



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

# 0039768 Report Period Beginning: 1/1/18 Ending: 12/31/18

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	203	Skilled (SNF)	203	74,095	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	203	TOTALS	203	74,095	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			11,016	11,016	8
9	SNF/PED					9
10	ICF	31,775	11,776	3,268	46,819	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	31,775	11,776	14,284	57,835	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 78.06%

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 8/20/94

J. Was the facility purchased or leased after January 1, 1978?  
YES  Date 08/20/94 NO

K. Was the facility certified for Medicare during the reporting year?  
YES  NO  If YES, enter number of beds certified 203 and days of care provided 7,931

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: 12/31/2018 Fiscal Year: 12/31/2018

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

Facility Name & ID Number Lexington Health Care Center of Lake Zurich, # 0039768 Report Period Beginning: 1/1/18 Ending: 12/31/18

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	<b>A. General Services</b>										
1	Dietary	417,965	38,488	4,449	460,902		460,902	-	460,902		1
2	Food Purchase		374,121		374,121		374,121	(1,485)	372,636		2
3	Housekeeping	447,246	42,396	-	489,642		489,642	277	489,919		3
4	Laundry	-	17,083	-	17,083		17,083	-	17,083		4
5	Heat and Other Utilities			261,344	261,344		261,344	7,888	269,232		5
6	Maintenance	46,994	-	178,703	225,697		225,697	128,655	354,352		6
7	Other (specify):* <b>Mgmt Co.-Allocated I</b>	-	-	-				12,919	12,919		7
8	<b>TOTAL General Services</b>	<b>912,205</b>	<b>472,088</b>	<b>444,496</b>	<b>1,828,789</b>		<b>1,828,789</b>	<b>148,254</b>	<b>1,977,043</b>		<b>8</b>
	<b>B. Health Care and Programs</b>										
9	Medical Director	-	-	42,000	42,000		42,000	-	42,000		9
10	Nursing and Medical Records	5,589,815	382,692	184,226	6,156,733		6,156,733	23,603	6,180,336		10
10a	Therapy	-	-	-				-			10a
11	Activities	108,421	14,862	7,537	130,820		130,820	-	130,820		11
12	Social Services	179,435	-	4,471	183,906		183,906	-	183,906		12
13	CNA Training	-	-	-				-			13
14	Program Transportation	-	-	-				-			14
15	Other (specify):* <b>Mgmt Co.-Allocated I</b>	-	-	-				2,472	2,472		15
16	<b>TOTAL Health Care and Programs</b>	<b>5,877,671</b>	<b>397,554</b>	<b>238,234</b>	<b>6,513,459</b>		<b>6,513,459</b>	<b>26,075</b>	<b>6,539,534</b>		<b>16</b>
	<b>C. General Administration</b>										
17	Administrative	124,403	-	1,633,068	1,757,471		1,757,471	(1,613,407)	144,064		17
18	Directors Fees			-				-			18
19	Professional Services			183,500	183,500		183,500	74,753	258,253		19
20	Dues, Fees, Subscriptions & Promotions			46,657	46,657		46,657	11,697	58,354		20
21	Clerical & General Office Expenses	102,434	25,980	49,371	177,785		177,785	930,056	1,107,841		21
22	Employee Benefits & Payroll Taxes			1,048,458	1,048,458		1,048,458	-	1,048,458		22
23	Inservice Training & Education			8,836	8,836		8,836	540	9,376		23
24	Travel and Seminar			-				699	699		24
25	Other Admin. Staff Transportation		-	3,988	3,988		3,988	15,539	19,527		25
26	Insurance-Prop.Liab.Malpractice			671,220	671,220		671,220	2,813	674,033		26
27	Other (specify):* <b>Mgmt Co.-Allocated I</b>	-	-	-				98,627	98,627		27
28	<b>TOTAL General Administration</b>	<b>226,837</b>	<b>25,980</b>	<b>3,645,098</b>	<b>3,897,915</b>		<b>3,897,915</b>	<b>(478,683)</b>	<b>3,419,232</b>		<b>28</b>
29	<b>TOTAL Operating Expense (sum of lines 8, 16 &amp; 28)</b>	<b>7,016,713</b>	<b>895,622</b>	<b>4,327,828</b>	<b>12,240,163</b>		<b>12,240,163</b>	<b>(304,354)</b>	<b>11,935,809</b>		<b>29</b>

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

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

Facility Name & ID Number Lexington Health Care Center of Lake Zurich, Inc. #0039768 Report Period Beginning: 1/1/18 Ending: 12/31/18

## V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	<b>D. Ownership</b>											
30	Depreciation			75,224	75,224		75,224	245,031	320,255			30
31	Amortization of Pre-Op. & Org.			-				-				31
32	Interest			47,527	47,527		47,527	408,204	455,731			32
33	Real Estate Taxes			740	740		740	159,456	160,196			33
34	Rent-Facility & Grounds			1,473,251	1,473,251		1,473,251	(1,469,027)	4,224			34
35	Rent-Equipment & Vehicles			64,809	64,809		64,809	1,827	66,636			35
36	Other (specify):*			-				-				36
37	<b>TOTAL Ownership</b>			1,661,551	1,661,551		1,661,551	(654,509)	1,007,042			37
	<b>Ancillary Expense</b>											
	<b>E. Special Cost Centers</b>											
38	Medically Necessary Transportation	-	-	-				-				38
39	Ancillary Service Centers	-	373,531	1,447,278	1,820,809		1,820,809	-	1,820,809			39
40	Barber and Beauty Shops	-	-	24,773	24,773		24,773	-	24,773			40
41	Coffee and Gift Shops	-	-	870	870		870	(525)	345			41
42	Provider Participation Fee			414,972	414,972		414,972	-	414,972			42
43	Other (specify):* <b>Non-Allowable Cos</b>	4,668	-	242,922	247,590		247,590	(247,590)				43
44	<b>TOTAL Special Cost Centers</b>	4,668	373,531	2,130,815	2,509,014		2,509,014	(248,115)	2,260,899			44
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	7,021,381	1,269,153	8,120,194	16,410,728		16,410,728	(1,206,978)	15,203,750			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 Lake Zurich, Inc.

# 0039768

Report Period Beginning:

1/1/18

Ending:

12/31/18

**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	(1,485)	2		4
5	Telephone, TV & Radio in Resident Rooms	(12,678)	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	636	30		9
10	Interest and Other Investment Income	(27,161)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(11,276)	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	(2,999)	43		18
19	Entertainment				19
20	Contributions	(200)	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	(120,577)	43		24
25	Fund Raising, Advertising and Promotional	(27,706)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(129)	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See PG5A	(103,007)	Var.		29
30	<b>SUBTOTAL (A): (Sum of lines 1-29)</b>	\$ (306,582)		\$	30

BHF USE ONLY							
48		49		50		51	

**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)	(900,396)		34
35	Other- Attach Schedule			35
36	<b>SUBTOTAL (B): (sum of lines 31-35)</b>	\$ (900,396)		36
	(sum of SUBTOTALS			
37	<b>TOTAL ADJUSTMENTS (A) and (B) )</b>	\$ (1,206,978)		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	<b>TOTAL (C): (sum of lines 38-46)</b>			\$		47

Lexington Health Care Center of Lake Zurich, Inc.

ID# 0039768

Report Period Beginning: 1/1/18

Ending: 12/31/18

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Labs-Part A	\$ (39,635)	43	1
2	X-Rays-Part A	(25,717)	43	2
3	Diagnostics Managed Care	(2,005)	43	3
4	Trust Fees	(275)	43	4
5	Marketing Software	(8,705)	19	5
6	Collections & Out of Period Legal	(17,436)	19	6
7	Marketing Salary	(4,668)	43	7
8	Dues and subscription - marketing	(2,320)	20	8
9	Gift shop income	(525)	41	9
10	Chamber of commerce dues	(1,721)	20	10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
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	<b>Total</b>	(103,007)		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	\$	Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	\$ 250	\$ 250	1	
2	V	30 Depreciation		Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	221,067	221,067	2	
3	V	32 Interest	15,896	Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	356,370	340,474	3	
4	V	32 Amortization of Mortgage Costs		Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	78,283	78,283	4	
5	V	33 Property Taxes		Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	153,251	153,251	5	
6	V	34 Rental Expense	1,473,251	Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**		(1,473,251)	6	
7	V	43 Trust Fees		Lexington Health Care Systems of Lake Zurich Ltd Ptsp	**	275	275	7	
8	V							8	
9	V							9	
10	V							10	
11	V							11	
12	V	** The owners of Lexington Health Care Center of Lake Zurich, Inc. own 100% of Lexington Health Care Systems							12
13	V	of Lake Zurich Limited Partnership.							13
14	Total		\$ 1,489,147			\$ 809,496	\$ * (679,651)	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		Royal Management Corp.	**	\$ 277	\$ 277	15	
16	V	5		Royal Management Corp.	**	7,183	7,183	16	
17	V	5		Royal Management Corp.	**	190	190	17	
18	V	5		Royal Management Corp.	**	515	515	18	
19	V	6		Royal Management Corp.	**	120,866	120,866	19	
20	V	6		Royal Management Corp.	**	7,476	7,476	20	
21	V	6		Royal Management Corp.	**	313	313	21	
22	V	7		Royal Management Corp.	**	12,919	12,919	22	
23	V	10		Royal Management Corp.	**	477	477	23	
24	V	10		Royal Management Corp.	**	23,126	23,126	24	
25	V	15		Royal Management Corp.	**	2,472	2,472	25	
26	V	17		Royal Management Corp.	**	19,661	19,661	26	
27	V	19		Royal Management Corp.	**	19,892	19,892	27	
28	V	19		Royal Management Corp.	**	80,752	80,752	28	
29	V	20		Royal Management Corp.	**	1,500	1,500	29	
30	V	20		Royal Management Corp.	**	14,238	14,238	30	
31	V	21		Royal Management Corp.	**	903,059	903,059	31	
32	V	21		Royal Management Corp.	**	2,452	2,452	32	
33	V	21		Royal Management Corp.	**	8,340	8,340	33	
34	V	21		Royal Management Corp.	**	4,130	4,130	34	
35	V	21		Royal Management Corp.	**	12,075	12,075	35	
36	V							36	
37	V			** The owners of Lexington Health Care Center of Lake Zurich, Inc. own 100% of Royal Management Corp.					37
38	V							38	
39	Total		\$			\$ 1,241,913	\$ * 1,241,913	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.	**	\$ 540	\$ 540	15	
16	V	24 Travel & seminar		Royal Management Corp.	**	699	699	16	
17	V	25 Auto expense		Royal Management Corp.	**	15,539	15,539	17	
18	V	26 Insurance general		Royal Management Corp.	**	2,813	2,813	18	
19	V	27 Management allocation - employee benefits		Royal Management Corp.	**	98,627	98,627	19	
20	V	30 Depreciation		Royal Management Corp.	**	23,328	23,328	20	
21	V	32 Interest		Royal Management Corp.	**	14,444	14,444	21	
22	V	32 Amortization of mortgage costs		Royal Management Corp.	**	2,164	2,164	22	
23	V	33 Property taxes		Royal Management Corp.	**	6,205	6,205	23	
24	V	34 Rent expense		Royal Management Corp.	**	4,224	4,224	24	
25	V	35 Equipment rental		Royal Management Corp.	**	1,623	1,623	25	
26	V	17 Management fees	1,633,068	Royal Management Corp.	**	0	(1,633,068)	26	
27	V	35 Auto Lease		Royal Management Corp.	**	204	204	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	** The owners of Lexington Health Care Center of Lake Zurich, Inc. own 100% of Royal Management Corp.							36
37	V							37	
38	V							38	
39	Total		\$ 1,633,068			\$ 170,410	\$ * (1,462,658)	39	

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

Facility Name &amp; ID Number

Lexington Health Care Center of Lake Zurich, Inc.

# 0039768

Report Period Beginning:

1/1/18

Ending:

12/31/18

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

Facility Name &amp; ID Number

Lexington Health Care Center of Lake Zurich, Inc.

# 0039768

Report Period Beginning:

1/1/18

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12/31/18

## 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								1
2					Lexington Home	Lombard	Home Health	2
3					Health Care, Inc.			3
4					Lexington Hospice	Lombard	Hospice	4
5					Services, LLC			5
6					Lexington Private	Lombard	Healthcare	6
7					Home Care			7
8					Merit Sleep	Lombard	Management	8
9					Management, LLC		Company	9
10					Samvest of	Algonquin	Real Estate	10
11					Algonquin Ltd. Ptsp		Property	11
12					Sambell of	Bloomingtondale	Real Estate	12
13					Bloomingtondale Ltd. Pts		Property	13
14					Sambell of Chicago	Chicago Ridge	Real Estate	14
15					Ridge Ltd. Ptsp.		Property	15
16					Sambell of	Elmhurst	Real Estate	16
17					Elmhurst II Ltd. Ptsp.		Property	17
18					Sambell of	LaGrange	Real Estate	18
19					LaGrange Ltd. Ptsp.		Property	19
20					Lexington Health	Lombard	Real Estate	20
21					Care Systems of		Property	21
22					Lombard Ltd. Ptsp.			22
23					Lexington Health	Orland Park	Real Estate	23
24					Care Systems of		Property	24
25					Orland Park Ltd. Ptsp			25
26					Sambell of	Schaumburg	Real Estate	26
27					Schaumburg Ltd. Ptsp		Property	27
28					Sambell of	Streamwood	Real Estate	28
29					Streamwood Ltd. Ptsp		Property	29
30								30

Facility Name & ID Number

Lexington Health Care Center of Lake Zurich, Inc.

# 0039768

Report Period Beginning:

1/1/18

Ending:

12/31/18

**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								1
2					Lexington Health	Wheeling	Real Estate	2
3					Care Systems of		Property	3
4					Wheeling Ltd. Ptsp.			4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30

Facility Name & ID Number Lexington Health Care Center of Lake Zurich # 0039768 Report Period Beginning: 1/1/18 Ending: 12/31/18

## 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	John Samatas	Owner/Officer	Administrative	33.33	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	\$ 3,787	L17, C7	1
2	James Samatas	Owner/Officer	Admin/Plant Ops	33.33	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	5,050	L17, C7	2
3	Cynthia Thiem	Owner/Officer	Administrative	33.34	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	5,050	L17, C7	3
4	Daniel Thiem	Executive Committee	Administrative	0	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	3,787	L17, C7	4
5	Jason Samatas	Executive Committee	Administrative	0	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	0	L17, C7	5
6	Phil Thiem	Executive Committee	Administrative	0	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	799	L17, C7	6
7	Jeremy Samatas	Executive Committee	Administrative	0	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	1,188	L17, C7	7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 19,661		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 Lake Zurich, Inc. # 0039768 Report Period Beginning: 1/1/18 Ending: 12/31/18

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	722,335	10	\$ 2,704	\$ 0	74,095	\$ 277	1
2	5	Utilities - gas & electric	Bed Days Available	722,335	10	70,024	0	74,095	7,183	2
3	5	Utilities - water & sewer	Bed Days Available	722,335	10	1,855	0	74,095	190	3
4	5	Utilities - maintenance office	Bed Days Available	722,335	10	5,025	0	74,095	515	4
5	6	Management allocation - salaries	Bed Days Available	722,335	10	1,178,292	1,178,292	74,095	120,866	5
6	6	Repairs & maintenance	Bed Days Available	722,335	10	72,883	0	74,095	7,476	6
7	6	Scavenger & exterminating	Bed Days Available	722,335	10	3,054	0	74,095	313	7
8	7	Management allocation - employees	Bed Days Available	722,335	10	125,945	0	74,095	12,919	8
9	10	Medical consultant	Bed Days Available	722,335	10	4,651	0	74,095	477	9
10	10	Management allocation - salaries	Bed Days Available	722,335	10	225,449	225,449	74,095	23,126	10
11	15	Management allocation - employees	Bed Days Available	722,335	10	24,098	0	74,095	2,472	11
12	17	Management allocation - salaries	Bed Days Available	722,335	10	191,670	191,670	74,095	19,661	12
13	19	Computer consultant & supplies	Bed Days Available	722,335	10	193,924	0	74,095	19,892	13
14	19	Professional fees	Bed Days Available	722,335	10	787,232	0	74,095	80,752	14
15	20	Dues & subscriptions	Bed Days Available	722,335	10	14,624	0	74,095	1,500	15
16	20	Advertising - help wanted	Bed Days Available	722,335	10	138,799	0	74,095	14,238	16
17	21	Management allocation - salaries	Bed Days Available	722,335	10	8,803,710	8,803,710	74,095	903,059	17
18	21	Bank charges	Bed Days Available	722,335	10	23,902	0	74,095	2,452	18
19	21	Office supplies & printing	Bed Days Available	722,335	10	81,306	0	74,095	8,340	19
20	21	Postage	Bed Days Available	722,335	10	40,262	0	74,095	4,130	20
21	21	Telephone	Bed Days Available	722,335	10	117,714	0	74,095	12,075	21
22										22
23										23
24										24
25	TOTALS					\$ 12,107,123	\$ 10,399,121		\$ 1,241,913	25

Facility Name & ID Number Lexington Health Care Center of Lake Zurich, Inc. # 0039768 Report Period Beginning: 1/1/18 Ending: 12/31/18

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	722,335	10	\$ 5,261	\$ 74,095	\$ 540	1
2	24	Travel and Seminar	Bed Days Available	722,335	10	6,817	74,095	699	2
3	25	Auto expense	Bed Days Available	722,335	10	151,483	74,095	15,539	3
4	26	Insurance general	Bed Days Available	722,335	10	27,426	74,095	2,813	4
5	27	Management allocation - employees	Bed Days Available	722,335	10	961,496	74,095	98,627	5
6	30	Depreciation	Bed Days Available	722,335	10	227,415	74,095	23,328	6
7	32	Interest	Bed Days Available	722,335	10	140,807	74,095	14,444	7
8	32	Amortization of mortgage costs	Bed Days Available	722,335	10	21,094	74,095	2,164	8
9	33	Property taxes	Bed Days Available	722,335	10	60,494	74,095	6,205	9
10	34	Rent expense	Bed Days Available	722,335	10	41,178	74,095	4,224	10
11	35	Equipment rental	Bed Days Available	722,335	10	15,819	74,095	1,623	11
12	35	Auto Lease	Bed Days Available	722,335	10	1,993	74,095	204	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					\$ 1,661,283	\$	\$ 170,410	25

Facility Name & ID Number Lexington Health Care Center of Lake Zurich # 0039768 Report Period Beginning: 1/1/18 Ending: 12/31/18

## 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			
<b>A. Directly Facility Related</b>																				
<b>Long-Term</b>																				
1	MB Financial		X	Mortgage	Fixed Prin, Var	9/15/2017	\$ 6,373,440	\$ 6,054,788	9/15/2019	Libor + 3.5%	\$ 372,266	1								
2	LHCS Lake Zurich LP*	X		Mortgage	Varies	9/15/2017			9/15/2019	Libor + 3.5%	(15,896)	2								
3												3								
4	*Interco Notes Receivable									Finance Charge - Insurance Policy	2,907	4								
5												5								
<b>Working Capital</b>																				
6	Shareholders	X		Working Capital	None	Varies	270,033	1,829,416	Demand	0.015	44,620	6								
7	MB Financial		X	Line of Credit	Varies	9/15/2017	2,000,000		9/15/2019	Libor +2.5%		7								
8												8								
9	TOTAL Facility Related						\$ 8,643,473	\$ 7,884,204			\$ 403,897	9								
<b>B. Non-Facility Related*</b>																				
10										Amortization of Loan Cost	78,283	10								
11										Finance Charges	(2,907)	11								
12										Interest Income offset	(40,150)	12								
13										Allocated from	16,608	13								
14	TOTAL Non-Facility Related						\$	\$			\$ 51,834	14								
15	TOTALS (line 9+line14)						\$ 8,643,473	\$ 7,884,204			\$ 455,731	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 2017 report.			\$	<u>176,200</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.)		2017	\$	<u>163,337</u>	2
3. Under or (over) accrual (line 2 minus line 1).			\$	<u>(12,863)</u>	3
4. Real Estate Tax accrual used for 2018 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	<u>166,114</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. <b>(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)</b>			\$		5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. <b>TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)</b>			\$		6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.			\$	<u>160,196</u>	7
Real Estate Tax History:					
Real Estate Tax Bill for Calendar Year:	2013	<u>176,649</u>	8	<b>FOR BHF USE ONLY</b>	
	2014	<u>169,523</u>	9	13	FROM R. E. TAX STATEMENT FOR 2017 \$
	2015	<u>163,680</u>	10	14	PLUS APPEAL COST FROM LINE 5 \$
	2016	<u>165,626</u>	11	15	LESS REFUND FROM LINE 6 \$
	2017	<u>163,337</u>	12	16	AMOUNT TO USE FOR RATE CALCULATION \$
<a href="#">See attached real estate accrual sheet</a>					

**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.**

**2017 LONG TERM CARE REAL ESTATE TAX STATEMENT**

FACILITY NAME Lexington Health Care Center of Lake Zurich, Inc. COUNTY Lake

FACILITY IDPH LICENSE NUMBER 0039768

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 2017 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 2017.

(A)	(B)	(C)	(D) <u>Tax</u> <u>Applicable to</u> <u>Nursing Home</u>
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	
1. <u>14-28-100-020</u>	<u>Land &amp; Building</u>	\$ <u>148,870.04</u>	\$ <u>148,870.04</u>
2. <u>14-29-200-033</u>	<u>Land &amp; Building</u>	\$ <u>14,466.95</u>	\$ <u>14,466.95</u>
3. <u>Royal Management Corp. (Samvest of Lombard II)</u>		\$ _____	\$ _____
4. <u>05-01-202-021</u>	<u>Land &amp; Building</u>	\$ <u>253,934.00</u>	\$ <u>6,206.00</u>
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
	<b>TOTALS</b>	\$ <u>417,270.99</u>	\$ <u>169,542.99</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 2017 tax bills which were listed in Section A to this statement. Be sure to use the 2017 tax bill which is normally paid during 2018.

**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 Lake Zurich, Inc.

# 0039768

Report Period Beginning:

1/1/18

Ending:

12/31/18

**X. BUILDING AND GENERAL INFORMATION:**

A. Square Feet: 78,901 B. General Construction Type: Exterior Brick 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>250,344</u>	<u>1990</u>	<u>\$ 495,000</u>	<u>1</u>
2	<u>Management Company Allocation</u>			<u>18,680</u>	<u>2</u>
3	<b>TOTALS</b>	<b>250,344</b>		<b>\$ 513,680</b>	<b>3</b>

Facility Name &amp; ID Number Lexington Health Care Center of Lake Zurich, Inc.

# 0039768

Report Period Beginning:

1/1/18

Ending:

12/31/18

## 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	203		1994	1994	\$ 6,418,907	\$ -	40	\$ 160,473	\$ 160,473	\$ 3,904,838	4
5						-		-			5
6						-		-			6
7						-		-			7
8						-		-			8
	<b>Improvement Type**</b>										
9	Land Improvements		1994		10,701	-	10	-		10,701	9
10	Land Improvements		1994		13,330	-	10	-		13,330	10
11	Leasehold Improvements		1994		4,737	-	15	-		4,737	11
12	Leasehold Improvements		1995		4,005	-	15	-		4,005	12
13	Land Improvements		1995		3,221	-	10	-		3,221	13
14	Building Improvements		1995		3,019	-	40	75	75	1,807	14
15	Building Improvements		1995		64,500	1,654	39	1,654		39,213	15
16	Patio		1996		1,168	-	15	-		1,168	16
17	Compressor		1996		5,145	-	10	-		5,145	17
18	Road sidewalk		1997		18,094	-	20	-		18,094	18
19	Foundation/Sprinkler		1997		2,068	59	35	59		1,269	19
20	Flagpoles		1997		1,573	-	15	-		1,573	20
21	Basement rehab		1998		12,867	-	10	-		12,867	21
22	MDS Telnet wiring		1998		3,365	-	10	-		3,365	22
23	Flag Pole		1998		787	-	15	-		787	23
24	Resurface/restripe parking lot		1998		4,977	-	10	-		4,977	24
25	Transfer 10 beds from shelter care		1998		2,260	57	40	57		1,144	25
26	1st floor lobby tile		1999		12,153	-	10	-		12,153	26
27	Parking lot repair		2000		3,740	-	10	-		3,740	27
28	Roof repair		2000		10,770	-	10	-		10,770	28
29	Automatic door		2000		1,300	-	10	-		1,300	29
30	Kitchen rehab		2000		16,886	-	10	-		16,886	30
31	Compressor		2001		4,350	-	10	-		4,350	31
32	Boiler vent		2001		3,228	-	10	-		3,228	32
33	Fire pump		2001		1,766	-	10	-		1,766	33
34	Kitchen rehab		2001		721	-	10	-		721	34
35	Elevator infrared curtains		2001		4,500	-	10	-		4,500	35
36	Therapy Room Rehab		2004		64,473	3,224	20	3,224		46,209	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 Lake Zurich, Inc.# 0039768

Report Period Beginning:

1/1/18

Ending:

12/31/18**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	Elevator Upgrade	2004	\$ 3,487	\$ 174	20	\$ 174	\$	\$ 2,452	37
38	HVAC Compressor	2004	11,845	592	20	592		8,437	38
39	Sidewalk, raise and support	2005	700	35	20	35		468	39
40	Pavement for parking lot	2005	6,650	333	20	333		4,521	40
41	Water softner	2005	2,635	132	20	132		1,836	41
42	Plumbing and sprinkler	2005	4,469	223	20	223		3,105	42
43	Lobby and lounge rehab	2005	44,560	2,228	20	2,228		31,006	43
44	Therapy room rehab	2005	1,721	86	20	86		1,140	44
45	First floor therapy room	2005	42,424	2,121	20	2,121		29,028	45
46	Transitional unit	2005	9,898	495	20	495		6,600	46
47	Countertop	2005	845	-	5	-		845	47
48	Wallcovering	2005	439	-	5	-		439	48
49	Panel Brick Replacement	2006	16,001	800	20	800		9,934	49
50	Landscaping Improvement	2006	4,640	-	5	-		4,640	50
51	HVAC	2006	3,999	-	10	-		3,999	51
52	Kitchen Rehab	2006	2,553	-	10	-		2,553	52
53	Wall Mounted Cabinets	2006	10,451	-	10	-		10,451	53
54	Therapy room rehab	2006	2,829	-	10	-		2,829	54
55	Solo step install	2006	3,689	-	10	-		3,689	55
56	Transitional unit	2006	31,685	1,584	20	1,584		19,141	56
57	Employee Lunchroom rehab	2006	1,766	-	10	-		1,766	57
58	Fine Dining	2006	22,517	1,126	20	1,126		13,887	58
59	Land Improvements	2006	5,374	358	15	358		4,386	59
60	Emergency AC	2006	7,564	-	10	-		7,564	60
61	Wood Flooring	2006	1,526	-	10	-		1,526	61
62	HVAC	2007	2,716	-	10	-		2,716	62
63	Emergency AC	2007	18,731	-	10	-		18,731	63
64	First floor remodel-carpentry, flooring, plumbing, painting, fixtures	2007	701,565	-	40	17,539	17,539	206,083	64
65				-		-			65
66	Landscaping	2008	15,920	1,061	15	1,061		11,583	66
67	Parking Lot Repairs	2008	4,224	211	20	211		2,163	67
68	Roof	2008	33,700	1,685	20	1,685		17,833	68
69	Employee Locker Rooms	2008	3,732	93	40	93		953	69
70	TOTAL (lines 4 thru 69)		\$ 7,723,466	\$ 18,331		\$ 196,418	\$ 178,087	\$ 4,574,168	70

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

Facility Name &amp; ID Number Lexington Health Care Center of Lake Zurich, Inc.

# 0039768

Report Period Beginning:

1/1/18

Ending:

12/31/18

## 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	<b>Totals from Page 12A, Carried Forward</b>		\$ 7,723,466	\$ 18,331		\$ 196,418	\$ 178,087	\$ 4,574,168	1
2	Second floor remodel - carpentry, electrical, flooring,	2008	555,633	-	27	20,205	20,205	210,469	2
3	painting			-		-			3
4	Irrigation System	2009	15,335	1,022	15	1,022		9,539	4
5	Landscaping Enhancements	2009	8,276	552	15	552		5,198	5
6	Quick connects	2009	7,611	381	20	381		3,556	6
7	HVAC Chiller	2009	102,185	5,109	20	5,109		48,536	7
8	HVAC-1st floor admin office	2009	7,295	365	20	365		3,315	8
9	2nd floor remodel	2009	9,331	339	27	339		3,390	9
10	Basement Office	2009	2,755	100	27	100		925	10
11	Patio Pergola	2009	8,905	445	20	445		4,153	11
12	3rd floor remodel-Carpentry,plumbing,electrical,handrails	2009	398,350	-	27	14,485	14,485	132,779	12
13	painting,alarm system			-		-			13
14				-		-			14
15				-		-			15
16				-		-			16
17	Med Room Remodel-painting,flooring	2010	5,531	202	27	202		1,666	17
18	Office carpentry,flooring,electrical,painting,plumbing,signs	2010	51,465	4,149	27	4,149		33,192	18
19	Exhaust System	2010	83,215	3,035	27	3,035		24,280	19
20	Office spot cooler	2010	3,456	126	27	126		1,019	20
21	Ceiling insulations	2010	2,640	96	27	96		800	21
22	Remodel pantry-shelves	2010	4,402	161	27	161		1,328	22
23	Paint over bed lights	2010	5,512	201	27	201		1,608	23
24	Exterior Door	2010	2,618	95	27	95		768	24
25	Remodel Library/Lounge and physician office-flooring,	2010	7,796	284	27	284		2,303	25
26	art framing,flooring			-		-			26
27	2nd floor remodel-carpentry,plumbing,electrical	2010	4,838	176	27	176		1,541	27
28	Concrete repair-ramp & railing	2010	10,029	669	15	669		5,519	28
29	Office remodel-doors, carpentry, locks	2011	20,714	753	27	753		5,595	29
30	Landscaping Enhancements	2011	4,987	332	15	332		2,573	30
31	Fire pump and drain line	2011	8,360	304	27	304		2,154	31
32	Laundry room remodel-painting, tile	2011	7,835	285	27	285		2,090	32
33				-		-			33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 9,062,540	\$ 37,512		\$ 250,289	\$ 212,777	\$ 5,082,464	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 Lake Zurich, Inc.# 0039768

Report Period Beginning:

1/1/18

Ending:

12/31/18**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	<b>Totals from Page 12B, Carried Forward</b>		\$ 9,062,540	\$ 37,512		\$ 250,289	\$ 212,777	\$ 5,082,464	1
2	Locker Room-paint, cabinets	2011	7,504	273	27	273		2,002	2
3	2nd floor remodel-doors and locks	2011	17,692	643	27	643		4,715	3
4	HVAC Chiller	2011	99,609	-	27	3,622	3,622	26,863	4
5	Parking lot-Stripe and seal	2011	51,148	-	20	2,558	2,558	18,539	5
6				-		-			6
7	Building wiring	2012	25,124	-	27	914	914	5,710	7
8	Replace pipe kitchen	2012	4,202	-	27	153	153	1,006	8
9				-		-			9
10	Update Dishwashing Area in Kitchen: Tile, Drywall	2013	10,078	-	27	366	366	1,924	10
11				-		-			11
12	Landscaping - adding trees main entrance	2014	10,152	-	15	56	56	281	12
13				-		-			13
14	Repair condensor coil in kitchen cooler	2014	3,402	-	20	170	170	765	14
15	2nd floor shower room - install handrails	2014	4,234	-	27	156	156	702	15
16				-		-			16
17	EMR Entire Buidling Wiring	2015	5,315	193	27	193		692	17
18	R/M Reclass: Fire Alarm Inspection	2015	2,547	-	20	127	127	446	18
19	R/M Reclass: Add Insulation to emergency exhaust pip in hallway	2015	3,100	-	20	155	155	543	19
20	R/M Reclass: Paving and coating parking lot	2015	5,500	-	20	275	275	963	20
21				-		-			21
22	Paving and Seal Coating in Parking Lot	2016	2,500	10	20	10		30	22
23	Electrical Work - Throughout Facility	2016	4,253	18	20	18		54	23
24	Physical Therapy Rm. - Surfacing, Plumbing, Drywall, Wiring, Pa	2016	3,654	66	28	66		198	24
25	Resident Rooms - Installing Chair Rails in First Floor Rooms	2016	6,192	52	10	52		156	25
26	R/M Reclass: Radiator Repair - removing, re-cored, reinstalling, a	2016	8,942	-	15	298	298	894	26
27	filling with new coolant			-		-			27
28									28
29	Installation of water heater-Mechanical room	2017	13,042	1,304	10	1,304	0	1,521	29
30									30
31									31
32	Reconcile book depreciation			(75)		-	75		32
33									33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 9,350,731	\$ 39,996		\$ 261,699	\$ 221,703	\$ 5,150,468	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 Lake Zurich, Inc.

# 0039768

Report Period Beginning:

1/1/18

Ending:

12/31/18

**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	<b>Totals from Page 12C, Carried Forward</b>		\$ 9,350,731	\$ 39,996		\$ 261,699	\$ 221,703	\$ 5,150,468	1
2				-		-			2
3	Building - management company	2002	258,499	-	40	5,848	5,848	126,314	3
4	HVAC, electrical, security system - management company	2003	2,270	-	30	203	203	1,941	4
5	Key card system - management company	2004	357	-	20	18	18	257	5
6	VAV TX controls - management company	2005	109	-	20	6	6	75	6
7	Building improvements - management company	2006	79	-	20	5	5	64	7
8	Building improvements - management company	2008	11,427	-	20	141	141	5,171	8
9	Building improvements - management company	2009	2,179	-	20	123	123	1,129	9
10	Building improvements - management company	2010	2,137	-	20	94	94	1,026	10
11	Building improvements - management company	2011	1,609	-	20	77	77	561	11
12	Building improvements - management company	2012	5,054	-	20	191	191	1,238	12
13	Building improvements - management company	2013	4,200	-	20	249	249	1,549	13
14	Building improvements - management company	2014	2,273	-	20	232	232	1,025	14
15	Building improvements - management company	2015	399	-	20	50	50	171	15
16	Building improvements - management company	2016	6,595	-	20	500	500	1,169	16
17	Building improvements - management company	2017	4,218	-	20	186.30	186	261	17
18	Building improvements - management company	2018	800	-	20	17	17	17	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	<b>TOTAL (lines 1 thru 33)</b>		\$ 9,652,936	\$ 39,996		\$ 269,638	\$ 229,642	\$ 5,292,436	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	\$ 219,793	\$ 34,540	\$ 34,540	\$ -	5-10	\$ 177,628	71
72	Current Year Purchases	13,755	688	688	-	5	688	72
73	Fully Depreciated Assets	1,355,008			-	5-7	1,355,008	73
74	Allocated from Mgmt. Co.	496,339		13,618	13,618		454,718	74
75	TOTALS	\$ 2,084,895	\$ 35,228	\$ 48,846	\$ 13,618		\$ 1,988,042	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.			46,977	-	1,771	1,771		42,481	79
80	TOTALS			\$ 46,977	\$ -	\$ 1,771	\$ 1,771		\$ 42,481	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)	\$ 12,298,488	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 75,224	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 320,255	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 245,031	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 7,322,959	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>4,224</u>			6
7	TOTAL				\$ <u>4,224</u>			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. \_\_\_\_\_ /2019                      \$ \_\_\_\_\_

13. \_\_\_\_\_ /2020                      \$ \_\_\_\_\_

14. \_\_\_\_\_ /2021                      \$ \_\_\_\_\_

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: \$ 66,432 Description: Sch 14A

(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>204</u>	20
21	TOTAL		\$	\$ <u>204</u>	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.

**Facility Name:** Lexington Health Care Center of Lake Zurich, Inc.  
**IDPH License ID Number:** 0039768  
**Fiscal Year End:** 12/31/18

**Schedule 14A**

**XIV. Rental Costs**

**Line 16 Rental Amount for Moveable Equipment**

<u>Rental Description</u>	<u>Amount</u>
Copier	6,682
Postage Machine	323
Printer	3,656
Medical Equip	24,052
Oxygen	30,095
Management Co.	1,623
<b>Total - Line 16</b>	<b><u><u>66,432</u></u></b>

**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>
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**B. EXPENSES**

**ALLOCATION OF COSTS (d)**

		Facility			Total
		1	2	3	
		Drop-outs	Completed	Contract	
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 Supplies (Actual or Allocated)	7 Total Units (Column 2 + 4)	8	
			Staff		Cost	Outside Practitioner (other than consultant)		Total Cost (Col. 3 + 5 + 6)						
			Units of Service			Units	Cost							
1	Licensed Occupational Therapist	39(3)	hrs	\$	10,290	\$	555,931	\$	10,290	\$	555,931	1		
2	Licensed Speech and Language Development Therapist	39(3)	hrs		3,554		99,568		3,554		99,568	2		
3	Licensed Recreational Therapist		hrs									3		
4	Licensed Physical Therapist	39(2)(3)	hrs		15,398		784,256		15,398		3,164	787,420	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								359,358		359,358	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs											10
11	Academic Education		hrs											11
12	Other (specify): <u>Ambulance</u>	39(3)					7,523						7,523	12
13	Other (specify): <u>See Sch 16 A</u>	39(2)									11,009		11,009	13
14	TOTAL			\$	29,242	\$	1,447,278	\$	373,531	\$	29,242	\$	1,820,809	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 Lake Zurich, Inc.  
**IDPH License ID Number:** 0039768  
**Fiscal Year End:** 12/31/18

**Schedule 16A**

**Line 13 Other (specify)**

<u>Description</u>	<u>Units</u>	<u>Amount</u>
Oxygen		9,042
DME		1,967
<b>Total - Line 13</b>	<b>-</b>	<b>11,009</b>

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

# 0039768

Report Period Beginning: 1/1/18

Ending:

12/31/18

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/18

(last day of reporting year)

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

		1	2	
		Operating	After Consolidation*	
<b>A. Current Assets</b>				
1	Cash on Hand and in Banks	\$ 460,264	\$ 474,306	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>3,316,765</u> )	2,070,791	2,070,791	3
4	Supply Inventory (priced at )			4
5	Short-Term Investments			5
6	Prepaid Insurance	304,176	304,176	6
7	Other Prepaid Expenses	34,910	34,910	7
8	Accounts Receivable (owners or related parties)	(1)	104,999	8
9	Other(specify): <u>Due from Related Parties</u>		275,780	9
10	<b>TOTAL Current Assets (sum of lines 1 thru 9)</b>	\$ 2,870,140	\$ 3,264,962	10
<b>B. Long-Term Assets</b>				
11	Long-Term Notes Receivable			11
12	Long-Term Investments	8,906	8,906	12
13	Land		513,680	13
14	Buildings, at Historical Cost		6,418,908	14
15	Leasehold Improvements, at Historical Cost	1,029,797	3,234,028	15
16	Equipment, at Historical Cost	806,239	2,131,872	16
17	Accumulated Depreciation (book methods)	(1,333,084)	(7,322,959)	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 (spec <u>Insurance Recoveries</u> )	144,500	144,500	22
23	Other(specify): <u>Mortgage Cost, Net</u>		55,450	23
24	<b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>	\$ 656,358	\$ 5,184,385	24
25	<b>TOTAL ASSETS (sum of lines 10 and 24)</b>	\$ 3,526,498	\$ 8,449,347	25

		1	2	
		Operating	After Consolidation*	
<b>C. Current Liabilities</b>				
26	Accounts Payable	\$ 705,494	\$ 705,494	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable		6,054,788	29
30	Accrued Salaries Payable	564,765	564,765	30
31	Accrued Taxes Payable (excluding real estate taxes)	24,670	24,670	31
32	Accrued Real Estate Taxes(Sch.IX-B)		166,114	32
33	Accrued Interest Payable		30,741	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
<b>Other Current Liabilities(specify):</b>				
36	<u>See Schedule 17A</u>	11,255,703	2,741,333	36
37				37
38	<b>TOTAL Current Liabilities (sum of lines 26 thru 37)</b>	\$ 12,550,632	\$ 10,287,905	38
<b>D. Long-Term Liabilities</b>				
39	Long-Term Notes Payable	1,829,416	1,829,416	39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
<b>Other Long-Term Liabilities(specify):</b>				
43				43
44				44
45	<b>TOTAL Long-Term Liabilities (sum of lines 39 thru 44)</b>	\$ 1,829,416	\$ 1,829,416	45
46	<b>TOTAL LIABILITIES (sum of lines 38 and 45)</b>	\$ 14,380,048	\$ 12,117,321	46
47	<b>TOTAL EQUITY(page 18, line 24)</b>	\$ (10,853,550)	\$ (3,667,974)	47
48	<b>TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)</b>	\$ 3,526,498	\$ 8,449,347	48

\*(See instructions.)

**Facility Name:** Lexington Health Care Center of Lake Zurich, Inc.  
**IDPH License ID Number:** 0039768  
**Fiscal Year End:** 12/31/18

**XV. Balance Sheet**

**Line 36 Other Current Liabilities (specify):**

	Description	Operating	After Consolidation
00-10140-00	Cash Patient Trust	(20,589)	(20,589)
00-12020-00	Pa Audit Settlement	263,860	263,860
00-13040-00	Sambell Rent Receivable	-	(8,514,370)
00-13200-00	Due From - Lhcs Lake Zurich	80,000	80,000
00-13240-00	Due To Lex Fin Svcs I	-	-
00-13330-00	Due To/From Republic Construction	2,879	2,879
00-14530-00	Prepaid Insurance	59,903	59,903
00-21030-00	Cobra	5,796	5,796
00-21040-00	Withholding - Dental Insurance	(1,538)	(1,538)
00-21050-00	Withholding - Ep/Ci/WI	(4,934)	(4,934)
00-21085-00	Vision Withholding	(190)	(190)
00-21100-00	401K Withholding	(10)	(10)
00-21260-00	Due From Ins Carrier	(21,216)	(21,216)
00-22030-00	Accrued Expenses	37,174	37,174
00-22040-00	Accrued Resident Tax	-	-
00-22060-00	Accrued Vesta 3% Management Fee	1,994,261	1,994,261
00-22065-00	Accrued Royal Management Fees	(67,239)	(67,239)
00-22120-00	Accrued Rent	8,514,370	8,514,370
00-22140-00	Accrued Insurance	150,579	150,579
00-22270-00	Due To Patient Trust Fund	27,074	27,074
00-22330-00	Advance - Biweekly Part A Paym	(7,139)	(7,139)
00-22360-00	Uncollectible Part A Co Pvts	-	-
00-23530-00	Due To - Royal Operations	19,240	19,240
00-23850-00	Due/To From Lhcs Lake Zurich	25,000	25,000
00-23870-00	Due To Lex Fincl Svcs Ii Llc	-	-
00-24400-00	Professional Liability Claims	198,422	198,422
	<b>Total - Line 36</b>	<b>11,255,703</b>	<b>2,741,333</b>
		-	-

**XVI. STATEMENT OF CHANGES IN EQUITY**

		<b>1 Total</b>	
<b>1</b>	<b>Balance at Beginning of Year, as Previously Reported</b>	\$ <b>(9,679,885)</b>	<b>1</b>
<b>2</b>	Restatements (describe):		<b>2</b>
<b>3</b>	<b>Post closing adjustment</b>	<b>(352,896)</b>	<b>3</b>
<b>4</b>			<b>4</b>
<b>5</b>			<b>5</b>
<b>6</b>	<b>Balance at Beginning of Year, as Restated (sum of lines 1-5)</b>	\$ <b>(10,032,781)</b>	<b>6</b>
	<b>A. Additions (deductions):</b>		
<b>7</b>	NET Income (Loss) (from page 19, line 43)	<b>(820,769)</b>	<b>7</b>
<b>8</b>	Aquisitions of Pooled Companies		<b>8</b>
<b>9</b>	Proceeds from Sale of Stock		<b>9</b>
<b>10</b>	Stock Options Exercised		<b>10</b>
<b>11</b>	Contributions and Grants		<b>11</b>
<b>12</b>	Expenditures for Specific Purposes		<b>12</b>
<b>13</b>	Dividends Paid or Other Distributions to Owners	( )	<b>13</b>
<b>14</b>	Donated Property, Plant, and Equipment		<b>14</b>
<b>15</b>	Other (describe)		<b>15</b>
<b>16</b>	Other (describe)		<b>16</b>
<b>17</b>	<b>TOTAL Additions (deductions) (sum of lines 7-16)</b>	\$ <b>(820,769)</b>	<b>17</b>
	<b>B. Transfers (Itemize):</b>		
<b>18</b>			<b>18</b>
<b>19</b>			<b>19</b>
<b>20</b>			<b>20</b>
<b>21</b>			<b>21</b>
<b>22</b>			<b>22</b>
<b>23</b>	<b>TOTAL Transfers (sum of lines 18-22)</b>	\$	<b>23</b>
<b>24</b>	<b>BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)</b>	\$ <b>(10,853,550)</b>	<b>24</b> *

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

**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	
<b>A. Inpatient Care</b>			
1	Gross Revenue -- All Levels of Care	\$ 20,318,122	1
2	Discounts and Allowances for all Levels	(11,073,549)	2
3	<b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>	\$ 9,244,573	3
<b>B. Ancillary Revenue</b>			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	4,903,317	6
7	Oxygen	71,438	7
8	<b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>	\$ 4,974,755	8
<b>C. Other Operating Revenue</b>			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop	525	12
13	Barber and Beauty Care	28,467	13
14	Non-Patient Meals	1,485	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	550,042	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	285,954	19
20	Radiology and X-Ray	28,094	20
21	Other Medical Services	451,810	21
22	Laundry		22
23	<b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b>	\$ 1,346,377	23
<b>D. Non-Operating Revenue</b>			
24	Contributions		24
25	Interest and Other Investment Income****	24,254	25
26	<b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>	\$ 24,254	26
<b>E. Other Revenue (specify):****</b>			
27	<b>Settlement Income (Insurance, Legal, Etc.)</b>		27
28			28
28a			28a
29	<b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>	\$	29
30	<b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>	\$ 15,589,959	30

		2	
II. Expenses		Amount	
<b>A. Operating Expenses</b>			
31	General Services	1,828,789	31
32	Health Care	6,513,459	32
33	General Administration	3,897,915	33
<b>B. Capital Expense</b>			
34	Ownership	1,661,551	34
<b>C. Ancillary Expense</b>			
35	Special Cost Centers	2,094,042	35
36	Provider Participation Fee	414,972	36
<b>D. Other Expenses (specify):</b>			
37			37
38			38
39			39
40	<b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>	\$ 16,410,728	40
41	<b>Income before Income Taxes (line 30 minus line 40)**</b>	(820,769)	41
42	<b>Income Taxes</b>		42
43	<b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b>	\$ (820,769)	43
<b>III. Net Inpatient Revenue detailed by Payer Source</b>			
44	Medicaid - Net Inpatient Revenue	\$ 1,974,752	44
45	Private Pay - Net Inpatient Revenue	1,649,772	45
46	Medicare - Net Inpatient Revenue	536,643	46
47	Other-(specify) <u>Managed Care</u>	5,083,406	47
48	Other-(specify)		48
49	<b>TOTAL Inpatient Care Revenue (This total must agree to Line 3)</b>	\$ 9,244,573	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 Lake Zurich, Inc.

# 0039768

Report Period Beginning:

1/1/18

Ending:

12/31/18

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	1,827	2,356	\$ 175,020	\$ 74.28	1
2	Assistant Director of Nursing	1,277	1,519	62,842	41.36	2
3	Registered Nurses	54,075	61,314	2,162,927	35.28	3
4	Licensed Practical Nurses	16,027	17,682	497,509	28.14	4
5	CNAs & Orderlies	106,475	114,114	1,942,919	17.03	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,479	2,116	37,020	17.50	9
10	Activity Assistants	5,669	6,485	71,401	11.01	10
11	Social Service Workers	7,380	8,323	179,435	21.56	11
12	Dietician	1,925	2,091	46,575	22.27	12
13	Food Service Supervisor	279	975	12,492	12.81	13
14	Head Cook	1,925	2,131	41,695	19.56	14
15	Cook Helpers/Assistants	23,888	26,863	317,203	11.81	15
16	Dishwashers					16
17	Maintenance Workers	1,653	2,168	46,994	21.67	17
18	Housekeepers	33,296	38,210	447,246	11.70	18
19	Laundry					19
20	Administrator	1,745	2,055	124,403	60.55	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	5,225	6,076	102,434	16.86	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	1,896	2,330	47,150	20.24	31
32	Other Health C: See Sch 20A	18,493	24,648	701,448	28.46	32
33	Other(specify) <u>Marketing</u>			4,668		33
34	TOTAL (lines 1 - 33)	284,534	321,457	\$ 7,021,381 *	\$ 21.84	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 42,000	9(3)	36
37	Medical Records Consultant	Monthly 439	10(3)	37
38	Nurse Consultant			38
39	Pharmacist Consultant	Monthly 18,133	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 4,752	11(3)	44
45	Social Service Consultant	Monthly 4,471	12(3)	45
46	Other(specify) <u>Pulmonary</u>	Monthly 54,342	10(3)	46
47	<u>Medical Consultant</u>	Monthly 477	10(7)	47
48	<u>Sch. 20B</u>	Monthly 13,097	10(3)	48
49	TOTAL (lines 35 - 48)	\$ 137,711		49

C. CONTRACT NURSES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference		
50	Registered Nurses	\$		50	
51	Licensed Practical Nurses			51	
52	Certified Nurse Assistants/Aides	3,951	105,215	10(3)	52
53	TOTAL (lines 50 - 52)	3,951	\$ 105,215		53

**Facility Name:** Lexington Health Care Center of Lake Zurich, Inc.  
**IDPH License ID Number:** 0039768  
**Fiscal Year End:** 12/31/18

**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
Staffing Coordinator	1,768	2,204	35,394	\$ 16.06
Unit Secretary	6,087	8,250	182,311	\$ 22.10
Accounts Coordinator	1,849	2,368	35,237	\$ 14.88
Admissions	1,502	1,749	60,143	\$ 34.40
MDS	2,804	4,116	138,819	\$ 33.72
Clinical Coordinator	1,707	2,248	78,392	\$ 34.88
Transitional Care Nurse	505	893	51,137	\$ 57.28
Wound Care Coordinator	2,271	2,820	120,015	\$ 42.56
<b>Total - Line 32 Other Health Care (specify):</b>	<b>18,493</b>	<b>24,648</b>	<b>701,448</b>	<b>\$ 28.46</b>

**Schedule 20B**

**B. CONSULTANT SERVICES**

Description	Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference
Post Acute Consultant	Monthly	3,947	10(3)
Telemedicine Consultant	Monthly	9,150	10(3)
<b>Total - Line 48</b>		<b>13,097</b>	



Facility Name: Lexington Health Care Center of Lake Zurich, Inc.  
 IDPH License ID Number: 0039768  
 Fiscal Year End: 12/31/18

**Schedule 21C**

**XIX. SUPPORT SCHEDULES**  
**C. Professional Services**

Vendor	Type	Amount
Collections	Legal services	17,436
Connected For Care LLC	Computer services	4,818
Curatess	Computer services	5,195
Royal Management/Operations	Computer services	36,757
Onshift	Computer services	7,770
Relias	Computer services	8,172
Sales Force	Computer services	8,705
Information Control	Computer services	2,323
Icims	Computer services	8,843
National Datacare Corp.	Computer services	2,898
Softchoice	Computer services	6,708
Microsoft	Computer services	12,719
NetSMART	Computer services	14,313
<b>Total (agree to Schedule V, line 19, column 3)</b>		<b>183,500</b>

Less:- Disallow Marketing Expent Computer Software (8,705)  
 Less: Non-Allowable Legal Fees Collection (17,436)

<i>Allocated from Real Estate</i>	Secretary of State	250
<i>Allocated from SV of Lombard II</i>		
Friedman & Huey	Accounting	125
Duane Morris	Legal	24
Illinois Secretary of State	Filing Fees	2
<i>Allocated from Mgmt. Co.</i>		
Much Shelist	Legal	1,514
Duane Morris	Legal	969
Partridge Partners	Legal	73
RSM	Accounting	1,662
Friedman & Huey	Accounting	501
IL Secretary of State	Filing Fees	5
West Suburban Bank	Banking	6
Personnel Planners	U/C Consultant	10
LaSalle Network	Recruiting / Finance	8,779
Pension Administrators, Inc.	401K Administration	228
Gene Whitehorn	Public Aid Pending Consultant	1,513
Steely Group LLC	Financial Consulting	2,468
M Werner Consulting	Public Aid Consultant	68
Early Stage Solutions	Financial Consulting	16,736
Objective Arts	Public Aid Pending Consultants	307
Adam Lefton	Financial Consulting	7,097
Brilliant Staffing LLC	Financial Consulting	2,359
Mark J Eenigenburg	Budgeting Consultant	2,208
Deloitte Consulting LLP	Compensation Consulting	1,035
John Mattone Partners	Workplace Consultant	5,707
Mark Rodeghier	Survey Preparation Consultant	305
JGC Advisors LLC	Contracting Consultant	143
Michel Desjardins	Contracting Consultant	77
Pathway Health Services	Operational & Financial Consulting	(163)
Brandlin & Associates	Banking Consultants	22,014
Steven Wood	Strategy/Operations Consulting	868
Susan Parker	Social Service Consultant	14
Focus Pointe Global	Strategic Planning	240
Andrzej Stankiewicz	General Business Consulting	201
DLC	Financial Planning & Analysis	3,225
Fieldwork	Recruitment Consultant	431
Computer Services	Computer Consulting	19,892
<b>Total (agree to Schedule V, line 19, column 8)</b>		<b>258,253</b>

Facility Name & ID Number Lexington Health Care Center of Lake Zurich, Inc.# 0039768

Report Period Beginning:

1/1/18Ending: 12/31/18**XX. GENERAL INFORMATION:**

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes  
If YES, give association name and amount. IHCA - \$5,400
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (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. \$ 41,963 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. \$ 414,972  
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? Yes Indicate the amount. \$ 1,485
- (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.