FOR BHF USE

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2013
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT (COST REPORT)
FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2013)

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

I. IDPH License ID Number: 0049809

Facility Name: PAVILION OF WAUKEGAN

Address: 2217 WASHINGTON ST (Number) WAUKEGAN (City) 60085 (Zip Code)

County: LAKE

Telephone Number: (847)244-4100 **Fax #** (847)244-2183

HFS ID Number:

Date of Initial License for Current Owners: 12/01/07

Type of Ownership:

	VOLUNTARY,NON-PROFIT	X	PROPRIETARY		GOVERNMENTAL
	Charitable Corp.		Individual		State
	Trust		Partnership		County
IRS Exemption Code			Corporation		Other
			"Sub-S" Corp.		
		X	Limited Liability Co.		
			Trust		
			Other		

In the event there are further questions about this report, please contact:
Name: MENDEL SCHNEIDER **Telephone Number:** (847)933-1274
Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/2013 to 12/31/2013 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

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

Officer or Administrator of Provider
(Signed) (Date)
(Type or Print Name)
(Title)

Paid Preparer
(Signed) (Date)
(Print Name and Title) See Accountant's Report Attached
(Firm Name & Address) Mendel S. Schneider & Associates C.P.A., P.C.
4051 Old Orchard Rd, Skokie, Il 60076
(Telephone) (847)933-1274 Fax # (847)93-1283

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds _____

	1 Beds at Beginning of Report Period	2 Licensure Level of Care	3 Beds at End of Report Period	4 Licensed Bed Days During Report Period	
1	109	Skilled (SNF)	109	39,785	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	109	TOTALS	109	39,785	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment: Medicaid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF	4,724		8,136	12,860	8
9	SNF/PED					9
10	ICF	18,896	1,629	77	20,602	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	23,620	1,629	8,213	33,462	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 84.11%

D. How many bed-hold days during this year were paid by the Department?
None (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)
None

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [ ] NO [X]

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES [ ] NO [X]

I. On what date did you start providing long term care at this location?
Date started 12/01/07

J. Was the facility purchased or leased after January 1, 1978?
YES [X] Date 12/01/07 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 109 and days of care provided 6,030

Medicare Intermediary NATIONAL GOVERNMENT SERVICES

IV. ACCOUNTING BASIS

ACCRUAL [X] MODIFIED CASH* [ ] CASH* [ ]

Is your fiscal year identical to your tax year? YES [X] NO [ ]

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

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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

	Operating Expenses	Costs Per General Ledger Salary/Wage 1	Supplies 2	Other 3	Total 4	Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY 9	10	
	A. General Services											
1	Dietary	269,795	30,747	8,300	308,842		308,842		308,842			1
2	Food Purchase		183,080		183,080		183,080		183,080			2
3	Housekeeping	140,508	36,504		177,012		177,012		177,012			3
4	Laundry	18,549	3,691	14,379	36,619		36,619		36,619			4
5	Heat and Other Utilities			75,363	75,363		75,363		75,363			5
6	Maintenance	71,447		64,323	135,770		135,770		135,770			6
7	Other (specify):*											7
8	**TOTAL General Services**	500,299	254,022	162,365	916,686		916,686		916,686			8
	B. Health Care and Programs											
9	Medical Director	1,919,223		80,200	1,999,423		1,999,423		1,999,423			9
10	Nursing and Medical Records		430,991	15,011	446,002		446,002		446,002			10
10a	Therapy			590,861	590,861		590,861		590,861			10a
11	Activities	87,415	13,901	1,514	102,830		102,830		102,830			11
12	Social Services	49,536			49,536		49,536		49,536			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	**TOTAL Health Care and Programs**	2,056,174	444,892	687,586	3,188,652		3,188,652		3,188,652			16
	C. General Administration											
17	Administrative	81,962		360,000	441,962		441,962	(253,758)	188,204			17
18	Directors Fees											18
19	Professional Services			75,055	75,055		75,055	22,367	97,422			19
20	Dues, Fees, Subscriptions & Promotions			117,878	117,878		117,878	(76,594)	41,284			20
21	Clerical & General Office Expenses	175,441	11,652	94,346	281,439		281,439	94,881	376,320			21
22	Employee Benefits & Payroll Taxes			500,171	500,171		500,171		500,171			22
23	Inservice Training & Education											23
24	Travel and Seminar			6,170	6,170		6,170	9,916	16,086			24
25	Other Admin. Staff Transportation			31,344	31,344		31,344	9,786	41,130			25
26	Insurance-Prop.Liab.Malpractice			104,040	104,040		104,040		104,040			26
27	Other (specify):*							10,437	10,437			27
28	**TOTAL General Administration**	257,403	11,652	1,289,004	1,558,059		1,558,059	(182,965)	1,375,094			28
29	**TOTAL Operating Expense (sum of lines 8, 16 & 28)**	2,813,876	710,566	2,138,955	5,663,397		5,663,397	(182,965)	5,480,432			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.

Facility Name & ID Number PAVILION OF WAUKEGAN #0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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							
	D. Ownership	1	2	3	4	5	6	7	8	9	10	
30	Depreciation			42,121	42,121		42,121	85,565	127,686			30
31	Amortization of Pre-Op. & Org.							2,134	2,134			31
32	Interest			42,125	42,125		42,125	22,857	64,982			32
33	Real Estate Taxes			108,651	108,651		108,651		108,651			33
34	Rent-Facility & Grounds			526,758	526,758		526,758	12,028	538,786			34
35	Rent-Equipment & Vehicles											35
36	Other (specify):*											36
37	**TOTAL Ownership**			719,655	719,655		719,655	122,584	842,239			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers			125,706	125,706		125,706		125,706			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			225,261	225,261		225,261		225,261			42
43	Other (specify):* **Bad Debt**			76,060	76,060		76,060	(76,060)				43
44	**TOTAL Special Cost Centers**			427,027	427,027		427,027	(76,060)	350,967			44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	2,813,876	710,566	3,285,637	6,810,079		6,810,079	(136,441)	6,673,638			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 PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer-ence	3 BHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	33,727	30		9
10	Interest and Other Investment Income	(204)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax				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	(3,378)	21		18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(7,000)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(76,060)	43		24
25	Fund Raising, Advertising and Promotional	(87,477)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule				29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (140,392)		$	30

BHF USE ONLY								
48		49		50		51		52

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

		1 Amount	2 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)	3,951		34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$ 3,951		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (136,441)		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 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.			$		38
39						39
40	Gift and Coffee Shops					40
41	Barber and Beauty Shops					41
42	Laboratory and Radiology					42
43	Prescription Drugs					43
44						44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

PAVILION OF WAUKEGAN

ID# 0049809

Report Period Beginning: 01/01/2013

Ending: 12/31/2013

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1		$		1
2				2
3				3
4				4
5				5
6				6
7				7
8				8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				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	**Total**	0		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 **Report Period Beginning:** 01/01/2013 **Ending:** 12/31/2013

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

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	0	0	0	0	0	0	0	0	0	0	0	0	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	**TOTAL General Services**	0	0	0	0	0	0	0	0	0	0	0	0	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	**TOTAL Health Care and Programs**	0	0	0	0	0	0	0	0	0	0	0	0	16
	C. General Administration													
17	Administrative	0	0	(253,758)	0	0	0	0	0	0	0	0	(253,758)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(7,000)	0	29,367	0	0	0	0	0	0	0	0	22,367	19
20	Fees, Subscriptions & Promotions	(87,477)	0	10,883	0	0	0	0	0	0	0	0	(76,594)	20
21	Clerical & General Office Expenses	(3,378)	0	98,259	0	0	0	0	0	0	0	0	94,881	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	9,916	0	0	0	0	0	0	0	0	9,916	24
25	Other Admin. Staff Transportation	0	0	9,786	0	0	0	0	0	0	0	0	9,786	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	0	0	0	0	0	0	0	0	0	26
27	Other (specify):*	0	0	10,437	0	0	0	0	0	0	0	0	10,437	27
28	**TOTAL General Administration**	(97,855)	0	(85,110)	0	0	0	0	0	0	0	0	(182,965)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(97,855)	0	(85,110)	0	0	0	0	0	0	0	0	(182,965)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 **Report Period Beginning:** 01/01/2013 **Ending:** 12/31/2013

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

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY TOTALS	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
30	Depreciation	33,727	31,364	20,474	0	0	0	0	0	0	0	0	85,565	30
31	Amortization of Pre-Op. & Org.	0	2,134	0	0	0	0	0	0	0	0	0	2,134	31
32	Interest	(204)	23,061	0	0	0	0	0	0	0	0	0	22,857	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	0	4,901	7,127	0	0	0	0	0	0	0	0	12,028	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	33,523	61,460	27,601	0	0	0	0	0	0	0	0	122,584	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	(76,060)	0	0	0	0	0	0	0	0	0	0	(76,060)	43
44	TOTAL Special Cost Centers	(76,060)	0	0	0	0	0	0	0	0	0	0	(76,060)	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(140,392)	61,460	(57,509)	0	0	0	0	0	0	0	0	(136,441)	45

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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
AARON TOPPER	75	CROSSROADS CARE CENTER OF WOODSTOCK	WOODSTOCK	AA HEALTHCARE	SKOKIE	MANAGEMENT
JOSEPH BRANDMAN	25	PARK PLACE OF BELVIDERE	BELVIDERE	MGT LLC		
				PAVILION OF WAUKEGAN		
				REALTY, LLC	WAUKEGAN	BLD RENTAL

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. [X] 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 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V	34	RENT	$ 41,515	PAVILION OF WAUKEGAN REALTY, LLC	100.00%	$	$ (41,515)	1
2	V	34	RENT		PAVILION OF WAUKEGAN REALTY, LLC		46,416	46,416	2
3	V	30	DEPRECIATION		PAVILION OF WAUKEGAN REALTY, LLC		31,364	31,364	3
4	V	32	INTEREST		PAVILION OF WAUKEGAN REALTY, LLC		23,061	23,061	4
5	V	31	AMORTIZATION		PAVILION OF WAUKEGAN REALTY, LLC		2,134	2,134	5
6	V								6
7	V								7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			$ 41,515			$ 102,975	$ * 61,460	14

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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. [X] 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 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V	17	HOME OFFICE	$ 360,000	AA HEALTHCARE MANAGEMENT, LLC	100.00%	$	$ (360,000)	15
16	V	17	Owners Compensation		AA HEALTHCARE MANAGEMENT, LLC		106,242	106,242	16
17	V	19	Professional fees		AA HEALTHCARE MANAGEMENT, LLC		29,367	29,367	17
18	V	20	Fees,Subscriptions		AA HEALTHCARE MANAGEMENT, LLC		10,883	10,883	18
19	V	21	Clerical Salaries		AA HEALTHCARE MANAGEMENT, LLC		84,495	84,495	19
20	V	21	Office Expenses		AA HEALTHCARE MANAGEMENT, LLC		13,764	13,764	20
21	V	24	Travel & Seminars		AA HEALTHCARE MANAGEMENT, LLC		9,916	9,916	21
22	V	25	Transportation		AA HEALTHCARE MANAGEMENT, LLC		9,786	9,786	22
23	V	27	Employee Benefits		AA HEALTHCARE MANAGEMENT, LLC		10,437	10,437	23
24	V	30	Depreciation		AA HEALTHCARE MANAGEMENT, LLC		20,474	20,474	24
25	V	34	Rent		AA HEALTHCARE MANAGEMENT, LLC		7,127	7,127	25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$ 360,000			$ 302,491	$ * (57,509)	39

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

VII. RELATED PARTIES

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

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

VII. RELATED PARTIES (continued)

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

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

	1	2	3	4	5	6		7		8	
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		Compensation Included in Costs for this Reporting Period**		Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	AARON TOPPER	OWNER/ADMIN	Administrative	75.00	112,091	40	80.00	Mgt Fees	$ 106,242	17-3	1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	$ 106,242		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 PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 2/31/2013

VIII. ALLOCATION OF INDIRECT COSTS

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

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

Name of Related Organization: AA HEALTHCARE MANAGEMENT
Street Address: 8170 N. MCCORMICK BLVD. ST 131
City / State / Zip Code: SKOKIE,IL 60076
Phone Number: ((847)983-4860
Fax Number: ((847)673-3379

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	17	Owners Compensation	NUMBER OF BEDS	224		$ 218,333	$	109	$ 106,242	1
2	34	Rent	NUMBER OF BEDS	224		14,647		109	7,127	2
3	19	Professional fees	NUMBER OF BEDS	224		60,350		109	29,367	3
4	20	Fees, Subscriptions	NUMBER OF BEDS	224		22,366		109	10,883	4
5	21	Clerical Salaries	NUMBER OF BEDS	224		173,642	173,642	109	84,495	5
6	21	Office Expenses	NUMBER OF BEDS	224		28,286		109	13,764	6
7	24	Travel & Seminars	NUMBER OF BEDS	224		20,377		109	9,916	7
8	25	Transportation	NUMBER OF BEDS	224		20,111		109	9,786	8
9	27	Employee Benefits	NUMBER OF BEDS	224		21,448		109	10,437	9
10	30	Depreciation	NUMBER OF BEDS	224		42,076		109	20,474	10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$ 621,636	$ 173,642		$ 302,491	25

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related											
	Long-Term											
1	M.B. BANK		X	MORTGAGE	$23,429.29	10/31/13	$ 4,600,000	$ 4,600,000	10/31/18	4.0000	$ 21,563	1
2	M.B. BANK		X	MORTGAGE		10/31/13	959,250	959,250	10/31/18	4.0000	1,498	2
3	EXT TERMS AMERICA		X	ENERGY EFF LIGHT FIX	$1,282.00		28,345	12,992			1,212	3
4	ALLY BANK		X	AUTO							846	4
5												5
	Working Capital											
6	LAKE FOREST BANK		X	WORKING CAPITAL							19,976	6
7	MB BANK		X	WORKING CAPITAL				791,106			6,921	7
8	MISC & DEF LOAN COSTS										13,169	8
9	TOTAL Facility Related				$24,711.29		$ 5,587,595	$ 6,363,348			$ 65,186	9
	B. Non-Facility Related*											
10	INTEREST INCOME										(204)	10
11												11
12												12
13												13
14	TOTAL Non-Facility Related						$	$			$ (204)	14
15	TOTALS (line 9+line14)						$ 5,587,595	$ 6,363,348			$ 64,982	15

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

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

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2012 report.	**Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.**	$	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		$ 108,651	2
3. Under or (over) accrual (line 2 minus line 1).		$ 108,651	3
4. Real Estate Tax accrual used for 2013 report. (Detail and explain your calculation of this accrual on the lines below.)		$	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. **(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)**		$	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. **TOTAL REFUND $ For Tax Year.** **(Attach a copy of the real estate tax appeal board's decision.)**		$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		$ 108,651	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	2008	74,290	8
	2009	77,004	9
	2010	89,251	10
	2011	83,312	11
	2012	108,651	12

	FOR BHF USE ONLY		
13	FROM R. E. TAX STATEMENT FOR 2012	$	13
14	PLUS APPEAL COST FROM LINE 5	$	14
15	LESS REFUND FROM LINE 6	$	15
16	AMOUNT TO USE FOR RATE CALCULATION	$	16

NOTES:

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

2012 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME PAVILION OF WAUKEGAN COUNTY LAKE

FACILITY IDPH LICENSE NUMBER 0049809

CONTACT PERSON REGARDING THIS REPORT AARON TOPPER

TELEPHONE (847)983-4860 FAX #: (847)673-3379

A. **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2012 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2012.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	08-20-300-044	NURSING HOME	$ 103,014.15	$ 103,014.15
2.	08-20-311-001	NURSING HOME	$ 5,637.33	$ 5,637.33
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 108,651.48	$ 108,651.48

B. **Real Estate Tax Cost Allocations**

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

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

C. **Tax Bills**

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

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 26,161 B. General Construction Type: Exterior Brick Frame Steel Number of Stories 2

C. Does the Operating Entity? [X] (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. [X] (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).

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

1. Total Amount Incurred: 42,688
2. Number of Years Over Which it is Being Amortized: 5
3. Current Period Amortization: 2,134
4. Dates Incurred: 10/31/2013

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

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Nursing home	36,213	2013	$ 460,000	1
2					2
3	TOTALS	36,213		$ 460,000	3

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

XI. OWNERSHIP COSTS (continued)

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

	1 Beds*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	109		2013		$ 4,140,000	$ 31,364	27.5	$ 31,364	$	$ 31,364	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	ELECTRIC			2008	10,292	264	39	264		1,474	9
10	LANDSCAPING			2008	5,106	255	20	255		1,383	10
11	DOOR KICKPLATES			2009	1,913	191	10	191		876	11
12	ELEVATOR PUMPS			2009	1,462	146	10	146		682	12
13	THERMOSTATIC MIXING VALVE			2009	3,955	101	39	101		439	13
14	DOOR ALARM SYSTEM			2009	1,089	109	10	109		463	14
15	CIRCULATING PUMP-HOT WATER HEATE			2009	1,041	104	10	104		425	15
16	SPACE PAK UNIT MOTOR			2010	1,757	176	10	176		688	16
17	LOCKINVAR			2010	8,942	596	15	596		2,235	17
18	NEW LOCKS			2010	1,417	142	10	142		473	18
19	ELEVATOR ICU CONTROL BOARD			2011	956	96	10	96		263	19
20	EXIT DOOR DEVICE			2011	814	81	10	81		203	20
21	SPRINKLER HEADS			2011	540	54	10	54		131	21
22	BASEMENT TILE FLOORING			2011	964	96	10	96		225	22
23	PATIO DOOR			2011	2,168	217	10	217		488	23
24	DOORS			2012	3,365	337	10	337		674	24
25	FREIGHT FOR SMOKE SHELTER			2012	289	29	10	29		58	25
26	2 ROLLER GUIDES FOR ELEVATOR			2012	704	70	10	70		130	26
27	ELEVATOR STARTER CONTACTS			2012	760	76	10	76		139	27
28	A/C IGNITION MODULE			2012	557	56	10	56		98	28
29	ELEVATOR FIRE EQUIPMENT			2012	667	67	10	67		112	29
30	REMODELING SUPPLIES FOR REHAB ROOM			2012	951	24	40	24		40	30
31	RECOVER 40 DOORS			2012	1,025	103	10	103		168	31
32	TEMPERATURE VALVE			2012	599	60	10	60		95	32
33	REMODELING ROOMS 103 & 105-CONTRACT-BOB'S REMODEL			2012	4,850	121	40	121		202	33
34	LIGHT FIXTURES			2012	1,282	32	40	32		53	34
35	ELEVATOR DOOR RESTRICTOR			2012	523	52	10	52		83	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 PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

XI. OWNERSHIP COSTS (continued)

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

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37	FIRE EXIT DEVICE FOR DOORS	2012	$ 671	$ 67	10	$ 67	$	$ 106	37
38	3 FIRE SPRINKLERS	2012	1,659	166	10	166		249	38
39	ENERGY EFF LIGHTING FIXTURES	2012	28,345	709	40	709		1,063	39
40	1ST FLOOR FLOORING	2012	12,995	325	40	325		487	40
41	ELEVATOR CONTROL RELAYS	2012	635	64	10	64		90	41
42	FLAT BAR IN NURSES STATION	2012	975	98	40	98		108	42
43	WALL BASE & FLOORING	2012	5,035	126	40	126		179	43
44	HEATING & COOLING PUMP	2012	514	51	10	51		72	44
45	GENERATOR	2012	1,047	105	10	105		140	45
46	FLOORING	2012	368	9	40	9		11	46
47	PAVEMENT SEALER	2012	1,800	90	20	90		113	47
48	FLOORING- FIRST FLOOR	2012	1,432	143	10	143		155	48
49	ELEVATOR GUIDE ROLLERS	2012	545	14	40	14		15	49
50	REMODEL THERAPY ROOM,DINING ROOM, LOBBY	2013	182,347	829	27.5	829		829	50
51	AND FAMILY LOUNGE								51
52	LOBBY:FURNISH AND INSTALLATION OF SCULPTED								52
53	WALLPANEL WITH CUSTOM LOGO								53
54	CORRIDOR:INSTALLATION OF NEW FLOOR AND								54
55	REMOVAL OF OLD FLOOR THROUGHT ENTIRE CORRIDOR								55
56	THERAPY ROOM;WALLCOVERING AND FLOORING OF								56
57	ENTIRE THERAPY ROOM								57
58	DINING ROOM: WALLCOVERING AND NEW FLOORING								58
59	OF ENTIRE DINING ROOM								59
60	FAMILY LOUNGE: INSTALLATION OF NEW WALLS AND								60
61	DOORS, MODIFYING ELECTRIC POWER, INSTALLATION								61
62	OF NEW FLOOR AND NEW CARPET								62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		$ 4,436,356	$ 37,815		$ 37,815	$	$ 47,281	70

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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	$ 296,390	$ 10,103	$ 59,278	$ 49,175	5	$ 165,544	71
72	Current Year Purchases	79,692	32,319	15,938	(16,381)	5	15,938	72
73	Fully Depreciated Assets							73
74								74
75	TOTALS	$ 376,082	$ 42,422	$ 75,216	$ 32,794		$ 181,482	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	FACILITY	2013 ELKHART COACH	2013	$ 53,862	$ 10,772	$ 10,772	$	5	$ 10,772	76
77		2011 Toyota Camry	2011	19,418	2,950	3,883	933	5	8,090	77
78										78
79										79
80	TOTALS			$ 73,280	$ 13,722	$ 14,655	$ 933		$ 18,862	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)	$ 5,345,718	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 93,959	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 127,686	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 33,727	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 247,625	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		$	$	$	86
87					87
88					88
89					89
90					90
91	TOTALS	$	$	$	91

G. Construction-in-Progress

	Description	Cost	
92		$	92
93			93
94			94
95		$	95

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

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease:
2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
   If NO, see instructions. ☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				$			3
4	Additions							4
5								5
6								6
7	TOTAL				$ **			7

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: *

10. Effective dates of current rental agreement:
    Beginning
    Ending

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	/2014	$
13.	/2015	$
14.	/2016	$

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? ☐ YES ☒ X NO
16. Rental Amount for movable equipment: $ 94,211 Description: Medical Equipment
    (Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			$	$	17
18					18
19					19
20					20
21	TOTAL		$	$	21

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

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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.)

1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?
   - [ ] YES
   - [X] NO

   If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - COMMUNITY COLLEGE [ ]
   - HOURS PER CNA ____

3. CLINICAL PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - HOURS PER CNA ____

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		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.

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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

	1	2		3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff Units of Service	Staff Cost	Outside Practitioner (other than consultant) Units	Outside Practitioner (other than consultant) Cost	Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
1	Licensed Occupational Therapist		hrs	$		$ 162,569	$		$ 162,569	1
2	Licensed Speech and Language Development Therapist		hrs			36,659			36,659	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist		hrs			391,633			391,633	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy		# of prescrpts				125,707		125,707	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): Dialysis						72,415		72,415	12
13	Other (specify):									13
14	TOTAL			$		$ 590,861	$ 198,122		$ 788,983	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.

STATE OF ILLINOIS

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2013 (last day of reporting year)

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

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 36,238	$ 1,012,574	1
2	Cash-Patient Deposits	89,768	89,768	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	2,237,299	2,237,299	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	54,395	54,395	6
7	Other Prepaid Expenses	130,239	130,239	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Due from Others,Escrow	378,340	432,666	9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 2,926,279	$ 3,956,941	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		460,000	13
14	Buildings, at Historical Cost		4,140,000	14
15	Leasehold Improvements, at Historical Cost	296,356	296,356	15
16	Equipment, at Historical Cost	428,888	428,888	16
17	Accumulated Depreciation (book methods)	(162,057)	(193,421)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs		42,688	19
20	Accumulated Amortization - Organization & Pre-Operating Costs		(2,134)	20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 563,187	$ 5,172,377	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 3,489,466	$ 9,129,318	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 1,499,422	$ 1,499,422	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	157,766	157,766	28
29	Short-Term Notes Payable	803,568	803,568	29
30	Accrued Salaries Payable	190,132	190,132	30
31	Accrued Taxes Payable (excluding real estate taxes)	24,265	24,265	31
32	Accrued Real Estate Taxes(Sch.IX-B)			32
33	Accrued Interest Payable	2,469	2,469	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	Accrued Expenses	88,658	88,658	36
37	Due Others	487,684	529,746	37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 3,253,964	$ 3,296,026	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	54,179	5,613,429	39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$ 54,179	$ 5,613,429	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 3,308,143	$ 8,909,455	46
47	**TOTAL EQUITY(page 18, line 24)**	$ 181,323	$ 219,863	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 3,489,466	$ 9,129,318	48

*(See instructions.)

Facility Name & ID Number PAVILION OF WAUKEGAN **#** 0049809 **Report Period Beginning:** 01/01/2013 **Ending:** 12/31/2013

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total		
1	**Balance at Beginning of Year, as Previously Reported**	$ (25,623)	1	
2	Restatements (describe):		2	
3			3	
4			4	
5			5	
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ (25,623)	6	
	A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	346,996	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	(140,050)	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)**	$ 206,946	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)**	$ 181,323	24	*

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

	I. Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 7,123,627	1
2	Discounts and Allowances for all Levels	( )	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 7,123,627	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy		6
7	Oxygen		7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$	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		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services		21
22	Laundry		22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	204	25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ 204	26
	E. Other Revenue (specify):**		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	MISC INCOME	33,244	28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 33,244	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 7,157,075	30

	II. Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	916,686	31
32	Health Care	3,188,652	32
33	General Administration	1,558,059	33
	B. Capital Expense		
34	Ownership	719,655	34
	C. Ancillary Expense		
35	Special Cost Centers	201,766	35
36	Provider Participation Fee	225,261	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 6,810,079	40
41	**Income before Income Taxes (line 30 minus line 40)****	346,996	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ 346,996	43

	III. Net Inpatient Revenue detailed by Payer Source		
44	Medicaid - Net Inpatient Revenue	$ 3,228,381	44
45	Private Pay - Net Inpatient Revenue	292,710	45
46	Medicare - Net Inpatient Revenue	3,106,667	46
47	Other-(specify) Vet,Managed Care, Insurance, B income	495,869	47
48	Other-(specify)		48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	$ 7,123,627	49

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

** **Does this agree with taxable income (loss) per Federal Income Tax Return? No, Cash Basis 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.**

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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

(This schedule must cover the entire reporting period.)

		1 # of Hrs. Actually Worked	2** # of Hrs. Paid and Accrued	3 Reporting Period Total Salaries, Wages	4 Average Hourly Wage	
1	Director of Nursing	2,024	2,160	$ 97,860	$ 45.31	1
2	Assistant Director of Nursing					2
3	Registered Nurses	33,581	34,511	841,181	24.37	3
4	Licensed Practical Nurses	11,857	12,368	286,278	23.15	4
5	CNAs & Orderlies	64,826	66,251	669,037	10.10	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,914	2,160	32,400	15.00	9
10	Activity Assistants	5,321	5,483	55,015	10.03	10
11	Social Service Workers	2,064	2,160	49,536	22.93	11
12	Dietician					12
13	Food Service Supervisor	2,704	3,095	67,477	21.80	13
14	Head Cook					14
15	Cook Helpers/Assistants	19,637	20,294	202,318	9.97	15
16	Dishwashers					16
17	Maintenance Workers	4,814	5,072	71,447	14.09	17
18	Housekeepers	16,866	16,866	140,508	8.33	18
19	Laundry	1,586	1,586	18,549	11.70	19
20	Administrator					20
21	Assistant Administrator	2,072	2,200	81,962	37.26	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	11,226	11,715	175,441	14.98	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	1,781	1,963	24,867	12.67	31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	182,273	187,884	$ 2,813,876 *	$ 14.98	34

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

** See instructions.

B. CONSULTANT SERVICES

		1 Number of Hrs. Paid & Accrued	2 Total Consultant Cost for Reporting Period	3 Schedule V Line & Column Reference	
35	Dietary Consultant	166	$ 8,300	1-3	35
36	Medical Director		80,200	9-3	36
37	Medical Records Consultant	96	4,608	10-3	37
38	Nurse Consultant	30	1,445	10-3	38
39	Pharmacist Consultant		8,958	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	28	1,514	11-3	44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	320	$ 105,025		49

C. CONTRACT NURSES

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
AARON TOPPER	ADMINISTRATOR	75	$
PEARL COLES	ASST ADMIN		55,059
THOMAS SKIRVEN	ADMINISTRATOR		26,903
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			$ 81,962

B. Administrative - Other

Description	Amount
HOME OFFICE	$ 360,000
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)	$ 360,000

C. Professional Services

Vendor/Payee	Type	Amount
BKD	ACCOUNTING	$ 21,329
Mendel Schneider & Associates	Accounting	6,000
Meyer Magence	Legal	2,125
Kenneth Henry	Legal	3,764
David Axelrod	Legal adj out	7,000
Various	UC Consulting	3,592
Rehab Management Systems	REIMB CONSULTING	31,245
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed $5,000, attach copy of invoices.)		$ 75,055

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 80,873
Unemployment Compensation Insurance	68,684
FICA Taxes	215,262
Employee Health Insurance	135,352
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
TOTAL (agree to Schedule V, line 22, col.8)	$ 500,171

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
TOTAL		$

* Attach copy of IMRF notifications

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$ 3,980
Advertising: Employee Recruitment	11,046
Health Care Worker Background Check (Indicate # of checks performed)	
Patient Background Checks	
Advertising & Marketing	87,477
Illinois council on LTC	11,544
Misc Licenses	3,831
Allocated from AA HC MGT	10,883
Less: Public Relations Expense	( )
Non-allowable advertising	(87,477)
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 41,284

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	
Seminar Expense	
Allocated from AA Mgmt	9,916
CARE2LEARN	3,850
Illinois council on LTC	2,320
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 16,086

**See instructions.

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

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

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2013 Ending: 12/31/2013

XX. GENERAL INFORMATION:

(1) Are nursing employees (RN,LPN,NA) represented by a union? **NO**

(2) Are there any dues to nursing home associations included on the cost report? **YES**
If YES, give association name and amount. **IL COUNCIL OF LTC $11,544**

(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? **NO**

(4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? **NO** If YES, what is the capacity?

(5) Have you properly capitalized all major repairs and equipment purchases? **YES**
What was the average life used for new equipment added during this period? **5 YRS**

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **65,500** 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.

(9) Are you presently operating under a sublease agreement? YES **X** NO

(10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO **X** If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. $ **225,261**
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? **N/A**

(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. $ **N/A** Has any meal income been offset against related costs? **N/A** Indicate the amount. $ **N/A**

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? **NO**
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? **NO** If YES, please indicate the amount of income earned from such a program during this reporting period. $
c. What percent of all travel expense relates to transportation of nurses and patients? **0**
d. Have vehicle usage logs been maintained? **NO**
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? **NO**
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? **NO**
g. Does the facility transport residents to and from day training? NP
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:

(18) Have all costs which do not relate to the provision of long term care been adjusted out out of Schedule V? **YES**

(19) If total legal fees are in excess of $5,000, have legal invoices and a summary of services performed been attached to this cost report? **YES**
Attach invoices and a summary of services for all architect and appraisal fees.