

		FOR BHF USE				

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2005
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2005)

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.

<p>I. IDPH Facility ID Number: <u>0005090</u></p> <p>Facility Name: <u>Lutheran Home For The Aged</u></p> <p>Address: <u>800 West Oakton</u> <u>Arlington Hts</u> <u>60004</u> Number City Zip Code</p> <p>County: <u>Cook</u></p> <p>Telephone Number: <u>(847) 253-3710</u> Fax # <u>(847) 253-1427</u></p> <p>HFS ID Number: <u>362192824002</u></p> <p>Date of Initial License for Current Owners: <u>08/01/60</u></p> <p>Type of Ownership:</p> <table style="width:100%"> <tr> <td><input checked="" type="checkbox"/> VOLUNTARY, NON-PROFIT</td> <td><input type="checkbox"/> PROPRIETARY</td> <td><input type="checkbox"/> GOVERNMENTAL</td> </tr> <tr> <td><input checked="" type="checkbox"/> Charitable Corp.</td> <td><input type="checkbox"/> Individual</td> <td><input type="checkbox"/> State</td> </tr> <tr> <td><input type="checkbox"/> Trust</td> <td><input type="checkbox"/> Partnership</td> <td><input type="checkbox"/> County</td> </tr> <tr> <td>IRS Exemption Code _____</td> <td><input type="checkbox"/> Corporation</td> <td><input type="checkbox"/> Other _____</td> </tr> <tr> <td></td> <td><input type="checkbox"/> "Sub-S" Corp.</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Limited Liability Co.</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Trust</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>In the event there are further questions about this report, please contact: Name: <u>Steve Lavenda</u> Telephone Number: <u>(847) 236 - 1111</u></p>	<input checked="" type="checkbox"/> VOLUNTARY, NON-PROFIT	<input type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL	<input checked="" type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State	<input type="checkbox"/> Trust	<input type="checkbox"/> Partnership	<input type="checkbox"/> County	IRS Exemption Code _____	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other _____		<input type="checkbox"/> "Sub-S" Corp.			<input type="checkbox"/> Limited Liability Co.			<input type="checkbox"/> Trust			<input type="checkbox"/> Other _____		<p>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</p> <p>I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>07/01/04</u> to <u>06/30/05</u> 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.</p> <p>Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.</p> <table border="1" style="width:100%"> <tr> <td style="width:20%;">Officer or Administrator of Provider</td> <td>(Signed) _____ (Date) _____</td> </tr> <tr> <td></td> <td>(Type or Print Name) _____</td> </tr> <tr> <td></td> <td>(Title) _____</td> </tr> <tr> <td></td> <td>(Signed) _____ (Date) _____</td> </tr> <tr> <td>Paid Preparer</td> <td>(Print Name and Title) <u>Steven N. Lavenda, C.P.A.</u></td> </tr> <tr> <td></td> <td>(Firm Name & Address) <u>Frost, Ruttenberg & Rothblatt, P.C.</u> <u>111 Pfingsten Road, Suite 300 Deerfield, IL 60015</u></td> </tr> <tr> <td></td> <td>(Telephone) <u>(847) 236-1111</u> Fax # <u>(847) 236-1155</u></td> </tr> </table> <p>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</p>	Officer or Administrator of Provider	(Signed) _____ (Date) _____		(Type or Print Name) _____		(Title) _____		(Signed) _____ (Date) _____	Paid Preparer	(Print Name and Title) <u>Steven N. Lavenda, C.P.A.</u>		(Firm Name & Address) <u>Frost, Ruttenberg & Rothblatt, P.C.</u> <u>111 Pfingsten Road, Suite 300 Deerfield, IL 60015</u>		(Telephone) <u>(847) 236-1111</u> Fax # <u>(847) 236-1155</u>
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SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home For The Aged

0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

III. STATISTICAL DATA

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

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	262	Skilled (SNF)	262	95,630	1
2		Skilled Pediatric (SNF/PED)			2
3	60	Intermediate (ICF)	60	21,900	3
4		Intermediate/DD			4
5	70	Sheltered Care (SC)	70	25,550	5
6		ICF/DD 16 or Less			6
7	392	TOTALS	392	143,080	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment			5 Total	
		3 Medicaid Recipient	4 Private Pay	Other		
8	SNF		18,402	11,505	29,907	8
9	SNF/PED					9
10	ICF	29,673	54,637		84,310	10
11	ICF/DD					11
12	SC	1,804	23,500		25,304	12
13	DD 16 OR LESS					13
14	TOTALS	31,477	96,539	11,505	139,521	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 97.51%

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)

Meals on Wheels, Adult Day Care, Outpatient Therapy, Child Day Care

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

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

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 8/1/53

J. Was the facility purchased or leased after January 1, 1978?
YES Date _____ NO

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 252 and days of care provided 11,505

Medicare Intermediary AdminaStar Federal

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

Is your fiscal year identical to your tax year? YES NO

Tax Year: 6/30/05 Fiscal Year: 6/30/05

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

STATE OF ILLINOIS

Facility Name & ID Number Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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

	Operating Expenses	Costs Per General Ledger				Reclassification 5	Reclassified Total 6	Adjust- ments 7	Adjusted Total 8	FOR OHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	A. General Services										
1	Dietary	1,120,460	62,632	8,538	1,191,630		1,191,630	(3,648)	1,187,982		1
2	Food Purchase		1,769,038		1,769,038		1,769,038	(561,696)	1,207,342		2
3	Housekeeping	361,349	126,592	317,769	805,710		805,710	(50,539)	755,171		3
4	Laundry	110,613	65,275	23,168	199,056		199,056		199,056		4
5	Heat and Other Utilities			1,029,553	1,029,553		1,029,553	(354,292)	675,261		5
6	Maintenance	857,426	181,872	588,782	1,628,080		1,628,080	97,952	1,726,032		6
7	Other (specify):*										7
8	TOTAL General Services	2,449,848	2,205,409	1,967,810	6,623,067		6,623,067	(872,223)	5,750,844		8
	B. Health Care and Programs										
9	Medical Director			28,369	28,369		28,369		28,369		9
10	Nursing and Medical Records	10,469,269	615,926	221,957	11,307,152		11,307,152	(8,057)	11,299,095		10
10a	Therapy	158,489	10,861		169,350		169,350		169,350		10a
11	Activities	3,919	30,992	4,158	39,069		39,069	(15,147)	23,922		11
12	Social Services	7,247	10,694		17,941		17,941	41,494	59,435		12
13	CNA Training										13
14	Program Transportation			2,905	2,905		2,905		2,905		14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	10,638,924	668,473	257,389	11,564,786		11,564,786	18,290	11,583,076		16
	C. General Administration										
17	Administrative	111,173		6,079,991	6,191,164		6,191,164	(5,469,482)	721,682		17
18	Directors Fees										18
19	Professional Services			119,401	119,401		119,401	389,832	509,233		19
20	Dues, Fees, Subscriptions & Promotions			43,150	43,150		43,150	89,703	132,853		20
21	Clerical & General Office Expenses	215,469	46,400	243,691	505,560		505,560	1,016,640	1,522,200		21
22	Employee Benefits & Payroll Taxes			1,029,056	1,029,056		1,029,056	2,420,537	3,449,593		22
23	Inservice Training & Education										23
24	Travel and Seminar			21,471	21,471		21,471	71,394	92,865		24
25	Other Admin. Staff Transportation			1,327	1,327		1,327	7,789	9,116		25
26	Insurance-Prop.Liab.Malpractice			123,900	123,900		123,900	230,391	354,291		26
27	Other (specify):*							632,731	632,731		27
28	TOTAL General Administration	326,642	46,400	7,661,987	8,035,029		8,035,029	(610,465)	7,424,564		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	13,415,414	2,920,282	9,887,186	26,222,882		26,222,882	(1,464,398)	24,758,484		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.

Facility Name & ID Number

Lutheran Home For The Aged

#0005090

Report Period Beginning:

07/01/04

Ending:

06/30/05

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			2,431,702	2,431,702		2,431,702	(860,272)	1,571,430			30
31	Amortization of Pre-Op. & Org.			22,567	22,567		22,567	(22,567)				31
32	Interest			1,059,359	1,059,359		1,059,359	(496,433)	562,926			32
33	Real Estate Taxes											33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles			15,305	15,305		15,305		15,305			35
36	Other (specify):*											36
37	TOTAL Ownership			3,528,933	3,528,933		3,528,933	(1,379,272)	2,149,661			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		1,725,188	1,430,742	3,155,930		3,155,930	(174,926)	2,981,004			39
40	Barber and Beauty Shops	118,305	11,582	1,018	130,905		130,905	(130,905)				40
41	Coffee and Gift Shops		38,041		38,041		38,041	(38,041)				41
42	Provider Participation Fee			176,295	176,295		176,295		176,295			42
43	Other (specify):*	325,700			325,700		325,700	(325,700)				43
44	TOTAL Special Cost Centers	444,005	1,774,811	1,608,055	3,826,871		3,826,871	(669,572)	3,157,299			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	13,859,419	4,695,093	15,024,174	33,578,686		33,578,686	(3,513,242)	30,065,444			45

*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

Facility Name & ID Number Lutheran Home For The Aged

0005090

Report Period Beginning: 07/01/04

Ending: 06/30/05

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.)

		1	2	3	
	NON-ALLOWABLE EXPENSES	Amount	Refer- ence	OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(78,337)	2		4
5	Telephone, TV & Radio in Resident Rooms	(56,161)	21		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(0)	30		9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax		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				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(67,595)	21		24
25	Fund Raising, Advertising and Promotional				25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule	(3,155,186)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (3,357,279)		\$	30

OHF 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)	(155,963)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (155,963)		36
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (3,513,242)		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.			\$		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	Exceptional Care Program					44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	TOTAL (C): (sum of lines 38-46)			\$		47

SEE ACCOUNTANTS' COMPILATION REPORT

Lutheran Home For The Aged

HW 0005990

Report Period Beginning: 07/01/04
 Ending: 06/30/05

Sch. V Line

NON-ALLOWABLE EXPENSES	Amount	Reference
1 Misc Income	\$ (5,200)	11 1
2 Misc. Op. - Volunteers	(1,171)	21 2
3 Misc. Op. - Arts & Crafts	(3,185)	11 3
4 Printing Income - Internal	(302)	21 4
5 Concert Series	(4,842)	11 5
6 Application Fees	(37,850)	21 6
7 Hearing Aid Income	(192)	21 7
8 Caring by Nursing	(2,177)	10 8
9 Beauty Shop	(130,985)	80 9
10 L.V. - Apartment Cleaning	(90)	3 10
11 L.V. - Medical Fees	(5,900)	10 11
12 L.V. Security	(28,834)	6 12
13 HRA Dues	(10,000)	20 13
14 Amortization	(21,567)	31 14
15 Valley Store	(16,041)	41 15
16 Cable TV	(35,284)	5 16
17 Hearthstone - Food Service Salaries	(325,700)	43 17
18 Hearthstone, Adult Day Care - Dietary	(3,640)	1 18
19 Hearthstone, Adult Day Care - Food	(489,184)	2 19
20 Non-Care Interest	(178,415)	32 20
21 Investment Income	(346,245)	32 21
22 Non-Care Utilities	(119,008)	5 22
23 Non-Care Housekeeping	(50,449)	3 23
24 Seminars - Out of State	(7,693)	24 24
25 Transportation - Out of State	(429)	25 25
26 Collection Fees	(3,330)	29 26
27 Food Service Discount	(20,178)	2 27
28 Pharmacy Discount	(174,926)	39 28
29 Other Discount	(6,013)	21 29
30 Misc Income	(8,862)	21 30
31 Capitalized R&M	(63,629)	6 31
32 Non-Care Depreciation Expense	(800,272)	30 32
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100		100
101 Total	(3,155,186)	101

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Lutheran Home For The Aged

0005090 Report Period Beginning:

07/01/04

Ending:

06/30/05

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

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	(3,648)											(3,648)	1
2	Food Purchase	(557,698)		(3,998)									(561,696)	2
3	Housekeeping	(50,539)											(50,539)	3
4	Laundry													4
5	Heat and Other Utilities	(354,292)											(354,292)	5
6	Maintenance	(92,463)		190,415									97,952	6
7	Other (specify):*													7
8	TOTAL General Services	(1,058,640)		186,417									(872,223)	8
	B. Health Care and Programs													
9	Medical Director													9
10	Nursing and Medical Records	(8,057)											(8,057)	10
10a	Therapy													10a
11	Activities	(15,147)											(15,147)	11
12	Social Services			41,494									41,494	12
13	CNA Training													13
14	Program Transportation													14
15	Other (specify):*													15
16	TOTAL Health Care and Programs	(23,204)		41,494									18,290	16
	C. General Administration													
17	Administrative			(5,469,482)									(5,469,482)	17
18	Directors Fees													18
19	Professional Services			389,832									389,832	19
20	Fees, Subscriptions & Promotions	(13,330)		103,033									89,703	20
21	Clerical & General Office Expenses	(177,512)		1,194,152									1,016,640	21
22	Employee Benefits & Payroll Taxes			2,420,537									2,420,537	22
23	Inservice Training & Education													23
24	Travel and Seminar	(7,093)		78,487									71,394	24
25	Other Admin. Staff Transportation	(429)		8,218									7,789	25
26	Insurance-Prop.Liab.Malpractice			230,391									230,391	26
27	Other (specify):*			632,731									632,731	27
28	TOTAL General Administration	(198,364)		(412,101)									(610,465)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(1,280,208)		(184,190)									(1,464,398)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Lutheran Home For The Aged# 0005090

Report Period Beginning:

07/01/04

Ending:

06/30/05

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

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	D. Ownership													
30	Depreciation	(860,272)											(860,272)	30
31	Amortization of Pre-Op. & Org.	(22,567)											(22,567)	31
32	Interest	(524,660)		28,227									(496,433)	32
33	Real Estate Taxes													33
34	Rent-Facility & Grounds													34
35	Rent-Equipment & Vehicles													35
36	Other (specify):*													36
37	TOTAL Ownership	(1,407,499)		28,227									(1,379,272)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation													38
39	Ancillary Service Centers	(174,926)											(174,926)	39
40	Barber and Beauty Shops	(130,905)											(130,905)	40
41	Coffee and Gift Shops	(38,041)											(38,041)	41
42	Provider Participation Fee													42
43	Other (specify):*	(325,700)											(325,700)	43
44	TOTAL Special Cost Centers	(669,572)											(669,572)	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(3,357,279)		(155,963)									(3,513,242)	45

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
N/A		Wittenberg Lutheran Village	Crown Point, IN	See Attached		

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: Adjustments for Related Organization Costs (7 minus 4)	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
1	V		\$			\$	\$	1
2	V							2
3	V							3
4	V							4
5	V							5
6	V							6
7	V							7
8	V							8
9	V							9
10	V							10
11	V							11
12	V							12
13	V							13
14	Total		\$			\$	\$ *	14

* 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	17 Administrative Allocation	\$ 6,079,991	Lutheran Home and Services for the Aged		\$	\$ (6,079,991)
16	V	2 Food Purchase		Lutheran Home and Services for the Aged		(3,998)	(3,998)
17	V	6 Maintenance		Lutheran Home and Services for the Aged		190,415	190,415
18	V	12 Pastoral Services		Lutheran Home and Services for the Aged		41,494	41,494
19	V	17 Administrative		Lutheran Home and Services for the Aged		610,509	610,509
20	V	19 Professional Fees		Lutheran Home and Services for the Aged		389,832	389,832
21	V	20 Dues & Subscriptions		Lutheran Home and Services for the Aged		103,033	103,033
22	V	21 Clerical & General Office		Lutheran Home and Services for the Aged		1,194,152	1,194,152
23	V	22 Employee Benefits		Lutheran Home and Services for the Aged		2,420,537	2,420,537
24	V	24 Travel & Seminar		Lutheran Home and Services for the Aged		78,487	78,487
25	V	25 Other Admin. Staff Transportation		Lutheran Home and Services for the Aged		8,218	8,218
26	V	26 Liability Insurance		Lutheran Home and Services for the Aged		230,391	230,391
27	V	27 Other - Employee Benefits		Lutheran Home and Services for the Aged		632,731	632,731
28	V	32 Interest Expense		Lutheran Home and Services for the Aged		28,227	28,227
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 6,079,991			\$ 5,924,028	\$ * (155,963)

* 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: Adjustments for Related Organization Costs (7 minus 4)	
		Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
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		\$			\$	0 \$ *	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 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		\$			\$	\$	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		\$			\$	0 \$ *	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 Schedule V	2 Line	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
		Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
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		\$			\$	0 \$ *	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 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		\$			\$	\$	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		\$			\$	0 \$ *	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 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		\$			\$	\$	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		\$			\$	0 \$ *	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 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		\$			\$	\$	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		\$			\$	0 \$ *	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 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		\$			\$	\$	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		\$			\$	0 \$ *	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 Schedule V	2 Line	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
		Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
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		\$			\$	0 \$ *	39

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

Facility Name & ID Number Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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	Roger Paulsberg	Chairman	Administrative	0.00%	see attached	34.00	85.00%	alloc salary	\$ 134,987	17-7	1
2	Penny Paulsberg	Spouse	Interior Design	0.00%				fees	75,670	19-3	2
3	Nathan Paulsberg	Son	Operations	0.00%		13.02	33.00%	salary	14,164	21-1	3
4	Nathan Paulsberg	Son	Operations	0.00%				fees	910	19-3	4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 225,731		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

Facility Name & ID Number Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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

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

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

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 Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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

Name of Related Organization Lutheran Home and Services for the Aged
 Street Address 800 West Oakton
 City / State / Zip Code Arlington Hts, IL 60004
 Phone Number (847) 253-3710
 Fax Number (847) 253-1427

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

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	2	Food Purchase	Direct Cost	(4,952)	3	\$ (4,952)	\$ (3,998)	\$ (3,998)	1
2	6	Maintenance	Direct Cost	288,698	3	288,698	190,415	190,415	2
3	10	Nursing & Medical Records	Direct Cost	24,465	3	24,465			3
4	12	Pastoral Services	Direct Cost	51,385	3	51,385	51,385	41,494	4
5	17	Administrative	Direct Cost	756,048	3	756,048	756,048	610,509	5
6	19	Professional Fees	Direct Cost	577,402	3	577,402		389,832	6
7	20	Dues & Subscriptions	Direct Cost	424,575	3	424,575		103,033	7
8	21	Clerical & General Office	Direct Cost	1,606,386	3	1,606,386	1,142,573	1,194,152	8
9	22	Employee Benefits	Direct Cost	2,420,537	3	2,420,537		2,420,537	9
10	24	Travel & Seminar	Direct Cost	138,711	3	138,711		78,487	10
11	25	Other Admin. Staff Trans.	Direct Cost	12,658	3	12,658		8,218	11
12	26	Liability Insurance	Direct Cost	285,314	3	285,314		230,391	12
13	27	Other - Employee Benefits	Direct Cost	1,157,470	3	1,157,470		632,731	13
14	32	Interest Expense	Direct Cost	34,955	3	34,955		28,227	14
15	43	Hearthstone / Other	Direct Cost	347,860	3	347,860	346,687		15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 8,121,512	\$ 2,296,693	\$ 5,924,028	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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

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

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

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 Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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

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

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

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 Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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

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

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

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 Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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

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

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

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 Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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

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

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

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 Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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

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

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

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 Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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

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

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

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 Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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

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

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

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 Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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						\$	\$				\$	1								
2												2								
3												3								
4												4								
5	See Supplemental Schedule											5								
	Working Capital																			
6	Interest on Resident Assets		X								6,409	6								
7												7								
8	See Supplemental Schedule											8								
9	TOTAL Facility Related					\$	\$				6,409	9								
	B. Non-Facility Related*																			
10	Revenue Bonds		X	Residential Unit Construction			24,285,000	26,816,936	8/15/2026	various	1,052,950	10								
11	Allocation from LHSA		X								28,227	11								
12	Non-Care Interest		X								(178,415)	12								
13	See Supplemental Schedule										(346,245)	13								
14	TOTAL Non-Facility Related					\$	24,285,000	\$ 26,816,936			556,517	14								
15	TOTALS (line 9+line14)					\$	24,285,000	\$ 26,816,936			562,926	15								

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

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

Facility Name & ID Number Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/04 Ending: 06/30/05

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						\$	\$			\$	8									
9											9									
10											10									
11											11									
12											12									
13											13									
14	TOTAL Working Capital										14									
B. Non-Facility Related*																				
15	Investment Income		X			\$	\$			\$	(346,245) 15									
16											16									
17											17									
18											18									
19											19									
20	TOTAL Non-Facility Related										(346,245) 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.)

Facility Name & ID Number **Lutheran Home For The Aged**# **0005090** Report Period Beginning: **07/01/04** Ending: **06/30/05****IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)****B. Real Estate Taxes**

1. Real Estate Tax accrual used on 2004 report.		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.		
			\$	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.)			\$	2
3. Under or (over) accrual (line 2 minus line 1).			\$	3
4. Real Estate Tax accrual used for 2005 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)			\$	5
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.			\$	7
Real Estate Tax History:				
Real Estate Tax Bill for Calendar Year:	2000	_____	8	
	2001	_____	9	
	2002	_____	10	
	2003	_____	11	
	2004	_____	12	
FOR OHF USE ONLY				
	13	FROM R. E. TAX STATEMENT FOR 2004	\$	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

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2004 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2004 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2004.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2004 real estate tax bill to the Department of Public Aid, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2005 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Bureau of Health Finance at (217) 782-1630.

2004 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lutheran Home For The Aged COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0005090

CONTACT PERSON REGARDING THIS REPORT Steve Lavenda

TELEPHONE (847)236-1111 FAX #: (847)236-1155

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2004 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 2004.

(A)	(B)	(C)	(D)
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Tax Applicable to 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 original 2004 tax bills which were listed in Section A to this statement. Be sure to use the 2004 tax bill which is normally paid during 2005.

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2004 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2004 real estate tax costs, as well as copies of your real estate tax bills for calendar 2004.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2004 real estate tax bill to the Department of Public Aid, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2005 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Bureau of Health Finance at (217) 782-1630.

2004 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lutheran Home For The Aged COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0005090

CONTACT PERSON REGARDING THIS REPORT Steve Lavenda

TELEPHONE (847)236-1111 FAX #: (847)236-1155

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2004 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 2004.

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

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 2004 tax bills which were listed in Section A to this statement. Be sure to use the 2000 tax bill which is normally paid during 2005.

Facility Name & ID Number Lutheran Home For The Aged

0005090 Report Period Beginning:

07/01/04 Ending:

06/30/05

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 315,041 B. General Construction Type: Exterior Brick Frame _____ Number of Stories _____

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).

Lutheran Home & Services for the Aged, Inc. - Parent Corporation

Lutheran Community Services for the Aged, Inc. - Family Support Services

Lutheran Foundation for the Aged - Fund Raising Activities

Hearthstone Supportive Apartments - 100 beds, 89,048 square feet

Child Day Care - 6448 square feet

Adult Day Care - 5088 square feet

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	Patient Care	871,200	1922	\$ 20,000	1
2	Cemetery	43,560	1896	225	2
3	TOTALS	914,760		\$ 20,225	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home For The Aged

0005090

Report Period Beginning:

07/01/04

Ending:

06/30/05

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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	125	1953	1953	\$ 1,242,090	\$	50	\$	\$	\$ 1,242,090	4
5		1962	1962	82,773	2,365	50	2,365		75,557	5
6	102	1966	1966	1,196,550	34,187	50	34,187		984,609	6
7	126	1973	1973	2,431,047	69,458	50	69,458		1,660,055	7
8	126	1978	1978	3,398,949	97,113	50	97,113		2,049,198	8
Improvement Type**										
9	Various		1976	10,801		20	309	309	6,945	9
10	Various		1980	128,110		20	3,660	3,660	72,106	10
11	Various		1981	1,686,911		20	48,198	48,198	915,753	11
12	Various		1982	881,456		20	25,184	25,184	460,872	12
13	Various		1983	733,983		20	20,971	20,971	369,090	13
14	Various		1984	650,719		20	18,592	18,592	314,204	14
15	Various		1985	335,901		20	9,597	9,597	155,473	15
16	Various		1986	31,815		20	909	909	14,089	16
17	Various		1987	36,747		20	1,050	1,050	15,539	17
18	Various		1988	125,105		20	3,574	3,574	50,397	18
19	Various		1989	5,271		20	151	151	2,019	19
20	Various		1990	9,600		20	274	274	3,208	20
21	Various		1991	65,975		20	1,885	1,885	22,621	21
22	Various		1992	254,620		20	7,275	7,275	81,484	22
23	Various		1993	60,706		20	1,734	1,734	18,384	23
24	Various		1994	164,661		20	4,705	4,705	46,578	24
25	Various		1995	40,474		20	1,156	1,156	10,637	25
26	Various		1996	40,722		20	1,165	1,165	9,662	26
27	Various		1997	20,182		20	576	576	4,478	27
28	Various		1998	7,103,694		20	210,704	210,704	1,408,674	28
29	Various		1999	4,703,451		20	138,801	138,801	848,157	29
30	Various		2000	732,300		20	30,679	30,679	152,488	30
31	Various		2001	6,294,979		20	220,468	220,468	1,028,377	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.

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home For The Aged

0005090

Report Period Beginning:

07/01/04

Ending:

06/30/05

XI. OWNERSHIP COSTS (continued)

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

	1	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37			\$	\$		\$	\$	\$	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 12-BLDG & 12A-BLDG)								67
68	Related Party Allocations (Pages 12-REP & 12A-REP)								68
69	Financial Statement Depreciation			905,560			(905,560)		69
70	TOTAL (lines 4 thru 69)		\$ 32,469,592	\$ 1,108,683		\$ 954,740	\$ (153,943)	\$ 12,022,744	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

STATE OF ILLINOIS

Page 12B

Facility Name & ID Number Lutheran Home For The Aged

0005090

Report Period Beginning:

07/01/04

Ending:

06/30/05

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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	\$ 32,469,592	\$ 1,108,683		\$ 954,740	\$ (153,943)	\$ 12,022,744		1
2	Chain Link Fence (2980)	2002 2,274		20	65	65	227		2
3	Ceiling Tiles	2002 3,362		20	96	96	328		3
4	Cablng (688)	2002 525		20	15	15	51		4
5	Cablng (608)	2002 464		20	13	13	45		5
6	Doors	2002 6,950		20	199	199	680		6
7	Vinyl Tile	2002 1,015		20	29	29	97		7
8	Sinks, Countertops, Faucets	2002 19,928		20	569	569	1,897		8
9	Sealants	2002 7,450		20	213	213	710		9
10	Decorating	2002 750		20	21	21	68		10
11	Cablng (2091)	2002 1,595		20	46	46	149		11
12	Sinks, Countertops, Faucets	2002 23,452		20	670	670	2,178		12
13	Painting & Decorating	2002 9,550		20	273	273	864		13
14	Painting & Decorating (5325)	2002 4,062		20	116	116	367		14
15	Wall Repair (7088)	2002 5,407		20	154	154	501		15
16	Signs	2002 1,940		20	55	55	174		16
17	Door System (3300)	2002 2,517		20	72	72	240		17
18	Computer Cablng (2305)	2002 1,758		20	50	50	158		18
19	Computer Cablng (1456)	2002 1,111		20	32	32	99		19
20	Floor Tiles(2150)	2002 1,640		20	47	47	149		20
21	Roof Top Unit (137,740)	2002 105,068		20	3,002	3,002	9,256		21
22	Alarm System	2002 33,632		20	1,682	1,682	5,887		22
23	Alarm System	2002 8,075		20	404	404	1,380		23
24	Light Fixtures	2002 1,298		20	65	65	206		24
25	Hot Water Pumping System (4620)	2002 3,524		20	176	176	587		25
26	Light Fixtures (3875)	2002 2,956		20	148	148	481		26
27	Hot Water Pumps (36170)	2002 27,590		20	1,380	1,380	4,485		27
28	Security System (110,099)	2002 83,984		20	4,199	4,199	12,947		28
29	Draperies (2144)	2002 1,635		20	82	82	260		29
30	Door System	2002 633		20	32	32	101		30
31	Generator (2118)	2002 1,741		20	87	87	305		31
32	Boiler / Water Heater (1854)	2002 1,524		20	76	76	260		32
33	Water Heater (1097)	2002 902		20	45	45	154		33
34	TOTAL (lines 1 thru 33)	\$ 32,837,904	\$ 1,108,683		\$ 968,853	\$ (139,830)	\$ 12,068,035		34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Lutheran Home For The Aged

0005090

Report Period Beginning:

07/01/04

Ending:

06/30/05

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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	\$ 32,837,904	\$ 1,108,683		\$ 968,853	\$ (139,830)	\$ 12,068,035		1
2	Hvac (1290)	2002 1,060		20	53	53	177		2
3	Da Tank (2784)	2002 2,288		20	114	114	371		3
4	Hot Water System (1062)	2002 873		20	44	44	150		4
5	Elevator	2002 1,865		20	93	93	287		5
6	Door	2002 595		20	30	30	92		6
7	Generator (1050)	2002 863		20	43	43	133		7
8	Landscaping (1553)	2002 1,277		20	64	64	203		8
9	Punch Tubes	2002 1,960		20	98	98	310		9
10	Exit Sign	2002 683		20	34	34	119		10
11	Landscaping (1724)	2002 1,417		20	71	71	227		11
12	Painting / Decorating	2002 4,675		20	234	234	799		12
13	Painting / Decorating	2002 4,364		20	223	223	762		13
14	Pump (2547)	2002 2,094		20	105	105	332		14
15	Enclosure - Across From Folding Room (3150)	2002 2,402		20	120	120	420		15
16	Carpeting With Vinyl Base	2002 17,263		20	863	863	2,877		16
17	Sinks, Counters, Wardrobes	2002 23,402		20	1,170	1,170	3,900		17
18	Ortronics Module Patch Panel (153)	2002 116		20	6	6	20		18
19	Partial Billing - Eml (20,980)	2002 16,004		20	800	800	2,667		19
20	Speakers From Overhead Page System (4087)	2002 3,118		20	156	156	520		20
21	Speakers From Overhead Page System (1183)	2002 902		20	45	45	150		21
22	Security System (1125)	2002 858		20	43	43	143		22
23	Security System (907)	2002 692		20	35	35	117		23
24	H Wing Renovation - Acctg & Computer (165,000)	2002 125,862		20	6,293	6,293	31,465		24
25	5 A/C Units Nursing Pavilion	2002 283,900		20	14,195	14,195	70,975		25
26	Phone System (159)	2002 121		20	6	6	18		26
27	Phone System	2002 671		20	34	34	102		27
28	Roof Top Units (4640)	2002 3,539		20	177	177	531		28
29	Gas Piping (119,900)	2002 91,460		20	4,573	4,573	13,719		29
30	Phone System (1100)	2002 839		20	42	42	126		30
31	Wiring - Alarm System	2002 15,130		20	757	757	2,271		31
32	Phone System (1647)	2002 502		20	25	25	75		32
33	Roof Top Units (5000)	2002 3,814		20	191	191	573		33
34	TOTAL (lines 1 thru 33)	\$ 33,452,613	\$ 1,108,683		\$ 999,590	\$ (109,093)	\$ 12,202,666		34

SEE ACCOUNTANTS' COMPILATION REPORT

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

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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	\$ 33,452,613	\$ 1,108,683		\$ 999,590	\$ (109,093)	\$ 12,202,666		1
2	Security System (9975)	2002 7,609		20	380	380	1,140		2
3	Water Heater (38000)	2002 28,986		20	1,449	1,449	4,347		3
4	Water Heater (29000)	2002 22,121		20	1,106	1,106	3,318		4
5	Water Heater (41000)	2002 31,275		20	1,564	1,564	4,692		5
6	Water Heater (10000)	2002 7,628		20	381	381	1,143		6
7	Plumbing (1375)	2002 1,049		20	52	52	156		7
8	Plumbing (3790)	2002 2,891		20	145	145	435		8
9	Sewer Lines (11730)	2002 8,948		20	447	447	1,341		9
10	Structural Repairs (42167)	2002 32,165		20	1,608	1,608	4,824		10
11	Pavement Repairs (6931)	2002 5,287		20	264	264	792		11
12	Survey (1182)	2002 902		20	45	45	135		12
13	Engineering (5500)	2002 4,195		20	210	210	630		13
14	Sewer Lines (3225)	2002 2,460		20	123	123	369		14
15	Engineering (4903)	2002 3,740		20	187	187	561		15
16	Locks (509)	2002 389		20	19	19	57		16
17	Door Closures (1358)	2002 1,036		20	52	52	156		17
18	Pump, Circulator (708)	2002 540		20	27	27	81		18
19	Door Closures (992)	2002 757		20	38	38	114		19
20	Landscaping (3088)	2002 2,355		20	118	118	354		20
21	Landscaping (970)	2002 740		20	37	37	111		21
22	Canopy (950)	2002 725		20	36	36	108		22
23	Compression Couplers (2000)	2002 1,526		20	76	76	228		23
24	Electrical Circuits (5120)	2002 3,906		20	195	195	585		24
25	Carpet Repair (1656)	2002 1,263		20	63	63	189		25
26	Entrance Door Repair (849)	2002 648		20	32	32	96		26
27	Security System (1770)	2002 1,350		20	68	68	204		27
28	Hot Water Boilers (2271)	2002 1,732		20	87	87	261		28
29	Plumbing, Piping (637)	2002 486		20	24	24	72		29
30	Condensate Pump (872)	2002 665		20	33	33	99		30
31	Flooring	2002 759		20	38	38	114		31
32	Motor (1546)	2002 1,179		20	59	59	177		32
33	Security System (1196)	2002 912		20	46	46	138		33
34	TOTAL (lines 1 thru 33)	\$ 33,632,837	\$ 1,108,683		\$ 1,008,599	\$ (100,084)	\$ 12,229,693		34

SEE ACCOUNTANTS' COMPILATION REPORT

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

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12D, Carried Forward	\$ 33,632,837	\$ 1,108,683		\$ 1,008,599	\$ (100,084)	\$ 12,229,693		1
2	Phone System (326)	249		20	12	12	36		2
3	Kitchen Design (7200)	5,492		20	275	275	825		3
4	Kitchen Design (7875)	6,007		20	300	300	900		4
5	Signage	200		20	10	10	30		5
6	Locks	5,056		20	253	253	759		6
7	Signage	86		20	4	4	12		7
8	Kitchen Design (512)	390		20	20	20	60		8
9	Elevator Repair	3,064		20	153	153	459		9
10	Signage	4,723		20	236	236	708		10
11	Plumbing (270)	206		20	10	10	30		11
12	Phone System	120		20	6	6	18		12
13	Phone System	770		20	39	39	117		13
14	Ceiling Tile	2,688		20	134	134	402		14
15	Phone System	100		20	5	5	15		15
16	Electrical Lines (4556)	3,475		20	174	174	522		16
17	Nurse Call System	23,500		20	1,175	1,175	3,525		17
18	Nurse Call System	62,243		20	3,112	3,112	9,336		18
19	Phone System (1691)	856		20	43	43	129		19
20	Nurse Call System	30,000		20	1,500	1,500	4,500		20
21	Phone System (442)	337		20	17	17	51		21
22	Ceiling Tile (9374)	7,150		20	358	358	1,074		22
23	Roof Top Units (20000)	15,256		20	763	763	2,289		23
24	Roof Top Units (6260)	4,775		20	239	239	717		24
25	Carpeting	2,950		20	148	148	444		25
26	Carpeting	2,880		20	144	144	432		26
27	Carpeting	3,625		20	181	181	543		27
28	Pump (6800)	5,187		20	259	259	777		28
29	Compressor (11795)	8,997		20	450	450	1,350		29
30	Phone System (565366)	431,261		20	21,563	21,563	64,689		30
31	Phone System (52202)	39,820		20	1,991	1,991	5,973		31
32	Landscaping (1236)	943		20	47	47	141		32
33	Sprinkler Heads (681)	519		20	26	26	78		33
34	TOTAL (lines 1 thru 33)	\$ 34,305,762	\$ 1,108,683		\$ 1,042,246	\$ (66,437)	\$ 12,330,634		34

SEE ACCOUNTANTS' COMPILATION REPORT

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

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12E, Carried Forward		\$ 34,305,762	\$ 1,108,683		\$ 1,042,246	\$ (66,437)	\$ 12,330,634	1
2	Roof Exhaust Fan (650)	2003	496		20	25	25	75	2
3	Boiler Repair (2130)	2003	1,625		20	81	81	243	3
4	Pipe Replacement (2350)	2003	1,793		20	90	90	270	4
5	Elevator Repair (764)	2003	583		20	29	29	87	5
6	Elevator Repair (764)	2003	583		20	29	29	87	6
7	Fire Alarm Work (2280)	2003	1,739		20	87	87	261	7
8	Exhaust Fan (1320)	2003	1,007		20	50	50	150	8
9	Hvac (4235)	2003	3,230		20	162	162	486	9
10	Piping (800)	2003	610		20	31	31	93	10
11	Weatherproofing (5348)	2003	4,079		20	204	204	612	11
12	Chiller Repair (701)	2003	535		20	27	27	81	12
13	Hvac (1313)	2003	1,002		20	50	50	150	13
14	Hvac (1457)	2003	1,111		20	56	56	168	14
15	Dock Doors (1266)	2003	966		20	48	48	144	15
16	Roof Ventilator (657)	2003	501		20	25	25	75	16
17	Ceiling Tile (1994)	2003	1,521		20	76	76	228	17
18	Window Blinds (624)	2003	476		20	24	24	72	18
19	Flooring (1550)	2003	1,182		20	59	59	177	19
20	Painting / Decorating (5994)	2003	4,572		20	229	229	687	20
21	Nurse Call System - 1Ab, 2Ab	2003	20,000		20	1,000	1,000	2,000	21
22	Arch. Fees-Bathing Rms. Pavilion	2003	593		20	30	30	59	22
23	Arch. Fees-Kitchen Renovation (800)	2003	610		20	30	30	61	23
24	Christ Courtyard Trellis Wall (7500)	2003	5,721		20	286	286	572	24
25	Roof Replacement Permits (1607)	2003	1,226		20	61	61	123	25
26	Wiring-Paint Shop (285)	2003	218		20	11	11	22	26
27	Nurse Call System-1Ab,2Ab-Bal. Due	2003	17,252		20	863	863	1,725	27
28	Wiring To Chapel Office (485)	2003	370		20	18	18	37	28
29	1St Inv.-Relocate & Add On To Fire Panel (10,150)	2003	7,742		20	387	387	774	29
30	Permit For Bathing/Shower Work	2003	2,059		20	103	103	206	30
31	Fire Alarm Work (26,028)	2003	19,854		20	993	993	1,985	31
32	Chapel/Seegers Roof Work (9660)	2003	7,369		20	368	368	737	32
33	Chapel/Seegers Roof Work (45,125)	2003	34,421		20	1,721	1,721	3,442	33
34	TOTAL (lines 1 thru 33)		\$ 34,450,808	\$ 1,108,683		\$ 1,049,500	\$ (59,183)	\$ 12,346,523	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12F, Carried Forward		\$ 34,450,808	\$ 1,108,683		\$ 1,049,500	\$ (59,183)	\$ 12,346,523	1
2	Wiring In Olson Center & Computer Rm. (560)	2003	427		20	21	21	43	2
3	Kitchen Remodeling (2298)	2003	1,753		20	88	88	175	3
4	Bathroom Remodeling	2003	2,855		20	143	143	286	4
5	Fire Panel Moved To Oakton Sq. Ent.	2003	24,807		20	1,240	1,240	2,481	5
6	Compressor Replacement (14,140)	2003	10,786		20	539	539	1,079	6
7	Seegers Rooftop Hvac (Partial) (61,200)	2003	46,683		20	2,334	2,334	4,668	7
8	Change Orders-Seegers Rooftop Hvac (71,800)	2003	54,769		20	2,738	2,738	5,477	8
9	Seegers Rooftop Hvac (Partial) (11,300)	2003	8,620		20	431	431	862	9
10	Furnish & Install Trane 6 Rooftop Units (9290)	2003	7,086		20	354	354	709	10
11	2 Freedom Baths	2003	18,145		20	907	907	1,814	11
12	Intrusion Detector System-Hipaa	2003	24,601		20	1,230	1,230	2,460	12
13	Intrusion Detector System-Hipaa	2003	8,476		20	424	424	848	13
14	Security Camera Repair (2573)	2003	1,962		20	98	98	196	14
15	Hvac (Motor, Blades) (1714)	2003	1,307		20	65	65	131	15
16	Entrance Auto Door (1218)	2003	929		20	46	46	93	16
17	Duct Sensor Housing (1655)	2003	1,262		20	63	63	126	17
18	Elevator Repair (816)	2003	622		20	31	31	62	18
19	Boiler Repair (1459)	2003	1,113		20	56	56	111	19
20	Elevator Repair (644)	2003	491		20	25	25	49	20
21	Duct Work (1111)	2003	847		20	42	42	85	21
22	Parking Signs (838)	2003	639		20	32	32	64	22
23	Landscaping (11645)	2003	8,883		20	444	444	888	23
24	Landscaping (7989)	2003	6,094		20	305	305	609	24
25	Landscaping (1668)	2003	1,272		20	64	64	127	25
26	Landscaping (7076)	2003	5,398		20	270	270	540	26
27	Paint (4090)	2003	3,120		20	156	156	312	27
28	Pavement Repair (9062)	2003	6,912		20	346	346	691	28
29	Paint (505)	2003	385		20	19	19	39	29
30	Plumbing (518)	2003	395		20	20	20	40	30
31	Pavement Repair (2700)	2003	2,060		20	103	103	206	31
32	Hvac - Return Duct (701)	2003	535		20	27	27	53	32
33	Roof Top Units - Guages (990)	2003	755		20	38	38	76	33
34	TOTAL (lines 1 thru 33)		\$ 34,704,799	\$ 1,108,683		\$ 1,062,199	\$ (46,484)	\$ 12,371,923	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12G, Carried Forward		\$ 34,704,799	\$ 1,108,683		\$ 1,062,199	\$ (46,484)	\$ 12,371,923	1
2	Roof Top Units - Valves (1298)	2003	990		20	50	50	99	2
3	Paint (964)	2003	735		20	37	37	73	3
4	Paint (984)	2003	751		20	38	38	75	4
5	Paint (779)	2003	594		20	30	30	59	5
6	Paint (902)	2003	688		20	34	34	69	6
7	Paint (902)	2003	688		20	34	34	69	7
8	Paint (943)	2003	719		20	36	36	72	8
9	Completion Christ Courtyardtrelliswall (7500)	2004	5,721		20	286	286	572	9
10	Wiring To Security Office (1797)	2004	1,371		20	69	69	137	10
11	A&B Shower Remodeling, 1,2 & 3	2004	18,000		20	900	900	1,800	11
12	Wiring In Nurse Mgr'S Offices	2004	455		20	23	23	46	12
13	Asbestos Abatement In A Shower Rms	2004	2,475		20	124	124	248	13
14	Hvac Rooftop Unit Replacement (95,500)	2004	72,847		20	3,642	3,642	7,285	14
15	Bathing Suites A Wing 1,2,&3	2004	4,708		20	235	235	471	15
16	Bathing Suites A Wing 1,2,&3	2004	2,535		20	127	127	254	16
17	Bathing Suites A Wing 1,2,&3	2004	40,050		20	2,003	2,003	4,005	17
18	Bathing Suites A Wing 1,2,&3	2004	7,500		20	375	375	750	18
19	Bathing Suites A Wing 1,2,&3	2004	7,350		20	368	368	735	19
20	Bathing Suites A Wing 1,2,&3	2004	1,163		20	58	58	116	20
21	Kitchen Phase II & Dish Room (15,500)	2004	11,823		20	591	591	1,182	21
22	Bathing Suites A Wing 1,2,&3	2004	34,000		20	1,700	1,700	3,400	22
23	Bathing Suites A Wing 1,2,&3	2004	995		20	50	50	100	23
24	2 Data Wire Run - J Hub (4075)	2004	3,108		20	155	155	311	24
25	2 Data Wire Run - J Hub (226)	2004	173		20	9	9	17	25
26	Repair To Elev. #6 - Partial Payment	2004	18,000		20	900	900	1,800	26
27	6 Tilt Mirrors	2004	636		20	32	32	64	27
28	Grab Bars	2004	3,140		20	157	157	314	28
29	Kitchen Phase II & Dish Room (4000)	2004	3,051		20	153	153	305	29
30	Bathing Suites A Wing 1,2,&3	2004	1,710		20	86	86	171	30
31	Bathing Room Renovations	2004	7,641		20	382	382	764	31
32	Kitchen Remodeling Dish Room (26,580)	2004	20,275		20	1,014	1,014	2,028	32
33	Olson A Wing Bathing Suites	2004	4,500		20	225	225	450	33
34	TOTAL (lines 1 thru 33)		\$ 34,983,192	\$ 1,108,683		\$ 1,076,119	\$ (32,564)	\$ 12,399,762	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12H, Carried Forward	\$ 34,983,192	\$ 1,108,683		\$ 1,076,119	\$ (32,564)	\$ 12,399,762		1
2	Olson A Wing Bathing Suites	2004 3,275		20	164	164	328		2
3	Olson A Wing Bathing Suites	2004 2,000		20	100	100	200		3
4	Kitchen Remodeling Dish Room (1000)	2004 763		20	38	38	76		4
5	Olson A Wing Bathing Suites	2004 9,000		20	450	450	900		5
6	Kitchen Remodeling Dish Room (1500)	2004 1,144		20	57	57	114		6
7	Scanning Of Concrete For Elec Runs	2004 500		20	25	25	50		7
8	Olson A Wing Bathing Suites	2004 10,500		20	525	525	1,050		8
9	Bathing Room Quartz Floors	2004 6,750		20	338	338	675		9
10	Olson A Wing Bathing Suites	2004 10,500		20	525	525	1,050		10
11	Replace Domestic Water Pipes	2004 3,730		20	187	187	373		11
12	2 Data Wire Runs (561)	2004 428		20	21	21	43		12
13	Rooftop Unit (1020)	2004 778		20	39	39	78		13
14	Rooftop Unit (538)	2004 411		20	21	21	41		14
15	Rooftop Unit (724)	2004 552		20	28	28	55		15
16	Rooftop Unit (471)	2004 359		20	18	18	36		16
17	Rooftop Unit (775)	2004 591		20	30	30	59		17
18	Rooftop Unit (793)	2004 605		20	30	30	60		18
19	Rooftop Unit (848)	2004 647		20	32	32	65		19
20	Rooftop Unit (1003)	2004 765		20	38	38	76		20
21	Rooftop Unit (918)	2004 700		20	35	35	70		21
22	Connections (390)	2004 297		20	15	15	30		22
23	Testing Of Phone Cables (210)	2004 160		20	8	8	16		23
24	Olson A Wing Bathing Suites-Hdwe.	2004 1,831		20	92	92	183		24
25	Kitchen Dish Room (12,640)	2004 9,642		20	482	482	964		25
26	Kitchen Dish Room Sprinkler System (8000)	2004 6,102		20	305	305	610		26
27	Kitchen Dish Room Ceiling (2000)	2004 1,526		20	76	76	153		27
28	Olson A Wing Bathing Suites-Ceilings	2004 2,280		20	114	114	228		28
29	Kitchen Dish Room - Electrical (7000)	2004 5,340		20	267	267	534		29
30	Olson A Wing Bathing Suites - Plumb	2004 8,333		20	417	417	833		30
31	Kitchen Dish Room - Plumbing (10,000)	2004 7,628		20	381	381	763		31
32	Olson A Wing Bathing Suites - Elec.	2004 6,750		20	338	338	675		32
33	Bathing Suites - Paint & Paper	2004 1,575		20	79	79	158		33
34	TOTAL (lines 1 thru 33)	\$ 35,088,654	\$ 1,108,683		\$ 1,081,392	\$ (27,291)	\$ 12,410,308		34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Lutheran Home For The Aged

0005090

Report Period Beginning:

07/01/04

Ending:

06/30/05

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12I, Carried Forward		\$ 35,088,654	\$ 1,108,683		\$ 1,081,392	\$ (27,291)	\$ 12,410,308	1
2	Bathing Suites - Supervis.& Overhead	2004	3,000		20	150	150	300	2
3	Kitchen Dish Room (2300)	2004	1,754		20	88	88	175	3
4	Bathing Suites - Carpentry	2004	7,650		20	383	383	765	4
5	Kitchen Dish Room - Carpentry,Demo (11,750)	2004	8,963		20	448	448	896	5
6	Bathing Suites - Flooring	2004	6,750		20	338	338	675	6
7	Kitchen Dish Room - Flooring (16,500)	2004	12,586		20	629	629	1,259	7
8	Bathing Suites - Flooring	2004	6,750		20	338	338	675	8
9	Kitchen Dish Room - Flooring (16,500)	2004	12,586		20	629	629	1,259	9
10	Bathing Suites - Hvac	2004	1,926		20	96	96	193	10
11	Kitchen Dish Room - Hvac (3580)	2004	2,731		20	137	137	273	11
12	Olson A Wing Bathing - Pull Stations	2004	1,900		20	95	95	190	12
13	Bathing Suites - 3 Fl. - Call Stations	2004	1,995		20	100	100	200	13
14	Pavilion Locks & Hardware	2004	9,811		20	491	491	981	14
15	Service Platform For Rooftop Unit (6213)	2004	4,739		20	237	237	474	15
16	Correct GI (1127)	2004	860		20	43	43	86	16
17	Data Wire For Office (548)	2004	418		20	21	21	42	17
18	Use Of Kitchen (10,000)	2004	7,628		20	381	381	763	18
19	Pavilion Ceiling Tiles	2004	2,710		20	135	135	271	19
20	3A & 3B Ceiling Tiles	2004	3,827		20	191	191	383	20
21	Plumbing For Bathing Suites A Wing	2004	10,124		20	506	506	1,012	21
22	Cabinets For Bathing Suites A Wing	2004	4,150		20	208	208	415	22
23	Electrical For Bathing Suites A Wing	2004	1,000		20	50	50	100	23
24	Hvac Bathing Suites A Wing	2004	2,449		20	122	122	245	24
25	Data Wire Runs To Nursing Stations	2004	1,022		20	51	51	102	25
26	Freedom Bath & Control System	2004	9,067		20	453	453	907	26
27	Install. 3 Card Readers&Door Contacts (2890)	2004	2,204		20	110	110	220	27
28	Install. 6 Magnetic Door Locks (3600)	2004	2,746		20	137	137	275	28
29	Rooftop Unit (4065)	2004	3,101		20	155	155	310	29
30	Rooftop Unit (22,897)	2004	17,466		20	873	873	1,747	30
31	Port. Projection Screen & Case (527)	2004	402		20	20	20	40	31
32	Electrical - Parking Lot Lights (561)	2004	428		20	21	21	43	32
33	Elevator Repair (679)	2004	518		20	26	26	52	33
34	TOTAL (lines 1 thru 33)		\$ 35,241,915	\$ 1,108,683		\$ 1,089,055	\$ (19,628)	\$ 12,425,634	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

STATE OF ILLINOIS

Page 12K

Facility Name & ID Number Lutheran Home For The Aged

0005090

Report Period Beginning:

07/01/04

Ending:

06/30/05

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12J, Carried Forward		\$ 35,241,915	\$ 1,108,683		\$ 1,089,055	\$ (19,628)	\$ 12,425,634	1
2	Hvac (591)	2004	451		20	23	23	45	2
3	Hvac (802)	2004	612		20	31	31	61	3
4	Generator Repair (770)	2004	587		20	29	29	59	4
5	Hvac (1108)	2004	845		20	42	42	85	5
6	Boiler Repair (932)	2004	711		20	36	36	71	6
7	Water Heater Tank (1225)	2004	934		20	47	47	93	7
8	Hvac (786)	2004	600		20	30	30	60	8
9	Hvac (786)	2004	600		20	30	30	60	9
10	Hvac (1498)	2004	1,143		20	57	57	114	10
11	Temperature Controls (2125)	2004	1,621		20	81	81	162	11
12	Water Heater Repair (1014)	2004	773		20	39	39	77	12
13	Motor (1302)	2004	993		20	50	50	99	13
14	Pump (4793)	2004	3,656		20	183	183	366	14
15	Boiler Repair (1063)	2004	811		20	41	41	81	15
16	Boiler Repair (654)	2004	499		20	25	25	50	16
17	Elevator Repair (641)	2004	489		20	24	24	49	17
18	Plumbing (869)	2004	663		20	33	33	66	18
19	Plumbing (953)	2004	727		20	36	36	73	19
20	Chiller Repair (7612)	2004	5,806		20	290	290	581	20
21	Chiller Repair (1477)	2004	1,127		20	56	56	113	21
22	Hvac (786)	2004	600		20	30	30	60	22
23	Boiler Repair (1513)	2004	1,154		20	58	58	115	23
24	Transformer (559)	2004	426		20	21	21	43	24
25	Cafeteria - Fire Alarm (1474)	2004	1,124		20	56	56	112	25
26	Elevator Repair (641)	2004	489		20	24	24	49	26
27	Parking Signs (630)	2004	481		20	24	24	48	27
28	Plumbing (753)	2004	574		20	29	29	57	28
29	Plumbing (728)	2004	555		20	28	28	56	29
30	Pavement Repair (1100)	2004	839		20	42	42	84	30
31	Chiller Repair (800)	2004	610		20	31	31	61	31
32	Boiler Repair (2651)	2004	2,022		20	101	101	202	32
33	Landscaping (1266)	2004	966		20	48	48	97	33
34	TOTAL (lines 1 thru 33)		\$ 35,275,404	\$ 1,108,683		\$ 1,090,730	\$ (17,953)	\$ 12,428,983	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 Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	2	3	4	5	6	7	8	9		
	Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4					\$	\$		\$	\$	\$	4
5											5
6											6
7											7
8											8
9	Improvement Type**										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

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 Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37			\$	\$		\$	\$	\$	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									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$	\$		\$	\$	\$	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Lutheran Home For The Aged

0005090

Report Period Beginning:

07/01/04

Ending:

06/30/05

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
4				\$	\$		\$	\$	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

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 Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37			\$	\$		\$	\$	\$	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									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$	\$		\$	\$	\$	70

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 Depreciation-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	\$ 6,815,388	\$ 440,643	\$ 440,643	\$ 0	10	\$ 6,830,859	71
72	Current Year Purchases	46,729	4,673	4,673	(0)	10	4,673	72
73	Fully Depreciated Assets	1,716,400				10	1,716,400	73
74								74
75	TOTALS	\$ 8,578,516	\$ 445,316	\$ 445,316	\$ 0		\$ 8,551,932	75

D. Vehicle Depreciation (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	Patient Care	1997 Ford Club Wagon	1997	\$ 100,711	\$	\$	\$	5	\$ 100,711	76
77	Patient Care	2002 Goshen Bus	2001	50,932	12,733	12,733		5	46,688	77
78	Housekeeping	2000 Ford Truck Explorer	2001	18,793	4,698	4,698		5	15,660	78
79										79
80	TOTALS			\$ 170,436	\$ 17,431	\$ 17,431	\$		\$ 163,059	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 12L, if applicable)	\$ 45,134,983	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12L, if applicable)	\$ 1,571,430	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12L, if applicable)	\$ 1,571,430	83**
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12L, if applicable)	\$ (0)	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12L, if applicable)	\$ 21,143,974	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	Various Non-Care - 2005	\$ 14,056,930	\$ 860,272	\$ 2,413,778	86
87					87
88					88
89					89
90					90
91	TOTALS	\$ 14,056,930	\$ 860,272	\$ 2,413,778	91

G. Construction-in-Progress

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

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

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

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

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.	<u>/2006</u>	\$ _____
13.	<u>/2007</u>	\$ _____
14.	<u>/2008</u>	\$ _____

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: \$ 15,305 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

* 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.)

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
--	--	---

B. EXPENSES

ALLOCATION OF COSTS (d)

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

C. CONTRACTUAL INCOME

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

\$

D. NUMBER OF CNAs TRAINED

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

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
- (c) For in-house training programs only. Do not include fringe benefits.
- (d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
 - (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.
- SEE ACCOUNTANTS' COMPILATION REPORT**

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

	Service	1 Schedule V Line & Column Reference	2		3		4		5		6		7		8		
			Staff		Units of Service	Cost	Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)						
			Units	Cost			Units	Cost									
1	Licensed Occupational Therapist	39 - 03	hrs	\$				\$ 396,467					\$	396,467		1	
2	Licensed Speech and Language Development Therapist	39 - 03	hrs					29,254						29,254		2	
3	Licensed Recreational Therapist		hrs													3	
4	Licensed Physical Therapist	39 - 03	hrs					933,055						933,055		4	
5	Physician Care	39 - 03	visits					15,976						15,976		5	
6	Dental Care		visits													6	
7	Work Related Program		hrs													7	
8	Habilitation		hrs													8	
9	Pharmacy	39 - 02	# of prescripts							1,185,878				1,185,878		9	
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs													10	
11	Academic Education		hrs													11	
12	Exceptional Care Program															12	
13	Other (specify): See Supplemental							55,990		539,310				595,300		13	
14	TOTAL			\$				\$ 1,430,742		\$ 1,725,188			\$	3,155,930		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

STATE OF ILLINOIS

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Facility Name & ID Number Lutheran Home For The Aged

0005090

Report Period Beginning: 07/01/04

Ending:

06/30/05

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 06/30/05

(last day of reporting year)

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

		1 Operating	2 After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ 2,895,835	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	1,366,131		3
4	Supply Inventory (priced at)	76,217		4
5	Short-Term Investments	2,884,155		5
6	Prepaid Insurance	164,123		6
7	Other Prepaid Expenses	457,418		7
8	Accounts Receivable (owners or related parties)	900,000		8
9	Other(specify): See Attached Schedule	433,865		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 9,177,744	\$	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments	616,151		12
13	Land	20,225		13
14	Buildings, at Historical Cost	47,304,869		14
15	Leasehold Improvements, at Historical Cost	440,936		15
16	Equipment, at Historical Cost	13,171,669		16
17	Accumulated Depreciation (book methods)	(24,252,546)		17
18	Deferred Charges	1,431,851		18
19	Organization & Pre-Operating Costs			19
	Accumulated Amortization -			
20	Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See Attached Schedule	573,555		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 39,306,710	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 48,484,454	\$	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 1,331,956	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	102,032		28
29	Short-Term Notes Payable	440,000		29
30	Accrued Salaries Payable	1,323,069		30
31	Accrued Taxes Payable (excluding real estate taxes)	54,174		31
32	Accrued Real Estate Taxes(Sch.IX-B)			32
33	Accrued Interest Payable	67,098		33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	See Attached Schedule	12,561,143		36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 15,879,472	\$	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable			40
41	Bonds Payable	26,376,936		41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43	See Attached Schedule	1,470,498		43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 27,847,434	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 43,726,906	\$	46
47	TOTAL EQUITY (page 18, line 24)	\$ 4,757,548	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 48,484,454	\$	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 6,133,728	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 6,133,728	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(1,376,180)	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)	\$ (1,376,180)	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)	\$ 4,757,548	24 *

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

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	\$ 30,644,199	1
2	Discounts and Allowances for all Levels	(7,261,067)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 23,383,132	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	4,015,290	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 4,015,290	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	194,429	13
14	Non-Patient Meals	78,337	14
15	Telephone, Television and Radio	56,161	15
16	Rental of Facility Space	1,045,004	16
17	Sale of Drugs	1,746,785	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	60,838	19
20	Radiology and X-Ray	5,556	20
21	Other Medical Services	14,912	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 3,202,022	23
D. Non-Operating Revenue			
24	Contributions	805,512	24
25	Interest and Other Investment Income***	383,311	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 1,188,823	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	See Supplemental Schedule	413,239	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 413,239	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 32,202,506	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	6,623,067	31
32	Health Care	11,564,786	32
33	General Administration	8,035,029	33
B. Capital Expense			
34	Ownership	3,528,933	34
C. Ancillary Expense			
35	Special Cost Centers	3,650,576	35
36	Provider Participation Fee	176,295	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 33,578,686	40
41	Income before Income Taxes (line 30 minus line 40)**	(1,376,180)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (1,376,180)	43

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? N/A 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.

Facility Name & ID Number **Lutheran Home For The Aged**# **0005090**Report Period Beginning: **07/01/04**Ending: **06/30/05**

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	1,880	2,080	\$ 69,405	\$ 33.37	1
2	Assistant Director of Nursing					2
3	Registered Nurses	119,252	140,835	3,219,483	22.86	3
4	Licensed Practical Nurses	28,315	33,567	729,084	21.72	4
5	CNAs & Orderlies	423,581	502,152	6,387,369	12.72	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	7,823	8,333	158,489	19.02	8
9	Activity Director					9
10	Activity Assistants	261	261	3,919	15.02	10
11	Social Service Workers	387	387	7,247	18.73	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	92,071	102,512	1,120,460	10.93	15
16	Dishwashers					16
17	Maintenance Workers	46,490	50,641	857,426	16.93	17
18	Housekeepers	36,473	39,928	361,349	9.05	18
19	Laundry	10,527	11,656	110,613	9.49	19
20	Administrator	1,880	2,080	111,173	53.45	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	6,696	11,299	215,469	19.07	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	3,083	3,499	63,928	18.27	31
32	Other Health Care(specify)					32
33	Other(specify) <u>See Supplemental</u>	34,293	35,415	444,006	12.54	33
34	TOTAL (lines 1 - 33)	813,012	944,645	\$ 13,859,420 *	\$ 14.67	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	231	\$ 8,538	01-03	35
36	Medical Director	monthly	28,369	09-03	36
37	Medical Records Consultant	monthly	330	10-03	37
38	Nurse Consultant				38
39	Pharmacist Consultant	monthly	3,720	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	73	4,158	11-03	44
45	Social Service Consultant				45
46	Other(specify)				46
47	<u>Nurse Consultant - Other</u>		89,533	10-03	47
48					48
49	TOTAL (lines 35 - 48)	304	\$ 134,648		49

C. CONTRACT NURSES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference		
50	Registered Nurses	2,469	\$ 128,374	10-03	50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)	2,469	\$ 128,374		53

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home For The Aged

0005090

Report Period Beginning: 07/01/04

Ending: 06/30/05

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	
James Holbrook	Administrator	0	\$ 111,173	Workers' Compensation Insurance	\$	IDPH License Fee	\$ 1,990	
				Unemployment Compensation Insurance		Advertising: Employee Recruitment		
				FICA Taxes	1,017,884	Health Care Worker Background Check (Indicate # of checks performed _____)		
				Employee Health Insurance		Subscription & Publications	10,934	
				Employee Meals		Organization Dues	6,441	
				Illinois Municipal Retirement Fund (IMRF)*		Inspections & License Fees	10,455	
				Volunteer Recognitions	11,172	Allocated from LHSA	103,033	
				Allocated from LHSA	2,420,537			
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 111,173			Less: Public Relations Expense	()	
B. Administrative - Other						Non-allowable advertising	()	
Description			Amount			Yellow page advertising	()	
Allocated Cost - Lutheran Home & Services for the Aged, Inc.			\$ 6,079,991			TOTAL (agree to Sch. V, line 20, col. 8)	\$ 132,853	
				TOTAL (agree to Schedule V, line 22, col.8)	\$ 3,449,593			
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$ 6,079,991	E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
C. Professional Services				Description	Line #	Amount	Description	Amount
Vendor/Payee	Type		Amount				Out-of-State Travel	\$
Michael Best & Friedrich LLP	Legal		\$ 2,725					
Penny Paulsberg	Decorating Services		75,670				In-State Travel	
KPMG	Accounting		21,996					
Achieve Accreditation	Quality Assurance		17,600				Seminar Expense	14,377
Frost Ruttenberg & Rothblatt	Medicaid Consulting		500				Allocated from LHSA	78,488
Nathan Paulsberg	Operations Specialist		910					
							Entertainment Expense	()
							(agree to Sch. V, line 24, col. 8)	
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$2500 attach copy of invoices.)			\$ 119,401	TOTAL		\$	TOTAL	\$ 92,865

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

**See instructions.

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									
				FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	
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? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. Paid by related party
- (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? _____
- (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? _____
- (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 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 270,175 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. _____
- (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.

- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 176,295
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? Yes For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 0 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 78,337
- (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. \$ _____
c. What percent of all travel expense relates to transportation of nurses and patients? 100% in 14
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? Yes
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
g. Does the facility transport residents to and from day training? Yes
Indicate the amount of income earned from providing such transportation during this reporting period. \$ _____
- (17) Has an audit been performed by an independent certified public accounting firm? Yes
Firm Name: KPMG The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? Yes If no, please explain. _____
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, 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.

SEE ACCOUNTANTS' COMPILATION REPORT