



Facility Name & ID Number Lutheran Home For The Aged

# 0005090 Report Period Beginning: 07/01/07 Ending: 06/30/08

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 N/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	262	Skilled (SNF)	262	95,892	1
2		Skilled Pediatric (SNF/PED)			2
3	60	Intermediate (ICF)	60	21,960	3
4		Intermediate/DD			4
5	70	Sheltered Care (SC)	70	25,620	5
6		ICF/DD 16 or Less			6
7	392	TOTALS	392	143,472	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				
		2 Medicaid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF	40	3,157	17,646	20,843	8
9	SNF/PED					9
10	ICF	33,199	60,041		93,240	10
11	ICF/DD					11
12	SC	1,754	23,584		25,338	12
13	DD 16 OR LESS					13
14	TOTALS	34,993	86,782	17,646	139,421	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 97.18%

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 08/01/1953

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 17,190

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRUAL  MODIFIED CASH\*  CASH\*

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

Tax Year: 06/30/2008 Fiscal Year: 06/30/2008

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

Facility Name & ID Number Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/07 Ending: 06/30/08

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	<b>A. General Services</b>										
1	Dietary	1,371,283	297,230	17,352	1,685,865		1,685,865	(225,091)	1,460,774		1
2	Food Purchase		1,604,242		1,604,242		1,604,242	(839,497)	764,745		2
3	Housekeeping	571,345	133,764	263,266	968,375		968,375	(68,454)	899,921		3
4	Laundry	121,726	90,080	93,402	305,208		305,208		305,208		4
5	Heat and Other Utilities			1,155,899	1,155,899		1,155,899	(413,071)	742,828		5
6	Maintenance	949,882	203,827	1,008,771	2,162,480		2,162,480	30,737	2,193,217		6
7	Other (specify):*										7
8	<b>TOTAL General Services</b>	<b>3,014,236</b>	<b>2,329,143</b>	<b>2,538,690</b>	<b>7,882,069</b>		<b>7,882,069</b>	<b>(1,515,376)</b>	<b>6,366,693</b>		<b>8</b>
	<b>B. Health Care and Programs</b>										
9	Medical Director			28,918	28,918		28,918		28,918		9
10	Nursing and Medical Records	11,777,396	767,555	205,205	12,750,156		12,750,156	(13,930)	12,736,226		10
10a	Therapy		17,151		17,151		17,151		17,151		10a
11	Activities		23,515	2,501	26,016		26,016	(8,546)	17,470		11
12	Social Services			8,579	8,579		8,579	170,651	179,230		12
13	CNA Training										13
14	Program Transportation			3,157	3,157		3,157		3,157		14
15	Other (specify):*										15
16	<b>TOTAL Health Care and Programs</b>	<b>11,777,396</b>	<b>808,221</b>	<b>248,360</b>	<b>12,833,977</b>		<b>12,833,977</b>	<b>148,175</b>	<b>12,982,152</b>		<b>16</b>
	<b>C. General Administration</b>										
17	Administrative	122,819		7,240,614	7,363,433		7,363,433	(7,122,187)	241,246		17
18	Directors Fees										18
19	Professional Services			102,497	102,497		102,497	195,834	298,331		19
20	Dues, Fees, Subscriptions & Promotions			30,999	30,999		30,999	73,066	104,065		20
21	Clerical & General Office Expenses	481,259	52,451	211,880	745,590		745,590	1,000,348	1,745,938		21
22	Employee Benefits & Payroll Taxes			1,199,697	1,199,697		1,199,697	3,154,733	4,354,430		22
23	Inservice Training & Education										23
24	Travel and Seminar			17,662	17,662		17,662	6,644	24,306		24
25	Other Admin. Staff Transportation			8,527	8,527		8,527	15,614	24,141		25
26	Insurance-Prop.Liab.Malpractice			54,646	54,646		54,646	202,468	257,114		26
27	Other (specify):*							451,874	451,874		27
28	<b>TOTAL General Administration</b>	<b>604,078</b>	<b>52,451</b>	<b>8,866,522</b>	<b>9,523,051</b>		<b>9,523,051</b>	<b>(2,021,606)</b>	<b>7,501,445</b>		<b>28</b>
29	<b>TOTAL Operating Expense (sum of lines 8, 16 &amp; 28)</b>	<b>15,395,710</b>	<b>3,189,815</b>	<b>11,653,572</b>	<b>30,239,097</b>		<b>30,239,097</b>	<b>(3,388,807)</b>	<b>26,850,290</b>		<b>29</b>

\*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: 07/01/07 Ending: 06/30/08

## V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	<b>D. Ownership</b>											
30	Depreciation			2,859,792	2,859,792		2,859,792	(1,161,774)	1,698,018			30
31	Amortization of Pre-Op. & Org.			15,572	15,572		15,572	(15,572)				31
32	Interest			1,142,055	1,142,055		1,142,055	(888,113)	253,942			32
33	Real Estate Taxes											33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles			36,567	36,567		36,567		36,567			35
36	Other (specify):*											36
37	<b>TOTAL Ownership</b>			4,053,986	4,053,986		4,053,986	(2,065,459)	1,988,527			37
	<b>Ancillary Expense</b>											
	<b>E. Special Cost Centers</b>											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		867,081	1,881,967	2,749,048		2,749,048	(91,629)	2,657,419			39
40	Barber and Beauty Shops	138,619	13,272	285	152,176		152,176	(152,176)				40
41	Coffee and Gift Shops		54,309		54,309		54,309	(54,309)				41
42	Provider Participation Fee			176,778	176,778		176,778		176,778			42
43	Other (specify):*	509,865	4,168	112,373	626,406		626,406	(626,406)				43
44	<b>TOTAL Special Cost Centers</b>	648,484	938,830	2,171,403	3,758,717		3,758,717	(924,520)	2,834,197			44
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	16,044,194	4,128,645	17,878,961	38,051,800		38,051,800	(6,378,786)	31,673,014			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: 07/01/07

Ending: 06/30/08

**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	BHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(393,917)	02		4
5	Telephone, TV & Radio in Resident Rooms	(63,137)	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	(157,238)	30		9
10	Interest and Other Investment Income	(530,114)	32		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	(62)	21		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	(99,990)	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	(3,758,663)			29
30	<b>SUBTOTAL (A): (Sum of lines 1-29)</b>	\$ (5,003,121)		\$	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)	(1,375,665)		34
35	Other- Attach Schedule			35
36	<b>SUBTOTAL (B): (sum of lines 31-35)</b>	\$ (1,375,665)		36
37	<b>TOTAL ADJUSTMENTS (A) and (B) )</b>	\$ (6,378,786)		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						44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	<b>TOTAL (C): (sum of lines 38-46)</b>			\$		47

BHF USE ONLY					
48		49		50	51
					52

SEE ACCOUNTANTS' COMPILATION REPORT

## Lutheran Home For The Aged

ID# 0005090

Report Period Beginning: 07/01/07

Ending: 06/30/08

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	
1	Music Income	\$ (5,300)	11	1
2	Miscellaneous Op- Volunteers	(63)	21	2
3	Miscellaneous Op- Arts & Crafts	(3,158)	11	3
4	Printing Income	(158)	21	4
5	Miscellaneous Operating Income	(1,015)	21	5
6	Cellular Antenna	(21,000)	05	6
7	Application Fees	(14,530)	21	7
8	HRA	(2,850)	20	8
9	Commitment 26 Expense	(29,191)	21	9
10	Purchases From Restricted Funds	(1,192)	21	10
11	Amortization- Administration	(15,572)	31	11
12	Funeral Home Usage	(8,975)	06	12
13	Hearing Aid Income	(141)	21	13
14	Beauty Shop	(152,176)	40	14
15	LV Medical Fees	(7,800)	03	15
16	LV Security	(26,733)	06	16
17	Marketing Salaries	(268,514)	43	17
18	Marketing Services	(116,541)	43	18
19	Variety Store	(54,309)	41	19
20	Cable Television	(31,112)	05	20
21	Salaries- Heartstone Food Services	(241,351)	43	21
22	Resident Personal Needs	(13,897)	10	22
23	Medical Record Income	(33)	10	23
24	Maintenance Income	(75)	06	24
25	Capitalized R&M	(175,116)	06	25
26	Concert Series	(88)	11	26
27	Non-Care Interest	(366,641)	32	27
28	Non-Allowable Seminar	(7,056)	24	28
29	Non-Allowable Travel	(2,477)	25	29
30	Hearthstone & Adult Day Care- Dietary	(225,091)	01	30
31	Hearthstone & Adult Day Care- Food	(435,011)	02	31
32	Non-Care Utilities	(360,959)	05	32
33	Non-Care Housekeeping	(60,654)	03	33
34	Food Service Discount	(10,569)	02	34
35	Pharmacy Discount	(91,629)	39	35
36	Other Discount	(3,150)	21	36
37	Non-Care Depreciation	(1,004,536)	30	37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48		-		48
49	<b>Total</b>	(3,758,663)		49

Lutheran Home For The Aged

ID# 0005090

Report Period Beginning: 07/01/07

Ending: 06/30/08

Sch. V Line

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

## STATE OF ILLINOIS

Summary A

Facility Name &amp; ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning:

07/01/07

Ending:

06/30/08

## 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)	
	<b>A. General Services</b>													
1	Dietary	(225,091)											(225,091)	1
2	Food Purchase	(839,497)											(839,497)	2
3	Housekeeping	(68,454)											(68,454)	3
4	Laundry													4
5	Heat and Other Utilities	(413,071)											(413,071)	5
6	Maintenance	(210,899)		241,636									30,737	6
7	Other (specify):*													7
8	<b>TOTAL General Services</b>	<b>(1,757,012)</b>		<b>241,636</b>									<b>(1,515,376)</b>	<b>8</b>
	<b>B. Health Care and Programs</b>													
9	Medical Director													9
10	Nursing and Medical Records	(13,930)											(13,930)	10
10a	Therapy													10a
11	Activities	(8,546)											(8,546)	11
12	Social Services			170,651									170,651	12
13	CNA Training													13
14	Program Transportation													14
15	Other (specify):*													15
16	<b>TOTAL Health Care and Programs</b>	<b>(22,476)</b>		<b>170,651</b>									<b>148,175</b>	<b>16</b>
	<b>C. General Administration</b>													
17	Administrative			(7,122,187)									(7,122,187)	17
18	Directors Fees													18
19	Professional Services			195,834									195,834	19
20	Fees, Subscriptions & Promotions	(2,850)		75,916									73,066	20
21	Clerical & General Office Expenses	(212,629)		1,212,977									1,000,348	21
22	Employee Benefits & Payroll Taxes			3,154,733									3,154,733	22
23	Inservice Training & Education													23
24	Travel and Seminar	(7,056)		13,700									6,644	24
25	Other Admin. Staff Transportation	(2,477)		18,091									15,614	25
26	Insurance-Prop.Liab.Malpractice			202,468									202,468	26
27	Other (specify):*			451,874									451,874	27
28	<b>TOTAL General Administration</b>	<b>(225,012)</b>		<b>(1,796,594)</b>									<b>(2,021,606)</b>	<b>28</b>
29	<b>TOTAL Operating Expense (sum of lines 8,16 &amp; 28)</b>	<b>(2,004,500)</b>		<b>(1,384,307)</b>									<b>(3,388,807)</b>	<b>29</b>

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning:

07/01/07

Ending:

06/30/08

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	(1,161,774)											(1,161,774)	30
31	Amortization of Pre-Op. & Org.	(15,572)											(15,572)	31
32	Interest	(896,755)		8,642									(888,113)	32
33	Real Estate Taxes													33
34	Rent-Facility & Grounds													34
35	Rent-Equipment & Vehicles													35
36	Other (specify):*													36
37	<b>TOTAL Ownership</b>	<b>(2,074,101)</b>		<b>8,642</b>									<b>(2,065,459)</b>	<b>37</b>
	<b>Ancillary Expense</b>													
	<b>E. Special Cost Centers</b>													
38	Medically Necessary Transportation													38
39	Ancillary Service Centers	(91,629)											(91,629)	39
40	Barber and Beauty Shops	(152,176)											(152,176)	40
41	Coffee and Gift Shops	(54,309)											(54,309)	41
42	Provider Participation Fee													42
43	Other (specify):*	(626,406)											(626,406)	43
44	<b>TOTAL Special Cost Centers</b>	<b>(924,520)</b>											<b>(924,520)</b>	<b>44</b>
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	<b>(5,003,121)</b>		<b>(1,375,665)</b>									<b>(6,378,786)</b>	<b>45</b>

Facility Name & ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning:

07/01/07

Ending:

06/30/08

**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		See Attached		See Attached		

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

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

**VII. RELATED PARTIES (continued)**

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	17 Administrative Allocation	\$ 7,240,614	Lutheran Home and Services for the Aged	100.00%	\$	\$ (7,240,614)	15
16	V	2 Food Purchases		Lutheran Home and Services for the Aged	100.00%			16
17	V	6 Maintenance		Lutheran Home and Services for the Aged	100.00%	241,636	241,636	17
18	V	12 Pastoral Services		Lutheran Home and Services for the Aged	100.00%	170,651	170,651	18
19	V	17 Administrative		Lutheran Home and Services for the Aged	100.00%	118,427	118,427	19
20	V	19 Professional Fees		Lutheran Home and Services for the Aged	100.00%	195,834	195,834	20
21	V	20 Dues & Subscriptions		Lutheran Home and Services for the Aged	100.00%	75,916	75,916	21
22	V	21 Clerical & General Office		Lutheran Home and Services for the Aged	100.00%	1,212,977	1,212,977	22
23	V	22 Employee Benefits		Lutheran Home and Services for the Aged	100.00%	3,154,733	3,154,733	23
24	V	24 Travel & Seminar		Lutheran Home and Services for the Aged	100.00%	13,700	13,700	24
25	V	25 Other Admin. Staff Transportation		Lutheran Home and Services for the Aged	100.00%	18,091	18,091	25
26	V	26 Liability Insurance		Lutheran Home and Services for the Aged	100.00%	202,468	202,468	26
27	V	27 Other - Employee Benefits		Lutheran Home and Services for the Aged	100.00%	451,874	451,874	27
28	V	32 Interest Expense		Lutheran Home and Services for the Aged	100.00%	8,642	8,642	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		\$ 7,240,614			\$ 5,864,949	\$ * (1,375,665)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

**VII. RELATED PARTIES (continued)**

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

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

**VII. RELATED PARTIES (continued)**

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

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

**VII. RELATED PARTIES (continued)**

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

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

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

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

**VII. RELATED PARTIES (continued)**

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

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

**VII. RELATED PARTIES (continued)**

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

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

**VII. RELATED PARTIES (continued)**

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

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

**VII. RELATED PARTIES (continued)**

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

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

**VII. RELATED PARTIES (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.

Facility Name & ID Number Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/07 Ending: 06/30/08

## 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	15.00	38.00%	Alloc. Salary	\$ 112,053	17-07	1
2	Penny Paulsberg	Spouse	Interior Design	0%	See Attached			Fees	11,798	19-03	2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 123,851		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: 07/01/07

Ending: 06/30/08

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: 07/01/07

Ending: 06/30/08

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 Purchases							1
2	6	Maintenance			534,554			241,636	2
3	12	Pastoral Services			370,658	354,137		170,651	3
4	17	Administrative			257,226	257,227		118,427	4
5	19	Professional Fees			557,258			195,834	5
6	20	Dues & Subscriptions			252,623			75,916	6
7	21	Clerical & General Office			3,013,419	2,243,003		1,212,977	7
8	22	Employee Benefits			3,154,733			3,154,733	8
9	24	Travel & Seminar			136,983			13,700	9
10	25	Other Admin. Staff Transportation			61,321			18,091	10
11	26	Liability Insurance			439,766			202,468	11
12	27	Other - Employee Benefits			1,658,594			451,874	12
13	32	Interest Expense			18,770			8,642	13
14	43	Hearthstone/ Other			203,978	197,646			14
15	10	Nur. & Med. - Hearthstone			14,454				15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$ 10,674,337	\$ 3,052,013		\$ 5,864,949	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning: 07/01/07

Ending: 06/30/08

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: 07/01/07

Ending: 06/30/08

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: 07/01/07

Ending: 06/30/08

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: 07/01/07

Ending: 06/30/08

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: 07/01/07

Ending: 06/30/08

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: 07/01/07

Ending: 06/30/08

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: 07/01/07

Ending: 06/30/08

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: 07/01/07

Ending: 06/30/08

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 &amp; ID Number

Lutheran Home For The Aged

# 0005090

Report Period Beginning:

07/01/07

Ending:

06/30/08

## 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 Name of Lender	2 Related**		3 Purpose of Loan	4 Monthly Payment Required	5 Date of Note	6 Amount of Note		8 Maturity Date	9 Interest Rate (4 Digits)	10 Reporting Period Interest Expense	
		YES	NO				Original	Balance				
	<b>A. Directly Facility Related</b>											
	<b>Long-Term</b>											
1							\$	\$			\$	1
2												2
3												3
4												4
5	See Supplemental Schedule											5
	<b>Working Capital</b>											
6	Interest on Capital Lease		X								10,385	6
7	Interest on Resident Assets		X								24,578	7
8	See Supplemental Schedule						600,000	600,000			8,642	8
9	TOTAL Facility Related						\$ 600,000	\$ 600,000			\$ 43,605	9
	<b>B. Non-Facility Related*</b>											
10	Revenue Bonds		X	Residential Unit Con.			24,285,000	25,456,952			1,107,092	10
11	Non-Care Interest		X								(366,642)	11
12	Investment Income		X								(530,114)	12
13	See Supplemental Schedule											13
14	TOTAL Non-Facility Related						\$ 24,285,000	\$ 25,456,952			\$ 210,336	14
15	TOTALS (line 9+line14)						\$ 24,885,000	\$ 26,056,952			\$ 253,941	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ None Line # N/A\* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.  
(See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Lutheran Home For The Aged # 0005090 Report Period Beginning: 07/01/07 Ending: 06/30/08

**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
	<b>A. Directly Facility Related</b>																		
	<b>Long-Term</b>																		
1							\$	\$			\$	1							
2												2							
3												3							
4												4							
5												5							
6												6							
7	<b>TOTAL Long-Term</b>																		
	<b>Working Capital</b>																		
8	Allocation From LHSA		X				\$	\$			\$	8,642							
9	Fifth Third Bank		X	Line of Credit		6/12/2008	600,000	600,000											
10	(This line of credit was established on 6/12/2008. No interest was paid or accrued before 7/1/2008)																		
11												11							
12												12							
13												13							
14	<b>TOTAL Working Capital</b>																		
	<b>B. Non-Facility Related*</b>																		
15							\$	\$			\$	15							
16												16							
17												17							
18												18							
19												19							
20	<b>TOTAL Non-Facility Related</b>																		

\* 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 2007 report.		<b>Important</b> , 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 2008 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. <b>(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)</b>			\$	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. <b>TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)</b>			\$	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:				
2003	_____	8		
2004	_____	9		
2005	_____	10		
2006	_____	11		
2007	_____	12		
<b>Lutheran Home for the Aged is not subject to real estate taxes due to the non-profit status</b>				
			<b>FOR BHF USE ONLY</b>	
13	FROM R. E. TAX STATEMENT FOR 2007	\$		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:** 2007 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 2007 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2007.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2007 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 2008 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.

**2007 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 2007 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 2007.

	(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.	<u>N/A</u>	<u>N/A</u>	<u>\$ N/A</u>	<u>\$ N/A</u>
2.	<u>                    </u>	<u>                    </u>	<u>\$</u>	<u>\$</u>
3.	<u>                    </u>	<u>                    </u>	<u>\$</u>	<u>\$</u>
4.	<u>                    </u>	<u>                    </u>	<u>\$</u>	<u>\$</u>
5.	<u>                    </u>	<u>                    </u>	<u>\$</u>	<u>\$</u>
6.	<u>                    </u>	<u>                    </u>	<u>\$</u>	<u>\$</u>
7.	<u>                    </u>	<u>                    </u>	<u>\$</u>	<u>\$</u>
8.	<u>                    </u>	<u>                    </u>	<u>\$</u>	<u>\$</u>
9.	<u>                    </u>	<u>                    </u>	<u>\$</u>	<u>\$</u>
10.	<u>                    </u>	<u>                    </u>	<u>\$</u>	<u>\$</u>
		<b>TOTALS</b>	<u>\$</u>	<u>\$</u>

**B. Real Estate Tax Cost Allocations**

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

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

**C. Tax Bills**

Attach a copy of the original 2007 tax bills which were listed in Section A to this statement. Be sure to use the 2007 tax bill which is normally paid during 2008.

**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:** 2007 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 2007 real estate tax costs, as well as copies of your real estate tax bills for calendar 2007.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2007 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 2008 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.

**2007 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. _____	_____	\$ _____	\$ _____
	<b>TOTALS</b>	\$ _____	\$ _____

**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.

Facility Name & ID Number Lutheran Home For The Aged

# 0005090 Report Period Beginning:

07/01/07 Ending:

06/30/08

**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:**

	1	2	3	4	
A. Land.	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>Cemetary</u>	<u>43,560</u>	<u>1896</u>	<u>225</u>	2
3	<b>TOTALS</b>	<b>914,760</b>		<b>\$ 20,225</b>	<b>3</b>

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning:

07/01/07

Ending:

06/30/08

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

	1	2	3	4	5	6	7	8	9		
	Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	125		1953	1953	\$ 1,242,090	\$		\$	\$	\$	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
	<b>Improvement Type**</b>										
9	Various		1976		10,801		20	309	309	7,872	9
10	Various		1980		128,110		20	3,660	3,660	83,086	10
11	Various		1981		1,686,911		20	48,198	48,198	1,060,347	11
12	Various		1982		881,456		20	25,184	25,184	536,424	12
13	Various		1983		733,983		20	20,971	20,971	432,003	13
14	Various		1984		650,719		20	18,592	18,592	369,980	14
15	Various		1985		335,901		20	9,597	9,597	184,264	15
16	Various		1986		31,815		20	909	909	16,816	16
17	Various		1987		36,747		20	1,050	1,050	18,689	17
18	Various		1988		125,105		20	3,574	3,574	61,119	18
19	Various		1989		5,271		20	151	151	2,472	19
20	Various		1990		9,600		20	274	274	4,030	20
21	Various		1991		65,975		20	1,885	1,885	28,276	21
22	Various		1992		254,620		20	7,275	7,275	103,309	22
23	Various		1993		60,706		20	1,734	1,734	23,586	23
24	Various		1994		164,661		20	4,705	4,705	60,693	24
25	Various		1995		40,474		20	1,156	1,156	14,105	25
26	Various		1996		40,722		20	1,165	1,165	13,157	26
27	Various		1997		20,182		20	576	576	6,206	27
28	Various		1998		7,097,469		20	210,704	210,704	2,040,786	28
29	Various		1999		3,328,341		20	138,801	138,801	1,264,560	29
30	Various		2000		685,387		20	30,679	30,679	244,525	30
31	Various		2001		4,120,711		20	220,468	220,468	1,689,781	31
32	Various		2002		1,163,245		20	53,859	53,859	368,526	32
33	Various		2003		1,077,127		20	53,859	53,859	304,322	33
34	Various		2004		1,194,296		20	60,318	60,318	269,672	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:

07/01/07

Ending:

06/30/08

**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					1,855,256	(1,855,256)		69
70		\$ 32,301,744	\$ 1,855,256		\$ 919,652	\$ (935,604)	\$ 9,208,606	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning:

07/01/07

Ending:

06/30/08

## 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	<b>Totals from Page 12A, Carried Forward</b>		\$ 32,301,744	\$ 1,855,256		\$ 919,652	\$ (935,604)	\$ 9,208,606	1
2	Shower Flooring (2050)	2005	1,564		20	78	78	313	2
3	Pump Repair (3116)	2005	2,377		20	119	119	475	3
4	Roof Repair (600)	2005	458		20	23	23	92	4
5	Parking Lot Light Fixture (2150)	2005	1,640		20	82	82	328	5
6	Door Locks (1702)	2005	1,298		20	65	65	260	6
7	Repair Boiler (1211)	2005	924		20	46	46	185	7
8	Doors (3044)	2005	2,322		20	116	116	464	8
9	Exhaust Grill (610)	2005	465		20	23	23	93	9
10	A/C Condensor Fan (510)	2005	389		20	19	19	78	10
11	Security System Repair (1787)	2005	1,363		20	68	68	273	11
12	Hvac Repair (593)	2005	452		20	23	23	90	12
13	Hvac Repair (1480)	2005	1,129		20	56	56	226	13
14	Security System Power Supply (4918)	2005	3,751		20	188	188	750	14
15	Cooler Repair (615)	2005	469		20	23	23	94	15
16	Security System Repair (4388)	2005	3,347		20	167	167	669	16
17	Security System Repair (2545)	2005	1,941		20	97	97	388	17
18	Security System Repair (645)	2005	492		20	25	25	98	18
19	Security System Repair (520)	2005	397		20	20	20	79	19
20	Kitchen Renovation Phase Ii (496)	2005	379		20	19	19	76	20
21	Repair To Elevator 6 (23750)	2005	18,117		20	906	906	3,623	21
22	Kitchen Renovation Phase Ii (431)	2005	329		20	16	16	66	22
23	Kitchen Renovation Phase Ii (3776)	2005	2,880		20	144	144	576	23
24	Bathing Suites Project	2005	3,410		20	171	171	682	24
25	Bathing Suites Project	2005	3,900		20	195	195	780	25
26	Kitchen Renovation Phase Ii (4127)	2005	3,148		20	157	157	630	26
27	Bathing Suites Project	2005	19,677		20	984	984	3,935	27
28	Bathing Suites Project	2005	4,781		20	239	239	956	28
29	Kitchen Renovation Phase Ii (4857)	2005	3,705		20	185	185	741	29
30	Kitchen Renovation Phase Ii (26445)	2005	20,172		20	1,009	1,009	4,034	30
31	Kitchen Renovation Phase Ii (1308)	2005	998		20	50	50	200	31
32	Bathing Suites Project	2005	6,750		20	338	338	1,350	32
33	Bathing Suites Project	2005	57,885		20	2,894	2,894	11,577	33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 32,472,652	\$ 1,855,256		\$ 928,198	\$ (927,058)	\$ 9,242,787	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning:

07/01/07

Ending:

06/30/08

## 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	<b>Totals from Page 12B, Carried Forward</b>		\$ 32,472,652	\$ 1,855,256		\$ 928,198	\$ (927,058)	\$ 9,242,787	1
2	Kitchen Renovation Phase Ii (144,752)	2005	110,417		20	5,521	5,521	22,083	2
3	Bathing Suites Project	2005	4,950		20	248	248	990	3
4	Mechanical Engineering Services (1250)	2005	954		20	48	48	191	4
5	Repair To Elevator 6 (17895)	2005	13,650		20	683	683	2,730	5
6	Install Elevator Power Feed (3650)	2005	2,784		20	139	139	557	6
7	Countertop In Conference Area (900)	2005	687		20	34	34	137	7
8	Bathing Suites Project	2005	28,958		20	1,448	1,448	5,792	8
9	Kitchen--Elevator Lobby Smoke Det. (1373)	2005	1,047		20	52	52	209	9
10	Pavillion Wallcovering	2005	65,326		20	3,266	3,266	13,065	10
11	Emergency Call Units (27639)	2005	21,083		20	1,054	1,054	4,217	11
12	Installation Of New Heat Exchanger (16360)	2005	12,480		20	624	624	2,496	12
13	Installation Of New Heat Exchanger (418)	2005	319		20	16	16	64	13
14	Sunroom Drapes (5175)	2005	3,947		20	197	197	789	14
15	Electrical Work On Underground Feeders (15700)	2005	11,976		20	599	599	2,395	15
16	Gazebo Staining (3890)	2005	2,967		20	148	148	445	16
17	Concrete Walk (2500)	2005	1,907		20	95	95	286	17
18	Seal Coating (5728)	2005	4,369		20	218	218	655	18
19	Structual Limestone (10,980)	2005	8,376		20	419	419	1,256	19
20	Fire Control Heads (469)	2005	358		20	18	18	54	20
21	Fire Control Materials(359)	2005	274		20	14	14	41	21
22	Acoustical Ceilings (305)	2005	233		20	12	12	35	22
23	Mechanical (4,702)	2005	3,587		20	179	179	538	23
24	Hvac (46,995)	2005	35,848		20	1,792	1,792	5,377	24
25	Hvac (3,450)	2005	2,632		20	132	132	395	25
26	60 Ton Chiller (35,045)	2005	26,732		20	1,337	1,337	4,010	26
27	Immersion Fired Water Heaters (51,644)	2005	39,394		20	1,970	1,970	5,909	27
28	Fencing / Gates (2,500)	2005	1,907		20	95	95	286	28
29	Boiler Replacement (47,495)	2005	36,229		20	1,811	1,811	5,434	29
30	Boiler Replacement (67,000)	2005	51,108		20	2,555	2,555	7,666	30
31	Hot Water System Retrofit & Replacement (54,880)	2005	41,862		20	2,093	2,093	6,279	31
32	Stairwell Handrails (2500)	2006	1,907		20	95	95	286	32
33	Elevator Cable (4707)	2006	3,590		20	180	180	539	33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 33,014,510	\$ 1,855,256		\$ 955,291	\$ (899,965)	\$ 9,337,995	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning:

07/01/07

Ending:

06/30/08

## 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	<b>Totals from Page 12C, Carried Forward</b>		\$ 33,014,510	\$ 1,855,256		\$ 955,291	\$ (899,965)	\$ 9,337,995	1
2	Seal Coating (4595)	2006	3,505		20	175	175	526	2
3	Steel Door & Frame (3,994)	2006	3,047		20	152	152	457	3
4	Main Sewer Replacement (9,875)	2006	7,533		20	377	377	1,130	4
5	Hot Water Boiler (63,300)	2006	48,285		20	2,414	2,414	7,243	5
6	Paint Doors & Frames (2,304)	2006	1,757		20	88	88	264	6
7	Two Chillers (44,000)	2006	33,563		20	1,678	1,678	5,034	7
8	Telephone Messaging System (52,337)	2006	39,923		20	1,996	1,996	5,988	8
9	Telephone System Upgrade (1,950)	2006	1,487		20	74	74	223	9
10	Fire Sprinkler Work (1,450)	2006	3,433		20	172	172	515	10
11	Labor & Material, Tool & Equip.(5,800)	2006	4,424		20	221	221	442	11
12	Elevator Project 1,2 & 5(82,000)	2006	82,000		20	4,100	4,100	7,227	12
13	S & G Communications 5E Data Cables (7,084)	2006	7,084		20	354	354	624	13
14	New Heating System Boiler # 1 (89,945)	2006	68,610		20	3,431	3,431	6,861	14
15	New 100 Ton Roof Mounted(79,950)	2006	79,950		20	3,998	3,998	7,047	15
16	S & G Communications - Instal(16,435)	2006	16,435		20	822	822	1,449	16
17	Replace Hydraulic Cylinder(102,306)	2006	102,306		20	5,115	5,115	9,017	17
18	Material & Labor For Fire Protection(13,850)	2006	10,565		20	528	528	1,056	18
19	Floor In General Store (17,500)	2006	13,349		20	1,335	1,335	2,670	19
20	Landscaping (4,155)	2006	3,169		20	158	158	317	20
21	Hvac Repair (2,850)	2006	2,850		20	143	143	266	21
22	Chiller Repair (3,220)	2006	3,220		20	161	161	270	22
23	Walk-In Freezer Repair (4,448)	2006	4,448		20	222	222	345	23
24	Repair Ceramic Floor (2,615)	2006	1,995		20	100	100	269	24
25	250 Horsepower Hot Water Boiler(48,000)	2007	36,614		20	1,831	1,831	3,661	25
26	Fire/Smoke Dampers & Hvac(10,995)	2007	8,387		20	419	419	839	26
27	100 Ton Roof Mounted Chiller(64,000)	2007	64,000		20	3,200	3,200	5,641	27
28	Hot Water Boiler, Iron Fireman(24,110)	2007	18,391		20	920	920	1,839	28
29	Install Rotons On Doors (3,834)	2007	3,834		20	192	192	291	29
30	Concrete Walk And Ramp Sections (3,000)	2007	3,000		20	150	150	257	30
31	Concrete Walk (3,700)	2007	3,700		20	185	185	299	31
32	Exhaust Fan (2,530)	2007	2,530		20	127	127	268	32
33	Electrical Work \$2940	2007	2,940		20	147	147	147	33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 33,700,844	\$ 1,855,256		\$ 990,275	\$ (864,981)	\$ 9,410,478	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning:

07/01/07

Ending:

06/30/08

## 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	<b>Totals from Page 12D, Carried Forward</b>		\$ 33,700,844	\$ 1,855,256		\$ 990,275	\$ (864,981)	\$ 9,410,478	1
2	Electrical Work \$4301	2007	4,301		20	215	215	215	2
3	Strainers And Piping \$6975	2007	6,975		20	349	349	349	3
4	Landscaping \$96618	2007	96,618		20	4,831	4,831	4,831	4
5	Electrical Work \$4075	2007	4,075		20	204	204	204	5
6	Electrical Work \$3725	2007	3,725		20	186	186	186	6
7	Roof And Ductwork \$7644	2007	5,831		20	292	292	292	7
8	Valves \$2500	2007	2,500		20	125	125	125	8
9	Sump Pump Replacement \$13868	2007	13,868		20	693	693	693	9
10	Mixer Valve \$5321	2007	5,321		20	266	266	266	10
11	Mechanical Pipe Insulating \$7644	2007	7,644		20	382	382	382	11
12	Sump Pump Controls \$2243	2007	2,243		20	112	112	112	12
13	Electrical For Sump Pump \$2028	2007	2,028		20	101	101	101	13
14	Electrical Upgrade To Lower Level \$21892	2007	21,892		20	1,095	1,095	1,095	14
15	Electrical Breaker Breaker Pan \$2670	2007	2,670		20	133	133	133	15
16	New Security Cameras \$17895	2007	17,895		20	895	895	895	16
17	Carpet- Employee Entrance \$763	2007	763		20	38	38	38	17
18	Carpet- Olson Center \$519	2007	519		20	26	26	26	18
19	Carpet Pavillion \$877	2007	877		20	44	44	44	19
20	Sealcoting \$11874	2007	11,874		20	594	594	594	20
21	Trees \$12695	2007	12,695		20	635	635	635	21
22	(2) 14 Foot Street Lights \$3281	2007	3,281		20	164	164	164	22
23	Trees \$547	2007	547		20	27	27	27	23
24	Plants And Scrubs \$1866	2007	1,866		20	93	93	93	24
25	Trees \$1946	2007	1,946		20	97	97	97	25
26	Resurfacing Of Village Drive \$20141	2007	20,141		20	1,007	1,007	1,007	26
27	Landscaping Improvements \$4291	2007	4,291		20	215	215	215	27
28	Stained Glass Window \$2200	2007	2,200		20	110	110	110	28
29	Security System \$3926	2008	3,926		20	393	393	393	29
30	Compressor \$3190	2008	3,190		20	160	160	160	30
31	Painting \$4180	2008	4,180		20	209	209	209	31
32	Water Piping \$5021	2008	5,021		20	251	251	251	32
33	Medical Center Improvement \$15694	2008	15,694		20	785	785	785	33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 33,991,439	\$ 1,855,256		\$ 1,005,001	\$ (850,255)	\$ 9,425,204	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:

07/01/07

Ending:

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XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12E, Carried Forward		\$ 33,991,439	\$ 1,855,256		\$ 1,005,001	\$ (850,255)	\$ 9,425,204	1
2	Carpet \$458	2008	458		20	23	23	23	2
3	Tinaglia Architects- As Built \$863	2008	863		20	43	43	43	3
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32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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:

07/01/07

Ending:

06/30/08

XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12F, Carried Forward		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	1
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33									33
34	TOTAL (lines 1 thru 33)		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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:

07/01/07

Ending:

06/30/08

XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12G, Carried Forward		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	1
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33									33
34	TOTAL (lines 1 thru 33)		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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:

07/01/07

Ending:

06/30/08

XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12H, Carried Forward		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	1
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33									33
34	TOTAL (lines 1 thru 33)		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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:

07/01/07

Ending:

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XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12I, Carried Forward		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	1
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33									33
34	TOTAL (lines 1 thru 33)		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	34

SEE ACCOUNTANTS' COMPILATION REPORT

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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	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12J, Carried Forward		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	1
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3									3
4									4
5									5
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33									33
34	TOTAL (lines 1 thru 33)		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	34

SEE ACCOUNTANTS' COMPILATION REPORT

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Facility Name & ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning:

07/01/07

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XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12K, Carried Forward		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	1
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33									33
34	TOTAL (lines 1 thru 33)		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

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# 0005090

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XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12L, Carried Forward		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	1
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3									3
4									4
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33									33
34	TOTAL (lines 1 thru 33)		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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:

06/30/08

**XI. OWNERSHIP COSTS (continued)**

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	<b>Totals from Page 12M, Carried Forward</b>		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	1
2									2
3									3
4									4
5									5
6									6
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34	<b>TOTAL (lines 1 thru 33)</b>		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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:

07/01/07

Ending:

06/30/08

XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12N, Carried Forward		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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)		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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:

07/01/07

Ending:

06/30/08

XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12O, Carried Forward		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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)		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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:

07/01/07

Ending:

06/30/08

XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12P, Carried Forward		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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)		\$ 33,992,759	\$ 1,855,256		\$ 1,005,067	\$ (850,189)	\$ 9,425,270	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:

07/01/07

Ending:

06/30/08

**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
	<b>Improvement Type**</b>										
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:

07/01/07

Ending:

06/30/08

**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	<b>TOTAL (lines 4 thru 69)</b>		\$	\$	\$	\$	\$	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:

07/01/07

Ending:

06/30/08

**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
<b>Improvement Type**</b>											
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:

07/01/07

Ending:

06/30/08

**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	<b>TOTAL (lines 4 thru 69)</b>	\$	\$		\$	\$	\$	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: 07/01/07 Ending: 06/30/08

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	\$ 8,699,857	\$	\$ 629,090	\$ 629,090	10	\$ 8,610,642	71
72	Current Year Purchases	330,268		33,027	33,027	10	33,027	72
73	Fully Depreciated Assets	1,716,400				10	1,716,400	73
74								74
75	TOTALS	\$ 10,746,525	\$	\$ 662,117	\$ 662,117		\$ 10,360,069	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	See Supplemental	Auto- Various	2008	\$ 324,606	\$	\$ 30,834	\$ 30,834	5	\$ 250,974	76
77	Schedule									77
78										78
79										79
80	TOTALS			\$ 324,606	\$	\$ 30,834	\$ 30,834		\$ 250,974	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)	\$ 45,084,115	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 1,855,256	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 1,698,018	83
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ (157,238)	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 20,036,313	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	\$ 4,994,594	86
87	Non-Care - 2006	837,061	41,853	125,559	87
88	Non-Care - 2007	654,020	32,701	65,402	88
89	Capitalized R & M-Non-Care - 2007	8,156			89
90	NonCare \$1394208 - 2008	1,394,208	69,710	69,710	90
91	TOTALS	\$ 16,950,376	\$ 1,004,536	\$ 5,255,265	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.

SEE ACCOUNTANTS' COMPILATION REPORT

**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	<b>TOTAL</b>				\$			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.	_____ /2009	\$ _____
13.	_____ /2010	\$ _____
14.	_____ /2011	\$ _____

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: \$ 36,567 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	<b>TOTAL</b>		\$	\$	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><b>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?</b></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><b>2. CLASSROOM PORTION:</b></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><b>3. CLINICAL PORTION:</b></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	<b>TOTALS</b>	\$	\$	\$	\$
10	<b>SUM OF line 9, col. 1 and 2 (e)</b>	\$			

**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)	
<b>TOTAL TRAINED</b>	

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

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

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

	Service	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	\$		\$ 601,458	\$		\$ 601,458	1
2	Licensed Speech and Language Development Therapist	39 - 03	hrs			28,294			28,294	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39 - 03	hrs			1,173,275			1,173,275	4
5	Physician Care	39 - 03	visits			12,863			12,863	5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39 - 02	# of prescripts				850,266		850,266	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):									12
13	Other (specify): <u>See Supplemental</u>					66,077	16,815		82,892	13
14	TOTAL			\$		\$ 1,881,967	\$ 867,081		\$ 2,749,048	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: 07/01/07

Ending:

06/30/08

## XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 06/30/08

(last day of reporting year)

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

		1 Operating	2 After Consolidation*	
	<b>A. Current Assets</b>			
1	Cash on Hand and in Banks	\$ 1,565,001	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance )	3,303,554		3
4	Supply Inventory (priced at )	93,851		4
5	Short-Term Investments	2,940,945		5
6	Prepaid Insurance	139,258		6
7	Other Prepaid Expenses	152,857		7
8	Accounts Receivable (owners or related parties)	2,020,015		8
9	Other(specify): <u>See Attached Schedule</u>	714,987		9
10	<b>TOTAL Current Assets (sum of lines 1 thru 9)</b>	\$ 10,930,468	\$	10
	<b>B. Long-Term Assets</b>			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	677,384		12
13	Land	20,225		13
14	Buildings, at Historical Cost	48,186,686		14
15	Leasehold Improvements, at Historical Cost	502,289		15
16	Equipment, at Historical Cost	16,808,767		16
17	Accumulated Depreciation (book methods)	(32,538,739)		17
18	Deferred Charges	1,618,087		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>	573,581		23
24	<b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>	\$ 35,848,280	\$	24
25	<b>TOTAL ASSETS (sum of lines 10 and 24)</b>	\$ 46,778,748	\$	25

		1 Operating	2 After Consolidation*	
	<b>C. Current Liabilities</b>			
26	Accounts Payable	\$ 1,779,409	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	150,096		28
29	Short-Term Notes Payable	1,095,000		29
30	Accrued Salaries Payable	1,040,444		30
31	Accrued Taxes Payable (excluding real estate taxes)	135,877		31
32	Accrued Real Estate Taxes(Sch.IX-B)			32
33	Accrued Interest Payable	51,522		33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	<b>Other Current Liabilities(specify):</b>			
36	<u>See Attached Schedule</u>	16,070,256		36
37				37
38	<b>TOTAL Current Liabilities (sum of lines 26 thru 37)</b>	\$ 20,322,604	\$	38
	<b>D. Long-Term Liabilities</b>			
39	Long-Term Notes Payable			39
40	Mortgage Payable			40
41	Bonds Payable	24,961,952		41
42	Deferred Compensation			42
	<b>Other Long-Term Liabilities(specify):</b>			
43	<u>See Attached Schedule</u>	2,099,358		43
44				44
45	<b>TOTAL Long-Term Liabilities (sum of lines 39 thru 44)</b>	\$ 27,061,310	\$	45
46	<b>TOTAL LIABILITIES (sum of lines 38 and 45)</b>	\$ 47,383,914	\$	46
47	<b>TOTAL EQUITY(page 18, line 24)</b>	\$ (605,166)	\$	47
48	<b>TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)</b>	\$ 46,778,748	\$	48

SEE ACCOUNTANTS' COMPILATION REPORT

\*(See instructions.)

**XVI. STATEMENT OF CHANGES IN EQUITY**

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 1,732,807	1
2	Restatements (describe):		2
3			3
4	<u>Rounding Adjustment</u>	9	4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 1,732,816	6
<b>A. Additions (deductions):</b>			
7	NET Income (Loss) (from page 19, line 43)	(2,337,982)	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)	\$ (2,337,982)	17
<b>B. Transfers (Itemize):</b>			
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)	\$ (605,166)	24 *

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning: 07/01/07

Ending: 06/30/08

**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	
<b>A. Inpatient Care</b>			
1	Gross Revenue -- All Levels of Care	\$ 37,026,873	1
2	Discounts and Allowances for all Levels	(9,832,064)	2
3	<b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>	\$ 27,194,809	3
<b>B. Ancillary Revenue</b>			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	5,184,668	6
7	Oxygen		7
8	<b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>	\$ 5,184,668	8
<b>C. Other Operating Revenue</b>			
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	207,851	13
14	Non-Patient Meals	393,917	14
15	Telephone, Television and Radio	63,137	15
16	Rental of Facility Space	1,045,002	16
17	Sale of Drugs	898,618	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	47,354	19
20	Radiology and X-Ray	30,610	20
21	Other Medical Services		21
22	Laundry		22
23	<b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b>	\$ 2,686,489	23
<b>D. Non-Operating Revenue</b>			
24	Contributions	140,170	24
25	Interest and Other Investment Income***	215,131	25
26	<b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>	\$ 355,301	26
<b>E. Other Revenue (specify):****</b>			
27	<b>Settlement Income (Insurance, Legal, Etc.)</b>		27
28	<u>See Supplemental Schedule</u>	292,551	28
28a			28a
29	<b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>	\$ 292,551	29
30	<b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>	\$ 35,713,818	30

		2	
Expenses		Amount	
<b>A. Operating Expenses</b>			
31	General Services	7,882,069	31
32	Health Care	12,833,977	32
33	General Administration	9,523,051	33
<b>B. Capital Expense</b>			
34	Ownership	4,053,986	34
<b>C. Ancillary Expense</b>			
35	Special Cost Centers	3,581,939	35
36	Provider Participation Fee	176,778	36
<b>D. Other Expenses (specify):</b>			
37			37
38			38
39			39
40	<b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>	\$ 38,051,800	40
41	<b>Income before Income Taxes (line 30 minus line 40)**</b>	(2,337,982)	41
42	<b>Income Taxes</b>		42
43	<b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b>	\$ (2,337,982)	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:

07/01/07

Ending:

06/30/08

**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	2,288	2,532	\$ 121,015	\$ 47.80	1
2	Assistant Director of Nursing	2,288	2,531	93,490	36.93	2
3	Registered Nurses	141,722	163,133	5,091,590	31.21	3
4	Licensed Practical Nurses	201	240	7,019	29.21	4
5	CNAs & Orderlies	379,478	454,466	6,391,160	14.06	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					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	116,296	128,762	1,371,283	10.65	15
16	Dishwashers					16
17	Maintenance Workers	45,603	50,283	949,882	18.89	17
18	Housekeepers	51,653	56,821	571,345	10.06	18
19	Laundry	10,842	11,971	121,726	10.17	19
20	Administrator	1,511	1,672	122,819	73.45	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	26,289	26,289	481,259	18.31	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	3,877	4,371	73,122	16.73	31
32	Other Health Care(specify)					32
33	Other(specify) <u>See Supplemental</u>	39,979	41,744	648,484	15.53	33
34	TOTAL (lines 1 - 33)	822,027	944,817	\$ 16,044,194 *	\$ 16.98	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	413	\$ 17,352	01-03	35
36	Medical Director	Monthly	28,918	09-03	36
37	Medical Records Consultant				37
38	Nurse Consultant	Monthly	62,555	10-03	38
39	Pharmacist Consultant	Monthly	3,741	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	43	2,501	11-03	44
45	Social Service Consultant	153	8,579	12-03	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	609	\$ 123,646		49

**C. CONTRACT NURSES**

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	2,740	\$ 138,909	10-03	50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)	2,740	\$ 138,909		53

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lutheran Home For The Aged

# 0005090

Report Period Beginning: 07/01/07

Ending: 06/30/08

**XIX. SUPPORT SCHEDULES**

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions		
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount		
Philip Hemmer	Administrator	0%	\$ 122,819	Workers' Compensation Insurance	\$	IDPH License Fee	\$		
				Unemployment Compensation Insurance	1,064	Advertising: Employee Recruitment			
				FICA Taxes	1,177,772	Health Care Worker Background Check	4,000		
				Employee Health Insurance		(Indicate # of checks performed <u>308</u> )			
				Employee Meals		Patient Background Checks	308 4,000		
				Illinois Municipal Retirement Fund (IMRF)*		Subscriptions and Publications	3,308		
				Flu Vaccines	9,376	Memberships	4,205		
				Volunteer Recognition	11,485	Organization Dues	3,403		
				Allocated From LHSA	3,154,733	Inspections & Licenses	9,233		
						See Supplemental Schedule	75,916		
						Less: Public Relations Expense	( )		
						Non-allowable advertising	( )		
						Yellow page advertising	( )		
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)				TOTAL (agree to Schedule V, line 22, col.8)			TOTAL (agree to Sch. V, line 20, col. 8)		
\$ 122,819				\$ 4,354,430			\$ 104,065		
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**		
Description	Amount			Description	Line #	Amount	Description	Amount	
Allocated Cost- Lutheran Home & Services for the Aged	\$ 7,240,614						Out-of-State Travel	\$	
							In-State Travel		
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)				TOTAL			Seminar Expense		10,606
\$ 7,240,614							Allocated from LHSA		13,700
C. Professional Services									
Vendor/Payee	Type	Amount							
Method Management	Payroll Processing	\$ 3,500					Entertainment Expense		( )
Achieve Accreditation	Quality Assurance	48,399					(agree to Sch. V, line 24, col. 8)		
KPMG	Audit Fees	30,000					TOTAL		\$ 24,306
It's Never Too Late	Computer Services	8,800							
Penny Paulsberg	Design Fees	11,798							
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)				TOTAL					
\$ 102,497									

\* Attach copy of IMRF notifications  
SEE ACCOUNTANTS' COMPILATION REPORT

\*\*See instructions.

Facility Name & ID Number Lutheran Home For The Aged

Report Period Beginning: 07/01/07 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 FY2004	6 FY2005	7 FY2006	8 FY2007	9 FY2008	10 FY2009	11 FY2010	12 FY2011	13 FY2012
1	N/A		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3													
4													
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19													
20	<b>TOTALS</b>		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number Lutheran Home For The Aged

**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? N/A
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes  
What was the average life used for new equipment added during this period? 10 Years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 327,603 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No  
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 176,778  
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. \$ Yes Has any meal income been offset against related costs? Yes Indicate the amount. \$ 393,917
- (16) Travel and Transportation  
a. Are there costs included for out-of-state travel? No  
If YES, attach a complete explanation.  
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A  
c. What percent of all travel expense relates to transportation of nurses and patients? 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. N/A
- (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 \$5,000, have legal invoices and a summary of services performed been attached to this cost report? N/A  
Attach invoices and a summary of services for all architect and appraisal fees.

**SEE ACCOUNTANTS' COMPILATION REPORT**