

		FOR BHF USE				

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2006
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2006)

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

I. IDPH Facility ID Number: 0005090

Facility Name: Lutheran Home for the Aged

Address: 800 West Oakton Street Arlington Hts 6004
 Number City Zip Code

County: Cook

Telephone Number: (847) 253-3710 **Fax #** (847) 253-1427

HFS ID Number: 362192824002

Date of Initial License for Current Owners: 08/01/60

Type of Ownership:

<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 _____	

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

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 07/01/05 to 06/30/06 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

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

Officer or Administrator of Provider	(Signed) _____	(Date) _____
	(Type or Print Name) _____	
	(Title) _____	
Paid Preparer	(Signed) _____	(Date) _____
	(Print Name and Title) <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>	

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged

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

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 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF		23,153	12,894	36,047	8
9	SNF/PED					9
10	ICF	28,769	50,233		79,002	10
11	ICF/DD					11
12	SC	2,656	22,646		25,302	12
13	DD 16 OR LESS					13
14	TOTALS	31,425	96,032	12,894	140,351	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 98.09%

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 12,894

Medicare Intermediary AdminaStar Federal

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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

Tax Year: 6/30/06 Fiscal Year: 6/30/06

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

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

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	A. General Services											
1	Dietary	1,454,127	259,638	17,855	1,731,620		1,731,620	(391,068)	1,340,552			1
2	Food Purchase		1,442,747		1,442,747		1,442,747	(644,228)	798,519			2
3	Housekeeping	309,255	132,861	250,550	692,666		692,666	(43,492)	649,174			3
4	Laundry	86,009	74,597	129,422	290,028		290,028		290,028			4
5	Heat and Other Utilities			1,155,738	1,155,738		1,155,738	(390,449)	765,289			5
6	Maintenance	896,736	170,356	556,231	1,623,323		1,623,323	172,421	1,795,744			6
7	Other (specify):*											7
8	TOTAL General Services	2,746,127	2,080,199	2,109,796	6,936,122		6,936,122	(1,296,816)	5,639,306			8
	B. Health Care and Programs											
9	Medical Director			33,183	33,183		33,183		33,183			9
10	Nursing and Medical Records	10,792,238	722,681	238,885	11,753,804		11,753,804	(11,378)	11,742,426			10
10a	Therapy	117,219	8,215		125,434		125,434		125,434			10a
11	Activities		25,844	3,625	29,469		29,469	(8,517)	20,952			11
12	Social Services		181		181		181	178,582	178,763			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	TOTAL Health Care and Programs	10,909,457	756,921	275,693	11,942,071		11,942,071	158,687	12,100,758			16
	C. General Administration											
17	Administrative	161,827		7,199,965	7,361,792		7,361,792	(6,892,153)	469,639			17
18	Directors Fees											18
19	Professional Services			168,269	168,269		168,269	444,830	613,099			19
20	Dues, Fees, Subscriptions & Promotions			34,184	34,184		34,184	102,224	136,408			20
21	Clerical & General Office Expenses	412,429	52,354	219,469	684,252		684,252	897,532	1,581,784			21
22	Employee Benefits & Payroll Taxes			1,077,391	1,077,391		1,077,391	3,079,198	4,156,589			22
23	Inservice Training & Education											23
24	Travel and Seminar			31,019	31,019		31,019	105,938	136,957			24
25	Other Admin. Staff Transportation			2,497	2,497		2,497	14,542	17,039			25
26	Insurance-Prop.Liab.Malpractice			87,676	87,676		87,676	269,614	357,290			26
27	Other (specify):*							215,542	215,542			27
28	TOTAL General Administration	574,256	52,354	8,820,470	9,447,080		9,447,080	(1,762,733)	7,684,347			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	14,229,840	2,889,474	11,205,959	28,325,273		28,325,273	(2,900,862)	25,424,411			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: 07/01/05 Ending: 06/30/06

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost 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
	D. Ownership										
30	Depreciation			2,628,993	2,628,993		2,628,993	(1,164,389)	1,464,604		30
31	Amortization of Pre-Op. & Org.			9,233	9,233		9,233	(9,233)			31
32	Interest			1,210,645	1,210,645		1,210,645	(625,007)	585,638		32
33	Real Estate Taxes										33
34	Rent-Facility & Grounds										34
35	Rent-Equipment & Vehicles			14,727	14,727		14,727		14,727		35
36	Other (specify):*										36
37	TOTAL Ownership			3,863,598	3,863,598		3,863,598	(1,798,629)	2,064,969		37
	Ancillary Expense										
	E. Special Cost Centers										
38	Medically Necessary Transportation										38
39	Ancillary Service Centers		865,951	1,520,982	2,386,933		2,386,933	(114,298)	2,272,635		39
40	Barber and Beauty Shops	123,597	10,845	282	134,724		134,724	(134,724)			40
41	Coffee and Gift Shops		56,853		56,853		56,853	(56,853)			41
42	Provider Participation Fee			176,688	176,688		176,688	(393)	176,295		42
43	Other (specify):*	229,850	2,911	10,356	243,117		243,117	(243,117)			43
44	TOTAL Special Cost Centers	353,447	936,560	1,708,308	2,998,315		2,998,315	(549,385)	2,448,930		44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	14,583,287	3,826,034	16,777,865	35,187,186		35,187,186	(5,248,875)	29,938,311		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: 07/01/05

Ending: 06/30/06

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	(324,020)	2		4
5	Telephone, TV & Radio in Resident Rooms	(56,648)	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	(262,264)	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	(80,238)	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	(3,411,120)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (4,134,289)		\$	30

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

		1	2	
		Amount	Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(1,114,586)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (1,114,586)		36
37	TOTAL ADJUSTMENTS (A) and (B)	\$ (5,248,875)		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

BHF USE ONLY					
48		49		50	51
					52

SEE ACCOUNTANTS' COMPILATION REPORT

Sch. V Line	Amount	Reference
NON-ALLOWABLE EXPENSES		
1	\$ (5,200)	11 1
2	(292)	21 2
3	(3,317)	11 3
4	(21)	21 4
5	(3,913)	20 5
6	(9,233)	31 6
7	(25,430)	21 7
8	(9)	21 8
9	(134,724)	40 9
10	(150)	3 10
11	(9,100)	10 11
12	(26,734)	6 12
13	(32,259)	21 13
14	(18,438)	21 14
15	(56,859)	41 15
16	(28,879)	5 16
17	(85,474)	43 17
18	(2,770)	10 18
19	(393)	42 19
20	(70)	21 20
21	(18,246)	6 21
22	(90,668)	1 22
23	(303,129)	2 23
24	(361,570)	5 24
25	(43,342)	3 25
26	(293,497)	32 26
27	(345,924)	32 27
28	(316)	25 28
29	(80,125)	30 29
30	(157,643)	43 30
31	(13,184)	2 31
32	(14,296)	39 32
33	(3,329)	21 33
34	(15,803)	24 34
35	(7,200)	6 35
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101	(3,411,120)	101

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning:

07/01/05

Ending:

06/30/06

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	(391,068)											(391,068)	1
2	Food Purchase	(640,333)		(3,895)									(644,228)	2
3	Housekeeping	(43,492)											(43,492)	3
4	Laundry													4
5	Heat and Other Utilities	(390,449)											(390,449)	5
6	Maintenance	(52,180)		224,601									172,421	6
7	Other (specify):*													7
8	TOTAL General Services	(1,517,522)		220,706									(1,296,816)	8
	B. Health Care and Programs													
9	Medical Director													9
10	Nursing and Medical Records	(11,378)											(11,378)	10
10a	Therapy													10a
11	Activities	(8,517)											(8,517)	11
12	Social Services			178,582									178,582	12
13	CNA Training													13
14	Program Transportation													14
15	Other (specify):*													15
16	TOTAL Health Care and Programs	(19,895)		178,582									158,687	16
	C. General Administration													
17	Administrative			(6,892,153)									(6,892,153)	17
18	Directors Fees													18
19	Professional Services			444,830									444,830	19
20	Fees, Subscriptions & Promotions	(2,917)		105,141									102,224	20
21	Clerical & General Office Expenses	(217,409)		1,114,941									897,532	21
22	Employee Benefits & Payroll Taxes			3,079,198									3,079,198	22
23	Inservice Training & Education													23
24	Travel and Seminar	(15,803)		121,741									105,938	24
25	Other Admin. Staff Transportation	(316)		14,858									14,542	25
26	Insurance-Prop.Liab.Malpractice			269,614									269,614	26
27	Other (specify):*			215,542									215,542	27
28	TOTAL General Administration	(236,445)		(1,526,288)									(1,762,733)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(1,773,862)		(1,127,000)									(2,900,862)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning:

07/01/05 Ending:

06/30/06

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

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
30	Depreciation	(1,164,389)											(1,164,389)	30
31	Amortization of Pre-Op. & Org.	(9,233)											(9,233)	31
32	Interest	(637,421)		12,414									(625,007)	32
33	Real Estate Taxes													33
34	Rent-Facility & Grounds													34
35	Rent-Equipment & Vehicles													35
36	Other (specify):*													36
37	TOTAL Ownership	(1,811,043)		12,414									(1,798,629)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation													38
39	Ancillary Service Centers	(114,298)											(114,298)	39
40	Barber and Beauty Shops	(134,724)											(134,724)	40
41	Coffee and Gift Shops	(56,853)											(56,853)	41
42	Provider Participation Fee	(393)											(393)	42
43	Other (specify):*	(243,117)											(243,117)	43
44	TOTAL Special Cost Centers	(549,385)											(549,385)	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(4,134,289)		(1,114,586)									(5,248,875)	45

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning:

07/01/05

Ending:

06/30/06

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		See Attached		
		Pleasant View Luther Home				

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

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

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	7,199,965	Lutheran Home and Services for the Aged			(7,199,965)	15
16	V	2 Food Purchases		Lutheran Home and Services for the Aged		(3,895)	(3,895)	16
17	V	6 Maintenance		Lutheran Home and Services for the Aged		224,601	224,601	17
18	V	12 Pastoral Services		Lutheran Home and Services for the Aged		178,582	178,582	18
19	V	17 Administrative		Lutheran Home and Services for the Aged		307,812	307,812	19
20	V	19 Professional Fees		Lutheran Home and Services for the Aged		444,830	444,830	20
21	V	20 Dues & Subscriptions		Lutheran Home and Services for the Aged		105,141	105,141	21
22	V	21 Clerical & General Office		Lutheran Home and Services for the Aged		1,114,941	1,114,941	22
23	V	22 Employee Benefits		Lutheran Home and Services for the Aged		3,079,198	3,079,198	23
24	V	24 Travel & Seminar		Lutheran Home and Services for the Aged		121,741	121,741	24
25	V	25 Other Admin. Staff Transportation		Lutheran Home and Services for the Aged		14,858	14,858	25
26	V	26 Liability Insurance		Lutheran Home and Services for the Aged		269,614	269,614	26
27	V	27 Other - Employee Benefits		Lutheran Home and Services for the Aged		215,542	215,542	27
28	V	32 Interest Expense		Lutheran Home and Services for the Aged		12,414	12,414	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		\$ 7,199,965			\$ 6,085,379	\$ * (1,114,586)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V								15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V								15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$		15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$		15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$		15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$		15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$		15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$		15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$			\$	\$ *	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

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

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	See Attached	24.38	60.94%	Alloc Salary	\$ 128,682	17-7	1
2	Penny Paulsberg	Spouse	Interior Design	0				Fees	90,975	19-02	2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 219,657		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: 07/01/05

Ending: 06/30/06

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	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning: 07/01/05

Ending: 06/30/06

VIII. ALLOCATION OF INDIRECT COSTS

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

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

Name of Related Organization 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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	2	Food Purchase	Direct Cost		(6,392)			(3,895)	1
2	6	Maintenance	Direct Cost		398,113			224,601	2
3	10	Nursing & Medical Records	Direct Cost		10,310				3
4	12	Pastoral Services	Direct Cost		293,045	290,479		178,582	4
5	17	Administrative	Direct Cost		505,107	505,107		307,812	5
6	19	Professional Fees	Direct Cost		972,028			444,830	6
7	20	Dues & Subscriptions	Direct Cost		428,940			105,141	7
8	21	Clerical & General Office	Direct Cost		1,947,047	1,178,860		1,114,941	8
9	22	Employee Benefits	Direct Cost		3,079,198			3,079,198	9
10	24	Travel & Seminar	Direct Cost		280,836			121,741	10
11	25	Other Admin. Staff Trans.	Direct Cost		41,995			14,858	11
12	26	Liability Insurance	Direct Cost		442,425			269,614	12
13	27	Other - Employee Benefits	Direct Cost		875,942			215,542	13
14	32	Interest Expense	Direct Cost		20,371			12,414	14
15	43	Hearthstone / Other	Direct Cost		487,503	443,255			15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$ 9,776,468	\$ 2,417,701		\$ 6,085,379	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning: 07/01/05

Ending: 06/30/06

VIII. ALLOCATION OF INDIRECT COSTS

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1									1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning:

07/01/05

Ending: 06/30/06

VIII. ALLOCATION OF INDIRECT COSTS

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1									1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning: 07/01/05

Ending: 06/30/06

VIII. ALLOCATION OF INDIRECT COSTS

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning: 07/01/05

Ending: 06/30/06

VIII. ALLOCATION OF INDIRECT COSTS

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning: 07/01/05

Ending: 06/30/06

VIII. ALLOCATION OF INDIRECT COSTS

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning: 07/01/05

Ending: 06/30/06

VIII. ALLOCATION OF INDIRECT COSTS

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning: 07/01/05

Ending: 06/30/06

VIII. ALLOCATION OF INDIRECT COSTS

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning: 07/01/05

Ending: 06/30/06

VIII. ALLOCATION OF INDIRECT COSTS

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

1	2	3	4	5	6	7	8	9	10											
										Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
											YES	NO				Original	Balance			
A. Directly Facility Related																				
Long-Term																				
1										1										
2										2										
3										3										
4										4										
5	See Supplemental Schedule																			
Working Capital																				
6	Interest on Resident Assets		X							6,273	6									
7	Interest on Capital Lease		X							19,221	7									
8	See Supplemental Schedule																			
9	TOTAL Facility Related									\$ 37,908	9									
B. Non-Facility Related*																				
10	Revenue Bonds		X	Residential Unit Construction		24,285,000	26,382,306	8/15/2026	various	1,185,151	10									
11	Non-Care Interest		X							(291,497)	11									
12	Investment Income		X							(345,924)	12									
13	See Supplemental Schedule																			
14	TOTAL Non-Facility Related					\$ 24,285,000	\$ 26,382,306			\$ 547,730	14									
15	TOTALS (line 9+line14)					\$ 24,285,000	\$ 26,382,306			\$ 585,638	15									

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

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	Allocation from LHSA		X				\$	\$		\$ 12,414	8									
9											9									
10											10									
11											11									
12											12									
13											13									
14	TOTAL Working Capital									12,414	14									
B. Non-Facility Related*																				
15							\$	\$		\$	15									
16											16									
17											17									
18											18									
19											19									
20	TOTAL Non-Facility Related										20									

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

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

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

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2005 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 2006 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:				
2001	_____	8		
2002	_____	9		
2003	_____	10		
2004	_____	11		
2005	_____	12		
			FOR BHF USE ONLY	
13	FROM R. E. TAX STATEMENT FOR 2005	\$		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:** 2005 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 2005 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2005.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2005 real estate tax bill to Healthcare and Family Services, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2006 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.

2005 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 2005 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 2005.

(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 2005 tax bills which were listed in Section A to this statement. Be sure to use the 2005 tax bill which is normally paid during 2006.

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

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2000 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 2000 real estate tax costs, as well as copies of your real estate tax bills for calendar 2000.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2000 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2001 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 Office of Health Finance at (217) 782-1630.

2000 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 2000 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2000.

(A)	(B)	(C)	(D)
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Tax 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 2000 tax bills which were listed in Section A to this statement. Be sure to use the 2000 tax bill which is normally paid during 2001.

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 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	<u>Patient Care</u>	<u>871,200</u>	<u>1922</u>	<u>\$ 20,000</u>	1
2	<u>Cemetery</u>	<u>43,560</u>	<u>1896</u>	<u>225</u>	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:

07/01/05

Ending:

06/30/06

XI. OWNERSHIP COSTS (continued)

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

	1 Beds*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	125		1953	1953	\$ 1,242,090	\$		\$	\$	\$	4
5			1962	1962	82,773						5
6	102		1966	1966	1,196,550						6
7	126		1973	1973	2,431,047						7
8	126		1978	1978	3,398,949						8
	Improvement Type**										
9	Various			1976	10,801		20	309	309	7,254	9
10	Various			1980	128,110		20	3,660	3,660	75,766	10
11	Various			1981	1,686,911		20	48,198	48,198	963,951	11
12	Various			1982	881,456		20	25,184	25,184	486,056	12
13	Various			1983	733,983		20	20,971	20,971	390,061	13
14	Various			1984	650,719		20	18,592	18,592	332,796	14
15	Various			1985	335,901		20	9,597	9,597	165,070	15
16	Various			1986	31,815		20	909	909	14,998	16
17	Various			1987	36,747		20	1,050	1,050	16,589	17
18	Various			1988	125,105		20	3,574	3,574	53,971	18
19	Various			1989	5,271		20	151	151	2,170	19
20	Various			1990	9,600		20	274	274	3,482	20
21	Various			1991	65,975		20	1,885	1,885	24,506	21
22	Various			1992	254,620		20	7,275	7,275	88,759	22
23	Various			1993	60,706		20	1,734	1,734	20,118	23
24	Various			1994	164,661		20	4,705	4,705	51,283	24
25	Various			1995	40,474		20	1,156	1,156	11,793	25
26	Various			1996	40,722		20	1,165	1,165	10,827	26
27	Various			1997	20,182		20	576	576	5,054	27
28	Various			1998	7,097,469		20	210,704	210,704	1,619,378	28
29	Various			1999	3,328,341		20	138,801	138,801	986,958	29
30	Various			2000	685,387		20	30,679	30,679	183,167	30
31	Various			2001	4,120,711		20	220,468	220,468	1,248,845	31
32	Various			2002	1,163,245		20	53,859	53,859	260,808	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:

07/01/05

Ending:

06/30/06

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					1,726,868		(1,726,868)	69
70		\$ 30,030,321	\$ 1,726,868		\$ 805,476	\$ (921,392)	\$ 7,023,660	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:

07/01/05

Ending:

06/30/06

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		\$ 30,030,321	\$ 1,726,868		\$ 805,476	\$ (921,392)	\$ 7,023,660	1
2	Phone System (326)	2003	249		20	12	12	48	2
3	Kitchen Design (7200)	2003	5,492		20	275	275	1,100	3
4	Kitchen Design (7875)	2003	6,007		20	300	300	1,200	4
5	Signage	2003	200		20	10	10	40	5
6	Locks	2003	5,056		20	253	253	1,012	6
7	Signage	2003	86		20	4	4	16	7
8	Kitchen Design (512)	2003	390		20	20	20	80	8
9	Elevator Repair	2003	3,064		20	153	153	612	9
10	Signage	2003	4,723		20	236	236	944	10
11	Plumbing (270)	2003	206		20	10	10	40	11
12	Phone System	2003	120		20	6	6	24	12
13	Phone System	2003	770		20	39	39	156	13
14	Ceiling Tile	2003	2,688		20	134	134	536	14
15	Phone System	2003	100		20	5	5	20	15
16	Electrical Lines (4556)	2003	3,475		20	174	174	696	16
17	Nurse Call System	2003	23,500		20	1,175	1,175	4,700	17
18	Nurse Call System	2003	62,243		20	3,112	3,112	12,448	18
19	Phone System (1691)	2003	856		20	43	43	172	19
20	Nurse Call System	2003	30,000		20	1,500	1,500	6,000	20
21	Phone System (442)	2003	337		20	17	17	68	21
22	Ceiling Tile (9374)	2003	7,150		20	358	358	1,432	22
23	Roof Top Units (20000)	2003	15,256		20	763	763	3,052	23
24	Roof Top Units (6260)	2003	4,775		20	239	239	956	24
25	Carpeting	2003	2,950		20	148	148	592	25
26	Carpeting	2003	2,880		20	144	144	576	26
27	Carpeting	2003	3,625		20	181	181	724	27
28	Pump (6800)	2003	5,187		20	259	259	1,036	28
29	Compressor (11795)	2003	8,997		20	450	450	1,800	29
30	Phone System (565366)	2003	431,261		20	21,563	21,563	86,252	30
31	Phone System (52202)	2003	39,820		20	1,991	1,991	7,964	31
32	Landscaping (1236)	2003	943		20	47	47	188	32
33	Sprinkler Heads (681)	2003	519		20	26	26	104	33
34	TOTAL (lines 1 thru 33)		\$ 30,703,246	\$ 1,726,868		\$ 839,123	\$ (887,745)	\$ 7,158,248	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:

07/01/05

Ending:

06/30/06**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		\$ 30,703,246	\$ 1,726,868		\$ 839,123	\$ (887,745)	\$ 7,158,248	1
2	Roof Exhaust Fan (650)	2003	496		20	25	25	100	2
3	Boiler Repair (2130)	2003	1,625		20	81	81	324	3
4	Pipe Replacement (2350)	2003	1,793		20	90	90	360	4
5	Elevator Repair (764)	2003	583		20	29	29	116	5
6	Elevator Repair (764)	2003	583		20	29	29	116	6
7	Fire Alarm Work (2280)	2003	1,739		20	87	87	348	7
8	Exhaust Fan (1320)	2003	1,007		20	50	50	200	8
9	Hvac (4235)	2003	3,230		20	162	162	648	9
10	Piping (800)	2003	610		20	31	31	124	10
11	Weatherproofing (5348)	2003	4,079		20	204	204	816	11
12	Chiller Repair (701)	2003	535		20	27	27	108	12
13	Hvac (1313)	2003	1,002		20	50	50	200	13
14	Hvac (1457)	2003	1,111		20	56	56	224	14
15	Dock Doors (1266)	2003	966		20	48	48	192	15
16	Roof Ventilator (657)	2003	501		20	25	25	100	16
17	Ceiling Tile (1994)	2003	1,521		20	76	76	304	17
18	Window Blinds (624)	2003	476		20	24	24	96	18
19	Flooring (1550)	2003	1,182		20	59	59	236	19
20	Painting / Decorating (5994)	2003	4,572		20	229	229	916	20
21	Nurse Call System - 1Ab, 2Ab	2003	20,000		20	1,000	1,000	3,000	21
22	Arch. Fees-Bathing Rms. Pavilion	2003	593		20	30	30	89	22
23	Arch. Fees-Kitchen Renovation (800)	2003	610		20	30	30	91	23
24	Christ Courtyard Trellis Wall (7500)	2003	5,721		20	286	286	858	24
25	Roof Replacement Permits (1607)	2003	1,226		20	61	61	184	25
26	Wiring-Paint Shop (285)	2003	218		20	11	11	33	26
27	Nurse Call System-1Ab,2Ab-Bal. Due	2003	17,252		20	863	863	2,588	27
28	Wiring To Chapel Office (485)	2003	370		20	18	18	55	28
29	1st Inv.-Relocate & Add On To Fire Panel (10,150)	2003	7,742		20	387	387	1,161	29
30	Permit For Bathing/Shower Work	2003	2,059		20	103	103	309	30
31	Fire Alarm Work (26,028)	2003	19,854		20	993	993	2,978	31
32	Chapel/Seegers Roof Work (9660)	2003	7,369		20	368	368	1,105	32
33	Chapel/Seegers Roof Work (45,125)	2003	34,421		20	1,721	1,721	5,163	33
34	TOTAL (lines 1 thru 33)		\$ 30,848,292	\$ 1,726,868		\$ 846,377	\$ (880,491)	\$ 7,181,391	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:

07/01/05

Ending:

06/30/06

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		\$ 30,848,292	\$ 1,726,868		\$ 846,377	\$ (880,491)	\$ 7,181,391	1
2	Wiring In Olson Center & Computer Rm. (560)	2003	427		20	21	21	64	2
3	Kitchen Remodeling (2298)	2003	1,753		20	88	88	263	3
4	Bathroom Remodeling	2003	2,855		20	143	143	428	4
5	Fire Panel Moved To Oakton Sq. Ent.	2003	24,807		20	1,240	1,240	3,721	5
6	Compressor Replacement (14,140)	2003	10,786		20	539	539	1,618	6
7	Seegers Rooftop Hvac (Partial) (61,200)	2003	46,683		20	2,334	2,334	7,003	7
8	Change Orders-Seegers Rooftop Hvac (71,800)	2003	54,769		20	2,738	2,738	8,215	8
9	Seegers Rooftop Hvac (Partial) (11,300)	2003	8,620		20	431	431	1,293	9
10	Furnish & Install Trane 6 Rooftop Units (9290)	2003	7,086		20	354	354	1,063	10
11	2 Freedom Baths	2003	18,145		20	907	907	2,722	11
12	Intrusion Detector System-Hipaa	2003	24,601		20	1,230	1,230	3,690	12
13	Intrusion Detector System-Hipaa	2003	8,476		20	424	424	1,272	13
14	Security Camera Repair (2573)	2003	1,962		20	98	98	294	14
15	Hvac (Motor, Blades) (1714)	2003	1,307		20	65	65	196	15
16	Entrance Auto Door (1218)	2003	929		20	46	46	139	16
17	Duct Sensor Housing (1655)	2003	1,262		20	63	63	189	17
18	Elevator Repair (816)	2003	622		20	31	31	93	18
19	Boiler Repair (1459)	2003	1,113		20	56	56	167	19
20	Elevator Repair (644)	2003	491		20	25	25	74	20
21	Duct Work (1111)	2003	847		20	42	42	127	21
22	Parking Signs (838)	2003	639		20	32	32	96	22
23	Landscaping (11645)	2003	8,883		20	444	444	1,332	23
24	Landscaping (7989)	2003	6,094		20	305	305	914	24
25	Landscaping (1668)	2003	1,272		20	64	64	191	25
26	Landscaping (7076)	2003	5,398		20	270	270	810	26
27	Paint (4090)	2003	3,120		20	156	156	468	27
28	Pavement Repair (9062)	2003	6,912		20	346	346	1,037	28
29	Paint (505)	2003	385		20	19	19	58	29
30	Plumbing (518)	2003	395		20	20	20	59	30
31	Pavement Repair (2700)	2003	2,060		20	103	103	309	31
32	Hvac - Return Duct (701)	2003	535		20	27	27	80	32
33	Roof Top Units - Guages (990)	2003	755		20	38	38	113	33
34	TOTAL (lines 1 thru 33)		\$ 31,102,283	\$ 1,726,868		\$ 859,076	\$ (867,792)	\$ 7,219,490	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:

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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		\$ 31,102,283	\$ 1,726,868		\$ 859,076	\$ (867,792)	\$ 7,219,490	1
2	Roof Top Units - Valves (1298)	2003	990		20	50	50	149	2
3	Paint (964)	2003	735		20	37	37	110	3
4	Paint (984)	2003	751		20	38	38	113	4
5	Paint (779)	2003	594		20	30	30	89	5
6	Paint (902)	2003	688		20	34	34	103	6
7	Paint (902)	2003	688		20	34	34	103	7
8	Paint (943)	2003	719		20	36	36	108	8
9	Completion Christ Courtyardtrelliswall (7500)	2004	5,721		20	286	286	858	9
10	Wiring To Security Office (1797)	2004	1,371		20	69	69	206	10
11	A&B Shower Remodeling, 1,2 & 3	2004	18,000		20	900	900	2,700	11
12	Wiring In Nurse Mgr'S Offices	2004	455		20	23	23	68	12
13	Asbestos Abatement In A Shower Rms	2004	2,475		20	124	124	371	13
14	Hvac Rooftop Unit Replacement (95,500)	2004	72,847		20	3,642	3,642	10,927	14
15	Bathing Suites A Wing 1,2,&3	2004	4,708		20	235	235	706	15
16	Bathing Suites A Wing 1,2,&3	2004	2,535		20	127	127	380	16
17	Bathing Suites A Wing 1,2,&3	2004	40,050		20	2,003	2,003	6,008	17
18	Bathing Suites A Wing 1,2,&3	2004	7,500		20	375	375	1,125	18
19	Bathing Suites A Wing 1,2,&3	2004	7,350		20	368	368	1,103	19
20	Bathing Suites A Wing 1,2,&3	2004	1,163		20	58	58	174	20
21	Kitchen Phase Ii & Dish Room (15,500)	2004	11,823		20	591	591	1,774	21
22	Bathing Suites A Wing 1,2,&3	2004	34,000		20	1,700	1,700	5,100	22
23	Bathing Suites A Wing 1,2,&3	2004	995		20	50	50	149	23
24	2 Data Wire Run - J Hub (4075)	2004	3,108		20	155	155	466	24
25	2 Data Wire Run - J Hub (226)	2004	173		20	9	9	26	25
26	Repair To Elev. #6 - Partial Payment	2004	18,000		20	900	900	2,700	26
27	6 Tilt Mirrors	2004	636		20	32	32	95	27
28	Grab Bars	2004	3,140		20	157	157	471	28
29	Kitchen Phase Ii & Dish Room (4000)	2004	3,051		20	153	153	458	29
30	Bathing Suites A Wing 1,2,&3	2004	1,710		20	86	86	257	30
31	Bathing Room Renovations	2004	7,641		20	382	382	1,146	31
32	Kitchen Remodeling Dish Room (26,580)	2004	20,275		20	1,014	1,014	3,041	32
33	Olson A Wing Bathing Suites	2004	4,500		20	225	225	675	33
34	TOTAL (lines 1 thru 33)		\$ 31,380,676	\$ 1,726,868		\$ 872,996	\$ (853,872)	\$ 7,261,249	34

SEE ACCOUNTANTS' COMPILATION REPORT

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Facility Name & ID Number Lutheran Home for the Aged

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Report Period Beginning:

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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		\$ 31,380,676	\$ 1,726,868		\$ 872,996	\$ (853,872)	\$ 7,261,249	1
2	Olson A Wing Bathing Suites	2004	3,275		20	164	164	491	2
3	Olson A Wing Bathing Suites	2004	2,000		20	100	100	300	3
4	Kitchen Remodeling Dish Room (1000)	2004	763		20	38	38	114	4
5	Olson A Wing Bathing Suites	2004	9,000		20	450	450	1,350	5
6	Kitchen Remodeling Dish Room (1500)	2004	1,144		20	57	57	172	6
7	Scanning Of Concrete For Elec Runs	2004	500		20	25	25	75	7
8	Olson A Wing Bathing Suites	2004	10,500		20	525	525	1,575	8
9	Bathing Room Quartz Floors	2004	6,750		20	338	338	1,013	9
10	Olson A Wing Bathing Suites	2004	10,500		20	525	525	1,575	10
11	Replace Domestic Water Pipes	2004	3,730		20	187	187	560	11
12	2 Data Wire Runs (561)	2004	428		20	21	21	64	12
13	Rooftop Unit (1020)	2004	778		20	39	39	117	13
14	Rooftop Unit (538)	2004	411		20	21	21	62	14
15	Rooftop Unit (724)	2004	552		20	28	28	83	15
16	Rooftop Unit (471)	2004	359		20	18	18	54	16
17	Rooftop Unit (775)	2004	591		20	30	30	89	17
18	Rooftop Unit (793)	2004	605		20	30	30	91	18
19	Rooftop Unit (848)	2004	647		20	32	32	97	19
20	Rooftop Unit (1003)	2004	765		20	38	38	115	20
21	Rooftop Unit (918)	2004	700		20	35	35	105	21
22	Connections (390)	2004	297		20	15	15	45	22
23	Testing Of Phone Cables (210)	2004	160		20	8	8	24	23
24	Olson A Wing Bathing Suites-Hdwe.	2004	1,831		20	92	92	275	24
25	Kitchen Dish Room (12,640)	2004	9,642		20	482	482	1,446	25
26	Kitchen Dish Room Sprinkler System (8000)	2004	6,102		20	305	305	915	26
27	Kitchen Dish Room Ceiling (2000)	2004	1,526		20	76	76	229	27
28	Olson A Wing Bathing Suites-Ceilings	2004	2,280		20	114	114	342	28
29	Kitchen Dish Room - Electrical (7000)	2004	5,340		20	267	267	801	29
30	Olson A Wing Bathing Suites - Plumb	2004	8,333		20	417	417	1,250	30
31	Kitchen Dish Room - Plumbing (10,000)	2004	7,628		20	381	381	1,144	31
32	Olson A Wing Bathing Suites - Elec.	2004	6,750		20	338	338	1,013	32
33	Bathing Suites - Paint & Paper	2004	1,575		20	79	79	236	33
34	TOTAL (lines 1 thru 33)		\$ 31,486,138	\$ 1,726,868		\$ 878,269	\$ (848,599)	\$ 7,277,068	34

SEE ACCOUNTANTS' COMPILATION REPORT

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Facility Name & ID Number Lutheran Home for the Aged

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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		\$ 31,486,138	\$ 1,726,868		\$ 878,269	\$ (848,599)	\$ 7,277,068	1
2	Bathing Suites - Supervis.& Overhead	2004	3,000		20	150	150	450	2
3	Kitchen Dish Room (2300)	2004	1,754		20	88	88	263	3
4	Bathing Suites - Carpentry	2004	7,650		20	383	383	1,148	4
5	Kitchen Dish Room - Carpentry,Demo (11,750)	2004	8,963		20	448	448	1,344	5
6	Bathing Suites - Flooring	2004	6,750		20	338	338	1,013	6
7	Kitchen Dish Room - Flooring (16,500)	2004	12,586		20	629	629	1,888	7
8	Bathing Suites - Flooring	2004	6,750		20	338	338	1,013	8
9	Kitchen Dish Room - Flooring (16,500)	2004	12,586		20	629	629	1,888	9
10	Bathing Suites - Hvac	2004	1,926		20	96	96	289	10
11	Kitchen Dish Room - Hvac (3580)	2004	2,731		20	137	137	410	11
12	Olson A Wing Bathing - Pull Stations	2004	1,900		20	95	95	285	12
13	Bathing Suites - 3 Fl. - Call Stations	2004	1,995		20	100	100	299	13
14	Pavilion Locks & Hardware	2004	9,811		20	491	491	1,472	14
15	Service Platform For Rooftop Unit (6213)	2004	4,739		20	237	237	711	15
16	Correct GI (1127)	2004	860		20	43	43	129	16
17	Data Wire For Office (548)	2004	418		20	21	21	63	17
18	Use Of Kitchen (10,000)	2004	7,628		20	381	381	1,144	18
19	Pavilion Ceiling Tiles	2004	2,710		20	135	135	406	19
20	3A & 3B Ceiling Tiles	2004	3,827		20	191	191	574	20
21	Plumbing For Bathing Suites A Wing	2004	10,124		20	506	506	1,519	21
22	Cabinets For Bathing Suites A Wing	2004	4,150		20	208	208	623	22
23	Electrical For Bathing Suites A Wing	2004	1,000		20	50	50	150	23
24	Hvac Bathing Suites A Wing	2004	2,449		20	122	122	367	24
25	Data Wire Runs To Nursing Stations	2004	1,022		20	51	51	153	25
26	Freedom Bath & Control System	2004	9,067		20	453	453	1,360	26
27	Install. 3 Card Readers&Door Contacts (2890)	2004	2,204		20	110	110	331	27
28	Install. 6 Magnetic Door Locks (3600)	2004	2,746		20	137	137	412	28
29	Rooftop Unit (4065)	2004	3,101		20	155	155	465	29
30	Rooftop Unit (22,897)	2004	17,466		20	873	873	2,620	30
31	Port. Projection Screen & Case (527)	2004	402		20	20	20	60	31
32	Electrical - Parking Lot Lights (561)	2004	428		20	21	21	64	32
33	Elevator Repair (679)	2004	518		20	26	26	78	33
34	TOTAL (lines 1 thru 33)		\$ 31,639,399	\$ 1,726,868		\$ 885,932	\$ (840,936)	\$ 7,300,057	34

SEE ACCOUNTANTS' COMPILATION REPORT

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Facility Name & ID Number Lutheran Home for the Aged

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Report Period Beginning:

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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		\$ 31,639,399	\$ 1,726,868		\$ 885,932	\$ (840,936)	\$ 7,300,057	1
2	Hvac (591)	2004	451		20	23	23	68	2
3	Hvac (802)	2004	612		20	31	31	92	3
4	Generator Repair (770)	2004	587		20	29	29	88	4
5	Hvac (1108)	2004	845		20	42	42	127	5
6	Boiler Repair (932)	2004	711		20	36	36	107	6
7	Water Heater Tank (1225)	2004	934		20	47	47	140	7
8	Hvac (786)	2004	600		20	30	30	90	8
9	Hvac (786)	2004	600		20	30	30	90	9
10	Hvac (1498)	2004	1,143		20	57	57	171	10
11	Temperature Controls (2125)	2004	1,621		20	81	81	243	11
12	Water Heater Repair (1014)	2004	773		20	39	39	116	12
13	Motor (1302)	2004	993		20	50	50	149	13
14	Pump (4793)	2004	3,656		20	183	183	548	14
15	Boiler Repair (1063)	2004	811		20	41	41	122	15
16	Boiler Repair (654)	2004	499		20	25	25	75	16
17	Elevator Repair (641)	2004	489		20	24	24	73	17
18	Plumbing (869)	2004	663		20	33	33	99	18
19	Plumbing (953)	2004	727		20	36	36	109	19
20	Chiller Repair (7612)	2004	5,806		20	290	290	871	20
21	Chiler Repair (1477)	2004	1,127		20	56	56	169	21
22	Hvac (786)	2004	600		20	30	30	90	22
23	Boiler Repair (1513)	2004	1,154		20	58	58	173	23
24	Transformer (559)	2004	426		20	21	21	64	24
25	Cafeteria - Fire Alarm (1474)	2004	1,124		20	56	56	169	25
26	Elevator Repair (641)	2004	489		20	24	24	73	26
27	Parking Signs (630)	2004	481		20	24	24	72	27
28	Plumbing (753)	2004	574		20	29	29	86	28
29	Plumbing (728)	2004	555		20	28	28	83	29
30	Pavement Repair (1100)	2004	839		20	42	42	126	30
31	Chiller Repair (800)	2004	610		20	31	31	92	31
32	Boiler Repair (2651)	2004	2,022		20	101	101	303	32
33	Landscaping (1266)	2004	966		20	48	48	145	33
34	TOTAL (lines 1 thru 33)		\$ 31,672,888	\$ 1,726,868		\$ 887,607	\$ (839,261)	\$ 7,305,081	34

SEE ACCOUNTANTS' COMPILATION REPORT

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Report Period Beginning:

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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		\$ 31,672,888	\$ 1,726,868		\$ 887,607	\$ (839,261)	\$ 7,305,081	1
2	Door Modules (885)	2004	675		20	34	34	101	2
3	Signage (2487)	2004	1,897		20	95	95	285	3
4	Piping - Freeze Stopples (750)	2004	572		20	29	29	57	4
5	Repair Ceramic Flooring (2800)	2004	2,136		20	107	107	214	5
6	Roofing - Pipe Portal (1056)	2004	806		20	40	40	81	6
7	Roofing - Repaired Leak (662)	2004	505		20	25	25	50	7
8	Pipe Project (1663)	2004	1,268		20	63	63	127	8
9	Hvac - Pvi Parts (5472)	2004	4,174		20	209	209	417	9
10	Hvac Repair (4334)	2004	3,306		20	165	165	331	10
11	Steel Doors & Frames (3635)	2004	2,773		20	139	139	277	11
12	Shower Flooring (1450)	2004	1,106		20	55	55	111	12
13	Door Brush Sweeps (1003)	2004	765		20	38	38	76	13
14	Piping - Freeze Stopples (1750)	2004	1,335		20	67	67	133	14
15	Repair Fire Door (560)	2004	427		20	21	21	43	15
16	Electrical Work (1389)	2004	1,060		20	53	53	106	16
17	Security System Controller Board (2543)	2004	1,939		20	97	97	194	17
18	Security System Card Access System (2080)	2004	1,587		20	79	79	159	18
19	Telephone System (915)	2004	698		20	35	35	70	19
20	Kitchen Work (650)	2004	496		20	25	25	50	20
21	Kitchen Renovation Phase Ii (10000)	2004	7,628		20	381	381	763	21
22	Kitchen Renovation Phase Ii (5100)	2004	3,890		20	195	195	389	22
23	Kitchen Renovation Phase Ii (27825)	2004	21,225		20	1,061	1,061	2,122	23
24	Kitchen Renovation Phase Ii (48777)	2004	37,207		20	1,860	1,860	3,721	24
25	Kitchen Renovation Phase Ii (6190)	2004	4,722		20	236	236	472	25
26	Kitchen Renovation Phase Ii (22000)	2004	16,934		20	847	847	1,693	26
27	Kitchen Renovation Phase Ii (31000)	2004	23,647		20	1,182	1,182	2,365	27
28	Bathing Suites B Wing	2004	9,667		20	483	483	967	28
29	Bathing Suites B Wing	2004	2,051		20	103	103	205	29
30	Bathing Suites B Wing	2004	4,000		20	200	200	400	30
31	Bathing Suites B Wing	2004	9,983		20	499	499	998	31
32	Bathing Suites B Wing	2004	1,386		20	69	69	139	32
33	Bathing Suites B Wing	2004	10,585		20	529	529	1,059	33
34	TOTAL (lines 1 thru 33)		\$ 31,853,335	\$ 1,726,868		\$ 896,629	\$ (830,239)	\$ 7,323,254	34

SEE ACCOUNTANTS' COMPILATION REPORT

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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 12I, Carried Forward		\$ 31,853,335	\$ 1,726,868		\$ 896,629	\$ (830,239)	\$ 7,323,254	1
2	Bathing Suites B Wing	2004	1,575		20	79	79	158	2
3	Bathing Suites B Wing	2004	9,000		20	450	450	900	3
4	Bathing Suites B Wing	2004	13,117		20	656	656	1,312	4
5	Kitchen - Asbestos Abatement (10000)	2004	7,628		20	381	381	763	5
6	Bath Suites - Nurse Call Equipment	2004	2,256		20	113	113	226	6
7	Fireproofing Patch Work (1524)	2004	1,163		20	58	58	116	7
8	Bathing Suites A Wing	2004	8,205		20	410	410	821	8
9	Bathing Suites A Wing	2004	6,750		20	338	338	675	9
10	Kitchen Phase Ii (2195)	2004	1,674		20	84	84	167	10
11	Alarm Work (2711)	2004	2,068		20	103	103	207	11
12	Alarm Work (975)	2004	744		20	37	37	74	12
13	Kitchen Electrical Work (1875)	2004	1,430		20	72	72	143	13
14	Kitchen Project (190)	2004	145		20	7	7	14	14
15	Cafeteria Rental (13302)	2004	10,147		20	507	507	1,015	15
16	Kitchen Renovation Phase Ii (46163)	2004	35,213		20	1,761	1,761	3,521	16
17	Kitchen Renovation Phase Ii (9186)	2004	7,007		20	350	350	701	17
18	Fiber Run To J Hub (2620)	2004	1,999		20	100	100	200	18
19	Removal Of Tile-Pavilion Dining Rooms	2004	22,233		20	1,112	1,112	2,223	19
20	9 Wire Runs (2684)	2004	2,048		20	102	102	205	20
21	Cres-Cor Insulated Holding Cabinet (13294)	2004	10,141		20	507	507	1,014	21
22	Fire Alarm System For Connections (5406)	2004	4,124		20	206	206	412	22
23	Pavilion Carpet - 50%	2004	79,483		20	4,577	4,577	9,154	23
24	Bathing Suites B Wing	2004	11,112		20	556	556	1,111	24
25	Lower Level Locks & Keys (13600)	2004	10,374		20	519	519	1,037	25
26	Dietary Area Doors (5823)	2004	4,442		20	222	222	444	26
27	Bathing Suite Curtains	2004	2,977		20	149	149	298	27
28	2Nd Floor Carpeting (73233)	2004	55,862		20	2,793	2,793	5,586	28
29	2Nd Floor Carpeting (22298)	2004	17,009		20	850	850	1,701	29
30	E-Call Units - 40% Of Quote (12920)	2004	9,855		20	493	493	986	30
31	Outdoor Sign (5496)	2004	4,192		20	210	210	419	31
32	Flooring By Dining Areas (22299)	2004	17,009		20	850	850	1,701	32
33	Dining Room Wall Protection (4859)	2004	3,707		20	185	185	371	33
34	TOTAL (lines 1 thru 33)		\$ 32,218,024	\$ 1,726,868		\$ 915,466	\$ (811,402)	\$ 7,360,929	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:

07/01/05

Ending:

06/30/06

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		\$ 32,218,024	\$ 1,726,868		\$ 915,466	\$ (811,402)	\$ 7,360,929	1
2	Dining Room Wall Protection (76)	2004	58		20	3	3	6	2
3	Dining Room Wall Protection (24)	2004	18		20	1	1	2	3
4	Pavilion Carpet - 50%	2004	12,059		20	603	603	1,206	4
5	Dining Room Wall Protection (95)	2004	73		20	4	4	7	5
6	E-Call Units - 20% Of Quote (7146)	2004	5,451		20	273	273	545	6
7	Board Room Carpet (14500)	2004	11,061		20	553	553	1,106	7
8	Pavillion Wallcovering	2004	55,000		20	2,750	2,750	5,500	8
9	Shower Flooring (2050)	2005	1,564		20	78	78	156	9
10	Pump Repair (3116)	2005	2,377		20	119	119	238	10
11	Roof Repair (600)	2005	458		20	23	23	46	11
12	Parking Lot Light Fixture (2150)	2005	1,640		20	82	82	164	12
13	Door Locks (1702)	2005	1,298		20	65	65	130	13
14	Repair Boiler (1211)	2005	924		20	46	46	92	14
15	Doors (3044)	2005	2,322		20	116	116	232	15
16	Exhaust Grill (610)	2005	465		20	23	23	47	16
17	A/C Condensor Fan (510)	2005	389		20	19	19	39	17
18	Security System Repair (1787)	2005	1,363		20	68	68	136	18
19	Hvac Repair (593)	2005	452		20	23	23	45	19
20	Hvac Repair (1480)	2005	1,129		20	56	56	113	20
21	Security System Power Supply (4918)	2005	3,751		20	188	188	375	21
22	Cooler Repair (615)	2005	469		20	23	23	47	22
23	Security System Repair (4388)	2005	3,347		20	167	167	335	23
24	Security System Repair (2545)	2005	1,941		20	97	97	194	24
25	Security System Repair (645)	2005	492		20	25	25	49	25
26	Security System Repair (520)	2005	397		20	20	20	40	26
27	Kitchen Renovation Phase Ii (496)	2005	379		20	19	19	38	27
28	Repair To Elevator 6 (23750)	2005	18,117		20	906	906	1,812	28
29	Kitchen Renovation Phase Ii (431)	2005	329		20	16	16	33	29
30	Kitchen Renovation Phase Ii (3776)	2005	2,880		20	144	144	288	30
31	Bathing Suites Project	2005	3,410		20	171	171	341	31
32	Bathing Suites Project	2005	3,900		20	195	195	390	32
33	Kitchen Renovation Phase Ii (4127)	2005	3,148		20	157	157	315	33
34	TOTAL (lines 1 thru 33)		\$ 32,358,685	\$ 1,726,868		\$ 922,499	\$ (804,369)	\$ 7,374,995	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:

07/01/05

Ending:

06/30/06

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 12K, Carried Forward		\$ 32,358,685	\$ 1,726,868		\$ 922,499	\$ (804,369)	\$ 7,374,995	1
2	Bathing Suites Project	2005	19,677		20	984	984	1,968	2
3	Bathing Suites Project	2005	4,781		20	239	239	478	3
4	Kitchen Renovation Phase Ii (4857)	2005	3,705		20	185	185	370	4
5	Kitchen Renovation Phase Ii (26445)	2005	20,172		20	1,009	1,009	2,017	5
6	Kitchen Renovation Phase Ii (1308)	2005	998		20	50	50	100	6
7	Bathing Suites Project	2005	6,750		20	338	338	675	7
8	Bathing Suites Project	2005	57,885		20	2,894	2,894	5,788	8
9	Kitchen Renovation Phase Ii (144,752)	2005	110,417		20	5,521	5,521	11,042	9
10	Bathing Suites Project	2005	4,950		20	248	248	495	10
11	Mechanical Engineering Services (1250)	2005	954		20	48	48	95	11
12	Repair To Elevator 6 (17895)	2005	13,650		20	683	683	1,365	12
13	Install Elevator Power Feed (3650)	2005	2,784		20	139	139	278	13
14	Countertop In Conference Area (900)	2005	687		20	34	34	69	14
15	Bathing Suites Project	2005	28,958		20	1,448	1,448	2,896	15
16	Kitchen--Elevator Lobby Smoke Det. (1373)	2005	1,047		20	52	52	105	16
17	Pavillion Wallcovering	2005	65,326		20	3,266	3,266	6,533	17
18	Emergency Call Units (27639)	2005	21,083		20	1,054	1,054	2,108	18
19	Installation Of New Heat Exchanger (16360)	2005	12,480		20	624	624	1,248	19
20	Installation Of New Heat Exchanger (418)	2005	319		20	16	16	32	20
21	Sunroom Drapes (5175)	2005	3,947		20	197	197	395	21
22	Electrical Work On Underground Feeders (15700)	2005	11,976		20	599	599	1,198	22
23	Gazebo Staining (3890)	2005	2,967		20	148	148	148	23
24	Concrete Walk (2500)	2005	1,907		20	95	95	95	24
25	Seal Coating (5728)	2005	4,369		20	218	218	218	25
26	Structual Limestone (10,980)	2005	8,376		20	419	419	419	26
27	Fire Control Heads (469)	2005	358		20	18	18	18	27
28	Fire Control Materials(359)	2005	274		20	14	14	14	28
29	Acoustical Ceilings (305)	2005	233		20	12	12	12	29
30	Mechanical (4,702)	2005	3,587		20	179	179	179	30
31	Hvac (46,995)	2005	35,848		20	1,792	1,792	1,792	31
32	Hvac (3,450)	2005	2,632		20	132	132	132	32
33	60 Ton Chiller (35,045)	2005	26,732		20	1,337	1,337	1,337	33
34	TOTAL (lines 1 thru 33)		\$ 32,838,512	\$ 1,726,868		\$ 946,491	\$ (780,377)	\$ 7,418,614	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:

07/01/05

Ending:

06/30/06

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 12L, Carried Forward		\$ 32,838,512	\$ 1,726,868		\$ 946,491	\$ (780,377)	\$ 7,418,614	1
2	Immersion Fired Water Heaters (51,644)	2005	39,394		20	1,970	1,970	1,970	2
3	Fencing / Gates (2,500)	2005	1,907		20	95	95	95	3
4	Boiler Replacement (47,495)	2005	36,229		20	1,811	1,811	1,811	4
5	Boiler Replacement (67,000)	2005	51,108		20	2,555	2,555	2,555	5
6	Hot Water System Retrofit & Replacement (54,880)	2005	41,862		20	2,093	2,093	2,093	6
7	Stairwell Handrails (2500)	2006	1,907		20	95	95	95	7
8	Elevator Cable (4707)	2006	3,590		20	180	180	180	8
9	Seal Coating (4595)	2006	3,505		20	175	175	175	9
10	Steel Door & Frame (3,994)	2006	3,047		20	152	152	152	10
11	Main Sewer Replacement (9,875)	2006	7,533		20	377	377	377	11
12	Hot Water Boiler (63,300)	2006	48,285		20	2,414	2,414	2,414	12
13	Paint Doors & Frames (2,304)	2006	1,757		20	88	88	88	13
14	Two Chillers (44,000)	2006	33,563		20	1,678	1,678	1,678	14
15	Telephone Messaging System (52,337)	2006	39,923		20	1,996	1,996	1,996	15
16	Telephone System Upgrade (1,950)	2006	1,487		20	74	74	74	16
17	Fire Sprinkler Work (1,450)	2006	3,433		20	172	172	172	17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 33,157,043	\$ 1,726,868		\$ 962,417	\$ (764,451)	\$ 7,434,540	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:

07/01/05

Ending:

06/30/06

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	
1		\$ 33,157,043	\$ 1,726,868		\$ 962,417	\$ (764,451)	\$ 7,434,540	1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34	TOTAL (lines 1 thru 33)	\$ 33,157,043	\$ 1,726,868		\$ 962,417	\$ (764,451)	\$ 7,434,540	34

SEE ACCOUNTANTS' COMPILATION REPORT

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Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning:

07/01/05

Ending:

06/30/06

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	
1		\$ 33,157,043	\$ 1,726,868		\$ 962,417	\$ (764,451)	\$ 7,434,540	1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34	TOTAL (lines 1 thru 33)	\$ 33,157,043	\$ 1,726,868		\$ 962,417	\$ (764,451)	\$ 7,434,540	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:

07/01/05

Ending:

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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	
1		\$ 33,157,043	\$ 1,726,868		\$ 962,417	\$ (764,451)	\$ 7,434,540	1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34	TOTAL (lines 1 thru 33)	\$ 33,157,043	\$ 1,726,868		\$ 962,417	\$ (764,451)	\$ 7,434,540	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:

07/01/05

Ending:

06/30/06

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	
1		\$ 33,157,043	\$ 1,726,868		\$ 962,417	\$ (764,451)	\$ 7,434,540	1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34	TOTAL (lines 1 thru 33)	\$ 33,157,043	\$ 1,726,868		\$ 962,417	\$ (764,451)	\$ 7,434,540	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:

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Ending:

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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		
	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.

Facility Name & ID Number Lutheran Home for the Aged

0005090

Report Period Beginning:

07/01/05

Ending:

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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

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Report Period Beginning:

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XI. OWNERSHIP COSTS (continued)

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

	1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4					\$	\$		\$	\$	\$	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
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21											21
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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.

Facility Name & ID Number Lutheran Home for the Aged

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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: 07/01/05 Ending: 06/30/06

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	\$ 7,356,004	\$	\$ 494,705	\$ 494,705	10	\$ 7,332,649	71
72	Current Year Purchases	410,416		41,042	41,042	10	41,042	72
73	Fully Depreciated Assets	1,716,400				10	1,716,400	73
74								74
75	TOTALS	\$ 9,482,820	\$	\$ 535,747	\$ 535,747		\$ 9,090,091	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		4,244	4,244	5	50,932	77
78	Houskeeping	2000 Ford Truck Explorer	2001	18,793		3,133	3,133	5	18,793	78
79	Patient Care	Two Buses	2006	124,260		24,852	24,852	5	24,852	79
80	TOTALS			\$ 294,696	\$	\$ 32,229	\$ 32,229		\$ 195,288	80

E. Summary of Care-Related Assets

	1	Reference	2	Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)		\$ 41,651,077	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)		\$ 1,726,868	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)		\$ 1,464,604	83**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)		\$ (262,264)	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)		\$ 16,608,633	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	\$ 3,274,050	86
87	Non-Care - 2006	837,061	41,853	41,853	87
88					88
89					89
90					90
91	TOTALS	\$ 14,893,991	\$ 902,125	\$ 3,315,903	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.	_____ /2007	\$ _____
13.	_____ /2008	\$ _____
14.	_____ /2009	\$ _____

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: \$ 14,727 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.

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

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

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?</p> <p><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		3	4
		1	2		
		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

Facility Name & ID Number Lutheran Home for the Aged# 0005090

Report Period Beginning:

07/01/05

Ending:

06/30/06

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39 - 03	hrs	\$		\$ 483,991	\$		\$ 483,991	1
2	Licensed Speech and Language Development Therapist	39 - 03	hrs			26,189			26,189	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39 - 03	hrs			940,347			940,347	4
5	Physician Care	39 - 03	visits			31,083			31,083	5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39 - 02	# of prescripts				319,855		319,855	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify): <u>See Supplemental</u>					39,372	546,096		585,468	13
14	TOTAL			\$		\$ 1,520,982	\$ 865,951		\$ 2,386,933	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

Facility Name & ID Number Lutheran Home for the Aged# 0005090Report Period Beginning: 07/01/05

Ending:

06/30/06

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 06/30/06

(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	\$ 3,109,735	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	1,708,408		3
4	Supply Inventory (priced at)	60,738		4
5	Short-Term Investments	2,943,630		5
6	Prepaid Insurance	304,425		6
7	Other Prepaid Expenses	252,163		7
8	Accounts Receivable (owners or related parties)	900,000		8
9	Other(specify): <u>See Attached Schedule</u>	558,721		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 9,837,820	\$	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	47,476,393		14
15	Leasehold Improvements, at Historical Cost	440,936		15
16	Equipment, at Historical Cost	14,641,089		16
17	Accumulated Depreciation (book methods)	(26,881,539)		17
18	Deferred Charges	1,508,675		18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): <u>See Attached Schedule</u>	558,651		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 38,380,581	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 48,218,401	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 1,632,972	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	120,418		28
29	Short-Term Notes Payable	460,000		29
30	Accrued Salaries Payable	831,601		30
31	Accrued Taxes Payable (excluding real estate taxes)	269,358		31
32	Accrued Real Estate Taxes(Sch.IX-B)			32
33	Accrued Interest Payable	65,478		33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>See Attached Schedule</u>	13,645,057		36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 17,024,884	\$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable			40
41	Bonds Payable	25,922,306		41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	<u>See Attached Schedule</u>	1,545,743		43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 27,468,049	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 44,492,933	\$	46
47	TOTAL EQUITY(page 18, line 24)	\$ 3,725,468	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 48,218,401	\$	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 4,757,548	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 4,757,548	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	(1,032,080)	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)	\$ (1,032,080)	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)	\$ 3,725,468	24 *

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged# 0005090Report Period Beginning: 07/01/05Ending: 06/30/06**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	\$ 33,938,729	1
2	Discounts and Allowances for all Levels	(8,154,414)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 25,784,315	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	4,306,118	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 4,306,118	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	191,946	13
14	Non-Patient Meals	324,020	14
15	Telephone, Television and Radio	56,648	15
16	Rental of Facility Space	1,045,004	16
17	Sale of Drugs	961,235	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	35,399	19
20	Radiology and X-Ray	9,420	20
21	Other Medical Services		21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 2,623,672	23
D. Non-Operating Revenue			
24	Contributions	666,526	24
25	Interest and Other Investment Income***	457,995	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 1,124,521	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>See Supplemental Schedule</u>	316,480	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 316,480	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 34,155,106	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	6,936,122	31
32	Health Care	11,942,071	32
33	General Administration	9,447,080	33
B. Capital Expense			
34	Ownership	3,863,598	34
C. Ancillary Expense			
35	Special Cost Centers	2,821,627	35
36	Provider Participation Fee	176,688	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 35,187,186	40
41	Income before Income Taxes (line 30 minus line 40)**	(1,032,080)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (1,032,080)	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: 07/01/05

Ending:

06/30/06

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	\$ 88,796	\$ 42.69	1
2	Assistant Director of Nursing	1,880	2,080	86,596	41.63	2
3	Registered Nurses	82,726	89,871	2,383,237	26.52	3
4	Licensed Practical Nurses	25,986	28,230	703,207	24.91	4
5	CNAs & Orderlies	522,772	567,923	7,462,514	13.14	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	7,418	8,029	117,219	14.60	8
9	Activity Director					9
10	Activity Assistants					10
11	Social Service Workers					11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	121,874	132,676	1,454,127	10.96	15
16	Dishwashers					16
17	Maintenance Workers	50,654	55,551	896,736	16.14	17
18	Housekeepers	28,854	31,524	309,255	9.81	18
19	Laundry	8,076	8,812	86,009	9.76	19
20	Administrator	1,880	2,080	161,827	77.80	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	15,688	19,102	412,429	21.59	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	3,306	3,664	67,888	18.53	31
32	Other Health Care(specify)					32
33	Other(specify) <u>See Supplemental</u>	23,432	25,396	353,448	13.92	33
34	TOTAL (lines 1 - 33)	896,426	977,018	\$ 14,583,288 *	\$ 14.93	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	460	\$ 17,855	01-03	35
36	Medical Director	monthly	33,183	09-03	36
37	Medical Records Consultant				37
38	Nurse Consultant	monthly	20,590	10-03	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	64	3,625	11-03	44
45	Social Service Consultant				45
46	Other(specify)				46
47	<u>Nurse Consultant - Other</u>		103,828	10-03	47
48	<u>MDS Consultant</u>		3,625	10-03	48
49	TOTAL (lines 35 - 48)	524	\$ 186,426		49

C. CONTRACT NURSES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference		
50	Registered Nurses	2,060	\$ 107,122	10-03	50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)	2,060	\$ 107,122		53

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home for the Aged

Report Period Beginning: 07/01/05 Ending:

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

	1 Improvement Type	2 Month & Year Improvement Was Made	3 Total Cost	4 Useful Life	Amount of Expense Amortized Per Year								
					5 FY2003	6 FY2004	7 FY2005	8 FY2006	9 FY2007	10 FY2008	11 FY2009	12 FY2010	13 FY2011
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. \$ 300,771 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. \$ _____ Has any meal income been offset against related costs? Yes Indicate the amount. \$ 324,020
- (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% ln14
- 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