17	Laundry Room Remodel - Flooring, Ceiling Tiles and Painting	2011	9,388	341	27	341		483	17
18	New Marker Boards	2011	9,887	360	27	360		690	18
19	Interior Doors	2011	6,183	225	27	225		281	19
20	2nd Floor Doors	2011	27,318	993	27	993		1,324	20
21									21
22	End Air Louvers	2012	3,744		27	102	102	102	22
23	Parking Lot	2012	11,735		27	320	320	320	23
24	Kitchen steel hood, floor, sink, drywall and tile	2012	7,307	193	27	193		193	24
25	Fire Pump basement	2012	3,461	94	27	94		94	25
26	Replace holding tank	2012	21,985	533	27	533		533	26
27	1st floor door opener	2012	8,646	131	2	131		131	27
28									28
29									29
30	Reconcile to book			(1,388)			1,388		30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 10,039,814	\$ 77,304		\$ 322,162	\$ 244,858	\$ 4,917,960	34

**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 12C, Carried Forward		\$ 10,039,814	\$ 77,304		\$ 322,162	\$ 244,858	\$ 4,917,960	1
2	Building - management company	2002	304,761		40	8,831	8,831	98,963	2
3	HVAC, electrical, security system - management company	2003	2,677		30	650	650	1,744	3
4	Key card system - management company	2004	421		20	20	20	177	4
5	VAV TX controls - management company	2005	128		20	6	6	50	5
6	Interior Signs - management company	2006	93		5	6	6	38	6
7	Building improvements - management company	2008	14,769		5	754	754	3,995	7
8	Building improvements - management company	2009	2,757		15	50	50	515	8
9	Building improvements - management company	2010	2,687		15	108	108	453	9
10	Building improvements - management company	2011	1,896		15	86	86	131	10
11	Building improvements - management company	2012	6,551		15	3	3	151	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)		\$ 10,376,554	\$ 77,304		\$ 332,676	\$ 255,372	\$ 5,024,177	34

**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	\$ 1,420,460	\$ 145,760	\$ 219,472	\$ 73,712	5	\$ 879,259	71
72	Current Year Purchases	83,761	11,222	11,222		5	11,222	72
73	Fully Depreciated Assets	136,218					136,218	73
74	Allocated from Mgmt. Co.	536,042		42,739	42,739	5	309,474	74
75	TOTALS	\$ 2,176,481	\$ 156,982	\$ 273,433	\$ 116,451		\$ 1,336,173	75

D. Vehicle Costs. (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77										77
78										78
79	Allocated from Mgmt Co.			52,317		4,812	4,812	5	41,650	79
80	TOTALS			\$ 52,317	\$	\$ 4,812	\$ 4,812		\$ 41,650	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 12,838,907	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 234,286	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 610,921	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 376,635	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 6,402,000	85

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

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

G. Construction-in-Progress

	Description	Cost	
92	N/A	\$	92
93			93
94			94
95		\$	95

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

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

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	Allocated from Management Company				4,330			6
7	TOTAL				\$ 4,330			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: \$ 106,534 Description: Copier-\$11,110;Postage-\$186;Printer-\$1,188;Med Equip-\$47,782;Oxygen-\$44,501;Alloc. Mgmt Co.-\$1,766
(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	Allocated from Management Company			1,971	20
21	TOTAL		\$	\$ 1,971	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.	/2013	\$
13.	/2014	\$
14.	/2015	\$

* 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.

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

It is the policy of this facility to only hire certified nurses aides.
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

C. CONTRACTUAL INCOME

ALLOCATION OF COSTS (d)

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

		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)	\$			

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

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.

(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.

(c) For in-house training programs only. Do not include fringe benefits.

(d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.

(e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.

(f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)										
		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		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(3)	hrs	\$	7,326	\$ 735,350	\$	7,326	\$ 735,350	1
2	Licensed Speech and Language Development Therapist	39(3)	hrs		4,280	220,176		4,280	220,176	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39(3)	hrs		15,270	763,982		15,270	763,982	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39(2)	# of prescrpts				682,138		682,138	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): Ambulance	39(3)				1,542			1,542	12
13	Other (specify):									13
14	TOTAL			\$	26,876	\$ 1,721,050	\$ 682,138	26,876	\$ 2,403,188	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.

XV. BALANCE SHEET - Unrestricted Operating Fund.

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	\$ 239,829	\$ 256,970	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 650,731)	5,561,801	5,561,801	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	169,757	169,757	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Unpaid premiums	9,614	9,614	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 5,981,001	\$ 5,998,142	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	80,308	80,308	12
13	Land		233,555	13
14	Buildings, at Historical Cost		6,091,126	14
15	Leasehold Improvements, at Historical Cost	1,816,521	4,285,428	15
16	Equipment, at Historical Cost	1,099,363	2,228,798	16
17	Accumulated Depreciation (book methods)	(1,338,640)	(6,402,000)	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): Mortgage Cost		55,399	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 1,657,552	\$ 6,572,614	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 7,638,553	\$ 12,570,756	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 676,963	\$ 676,963	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	1,770,000	1,770,000	29
30	Accrued Salaries Payable	561,832	561,832	30
31	Accrued Taxes Payable (excluding real estate taxes)	3,584	3,584	31
32	Accrued Real Estate Taxes(Sch.IX-B)		391,200	32
33	Accrued Interest Payable		30,720	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See Schedule 17A	4,250,177	4,139,364	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 7,262,556	\$ 7,573,663	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		7,205,548	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$	\$ 7,205,548	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 7,262,556	\$ 14,779,211	46
47	TOTAL EQUITY(page 18, line 24)	\$ 375,997	\$ (2,208,455)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 7,638,553	\$ 12,570,756	48

*(See instructions.)

Lexington Health Care Center of Schaumburg, Inc.
Provider # 0036095
1/1/12-12/31/12

Schedule 17A

XV. Balance Sheet
C. Current Liabilities

36. Other current liabilities

<u>Description</u>	<u>Operating</u>	<u>After Consolidation</u>
LHCC MERIT HOSPICE	45,000	45,000
LHCC PA AUDIT SETTLEMENT	274,695	274,695
LHCC DUE FRM IRS	(21,513)	(21,513)
LHCC DUE FROM REMODELING	51,359	51,359
LHCC Due from LLC		1,858
LHCC Due from/(to) LHCC Schaumburg		(51,359)
LHCC 401K WITHHOLDING	68	68
LHCC PREPAID INSURANCE	40,554	40,554
LHCC ACCRUED EXPENSES	72,074	72,074
LHCC ACCRUED RESIDENT TAX	137,869	137,869
LHCC ACCRUED ROYL / VESTA MGMT FEES	366,820	366,820
LHCC ACCRUED RENT	1,611,666	
LHCC Accrued Insurance	139,430	139,430
LHCC DUE TO PATIENT TRUST FUND	3,639	3,639
LHCC ADVANCE - BIWEEKLY PART A PAYM	16,646	16,646
LHCC UNCOLLECTIBLE PART A CO PVTS	(62,305)	(62,305)
LHCC DEFERRED INCOME	399,006	399,006
LHCC DUE TO - ROYAL OPERATIONS	37,286	37,286
LHCC DUE TO REPUBLIC	894	894
LHCC PROFESSIONAL LIABILITIES CLAIMS	1,136,989	1,136,989
LHCC Interest Rate Swap Liability		1,550,354
	<u>4,250,177</u>	<u>4,139,364</u>

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 1,703,705	1
2	Restatements (describe):		2
3	Post closing adjustment	(263,117)	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 1,440,588	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(1,064,591)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (1,064,591)	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)	\$ 375,997	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Lexington of Schaumburg# 0036095Report Period Beginning: 01/01/2012Ending: 12/31/2012

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		2
	I. Revenue	Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	\$ 20,054,582	1
2	Discounts and Allowances for all Levels	(9,591,681)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,462,901	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	4,530,917	6
7	Oxygen	11,451	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 4,542,368	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	3,839	12
13	Barber and Beauty Care	22,177	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	616,968	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	244,171	19
20	Radiology and X-Ray		20
21	Other Medical Services	423,203	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 1,310,358	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	2,332	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 2,332	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28			28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 16,317,959	30

	1		2
	II. Expenses	Amount	
	A. Operating Expenses		
31	General Services	1,769,572	31
32	Health Care	6,315,920	32
33	General Administration	3,947,474	33
	B. Capital Expense		
34	Ownership	2,171,156	34
	C. Ancillary Expense		
35	Special Cost Centers	2,738,946	35
36	Provider Participation Fee	439,482	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 17,382,550	40
41	Income before Income Taxes (line 30 minus line 40)**	(1,064,591)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (1,064,591)	43

	III. Net Inpatient Revenue detailed by Payer Source		
44	Medicaid - Net Inpatient Revenue	\$ 5,865,107	44
45	Private Pay - Net Inpatient Revenue	1,366,337	45
46	Medicare - Net Inpatient Revenue	2,428,360	46
47	Other-(specify) <u>Managed Care</u>	803,097	47
48	Other-(specify)		48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	\$ 10,462,901	49

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

** Does this agree with taxable income (loss) per Federal Income

Tax Return? No^ If not, please attach a reconciliation.

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

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

^ - Entity is a cash basis tax payer.

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	1,938	2,364	\$ 152,219	\$ 64.39	1
2	Assistant Director of Nursing	30,754	37,647	1,032,656	27.43	2
3	Registered Nurses	35,209	44,589	1,408,734	31.59	3
4	Licensed Practical Nurses	25,008	31,579	806,379	25.54	4
5	CNAs & Orderlies	117,354	144,693	1,693,111	11.70	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director					9
10	Activity Assistants	13,049	15,559	171,121	11.00	10
11	Social Service Workers	7,510	8,348	159,537	19.11	11
12	Dietician	2,609	2,998	62,980	21.01	12
13	Food Service Supervisor	1,671	1,856	46,490	25.05	13
14	Head Cook	1,531	1,907	35,542	18.64	14
15	Cook Helpers/Assistants	9,788	11,812	122,302	10.35	15
16	Dishwashers	14,674	16,815	145,566	8.66	16
17	Maintenance Workers	1,694	2,134	34,962	16.38	17
18	Housekeepers	31,797	37,427	344,228	9.20	18
19	Laundry	7,293	8,762	82,172	9.38	19
20	Administrator	1,422	2,040	145,926	71.53	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	8,601	12,075	215,412	17.84	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	2,025	2,426	38,403	15.83	31
32	Other Health Care Memory Care	3,283	3,732	72,768	19.50	32
33	Other(specify) Marketing	5,004	5,560	132,003	23.74	33
34	TOTAL (lines 1 - 33)	322,214	394,323	\$ 6,902,511 *	\$ 17.50	34

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

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	Monthly	\$ 10,750	1(3)	35
36	Medical Director	Monthly	63,263	9(3)	36
37	Medical Records Consultant	Monthly	990	10(3)	37
38	Nurse Consultant	Monthly	145,298	10(3)	38
39	Pharmacist Consultant	Monthly	13,842	10(3)	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	Monthly	2,838	11(3)	44
45	Social Service Consultant	Monthly	4,869	12(3)	45
46	Other(specify) Pulmonary Exchange	Monthly	34,307	10(3)	46
47					47
48	Medical Consultant	Monthly	4,202	10(7)	48
49	TOTAL (lines 35 - 48)		\$ 280,359		49

C. CONTRACT NURSES

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

STATE OF ILLINOIS

0036095

Report Period Beginning:

01/01/2012

Page 21

Ending: 12/31/2012

Facility Name & ID Number

Lexington of Schaumburg

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
Theresa Bowen	Administrator	0	\$ 145,926	Workers' Compensation Insurance	\$ 140,678	IDPH License Fee	\$	
				Unemployment Compensation Insurance	84,278	Advertising: Employee Recruitment	10,593	
				FICA Taxes	509,170	Health Care Worker Background Check		
				Employee Health Insurance	270,193	(Indicate # of checks performed 141)	1,692	
				Employee Meals	22,356	Patient Background Checks	750 8,997	
				Illinois Municipal Retirement Fund (IMRF)*		Misc. Dues & Subscriptions	2,521	
				401K Contributions	29,241	Misc. License & Fees	3,934	
				Other Employee Benefits	45,178	Less Marketing	(523)	
TOTAL (agree to Schedule V, line 17, col. 1)								
(List each licensed administrator separately.) \$ 145,926								
B. Administrative - Other								
Description			Amount					
Management Fees-Royal Operating			\$ 1,124,863					
Management Fees-Vesta Mgmt.			488,166					
Management Fees (Eliminated in Column 7)								
TOTAL (agree to Schedule V, line 17, col. 3)			\$ 1,613,029	TOTAL (agree to Schedule V, line 22, col.8)		\$ 1,101,094		
(Attach a copy of any management service agreement)								
C. Professional Services				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
Vendor/Payee	Type	Amount		Description	Line #	Amount	Description	Amount
Grabowski Law Center	Collections	\$ 23,759		N/A			Out-of-State Travel	\$
Amalgamated Bank	Bond administrative fee	572						
Cassiday Schade, LLP	Legal	27,530						
Standard and Poor	Financial Services	668					In-State Travel	
McGladrey & Pullen, LLP	Accounting	38,139						
Personal Planners	U/C Consulting	1,515						
Much Shelist	Legal	8,806						
Secretary of State	Filing Fees	148					Seminar Expense	
Serpico, Petrosino & Dipiero LTD	Legal	5,832						
Pension Administration	Pension Administrators	1,297						
RealMed	WC Consulting	25					Management Company Allocation	3,137
See Sch 21C		171,860					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.) \$ 280,151							TOTAL	\$ 3,137

* Attach copy of IMRF notifications

**See instructions.

Lexington Health Care Center of Schaumburg, Inc.

Provider # 0036095

1/1/12-12/31/12

XIX. Support Schedules

Schedule 21C

C. Professional Fees

Vendor/Payee	Type	Amount
Duane Morris	Legal	6,217
McCracken & Frank LLC	Legal	351
Reda Ciprian Magnone, LLC	Legal	2,410
Ability Network	Computer Consulting	1,951
Americorp Financial LLC	Computer Consulting	78,189
Efax Corporate	Computer Consulting	1,010
E-Health Data Solutions	Computer Consulting	1,800
Elton Designs INC	Computer Consulting	260
Facility Wizard Software	Computer Consulting	358
Healthmedx, LLC	Computer Consulting	15,033
Information Controls	Computer Consulting	3,060
Kronos	Computer Consulting	1,392
Lanac	Computer Consulting	318
Lintech L LC	Computer Consulting	4,391
Lodgenet Interactive Corporation	Computer Consulting	2,495
Microsoft Licensing	Computer Consulting	5,568
My Innerview	Computer Consulting	6,335
National Datacare	Computer Consulting	1,960
Paragon Clinical	Computer Consulting	1,100
On Shift	Computer Consulting	8,016
Oracle	Computer Consulting	8,927
RealMed	Computer Consulting	93
Silverchair Learning Systems (SLS)	Computer Consulting	9,465
Softchoice	Computer Consulting	128
Telemedicine Solutions LLC	Computer Consulting	7,200
Topnotch	Computer Consulting	109
Touchpoint	Computer Consulting	108
Trisys	Computer Consulting	386
Tympani	Computer Consulting	1,624
Vocollect	Computer Consulting	1,488

XO Communications	Computer Consulting	<u>118</u>
		<u>171,860</u>
Total Schedule V, line 19, column 3		280,151
Less Collection fees		(23,759)
Less out of period legal		(3,511)
Sambell of Schaumburg Secretary of State		200

Lexington Health Care Center of Schaumburg, Inc.
Provider # 0036095
1/1/12-12/31/12

XIX. Support Schedules

Allocated from Management Co.

Much Shelist	Legal	600
Duane Morris	Legal	40
Cassiday Schade	Legal	2
McGladrey LLP	Accounting	1,431
Illinois Secretary of State	Filing Fees	34
Gilson Labus & Silverman	KEP	401
Tam Kaiden	Investigative Services	51
Bank of America Leasing	UCC Search & Filing	21
Versight Inc.	Annual Report-Health Ins	118
Personnel Planners	U/C Consultant	21
LaSalle Network	Recruiting/Finance	1,516
Pension Administrators, Inc.	401K Administration	292
Gene Whitehorn	Medicaid Reimb Specialist	1,159
Christine Toolan	Social Service Consulting	19
M Werner Consulting	Financial Consultant	1,015
Computer Services	Computer Consulting	18,895

Allocated from Samvest of Lombard II

Accounting	277
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Total Schedule V, line 19, column 8	<u><u>278,973</u></u>
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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			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3										N/A			
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

XX. GENERAL INFORMATION:

- (1)

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

No
- (2)

Are there any dues to nursing home associations included on the cost report?

No

If YES, give association name and amount.

N/A
- (3)

Did the nursing home make political contributions or payments to a political action organization?

No

If YES, have these costs been properly adjusted out of the cost report?

N/A
- (4)

Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year?

No

If YES, what is the capacity?

N/A
- (5)

Have you properly capitalized all major repairs and equipment purchases?

Yes

What was the average life used for new equipment added during this period?

5 Years
- (6)

Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V.

\$ 67,458

Line 10(2)
- (7)

Have all costs reported on this form been determined using accounting procedures consistent with prior reports?

Yes

If NO, attach a complete explanation.
- (8)

Are you presently operating under a sale and leaseback arrangement?

No

If YES, give effective date of lease.

N/A
- (9)

Are you presently operating under a sublease agreement?

YES

X

NO
- (10)

Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)?

YES

NO

X

If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

N/A
- (11)

Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period.

\$ 439,482

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.

\$ 22,356

Has any meal income been offset against related costs?

No

Indicate the amount.

\$ 0
- (16)

Travel and Transportation

a. Are there costs included for out-of-state travel?

No

If YES, attach a complete explanation.

b. Do you have a separate contract with the Department to provide medical transportation for residents?

No

If YES, please indicate the amount of income earned from such a program during this reporting period.

\$ N/A

c. What percent of all travel expense relates to transportation of nurses and patients?

0

d. Have vehicle usage logs been maintained?

Adequate records have been maintained.

e. Are all vehicles stored at the nursing home during the night and all other times when not in use?

N/A

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

N/A

g. Does the facility transport residents to and from day training?

No

Indicate the amount of income earned from providing such transportation during this reporting period.

\$ N/A
- (17)

Has an audit been performed by an independent certified public accounting firm?

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?

Yes

Attach invoices and a summary of services for all architect and appraisal fees.