

Facility Name & ID Number Lexington of Schaumburg

0036095 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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	214	Skilled (SNF)	214	78,110	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	214	TOTALS	214	78,110	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF			16,587	16,587	8
9	SNF/PED					9
10	ICF	45,028	4,509		49,537	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	45,028	4,509	16,587	66,124	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 84.65%

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

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

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

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

None

F. Does the facility maintain a daily midnight census?

Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?

YES NO

Note : Non-allowable costs have been eliminated in Schedule V, Column 7.

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

YES NO

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

Date started 04/01/90

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

YES Date New Construction NO

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

YES NO If YES, enter number of beds certified 214 and days of care provided 13,781

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRAUAL MODIFIED CASH* CASH*

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

Tax Year: 12/31/13 Fiscal Year: 12/31/13

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

Facility Name & ID Number

Lexington of Schaumburg

0036095

Report Period Beginning:

01/01/2013

Ending:

12/31/2013

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	A. General Services										
1	Dietary	410,536	42,515	4,112	457,163		457,163		457,163		1
2	Food Purchase		374,137		374,137		374,137	(20,060)	354,077		2
3	Housekeeping	348,399	39,647		388,046		388,046	378	388,424		3
4	Laundry	83,764	23,306		107,070		107,070		107,070		4
5	Heat and Other Utilities			206,675	206,675		206,675	7,655	214,330		5
6	Maintenance	31,491		171,840	203,331		203,331	82,152	285,483		6
7	Other (specify):* Mgmt Co. - Allocated							11,224	11,224		7
8	TOTAL General Services	874,190	479,605	382,627	1,736,422		1,736,422	81,349	1,817,771		8
	B. Health Care and Programs										
9	Medical Director			55,676	55,676		55,676		55,676		9
10	Nursing and Medical Records	5,259,183	521,846	147,363	5,928,392		5,928,392	45,128	5,973,520		10
10a	Therapy										10a
11	Activities	236,213	34,224	13,992	284,429		284,429		284,429		11
12	Social Services	148,013		5,299	153,312		153,312		153,312		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Mgmt Co. - Allocated							6,503	6,503		15
16	TOTAL Health Care and Programs	5,643,409	556,070	222,330	6,421,809		6,421,809	51,631	6,473,440		16
	C. General Administration										
17	Administrative	138,524		1,624,181	1,762,705		1,762,705	(1,561,102)	201,603		17
18	Directors Fees										18
19	Professional Services			254,177	254,177		254,177	9,696	263,873		19
20	Dues, Fees, Subscriptions & Promotions			31,298	31,298		31,298	14,220	45,518		20
21	Clerical & General Office Expenses	222,249	36,016	55,997	314,262		314,262	670,863	985,125		21
22	Employee Benefits & Payroll Taxes			1,163,929	1,163,929		1,163,929	18,113	1,182,042		22
23	Inservice Training & Education			14,279	14,279		14,279	970	15,249		23
24	Travel and Seminar							1,293	1,293		24
25	Other Admin. Staff Transportation			7,976	7,976		7,976	16,468	24,444		25
26	Insurance-Prop.Liab.Malpractice			497,615	497,615		497,615	6,430	504,045		26
27	Other (specify):* Mgmt Co. - Allocated							106,634	106,634		27
28	TOTAL General Administration	360,773	36,016	3,649,452	4,046,241		4,046,241	(716,415)	3,329,826		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	6,878,372	1,071,691	4,254,409	12,204,472		12,204,472	(583,435)	11,621,037		29

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

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

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification 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	
	D. Ownership											
30	Depreciation			223,615	223,615		223,615	350,265	573,880			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			35,163	35,163		35,163	347,713	382,876			32
33	Real Estate Taxes							475,230	475,230			33
34	Rent-Facility & Grounds			1,857,924	1,857,924		1,857,924	(1,853,552)	4,372			34
35	Rent-Equipment & Vehicles			100,972	100,972		100,972	4,595	105,567			35
36	Other (specify):*											36
37	TOTAL Ownership			2,217,674	2,217,674		2,217,674	(675,749)	1,541,925			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		654,334	1,659,952	2,314,286		2,314,286		2,314,286			39
40	Barber and Beauty Shops			16,601	16,601		16,601		16,601			40
41	Coffee and Gift Shops			5,527	5,527		5,527		5,527			41
42	Provider Participation Fee			434,859	434,859		434,859		434,859			42
43	Other (specify):* Non-Allowable Co	122,330		168,745	291,075		291,075	(291,075)				43
44	TOTAL Special Cost Centers	122,330	654,334	2,285,684	3,062,348		3,062,348	(291,075)	2,771,273			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	7,000,702	1,726,025	8,757,767	17,484,494		17,484,494	(1,550,259)	15,934,235			45

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

Facility Name & ID Number Lexington of Schaumburg

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Report Period Beginning: 01/01/2013

Ending: 12/31/2013

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	(1,947)	2		4
5	Telephone, TV & Radio in Resident Rooms	(6,830)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(535)	30		9
10	Interest and Other Investment Income	(99,890)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(12,976)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(1,430)	43		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	(53,048)	43		24
25	Fund Raising, Advertising and Promotional	(44,253)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(1,821)			26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising		43		28
29	Other-Attach Schedule See Pg 5A	288,108	Var.		29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ 65,378		\$	30

BHF USE ONLY						
48		49		50		51
						52

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

		1	2	
		Amount	Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(1,615,637)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (1,615,637)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (1,550,259)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1	2	3	4	
		Yes	No	Amount	Reference	
38	Medically Necessary Transport.		X	\$		38
39						39
40	Gift and Coffee Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44						44
45	Other-Attach Schedule		X			45
46	Other-Attach Schedule		X			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

Lexington of Schaumburg

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Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	Sch. V Line
1	Labs-Part A	\$ (13,197)	43	1
2	X-Rays-Part A	(30,716)	43	2
3	Diagnostics Managed Care	(4,474)	43	3
4	Trust Fees	(60)	43	4
5	Out of period legal	(4,511)	19	5
6	Collections	(7,453)	19	6
7	Marketing Salary	(122,330)	21	7
8	Unrealized loss on FMV swap	476,259	43	8
9	Disallow Marketing Software	(5,149)	19	9
10	Miscellaneous Income	(261)	21	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
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31				31
32				32

33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	288,108		49

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Use Page 6-Supplemental as necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
See Page 6-Supplemental		See Page 6-Supplemental		See Page 6-Supplemental		

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
1	V	19 Professional Fees	\$	Sambell of Schaumburg Limited Partnership	**	\$ 200	\$ 200	1	
2	V	30 Depreciation		Sambell of Schaumburg Limited Partnership	**	295,668	295,668	2	
3	V	32 Amortization of mortgage costs		Sambell of Schaumburg Limited Partnership	**	2,717	2,717	3	
4	V	32 Interest expense		Sambell of Schaumburg Limited Partnership	**	426,923	426,923	4	
5	V	33 Property taxes		Sambell of Schaumburg Limited Partnership	**	465,923	465,923	5	
6	V	34 Rental expense	1,857,924	Sambell of Schaumburg Limited Partnership	**		(1,857,924)	6	
7	V	43 Trust fees		Sambell of Schaumburg Limited Partnership	**	60	60	7	
8	V	43 Unrealized gain FMV swap	476,259	Sambell of Schaumburg Limited Partnership	**		(476,259)	8	
9	V							9	
10	V	** The owners of Lexington Health Care Center of Schaumburg, Inc. own 100% of Sambell of Schaumburg Ltd. Ptsp.							10
11	V							11	
12	V							12	
13	V							13	
14	Total		\$ 2,334,183			\$ 1,191,491	\$ * (1,142,692)	14	

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	3 Housekeeping supplies	\$	Royal Management Corp.	**	\$ 378	\$	378	15
16	V	5 Utilities - gas & electric		Royal Management Corp.	**	6,309		6,309	16
17	V	5 Utilities - water & sewer		Royal Management Corp.	**	373		373	17
18	V	5 Utilities - maintenance office		Royal Management Corp.	**	973		973	18
19	V	6 Management allocation - salaries		Royal Management Corp.	**	73,447		73,447	19
20	V	6 Repairs & maintenance		Royal Management Corp.	**	8,346		8,346	20
21	V	6 Scavenger & exterminating		Royal Management Corp.	**	359		359	21
22	V	7 Management allocation - employee benefits		Royal Management Corp.	**	11,224		11,224	22
23	V	10 Medical consultant		Royal Management Corp.	**	2,575		2,575	23
24	V	10 Management allocation - salaries		Royal Management Corp.	**	42,553		42,553	24
25	V	15 Management allocation - employee benefits		Royal Management Corp.	**	6,503		6,503	25
26	V	17 Management allocation - salaries		Royal Management Corp.	**	63,079		63,079	26
27	V	19 Computer consultant & supplies		Royal Management Corp.	**	17,032		17,032	27
28	V	19 Professional fees		Royal Management Corp.	**	9,577		9,577	28
29	V	20 Dues & subscriptions		Royal Management Corp.	**	796		796	29
30	V	20 Advertising - help wanted		Royal Management Corp.	**	13,424		13,424	30
31	V	21 Management allocation - salaries		Royal Management Corp.	**	634,683		634,683	31
32	V	21 Bank charges		Royal Management Corp.	**	4,332		4,332	32
33	V	21 Office supplies & printing		Royal Management Corp.	**	14,374		14,374	33
34	V	21 Postage		Royal Management Corp.	**	4,500		4,500	34
35	V	21 Telephone		Royal Management Corp.	**	13,235		13,235	35
36	V								36
37	V								37
38	V								38
39	Total		\$			\$ 928,072	\$ *	928,072	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	23 <u>Inservice Training</u>	\$	<u>Royal Management Corp.</u>	**	\$ 970	\$	970	15
16	V	24 <u>Travel & seminar</u>		<u>Royal Management Corp.</u>	**	1,293		1,293	16
17	V	25 <u>Auto expense</u>		<u>Royal Management Corp.</u>	**	16,468		16,468	17
18	V	26 <u>Insurance general</u>		<u>Royal Management Corp.</u>	**	6,430		6,430	18
19	V	27 <u>Management allocation - employee benefits</u>		<u>Royal Management Corp.</u>	**	106,634		106,634	19
20	V	30 <u>Depreciation</u>		<u>Royal Management Corp.</u>	**	55,132		55,132	20
21	V	32 <u>Interest</u>		<u>Royal Management Corp.</u>	**	15,273		15,273	21
22	V	32 <u>Amortization of mortgage costs</u>		<u>Royal Management Corp.</u>	**	2,690		2,690	22
23	V	33 <u>Property taxes</u>		<u>Royal Management Corp.</u>	**	9,307		9,307	23
24	V	34 <u>Rent expense</u>		<u>Royal Management Corp.</u>	**	4,372		4,372	24
25	V	35 <u>Equipment rental</u>		<u>Royal Management Corp.</u>	**	2,015		2,015	25
26	V	17 <u>Management fees</u>	1,624,181	<u>Royal Management Corp.</u>	**			(1,624,181)	26
27	V	35 <u>Auto Lease</u>		<u>Royal Management Corp.</u>	**	2,580		2,580	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		\$ 1,624,181			\$ 223,164	\$ *	(1,401,017)	39

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

Facility Name & ID Number

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Report Period Beginning:

01/01/2013

Ending:

12/31/2013

VII. RELATED PARTIES

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

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1	James Samatas Discretionary Trust	22.33%	Lexington HC Ctr. of Lombard, Inc.	Lombard	Eastgate Manor	Algonquin	Supportive	1
2	John Samatas Discretionary Trust	22.33%	Lexington HC Ctr. of Bloomingdale, Inc.	Bloomington	of Algonquin, LLC		Living Facility	2
3	Cynthia Thiem Discretionary Trust	22.34%	Lexington HC Ctr. of Chicago Ridge, Inc.	Chicago Ridge	Lexington Square	Lombard	Independent	3
4	Jeffrey J. Bell Revocable Trust	8.25%	Lexington HC Ctr. of Elmhurst, Inc.	Elmhurst	Life Care of		and Assisted	4
5	Lawrence W. Bell Revocable Trust	8.25%	Lexington HC Ctr. of LaGrange, Inc.	LaGrange	Lombard, LLC		Living Facility	5
6	David S. Bell Revocable Trust	8.25%	Lexington HC Ctr. of Lake Zurich, Inc.	Lake Zurich	Lexington Square	Elmhurst	Independent	6
7	David S. Bell 2001 Trust	2.75%	Lexington HC Ctr. of Streamwood, Inc.	Streamwood	Life Care of		Living Facility	7
8	Jeffrey J. Bell 2001 Trust	2.75%	Lexington HC Ctr. of Wheeling, Inc.	Wheeling	Elmhurst, LLC			8
9	Lawrence W. Bell 2001 Trust	2.75%	Lexington HC Ctr. of Orland Park, Inc.	Orland Park	Vesta Management	Lombard	Management	9
10					Group, LLC		Company	10
11					Sambell of	Schaumburg	Real Estate	11
12					Schaumburg		Property	12
13					Ltd. Ptsp.			13
14					Royal Management	Lombard	Management	14
15					Corporation		Company	15
16					Lexington Financial	Lombard	Finance	16
17					Services, LLC		Company	17
18					Samvest of Lombard	Lombard	Lessor	18
19					II, LLC			19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30

Facility Name & ID Number Lexington of Schaumburg # 0036095 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	James Samatas	Owner/Officer	Administrative	22.33%	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	10,266	L17, C7	1
2	John Samatas	Owner/Officer	Admin/Plant Ops	22.33%	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	7,666	L17, C7	2
3	Cynthia Thiem	Owner/Officer	Administrative	22.34%	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	9,140	L17, C7	3
4	Daniel Thiem	Executive VP	Administrative	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	12,749	L17, C7	4
5	Jason Samatas	Executive Committee	Administrative	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	23,257	L17, C7	5
6		Member									6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 63,079		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

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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 Royal Management Corp.
 Street Address 665 W. North Avenue, Suite 500
 City / State / Zip Code Lombard, IL 60148
 Phone Number (630) 458-4700
 Fax Number (630) 458-4796

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	3	Housekeeping supplies	Bed Days Available	723,430	10	\$ 3,503	78,110	\$ 378	1
2	5	Utilities - gas & electric	Bed Days Available	723,430	10	58,428	78,110	6,309	2
3	5	Utilities - water & sewer	Bed Days Available	723,430	10	3,454	78,110	373	3
4	5	Utilities - maintenance office	Bed Days Available	723,430	10	9,011	78,110	973	4
5	6	Management allocation - salaries	Bed Days Available	723,430	10	680,245	680,245	73,447	5
6	6	Repairs & maintenance	Bed Days Available	723,430	10	77,300	78,110	8,346	6
7	6	Scavenger & exterminating	Bed Days Available	723,430	10	3,323	78,110	359	7
8	7	Management allocation - employe	Bed Days Available	723,430	10	103,957	78,110	11,224	8
9	10	Medical consultant	Bed Days Available	723,430	10	23,850	78,110	2,575	9
10	10	Management allocation - salaries	Bed Days Available	723,430	10	394,114	394,114	42,553	10
11	15	Management allocation - employe	Bed Days Available	723,430	10	60,229	78,110	6,503	11
12	17	Management allocation - salaries	Bed Days Available	723,430	10	584,219	584,219	63,079	12
13	19	Computer consultant & supplies	Bed Days Available	723,430	10	157,743	78,110	17,032	13
14	19	Professional fees	Bed Days Available	723,430	10	88,700	78,110	9,577	14
15	20	Dues & subscriptions	Bed Days Available	723,430	10	7,368	78,110	796	15
16	20	Advertising - help wanted	Bed Days Available	723,430	10	124,332	78,110	13,424	16
17	21	Management allocation - salaries	Bed Days Available	723,430	10	5,878,235	5,878,235	634,683	17
18	21	Bank charges	Bed Days Available	723,430	10	40,121	78,110	4,332	18
19	21	Office supplies & printing	Bed Days Available	723,430	10	133,126	78,110	14,374	19
20	21	Postage	Bed Days Available	723,430	10	41,674	78,110	4,500	20
21	21	Telephone	Bed Days Available	723,430	10	122,578	78,110	13,235	21
22									22
23									23
24									24
25	TOTALS					\$ 8,595,510	\$ 7,536,813	\$ 928,072	25

Facility Name & ID Number Lexington of Schaumburg

0036095 Report Period Beginning: 01/01/2013

Ending: 2/31/2013

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 Royal Management Corp.
 Street Address 665 W. North Avenue, Suite 500
 City / State / Zip Code Lombard, IL 60148
 Phone Number (630) 458-4700
 Fax Number (630) 458-4796

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	23	Inservice Training	Bed Days Available	723,430	10	\$ 8,988	\$ 78,110	\$ 970	1
2	24	Travel and Seminar	Bed Days Available	723,430	10	11,975	78,110	1,293	2
3	25	Auto expense	Bed Days Available	723,430	10	152,523	78,110	16,468	3
4	26	Insurance general	Bed Days Available	723,430	10	59,556	78,110	6,430	4
5	27	Management allocation - employe	Bed Days Available	723,430	10	987,607	78,110	106,634	5
6	30	Depreciation	Bed Days Available	723,430	10	510,614	78,110	55,132	6
7	32	Interest	Bed Days Available	723,430	10	141,456	78,110	15,273	7
8	32	Amortization of mortgage costs	Bed Days Available	723,430	10	24,914	78,110	2,690	8
9	33	Property taxes	Bed Days Available	723,430	10	86,200	78,110	9,307	9
10	34	Rent expense	Bed Days Available	723,430	10	40,490	78,110	4,372	10
11	35	Equipment rental	Bed Days Available	723,430	10	18,660	78,110	2,015	11
12	35	Auto Lease	Bed Days Available	723,430	10	23,891	78,110	2,580	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					\$ 2,066,874	\$	\$ 223,164	25

Facility Name & ID Number

Lexington of Schaumburg

0036095

Report Period Beginning:

01/01/2013

Ending:

12/31/2013

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		3	4	5	6		8	9	10						
		Related**					Purpose of Loan	Monthly Payment Required				Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
		YES	NO										Original	Balance			
	A. Directly Facility Related																
	Long-Term																
1	Lexington Financial						\$	\$		\$	1						
2	Services LLC	X		Mortgage	Varies	5/22/08	7,982,000	7,007,143	01/01/2033	Variable	426,923	2					
3											3						
4											4						
5							Interest on financing insurance premium				1,384	5					
	Working Capital																
6	Bank of America		X	Working Capital	Varies	9/30/13	13,700,000	500,000	9/30/14	Prime/Libor	27,223	6					
7	Shareholder	X		Working Capital	Varies	5/11/12	452,000	452,000	Demand	Variable	6,555	7					
8											8						
9	TOTAL Facility Related						\$ 22,134,000	\$ 7,959,143			\$ 462,086	9					
	B. Non-Facility Related*																
10											2,717	10					
11											(93,335)	11					
12											(6,555)	12					
13											17,963	13					
14	TOTAL Non-Facility Related						\$	\$			\$ (79,210)	14					
15	TOTALS (line 9+line14)						\$ 22,134,000	\$ 7,959,143			\$ 382,876	15					

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

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

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

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

B. Real Estate Taxes

		Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.													
1. Real Estate Tax accrual used on 2012 report.			\$	<u>391,200</u>	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.)	2012		\$	<u>397,653</u>	2										
3. Under or (over) accrual (line 2 minus line 1).			\$	6,453	3										
4. Real Estate Tax accrual used for 2013 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	<u>438,000</u>	4										
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)		Allocated from Mgmt. Co.		9,307											
			\$	<u>53,668</u>	5										
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ <u>32,197</u> For <u>10/11</u> Tax Year. (Attach a copy of the real estate tax appeal board's decision.)			\$	<u>(32,197)</u>	6										
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.			\$	<u>475,230</u>	7										
Real Estate Tax History:															
Real Estate Tax Bill for Calendar Year:	2008	<u>425,860</u>	8	<table border="1"> <tr> <td colspan="2" style="text-align: center;">FOR BHF USE ONLY</td> </tr> <tr> <td style="text-align: center;">13</td> <td>FROM R. E. TAX STATEMENT FOR 2012 \$</td> </tr> <tr> <td style="text-align: center;">14</td> <td>PLUS APPEAL COST FROM LINE 5 \$</td> </tr> <tr> <td style="text-align: center;">15</td> <td>LESS REFUND FROM LINE 6 \$</td> </tr> <tr> <td style="text-align: center;">16</td> <td>AMOUNT TO USE FOR RATE CALCULATION \$</td> </tr> </table>		FOR BHF USE ONLY		13	FROM R. E. TAX STATEMENT FOR 2012 \$	14	PLUS APPEAL COST FROM LINE 5 \$	15	LESS REFUND FROM LINE 6 \$	16	AMOUNT TO USE FOR RATE CALCULATION \$
FOR BHF USE ONLY															
13	FROM R. E. TAX STATEMENT FOR 2012 \$														
14	PLUS APPEAL COST FROM LINE 5 \$														
15	LESS REFUND FROM LINE 6 \$														
16	AMOUNT TO USE FOR RATE CALCULATION \$														
	2009	<u>357,470</u>	9												
	2010	<u>383,165</u>	10												
	2011	<u>379,311</u>	11												
	2012	<u>397,653</u>	12												
See attached real estate accrual sheet															

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

2012 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lexington of Schaumburg COUNTY Cook
 FACILITY IDPH LICENSE NUMBER 0036095
 CONTACT PERSON REGARDING THIS REPORT Karen Gillis
 TELEPHONE (630) 458-4700 FAX #: (630) 458-4795

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2012 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 2012.

(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>07-27-201-039-000</u>	<u>Land & Building</u>	\$ <u>397,653.10</u>	\$ <u>397,653.10</u>
2. <u>Royal Management Corp. (Samvest of Lombard II)</u>		\$ _____	\$ _____
3. <u>05-01-202-021</u>	<u>Land & Building</u>	\$ <u>262,977.74</u>	\$ <u>9,307.00</u>
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u><u>660,630.84</u></u>	\$ <u><u>406,960.10</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? X YES NO

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

C. **Tax Bills**

Attach a copy of the original 2012 tax bills which were listed in Section A to this statement. Be sure to use the 2012 tax bill which is normally paid during 2013.

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.**

Facility Name & ID Number Lexington of Schaumburg

0036095 Report Period Beginning:

01/01/2013 Ending:

12/31/2013

X. BUILDING AND GENERAL INFORMATION:

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

C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.
 (Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? (a) Own the Equipment (b) Rent equipment from a Related Organization. (c) Rent equipment from Completely Unrelated Organization.
 (Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.)
 List entity name, type of business, square footage, and number of beds/units available (where applicable).

N/A

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? YES NO
 If so, please complete the following:

1. Total Amount Incurred: N/A 2. Number of Years Over Which it is Being Amortized: N/A
 3. Current Period Amortization: N/A 4. Dates Incurred: N/A

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

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	<u>Resident Care</u>	<u>230,000</u>	<u>1988</u>	<u>\$ 211,532</u>	1
2	<u>Management Company Allocation</u>			<u>22,606</u>	2
3	TOTALS	230,000		\$ 234,138	3

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9		
Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	214	1990	1990	\$ 6,091,126	\$	35	\$ 174,032	\$ 174,032	\$ 4,130,440	4
5		1995	1995	146,217	4,178	35	4,178		73,110	5
6										6
7										7
8										8
Improvement Type**										
9	Building improvements		1991	3,521		10			3,491	9
10	Building improvements		1992	860	25	35	25		531	10
11	Land improvements		1992	5,764		20			5,764	11
12	Land improvements		1992	5,000		20	125	125	5,000	12
13	Fan coil units in offices		1996	5,149	147	35	147		2,574	13
14	Basement rehab		1997	14,697		10			14,697	14
15	Brick		1997	1,500	43	35	43		704	15
16	Dining room rehab		1997	6,422		10			6,422	16
17	Parking lot repave and restripe		1998	2,777		10			2,777	17
18	Wiring		1998	3,667		10			3,667	18
19	Retile 2nd and 3rd floor corridors		1998	10,100		10			10,100	19
20	Plumbing for HVAC		1998	2,263		5			2,263	20
21	Lobby-floor tile		1999	7,478		10			7,478	21
22	Wallpaper-labor		1999	9,705		10			9,705	22
23	New patio		1999	19,039	1,269	15	1,269		18,085	23
24	New pay phone/wiring		1999	2,975		10			2,975	24
25	Roof repairs		2000	9,625		10			9,625	25
26	Water heater		2000	6,688		10			6,688	26
27	Automatic door		2000	1,300		10			1,300	27
28	Rehab project - paint resident rooms, carpet hallways, and tile		2000	52,760		10			52,760	28
29	Water heater and storage tanks		2001	12,102		10			12,102	29
30	Garbage area		2001	4,788		20			4,788	30
31										31
32										32
33										33
34										34
35										35
36										36

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

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

See Page 12A, Line 70 for total

Facility Name & ID Number Lexington of Schaumburg

0036095

Report Period Beginning:

01/01/2013

Ending:

12/31/2013

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	Roof	2002	\$ 25,600	\$	10	\$	\$	\$ 25,600	37
38	Facility rehab - paint resident rooms, carpet hallways, and tile	2002	327,253	16,363	20	16,363		202,727	38
39	Elevator electronic curtain	2002	4,500		10			4,500	39
40	Elevator upgrade	2002	5,471		10			5,471	40
41	Painting and decorating	2003	13,477	1,346	10	1,346		13,477	41
42	Electrical improvements	2003	844	42	20	42		424	42
43	Repave parking lot	2004	28,840	721	40	721		6,789	43
44	Dining room remodel - paint	2004	11,387	569	20	569		5,502	44
45	Landscaping	2005	593	30	20	30		252	45
46	HVAC upgrade	2005	17,734	887	20	887		7,169	46
47	Generator upgrade	2005	19,650	983	20	983		8,846	47
48	Window replacement	2005	3,899	195	20	195		1,625	48
49	Flooring replacement	2005	1,483	74	20	74		617	49
50	Lobby, lounge and reception rehab	2005	27,180	1,359	20	1,359		10,872	50
51	Therapy room rehab	2005	35,135	1,757	20	1,757		14,347	51
52	Create first floor therapy room	2005	32,045	1,602	20	1,602		14,152	52
53	Create transitional care unit	2005	29,170	1,458	20	1,458		11,787	53
54	Basement renovation	2005	5,996	300	20	300		2,400	54
55	Countertops	2005	845		5			845	55
56	Interior signs	2005	4,412		5			4,412	56
57	Window treatments	2005	912		5			912	57
58	Wall covering	2005	439		5			439	58
59	Panel Brick Replacement	2006	17,387	869	20	869		6,228	59
60	Landscaping Enhancement	2006	7,608	507	15	507		3,676	60
61	HVAC	2006	12,232	612	20	612		4,335	61
62	Sink	2006	2,331	117	20	117		896	62
63	TCU Units	2006	16,379	819	20	819		5,938	63
64	Employee lunch room rehab	2006	8,127	406	20	406		3,046	64
65	Dining room rehab	2006	2,357	118	20	118		885	65
66	Basement renovation	2006	9,465	473	20	473		3,469	66
67	Oxygen room rehab	2006	2,664	133	20	133		976	67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 7,100,938	\$ 37,402		\$ 211,559	\$ 174,157	\$ 4,759,660	70

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

Facility Name & ID Number Lexington of Schaumburg# 0036095

Report Period Beginning:

01/01/2013

Ending:

12/31/2013**XI. OWNERSHIP COSTS (continued)****B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 7,100,938	\$ 37,402		\$ 211,559	\$ 174,157	\$ 4,759,660	1
2	Replace Sidewalk	2007	14,625	731	20	731		4,691	2
3	Landscaping	2007	15,700	785	20	785		4,906	3
4	Emergency A/C	2007	15,545	777	20	777		5,115	4
5	1st Floor Remodel - Carpentry, Flooring, Plumbing, Paint	2007	676,072		40	16,902	16,902	107,046	5
6	Bathroom Faucets	2007	12,358	618	20	618		3,759	6
7	Landscaping	2008	10,000	667	15	667		3,779	7
8	Roofing	2008	11,950	598	20	598		3,189	8
9	HVAC-Air tank	2008	2,671	67	40	67		363	9
10	HVAC-Spot Cooler	2008	3,790	95	40	95		475	10
11	Electrical-Fire panel upgrade	2008	71,077	1,777	40	1,777		10,070	11
12	Electrical-Replace Gasket	2008	6,125	613	10	613		3,371	12
13	2nd floor remodel-carpentry, painting, plumbing,electrical	2008	558,949		27	20,325	20,325	105,013	13
14	Panel Brick Replacement	2009	184,595	9,230	20	9,230		36,920	14
15	Land Improvements	2009	12,400	620	20	620		2,790	15
16	Parking Lot	2009	4,600	230	20	230		1,035	16
17	Front Entrace Improvements	2009	28,660	717	40	717		3,107	17
18	HVAC Quick Connectors	2009	5,591	140	40	140		618	18
19	HVAC Spot Cooler	2009	4,254	106	40	106		468	19
20	1st floor Admin-Tile,electical	2009	11,679	292	40	292		1,168	20
21	Kitchen Plumbing	2009	8,210	821	10	821		3,695	21
22	Fire Alarm Electrical	2009	31,710	793	40	793		3,436	22
23	Glass & Mirror Med Room	2009	2,836	284	10	284		1,349	23
24	2nd Floor Remodel -Carpentry	2009	14,592	730	20	730		3,538	24
25	Patio Pergola	2009	9,505	475	20	475		2,019	25
26	Patio Fence	2009	5,100	255	20	255		1,041	26
27	Landscaping	2009	17,332	1,155	15	1,155		5,198	27
28	3rd Floor Remodel-Carpentry, flooring,electrical,painting	2009	627,866		27	22,832	22,832	97,036	28
29	Landscaping Enhancement	2010	14,885	992	15	992		3,638	29
30	Physician Office carpentry	2010	4,849	177	27	177		546	30
31	Kitchen Pantries construction	2010	5,676	207	27	207		621	31
32	HVAC Admin Office	2010	7,357	268	27	268		838	32
33	Loading Ramp/Foundation Wall	2010	3,000	200	15	200		783	33
34	TOTAL (lines 1 thru 33)		\$ 9,504,497	\$ 61,822		\$ 296,038	\$ 234,216	\$ 5,181,281	34

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

Facility Name & ID Number Lexington of Schaumburg# 0036095

Report Period Beginning:

01/01/2013

Ending:

12/31/2013**XI. OWNERSHIP COSTS (continued)****B. Building and Improvement Costs-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 9,504,497	\$ 61,822		\$ 296,038	\$ 234,216	\$ 5,181,281	1
2	Hallway doors	2010	14,916	1,492	10	1,492		4,600	2
3	Library/Lounge carpentry,electrical,painting,signs	2010	5,009	183	27	183		549	3
4	Basement carpentry	2010	3,945	144	27	144		552	4
5	Patio/Pergola	2010	12,005	1,201	10	1,201		3,803	5
6	Office carpentry,flooring,electrical,painting,signs,HVAC	2010	50,935	3,993	27	3,993		11,979	6
7									7
8	Fire Dampers	2011	65,681		27	2,388	2,388	4,976	8
9	Parking Lot Remodel	2011	169,749		27	6,173	6,173	12,346	9
10	Kitchen Hood/duct work	2011	22,604	822	27	822		1,849	10
11	Payroll Office Remodel - Electrical and Wiring	2011	2,696	98	27	98		253	11
12	Metal edging & drain tile	2011	5,442	363	27	363		756	12
13	Repair doors on 1st floor	2011	39,986	1,454	27	1,454		2,908	13
14	Office Remodel - carpentry,flooring,electrical,painting,signs	2011	22,584	821	27	821		1,710	14
15	Exhaust Study HVAC	2011	5,736	209	27	209		574	15
16	Pipe and fitting	2011	4,375	159	27	159		358	16
17	Laundry Room Remodel - Flooring, Ceiling Tiles and Painting	2011	9,388	341	27	341		824	17
18	New Marker Boards	2011	9,887	360	27	360		1,050	18
19	Interior Doors	2011	6,183	225	27	225		506	19
20	2nd Floor Doors	2011	27,318	993	27	993		2,317	20
21									21
22	End Air Louvers	2012	3,744		27	136	136	238	22
23	Parking Lot	2012	11,735		27	427	427	747	23
24	Kitchen steel hood, floor, sink, drywall and tile	2012	7,307	266	27	266		459	24
25	Fire Pump basement	2012	3,461	126	27	126		220	25
26	Replace holding tank	2012	21,985	799	27	799		1,332	26
27	1st floor door opener	2012	8,646	314	2	314		445	27
28									28
29	EMR Wiring - Entire Facility	2013	20,058	122	27	122		122	29
30	Landscaping - Stump Removal/Trees	2013	42,118	530	15	530		530	30
31									31
32									32
33	Reconcile to book			(62)			62		33
34	TOTAL (lines 1 thru 33)		\$ 10,101,990	\$ 76,775		\$ 320,177	\$ 243,402	\$ 5,237,283	34

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

Facility Name & ID Number Lexington of Schaumburg

XI. OWNERSHIP COSTS (continued)

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

1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 10,101,990	\$ 76,775		\$ 320,177	\$ 243,402	\$ 5,237,283	1
2	Building - management company	2002	312,829		40	9,016	9,016	110,888	2
3	HVAC, electrical, security system - management company	2003	2,748		30	681	681	1,932	3
4	Key card system - management company	2004	432		20	21	21	203	4
5	VAV TX controls - management company	2005	131		20	6	6	58	5
6	Interior Signs - management company	2006	96		5	6	6	46	6
7	Building improvements - management company	2008	15,036		5	713	713	4,988	7
8	Building improvements - management company	2009	2,777		15	51	51	672	8
9	Building improvements - management company	2010	2,712		15	110	110	639	9
10	Building improvements - management company	2011	1,946		15	88	88	225	10
11	Building improvements - management company	2012	6,558		15	13	13	393	11
12	Building improvements - management company	2013	5,082		15	98	98	98	12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 10,452,337	\$ 76,775		\$ 330,980	\$ 254,205	\$ 5,357,425	34

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

XI. OWNERSHIP COSTS (continued)

C. Equipment Costs-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 1,233,153	\$ 145,960	\$ 197,691	\$ 51,731	5	\$ 674,225	71
72	Current Year Purchases	17,507	880	880		5	880	72
73	Fully Depreciated Assets	355,901				5	355,901	73
74	Allocated from Mgmt. Co.	549,102		39,822	39,822	5-7	293,508	74
75	TOTALS	\$ 2,155,663	\$ 146,840	\$ 238,393	\$ 91,553		\$ 1,324,514	75

D. Vehicle Costs. (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77										77
78										78
79	Allocated from Mgmt. Co.			54,508		4,506	4,506	5	46,283	79
80	TOTALS			\$ 54,508	\$	\$ 4,506	\$ 4,506		\$ 46,283	80

E. Summary of Care-Related Assets

	1 Reference	2 Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 12,896,646	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 223,615	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 573,880	83 **
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 350,265	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 6,728,222	85

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

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

G. Construction-in-Progress

	Description	Cost	
92	Elevator Upgrade	\$ 138,150	92
93			93
94			94
95		\$ 138,150	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.

Facility Name & ID Number Lexington of Schaumburg

0036095

Report Period Beginning: 01/01/2013

Ending: 12/31/2013

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?

If NO, see instructions. YES NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6	Allocated from Mgmt. Co.				4,372			6
7	TOTAL				\$ 4,372			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. _____ /2014 \$ _____

13. _____ /2015 \$ _____

14. _____ /2016 \$ _____

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: \$ 102,987 Description: Copier-\$12,500;Mail Sys.-\$135;Printer-\$4,643;Med Equip-\$37,092;Oxygen-\$46,603;Alloc. Mgmt Co.-\$2,015

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18					18
19					19
20	Allocated from Mgmt. Co.			2,580	20
21	TOTAL		\$	\$ 2,580	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

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

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

B. EXPENSES

ALLOCATION OF COSTS (d)

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

C. CONTRACTUAL INCOME

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

\$

D. NUMBER OF CNAs TRAINED

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

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

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

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

	Service	1 Schedule V Line & Column Reference	2		3	4		5	6	7	8
			Staff		Cost	Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service			Units	Cost				
1	Licensed Occupational Therapist	39(3)	hrs	\$	11,568	\$ 570,302	\$	11,568	\$ 570,302	1	
2	Licensed Speech and Language Development Therapist	39(3)	hrs		3,872	223,661		3,872	223,661	2	
3	Licensed Recreational Therapist		hrs							3	
4	Licensed Physical Therapist	39(3)	hrs		15,390	861,373	6,684	15,390	868,057	4	
5	Physician Care		visits							5	
6	Dental Care		visits							6	
7	Work Related Program		hrs							7	
8	Habilitation		hrs							8	
9	Pharmacy	39(2)	# of prescrpts				636,194		636,194	9	
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10	
11	Academic Education		hrs							11	
12	Other (specify): <u>Ambulance</u>	39(3)				4,616			4,616	12	
13	Other (specify): <u>See Sch. 16A</u>						11,456		11,456	13	
14	TOTAL			\$	30,830	\$ 1,659,952	\$ 654,334	30,830	\$ 2,314,286	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.

Schedule 16A

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		hrs	\$		\$			\$	1
2	Licensed Speech and Language Development Therapist		hrs							2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist		hrs							4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy		# of prescripts							9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): <u>Oxygen</u>	39(2)					8,807		8,807	12
13	Other (specify): <u>DME</u>	39(2)					2,649		2,649	13
14	TOTAL			\$		\$	11,456		\$ 11,456	14

Facility Name & ID Number Lexington of Schaumburg

0036095

Report Period Beginning: 01/01/2013

Ending:

12/31/2013

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2013

(last day of reporting year)

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

		1	2	
		Operating	After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ 337,943	\$ 344,120	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance (657,192))	4,090,712	4,090,712	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	96,264	96,264	6
7	Other Prepaid Expenses		32,197	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>See Schedule 17A</u>	25,910	25,910	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 4,550,829	\$ 4,589,203	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments	80,308	80,308	12
13	Land		234,138	13
14	Buildings, at Historical Cost		6,091,126	14
15	Leasehold Improvements, at Historical Cost	1,836,579	4,361,211	15
16	Equipment, at Historical Cost	948,990	2,210,171	16
17	Accumulated Depreciation (book methods)	(1,394,375)	(6,728,222)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (spe CIP)	138,150	138,150	22
23	Other(specify): <u>Mortgage Cost</u>		52,682	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 1,609,652	\$ 6,439,564	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 6,160,481	\$ 11,028,767	25

		1	2	
		Operating	After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 662,498	\$ 662,498	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	952,000	952,000	29
30	Accrued Salaries Payable	639,595	639,595	30
31	Accrued Taxes Payable (excluding real estate taxes)	2,652	2,652	31
32	Accrued Real Estate Taxes(Sch.IX-B)		438,000	32
33	Accrued Interest Payable		30,839	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>See Schedule 17A</u>	5,156,527	3,747,476	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 7,413,272	\$ 6,473,060	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable		7,007,143	40
41	Bonds Payable			41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$	\$ 7,007,143	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 7,413,272	\$ 13,480,203	46
47	TOTAL EQUITY(page 18, line 24)	\$ (1,252,791)	\$ (2,451,436)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 6,160,481	\$ 11,028,767	48

*(See instructions.)

Lexington Health Care Center of Schaumburg, Inc.
Provider # 0036095
1/1/13-12/31/13

Schedule 17A

XV. Balance Sheet

A. Current Assets

9. Other

<u>Description</u>	<u>Operating</u>	<u>After Consolidation</u>
Unpaid Premiums	8,550	8,550
PA Interest Income	17,360	17,360
	25,910	25,910

C. Current Liabilities

36. Other current liabilities

<u>Description</u>	<u>Operating</u>	<u>After Consolidation</u>
Merit Hospice	45,000	45,000
PA Audit Settlement	135,448	135,448
Due from IRS	(21,513)	(21,513)
Due from Remodeling	9,241	9,241
Due from Lexington Financial Services I	70	70
Due to/from Rehab Care Therapy	5,504	5,504
Due from LLC		1,816
Due from/(to) Schaumburg		(9,241)
Prepaid Insurance	34,935	34,935
Accrued Expenses	70,913	70,913
Accrued Resident Tax	77,276	77,276
Accrued Royal / Vesta Mgmt Fees	1,010,353	1,010,353
Accrued Rent	2,475,721	
Accrued Insurance	101,654	101,654
Due to Patient Trust Fund	(7,376)	(7,376)
Advance - Biweekly Part A Paym	(627)	(627)
Uncollectible Part A Co Pmts	(14,817)	(14,817)
Due to - Royal Operations	25,846	25,846
Due to Republic	2,386	2,386

Due to Streamwood	(322)	(322)
Interest Rate Swap Liability		1,074,095
Professional Liabilities Claims	1,206,835	1,206,835
	<u>5,156,527</u>	<u>3,747,476</u>

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 375,997	1
2	Restatements (describe):		2
3	Post closing adjustment	68,661	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 444,658	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	(1,675,391)	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	(22,058)	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (1,697,449)	17
B. Transfers (Itemize):			
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (1,252,791)	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Lexington of Schaumburg# 0036095Report Period Beginning: 01/01/2013Ending: 12/31/2013

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	
I. Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 20,324,670	1
2	Discounts and Allowances for all Levels	(11,280,701)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 9,043,969	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	5,006,974	6
7	Oxygen	15,262	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 5,022,236	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop	6,997	12
13	Barber and Beauty Care	20,647	13
14	Non-Patient Meals	1,947	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	807,085	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	247,052	19
20	Radiology and X-Ray	44,736	20
21	Other Medical Services	520,838	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 1,649,302	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	93,335	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 93,335	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>Miscellaneous Income</u>	261	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 261	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 15,809,103	30

		2	
II. Expenses		Amount	
A. Operating Expenses			
31	General Services	1,736,422	31
32	Health Care	6,421,809	32
33	General Administration	4,046,241	33
B. Capital Expense			
34	Ownership	2,217,674	34
C. Ancillary Expense			
35	Special Cost Centers	2,627,489	35
36	Provider Participation Fee	434,859	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 17,484,494	40
41	Income before Income Taxes (line 30 minus line 40)**	(1,675,391)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (1,675,391)	43

III. Net Inpatient Revenue detailed by Payer Source			
44	Medicaid - Net Inpatient Revenue	\$ 5,509,144	44
45	Private Pay - Net Inpatient Revenue	1,412,780	45
46	Medicare - Net Inpatient Revenue	1,785,012	46
47	Other-(specify) <u>Managed Care</u>	337,033	47
48	Other-(specify)		48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	\$ 9,043,969	49

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? No^ If not, please attach a reconciliation.

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

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

^ - Entity is a cash basis tax payer.

Facility Name & ID Number Lexington of Schaumburg

0036095

Report Period Beginning: 01/01/2013

Ending: 12/31/2013

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	1,959	2,411	\$ 154,840	\$ 64.22	1
2	Assistant Director of Nursing	30,578	37,074	1,011,738	27.29	2
3	Registered Nurses	37,130	45,559	1,470,280	32.27	3
4	Licensed Practical Nurses	26,901	33,535	871,207	25.98	4
5	CNAs & Orderlies	119,146	144,201	1,707,893	11.84	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director					9
10	Activity Assistants	13,565	15,684	171,068	10.91	10
11	Social Service Workers	6,820	7,753	148,013	19.09	11
12	Dietician	3,159	3,692	80,013	21.67	12
13	Food Service Supervisor	1,579	1,846	48,896	26.49	13
14	Head Cook	1,356	1,533	27,226	17.76	14
15	Cook Helpers/Assistants	8,480	9,989	101,653	10.18	15
16	Dishwashers	15,329	17,909	152,748	8.53	16
17	Maintenance Workers	1,684	1,938	31,491	16.25	17
18	Housekeepers	32,332	37,346	348,399	9.33	18
19	Laundry	7,562	8,816	83,764	9.50	19
20	Administrator	1,397	1,904	138,409	72.69	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	8,871	11,884	222,364	18.71	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	2,155	2,612	43,225	16.55	31
32	Other Health C: <u>Memory Care</u>	2,950	3,450	65,145	18.88	32
33	Other(specify) <u>Marketing</u>	4,140	4,600	122,330	26.59	33
34	TOTAL (lines 1 - 33)	327,093	393,736	\$ 7,000,702 *	\$ 17.78	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	\$		35
36	Medical Director	Monthly 55,676	9(3)	36
37	Medical Records Consultant	Monthly 990	10(3)	37
38	Nurse Consultant	Monthly 81,783	10(3)	38
39	Pharmacist Consultant	Monthly 13,772	10(3)	39
40	Physical Therapy Consultant			40
41	Occupational Therapy Consultant			41
42	Respiratory Therapy Consultant			42
43	Speech Therapy Consultant			43
44	Activity Consultant	Monthly 5,118	11(3)	44
45	Social Service Consultant	Monthly 5,299	12(3)	45
46	Other(specify) <u>Pulmonary</u>	Monthly 50,818	10(3)	46
47	<u>Medical Consultant</u>	Monthly 2,575	10(7)	47
48				48
49	TOTAL (lines 35 - 48)	\$ 216,031		49

C. CONTRACT NURSES

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

Facility Name & ID Number Lexington of Schaumburg

0036095

Report Period Beginning: 01/01/2013

Ending: 12/31/2013

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
Theresa Bowen	Administrator	0	\$ 138,409	Workers' Compensation Insurance	\$ 213,757	IDPH License Fee	\$ 1,990	
				Unemployment Compensation Insurance	79,640	Advertising: Employee Recruitment	14,229	
				FICA Taxes	513,893	Health Care Worker Background Check		
				Employee Health Insurance	278,465	(Indicate # of checks performed <u>136</u>)	1,627	
				Employee Meals	18,113	Patient Background Checks <u>721</u>	8,652	
				Illinois Municipal Retirement Fund (IMRF)*		Misc. Dues & Subscriptions	2,794	
				401K Contributions	33,420	Misc. License & Fees	2,006	
				Other Employee Benefits	40,240			
				Uniform Allowance	1,113			
				Tuition	3,401	Management Company Allocation	14,220	
						Less: Public Relations Expense	()	
						Non-allowable advertising	()	
						Yellow page advertising	()	
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 138,409	TOTAL (agree to Schedule V, line 22, col.8)		TOTAL (agree to Sch. V, line 20, col. 8)		
				\$ 1,182,042		\$ 45,518		
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
Management Fees-Royal Operating			\$ 1,152,624	N/A		\$	Out-of-State Travel	\$
Management Fees-Vesta Mgmt.			471,557					
Management Fees (Eliminated in Column 7)							In-State Travel	
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$ 1,624,181					
							Seminar Expense	
C. Professional Services								
Vendor/Payee	Type		Amount					
Amalgamated Bank	Bond Administrative Fee		\$ 593					
Cassiday Schade LLP	Legal		33,828					
Duane Morris	Legal		352					
Grabowski Law Center, LLC	Collections		7,453					
Law Offices of Serpico	Legal		549					
McCracken & Frank LLC	Legal		(24)					
McGladrey LLP	Accounting		44,637					
Much Shelist	Legal		6,931					
Partridge IP Law	Legal		168					
Pension Administrators	401(k) Administration		1,329					
Personnel Planners	U/C Consulting		1,665					
See Sch 21C			156,695					
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 254,177	TOTAL		\$	Management Company Allocation	1,293
							Entertainment Expense	()
							(agree to Sch. V, line 24, col. 8)	
							TOTAL	\$ 1,293

* Attach copy of IMRF notifications

**See instructions.

Lexington Health Care Center of Schaumburg, Inc.

Provider # 0036095

1/1/13-12/31/13

XIX. Support Schedules

Schedule 21C

C. Professional Fees

Vendor/Payee	Type	Amount
Secretary of State	Filing Fees	148
SNR Denton	Legal	2,185
Standard & Poor	Financial Services	668
Ability Network	Computer Consulting	1,112
Americorp Financial	Computer Consulting	80,845
Availity	Computer Consulting	50
Avalere Health	Computer Consulting	2,000
Bank of America (For Health MedX)	Computer Consulting	(2,449)
Compaq	Computer Consulting	108
Corepoint	Computer Consulting	974
E-Fax	Computer Consulting	633
E-Health Data Solutions	Computer Consulting	2,925
ESNF	Computer Consulting	700
Health MedX	Computer Consulting	15,572
Information Controls	Computer Consulting	992
Kronos	Computer Consulting	280
Lintech LLC	Computer Consulting	4,653
Lodgenet Interaction	Computer Consulting	1,247
MNJ Technologies	Computer Consulting	215
MS Licensing	Computer Consulting	7,039
MY Innerview	Computer Consulting	5,630
National Datacare	Computer Consulting	2,198
On Shift	Computer Consulting	8,317
Paragon Clinical	Computer Consulting	400
Real Med Corp	Computer Consulting	184
Relias	Computer Consulting	5,796
Salesforce.com	Computer Consulting	5,149
Server Licensing	Computer Consulting	538
SoftChoice Corporation	Computer Consulting	938
Telemedicine	Computer Consulting	5,406

Trysis	Computer Consulting	128
Tympani	Computer Consulting	2,115
		<u>156,695</u>

Total Schedule V, line 19, column 3 **254,177**

Less: Collection Fees	(7,453)
Less: Out of Period Legal & Non-Allowable	(4,511)
Less: Non-Allowable Marketing Software	(5,149)

Sambell of Schaumburg	
Secretary of State	200

Lexington Health Care Center of Schaumburg, Inc.

Provider # 0036095

1/1/13-12/31/13

XIX. Support Schedules

Allocated from Management Co.

Much Shelist	Legal	528
Serpico, Petrosino, Dipiero & O'Shea,	Legal	479
McGladrey LLP	Accounting	1,858
Illinois Secretary of State	Filing Fees	42
Gilson Labus & Silverman	KEP	47
Personnel Planners	U/C Consultant	46
LaSalle Network	Recruiting/Finance	2,423
Pension Administrators, Inc.	401K Administration	306
Katten, Muchin, Rosenman	KEP	307
Gene Whitehorn	Medicaid Reimb Specialist	698
Burlington Group	Recruitment	101
M Werner Consulting	Financial Consultant	2,447
Bussey Environment, Inc	Environmental Consulting	103
Computer Services	Computer Consulting	17,032

Allocated from Samvest of Lombard II

Accounting	174
Filing Fees	17

Total Schedule V, line 19, column 8

263,873

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

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

Facility Name & ID Number Lexington of Schaumburg# 0036095Report Period Beginning: 01/01/2013 Ending: 12/31/2013**XX. GENERAL INFORMATION:**

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? No
If YES, give association name and amount. N/A
- (3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report? N/A
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 5 Years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 68,091 Line 10(2)
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 434,859
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 18,113 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 1,947
- (16) Travel and Transportation
- a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
- b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A
- c. What percent of all travel expense relates to transportation of nurses and patients? 0
- d. Have vehicle usage logs been maintained? Adequate records have been maintained.
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? N/A
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
- g. Does the facility transport residents to and from day training? No**
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$5,000, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees.