

Facility Name & ID Number PAVILION OF WAUKEGAN

0049809 Report Period Beginning: 01/01/2017 Ending: 12/31/2017

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 | 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 | 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 3 4 5 Patient Days by Level of Care and Primary Source of Payment | | | | |
|----|--------------------|--|------------------|------------|------------|----|
| | | 2 Medicaid Recipient | 3 Private Pay | 4 Other | 5 Total | |
| 8 | SNF | | | 6,248 | 6,248 | 8 |
| 9 | SNF/PED | | | | | 9 |
| 10 | ICF | 24,961 | 2,739 | 798 | 28,498 | 10 |
| 11 | ICF/DD | | | | | 11 |
| 12 | SC | | | | | 12 |
| 13 | DD 16 OR LESS | | | | | 13 |
| 14 | TOTALS | 24,961 | 2,739 | 7,046 | 34,746 | 14 |

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 87.33%

D. How many bed reserve days during this year were paid by the Department?
0 (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

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 12/01/2017

J. Was the facility purchased or leased after January 1, 1978?
YES Date 12/01/2017 NO

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 109 and days of care provided 5,613

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 Fiscal Year: 12/31

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

Facility Name & ID Number PAVILION OF WAUKEGAN # 0049809 Report Period Beginning: 01/01/2017 Ending: 12/31/2017

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

| | Operating Expenses | Costs Per General Ledger | | | | Reclass-ification 5 | Reclassified Total 6 | Adjust-ments 7 | Adjusted Total 8 | FOR BHF USE ONLY | |
|-----|--|--------------------------|---------------|------------|------------|------------------------|----------------------------|-------------------|------------------------|------------------|-----|
| | | Salary/Wage 1 | Supplies 2 | Other 3 | Total 4 | | | | | 9 | 10 |
| | A. General Services | | | | | | | | | | |
| 1 | Dietary | 229,714 | 24,315 | 7,325 | 261,354 | | 261,354 | | 261,354 | | 1 |
| 2 | Food Purchase | | 193,254 | | 193,254 | | 193,254 | | 193,254 | | 2 |
| 3 | Housekeeping | 175,716 | 19,417 | 18,262 | 213,395 | | 213,395 | | 213,395 | | 3 |
| 4 | Laundry | 24,097 | 22,106 | | 46,203 | | 46,203 | | 46,203 | | 4 |
| 5 | Heat and Other Utilities | | | 75,062 | 75,062 | | 75,062 | 1,122 | 76,184 | | 5 |
| 6 | Maintenance | 40,626 | 95,753 | | 136,379 | | 136,379 | 1,623 | 138,002 | | 6 |
| 7 | Other (specify):* | | | | | | | | | | 7 |
| 8 | TOTAL General Services | 470,153 | 354,845 | 100,649 | 925,647 | | 925,647 | 2,745 | 928,392 | | 8 |
| | B. Health Care and Programs | | | | | | | | | | |
| 9 | Medical Director | | | 58,000 | 58,000 | | 58,000 | | 58,000 | | 9 |
| 10 | Nursing and Medical Records | 2,187,200 | 365,552 | 17,099 | 2,569,851 | | 2,569,851 | | 2,569,851 | | 10 |
| 10a | Therapy | | | 635,388 | 635,388 | | 635,388 | | 635,388 | | 10a |
| 11 | Activities | 87,687 | 8,297 | 1,536 | 97,520 | | 97,520 | | 97,520 | | 11 |
| 12 | Social Services | 55,262 | | 220 | 55,482 | | 55,482 | | 55,482 | | 12 |
| 13 | CNA Training | | | | | | | | | | 13 |
| 14 | Program Transportation | | | | | | | | | | 14 |
| 15 | Other (specify):* | | | | | | | | | | 15 |
| 16 | TOTAL Health Care and Programs | 2,330,149 | 373,849 | 712,243 | 3,416,241 | | 3,416,241 | | 3,416,241 | | 16 |
| | C. General Administration | | | | | | | | | | |
| 17 | Administrative | 235,049 | | 353,640 | 588,689 | | 588,689 | (236,854) | 351,835 | | 17 |
| 18 | Directors Fees | | | | | | | | | | 18 |
| 19 | Professional Services | | | 77,018 | 77,018 | | 77,018 | 25,400 | 102,418 | | 19 |
| 20 | Dues, Fees, Subscriptions & Promotions | | | 86,400 | 86,400 | | 86,400 | (37,348) | 49,052 | | 20 |
| 21 | Clerical & General Office Expenses | 249,386 | 31,315 | 254,425 | 535,126 | | 535,126 | 297,349 | 832,475 | | 21 |
| 22 | Employee Benefits & Payroll Taxes | | | 529,577 | 529,577 | | 529,577 | | 529,577 | | 22 |
| 23 | Inservice Training & Education | | | | | | | | | | 23 |
| 24 | Travel and Seminar | | | 13,261 | 13,261 | | 13,261 | 28,339 | 41,600 | | 24 |
| 25 | Other Admin. Staff Transportation | | | | | | | 9,026 | 9,026 | | 25 |
| 26 | Insurance-Prop.Liab.Malpractice | | | 115,740 | 115,740 | | 115,740 | 14,240 | 129,980 | | 26 |
| 27 | Other (specify):* Allocated Benefits | | | | | | | 44,956 | 44,956 | | 27 |
| 28 | TOTAL General Administration | 484,435 | 31,315 | 1,430,061 | 1,945,811 | | 1,945,811 | 145,108 | 2,090,919 | | 28 |
| 29 | TOTAL Operating Expense (sum of lines 8, 16 & 28) | 3,284,737 | 760,009 | 2,242,953 | 6,287,699 | | 6,287,699 | 147,853 | 6,435,552 | | 29 |

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

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

V. COST CENTER EXPENSES (continued)

| | Capital Expense | Cost Per General Ledger | | | | Reclass-ification 5 | Reclassified Total 6 | Adjust-ments 7 | Adjusted Total 8 | FOR BHF USE ONLY | | |
|----|---|-------------------------|---------------|------------|------------|------------------------|----------------------------|-------------------|------------------------|------------------|----|----|
| | | Salary/Wage 1 | Supplies 2 | Other 3 | Total 4 | | | | | 9 | 10 | |
| | D. Ownership | | | | | | | | | | | |
| 30 | Depreciation | | | 125,757 | 125,757 | | 125,757 | 100,756 | 226,513 | | | 30 |
| 31 | Amortization of Pre-Op. & Org. | | | | | | | 3,903 | 3,903 | | | 31 |
| 32 | Interest | | | 41,487 | 41,487 | | 41,487 | 330,351 | 371,838 | | | 32 |
| 33 | Real Estate Taxes | | | | | | | 91,786 | 91,786 | | | 33 |
| 34 | Rent-Facility & Grounds | | | 748,146 | 748,146 | | 748,146 | (726,521) | 21,625 | | | 34 |
| 35 | Rent-Equipment & Vehicles | | | | | | | | | | | 35 |
| 36 | Other (specify):* | | | | | | | 9,741 | 9,741 | | | 36 |
| 37 | TOTAL Ownership | | | 915,390 | 915,390 | | 915,390 | (189,984) | 725,406 | | | 37 |
| | Ancillary Expense | | | | | | | | | | | |
| | E. Special Cost Centers | | | | | | | | | | | |
| 38 | Medically Necessary Transportation | | | | | | | | | | | 38 |
| 39 | Ancillary Service Centers | | | 266,911 | 266,911 | | 266,911 | | 266,911 | | | 39 |
| 40 | Barber and Beauty Shops | | | | | | | | | | | 40 |
| 41 | Coffee and Gift Shops | | | | | | | | | | | 41 |
| 42 | Provider Participation Fee | | | 233,857 | 233,857 | | 233,857 | | 233,857 | | | 42 |
| 43 | Other (specify):* Bad Debt | | | 166,287 | 166,287 | | 166,287 | (166,287) | | | | 43 |
| 44 | TOTAL Special Cost Centers | | | 667,055 | 667,055 | | 667,055 | (166,287) | 500,768 | | | 44 |
| 45 | GRAND TOTAL COST (sum of lines 29, 37 & 44) | 3,284,737 | 760,009 | 3,825,398 | 7,870,144 | | 7,870,144 | (208,418) | 7,661,726 | | | 45 |

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

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 | | | | 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 | (50,070) | 30 | | 9 |
| 10 | Interest and Other Investment Income | (2,129) | 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 | (13,728) | 21 | | 18 |
| 19 | Entertainment | | | | 19 |
| 20 | Contributions | | | | 20 |
| 21 | Owner or Key-Man Insurance | | | | 21 |
| 22 | Special Legal Fees & Legal Retainers | | | | 22 |
| 23 | Malpractice Insurance for Individuals | | | | 23 |
| 24 | Bad Debt | (166,287) | 43 | | 24 |
| 25 | Fund Raising, Advertising and Promotional | (37,456) | 20 | | 25 |
| 26 | Income Taxes and Illinois Personal Property Replacement Tax | (34,948) | 21 | | 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) | \$ (304,618) | | \$ | 30 |

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

| | | 1 | 2 | |
|----|--|--------------|-----------|----|
| | | Amount | Reference | |
| 31 | Non-Paid Workers-Attach Schedule* | \$ | | 31 |
| 32 | Donated Goods-Attach Schedule* | | | 32 |
| 33 | Amortization of Organization & Pre-Operating Expense | | | 33 |
| 34 | Adjustments for Related Organization Costs (Schedule VII) | 96,200 | | 34 |
| 35 | Other- Attach Schedule | | | 35 |
| 36 | SUBTOTAL (B): (sum of lines 31-35) | \$ 96,200 | | 36 |
| | (sum of SUBTOTALS | | | |
| 37 | TOTAL ADJUSTMENTS (A) and (B)) | \$ (208,418) | | 37 |

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

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

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

BHF USE ONLY

| | | | | | | | | |
|----|--|----|--|----|--|----|--|----|
| 48 | | 49 | | 50 | | 51 | | 52 |
|----|--|----|--|----|--|----|--|----|

PAVILION OF WAUKEGAN

ID# 0049809

Report Period Beginning: 01/01/2017

Ending: 12/31/2017

Sch. V Line

NON-ALLOWABLE EXPENSES

Amount

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:

01/01/2017

Ending:

12/31/2017**SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I**

| | Operating Expenses | PAGES | PAGE | PAGE | PAGE | PAGE | PAGE | PAGE | PAGE | PAGE | PAGE | PAGE | SUMMARY | |
|-----|--|-----------------|--------------|----------------|----------|----------|----------|----------|----------|----------|----------|----------|-------------------|-----------|
| | A. General Services | 5 & 5A | 6 | 6A | 6B | 6C | 6D | 6E | 6F | 6G | 6H | 6I | TOTALS | |
| | | | | | | | | | | | | | (to Sch V, col.7) | |
| 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 | 1,122 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,122 | 5 |
| 6 | Maintenance | 0 | 0 | 1,623 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,623 | 6 |
| 7 | Other (specify):* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 7 |
| 8 | TOTAL General Services | 0 | 0 | 2,745 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,745 | 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 | (236,854) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (236,854) | 17 |
| 18 | Directors Fees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18 |
| 19 | Professional Services | 0 | 0 | 25,400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25,400 | 19 |
| 20 | Fees, Subscriptions & Promotions | (37,456) | 0 | 108 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (37,348) | 20 |
| 21 | Clerical & General Office Expenses | (48,676) | 0 | 346,025 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 297,349 | 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 | 28,339 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 28,339 | 24 |
| 25 | Other Admin. Staff Transportation | 0 | 0 | 9,026 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,026 | 25 |
| 26 | Insurance-Prop.Liab.Malpractice | 0 | 8,586 | 5,654 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 14,240 | 26 |
| 27 | Other (specify):* | 0 | 0 | 44,956 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44,956 | 27 |
| 28 | TOTAL General Administration | (86,132) | 8,586 | 222,654 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 145,108 | 28 |
| 29 | TOTAL Operating Expense (sum of lines 8,16 & 28) | (86,132) | 8,586 | 225,399 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 147,853 | 29 |

STATE OF ILLINOIS

Summary B

Facility Name & ID Number PAVILION OF WAUKEGAN# 0049809

Report Period Beginning:

01/01/2017

Ending:

12/31/2017

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

| | Capital Expense | PAGES | PAGE | PAGE | PAGE | PAGE | PAGE | PAGE | PAGE | PAGE | PAGE | PAGE | SUMMARY | |
|----|--|------------------|------------------|----------------|----------|----------|----------|----------|----------|----------|----------|----------|-----------------------------|-----------|
| | D. Ownership | 5 & 5A | 6 | 6A | 6B | 6C | 6D | 6E | 6F | 6G | 6H | 6I | TOTALS (to Sch V, col.7) | |
| 30 | Depreciation | (50,070) | 150,545 | 281 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100,756 | 30 |
| 31 | Amortization of Pre-Op. & Org. | 0 | 3,903 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,903 | 31 |
| 32 | Interest | (2,129) | 332,480 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 330,351 | 32 |
| 33 | Real Estate Taxes | 0 | 91,786 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 91,786 | 33 |
| 34 | Rent-Facility & Grounds | 0 | (748,146) | 21,625 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (726,521) | 34 |
| 35 | Rent-Equipment & Vehicles | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 35 |
| 36 | Other (specify):* | 0 | 9,741 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,741 | 36 |
| 37 | TOTAL Ownership | (52,199) | (159,691) | 21,906 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (189,984) | 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):* | (166,287) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (166,287) | 43 |
| 44 | TOTAL Special Cost Centers | (166,287) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (166,287) | 44 |
| 45 | GRAND TOTAL COST (sum of lines 29, 37 & 44) | (304,618) | (151,105) | 247,305 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (208,418) | 45 |

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 | Pavilion of Waukegan Realty | | Bldg Rental |
| Joseph Brandman | 25 | Park Place of Belvidere | Belvidere | AA Healthcare Management | | Mgmt Company |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

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 | 34 Rent | \$ 748,146 | Pavilion Of Waukegan Realty | 100.00% | \$ | \$ (748,146) | 1 |
| 2 | V | 32 Interest | | Pavilion Of Waukegan Realty | | 332,480 | 332,480 | 2 |
| 3 | V | 33 Real Estate Taxes | | Pavilion Of Waukegan Realty | | 91,786 | 91,786 | 3 |
| 4 | V | 30 Depreciation | | Pavilion Of Waukegan Realty | | 150,545 | 150,545 | 4 |
| 5 | V | 31 Amortization | | Pavilion Of Waukegan Realty | | 3,903 | 3,903 | 5 |
| 6 | V | 36 Mip Insurance | | Pavilion Of Waukegan Realty | | 9,741 | 9,741 | 6 |
| 7 | V | 26 Insurance | | Pavilion Of Waukegan Realty | | 8,586 | 8,586 | 7 |
| 8 | V | | | | | | | 8 |
| 9 | V | | | | | | | 9 |
| 10 | V | | | | | | | 10 |
| 11 | V | | | | | | | 11 |
| 12 | V | | | | | | | 12 |
| 13 | V | | | | | | | 13 |
| 14 | Total | | \$ 748,146 | | | \$ 597,041 | \$ * (151,105) | 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 | 17 Home Office Expense | \$ 353,640 | AA Healthcare Management | 100.00% | \$ | \$ (353,640) |
| 16 | V | 17 Owners Compensation | | AA Healthcare Management | | 116,786 | 116,786 |
| 17 | V | 34 Rent | | AA Healthcare Management | | 21,625 | 21,625 |
| 18 | V | 6 Repairs & Maintenance | | AA Healthcare Management | | 1,623 | 1,623 |
| 19 | V | 19 Professional Fees | | AA Healthcare Management | | 25,400 | 25,400 |
| 20 | V | 21 Clerical Salaries | | AA Healthcare Management | | 267,905 | 267,905 |
| 21 | V | 27 Employee Benifets & PR Taxes | | AA Healthcare Management | | 44,956 | 44,956 |
| 22 | V | 30 Depreciation | | AA Healthcare Management | | 281 | 281 |
| 23 | V | 25 Transportation | | AA Healthcare Management | | 9,026 | 9,026 |
| 24 | V | 26 Insurance | | AA Healthcare Management | | 5,654 | 5,654 |
| 25 | V | 24 Travel & Seminars | | AA Healthcare Management | | 28,339 | 28,339 |
| 26 | V | 21 Office Expense | | AA Healthcare Management | | 78,120 | 78,120 |
| 27 | V | 5 Utilities | | AA Healthcare Management | | 1,122 | 1,122 |
| 28 | V | 20 Dues & Subs | | AA Healthcare Management | | 108 | 108 |
| 29 | V | | | | | | |
| 30 | V | | | | | | |
| 31 | V | | | | | | |
| 32 | V | | | | | | |
| 33 | V | | | | | | |
| 34 | V | | | | | | |
| 35 | V | | | | | | |
| 36 | V | | | | | | |
| 37 | V | | | | | | |
| 38 | V | | | | | | |
| 39 | Total | | \$ 353,640 | | | \$ 600,945 | \$ * 247,305 |

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

Facility Name & ID Number

PAVILION OF WAUKEGAN

0049809

Report Period Beginning:

01/01/2017

Ending:

12/31/2017

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 | Aaron Topper | Manager | Management | 75.00 | 370,293 | 20 | 40.00 | Mgmt Fees | \$ 116,786 | 17 | 1 |
| 2 | Joseph Brandman | Manager | Management | 25.00 | 103,080 | 20 | 40.00 | | | | 2 |
| 3 | | | | | | | | | | | 3 |
| 4 | | | | | | | | | | | 4 |
| 5 | | | | | | | | | | | 5 |
| 6 | | | | | | | | | | | 6 |
| 7 | | | | | | | | | | | 7 |
| 8 | | | | | | | | | | | 8 |
| 9 | | | | | | | | | | | 9 |
| 10 | | | | | | | | | | | 10 |
| 11 | | | | | | | | | | | 11 |
| 12 | | | | | | | | | | | 12 |
| 13 | | | | | | | | TOTAL | \$ 116,786 | | 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:

01/01/2017

Ending: 2/31/2017

VIII. ALLOCATION OF INDIRECT COSTS

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

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

Name of Related Organization AA Healthcare Management
 Street Address 8150 N Central park
 City / State / Zip Code Skokie, IL 60076
 Phone Number (847)983-4860
 Fax Number (847)673-3379

| 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 | 17 | Owners Compensation | Number of Beds | 224 | \$ 240,000 | \$ 240,000 | 109 | \$ 116,786 | 1 |
| 2 | 34 | Rent | Number of Beds | 224 | 44,441 | | 109 | 21,625 | 2 |
| 3 | 6 | Repairs & Maintenance | Number of Beds | 224 | 3,336 | | 109 | 1,623 | 3 |
| 4 | 19 | Professional fees | Number of Beds | 224 | 52,199 | | 109 | 25,400 | 4 |
| 5 | 21 | Clerical Salaries | Number of Beds | 224 | 550,557 | 550,557 | 109 | 267,905 | 5 |
| 6 | 27 | Employee Benifets & PR taxes | Number of Beds | 224 | 92,386 | | 109 | 44,956 | 6 |
| 7 | 30 | Depreciation | Number of Beds | 224 | 577 | | 109 | 281 | 7 |
| 8 | 25 | Transportation | Number of Beds | 224 | 18,549 | | 109 | 9,026 | 8 |
| 9 | 26 | Insurance | Number of Beds | 224 | 11,620 | | 109 | 5,654 | 9 |
| 10 | 24 | Travel & Seminars | Number of Beds | 224 | 58,237 | | 109 | 28,339 | 10 |
| 11 | 21 | Office Expense | Number of Beds | 224 | 160,540 | | 109 | 78,120 | 11 |
| 12 | 5 | Utilities | Number of Beds | 224 | 2,306 | | 109 | 1,122 | 12 |
| 13 | 20 | Dues & Subs | Number of Beds | 224 | 222 | | 109 | 108 | 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 | | | | \$ 1,234,970 | \$ 790,557 | | \$ 600,945 | 25 |

Facility Name & ID Number

PAVILION OF WAUKEGAN

0049809

Report Period Beginning:

01/01/2017

Ending:

12/31/2017

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

| 1 | Name of Lender | 2 | | 3 | 4 | 5 | 6 | | 7 | 8 | 9 | 10 | | | | | | |
|-------------------------------------|-----------------------------------|-----------|----|-----------------|-------------|------------|-----------------|--------------------------|------------|--------|------------|----|--------------|----------------|---------|---------------|--------------------------|-----------------------------------|
| | | Related** | | | | | Purpose of Loan | Monthly Payment Required | | | | | Date of Note | Amount of Note | | Maturity Date | Interest Rate (4 Digits) | Reporting Period Interest Expense |
| | | YES | NO | | | | | | | | | | | Original | Balance | | | |
| A. Directly Facility Related | | | | | | | | | | | | | | | | | | |
| Long-Term | | | | | | | | | | | | | | | | | | |
| 1 | Capital One | | X | Mortgage | \$39,019.23 | 12/22/2016 | \$ 9,323,100 | \$ 9,198,849 | 01/01/2052 | 3.5900 | \$ 332,480 | 1 | | | | | | |
| 2 | | | | | | | | | | | | 2 | | | | | | |
| 3 | | | | | | | | | | | | 3 | | | | | | |
| 4 | | | | | | | | | | | | 4 | | | | | | |
| 5 | | | | | | | | | | | | 5 | | | | | | |
| Working Capital | | | | | | | | | | | | | | | | | | |
| 6 | Bank Leumi | | X | Working Capital | | | | 862,748 | | 5.0000 | 41,487 | 6 | | | | | | |
| 7 | | | | | | | | | | | | 7 | | | | | | |
| 8 | | | | | | | | | | | | 8 | | | | | | |
| 9 | TOTAL Facility Related | | | | \$39,019.23 | | \$ 9,323,100 | \$ 10,061,597 | | | \$ 373,967 | 9 | | | | | | |
| B. Non-Facility Related* | | | | | | | | | | | | | | | | | | |
| 10 | Interest Income | | | | | | | | | | (2,129) | 10 | | | | | | |
| 11 | | | | | | | | | | | | 11 | | | | | | |
| 12 | | | | | | | | | | | | 12 | | | | | | |
| 13 | | | | | | | | | | | | 13 | | | | | | |
| 14 | TOTAL Non-Facility Related | | | | | | \$ | \$ | | | \$ (2,129) | 14 | | | | | | |
| 15 | TOTALS (line 9+line14) | | | | | | \$ 9,323,100 | \$ 10,061,597 | | | \$ 371,838 | 15 | | | | | | |

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 9,741 Line # 36

* 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:

01/01/2017 Ending:

12/31/2017

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? [X] (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).

Empty lines for listing other business entities.

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: 618,946 2. Number of Years Over Which it is Being Amortized: 35 3. Current Period Amortization: 3,903 4. Dates Incurred: 12/22/16

Nature of Costs:

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

XI. OWNERSHIP COSTS:

A. Land.

Table with 5 columns: Use, Square Feet, Year Acquired, Cost, and a final column with values 1, 2, 3. Row 1: Facility, 36,213, 2013, \$ 460,000, 1. Row 2: (blank), (blank), (blank), (blank), 2. Row 3: TOTALS, 36,213, (blank), \$ 460,000, 3.

Facility Name & ID Number PAVILION OF WAUKEGAN

0049809

Report Period Beginning:

01/01/2017 Ending:

12/31/2017

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 | 109 | | 2013 | | \$ 4,140,000 | \$ 150,545 | | \$ 150,545 | \$ | \$ 633,544 | 4 |
| 5 | | | | | | | | | | | 5 |
| 6 | | | | | | | | | | | 6 |
| 7 | | | | | | | | | | | 7 |
| 8 | | | | | | | | | | | 8 |
| | Improvement Type** | | | | | | | | | | |
| 9 | | ELECTRIC | 2008 | | 10,292 | 374 | 39 | 264 | (110) | 2,530 | 9 |
| 10 | | LANDSCAPING | 2008 | | 5,106 | 151 | 20 | 255 | 104 | 2,403 | 10 |
| 11 | | DOOR KICKPLATES | 2009 | | 1,913 | 191 | 10 | 191 | | 1,640 | 11 |
| 12 | | ELEVATOR PUMPS | 2009 | | 1,462 | 146 | 10 | 146 | | 1,266 | 12 |
| 13 | | THERMOSTATIC MIXING VALVE | 2009 | | 3,955 | 144 | 39 | 101 | (43) | 843 | 13 |
| 14 | | DOOR ALARM SYSTEM | 2009 | | 1,089 | 109 | 10 | 109 | | 899 | 14 |
| 15 | | CIRCULATING PUMP-HOT WATER HEATE | 2009 | | 1,041 | 104 | 10 | 104 | | 841 | 15 |
| 16 | | SPACE PAK UNIT MOTOR | 2010 | | 1,757 | 176 | 10 | 176 | | 1,392 | 16 |
| 17 | | LOCKINVAR | 2010 | | 8,942 | 596 | 15 | 596 | | 4,619 | 17 |
| 18 | | NEW LOCKS | 2010 | | 1,417 | 51 | 10 | 142 | 91 | 1,041 | 18 |
| 19 | | ELEVATOR ICU CONTROL BOARD | 2011 | | 956 | 96 | 10 | 96 | | 647 | 19 |
| 20 | | EXIT DOOR DEVICE | 2011 | | 814 | 81 | 10 | 81 | | 527 | 20 |
| 21 | | SPRINKLER HEADS | 2011 | | 540 | 54 | 10 | 54 | | 347 | 21 |
| 22 | | BASEMENT TILE FLOORING | 2011 | | 964 | 96 | 10 | 96 | | 609 | 22 |
| 23 | | PATIO DOOR | 2011 | | 2,168 | 217 | 10 | 217 | | 1,356 | 23 |
| 24 | | DOORS | 2012 | | 3,365 | 122 | 10 | 337 | 215 | 2,022 | 24 |
| 25 | | FREIGHT FOR SMOKE SHELTER | 2012 | | 289 | 13 | 10 | 29 | 16 | 174 | 25 |
| 26 | | 2 ROLLER GUIDES FOR ELEVATOR | 2012 | | 704 | 26 | 10 | 70 | 44 | 410 | 26 |
| 27 | | ELEVATOR STARTER CONTACTS | 2012 | | 760 | 28 | 10 | 76 | 48 | 443 | 27 |
| 28 | | A/C IGNITION MODULE | 2012 | | 557 | 20 | 10 | 56 | 36 | 322 | 28 |
| 29 | | ELEVATOR FIRE EQUIPMENT | 2012 | | 667 | 24 | 10 | 67 | 43 | 380 | 29 |
| 30 | | REMODELING SUPPLIES FOR REHAB ROOM | 2012 | | 951 | 37 | 40 | 24 | (13) | 136 | 30 |
| 31 | | RECOVER 40 DOORS | 2012 | | 1,025 | 37 | 10 | 103 | 66 | 580 | 31 |
| 32 | | TEMPERATURE VALVE | 2012 | | 599 | 33 | 10 | 60 | 27 | 335 | 32 |
| 33 | | REMODELING ROOMS 103 & 105-CONTRACT-BOB'S REMODEL | 2012 | | 4,850 | 176 | 40 | 121 | (55) | 686 | 33 |
| 34 | | LIGHT FIXTURES | 2012 | | 1,282 | 47 | 40 | 32 | (15) | 181 | 34 |
| 35 | | ELEVATOR DOOR RESTRICTOR | 2012 | | 523 | 33 | 10 | 52 | 19 | 291 | 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:

01/01/2017 Ending: 12/31/2017

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 | FIRE EXIT DEVICE FOR DOORS | 2012 | \$ 671 | \$ 24 | 10 | \$ 67 | \$ 43 | \$ 374 | 37 |
| 38 | 3 FIRE SPRINKLERS | 2012 | 1,659 | 60 | 10 | 166 | 106 | 913 | 38 |
| 39 | ENERGY EFF LIGHTING FIXTURES | 2012 | 28,345 | 1,031 | 40 | 709 | (322) | 3,899 | 39 |
| 40 | 1ST FLOOR FLOORING | 2012 | 12,995 | 795 | 40 | 325 | (470) | 1,787 | 40 |
| 41 | ELEVATOR CONTROL RELAYS | 2012 | 635 | 23 | 10 | 64 | 41 | 346 | 41 |
| 42 | FLAT BAR IN NURSES STATION | 2012 | 975 | 35 | 10 | 98 | 63 | 500 | 42 |
| 43 | WALL BASE & FLOORING | 2012 | 5,035 | 173 | 40 | 126 | (47) | 683 | 43 |
| 44 | HEATING & COOLING PUMP | 2012 | 514 | 31 | 10 | 51 | 20 | 276 | 44 |
| 45 | GENERATOR | 2012 | 1,047 | 64 | 10 | 105 | 41 | 560 | 45 |
| 46 | FLOORING | 2012 | 368 | 13 | 40 | 9 | (4) | 47 | 46 |
| 47 | PAVEMENT SEALER | 2012 | 1,800 | 62 | 20 | 90 | 28 | 473 | 47 |
| 48 | FLOORING- FIRST FLOOR | 2012 | 1,432 | 98 | 10 | 143 | 45 | 727 | 48 |
| 49 | ELEVATOR GUIDE ROLLERS | 2012 | 545 | 20 | 27.5 | 20 | | 95 | 49 |
| 50 | REMODEL THERAPY ROOM,DINING ROOM, LOBBY | 2013 | 182,347 | 6,631 | 27.5 | 6,631 | | 27,353 | 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 THROUGH 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 | OEM PUMP ASSEMBLY | 2014 | 1,346 | 49 | 27.5 | 49 | | 190 | 63 |
| 64 | DRYWALL FOR TV'S | 2014 | 916 | 33 | 27.5 | 33 | | 114 | 64 |
| 65 | SPRINKLEHEAD | 2014 | 1,120 | 41 | 27.5 | 41 | | 142 | 65 |
| 66 | WALLPAPER RESIDENT ROOMS | 2014 | 17,210 | 626 | 27.5 | 626 | | 1,956 | 66 |
| 67 | Sprinklers | 2015 | 1,700 | 62 | 27.5 | 62 | | 183 | 67 |
| 68 | | | | | | | | | 68 |
| 69 | Rebuild weil | 2015 | 5,298 | 193 | 27.5 | 193 | | 539 | 69 |
| 70 | TOTAL (lines 4 thru 69) | | \$ 4,463,946 | \$ 163,791 | | \$ 163,808 | \$ 17 | \$ 701,621 | 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:

01/01/2017 Ending: 12/31/2017

XI. OWNERSHIP COSTS (continued)

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | |
|----|--|------------------|--------------|---------------------------|---------------|----------------------------|-------------|--------------------------|----|
| | Improvement Type** | Year Constructed | Cost | Current Book Depreciation | Life in Years | Straight Line Depreciation | Adjustments | Accumulated Depreciation | |
| 1 | Totals from Page 12A, Carried Forward | | \$ 4,463,946 | \$ 163,791 | | \$ 163,808 | \$ 17 | \$ 701,621 | 1 |
| 2 | Call lights | 2015 | 2,895 | 105 | 27.5 | 105 | | 293 | 2 |
| 3 | New Sign | 2015 | 1,656 | 142 | 15 | 157 | 15 | 397 | 3 |
| 4 | Generator Valve | 2015 | 2,195 | 80 | 27.5 | 80 | | 177 | 4 |
| 5 | Replace elevator | 2015 | 5,464 | 199 | 27.5 | 199 | | 406 | 5 |
| 6 | Remodel Resident Bathrooms and Analysis room | 2015 | 62,373 | 2,268 | 27.5 | 2,268 | | 6,129 | 6 |
| 7 | Removed all replaced all drywalls in mensroom-kitchen area | | | | | | | | 7 |
| 8 | Demolition of existing drywall walls and ceiling, demolition of existing entry closets | | | | | | | | 8 |
| 9 | Build new steel stud framing around new bathrooms and | | | | | | | | 9 |
| 10 | enlarged all area, opened up bathroom concrete floors and | | | | | | | | 10 |
| 11 | relocated all underground and above ground waste and water lines | | | | | | | | 11 |
| 12 | Purchased and installed 3/ 1/c-heat pump units | | | | | | | | 12 |
| 13 | Replace Generator | 2016 | 56,495 | 3,766 | 15 | 3,766 | | 5,649 | 13 |
| 14 | New Lighted sign | 2016 | 13,740 | 916 | 15 | 916 | | 1,374 | 14 |
| 15 | Bathroom Exhaust | 2016 | 7,800 | 520 | 15 | 520 | | 780 | 15 |
| 16 | Reception area Enlarged by demoing administrators office | 2016 | 41,036 | 2,736 | 15 | 2,736 | | 3,937 | 16 |
| 17 | intall new work area, lighting, fish tank, and signage | | | | | | | | 17 |
| 18 | in reception area | | | | | | | | 18 |
| 19 | Installed Partition glass with sandblasted horizontal frosted stripe | | | | | | | | 19 |
| 20 | Remodel 2 Guest Bathrooms and bathroom in 102 & 116 | 2017 | 13,750 | 13,750 | 15 | 458 | (13,292) | 458 | 20 |
| 21 | Remodel Sprinkler Room | 2017 | 3,580 | 3,580 | 15 | 119 | (3,461) | 119 | 21 |
| 22 | Repair roof Flashing & Vents | 2017 | 2,190 | 2,190 | 15 | 73 | (2,117) | 73 | 22 |
| 23 | Replace Generator | 2017 | 27,150 | 27,150 | 15 | 905 | (26,245) | 905 | 23 |
| 24 | Replace 43 door handles and locks | 2017 | 7,841 | 7,841 | 15 | 261 | (7,580) | 261 | 24 |
| 25 | Replace Boiler | 2017 | 8,948 | 8,948 | 15 | 298 | (8,650) | 298 | 25 |
| 26 | New Ejector Pump | 2017 | 21,890 | 13,116 | 15 | 730 | (12,386) | 730 | 26 |
| 27 | New Fire Panel | 2017 | 7,800 | 260 | 15 | 260 | | 260 | 27 |
| 28 | New Led lights throught facility | 2017 | 29,387 | 980 | 15 | 980 | | 980 | 28 |
| 29 | New Condensor Unit | 2017 | 7,300 | 243 | 15 | 243 | | 243 | 29 |
| 30 | New Sign | 2017 | 16,482 | 549 | 15 | 549 | | 549 | 30 |
| 31 | New heat exchanger first floor | 2017 | 2,540 | 85 | 15 | 85 | | 85 | 31 |
| 32 | Drain Medic | 2017 | 1,112 | 37 | 15 | 37 | | 37 | 32 |
| 33 | | | | | | | | | 33 |
| 34 | TOTAL (lines 1 thru 33) | | \$ 4,807,570 | \$ 253,252 | | \$ 179,553 | \$ (73,699) | \$ 725,761 | 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 | \$ 502,716 | \$ 15,070 | \$ 35,907 | \$ 20,837 | 5 | \$ 489,462 | 71 |
| 72 | Current Year Purchases | | | | | | | 72 |
| 73 | Fully Depreciated Assets | | | | | | | 73 |
| 74 | Alloc from AA Healthcare | | 281 | 281 | | | 849 | 74 |
| 75 | TOTALS | \$ 502,716 | \$ 15,351 | \$ 36,188 | \$ 20,837 | | \$ 490,311 | 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 | \$ 6,205 | \$ 10,772 | \$ 4,567 | | \$ 53,862 | 76 |
| 77 | Facility | 2011 Toyota camry | 2011 | 19,418 | 1,775 | | (1,775) | | 19,418 | 77 |
| 78 | | | | | | | | | | 78 |
| 79 | | | | | | | | | | 79 |
| 80 | TOTALS | | | \$ 73,280 | \$ 7,980 | \$ 10,772 | \$ 2,792 | | \$ 73,280 | 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) | \$ 5,843,566 | 81 |
| 82 | Current Book Depreciation | (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable) | \$ 276,583 | 82 |
| 83 | Straight Line Depreciation | (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable) | \$ 226,513 | 83** |
| 84 | Adjustments | (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable) | \$ (50,070) | 84 |
| 85 | Accumulated Depreciation | (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable) | \$ 1,289,352 | 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.

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 | Allocated from Home office | | | | 21,625 | | | 5 |
| 6 | | | | | | | | 6 |
| 7 | TOTAL | | | | \$ 21,625 | | | 7 |

10. Effective dates of current rental agreement:

Beginning _____

Ending _____

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

Fiscal Year Ending Annual Rent

| | | |
|-----|-------------|----------|
| 12. | _____ /2018 | \$ _____ |
| 13. | _____ /2019 | \$ _____ |
| 14. | _____ /2020 | \$ _____ |

8. List separately any amortization of lease expense included on page 4, line 34.

This amount was calculated by dividing the total amount to be amortized _____
by the length of the lease _____.

9. Option to Buy: YES NO Terms: _____ *

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

15. Is Movable equipment rental included in building rental? _____

16. Rental Amount for movable equipment: \$ _____ Description: _____

(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.

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>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p> | <p>2. <u>CLASSROOM PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p> | <p>3. <u>CLINICAL PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p> |
|--|---|--|

B. EXPENSES

ALLOCATION OF COSTS (d)

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

C. CONTRACTUAL INCOME

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

\$

D. NUMBER OF CNAs TRAINED

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

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

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

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

| | Service | Schedule V Line & Column Reference | Staff | | Outside Practitioner (other than consultant) | | Supplies (Actual or Allocated) | Total Units (Column 2 + 4) | Total Cost (Col. 3 + 5 + 6) | |
|----|--|--|---------------------|------|---|------------|--------------------------------------|-------------------------------|--------------------------------|----|
| | | | Units of Service | Cost | Units | Cost | | | | |
| | | | | | | | | | | |
| 1 | Licensed Occupational Therapist | | hrs | \$ | | \$ 274,033 | \$ | | \$ 274,033 | 1 |
| 2 | Licensed Speech and Language Development Therapist | | hrs | | | 32,542 | | | 32,542 | 2 |
| 3 | Licensed Recreational Therapist | | hrs | | | | | | | 3 |
| 4 | Licensed Physical Therapist | | hrs | | | 328,813 | | | 328,813 | 4 |
| 5 | Physician Care | | visits | | | | | | | 5 |
| 6 | Dental Care | | visits | | | | | | | 6 |
| 7 | Work Related Program | | hrs | | | | | | | 7 |
| 8 | Habilitation | | hrs | | | | | | | 8 |
| 9 | Pharmacy | | # of prescripts | | | | 266,911 | | 266,911 | 9 |
| 10 | Psychological Services (Evaluation and Diagnosis/ Behavior Modification) | | hrs | | | | | | | 10 |
| 11 | Academic Education | | hrs | | | | | | | 11 |
| 12 | Other (specify): | | | | | | | | | 12 |
| 13 | Other (specify): | | | | | | | | | 13 |
| 14 | TOTAL | | | \$ | | \$ 635,388 | \$ 266,911 | | \$ 902,299 | 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.

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2017

(last day of reporting year)

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

| | | 1 | 2 | |
|----|---|--------------|----------------------|----|
| | | Operating | After Consolidation* | |
| | A. Current Assets | | | |
| 1 | Cash on Hand and in Banks | \$ 31,797 | \$ 64,454 | 1 |
| 2 | Cash-Patient Deposits | | | 2 |
| 3 | Accounts & Short-Term Notes Receivable-Patients (less allowance) | 1,843,885 | 1,843,885 | 3 |
| 4 | Supply Inventory (priced at) | | | 4 |
| 5 | Short-Term Investments | | | 5 |
| 6 | Prepaid Insurance | 39,992 | 43,167 | 6 |
| 7 | Other Prepaid Expenses | 33,151 | 33,151 | 7 |
| 8 | Accounts Receivable (owners or related parties) | | | 8 |
| 9 | Other(specify): <u>Due from Related parties,escrow:</u> | 941,808 | 1,921,315 | 9 |
| 10 | TOTAL Current Assets (sum of lines 1 thru 9) | \$ 2,890,633 | \$ 3,905,972 | 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 | 676,316 | 676,316 | 15 |
| 16 | Equipment, at Historical Cost | 546,774 | 546,774 | 16 |
| 17 | Accumulated Depreciation (book methods) | (524,333) | (1,153,908) | 17 |
| 18 | Deferred Charges | | 618,916 | 18 |
| 19 | Organization & Pre-Operating Costs | | | 19 |
| 20 | Accumulated Amortization - Organization & Pre-Operating Costs | | (215,166) | 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) | \$ 698,757 | \$ 5,072,932 | 24 |
| 25 | TOTAL ASSETS (sum of lines 10 and 24) | \$ 3,589,390 | \$ 8,978,904 | 25 |

| | | 1 | 2 | |
|----|--|--------------|----------------------|----|
| | | Operating | After Consolidation* | |
| | C. Current Liabilities | | | |
| 26 | Accounts Payable | \$ 1,162,503 | \$ 1,162,503 | 26 |
| 27 | Officer's Accounts Payable | | | 27 |
| 28 | Accounts Payable-Patient Deposits | 156,048 | 156,048 | 28 |
| 29 | Short-Term Notes Payable | 894,773 | 894,773 | 29 |
| 30 | Accrued Salaries Payable | 137,142 | 137,142 | 30 |
| 31 | Accrued Taxes Payable (excluding real estate taxes) | 12,799 | 12,799 | 31 |
| 32 | Accrued Real Estate Taxes(Sch.IX-B) | | | 32 |
| 33 | Accrued Interest Payable | 7,671 | 35,191 | 33 |
| 34 | Deferred Compensation | | | 34 |
| 35 | Federal and State Income Taxes | | | 35 |
| | Other Current Liabilities(specify): | | | |
| 36 | | | | 36 |
| 37 | | | | 37 |
| 38 | TOTAL Current Liabilities (sum of lines 26 thru 37) | \$ 2,370,936 | \$ 2,398,456 | 38 |
| | D. Long-Term Liabilities | | | |
| 39 | Long-Term Notes Payable | | 9,198,849 | 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) | \$ | \$ 9,198,849 | 45 |
| 46 | TOTAL LIABILITIES (sum of lines 38 and 45) | \$ 2,370,936 | \$ 11,597,305 | 46 |
| 47 | TOTAL EQUITY(page 18, line 24) | \$ 1,218,454 | \$ (2,618,401) | 47 |
| 48 | TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47) | \$ 3,589,390 | \$ 8,978,904 | 48 |

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

| | | 1 Total | |
|-----------|---|---------------------|-------------|
| 1 | Balance at Beginning of Year, as Previously Reported | \$ 2,184,846 | 1 |
| 2 | Restatements (describe): | | 2 |
| 3 | | | 3 |
| 4 | | | 4 |
| 5 | | | 5 |
| 6 | Balance at Beginning of Year, as Restated (sum of lines 1-5) | \$ 2,184,846 | 6 |
| | A. Additions (deductions): | | |
| 7 | NET Income (Loss) (from page 19, line 43) | 999,733 | 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 | (1,966,125) | 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) | \$ (966,392) | 17 |
| | B. Transfers (Itemize): | | |
| 18 | | | 18 |
| 19 | | | 19 |
| 20 | | | 20 |
| 21 | | | 21 |
| 22 | | | 22 |
| 23 | TOTAL Transfers (sum of lines 18-22) | \$ | 23 |
| 24 | BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23) | \$ 1,218,454 | 24 * |

* This must agree with page 17, line 47.

Facility Name & ID Number PAVILION OF WAUKEGAN

0049809

Report Period Beginning: 01/01/2017

Ending: 12/31/2017

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

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

1

| I. Revenue | | Amount | |
|--|---|--------------|-----|
| A. Inpatient Care | | | |
| 1 | Gross Revenue -- All Levels of Care | \$ 8,867,748 | 1 |
| 2 | Discounts and Allowances for all Levels | () | 2 |
| 3 | SUBTOTAL Inpatient Care (line 1 minus line 2) | \$ 8,867,748 | 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*** | 2,129 | 25 |
| 26 | SUBTOTAL Non-Operating Revenue (lines 24 and 25) | \$ 2,129 | 26 |
| E. Other Revenue (specify):**** | | | |
| 27 | Settlement Income (Insurance, Legal, Etc.) | | 27 |
| 28 | | | 28 |
| 28a | | | 28a |
| 29 | SUBTOTAL Other Revenue (lines 27, 28 and 28a) | \$ | 29 |
| 30 | TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29) | \$ 8,869,877 | 30 |

2

| II. Expenses | | Amount | |
|-------------------------------------|--|--------------|----|
| A. Operating Expenses | | | |
| 31 | General Services | 925,647 | 31 |
| 32 | Health Care | 3,416,241 | 32 |
| 33 | General Administration | 1,945,811 | 33 |
| B. Capital Expense | | | |
| 34 | Ownership | 915,390 | 34 |
| C. Ancillary Expense | | | |
| 35 | Special Cost Centers | 433,198 | 35 |
| 36 | Provider Participation Fee | 233,857 | 36 |
| D. Other Expenses (specify): | | | |
| 37 | | | 37 |
| 38 | | | 38 |
| 39 | | | 39 |
| 40 | TOTAL EXPENSES (sum of lines 31 thru 39)* | \$ 7,870,144 | 40 |
| 41 | Income before Income Taxes (line 30 minus line 40)** | 999,733 | 41 |
| 42 | Income Taxes | | 42 |
| 43 | NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42) | \$ 999,733 | 43 |

| III. Net Inpatient Revenue detailed by Payer Source | | | |
|---|---|--------------|----|
| 44 | Medicaid - Net Inpatient Revenue | \$ 4,439,276 | 44 |
| 45 | Private Pay - Net Inpatient Revenue | 540,616 | 45 |
| 46 | Medicare - Net Inpatient Revenue | 3,530,914 | 46 |
| 47 | Other-(specify) Veterans | 172,231 | 47 |
| 48 | Other-(specify) Insurance ,Med B | 184,711 | 48 |
| 49 | TOTAL Inpatient Care Revenue (This total must agree to Line 3) | \$ 8,867,748 | 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: **01/01/2017**

Ending: **12/31/2017**

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 | 4,455 | 4,807 | \$ 204,941 | \$ 42.63 | 1 |
| 2 | Assistant Director of Nursing | | | | | 2 |
| 3 | Registered Nurses | 12,631 | 13,550 | 393,063 | 29.01 | 3 |
| 4 | Licensed Practical Nurses | 18,646 | 19,863 | 522,406 | 26.30 | 4 |
| 5 | CNAs & Orderlies | 69,704 | 74,299 | 1,066,790 | 14.36 | 5 |
| 6 | CNA Trainees | | | | | 6 |
| 7 | Licensed Therapist | | | | | 7 |
| 8 | Rehab/Therapy Aides | | | | | 8 |
| 9 | Activity Director | 1,896 | 2,080 | 37,148 | 17.86 | 9 |
| 10 | Activity Assistants | 5,386 | 5,487 | 50,539 | 9.21 | 10 |
| 11 | Social Service Workers | 1,912 | 2,120 | 55,262 | 26.07 | 11 |
| 12 | Dietician | | | | | 12 |
| 13 | Food Service Supervisor | 2,451 | 2,579 | 58,096 | 22.53 | 13 |
| 14 | Head Cook | 6,835 | 7,276 | 83,425 | 11.47 | 14 |
| 15 | Cook Helpers/Assistants | 7,816 | 8,145 | 88,193 | 10.83 | 15 |
| 16 | Dishwashers | | | | | 16 |
| 17 | Maintenance Workers | 1,904 | 2,080 | 40,626 | 19.53 | 17 |
| 18 | Housekeepers | 16,092 | 16,607 | 175,716 | 10.58 | 18 |
| 19 | Laundry | 2,244 | 2,276 | 24,097 | 10.59 | 19 |
| 20 | Administrator | 3,640 | 3,720 | 235,049 | 63.19 | 20 |
| 21 | Assistant Administrator | | | | | 21 |
| 22 | Other Administrative | | | | | 22 |
| 23 | Office Manager | | | | | 23 |
| 24 | Clerical | 13,717 | 14,531 | 249,386 | 17.16 | 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 | | | | | 31 |
| 32 | Other Health Care(specify) | | | | | 32 |
| 33 | Other(specify) | | | | | 33 |
| 34 | TOTAL (lines 1 - 33) | 169,329 | 179,420 | \$ 3,284,737 * | \$ 18.31 | 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 | 150 | \$ 7,325 | 1-3 | 35 |
| 36 | Medical Director | | 58,000 | 9-3 | 36 |
| 37 | Medical Records Consultant | 100 | 4,800 | 10-3 | 37 |
| 38 | Nurse Consultant | | | | 38 |
| 39 | Pharmacist Consultant | | 8,204 | 10-3 | 39 |
| 40 | Physical Therapy Consultant | | | | 40 |
| 41 | Occupational Therapy Consultant | | | | 41 |
| 42 | Respiratory Therapy Consultant | 100 | 4,095 | 10-3 | 42 |
| 43 | Speech Therapy Consultant | | | | 43 |
| 44 | Activity Consultant | 50 | 1,536 | 11-3 | 44 |
| 45 | Social Service Consultant | 5 | 220 | 12-3 | 45 |
| 46 | Other(specify) | | | | 46 |
| 47 | | | | | 47 |
| 48 | | | | | 48 |
| 49 | TOTAL (lines 35 - 48) | 405 | \$ 84,180 | | 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 | | | | 52 |
| 53 | TOTAL (lines 50 - 52) | | \$ | | 53 |

XIX. SUPPORT SCHEDULES

| A. Administrative Salaries | | | | D. Employee Benefits and Payroll Taxes | | | F. Dues, Fees, Subscriptions and Promotions | |
|---|--------------------------|-------------|------------|--|------------|---|---|-----------|
| Name | Function | Ownership % | Amount | Description | Amount | Description | Amount | |
| Igor Rebel | Administrative | | \$ 148,446 | Workers' Compensation Insurance | \$ 68,499 | IDPH License Fee | \$ 3,980 | |
| Akiva Brandman | Administrative | | 86,603 | Unemployment Compensation Insurance | 23,590 | Advertising: Employee Recruitment | 29,055 | |
| | | | | FICA Taxes | 251,282 | Health Care Worker Background Check (Indicate # of checks performed _____) | | |
| | | | | Employee Health Insurance | 186,206 | Patient Background Checks | | |
| | | | | Employee Meals | | Advertising | 37,456 | |
| | | | | Illinois Municipal Retirement Fund (IMRF)* | | Illinois Council on long term care | 12,222 | |
| | | | | | | Sec of State | 548 | |
| TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.) | | | \$ 235,049 | | | City of Waukegan | 370 | |
| B. Administrative - Other | | | | | | Misc Licenses | 2,877 | |
| Description | | | Amount | | | Less: Public Relations Expense | () | |
| Home Office Expense | | | \$ 353,640 | | | Non-allowable advertising | (37,456) | |
| | | | | | | Yellow page advertising | () | |
| | | | | | | | | |
| TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement) | | | \$ 353,640 | TOTAL (agree to Schedule V, line 22, col.8) | \$ 529,577 | TOTAL (agree to Sch. V, line 20, col. 8) | \$ 49,052 | |
| C. Professional Services | | | | E. Schedule of Non-Cash Compensation Paid to Owners or Employees | | | G. Schedule of Travel and Seminar** | |
| Vendor/Payee | Type | | Amount | Description | Line # | Amount | Description | Amount |
| Rehab management Systems | Reimbursement Consulting | | \$ 24,000 | | | | Out-of-State Travel | \$ |
| Mendel Schneider & Assocaites | Accounting | | 15,000 | | | | | |
| Parsons Law | Legal | | 1,000 | | | | | |
| Kenneth Henry | Legal | | 20,841 | | | | In-State Travel | |
| Meyer Magence | Legal | | 525 | | | | | |
| Sher LLP | Legal | | 307 | | | | | |
| Quarles & Brady | Legal | | 3,225 | | | | Seminar Expense | |
| Michael T Smith | Legal | | 4,500 | | | | Alloc from AA Healthcare | 28,339 |
| Integra Scripts | Rx Consutling | | 7,020 | | | | Pharmerica | 1,860 |
| Prospect Resources | Energy | | 600 | | | | Relias Learning | 11,401 |
| | | | | | | | Entertainment Expense | () |
| TOTAL (agree to Schedule V, line 19, column 3) (For legal fee disclosure, see page 39 of instructions) | | | \$ 77,018 | TOTAL | | | TOTAL (agree to Sch. V, line 24, col. 8) | \$ 41,600 |

* Attach copy of IMRF notifications

**See instructions.

