

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc.

0028660 Report Period Beginning: 1/1/17 Ending: 12/31/17

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	<u>224</u>	Skilled (SNF)	<u>224</u>	<u>81,760</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>224</u>	TOTALS	<u>224</u>	<u>81,760</u>	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment				5
		3 Medicaid Recipient	4 Private Pay	Other	Total	
8	SNF			<u>7,421</u>	<u>7,421</u>	8
9	SNF/PED					9
10	ICF	<u>27,187</u>	<u>14,898</u>	<u>4,016</u>	<u>46,101</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>27,187</u>	<u>14,898</u>	<u>11,437</u>	<u>53,522</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 65.46%

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

None (Do not include bed reserve 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 10/9/84

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 215 and days of care provided 5,912

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: 12/31/2017 Fiscal Year: 12/31/2017

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

Facility Name & ID Number Lexington Health Care Center of Lombard, IL # 0028660 Report Period Beginning: 1/1/17 Ending: 12/31/17

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	432,790	28,308	63,682	524,780		524,780	-	524,780		1
2	Food Purchase		345,883		345,883		345,883	(5)	345,878		2
3	Housekeeping	431,475	36,126	-	467,601		467,601	332	467,933		3
4	Laundry	-	19,531	-	19,531	-	19,531	-	19,531		4
5	Heat and Other Utilities			236,937	236,937		236,937	9,533	246,470		5
6	Maintenance	37,282	-	185,109	222,391		222,391	139,232	361,623		6
7	Other (specify):* Mgmt Co.-Allocated B	-	-	-	-		-	17,340	17,340		7
8	TOTAL General Services	901,547	429,848	485,728	1,817,123	-	1,817,123	166,432	1,983,555		8
	B. Health Care and Programs										
9	Medical Director	-	-	24,050	24,050		24,050	-	24,050		9
10	Nursing and Medical Records	4,195,330	279,046	892,622	5,366,998		5,366,998	28,322	5,395,320		10
10a	Therapy	-	-	-	-		-	-	-		10a
11	Activities	186,802	14,022	4,868	205,692		205,692	-	205,692		11
12	Social Services	187,028	-	2,455	189,483		189,483	-	189,483		12
13	CNA Training	-	-	-	-		-	-	-		13
14	Program Transportation	-	-	-	-		-	-	-		14
15	Other (specify):* Mgmt Co.-Allocated B	-	-	-	-		-	3,763	3,763		15
16	TOTAL Health Care and Programs	4,569,160	293,068	923,995	5,786,223	-	5,786,223	32,085	5,818,308		16
	C. General Administration										
17	Administrative	181,320	-	1,843,605	2,024,925		2,024,925	(1,776,473)	248,452		17
18	Directors Fees			-	-		-	-	-		18
19	Professional Services			168,821	168,821		168,821	39,396	208,217		19
20	Dues, Fees, Subscriptions & Promotions			36,620	36,620		36,620	9,225	45,845		20
21	Clerical & General Office Expenses	231,057	25,220	37,930	294,207		294,207	910,613	1,204,820		21
22	Employee Benefits & Payroll Taxes			840,851	840,851		840,851	-	840,851		22
23	Inservice Training & Education			7,544	7,544		7,544	570	8,114		23
24	Travel and Seminar			145	145		145	1,002	1,147		24
25	Other Admin. Staff Transportation		-	2,215	2,215		2,215	15,952	18,167		25
26	Insurance-Prop.Liab.Malpractice			762,459	762,459		762,459	10,099	772,558		26
27	Other (specify):* Mgmt Co.-Allocated B	-	-	-	-		-	125,218	125,218		27
28	TOTAL General Administration	412,377	25,220	3,700,190	4,137,787	-	4,137,787	(664,398)	3,473,389		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	5,883,084	748,136	5,109,913	11,741,133	-	11,741,133	(465,881)	11,275,252		29

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

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

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY	
		Salary/Wage	Supplies	Other	Total					9	10
	D. Ownership	1	2	3	4	5	6	7	8		
30	Depreciation			156,811	156,811		156,811	304,379	461,190		30
31	Amortization of Pre-Op. & Org.			-	-		-	-	-		31
32	Interest			29,972	29,972		29,972	14	29,986		32
33	Real Estate Taxes			-	-		-	226,459	226,459		33
34	Rent-Facility & Grounds			1,671,095	1,671,095		1,671,095	(1,665,728)	5,367		34
35	Rent-Equipment & Vehicles			66,018	66,018		66,018	2,321	68,339		35
36	Other (specify):*			-	-		-	-	-		36
37	TOTAL Ownership			1,923,896	1,923,896	-	1,923,896	(1,132,555)	791,341		37
	Ancillary Expense										
	E. Special Cost Centers										
38	Medically Necessary Transportation	-	-	-	-		-	-	-		38
39	Ancillary Service Centers	-	248,101	961,799	1,209,900		1,209,900	-	1,209,900		39
40	Barber and Beauty Shops	-	-	13,456	13,456		13,456	-	13,456		40
41	Coffee and Gift Shops	-	-	-	-		-	-	-		41
42	Provider Participation Fee			419,810	419,810		419,810	-	419,810		42
43	Other (specify):* Non-Allowable Cos	85,656	-	382,432	468,088		468,088	(468,088)	-		43
44	TOTAL Special Cost Centers	85,656	248,101	1,777,497	2,111,254	-	2,111,254	(468,088)	1,643,166		44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	5,968,740	996,237	8,811,306	15,776,283	-	15,776,283	(2,066,524)	13,709,759		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 Health Care Center of Lombard, Inc.

0028660

Report Period Beginning:

1/1/17

Ending:

12/31/17

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	(5)	2		4
5	Telephone, TV & Radio in Resident Rooms	(13,340)	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	61,639	30		9
10	Interest and Other Investment Income	(113,712)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(10,956)	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	(51,713)	43		18
19	Entertainment				19
20	Contributions	(100)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(238,397)	43		24
25	Fund Raising, Advertising and Promotional	(10,880)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(13,006)	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Page 5A	(172,472)	Var.		29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (562,942)		\$	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)	(1,503,582)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (1,503,582)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (2,066,524)		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

BHF USE ONLY							
48		49		50		51	52

Lexington Health Care Center of Lombard, Inc.

ID# 0028660

Report Period Beginning: 1/1/17

Ending: 12/31/17

Sch. V Line

NON-ALLOWABLE EXPENSES

Amount

Reference

1	Diagnostics Managed Care	\$ (1,970)	43	1
2	Labs - Part A	(14,937)	43	2
3	X-Rays - Part A	(20,112)	43	3
4	Marketing Salary	(85,656)	43	4
5	Trust Fees	(530)	43	5
6	State Replacement Tax	(6,526)	43	6
7	Collections	(30,618)	19	7
8	Out of Period Legal	(69)	19	8
9	Non Allowable Dues	(5,033)	20	9
10	Pharmacy - Part A	(7,021)	43	10
11				11
12				12
13				13
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39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(172,472)		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: 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	19 Professional Fees	\$	Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	\$ 200	\$ 200	1
2	V	30 Depreciation		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	171,924	171,924	2
3	V	32 Interest Expense		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	91,415	91,415	3
4	V	33 Property Taxes		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	219,095	219,095	4
5	V	34 Rental Expense	1,671,095	Lexington Health Care Systems of Lombard Ltd. Ptsp.	**		(1,671,095)	5
6	V	43 State Replacement Tax		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	6,526	6,526	6
7	V	43 Trust Fees		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	530	530	7
8	V							8
9	V							9
10	V							10
11	V			** The owners of Lexington Health Care Center of Lombard, Inc. own				11
12	V			100% of Lexington Health Care Systems of Lombard Limited Partnership.				12
13	V							13
14	Total		\$ 1,671,095			\$ 489,690	\$ * (1,181,405)	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.	**	\$ 332	\$	332	15
16	V	5 Utilities - gas & electric		Royal Management Corp.	**	8,514		8,514	16
17	V	5 Utilities - water & sewer		Royal Management Corp.	**	355		355	17
18	V	5 Utilities - maintenance office		Royal Management Corp.	**	664		664	18
19	V	6 Management allocation - salaries		Royal Management Corp.	**	130,503		130,503	19
20	V	6 Repairs & maintenance		Royal Management Corp.	**	8,378		8,378	20
21	V	6 Scavenger & exterminating		Royal Management Corp.	**	351		351	21
22	V	7 Management allocation - employee benefits		Royal Management Corp.	**	17,340		17,340	22
23	V	10 Medical consultant		Royal Management Corp.	**				23
24	V	10 Management allocation - salaries		Royal Management Corp.	**	28,322		28,322	24
25	V	15 Management allocation - employee benefits		Royal Management Corp.	**	3,763		3,763	25
26	V	17 Management allocation - salaries		Royal Management Corp.	**	67,132		67,132	26
27	V	19 Computer consultant & supplies		Royal Management Corp.	**	40,122		40,122	27
28	V	19 Professional fees		Royal Management Corp.	**	29,761		29,761	28
29	V	20 Dues & subscriptions		Royal Management Corp.	**	1,631		1,631	29
30	V	20 Advertising - help wanted		Royal Management Corp.	**	12,627		12,627	30
31	V	21 Management allocation - salaries		Royal Management Corp.	**	875,272		875,272	31
32	V	21 Bank charges		Royal Management Corp.	**	3,535		3,535	32
33	V	21 Office supplies & printing		Royal Management Corp.	**	14,286		14,286	33
34	V	21 Postage		Royal Management Corp.	**	4,229		4,229	34
35	V	21 Telephone		Royal Management Corp.	**	13,291		13,291	35
36	V								36
37	V								37
38	V	** The owners of Lexington Health Care Center of Lombard, Inc. ov							38
39	Total		\$			\$ 1,260,408	\$ *	1,260,408	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 Inservice Training	\$	Royal Management Corp.	**	\$ 570	\$	570	15
16	V	24 Travel & seminar		Royal Management Corp.	**	1,002		1,002	16
17	V	25 Auto expense		Royal Management Corp.	**	15,952		15,952	17
18	V	26 Insurance general		Royal Management Corp.	**	10,099		10,099	18
19	V	27 Management allocation - employee benefits		Royal Management Corp.	**	125,218		125,218	19
20	V	30 Depreciation		Royal Management Corp.	**	70,816		70,816	20
21	V	32 Interest		Royal Management Corp.	**	19,722		19,722	21
22	V	32 Amortization of mortgage costs		Royal Management Corp.	**	2,589		2,589	22
23	V	33 Property taxes		Royal Management Corp.	**	7,364		7,364	23
24	V	34 Rent expense		Royal Management Corp.	**	5,367		5,367	24
25	V	35 Equipment rental		Royal Management Corp.	**	1,640		1,640	25
26	V	17 Management fees	1,843,605	Royal Management Corp.	**			(1,843,605)	26
27	V	35 Auto Lease		Royal Management Corp.	**	681		681	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	** The owners of Lexington Health Care Center of Lombard, Inc. ov							38
39	Total		\$ 1,843,605			\$ 261,020	\$ *	(1,582,585)	39

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

Facility Name & ID Number

Lexington Health Care Center of Lombard, Inc.

0028660

Report Period Beginning:

1/1/17

Ending:

12/31/17

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	33.33%	Lexington HC Ctr. of Bloomingdale, Inc.	Bloomingdale	Eastgate Manor	Algonquin	Supportive	1
2	John Samatas	33.33%	Lexington HC Ctr. of Lake Zurich, Inc.	Lake Zurich	of Algonquin, LLC		Living Facility	2
3	Cynthia Thiem	33.34%	Lexington HC Ctr. of Elmhurst, Inc.	Elmhurst	Vesta Mgmt	Lombard	Mgmt. Company	3
4			Lexington HC Ctr. of LaGrange, Inc.	LaGrange	Group, LLC			4
5			Lexington HC Ctr. of Wheeling, Inc.	Wheeling	Lexington Square	Lombard	Independent and	5
6			Lexington HC Ctr. of Schaumburg, Inc.	Schaumburg	Life Care of		Assisted Living	6
7			Lexington HC Ctr. of Chicago Ridge, Inc.	Chicago Ridge	Lombard, LLC		Facility	7
8			Lexington HC Ctr. of Streamwood, Inc.	Streamwood	Lexington Square	Elmhurst	Independent	8
9			Lexington HC Ctr. of Orland Park, Inc.	Orland Park	Life Care of		Living Facility	9
10					Elmhurst, LLC			10
11					Lexington Health	Lombard	Real Estate	11
12					Care Systems of		Property	12
13					Lombard Ltd. Pts			13
14					Royal Management	Lombard	Mgmt Company	14
15					Corporation			15
16					Lexington Financial	Lombard	Finance Company	16
17					Services, LLC			17
18					Heron Point	Lombard	Mgmt Company	18
19					Management Corp.			19
20					Samvest of	Lombard	Lessor	20
21					Lombard II, LLC			21
22					North Heron	Lombard	Finance Company	22
23					Investments, LLC			23
24					Lexington Home	Lombard	Home Health	24
25					Health Care, Inc.			25
26					Lexington Hospice	Lombard	Hospice	26
27					Services, LLC			27
28					Lexington Private	Lombard	Healthcare	28
29					Home Care			29
30					Merit Sleep Mgmt, LL	Lombard	Mgmt Company	30

Facility Name & ID Number Lexington Health Care Center of Lombard, IL # 0028660 Report Period Beginning: 1/1/17 Ending: 12/31/17

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	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	\$ 10,547	L17, C7	1
2	John Samatas	Owner/officer	Admin/Plant Ops.	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	7,327	L17, C7	2
3	Cynthia Thiem	Owner/officer	Administrative	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	9,769	L17, C7	3
4	Daniel Thiem	Executive Committee	Administrative	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	13,701	L17, C7	4
5	Jason Samatas	Executive Committee	Administrative	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	18,063	L17, C7	5
6	Phil Thiem	Executive Committee	Administrative	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	2,830	L17, C7	6
7	Jeremy Samatas	Executive Committee	Administrative	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	4,896	L17, C7	7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 67,133		13

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

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

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc. # 0028660 Report Period Beginning: 1/1/17 Ending: 12/31/17

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	722,335	10	\$ 2,937	\$ 81,760	\$ 332	1	
2	5	Utilities - gas & electric	Bed Days	722,335	10	75,222	81,760	8,514	2	
3	5	Utilities - water & sewer	Bed Days	722,335	10	3,135	81,760	355	3	
4	5	Utilities - maintenance office	Bed Days	722,335	10	5,869	81,760	664	4	
5	6	Management allocation - salaries	Bed Days	722,335	10	1,152,969	1,152,969	81,760	130,503	5
6	6	Repairs & maintenance	Bed Days	722,335	10	74,022	81,760	8,378	6	
7	6	Scavenger & exterminating	Bed Days	722,335	10	3,102	81,760	351	7	
8	7	Management allocation - employees	Bed Days	722,335	10	153,196	81,760	17,340	8	
9	10	Medical consultant	Bed Days	722,335	10	0	81,760	0	9	
10	10	Management allocation - salaries	Bed Days	722,335	10	250,218	250,218	81,760	28,322	10
11	15	Management allocation - employees	Bed Days	722,335	10	33,247	81,760	3,763	11	
12	17	Management allocation - salaries	Bed Days	722,335	10	593,100	593,100	81,760	67,132	12
13	19	Computer consultant & supplies	Bed Days	722,335	10	354,473	81,760	40,122	13	
14	19	Professional fees	Bed Days	722,335	10	262,937	81,760	29,761	14	
15	20	Dues & subscriptions	Bed Days	722,335	10	14,411	81,760	1,631	15	
16	20	Advertising - help wanted	Bed Days	722,335	10	111,560	81,760	12,627	16	
17	21	Management allocation - salaries	Bed Days	722,335	10	7,732,875	7,732,875	81,760	875,272	17
18	21	Bank charges	Bed Days	722,335	10	31,229	81,760	3,535	18	
19	21	Office supplies & printing	Bed Days	722,335	10	126,211	81,760	14,286	19	
20	21	Postage	Bed Days	722,335	10	37,365	81,760	4,229	20	
21	21	Telephone	Bed Days	722,335	10	117,421	81,760	13,291	21	
22									22	
23									23	
24									24	
25	TOTALS					\$ 11,135,499	\$ 9,729,162	\$ 1,260,408	25	

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc. # 0028660 Report Period Beginning: 1/1/17 Ending: 12/31/17

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	722,335	10	\$ 5,038	\$ 81,760	\$ 570	1
2	24	Travel and Seminar	Bed Days	722,335	10	8,850	81,760	1,002	2
3	25	Auto expense	Bed Days	722,335	10	140,934	81,760	15,952	3
4	26	Insurance general	Bed Days	722,335	10	89,225	81,760	10,099	4
5	27	Management allocation - employees	Bed Days	722,335	10	1,106,283	81,760	125,218	5
6	30	Depreciation	Bed Days	722,335	10	625,643	81,760	70,816	6
7	32	Interest	Bed Days	722,335	10	174,244	81,760	19,722	7
8	32	Amortization of mortgage costs	Bed Days	722,335	10	22,869	81,760	2,589	8
9	33	Property taxes	Bed Days	722,335	10	65,056	81,760	7,364	9
10	34	Rent expense	Bed Days	722,335	10	47,418	81,760	5,367	10
11	35	Equipment rental	Bed Days	722,335	10	14,486	81,760	1,640	11
12	35	Auto Lease	Bed Days	722,335	10	6,017	81,760	681	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					\$ 2,306,063	\$	\$ 261,020	25

Facility Name & ID Number Lexington Health Care Center of Lombard, I # 0028660 Report Period Beginning: 1/1/17 Ending: 12/31/17

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

1	2	3	4	5	6	7	8	9	10											
										Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
											YES	NO				Original	Balance			
A. Directly Facility Related																				
Long-Term																				
1										1										
2										2										
3										3										
4										4										
5										5										
Working Capital																				
6	Bank of America		X	Line of Credit	Varies	4/30/12	2,500,000		10/31/2017	Prime/Libor	8,092	6								
7	Shareholder Loan	X		Capital Improvements	Varies	7/16/08	499,000	499,000	Demand	Prime	20,456	7								
8	Shareholder Loan	X		Working Capital	Varies	4/30/08	2,230,000	2,230,000	Demand	Prime	91,415	8								
9	TOTAL Facility Related						\$ 5,229,000	\$ 2,729,000			\$ 119,963	9								
B. Non-Facility Related*																				
10									Microsoft Software Interest		1,224	10								
11									Offset of Shareholder Interest		(111,871)	11								
12									Interest Income Offset		(1,841)	12								
13									See Sch 9A		22,511	13								
14	TOTAL Non-Facility Related						\$	\$			\$ (89,977)	14								
15	TOTALS (line 9+line14)						\$ 5,229,000	\$ 2,729,000			\$ 29,986	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.)

Facility Name: Lexington Health Care Center of Lombard, Inc.
 IDPH License II 0028660
 Fiscal Year End 12/31/17

Schedule 9A

IX. Interest Expense and Real Estate Tax Expense

	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						
	A. Directly Facility Related													
	Long-Term													
1							\$	\$			\$	1		
2												2		
3												3		
4												4		
5												5		
	Working Capital													
6												6		
7												7		
8												8		
9	TOTAL Facility Related				\$0.00		\$	0	\$	0		\$	0	9
	B. Non-Facility Related*													
10													10	
11												Amortization of mortgage cost	2,589	10
11												Allocation of Management Costs	19,722	11
12												Lexington Financial Services Interest	200	12
13														13
14	TOTAL Non-Facility Related				\$0.00		\$	0	\$	0		\$	22,511	14

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 2016 report.			\$	<u>192,375</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.)	2016		\$	<u>196,570</u>	2
3. Under or (over) accrual (line 2 minus line 1).			\$	<u>4,195</u>	3
4. Real Estate Tax accrual used for 2017 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	<u>214,900</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.)			\$		5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)		Alloc Fr. Mgmt Co.		<u>7,364</u>	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.			\$	<u>226,459</u>	7
Real Estate Tax History:					
Real Estate Tax Bill for Calendar Year:	2012	<u>188,895</u>	8	FOR BHF USE ONLY	
	2013	<u>187,527</u>	9	13	FROM R. E. TAX STATEMENT FOR 2016 \$
	2014	<u>206,048</u>	10	14	PLUS APPEAL COST FROM LINE 5 \$
	2015	<u>186,772</u>	11	15	LESS REFUND FROM LINE 6 \$
	2016	<u>196,570</u>	12	16	AMOUNT TO USE FOR RATE CALCULATION \$
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.

2016 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lexington Health Care Center of Lombard, Inc. COUNTY Dupage
 FACILITY IDPH LICENSE NUMBER 0028660
 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 2016 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 2016.

	(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>06-19-307-002</u>	<u></u>	\$ <u>196,570.00</u>	\$ <u>196,570.00</u>
2.	<u>Royal Management Corp. (Samvest of Lombard II)</u>	<u></u>	\$ <u></u>	\$ <u></u>
3.	<u>05-01-202-021</u>	<u>Land & Building</u>	\$ <u>257,788.00</u>	\$ <u>7,364.00</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>
TOTALS			\$ <u>454,358.00</u>	\$ <u>203,934.00</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 2016 tax bills which were listed in Section A to this statement. Be sure to use the 2016 tax bill which is normally paid during 2017.

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 Health Care Center of Lombard, Inc.

0028660 Report Period Beginning:

1/1/17 Ending:

12/31/17

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 78,770 B. General Construction Type: Exterior Concrete Block 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).

Lexington Square Life Care of Lombard, LLC : Retirement Community; 273 units; 309,000 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: 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>30,000</u>	<u>1984</u>	<u>\$ 616,761</u>	<u>1</u>
2	<u>Management Company Allocation</u>			<u>22,899</u>	<u>2</u>
3	TOTALS	30,000		\$ 639,660	3

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc.

0028660

Report Period Beginning:

1/1/17

Ending:

12/31/17

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	215		1984	1984	\$ 3,661,472	\$ -	35	\$ 104,614	\$ 104,614	\$ 3,476,219	4
5	9		1995	1995	284,156	8,119	35	8,119		174,554	5
6						-		-			6
7						-		-			7
8						-		-			8
	Improvement Type**										
9	Building Improvements		1990		96,219		10			96,218	9
10	Leasehold Improvements Additions		1995		71,493		10			71,493	10
11	Building Improvements		1994		20,200		10			20,200	11
12	Building Improvements		1995		14,535	415	35	415		9,341	12
13	Building Improvements - dishwasher hood		1996		2,748		10			2,748	13
14	Building Improvements - outside painting		1996		11,308		10			11,308	14
15	Building Improvements - dining room		1996		3,752		10			3,752	15
16	Leasehold Improvements		1992		16,299	466	35	466		11,879	16
17	Leasehold Improvements		1994		21,836		10			21,836	17
18	Leasehold Improvements - 2nd floor		1996		19,319		10			18,353	18
19	Leasehold Improvements - bathroom rehal		1996		9,216		10			8,909	19
20	Leasehold Improvements - fan coil repairs		1996		6,669	191	35	191		4,070	20
21	Land Improvements		1993		2,985		15			2,985	21
22	Land Improvements		1995		4,596		15			4,595	22
23	Capitalized Repairs		1986		1,730		10			1,730	23
24	Building Improvements - basement		1996		18,993		10			18,993	24
25	Leasehold Improvements - Corner Guards		1997		520		10			520	25
26	Leasehold Improvements - Corridor flooring		1997		10,380		10			10,380	26
27	BI: Kitchen Rehab		1998		2,494		10			2,494	27
28	Wiring for MDS project		1998		3,365		10			3,365	28
29	Install Fire Sprinklers in Mechanical Rms		1998		4,600	131	35	131		2,559	29
30	Tile for Lobby		1998		20,530		10			20,530	30
31	Walk in Freezers/Coolers		1998		3,183	91	35	91		1,774	31
32	Fire Wall Repairs		1998		12,411	355	35	355		6,919	32
33	Underground storage tank		1998		2,613		10			2,613	33
34	Repave parking lot		1999		7,625		15			7,625	34
35	Lounge Floor Tile		1999		2,963		10			2,963	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 Health Care Center of Lombard, Inc.# 0028660

Report Period Beginning:

1/1/17

Ending:

12/31/17**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	Rewire Building	1999	\$ 9,083	\$ 260	35	\$ 260	\$	\$ 4,806	37
38	Heat exchanger for water heater	1999	1,660		5			1,660	38
39	Compressor and tank for freezer	1999	2,924		5			2,924	39
40	Plumbing Improvements	2000	2,833		10			2,833	40
41	Relocate 2nd floor sprinklers	2000	2,200	63	35	63		1,101	41
42	Water heater repairs	2000	3,831		5			3,831	42
43	Automatic door	2000	4,556	130	35	130		2,279	43
44	Install sprinklers	2001	6,082		10			6,082	44
45	Infrared curtains for elevator	2001	4,500		10			4,500	45
46	Elevator upgrade	2002	3,006		5			3,006	46
47	Condensor	2002	2,679		5			2,679	47
48	Resurfacing Parking Lot	2003	30,690	1,535	20	1,535		22,127	48
49	Plumbing loop repairs	2003	6,125		10			6,125	49
50	Fire alarm panel/call system	2003	8,495	425	20	425		6,338	50
51	Facility Rehab - Painting	2003	6,872		10			6,872	51
52	Facility Rehab - Floor Tile	2003	28,888	1,444	20	1,444		20,632	52
53	Nurse call system	2003	49,451	2,473	20	2,473		34,826	53
54	Brick paved sidewalk/entryway	2003	5,855	293	20	293		4,223	54
55	Facility redecorating - painting/wallpaper	2003	314,478	15,724	20	15,724		235,860	55
56	Fire alarm panel/call system	2003	276,327	13,816	20	13,816		207,242	56
57	Floor Tile	2003	58,720	2,936	20	2,936		44,040	57
58	Carpeting/cove base	2003	29,518		10			29,518	58
59	Water heater	2004	9,209		10			9,209	59
60	Kitchen sewer and dishroom	2004	31,233	1,562	20	1,562		20,435	60
61	Landscaping	2005	3,255	163	20	163		2,023	61
62	HVAC	2005	8,028	401	20	401		4,880	62
63	Kitchen sewer, dishroom and ceiling	2005	22,924	1,146	20	1,146		14,421	63
64	Lobby and reception redecorating - painting/wallpaper	2005	37,999	1,900	20	1,900		24,067	64
65	Rehab therapy room - electrical, carpet, tile	2005	66,393	3,320	20	3,320		42,052	65
66	Rehab 1st floor therapy room - electrical, carpet, tile	2005	39,341	1,967	20	1,967		24,915	66
67	Wallpaper, tile, electrical for transitional unit	2005	22,946	1,147	20	1,147		14,625	67
68	Window treatments	2005	8,053	403	20	403		5,070	68
69	Tile, flooring, and wallpaper	2005	57,699	2,885	20	2,885		36,303	69
70	TOTAL (lines 4 thru 69)		\$ 5,504,063	\$ 63,761		\$ 168,375	\$ 104,614	\$ 4,872,429	70

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

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc.

0028660

Report Period Beginning:

1/1/17

Ending:

12/31/17

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		\$ 5,504,063	\$ 63,761		\$ 168,375	\$ 104,614	\$ 4,872,429	1
2	Countertops	2005	845		5			845	2
3	Curtains and blinders	2005	4672		5			4,672	3
4	Mini scroll	2005	527		5			527	4
5	Medical Records Storage/Office Room	2006	5901	148	40	148		1,652	5
6	Office Remodel	2006	5537	138	40	138		1,518	6
7	Piping	2006	4511	301	15	301		3,411	7
8	HVAC	2006	7985	200	40	200		2,200	8
9	Emergency A/C	2006	9385	235	40	235		2,585	9
10	Adm Office-HVAC	2006	6421	161	40	161		1,837	10
11	Sink installation	2006	2561	64	40	64		752	11
12	Land Improvements Patio	2006	23736	1,582	15	1,582		17,930	12
13	Brick Pavers	2007	8500	567	15	567		6,048	13
14	Landscaping	2007	16420	821	20	821		8,552	14
15	Parking Lot	2007	13219	661	20	661		6,885	15
16	Roof	2007	9800	490	20	490		5,268	16
17	HVAC	2007	8197	410	20	410		4,305	17
18	LHI-Emergency A/C	2007	11126	556	20	556		5,653	18
19	LHI-Plumbing & Sprinkler	2007	6799	509	10	509		6,799	19
20	Automatic Doors in Common Areas	2007	20874	1,044	20	1,044		10,875	20
21	Tike System & Foundation	2007	4500	225	20	225		2,269	21
22	Exterior of Building Painting	2007	16600	830	20	830		8,508	22
23	Landscaping	2008	21600	1,440	15	1,440		14,040	23
24	Parking Lot	2008	9625	481	20	481		4,610	24
25	Roof Repair	2008	11001	550	20	550		5,133	25
26	HVAC	2008	20164	1,102	20	1,102		10,463	26
27	Sink and Toilet	2008	4000	400	10	400		3,867	27
28	Elevator Upgrades	2008	171955	4,299	40	4,299		39,766	28
29	Metal Doors	2008	3907	195	20	195		1,902	29
30	Basement Renovation	2008	25195	1,260	20	1,260		12,180	30
31	Trash Compactor	2008	11590	580	20	580		5,510	31
32	Painting Gazebo	2008	4450	223	20	223		2,099	32
33									33
34	TOTAL (lines 1 thru 33)		\$ 5,975,666	\$ 83,233		\$ 187,847	\$ 104,614	\$ 5,075,090	34

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

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc.

0028660

Report Period Beginning:

1/1/17

Ending:

12/31/17

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		\$ 5,975,666	\$ 83,233		\$ 187,847	\$ 104,614	\$ 5,075,090	1
2	2nd floor remodel-Electric, flooring,painting	2008	561,165		27	20,406	20,406	185,355	2
3	Kitchen Upgrade-Carpentry, painting, plumbing	2008	18,364		27	668	668	6,068	3
4	1st floor remodel-painting, electrical, flooring,plumbing	2008	547,836		27	19,921	19,921	197,550	4
5	Irrigation System	2009	14,235	949	15	949		7,987	5
6	Landscaping Enhancements	2009	22,005	1,467	15	1,467		12,470	6
7	Roof	2009	139,578	6,979	20	6,979		58,740	7
8	Fan Coil	2009	5,607	280	20	280		2,451	8
9	Quick Connectors	2009	5,300	265	20	265		2,297	9
10	Room Convector	2009	4,962	248	20	248		2,046	10
11	Nurse Call System	2009	35,509	1,291	27	1,291		10,755	11
12	Electrical key pad	2009	5,995	218	27	218		1,835	12
13	PT Room Countertops	2009	4,050	147	27	147		1,189	13
14	2nd floor remodel-Electric, flooring,painting	2009	2,935	107	27	107		945	14
15	Patio Pergola	2009	10,849	542	20	542		4,427	15
16	Landscaping/Retaining wall	2010	4,741	316	15	316		2,370	16
17	Ejector Pump	2010	6,983	466	15	466		3,494	17
18	Parking lot repair/signs	2010	8,970	533	15	533		5,271	18
19	Repair Roof	2010	24,000	1,200	20	1,200		8,500	19
20	Key pad entrance	2010	3,085	308	10	308		2,388	20
21	Canopy	2010	2,567	257	10	257		1,948	21
22	Exhaust HVAC	2010	4,003	146	27	146		1,046	22
23	Drainline	2010	4,130	151	27	151		1,069	23
24	Pantry carpentry,electrical,plumbing	2010	7,566	276	27	276		2,047	24
25	Paint over bed lights	2010	6,319	231	27	231		1,770	25
26	Library/Lounge carpentry,painting,signs	2010	8,441	308	27	308		2,259	26
27	Second floor doors	2010	3,144	314	10	314		2,434	27
28	Med Room carpentry,plumbing	2010	7,678	280	27	280		2,077	28
29	Patio Pergola	2010	11,695		5			11,695	29
30	Stamped concrete	2010	15,862	1,057	15	1,057		8,104	30
31	Office carpentry, flooring,electrical,painting,plumbing,signs	2010	64,446	1,793	27	1,793		34,247	31
32	3rd floor remodel-carpentry,plumbing,electrical,painting	2010	753,399		27	60,085	60,085	455,644	32
33									33
34	TOTAL (lines 1 thru 33)		\$ 8,291,085	\$ 103,362		\$ 309,056	\$ 205,694	\$ 6,115,568	34

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

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc.

0028660

Report Period Beginning:

1/1/17

Ending:

12/31/17

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	10
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 8,291,085	\$ 103,362		\$ 309,056	\$ 205,694	\$ 6,115,568	1
2									2
3	Office Remodel - carpentry,plumbing,electrical,painting	2011	11,187	407	27	407		2,713	3
4	Front Entrance remodel of kitchen doors	2011	3,584	130	27	130		780	4
5	Remodel Shower Room - Carpentry, Flooring, Electrical,	2011	53,886	1,959	27	1,959		12,244	5
6	-Plumbing, Showers, Millwork & Painting								6
7	Boiler Coll HVAC	2011	3,175	115	27	115		749	7
8	Roof Top Unit HVAC	2011	40,890	1,487	27	1,487		9,294	8
9	Fire Dampers HVAC	2011	67,012	2,437	27	2,437		14,825	9
10	Remodel Laundry Room - Electrical, Painting and Flooring	2011	9,814	357	27	357		2,291	10
11	Replace Doors on 1st Floor	2011	57,237	2,081	27	2,081		12,659	11
12	Replace doors on 2nd Floor	2011	39,952	1,453	27	1,453		9,202	12
13	Doctors office-keys, painting, flooring	2012	5,484	199	27	199		614	13
14	Generator Exhaust	2012	21,590	785	27	785		4,448	14
15	Sprinklers in building - Front Canopy & Lobby Area	2012	11,558	420	27	420		2,170	15
16	Replace sanitary pipe	2012	5,800	211	27	211		1,178	16
17	Replace lights, mirrors in 1st floor resident rooms	2012	10,962	399	27	399		2,194	17
18	Replacement faucets in 1st floor resident rooms	2012	6,410	233	27	233		1,262	18
19	EMR Wiring- Entire Facility	2012	18,690	680	27	680		3,513	19
20									20
21	Fence- Entire Facility	2013	5,840	389	15	389		1,621	21
22	Sprinkler Heads- Entire Facility	2013	25,361	922	27	922		4,303	22
23	Holding Tank- Kitchen	2013	25,724	935	27	935		3,740	23
24									24
25	R/M Reclass: Generator transfer switch in Mechanical Room	2014	4,681		12	390	390	1,365	25
26	R/M Reclass: Landscaping for flowers around main entrance	2014	2,840		15	189	189	663	26
27									27
28	Add EMR Wiring 1st floor	2015	5,268	192	27	192		495	28
29	Replaced four boilers in boiler room	2015	173,357	6,304	27	6,304		13,133	29
30	R/M Reclass: Sealcoating and paving parking lot	2015	4,200		20	210	210	525	30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 8,905,588	\$ 125,457		\$ 331,940	\$ 206,483	\$ 6,221,549	34

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

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc.

0028660

Report Period Beginning:

1/1/17

Ending:

12/31/17

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 12D, Carried Forward		\$ 8,905,588	\$ 125,457		\$ 331,940	\$ 206,483	\$ 6,221,549	1
2									2
3	Chair Rail Installation in First and Second Floor Rooms	2016	10,199	378	27	378		376	3
4	R&M Reclass: Doors Installation on: 2nd and 3rd Floors North Si	2016	5,786		10	579	579	868	4
5	and South Side Shower Entrances								5
6	R/M Reclass: Underground Sanitary Pipe Replacement in the Low	2016	2,500		15	167	167	250	6
7	Level Entrance to Ramp Area and Back Elevator Hallway								7
8	R/M Reclass: Fire Pump Overhaul and New Gauge Tap and Gaug	2016	4,495		15	300	300	450	8
9	Installation in the Fire Pump Room in the Basement								9
10									10
11									11
12				281			(281)		12
13	Reconcile to book								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)		\$ 8,928,568	\$ 126,116		\$ 333,364	\$ 207,248	\$ 6,223,493	34

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

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc.

0028660

Report Period Beginning:

1/1/17

Ending:

12/31/17

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 12E, Carried Forward	\$ 8,928,568	\$ 126,116		\$ 333,364	\$ 207,248	\$ 6,223,493	1	
2								2	
3	Building-management company	2002 316,883		40	7,374	7,374	147,823	3	
4	HVAC, electrical, security system-management company	2003 2,783		30	704	704	2,295	4	
5	Key card system-management company	2004 437		20	22	22	293	5	
6	VAV TX controls-management compnay	2005 133		20	7	7	85	6	
7	Building Improvements-management company	2006 97		20	7	7	72	7	
8	Building Improvements-management company	2008 14,357		20	175	175	6,129	8	
9	Building Improvements-management company	2009 2,821		20	54	54	1,301	9	
10	Building Improvements-management company	2010 2,753		20	53	53	1,182	10	
11	Building Improvements-management company	2011 1,972		20	94	94	597	11	
12	Building Improvements-management company	2012 6,670		20	13	13	1,386	12	
13	Building Improvements-management company	2013 5,148		20	383	383	1,600	13	
14	Building Improvements-management company	2014 2,786		20	285	285	978	14	
15	Building Improvements-management company	2015 490		20	61	61	150	15	
16	Building Improvements-management company	2016 8,084		20	613	613	833	16	
17	Building Improvements-management company	2017 5,257		20	68	68	99	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)	\$ 9,299,239	\$ 126,116		\$ 343,277	\$ 217,161	\$ 6,388,316	34	

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

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc. # 0028660 Report Period Beginning: 1/1/17 Ending: 12/31/17

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	\$ 907,270	\$ 29,051	\$ 55,366	\$ 26,315	5-10	\$ 459,948	71
72	Current Year Purchases	24,512	1,644	1,644		7	1,644	72
73	Fully Depreciated Assets	968,039				5 - 7	968,039	73
74	Allocated from Mgmt. Co.	644,384		58,385	58,385	5 - 7	579,540	74
75	TOTALS	\$ 2,544,205	\$ 30,695	\$ 115,395	\$ 84,700		\$ 2,009,171	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.			57,964	-	2,518	2,518	5	53,936	79
80	TOTALS			\$ 57,964	\$	2,518	\$ 2,518		\$ 53,936	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)	\$ 12,541,068	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 156,811	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 461,190	83**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 304,379	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 8,451,423	85

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

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

G. Construction-in-Progress

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

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

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

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A

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

If NO, see instructions. YES NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6	<u>Allocated from Management Company</u>				<u>5,367</u>			6
7	TOTAL				\$ 5,367			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.	_____ /2018	\$ _____
13.	_____ /2019	\$ _____
14.	_____ /2020	\$ _____

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: \$ 67,659 Description: Copier: \$5,385, Postage: \$949, Printer: \$3,910, Oxygen: \$13,201, Med Equip: \$42,574, Mgmt Alloc.: \$1,640

(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	<u>Allocated from Management Company</u>			<u>681</u>	20
21	TOTAL		\$	\$ 681	21

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

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

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

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

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? <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. <u>CLASSROOM PORTION:</u></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. <u>CLINICAL PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
---	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

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

C. CONTRACTUAL INCOME

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

\$

D. NUMBER OF CNAs TRAINED

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

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

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

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

	Service	1 Schedule V Line & Column Reference	2 Staff		3 Outside Practitioner (other than consultant)		6 Supplies (Actual or Allocated)	7 Total Units (Column 2 + 4)	8 Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	4					
					Units	Cost				
1	Licensed Occupational Therapist	39(3)	hrs	\$	7,016	\$ 373,926	\$	7,016	\$ 373,926	1
2	Licensed Speech and Language Development Therapist	39(3)	hrs		2,985	114,736		2,985	114,736	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39(3)	hrs		11,000	467,707		11,000	467,707	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 prescripts				237,335		237,335	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): <u>Ambulance</u>	39(3)				5,430			5,430	12
13	Other (specify): <u>See Sch 16A</u>	39(2)					10,766		10,766	13
14	TOTAL			\$	21,001	\$ 961,799	\$ 248,101	21,001	\$ 1,209,900	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.

Facility Name: Lexington Health Care Center of Lombard, Inc.
IDPH License ID Number: 0028660
Fiscal Year End: 12/31/17

Schedule 16A

XIV. Special Services (Direct Cost)

Line 12 Other (specify)

<u>Description</u>	<u>Reference</u>	<u>Amount</u>
Oxygen	39(2)	6,419
DME	39(2)	4,347
Total - Line 12	-	<u><u>10,766</u></u>

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc.# 0028660Report Period Beginning: 1/1/17Ending: 12/31/17

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/17

(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	\$ 1,014,120	\$ 1,090,507	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>1,102,661</u>)	2,766,112	2,766,112	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	133,860	133,860	6
7	Other Prepaid Expenses	37,966	37,966	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>See Sch 17A</u>	11,700	11,700	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 3,963,758	\$ 4,040,145	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		639,660	13
14	Buildings, at Historical Cost		3,661,472	14
15	Leasehold Improvements, at Historical Cost	3,089,202	5,637,767	15
16	Equipment, at Historical Cost	518,364	2,602,169	16
17	Accumulated Depreciation (book methods)	(2,070,424)	(8,451,423)	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 <u>See Sch 17A</u>)	1,035,371	3,999,177	22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 2,572,513	\$ 8,088,822	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 6,536,271	\$ 12,128,967	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 503,997	\$ 512,321	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	475,345	475,345	30
31	Accrued Taxes Payable (excluding real estate taxes)	25,170	25,170	31
32	Accrued Real Estate Taxes(Sch.IX-B)		214,900	32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>See Schedule 17A</u>	3,158,583	3,131,583	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 4,163,095	\$ 4,359,319	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	499,000	2,729,000	39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	<u>Professional Liabilities Claims</u>	1,289,460	1,289,460	43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 1,788,460	\$ 4,018,460	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 5,951,555	\$ 8,377,779	46
47	TOTAL EQUITY(page 18, line 24)	\$ 584,716	\$ 3,751,188	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 6,536,271	\$ 12,128,967	48

*(See instructions.)

Facility Name: Lexington Health Care Center of Lombard, Inc.
IDPH License ID Number: 0028660
Fiscal Year End: 12/31/17

Schedule 17A

XV. Balance Sheet

Line 9 Current Assets Other (specify):

Description

Interest Receivable

Total - Line 9

XV. Balance Sheet

Line 22 Long-Term Assets Other (specify):

Description

Rent Receivable
Receivable from Insurance Recoveries

Total - Line 22

XV. Balance Sheet

Line 36 Other Current Liabilities (specify):

Description

Cash Patient Trust
PA Audit Settlement
Due from VESTA
Sambell Mortgage Cost
Prepaid Insurance
COBRA
Withholding - Dental Insurance
Withholding - EP/CI/WL
Withholding - Short Term Disability
Life Insurance Withholding
Vision Withholding
FSA/HAS Withholdings
401K Withholding
Accrued Expenses
Accrued Resident Tax
Accrued Royal / Vesta Mgmt Fees
Accrued Rent
Accrued Insurance
Due to Patient Trust Fund
Advance - Biweekly Part A Payment
Uncollectible Part A Co Pvts
Due to - Royal Operations
Due to/from Republic Construction

Due to Bloomingdale
Due to Chicago Ridge
Due to LHCC Elmhurst
Due to LaGrange
Due to/from LHC System of Lombard
Due to/from Square Lombard
Due to/from Schaumburg

Operating	After Consolidation
11,700	11,700
11,700	11,700

Operating	After Consolidation
-	2,963,806
1,035,371	1,035,371
1,035,371	3,999,177

Operating	After Consolidation
9,530	9,530
241,241	241,241
-	-
-	(29,000)
42,989	42,989
131	131
(1,441)	(1,441)
1,077	1,077
-	-
-	-
(541)	(541)
145	145
(882)	(882)
51,051	51,051
45,887	45,887
34,205	34,205
2,963,806	2,963,806
97,736	97,736
(10,078)	(10,078)
(50,212)	(50,212)
(4,363)	(4,363)
22,975	22,975
5,503	5,503

-	-
250	250
1,904	1,904
27,486	27,486
(2,000)	-
(317,815)	(317,815)
-	-
<u>3,158,583</u>	<u>3,131,583</u>

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 2,346,910	1
2	Restatements (describe):		2
3	Post Closing Adjustment	(719)	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 2,346,191	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(1,121,475)	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	(640,000)	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)	\$ (1,761,475)	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)	\$ 584,716	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc.

0028660

Report Period Beginning:

1/1/17

Ending:

12/31/17

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	\$ 18,349,372	1
2	Discounts and Allowances for all Levels	(7,458,276)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,891,096	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	3,077,237	6
7	Oxygen	3,150	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 3,080,387	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	14,983	13
14	Non-Patient Meals	5	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	405,948	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	115,158	19
20	Radiology and X-Ray	14,579	20
21	Other Medical Services	129,928	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 680,601	23
D. Non-Operating Revenue			
24	Contributions	883	24
25	Interest and Other Investment Income***	1,841	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 2,724	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28			28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 14,654,808	30

2

II. Expenses		Amount	
A. Operating Expenses			
31	General Services	1,817,123	31
32	Health Care	5,786,223	32
33	General Administration	4,137,787	33
B. Capital Expense			
34	Ownership	1,923,896	34
C. Ancillary Expense			
35	Special Cost Centers	1,691,444	35
36	Provider Participation Fee	419,810	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 15,776,283	40
41	Income before Income Taxes (line 30 minus line 40)**	(1,121,475)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (1,121,475)	43

III. Net Inpatient Revenue detailed by Payer Source			
44	Medicaid - Net Inpatient Revenue	\$ 5,748,678	44
45	Private Pay - Net Inpatient Revenue	2,682,273	45
46	Medicare - Net Inpatient Revenue	1,720,614	46
47	Other-(specify) Managed Care	128,817	47
48	Other-(specify) Life Care	610,714	48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	\$ 10,891,096	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 Taxpayer

Facility Name & ID Number Lexington Health Care Center of Lombard, Inc.

0028660

Report Period Beginning:

1/1/17

Ending:

12/31/17

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	2,114	2,670	\$ 167,127	\$ 62.59	1
2	Assistant Director of Nursing	522	600	24,558	40.93	2
3	Registered Nurses	32,465	41,199	1,391,484	33.77	3
4	Licensed Practical Nurses	21,202	26,710	710,755	26.61	4
5	CNAs & Orderlies	66,440	80,665	1,238,067	15.35	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,674	2,028	41,391	20.41	9
10	Activity Assistants	9,189	11,103	145,411	13.10	10
11	Social Service Workers	7,779	9,318	187,028	20.07	11
12	Dietician	1,905	2,238	54,420	24.32	12
13	Food Service Supervisor	1,670	2,094	55,798	26.65	13
14	Head Cook	2,890	3,721	74,902	20.13	14
15	Cook Helpers/Assistants	17,695	21,976	247,670	11.27	15
16	Dishwashers					16
17	Maintenance Workers	1,842	2,073	37,282	17.98	17
18	Housekeepers	31,503	38,195	431,475	11.30	18
19	Laundry					19
20	Administrator	2,022	2,675	181,320	67.78	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	9,532	11,626	231,057	19.87	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	2,036	2,521	46,736	18.54	31
32	Other Health C: See Sch 20A	19,752	24,557	616,603	25.11	32
33	Other(specify) Marketing	1,959	2,846	85,656	30.10	33
34	TOTAL (lines 1 - 33)	234,191	288,815	\$ 5,968,740 *	\$ 20.67	34

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

** See instructions.

B. CONSULTANT SERVICES

	1	2	3	
	Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant			35
36	Medical Director	Monthly 24,050	9(3)	36
37	Medical Records Consultant	Monthly 1,138	10(3)	37
38	Nurse Consultant	Monthly 2,840	10(3)	38
39	Pharmacist Consultant	Monthly 17,845	10(3)	39
40	Physical Therapy Consultant			40
41	Occupational Therapy Consultant			41
42	Respiratory Therapy Consultant			42
43	Speech Therapy Consultant			43
44	Activity Consultant	Monthly 2,369	11(3)	44
45	Social Service Consultant	Monthly 1,890	12(3)	45
46	Other(specify) Pulmonary	Monthly 34,022	10(3)	46
47	Post Acute Consultant	Monthly 1,398	10(3)	47
48	Telemedicine Consultant	Monthly 9,075	10(3)	48
49	TOTAL (lines 35 - 48)	\$ 94,627		49

C. CONTRACT NURSES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference		
50	Registered Nurses	604	\$ 34,116	10(3)	50
51	Licensed Practical Nurses	1,707	73,792	10(3)	51
52	Certified Nurse Assistants/Aides	28,008	718,396	10(3)	52
53	TOTAL (lines 50 - 52)	30,319	\$ 826,304		53

Facility Name: Lexington Health Care Center of Lombard, Inc.
IDPH License ID Number: 0028660
Fiscal Year End: 12/31/17

Schedule 20A

XVIII. Staffing and Salary Costs
Line 32 Other Health Care (specify):

Description	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Total Salaries	Average Hourly Wage
Accounts Coordinator	2,584.32	3,134.30	44,259.30	14.12
Admissions	3,007.21	3,653.03	84,936.89	23.25
Clinical Coordinator	3,853.26	5,042.20	170,300.66	33.78
Dietetic Technician	150.91	350.52	6,158.58	17.57
MDS	442.24	499.49	20,411.64	40.86
Staffing Coordinator	2,773.38	3,225.14	51,701.43	16.03
Transitional Care Nurse	2,211.18	2,637.30	81,787.67	31.01
Unit Secretary	4,184.66	5,099.11	126,229.43	24.76
Wound Care Coordinator	545	916	30,817	33.63
Total - Line 32 Other Health Care (specify):	19,752	24,557	616,603	

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	
Patricia Stoudt	Administrator	0	\$ 150,131	Workers' Compensation Insurance	\$	IDPH License Fee	\$ 1,990	
Jennifer Miller	Administrator	0	31,189	Unemployment Compensation Insurance	46,462	Advertising: Employee Recruitment	5,786	
				FICA Taxes	443,075	Health Care Worker Background Check (Indicate # of checks performed <u>101</u>)	1,213	
				Employee Health Insurance	305,307	Patient Background Checks <u>425</u>	5,106	
				Employee Meals		Miscellaneous Licenses & Fess	1,455	
				Illinois Municipal Retirement Fund (IMRF)*		Miscellaneous Dues & Subscriptions	7,028	
				401K	21,376	Less: Non-Allowable Dues	(5,033)	
				Other Employee Benefits	22,608	Management Company Allocation	14,258	
				Uniform Allowance	2,023	IHCA	14,042	
						Less: Public Relations Expense	()	
						Non-allowable advertising	()	
						Yellow page advertising	()	
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 181,320					
				TOTAL (agree to Schedule V, line 22, col.8)	\$ 840,851	TOTAL (agree to Sch. V, line 20, col. 8)	\$ 45,845	
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			\$ 1,434,109	N/A		\$	Out-of-State Travel	\$
Management Fees-Vesta Mgmt.			409,496					
Eliminated in Column 7							In-State Travel	145
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$ 1,843,605				Seminar Expense	
							Allocated from Management	1,002
C. Professional Services								
Vendor/Payee	Type		Amount				Entertainment Expense	()
RSM US LLP	Accounting		\$ 31,753				(agree to Sch. V, line 24, col. 8)	
Much Shelist	Legal		4,207				TOTAL	\$ 1,147
Secretary of State	Filing Fees		125					
Royal Management	Legal		877					
Generation Law	Legal		2,802					
Much Shelist	Collections		30,618					
Personnel Planners	U/C Consulting		3,605					
RSM US LLP	401K Audit		557					
Softchoice	Computer Services		1,698					
Lawson	Computer Services		8,197					
See Sch 21C			84,382					
TOTAL (agree to Schedule V, line 19, column 3) (For legal fee disclosure, see page 39 of instructions)			\$ 168,821	TOTAL		\$		

* Attach copy of IMRF notifications

**See instructions.

Facility Name: Lexington Health Care Center of Lombard, Inc.
IDPH License ID Number: 0028660
Fiscal Year End: 12/31/17

Schedule 21C

XIX. SUPPORT SCHEDULES

C. Professional Services

Vendor	Type	Amount
ROYAL MGMT/OPERATIONS	Computer Services	2,826
INFORMATION CONTROLS	Computer Services	(83)
Purchases	Computer Services	53,131
RELIAS	Computer Services	1,872
SALES FORCE	Computer Services	(4,592)
ON SHIFT	Computer Services	66
ICIMS	Computer Services	(808)
National Datacare	Computer Services	962
Microsoft Software	Computer Services	10,463
Health MDx	Computer Services	8,529
GP Software	Computer Services	5,127
Network Infrastructure	Computer Services	6,889
Total (agree to Schedule V, line 19, column 3)		84,382
Less: Non-Allowable Legal Fees		(30,688)
Allocated from Real Estate		200
Allocated from SV of Lombard II		
Friedman & Huey		151
Illinois Secretary of State		17
Much Shelist	Legal	1,890
Hinshaw & Culbertson LLP	Legal	260
Duane Morris	Legal	2,229
Serpico, Petrosino	Legal	14
Golan and Christie	Legal	23
RSM	Accounting	1,547
Friedman & Huey	Accounting	827
IL Secretary of State	Filing Fees	54
Gilson Labus & Silverman LLC	Accounting	734
Marcum LLP	Accounting	362
LaSalle Network	Recruiting / Finance	1,300
Pension Administrators, Inc.	401K Administration	-134
Gene Whitehorn	Medicaid Reimb Specialist	2,111
M Werner Consulting	Financial Consulting	1,083
Eisen Alliance LLC	Workplace Consultant	337
Barry Lazarus	Health Care Consultant	289
Mark Rodeghier	Survey Preparation Consultant	747
Pathway Health Services	Operational & Financial Consulting	2,593
IMEC	Operational & Financial Consulting	6,304
Forest Performance	Performance Consulting	1,930
Reputation.com	Performance Consulting	1,156
Devree Molnar	Strategy/Operations Consulting	162
Steven Wood	Strategy/Operations Consulting	334
Susan Parker	Social Service Consultant	19
Focus Pointe Global	Strategic Planning	1,327
Clin-Science Research	General Business Consulting	437
Provinet Solutions	Technical Consulting	16
ANDRZJ STANKIEWIC	General Business Consulting	104
DLC	Financial Planning & Analysis	1,539
Computer Services	Computer Consulting	40,122
Total (agree to Schedule V, line 19, column 8)		208,217

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. IHCA - \$14,042
- (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? -
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 50,679 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. \$ 419,810
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. \$ 0 Has any meal income been offset against related costs? No Indicate the amount. \$ 5
- (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) Has a schedule for the legal fees reported on the cost report been provided by the facility? See page 39 of the instructions for details. Yes
Attach invoices and a summary of services for all architect and appraisal fees