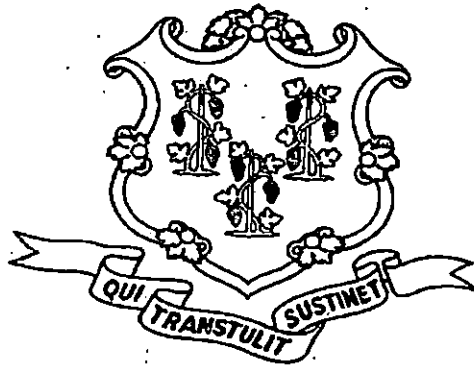


State of Connecticut



Annual Report of Long-Term Care Facility Cost Year 2019

| | |
|--|-------------------------------------|
| Name of Facility (as licensed) East Ridge Manor, Inc. | |
| Address (No. & Street, City, State, Zip Code) 43 Preston Avenue, Meriden, CT 06450 | |
| Type of Facility | |
| <input type="checkbox"/> Chronic and Convalescent <input type="checkbox"/> Nursing Home only (CCNH) <input type="checkbox"/> Rest Home with Nursing <input type="checkbox"/> Supervision only (RHNS) <input checked="" type="checkbox"/> Residential Care Home | |
| Report for Year Beginning 10/1/2018 | Report for Year Ending 9/30/2019 |

| | | | | |
|------------------|------|------|------------------------------|-------------------|
| License Numbers: | CCNH | RHNS | Residential Care Home 928 | Medicare Provider |
|------------------|------|------|------------------------------|-------------------|

| | | | |
|----------------------------|------|------|---------|
| Medicaid Provider Numbers: | CCNH | RHNS | ICF-IID |
|----------------------------|------|------|---------|

For Department Use Only

| Sequence Number Assigned | Signed and Notarized | Date Received | Sequence Number Assigned | Signed and Notarized | Date Received |
|--------------------------|----------------------|---------------|--------------------------|----------------------|---------------|
| | | | | | |
| | | | | | |

General Information

| | | | | |
|--|--------------------|------------------------------------|-----------|----------|
| Name of Facility (as licensed) East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2018 | Page 1 | of 37 |
|--|--------------------|------------------------------------|-----------|----------|

Administrator's/Owner's Certification

MISREPRESENTATION OR FALSIFICATION OF ANY INFORMATION CONTAINED IN THIS COST REPORT MAY BE PUNISHABLE BY FINE AND/OR IMPRISONMENT UNDER STATE OR FEDERAL LAW.

I HEREBY CERTIFY that I have read the above statement and that I have examined the accompanying Cost Report and supporting schedules prepared for East Ridge Manor, Inc. [facility name], for the cost report period beginning October 1, 2017 and ending September 30, 2018, and that to the best of my knowledge and belief, it is a true, correct, and complete statement prepared from the books and records of the provider(s) in accordance with applicable instructions.

I hereby certify that I have directed the preparation of the attached General Information and Questionnaires, Schedule of Resident Statistics, Statements of Reported Expenditures, Statements of Revenues and the related Balance Sheet of this Facility in accordance with the Reporting Requirements of the State of Connecticut for the year ended as specified above.

I have read this Report and hereby certify that the information provided is true and correct to the best of my knowledge under the penalty of perjury. I also certify that all salary and non-salary expenses presented in this Report as a basis for securing reimbursement for Title XIX and/or other State assisted residents were incurred to provide resident care in this Facility. All supporting records for the expenses recorded have been retained as required by Connecticut law and will be made available to auditors upon request.

| | | | | | |
|--|-----------------------|--------------------------|--|------------------------------------|------|
| Signed (Administrator) <i>Gabriela Conroy</i> | | Date <i>1/31/2020</i> | Signed (Owner) | | Date |
| Printed Name (Administrator) Gabriela Conroy | | | Printed Name (Owner) Doreen Z. Conroy | | |
| Subscribed and Sworn to before me: <i>Matilda Vangjel</i> | State of <i>CT</i> | Date <i>1/31/2020</i> | Signed (Notary Public) <i>Matilda Vangjel</i> | Comm. Expires <i>10/31/2022</i> | |
| Address of Notary Public <i>485 Broad St Meriden CT 06450</i> | | | | | |

(Notary Seal)



General Information

| | | | | |
|--|--------------------|------------------------------------|-----------|----------|
| Name of Facility (as licensed) East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | Page 1 | of 37 |
|--|--------------------|------------------------------------|-----------|----------|

Administrator's/Owner's Certification

MISREPRESENTATION OR FALSIFICATION OF ANY INFORMATION CONTAINED IN THIS COST REPORT MAY BE PUNISHABLE BY FINE AND/OR IMPRISONMENT UNDER STATE OR FEDERAL LAW.

I HEREBY CERTIFY that I have read the above statement and that I have examined the accompanying Cost Report and supporting schedules prepared for East Ridge Manor, Inc. [facility name], for the cost report period beginning October 1, 2018 and ending September 30, 2019, and that to the best of my knowledge and belief, it is a true, correct, and complete statement prepared from the books and records of the provider(s) in accordance with applicable instructions.

I hereby certify that I have directed the preparation of the attached General Information and Questionnaires, Schedule of Resident Statistics, Statements of Reported Expenditures, Statements of Revenues and the related Balance Sheet of this Facility in accordance with the Reporting Requirements of the State of Connecticut for the year ended as specified above.

I have read this Report and hereby certify that the information provided is true and correct to the best of my knowledge under the penalty of perjury. I also certify that all salary and non-salary expenses presented in this Report as a basis for securing reimbursement for Title XIX and/or other State assisted residents were incurred to provide resident care in this Facility. All supporting records for the expenses recorded have been retained as required by Connecticut law and will be made available to auditors upon request.

| | | | | | |
|--|----------------|------------------|---|--|-----------------------------|
| Signed (Administrator) | | Date | Signed (Owner) | | Date |
| Printed Name (Administrator) Gabriela Conroy | | | Doreen Z. Conroy | | 1/30/2020 |
| Subscribed and Sworn to before me: Noreen R. Czepiel | State of CT | Date 11/30/20 | Signed (Notary Public) Noreen R. Czepiel | | Comm. Expires 06, 30, 20 |
| Address of Notary Public 378 Denison Rd West Brook CT 06898 | | | | | |

(Notary Seal)

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State of Connecticut
Department of Social Services
 55 Farmington Avenue, Hartford, Connecticut 06105

| Data Required for Real Wage Adjustment | | | Page 1A | of 37 |
|--|-------------------|------------------------------|-------------------|-----------------------------|
| Name of Facility East Ridge Manor, Inc. | | Period Covered: | From 10/1/2018 | To 9/30/2019 |
| Address of Facility 43 Preston Avenue, Meriden, CT 06450 | | | | |
| Report Prepared By Brodeur & Co., CPAs, P.C. | | Phone Number 860-388-4627 | Date 12/6/2019 | |
| Item | Total | CCNH | RHNS | Residential Care Home |
| 1. Dietary wages paid | \$ 32,297 | | | 32,297 |
| 2. Laundry wages paid | \$ 3,098 | | | 3,098 |
| 3. Housekeeping wages paid | \$ 13,090 | | | 13,090 |
| 4. Nursing wages paid | \$ | | | |
| 5. All other wages paid | \$ 195,474 | | | 195,474 |
| 6. Total Wages Paid | \$ 243,959 | | | 243,959 |
| 7. Total salaries paid | \$ 55,847 | | | 55,847 |
| 8. Total Wages and Salaries Paid (As per page 10 of Report) | \$ 299,806 | | | 299,806 |

Wages - Compensation computed on an hourly wage rate.

Salaries - Compensation computed on a weekly or other basis which does not generally vary, based on the number of hours worked.

DO NOT include Fringe Benefit Costs.

General Information and Questionnaire
Type of Facility - Organization Structure

| | | | | |
|--|------|--|---|---|
| Phone No. of Facility 203-630-6432 | | Report for Year Ended 9/30/2019 | Page 2 | of 37 |
| Name of Facility (as shown on license) East Ridge Manor, Inc. | | Address (No. & Street, City, State, Zip) 43 Preston Avenue, Meriden, CT 06450 | | |
| License Numbers: | CCNH | RHNS | Residential Care Home 928 | Medicare Provider No. |
| Type of Facility (Check appropriate box(es)) | | | | |
| <input type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH) | | <input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS) | | <input checked="" type="checkbox"/> Residential Care Home |
| Type of Ownership (Check appropriate box) | | | | |
| <input type="radio"/> Proprietorship <input type="radio"/> LLC <input type="radio"/> Partnership <input checked="" type="radio"/> Profit Corp. <input type="radio"/> Non-Profit Corp. <input type="radio"/> Government <input type="radio"/> Trust | | | | |
| If this facility opened or closed during report year provide: | | | Date Opened | Date Closed |
| Has there been any change in ownership or operation during this report year? <input type="radio"/> Yes <input checked="" type="radio"/> No If "Yes," explain fully. | | | | |
| | | | | |
| Administrator | | | | |
| Name of Administrator Gabriela Conroy | | | Nursing Home Administrator's License No.: | |
| Other Operators/Owners who are assistant administrators (full or part time) of this facility. | | | | |
| Name | | | License No.: | |
| | | | | |
| | | | | |
| | | | | |

General Information and Questionnaire
Corporate Owners

| | | | | |
|--|--|------------------------------------|-------------------------|----------|
| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | Page 3A | of 37 |
| If this facility is owned or operated as a corporation, provide the following information: | | | | |
| Legal Name of Corporation | Business Address | State(s) in Which Incorporated | | |
| | | | | |
| Name of Directors, Officers | Business Address | Title | No. Shares Held by Each | |
| Doreen Z. Conroy | 841 Norwich-New London Tpke. Uncasville, CT 06382 | President | 1 | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Names of Stockholders Owning at Least 10% of Shares | | | | |
| Doreen Z. Conroy | 841 Norwich-New London Tpke. Uncasville, CT 06382 | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

General Information and Questionnaire
Related Parties*

| | | | | |
|--|--------------------|------------------------------------|-----------|----------|
| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | Page 4 | of 37 |
|--|--------------------|------------------------------------|-----------|----------|

Are any individuals receiving compensation from the facility related through marriage, ability to control, ownership, family or business association? Yes No If "Yes," provide the Name/Address and complete the information on Page 11 of the report.

Are any individuals or companies which provide goods or services, including the rental of property or the loaning of funds to this facility, related through family association, common ownership, control, or business association to any of the owners, operators, or officials of this facility? Yes No If "Yes," provide the following information:

| Name of Related Individual or Company | Business Address | Also Provides Goods/Services to Non-Related Parties | | | Description of Goods/Services Provided | Indicate Where Costs are Included in Annual Report Page # / Line # | Cost Reported | Actual Cost to the Related Party |
|---------------------------------------|---|---|----------------------------------|-----|--|--|---------------|----------------------------------|
| | | Yes | No | %** | | | | |
| Preston Real Estate/Doreen Z. Conroy | 43 Preston Avenue, Meriden, CT 06450 | <input type="radio"/> | <input checked="" type="radio"/> | | Rental of real estate | pg. 11, line 9 | 66,000 | 66,000 |
| Doreen Z. Conroy | 841 Norwich-New London Tpke, Uncasville, CT 06382 | <input type="radio"/> | <input checked="" type="radio"/> | | Loaning of funds | pg. 34, line B.3 | 44,424 | 44,424 |
| Gabriela Conroy | 43 Preston Avenue, Meriden, CT 06450 | <input type="radio"/> | <input checked="" type="radio"/> | | Administrator | pg. 10, line A.2 | 55,847 | 55,847 |
| Gabriela Conroy | 43 Preston Avenue, Meriden, CT 06450 | <input type="radio"/> | <input checked="" type="radio"/> | | Employee loan | pg. 32, line D.6 | 106,864 | 106,864 |
| Timothy Conroy, Jr. | PO Box 239, Middlefield, CT 06455 | <input type="radio"/> | <input checked="" type="radio"/> | | Loan from related party | pg. 34, line B.3 | 3,189 | 3,189 |
| Preston Real Estate/Doreen Z. Conroy | 43 Preston Avenue, Meriden, CT 06450 | <input type="radio"/> | <input checked="" type="radio"/> | | Loan from related party | pg. 34, line B.3 | 154,583 | 154,583 |
| TGC, Inc. dba Caroline's RCH | 37 Clark Avenue, E. Haven, CT 06512 | <input type="radio"/> | <input checked="" type="radio"/> | | Loan to related party | pg 32/D6, pg 15/1h | 22,038 | 22,038 |
| Haughton Cove Manor, Inc. | 840 Norwich-New London Tpke, Uncasville, CT 06382 | <input type="radio"/> | <input checked="" type="radio"/> | | Loan to related party/share insurance | P 32/D6, P 15/P 17 | 77,182 | 77,182 |
| Other related-See page 11 | | <input type="radio"/> | <input checked="" type="radio"/> | | | | | |

* Use additional sheets if necessary.
 ** Provide the percentage amount of revenue received from non-related parties.

General Information and Questionnaire

Basis for Allocation of Costs

| | | | | |
|---|--|------------------------------------|-----------|----------|
| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | Page 5 | of 37 |
| If the facility is licensed as CDH and/or RCH or provides AIDS or TBI services with special Medicaid rates, costs must be allocated to CCNH and RHNS as follows: | | | | |
| Item | Method of Allocation | | | |
| Dietary | Number of meals served to residents | | | |
| Laundry | Number of pounds processed | | | |
| Housekeeping | Number of square feet serviced | | | |
| Nursing | Number of hours of routine care provided by EACH employee classification, i.e., Director (or Charge Nurse), Registered Nurses, Licensed Practical Nurses, Aides and Attendants | | | |
| Direct Resident Care Consultants | Number of hours of resident care provided by EACH specialist (<i>See listing page 13</i>) | | | |
| Maintenance and operation of plant | Square feet | | | |
| Property costs (depreciation) | Square feet | | | |
| Employee health and welfare | Gross salaries | | | |
| Management services | Appropriate cost center involved | | | |
| All other General Administrative expenses | Total of Direct and Allocated Costs | | | |
| The preparer of this report must answer the following questions applicable to the cost information provided. | | | | |
| 1. In the preparation of this Report, were all costs allocated as required? <input type="radio"/> Yes <input checked="" type="radio"/> No If "No," explain fully why such allocation was not made. | | | | |
| | | | | |
| 2. Explain the allocation of related company expenses and attach copy of appropriate supporting data. | | | | |
| Property and general liability insurance costs are allocated based on the total licensed beds at the two facilities with common ownership: Haughton Cove Manor - 19 beds = 43%; East Ridge Manor - 25 beds = 57%. Auto insurance is based on actual premiums incurred for the facility vehicle. | | | | |
| 3. Did the Facility appropriately allocate and self-disallow direct and indirect costs to non-nursing home cost centers? (e.g., Assisted Living, Home Health, Outpatient Services, Adult Day Care Services, etc.) | | | | |
| <input type="radio"/> Yes <input checked="" type="radio"/> No If "No," explain fully why such allocation was not made. | | | | |
| N/A | | | | |

General Information and Questionnaire Leases (Excluding Real Property)

Operating Leases - Include all long-term leases for motor vehicles and equipment that have not been capitalized. Short-term leases or as needed rentals should not be included in these amounts.

| Name of Facility | | | License No. | Report for Year Ended | | | Page | of | |
|---|---|----------------------------------|-----------------------------|-----------------------|------------------|------------------------------|---------------------------|-------------------------------------|------------------|
| East Ridge Manor, Inc. | | | 928 | 9/30/2019 | | | 6 | 37 | |
| Name and Address of Lessor | Related * to Owners, Operators, Officers | | Description of Items Leased | Date of Lease** | Term of Lease | Annual Amount of Lease | Amount Claimed | | |
| | Yes | No | | | | | | | |
| Wells Fargo Financial Leasing, Inc., Des Moines, IA | <input type="radio"/> | <input checked="" type="radio"/> | Copier/scan/fax | 10/22/17 | 60 | 2,412 | 2,412 | | |
| | <input type="radio"/> | <input checked="" type="radio"/> | | | | | | | |
| | <input type="radio"/> | <input checked="" type="radio"/> | | | | | | | |
| | <input type="radio"/> | <input checked="" type="radio"/> | | | | | | | |
| | <input type="radio"/> | <input checked="" type="radio"/> | | | | | | | |
| | <input type="radio"/> | <input checked="" type="radio"/> | | | | | | | |
| | <input type="radio"/> | <input checked="" type="radio"/> | | | | | | | |
| | <input type="radio"/> | <input checked="" type="radio"/> | | | | | | | |
| | <input type="radio"/> | <input checked="" type="radio"/> | | | | | | | |
| | <input type="radio"/> | <input checked="" type="radio"/> | | | | | | | |
| | <input type="radio"/> | <input checked="" type="radio"/> | | | | | | | |
| Is a Mileage Log Book Maintained for All Leased Vehicles ? | | | | | | | <input type="radio"/> Yes | <input checked="" type="radio"/> No | Total *** |
| | | | | | | | | 2,412 | |

* Refer to Page 4 for definition of related. If "Yes," transaction should be reported on Page 4 also.
 ** Attach copies of newly acquired leases.
 *** Amount should agree to Page 22, Line 6e.

General Information and Questionnaire
Accounting Basis

| | | | | |
|--|--|---|------------------|--|
| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | Page 7 | of 37 |
| The records of this facility for the period covered by this report were maintained on the following basis: <input checked="" type="radio"/> Accrual <input type="radio"/> Cash <input type="radio"/> Modified Cash | | | | |
| Is the accounting basis for this period the same as for the previous period? <input checked="" type="radio"/> Yes <input type="radio"/> No If "No," explain. | | | | |
| Independent Accounting Firm | | | | |
| Name of Accounting Firm 1 Brodeur & Co., CPAs, P.C. 2 3 4 | | Address (No. & Street, City, State, Zip Code) PO Box 164, 10 Springbrook Rd., Old Saybrook CT 06475 | | |
| Services Provided by This Firm (<i>describe fully</i>) | | | | |
| 1 | Y/E trial balance, cost report, tax return, reimbursement advice, accounting and audit support | | | \$ 9,605 |
| 2 | | | | \$ |
| 3 | | | | \$ |
| 4 | | | | \$ |
| | | | | Charge for Services Provided \$ 9,605 |
| Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No. <input checked="" type="radio"/> Yes <input type="radio"/> No Accounting services P. 15, Line 1.d | | | | |
| Legal Services Information | | | | |
| Name of Legal Firm or Independent Attorney 1 2 3 4 5 | | | Telephone Number | |
| Address (<i>No. & Street, City, State, Zip Code</i>) 1 2 3 4 5 | | | | |
| Services Provided by This Firm (<i>describe fully</i>) | | | | |
| 1 | | | | \$ |
| 2 | | | | \$ |
| 3 | | | | \$ |
| 4 | | | | \$ |
| 5 | | | | \$ |
| | | | | Charge for Services Provided \$ |
| Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No. <input type="radio"/> Yes <input checked="" type="radio"/> No N/A | | | | |

Schedule of Resident Statistics

| Name of Facility East Ridge Manor, Inc. | | License No. 928 | | | Report for Year Ended 9/30/2019 | | | | Page 8 | of 37 | | | |
|--|------------------|--------------------|------------------|-----------------------------|------------------------------------|------|------|-----------------------|----------------------|----------|------|-----------------------|-------|
| | Total All Levels | Total CCNH Level | Total RHNS Level | Total Residential Care Home | Period 10/1 Thru 6/30 | | | | Period 7/1 Thru 9/30 | | | | |
| | | | | | Total | CCNH | RHNS | Residential Care Home | Total | CCNH | RHNS | Residential Care Home | |
| 1. Certified Bed Capacity | | | | | | | | | | | | | |
| A. On last day of PREVIOUS report period | 25 | | | 25 | 25 | | | 25 | 25 | | | | 25 |
| B. On last day of THIS report period | 25 | | | 25 | 25 | | | 25 | 25 | | | | 25 |
| 2. Number of Residents | | | | | | | | | | | | | |
| A. As of midnight of PREVIOUS report period | 25 | | | 25 | 25 | | | 25 | 25 | | | | 25 |
| B. As of midnight of THIS report period | 25 | | | 25 | 25 | | | 25 | 25 | | | | 25 |
| 3. Total Number of Days Care Provided During Period | | | | | | | | | | | | | |
| A. Medicare | | | | | | | | | | | | | |
| B. Medicaid (Conn.) | | | | | | | | | | | | | |
| C. Medicaid (other states) | | | | | | | | | | | | | |
| D. Private Pay | | | | | | | | | | | | | |
| E. State SSI for RCH | 9,105 | | | 9,105 | 6,805 | | | 6,805 | 2,300 | | | | 2,300 |
| F. Other (Specify) | | | | | | | | | | | | | |
| G. Total Care Days During Period (3A thru F) | 9,105 | | | 9,105 | 6,805 | | | 6,805 | 2,300 | | | | 2,300 |
| 4. Total Number of Days Not Included in Figures in 3G for Which Revenue Was Received for Reserved Beds | | | | | | | | | | | | | |
| A. Medicaid Bed Reserve Days | | | | | | | | | | | | | |
| B. Other Bed Reserve Days | | | | | | | | | | | | | |
| 5. Total Resident Days (3G + 4A + 4B) | 9,105 | | | 9,105 | 6,805 | | | 6,805 | 2,300 | | | | 2,300 |

Schedule of Resident Statistics (Cont'd)

| | | | | |
|--|--------------------|------------------------------------|-----------|----------|
| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | Page 9 | of 37 |
|--|--------------------|------------------------------------|-----------|----------|

4. Were there any changes in the certified bed capacity during the report year? Yes No

If "YES", provide the following information:

| Date of Change | Place of Change | | | Change in Beds | | | | | | Capacity After Change | | | Reason for Change |
|----------------|-----------------|-------------|------------------------------|----------------|-----|-----|--------|-----|-----|-----------------------|------|-----------------------|-------------------|
| | CCNH (1) | RHNS (2) | Residential Care Home (3) | Lost | | | Gained | | | CCNH | RHNS | Residential Care Home | |
| | | | | (1) | (2) | (3) | (1) | (2) | (3) | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |

5. If there was any change in certified bed capacity during the report year (as reported in item 4 above) provide the number of RESIDENT DAYS for 90 days following the change.

| Change in Resident Days | CCNH | RHNS | Residential Care Home |
|-------------------------|------|------|-----------------------|
| 1st change | | | |
| 2nd change | | | |
| 3rd change | | | |
| 4th change | | | |

6. Number of Residents and Rates on September 30 of Cost Year

| Item | Medicare | | Medicaid | | Self-Pay | | Other State Assisted | |
|---------------------------|----------|------|----------|------|----------|------|-----------------------|--------|
| | CCNH | RHNS | CCNH | RHNS | CCNH | RHNS | Residential Care Home | ICF-MR |
| No. of Residents | | | | | | | | 25 |
| Per Diem Rate | | | | | | | | |
| a. One bed rm. | | | | | | | 110.00 | 75.62 |
| b. Two bed rms. | | | | | | | 110.00 | 75.62 |
| c. Three or more bed rms. | | | | | | | | |

7. Total Number of Physical Therapy Treatments

| | TOTAL | CCNH | RHNS | Residential Care Home |
|---|-------|------|------|-----------------------|
| A. Medicare - Part B | | | | |
| B. Medicaid (Exclusive of Part B) | | | | |
| 1. Maintenance Treatments | | | | |
| 2. Restorative Treatments | | | | |
| C. Other | | | | |
| D. Total Physical Therapy Treatments | | | | |

8. Total Number of Speech Therapy Treatments

| | | | | |
|---|--|--|--|--|
| A. Medicare - Part B | | | | |
| B. Medicaid (Exclusive of Part B) | | | | |
| 1. Maintenance Treatments | | | | |
| 2. Restorative Treatments | | | | |
| C. Other | | | | |
| D. Total Speech Therapy Treatments | | | | |

9. Total Number of Occupational Therapy Treatments

| | | | | |
|---|--|--|--|--|
| A. Medicare - Part B | | | | |
| B. Medicaid (Exclusive of Part B) | | | | |
| 1. Maintenance Treatments | | | | |
| 2. Restorative Treatments | | | | |
| C. Other | | | | |
| D. Total Occupational Therapy Treatments | | | | |

Report of Expenditures - Salaries & Wages

| Name of Facility | License No. | Report for Year Ended | Page | of | | |
|--|-------------|-----------------------|------|-------|--------------------------|--------|
| East Ridge Manor, Inc. | 928 | 9/30/2019 | 10 | 37 | | |
| Are time records maintained by all individuals receiving compensation? <input checked="" type="radio"/> Yes <input type="radio"/> No | | | | | | |
| Total Cost and Hours | | | | | | |
| Item | CCNH | Hours | RHNS | Hours | Residential Care Home | Hours |
| A. Salaries and Wages* | | | | | | |
| 1. Operators/Owners (Complete also Sec. I of Schedule A1) | | | | | | |
| 2. Administrator(s) (Complete also Sec. III of Schedule A1) | | | | | 55,847 | 2,128 |
| 3. Assistant Administrator (Complete also Sec. IV of Schedule A1) | | | | | | |
| 4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.) | | | | | 21,755 | 1,194 |
| 5. Dietary Service | | | | | | |
| a. Head Dietitian | | | | | | |
| b. Food Service Supervisor | | | | | | |
| c. Dietary Workers | | | | | 32,297 | 2,199 |
| 6. Housekeeping Service | | | | | | |
| a. Head Housekeeper | | | | | | |
| b. Other Housekeeping Workers | | | | | 13,090 | 1,188 |
| 7. Repairs & Maintenance Services | | | | | | |
| a. Engineer or Chief of Maintenance | | | | | | |
| b. Other Maintenance Workers | | | | | 51,644 | 2,437 |
| 8. Laundry Service | | | | | | |
| a. Supervisor | | | | | | |
| b. Other Laundry Workers | | | | | 3,098 | 276 |
| 9. Barber and Beautician Services | | | | | | |
| 10. Protective Services | | | | | | |
| 11. Accounting Services | | | | | | |
| a. Head Accountant | | | | | | |
| b. Other Accountants | | | | | | |
| 12. Professional Care of Residents | | | | | | |
| a. Directors and Assistant Director of Nurses | | | | | | |
| b. RN | | | | | | |
| 1. Direct Care | | | | | | |
| 2. Administrative** | | | | | | |
| c. LPN | | | | | | |
| 1. Direct Care | | | | | | |
| 2. Administrative** | | | | | | |
| d. Aides and Attendants | | | | | 92,916 | 7,783 |
| e. Physical Therapists | | | | | | |
| f. Speech Therapists | | | | | | |
| g. Occupational Therapists | | | | | | |
| h. Recreation Workers | | | | | 29,159 | 1,729 |
| i. Physicians | | | | | | |
| 1. Medical Director | | | | | | |
| 2. Utilization Review | | | | | | |
| 3. Resident Care*** | | | | | | |
| 4. Other (Specify) | | | | | | |
| j. Dentists | | | | | | |
| k. Pharmacists | | | | | | |
| l. Podiatrists | | | | | | |
| m. Social Workers/Case Management | | | | | | |
| n. Marketing | | | | | | |
| o. Other (Specify) See Attached Schedule | | | | | | |
| <i>A-13. Total Salary Expenditures</i> | | | | | 299,806 | 18,934 |

* Do not include in this section any expenditures paid to persons who receive a fee for services rendered or who are paid on a contract basis.

** Administrative - costs and hours associated with the following positions: MDS Coordinator, Inservice Training Coordinator and Infection Control Nurse. Such costs shall be included in the direct care category for the purposes of rate setting.

*** This item is not reimbursable to facility. For Title 19 residents, doctors should bill DSS directly. Also, any costs for Title 18 and/or other private pay residents must be removed on Page 28.

Schedule of Other Salaries and Wages (Page 10)

| Position | CCNH | | RHNS | | Residential Care Home | |
|--------------|------|-------|------|-------|-----------------------|-------|
| | \$ | Hours | \$ | Hours | \$ | Hours |
| | | | | | | |
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| | | | | | | |
| Total | \$ - | - | \$ - | - | \$ - | - |

Schedule of Other Fees (Page 13)

| Service | CCNH | | RHNS | | Residential Care Home | |
|--------------|------|-------|------|-------|-----------------------|-------|
| | \$ | Hours | \$ | Hours | \$ | Hours |
| | | | | | | |
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| | | | | | | |
| Total | \$ - | - | \$ - | - | \$ - | - |

**Schedule A1 - Salary Information for Operators/Owners; Administrators,
Assistant Administrators and Other Related Parties***

| Name of Facility East Ridge Manor, Inc. | | | | License No. 928 | Report for Year Ended 9/30/2019 | Page 11 | of 37 | | | |
|---|-------------|------|--------------------------|---|--|--------------------------|-------------------------------------|---|--------------------------|--------------------------|
| Name | Salary Paid | | | Fringe Benefits and/or Other Payments (describe fully) | Full Description of Services Rendered | Total Hours Worked | Line Where Claimed on Page 10 | Name and Address of All Other Employment** | Total Hours Worked | Compensation Received |
| | CCNH | RHNS | Residential Care Home | | | | | | | |
| Section I - Operators/Owners | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Section II - Other related parties of Operators/Owners employed in and paid by facility (EXCEPT those who may be the Administrator or Assistant Administrators who are identified on Page 12). | | | | | | | | | | |
| Timothy Conroy, Jr. | | | 35,488 | | maintenance | 1,596 | A.7b | TGC, Inc. dba Caroline's Residential Care | | |
| Olivia Conroy | | | 8,683 | | recreation & other admin | 856 | A.12h A.4 | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

* No allowance for salaries will be considered unless full information is provided. Use additional sheets if required.

** Include all employment worked during the cost year.

**Schedule A1 - Salary Information for Operators/Owners; Administrators,
Assistant Administrators and Other Related Parties***

| Name of Facility (as licensed) East Ridge Manor, Inc. | | | | License No. 928 | Report for Year Ended 9/30/2019 | Page 12 | of 37 | | | |
|--|-------------|------|--------------------------|---|--|--------------------------|-------------------------------------|---|--------------------------|--------------------------|
| Name | Salary Paid | | | Fringe Benefits and/or Other Payments (describe fully) | Full Description of Services Rendered | Total Hours Worked | Line Where Claimed on Page 10 | Name and Address of All Other Employment** | Total Hours Worked | Compensation Received |
| | CCNH | RHNS | Residential Care Home | | | | | | | |
| Section III - Administrators*** | | | | | | | | | | |
| Gabriela Conroy | | | 55,847 | | administrator | 2,128 | A.s | N/A | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Section IV - Assistant Administrators | | | | | | | | | | |
| | | | | | | | | | | |
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*No allowance for salaries will be considered unless full information is provided. Use additional sheets if required.

** Include all other employment worked during the cost year.

*** If more than one Administrator is reported, include dates of employment for each.

B. Report of Expenditures - Professional Fees

| Name of Facility | License No. | Report for Year Ended | Page | of | | |
|---|-------------|-----------------------|------|-------|-----------------------|-------|
| East Ridge Manor, Inc. | 928 | 9/30/2019 | 13 | 37 | | |
| Total Cost and Hours | | | | | | |
| Item | CCNH | Hours | RHNS | Hours | Residential Care Home | Hours |
| *B. Direct care consultants paid on a fee for service basis in lieu of salary (For all such services complete Schedule B1) | | | | | | |
| 1. Dietitian | | | | | | |
| 2. Dentist | | | | | | |
| 3. Pharmacist | | | | | | |
| 4. Podiatrist | | | | | | |
| 5. Physical Therapy | | | | | | |
| a. Resident Care | | | | | | |
| b. Other | | | | | | |
| 6. Social Worker | | | | | | |
| 7. Recreation Worker | | | | | | |
| 8. Physicians | | | | | | |
| a. Medical Director (entire facility) | | | | | | |
| b. Utilization Review (Title 18 and 19 only) monthly meeting | | | | | | |
| c. Resident Care** | | | | | | |
| d. Administrative Services facility | | | | | | |
| 1. Infection Control Committee (Quarterly meetings) | | | | | | |
| 2. Pharmaceutical Committee (Quarterly meetings) | | | | | | |
| 3. Staff Development Committee (Once annually) | | | | | | |
| e. Other (Specify) | | | | | | |
| 9. Speech Therapist | | | | | | |
| a. Resident Care | | | | | | |
| b. Other | | | | | | |
| 10. Occupational Therapist | | | | | | |
| a. Resident Care | | | | | | |
| b. Other | | | | | | |
| 11. Nurses and aides and attendants | | | | | | |
| a. RN | | | | | | |
| 1. Direct Care | | | | | | |
| 2. Administrative*** | | | | | | |
| b. LPN | | | | | | |
| 1. Direct Care | | | | | | |
| 2. Administrative*** | | | | | | |
| c. Aides | | | | | | |
| d. Other | | | | | | |
| 12. Other (Specify) See Attached Schedule | | | | | | |
| B-13 Total Fees Paid in Lieu of Salaries | | | | | | |

* Do not include in this section management consultants or services which must be reported on Page 16 item M-12 and supported by required information, Page 17.

** This item is not reimbursable to facility. For Title 19 residents, doctors should bill DSS directly. Also, any costs for Title 18 and/or other private pay residents must be removed on Page 28.

*** Administrative - costs and hours associated with the following positions: MDS Coordinator, Inservice Training Coordinator and Infection Control Nurse. Such costs shall be included in the direct care category for the purposes of rate setting.

Report of Expenditures

Schedule B1 - Information Required for Individual(s) Paid on Fee for Service Basis*

| Name of Facility East Ridge Manor, Inc. | | License No. 928 | Report for Year Ended 9/30/2019 | Page 14 | of 37 |
|--|-----------------------------|--|------------------------------------|-----------------------------|----------|
| Name & Address of Individual | Full Explanation of Service | Related** to Owners, Operators, Officers | | Explanation of Relationship | |
| | | Yes | No | | |
| | | <input type="radio"/> | <input checked="" type="radio"/> | | |
| | | <input type="radio"/> | <input checked="" type="radio"/> | | |
| | | <input type="radio"/> | <input checked="" type="radio"/> | | |
| | | <input type="radio"/> | <input checked="" type="radio"/> | | |
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| | | <input type="radio"/> | <input checked="" type="radio"/> | | |

* Use additional sheets if necessary.
 ** Refer to Page 4 for definition of related.

C. Expenditures Other Than Salaries - Administrative and General

| Name of Facility | License No. | Report for Year Ended | Page | of |
|--|-------------|-----------------------|------|-----------------------|
| East Ridge Manor, Inc. | 928 | 9/30/2019 | 15 | 37 |
| Item | Total | CCNH | RHNS | Residential Care Home |
| 1. Administrative and General | | | | |
| a. Employee Health & Welfare Benefits | | | | |
| 1. Workmen's Compensation | \$ 4,922 | | | 4,922 |
| 2. Disability Insurance | \$ | | | |
| 3. Unemployment Insurance | \$ 3,608 | | | 3,608 |
| 4. Social Security (F.I.C.A.) | \$ 22,680 | | | 22,680 |
| 5. Health Insurance | \$ 96,553 | | | 96,553 |
| 6. Life Insurance (employees only) (not-owners and not-operators) | \$ | | | |
| 7. Pensions (Non-Discriminatory) (not-owners and not-operators) | \$ | | | |
| 8. Uniform Allowance | \$ | | | |
| 9. Other (<i>Specify</i>) See Attached Schedule | \$ | | | |
| b. Personal Retirement Plans, Pensions, and Profit Sharing Plans for Owners and Operators (Discriminatory)* | \$ | | | |
| c. Bad Debts* | \$ | | | |
| d. Accounting and Auditing | \$ 9,605 | | | 9,605 |
| e. Legal (<i>Services should be fully described on Page 7</i>) | \$ | | | |
| f. Insurance on Lives of Owners and Operators (<i>Specify</i>)* | \$ | | | |
| g. Office Supplies | \$ 4,496 | | | 4,496 |
| h. Telephone and Cellular Phones | | | | |
| 1. Telephone & Pagers | \$ 4,978 | | | 4,978 |
| 2. Cellular Phones | \$ 2,390 | | | 2,390 |
| i. Appraisal (<i>Specify purpose and attach copy</i>)* | \$ | | | |
| j. Corporation Business Taxes (<i>franchise tax</i>) | \$ | | | |
| k. Other Taxes (<i>Not related to property - See Page 22</i>) | | | | |
| 1. Income* | \$ 940 | | | 940 |
| 2. Other (<i>Specify</i>) See Attached Schedule | \$ 250 | | | 250 |
| 3. Resident Day User Fee | \$ | | | |
| Subtotal | \$ 150,422 | | | 150,422 |

* Facility should self-disallow the expense on Page 28 of the Cost Report.

(Carry Subtotals forward to next page)

***** DO NOT Include Holiday Parties / Awards / Gifts to Staff**

Schedule of Other Employee Benefits

| Description | CCNH | RHNS | Residential Care Home |
|--------------|------|------|-----------------------|
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| | | | |
| Total | \$ - | \$ - | \$ - |

Schedule of Other Taxes

| Description | CCNH | RHNS | Residential Care Home |
|---------------------|------|------|-----------------------|
| Business Entity Tax | | | \$ 250 |
| | | | |
| | | | |
| Total | \$ - | \$ - | \$ 250 |

C. Expenditures Other Than Salaries (cont'd) - Administrative and General

| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | Page 16 | of 37 |
|---|--------------------|------------------------------------|------------|--------------------------|
| Item | Total | CCNH | RHNS | Residential Care Home |
| Subtotals Brought Forward: | 150,422 | | | 150,422 |
| l. Travel and Entertainment | | | | |
| 1. Resident Travel and Entertainment | \$ | | | |
| 2. Holiday Parties for Staff | \$ | | | |
| 3. Gifts to Staff and Residents | \$ 105 | | | 105 |
| 4. Employee Travel | \$ | | | |
| 5. Education Expenses Related to Seminars and Conventions | \$ | | | |
| 6. Automobile Expense (<i>not purchase or depreciation</i>) | \$ 8,115 | | | 8,115 |
| 7. Other (<i>Specify</i>) See Attached Schedule | \$ | | | |
| m. Other Administrative and General Expenses | | | | |
| 1. Advertising Help Wanted (<i>all such expenses</i>) | \$ 25 | | | 25 |
| 2. Advertising Telephone Directory (<i>all such expenses</i>)*** | \$ 230 | | | 230 |
| 3. Advertising Other (<i>Specify</i>)*** See Attached Schedule | \$ | | | |
| 4. Fund-Raising*** | \$ | | | |
| 5. Medical Records | \$ | | | |
| 6. Barber and Beauty Supplies (if this service is supplied directly and not by contract or fee for service)*** | \$ | | | |
| 7. Postage | \$ 22 | | | 22 |
| * 8. Dues and Membership Fees to Professional Associations (<i>Specify</i>) See Attached Schedule | \$ 1,130 | | | 1,130 |
| 8a. Dues to Chamber of Commerce & Other Non-Allowable Org.*** | \$ 324 | | | 324 |
| 9. Subscriptions | \$ | | | |
| 10. Contributions*** See Attached Schedule | \$ 25 | | | 25 |
| 11. Services Provided by Contract (<i>Specify and Complete Schedule C-2, Page 21 for each firm or individual</i>) | \$ | | | |
| 12. Administrative Management Services** | \$ | | | |
| 13. Other (<i>Specify</i>) See Attached Schedule | \$ 8,770 | | | 8,770 |
| C-14 Total Administrative & General Expenditures | \$ 169,168 | | | 169,168 |

* Do not include Subscriptions, which should go in item 9.

** Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

*** Facility should self-disallow the expense on Page 28 of the Cost Report.

Schedule of Other Travel and Entertainment

| Description | CCNH | RHNS | Residential Care Home |
|---|-------------|-------------|-----------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| Total Other Travel and Entertainment | \$ - | \$ - | \$ - |

Schedule of Other Advertising

| Description | CCNH | RHNS | Residential Care Home |
|--------------------------------|-------------|-------------|-----------------------|
| | | | |
| | | | |
| Total Other Advertising | \$ - | \$ - | \$ - |

Schedule of Dues

| Description | CCNH | RHNS | Residential Care Home |
|----------------------------|-------------|-------------|-----------------------|
| Costco Membership | | | \$ 120 |
| Sam's Club Membership | | | \$ 180 |
| CARCH | | | \$ 600 |
| BJ's Membership | | | \$ 110 |
| Central Studio Web Hosting | | | \$ 120 |
| | | | |
| | | | |
| Total Dues | \$ - | \$ - | \$ 1,130 |

Schedule of Contributions

| Description | CCNH | RHNS | Residential Care Home |
|----------------------------|-------------|-------------|-----------------------|
| N.E.O.A. | | | \$ 25 |
| | | | |
| Total Contributions | \$ - | \$ - | \$ 25 |

Schedule of Other Administrative and General

| Description | CCNH | RHNS | Residential Care Home |
|---|-------------|-------------|-----------------------|
| Bank service fees | | | \$ 1,293 |
| Internet | | | \$ 1,500 |
| Payroll service | | | \$ 5,157 |
| Commission of Public Safety background checks | | | \$ 105 |
| State of CT annual report fee | | | \$ 150 |
| Meriden Health Food License | | | \$ 250 |
| Meriden Fire Marshall Certification | | | \$ 115 |
| State of CT Boiler Certificate | | | \$ 160 |
| penalties | | | \$ 40 |
| | | | |
| Total Other Administrative and General | \$ - | \$ - | \$ 8,770 |

Schedule C-1 - Management Services*

| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | Page of 17 37 |
|---|----------------------------|--|--|
| Name & Address of Individual or Company Supplying Service | Cost of Management Service | Full Description of Mgmt. Service Provided | Indicate Where Costs are Included in Annual Report Page #/Line # |
| | | | |
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*** In addition to management fees reported on page 16, line m12 include any additional management company charges or allocations of home office overhead costs reported elsewhere in the Annual Report.**

C. Expenditures Other Than Salaries (cont'd) - Dietary Basis for Allocation of Costs (See Note on Page 5)

| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | Page 18 | of 37 |
|--|---------------------------|-------------------------------------|-----------------------|------------------------------|
| Item | Total | CCNH | RHNS | Residential Care Home |
| 2. Dietary | | | | |
| a. In-House Preparation & Service | | | | |
| 1. Raw Food | \$ 37,589 | | | 37,589 |
| 2. Non-Food Supplies | \$ 3,529 | | | 3,529 |
| 3. Other (Specify) _____ | \$ | | | |
| b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21) | \$ | | | |
| c. Other (Specify) _____ | \$ | | | |
| 2D. Total Dietary Expenditures (2a + b + c + d) | \$ 41,118 | | | 41,118 |
| 2E. Dietary Questionnaire | Total | CCNH | RHNS | Residential Care Home |
| F. Resident Meals: Total no. of meals served per day:* | 75 | | | 75 |
| G. Is cost of employee meals included in 2D? | <input type="radio"/> Yes | <input checked="" type="radio"/> No | | |
| H. Did you receive revenue from employees? | <input type="radio"/> Yes | <input checked="" type="radio"/> No | If yes, specify amt. | |
| I. Where is the revenue received reported in the Cost Report? (Page/Line Item) | | | | |
| J. Is cost of meals provided to persons other than employees or residents (i.e., Board Members, Guests) included in 2D? | <input type="radio"/> Yes | <input checked="" type="radio"/> No | If yes, specify cost. | |
| K. Is any revenue collected from these people? | <input type="radio"/> Yes | <input checked="" type="radio"/> No | If yes, specify amt. | |
| L. Where is the revenue received reported in the Cost Report? (Page/Line Item) | | | | |
| M. Is cost of food (other than meals, e.g., snacks at monthly staff meetings, board meetings) provided to employees included in 2D? | <input type="radio"/> Yes | <input checked="" type="radio"/> No | If yes, specify cost. | |
| N. Is any revenue collected from employees? | <input type="radio"/> Yes | <input checked="" type="radio"/> No | If yes, specify amt. | |
| O. Where is the revenue received reported in the Cost Report? (Page/Line Item) | | | | |

* Count each tray served to a resident at meal time, but do not count liquids or other "between meal" snacks.

**C. Expenditures Other Than Salaries (cont'd) - Laundry Basis for Allocation of Costs
 (See Note on Page 5)**

| Name of Facility East Ridge Manor, Inc. | | License No. 928 | Report for Year Ended 9/30/2019 | | Page 19 | of 37 |
|--|--|---------------------------|-------------------------------------|-----------------------|-----------------------|--------------|
| Item | | Total | CCNH | RHNS | Residential Care Home | |
| 3. Laundry | | | | | | |
| a. In-House Processing* | | Lbs. | | | | |
| 1. Bed linens, cubicle curtains, draperies, gowns and other resident care items washed, ironed, and/or processed.*** | | Amt. \$ | 1,946 | | | 1,946 |
| 2. Employee items including uniforms, gowns, etc. washed, ironed and/or processed.*** | | Lbs. | | | | |
| | | Amt. \$ | | | | |
| 3. Personal clothing of residents washed, ironed, and/or processed.*** | | Lbs. | | | | |
| | | Amt. \$ | | | | |
| 4. Repair and/or purchase of linens.*** | | Lbs. | | | | |
| | | Amt. \$ | 871 | | | 871 |
| b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21) | | \$ | | | | |
| c. Other (Specify) | | \$ | | | | |
| 3D. Total Laundry Expenditures (3a + b + c) | | \$ | 2,817 | | | 2,817 |
| 3E. Laundry Questionnaire | | | | | | |
| F. | Is cost of employee laundry included in 3D? | <input type="radio"/> Yes | <input checked="" type="radio"/> No | If yes, specify cost. | | |
| G. | Did you receive revenue from employees? | <input type="radio"/> Yes | <input checked="" type="radio"/> No | If yes, specify amt. | | |
| H. | Where is the revenue received reported in the Cost Report? | (Page/Line Item) | | | | |
| I. | Is Cost of laundry provided to persons other than employees or residents included in 3D? | <input type="radio"/> Yes | <input checked="" type="radio"/> No | If yes, specify cost. | | |
| J. | Did you receive revenue from these people? | <input type="radio"/> Yes | <input checked="" type="radio"/> No | If yes, specify amt. | | |
| K. | Where is the revenue received reported in the Cost Report? | (Page/Line Item) | | | | |

* Do not include salaries from page 10 as part of dollar values recorded in 1, 2, 3, and 4.

All allocations should add to total recorded in 3D.

*** Pounds of Laundry only required for multi-level facilities.

**C. Expenditures Other Than Salaries (cont'd) - Housekeeping and Resident Care
 Basis for Allocation of Costs (See Note on Page 5)**

| Name of Facility | | License No. | Report for Year Ended | | Page | of |
|------------------------|---|----------------------------------|-----------------------|------|------|--------------------------|
| East Ridge Manor, Inc. | | 928 | 9/30/2019 | | 20 | 37 |
| Item | | | Total | CCNH | RHNS | Residential Care Home |
| 4. | Housekeeping | Sq. Ft. Serviced by Personnel | | | | |
| a. | In-House Care | | | | | |
| | 1. Supplies - Cleaning (<i>Mops, pails, brooms, etc.</i>) | Amt. \$ | 4,714 | | | 4,714 |
| b. | Purchased Services (<i>by contract other than through Management Services</i>) (<i>Complete Schedule C-2 att. Page 21</i>) | Sq. Ft. Serviced by Personnel | | | | |
| | | Amt. \$ | | | | |
| | C. Other (<i>Specify</i>) | | \$ | | | |
| 4D. | Total Housekeeping Expenditures (4a + b + c) | | \$ 4,714 | | | 4,714 |
| 5. | Resident Care (Supplies)** | | | | | |
| a. | Prescription Drugs*** | | | | | |
| | 1. Own Pharmacy | | \$ | | | |
| | 2. Purchased from | | \$ | | | |
| b. | Medicine Cabinet Drugs | | \$ 112 | | | 112 |
| c. | Medical and Therapeutic Supplies | | \$ | | | |
| d. | Ambulance/Limousine*** | | \$ | | | |
| e. | Oxygen | | | | | |
| | 1. For Emergency Use | | \$ | | | |
| | 2. Other*** | | \$ | | | |
| f. | X-rays and Related Radiological Procedures*** | | \$ | | | |
| g. | Dental (<i>Not dentists who should be included under salaries or fees</i>) | | \$ | | | |
| h. | Laboratory*** | | \$ | | | |
| i. | Recreation | | \$ 83 | | | 83 |
| j. | Direct Management Services* | | \$ | | | |
| k. | Indirect Management Services* | | \$ | | | |
| l. | Other (Specify)**** See Attached Schedule | | \$ 3,776 | | | 3,776 |
| 5M. | Total Resident Care Expenditures (5a - 5j) | | \$ 3,971 | | | 3,971 |

* Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

** Do not include any fees to professional staff, these should be reported on Page 13, or, if paid on salary basis, on Page 10.

*** Facility should self-disallow the expense on Page 29 of the Cost Report.

**** ICFMR's should provide a detailed schedule of all Day Program Costs.

Schedule of Other Resident Care

| Description | CCNH | RHNS | Residential Care Home |
|---|------|------|--------------------------|
| Cable TV | | | \$ 2,907 |
| Resident care supplies (non-discriminatory soap, shampoo, etc.) | | | \$ 869 |
| | | | |
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| | | | |
| Total Other Resident Care | \$ - | \$ - | \$ 3,776 |

Report of Expenditures
Schedule C-2 - Individuals or Firms Providing Services by Contract *

| Name of Facility East Ridge Manor, Inc. | | | License No. 928 | Report for Year Ended 9/30/2019 | Page of 21 37 | | | | | |
|--|---------|---|-----------------------|------------------------------------|---------------------------------------|-------------------------|------|-----------------------|----|------|
| Name of Individual or Company | Address | Related ** to Owners, Operators, Officers | | Explanation of Relationship | Full Explanation of Service Provided* | Total Cost/Page Ref.*** | | | | |
| | | Yes | No | | | CCNH | RHNS | Residential Care Home | Pg | Line |
| | | <input type="radio"/> | <input type="radio"/> | | | | | | | |
| | | <input type="radio"/> | <input type="radio"/> | | | | | | | |
| | | <input type="radio"/> | <input type="radio"/> | | | | | | | |
| | | <input type="radio"/> | <input type="radio"/> | | | | | | | |
| | | <input type="radio"/> | <input type="radio"/> | | | | | | | |
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| | | <input type="radio"/> | <input type="radio"/> | | | | | | | |
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| | | <input type="radio"/> | <input type="radio"/> | | | | | | | |
| | | <input type="radio"/> | <input type="radio"/> | | | | | | | |

* List all contracted services over \$10,000. Use additional sheets if necessary.
 ** Refer to Page 4 for definition of related.
 *** Please cross-reference amount to the appropriate page in the Annual Report (Pages 16, 18, 19, 20 or 22).

C. Expenditures Other Than Salaries (cont'd) - Maintenance and Property

| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | | | Page 22 | of 37 |
|--|--------------------|------------------------------------|------|-----------------------|------------|----------|
| Item | Total | CCNH | RHNS | Residential Care Home | | |
| 6. Maintenance & Operation of Plant | | | | | | |
| a. Repairs & Maintenance | \$ 22,095 | | | | 22,095 | |
| b. Heat | \$ 18,608 | | | | 18,608 | |
| c. Light & Power | \$ 15,105 | | | | 15,105 | |
| d. Water | \$ 5,069 | | | | 5,069 | |
| e. Equipment Lease (<i>Provide detail on page 6</i>) | \$ 2,412 | | | | 2,412 | |
| f. Other (<i>itemize</i>) | \$ 6,573 | | | | 6,573 | |
| See Attached Schedule | | | | | | |
| 6g. Total Maint. & Operating Expense (6a - 6f) | \$ 69,862 | | | | 69,862 | |
| 7. Depreciation (<i>complete schedule page 23*</i>) | | | | | | |
| a. Land Improvements | \$ 4,014 | | | | 4,014 | |
| b. Building & Building Improvements | \$ 23,455 | | | | 23,455 | |
| c. Non-Movable Equipment | \$ 3,680 | | | | 3,680 | |
| d. Movable Equipment | \$ 10,390 | | | | 10,390 | |
| *7e. Total Depreciation Costs (7a + b + c + d) | \$ 41,539 | | | | 41,539 | |
| 8. Amortization (<i>Complete att. Schedule Page 24*</i>) | | | | | | |
| a. Organization Expense | \$ | | | | | |
| b. Mortgage Expense | \$ | | | | | |
| c. Leasehold Improvements | \$ 1,806 | | | | 1,806 | |
| d. Other (<i>Specify</i>) | \$ | | | | | |
| *8e. Total Amortization Costs (8a + b + c + d) | \$ 1,806 | | | | 1,806 | |
| 9. Rental payments on leased real property less real estate taxes included in item 10b | \$ 66,000 | | | | 66,000 | |
| 10. Property Taxes | | | | | | |
| a. Real estate taxes paid by owner | \$ | | | | | |
| b. Real estate taxes paid by lessor | \$ 14,659 | | | | 14,659 | |
| c. Personal property taxes | \$ 2,163 | | | | 2,163 | |
| 11. Total Property Expenses (7e + 8e + 9 + 10) | \$ 126,167 | | | | 126,167 | |

* Amounts entered in these items must agree with detail on Schedule for Depreciation and Amortization Page 23 and Page 24.

Schedule of Other Repairs and Maintenance

| Description | CCNH | RHNS | Residential Care Home |
|--|------|------|-----------------------|
| Waste removal | | | \$ 3,425 |
| Fire monitoring/protection | | | \$ 2,973 |
| Loss on disposition of fixed assets | | | \$ 175 |
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| | | | |
| Total Other Repairs and Maintenance | \$ - | \$ - | \$ 6,573 |

Depreciation Schedule

| Name of Facility East Ridge Manor, Inc. | | License No. 928 | | Report for Year Ended 9/30/2019 | | | Page 23 | of 37 | | | | |
|--|--|--|--------------------------|------------------------------------|---|--|---------------------------|---|--|----------------|-------------------------------|--------|
| Property Item | | Historical Cost Exclusive of Land | Less Salvage Value | Cost to Be Depreciated | Accumulated Depreciation to Beginning of Year's Operations | Method of Computing Depreciation | Useful Life | Depreciation for This Year | Totals | | | |
| A. Land Improvements | | | | | | | | | | | | |
| 1. Acquired prior to this report period | | 44,924 | | 44,924 | 25,177 | S/L | various | 4,014 | | | | |
| 2. Disposals (attach schedule) | | | | | | | | | | | | |
| 3. Acquired during this report period (attach schedule) | | | | | | | | | | | | |
| A-4. Subtotal | | | | | | | | | 4,014 | | | |
| B. Building and Building Improvements | | | | | | | | | | | | |
| 1. Acquired prior to this report period | | 337,150 | | 337,150 | 142,683 | S/L | various | 23,455 | | | | |
| 2. Disposals (attach schedule) | | | | | | | | | | | | |
| 3. Acquired during this report period (attach schedule) | | | | | | | | | | | | |
| B-4. Subtotal | | | | | | | | | 23,455 | | | |
| C. Non-Movable Equipment | | | | | | | | | | | | |
| 1. Acquired prior to this report period | | 205,802 | | 205,802 | 188,552 | S/L | various | 3,680 | | | | |
| 2. Disposals (attach schedule) | | | | | | | | | | | | |
| 3. Acquired during this report period (attach schedule) | | | | | | | | | | | | |
| C-4. Subtotal | | | | | | | | | 3,680 | | | |
| | | Is a mileage logbook maintained? | Date of Acquisition | | Historical Cost Exclusive of Land | Less Salvage Value | Cost to Be Depreciated | Accumulated Depreciation to Beginning of Year's Operations | Method of Computing Depreciation | Useful Life | Depreciation for This Year | Totals |
| | | Yes | No | Month | Year | | | | | | | |
| D. Movable Equipment | | | | | | | | | | | | |
| 1. Motor Vehicles (Specify name, model and year of each vehicle) | | | | | | | | | | | | |
| a. 2015 GMC Acadia Denali | | x | | 1 | 15 | 50,905 | | 50,905 | 47,723 | S/L | 4 | 3,182 |
| b. | | | | | | | | | | | | |
| c. | | | | | | | | | | | | |
| d. | | | | | | | | | | | | |
| 2. Movable Equipment | | | | | | | | | | | | |
| a. Acquired prior to this report period | | | | var | var | 67,350 | | 67,350 | 40,762 | S/L | var | 7,156 |
| b. Disposals (attach schedule) | | | | 10 | 12 | (568) | | 568 | 341 | | | 52 |
| c. Acquired during this report period (attach schedule) | | | | | | | | | | | | |
| D-3. Subtotal | | | | | | | | | | | | 10,390 |
| E. Total Depreciation | | | | | | | | | | | | 41,539 |

Schedule of Land Improvements Acquired during this report period

| Acquisition Date | Description of Item | Cost | Useful Life | Depreciation |
|---------------------------------------|---------------------|------|-------------|--------------|
| Additions: | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total additions for Land Improvements | | \$ - | | \$ - * |
| Deletions: | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total deletions for Land Improvements | | \$ - | | \$ - ** |

*Ties to Page 23, Line A3
**Ties to Page 23, Line A2

Schedule of Building Improvements Acquired during this report period

| Acquisition Date | Description of Item | Cost | Useful Life | Depreciation |
|---|---------------------|------|-------------|--------------|
| Additions: | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total additions for Building Improvements | | \$ - | | \$ - * |
| Deletions: | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total deletions for Building Improvements | | \$ - | | \$ - ** |

*Ties to Page 23, Line B3
**Ties to Page 23, Line B2

Schedule of Non-Movable Equipment Acquired during this report period

| Acquisition Date | Description of Item | Cost | Useful Life | Depreciation |
|---|---------------------|------|-------------|--------------|
| Additions: | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total additions for Non-Movable Equipment | | \$ - | | \$ - * |
| Deletions: | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total deletions for Non-Movable Equipment | | \$ - | | \$ - ** |

*Ties to Page 23, Line C3
**Ties to Page 23, Line C2

Schedule of Movable Equipment Acquired during this report period

| Acquisition Date | Description of Item | Cost | Useful Life | Depreciation |
|--|----------------------------|----------|-------------|--------------|
| Additions: | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total additions for Movable Equipment | | \$ - | | \$ - |
| Deletions: | | | | |
| 10/11/2012 | Commercial washing machine | \$ (568) | 10 | \$ 52 |
| | | | | |
| | | | | |
| | | | | |
| Total deletions for Movable Equipment | | \$ (568) | | \$ 52 |

*Ties to Page 23, Line D2c

**Ties to Page 23, Line D2b

Schedule of Leasehold Improvements Acquired during this report period

| Acquisition Date | Description of Item | Cost | Useful Life | Depreciation |
|--|---------------------|------|-------------|--------------|
| Additions: | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total additions for Leasehold Improvement | | \$ - | | \$ - |
| Deletions: | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total deletions for Leasehold Improvement | | \$ - | | \$ - |

*Ties to Page 24, Line C3

**Ties to Page 24, Line C2

| Asset | d t | Property Description | Date In Service | DSS Cost | DSS Sec 179 Exp c | DSS Bonus Amt | DSS Prior Depreciation | DSS Curr Depreciation | DSS End Depr | DSS Net Book Value | DSS Method | DSS Period |
|---|--------|-----------------------------|--------------------|-------------------|----------------------|------------------|---------------------------|--------------------------|-------------------|-----------------------|---------------|---------------|
| DEPARTMENT: BUILDING IMPROV - EQUITY - | | | | | | | | | | | | |
| 61 | | 6 NEW OR REMODELED BATHE | 7/01/12 | 54,041.58 | 0.00 | 0.00 | 22,517.31 | 3,602.77 | 26,120.08 | 27,921.50 | S/L | 15.00 |
| 62 | | STEEL DOORS | 9/15/12 | 9,114.81 | 0.00 | 0.00 | 2,772.42 | 455.74 | 3,228.16 | 5,886.65 | S/L | 20.00 |
| 64 | | FIRE ESCAPE STAIRS, RAILING | 4/27/12 | 19,674.75 | 0.00 | 0.00 | 8,416.42 | 1,311.65 | 9,728.07 | 9,946.68 | S/L | 15.00 |
| 66 | | LAUNDRY ROOM REMODEL | 9/21/12 | 3,722.25 | 0.00 | 0.00 | 1,488.90 | 248.15 | 1,737.05 | 1,985.20 | S/L | 15.00 |
| 68 | | RENOVATIONS - MAIN HALLW | 7/23/12 | 4,350.00 | 0.00 | 0.00 | 1,788.33 | 290.00 | 2,078.33 | 2,271.67 | S/L | 15.00 |
| 69 | | SIDING | 8/07/12 | 18,525.27 | 0.00 | 0.00 | 5,711.94 | 926.26 | 6,638.20 | 11,887.07 | S/L | 20.00 |
| 72 | | INSTALLATION OF WINDOWS & | 8/13/12 | 31,905.00 | 0.00 | 0.00 | 9,837.38 | 1,595.25 | 11,432.63 | 20,472.37 | S/L | 20.00 |
| 73 | | VARIOUS MISC RENOVATIONS | 9/13/12 | 5,076.36 | 0.00 | 0.00 | 2,058.72 | 338.42 | 2,397.14 | 2,679.22 | S/L | 15.00 |
| 74 | | NEW COVERED FRONT ENTRY | 9/21/12 | 2,658.75 | 0.00 | 0.00 | 1,063.50 | 177.25 | 1,240.75 | 1,418.00 | S/L | 15.00 |
| 75 | | WINDOWS | 5/25/12 | 16,905.69 | 0.00 | 0.00 | 5,353.44 | 845.28 | 6,198.72 | 10,706.97 | S/L | 20.00 |
| 77 | | ROOF RENOVATIONS | 4/02/12 | 37,205.00 | 0.00 | 0.00 | 24,183.25 | 3,720.50 | 27,903.75 | 9,301.25 | S/L | 10.00 |
| 115 | | DOORS | 10/19/12 | 9,228.35 | 0.00 | 0.00 | 2,730.07 | 461.42 | 3,191.49 | 6,036.86 | S/L | 20.00 |
| 116 | | KITCHEN RENOVATIONS | 10/19/12 | 21,004.13 | 0.00 | 0.00 | 8,284.99 | 1,400.28 | 9,685.27 | 11,318.86 | S/L | 15.00 |
| 117 | | GUTTERS | 11/12/12 | 3,465.00 | 0.00 | 0.00 | 1,366.75 | 231.00 | 1,597.75 | 1,867.25 | S/L | 15.00 |
| 118 | | ELECTRICAL & LIGHTING | 11/12/12 | 4,153.56 | 0.00 | 0.00 | 1,228.77 | 207.68 | 1,436.45 | 2,717.11 | S/L | 20.00 |
| 119 | | RESIDENT CEILING | 11/27/12 | 475.00 | 0.00 | 0.00 | 184.74 | 31.67 | 216.41 | 258.59 | S/L | 15.00 |
| 120 | | LIVING/DINING RM RENOV | 11/27/12 | 12,762.00 | 0.00 | 0.00 | 4,963.00 | 850.80 | 5,813.80 | 6,948.20 | S/L | 15.00 |
| 121 | | FLOORING | 12/27/12 | 23,610.97 | 0.00 | 0.00 | 13,576.32 | 2,361.10 | 15,937.42 | 7,673.55 | S/L | 10.00 |
| 122 | | LIVING/DINING RM CEILING | 1/02/13 | 3,250.00 | 0.00 | 0.00 | 1,245.85 | 216.67 | 1,462.52 | 1,787.48 | S/L | 15.00 |
| 123 | | FIRE SYSTEM UPGRADE | 1/05/13 | 10,885.81 | 0.00 | 0.00 | 3,129.67 | 544.29 | 3,673.96 | 7,211.85 | S/L | 20.00 |
| 124 | | BUILD IMPROVEMENTS | 1/11/13 | 14,438.45 | 0.00 | 0.00 | 5,534.72 | 962.56 | 6,497.28 | 7,941.17 | S/L | 15.00 |
| 125 | | INTERIOR PAINTING | 1/15/13 | 11,864.60 | 0.00 | 0.00 | 6,822.15 | 1,186.46 | 8,008.61 | 3,855.99 | S/L | 10.00 |
| 126 | | TRIM AND MOULDING | 1/27/13 | 7,711.84 | 0.00 | 0.00 | 2,913.35 | 514.12 | 3,427.47 | 4,284.37 | S/L | 15.00 |
| 127 | | ELECTRICAL & LIGHTING | 3/05/13 | 2,725.00 | 0.00 | 0.00 | 760.73 | 136.25 | 896.98 | 1,828.02 | S/L | 20.00 |
| 129 | | FLOORING | 3/27/13 | 426.15 | 0.00 | 0.00 | 234.41 | 42.62 | 277.03 | 149.12 | S/L | 10.00 |
| 130 | | FLOORING (LABOR) | 1/25/13 | 7,970.00 | 0.00 | 0.00 | 4,516.33 | 797.00 | 5,313.33 | 2,656.67 | S/L | 10.00 |
| BUILDING IMPROV - EQUITY | | | | 337,150.32 | 0.00c | 0.00 | 142,683.46 | 23,455.19 | 166,138.65 | 171,011.67 | | |
| DEPARTMENT: LAND - EQUITY ONLY | | | | | | | | | | | | |
| 78 | | LAND SURVEY | 5/05/12 | 1,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,500.00 | Land | 0.00 |
| LAND - EQUITY ONLY | | | | 1,500.00 | 0.00c | 0.00 | 0.00 | 0.00 | 0.00 | 1,500.00 | | |
| DEPARTMENT: LAND IMPROV - EQUITY | | | | | | | | | | | | |
| 63 | | DRIVEWAY PAVING/WIDENING | 6/18/12 | 23,572.95 | 0.00 | 0.00 | 18,416.38 | 2,946.62 | 21,363.00 | 2,209.95 | S/L | 8.00 |
| 67 | | LANDSCAPING/RETAINING WA | 5/17/12 | 21,351.05 | 0.00 | 0.00 | 6,761.15 | 1,067.55 | 7,828.70 | 13,522.35 | S/L | 20.00 |
| LAND IMPROV - EQUITY | | | | 44,924.00 | 0.00c | 0.00 | 25,177.53 | 4,014.17 | 29,191.70 | 15,732.30 | | |
| DEPARTMENT: LEASEHOLD IMPROVEMENTS | | | | | | | | | | | | |
| 2 | | STEP REPAVING | 9/30/90 | 918.35 | 0.00 | 0.00 | 918.35 | 0.00 | 918.35 | 0.00 | S/L | 10.00 |
| 3 | | FIRE PROTECTION | 9/30/91 | 4,108.80 | 0.00 | 0.00 | 4,108.80 | 0.00 | 4,108.80 | 0.00 | S/L | 15.00 |
| 4 | | TOILET | 4/01/92 | 792.32 | 0.00 | 0.00 | 792.32 | 0.00 | 792.32 | 0.00 | S/L | 5.00 |
| 5 | | TELEPHONE | 10/01/91 | 6,662.88 | 0.00 | 0.00 | 6,662.88 | 0.00 | 6,662.88 | 0.00 | S/L | 10.00 |
| 7 | | SPRINKLER | 3/01/93 | 1,160.00 | 0.00 | 0.00 | 1,160.00 | 0.00 | 1,160.00 | 0.00 | S/L | 10.00 |

DSS Asset Detail 10/01/18 - 9/30/19

| Asset | d t | Property Description | Date In Service | DSS Cost | DSS Sec 179 Exp | c | DSS Bonus Amt | DSS Prior Depreciation | DSS Curr Depreciation | DSS End Depr | DSS Net Book Value | DSS Method | DSS Period |
|---|--------|----------------------------|--------------------|-------------------|--------------------|----------|------------------|---------------------------|--------------------------|------------------|-----------------------|---------------|---------------|
| DEPARTMENT: LEASEHOLD IMPROVEMENTS (continued) | | | | | | | | | | | | | |
| 8 | | FIRE ALARM | 3/01/93 | 8,453.50 | 0.00 | | 0.00 | 8,453.50 | 0.00 | 8,453.50 | 0.00 | S/L | 10.00 |
| 9 | | PLUMBING | 9/01/93 | 706.30 | 0.00 | | 0.00 | 706.30 | 0.00 | 706.30 | 0.00 | S/L | 10.00 |
| 10 | | PAINTING | 3/01/93 | 869.89 | 0.00 | | 0.00 | 869.89 | 0.00 | 869.89 | 0.00 | S/L | 5.00 |
| 11 | | PLUMBING | 9/01/93 | 606.57 | 0.00 | | 0.00 | 606.57 | 0.00 | 606.57 | 0.00 | S/L | 10.00 |
| 15 | | PAINTING | 3/01/94 | 1,850.76 | 0.00 | | 0.00 | 1,850.76 | 0.00 | 1,850.76 | 0.00 | S/L | 5.00 |
| 16 | | LIGHT FIXTURES | 3/01/94 | 703.15 | 0.00 | | 0.00 | 703.15 | 0.00 | 703.15 | 0.00 | S/L | 5.00 |
| 17 | | RENOVATIONS | 1/01/94 | 832.10 | 0.00 | | 0.00 | 832.10 | 0.00 | 832.10 | 0.00 | S/L | 10.00 |
| 18 | | LEASEHOLD IMPROVEMENTS | 9/30/95 | 729.17 | 0.00 | | 0.00 | 729.17 | 0.00 | 729.17 | 0.00 | S/L | 15.00 |
| 19 | | LEASEHOLD IMPROVEMENTS | 9/30/96 | 3,984.50 | 0.00 | | 0.00 | 3,984.50 | 0.00 | 3,984.50 | 0.00 | S/L | 15.00 |
| 20 | | PAINTING | 7/02/92 | 629.64 | 0.00 | | 0.00 | 629.64 | 0.00 | 629.64 | 0.00 | S/L | 5.00 |
| 21 | | REPAIR GENERATOR | 9/01/90 | 2,062.79 | 0.00 | | 0.00 | 2,062.79 | 0.00 | 2,062.79 | 0.00 | S/L | 5.00 |
| 22 | | BOILER | 9/30/98 | 6,060.02 | 0.00 | | 0.00 | 6,060.02 | 0.00 | 6,060.02 | 0.00 | S/L | 20.00 |
| 23 | | AIR CONDITIONING SYSTEM | 9/30/98 | 2,539.12 | 0.00 | | 0.00 | 2,539.12 | 0.00 | 2,539.12 | 0.00 | S/L | 10.00 |
| 24 | | AIR HANDLER | 9/30/99 | 2,544.00 | 0.00 | | 0.00 | 2,544.00 | 0.00 | 2,544.00 | 0.00 | S/L | 10.00 |
| 25 | | FLOORING AND CARPETING | 8/23/02 | 17,249.84 | 0.00 | | 0.00 | 17,249.84 | 0.00 | 17,249.84 | 0.00 | S/L | 5.00 |
| 26 | | WALLPAPERING & PAINTING | 9/15/02 | 13,892.01 | 0.00 | | 0.00 | 13,892.01 | 0.00 | 13,892.01 | 0.00 | S/L | 5.00 |
| 27 | | FLOORING | 11/09/06 | 2,692.00 | 0.00 | | 0.00 | 2,692.00 | 0.00 | 2,692.00 | 0.00 | S/L | 5.00 |
| 128 | | MISC IMPROVEMENTS | 4/01/13 | 27,083.71 | 0.00 | | 0.00 | 9,930.69 | 1,805.58 | 11,736.27 | 15,347.44 | S/L | 15.00 |
| LEASEHOLD IMPROVEMENTS | | | | 107,131.42 | 0.00 | c | 0.00 | 89,978.40 | 1,805.58 | 91,783.98 | 15,347.44 | | |
| DEPARTMENT: MOVABLE EQUIPMENT | | | | | | | | | | | | | |
| 59 | | Freezer (Loves) | 3/14/11 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.0 |
| 65 | | KITCHEN EQUIPMENT | 8/30/12 | 16,646.28 | 0.00 | | 0.00 | 14,466.41 | 2,179.87 | 16,646.28 | 0.00 | S/L | 7.00 |
| 70 | | 10 XCELERATOR HAND DRYER | 6/15/12 | 3,600.00 | 0.00 | | 0.00 | 3,257.17 | 342.83 | 3,600.00 | 0.00 | S/L | 7.00 |
| 83 | | ASTORIA STACKABLE ARMCH | 6/24/13 | 9,567.00 | 0.00 | | 0.00 | 3,348.45 | 637.80 | 3,986.25 | 5,580.75 | S/L | 15.00 |
| 84 | | 54 ROUND DINING TABLE TOP | 6/24/13 | 1,462.78 | 0.00 | | 0.00 | 511.98 | 97.52 | 609.50 | 853.28 | S/L | 15.00 |
| 85 | | QUEEN ANNE BASES (4) | 6/24/13 | 1,330.90 | 0.00 | | 0.00 | 465.83 | 88.73 | 554.56 | 776.34 | S/L | 15.00 |
| 86 | | 30 SQUARE DINING TOPS (2) | 6/24/13 | 286.25 | 0.00 | | 0.00 | 100.17 | 19.08 | 119.25 | 167.00 | S/L | 15.00 |
| 87 | | QUEEN ANNE TABLE BASES (2) | 6/24/13 | 596.26 | 0.00 | | 0.00 | 208.69 | 39.75 | 248.44 | 347.82 | S/L | 15.00 |
| 88 | | FOYER TABLE | 6/24/13 | 602.85 | 0.00 | | 0.00 | 211.00 | 40.19 | 251.19 | 351.66 | S/L | 15.00 |
| 89 | | MORGAN LOUNGE CHAIRS (6) | 6/24/13 | 3,240.65 | 0.00 | | 0.00 | 1,134.21 | 216.04 | 1,350.25 | 1,890.40 | S/L | 15.00 |
| 90 | | MORGAN LOVE SEAT | 6/24/13 | 876.17 | 0.00 | | 0.00 | 306.65 | 58.41 | 365.06 | 511.11 | S/L | 15.00 |
| 91 | | 60 WIDE CONSOLE TABLE | 6/24/13 | 666.66 | 0.00 | | 0.00 | 233.31 | 44.44 | 277.75 | 388.91 | S/L | 15.00 |
| 92 | | CONSTANCE LOUNGE ARMCH | 6/24/13 | 2,385.89 | 0.00 | | 0.00 | 835.06 | 159.06 | 994.12 | 1,391.77 | S/L | 15.00 |
| 93 | | ASTORIA STACKABLE ARMCH | 6/24/13 | 1,275.45 | 0.00 | | 0.00 | 446.41 | 85.03 | 531.44 | 744.01 | S/L | 15.00 |
| 95 | | SHEERS(4) | 6/24/13 | 1,084.77 | 0.00 | | 0.00 | 1,084.77 | 0.00 | 1,084.77 | 0.00 | S/L | 5.00 |
| 96 | | VALANCES (4) | 6/24/13 | 1,746.64 | 0.00 | | 0.00 | 1,746.64 | 0.00 | 1,746.64 | 0.00 | S/L | 5.00 |
| 97 | | FAUX WOOD 2 BLINDS (4) | 6/24/13 | 1,440.32 | 0.00 | | 0.00 | 1,440.32 | 0.00 | 1,440.32 | 0.00 | S/L | 5.00 |
| 98 | | BARRINGTON STYLE BEDSIDE | 6/24/13 | 690.33 | 0.00 | | 0.00 | 241.61 | 46.02 | 287.63 | 402.70 | S/L | 15.00 |
| 99 | | BARRINGTON STYLE 4 DRAWE | 6/24/13 | 1,185.92 | 0.00 | | 0.00 | 415.07 | 79.06 | 494.13 | 691.79 | S/L | 15.00 |
| 100 | | TWIN SIZE HEADBOARDS (2) | 6/24/13 | 360.63 | 0.00 | | 0.00 | 126.21 | 24.04 | 150.25 | 210.38 | S/L | 15.00 |
| 101 | | SOUTH BEND DOUBLE OVEN S | 12/18/12 | 3,557.41 | 0.00 | | 0.00 | 2,045.51 | 355.74 | 2,401.25 | 1,156.16 | S/L | 10.00 |
| 102 | | DINING TABLE TOP | 9/23/13 | 477.80 | 0.00 | | 0.00 | 238.90 | 47.78 | 286.68 | 191.12 | S/L | 10.00 |
| 104 | d | COMMERCIAL WASHING MACI | 10/11/12 | 567.90 | 0.00 | | 0.00 | 340.74 | 52.06 | 392.80 | 175.10 | S/L | 10.00 |
| 106 | | FREEZER | 11/26/12 | 1,409.14 | 0.00 | | 0.00 | 821.98 | 140.91 | 962.89 | 446.25 | S/L | 10.00 |
| 107 | | COMMERCIAL DRYER | 12/13/12 | 544.50 | 0.00 | | 0.00 | 317.63 | 54.45 | 372.08 | 172.42 | S/L | 10.00 |
| 108 | | SIGN | 2/25/13 | 521.12 | 0.00 | | 0.00 | 290.95 | 52.11 | 343.06 | 178.06 | S/L | 10.00 |

DSS Asset Detail 10/01/18 - 9/30/19

| Asset | d i | Property Description | Date in Service | DSS Cost | DSS Sec 179 Exp c | DSS Bonus Amt | DSS Prior Depreciation | DSS Curr Depreciation | DSS End Depr | DSS Net Book Value | DSS Method | DSS Period |
|--|--------|---|--------------------|-------------------|----------------------|------------------|---------------------------|--------------------------|-------------------|-----------------------|---------------|---------------|
| DEPARTMENT: MOVABLE EQUIPMENT (continued) | | | | | | | | | | | | |
| 109 | | FURNITURE (NASSAU'S) | 3/04/13 | 414.38 | 0.00 | 0.00 | 154.26 | 27.63 | 181.89 | 232.49 | S/L | 15.00 |
| 110 | | STORAGE CABINETS - MEDICIN | 3/15/13 | 914.59 | 0.00 | 0.00 | 510.65 | 91.46 | 602.11 | 312.48 | S/L | 10.00 |
| 111 | | TRAILER | 5/28/13 | 1,674.90 | 0.00 | 0.00 | 893.28 | 167.49 | 1,060.77 | 614.13 | S/L | 10.00 |
| 112 | | GLASS TABLE TOPS -4 RD, 3 SQ | 7/12/13 | 1,407.01 | 0.00 | 0.00 | 492.45 | 93.80 | 586.25 | 820.76 | S/L | 15.00 |
| 113 | | TV & MOUNT | 9/09/13 | 914.59 | 0.00 | 0.00 | 914.59 | 0.00 | 914.59 | 0.00 | S/L | 5.00 |
| 114 | | APPLE IPAD | 12/10/12 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.0 |
| 133 | | SCANNER | 7/02/15 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.0 |
| 134 | | APPLE MACBOOK PRO SYSTEM | 12/20/16 | 2,532.70 | 0.00 | 0.00 | 1,477.40 | 844.23 | 2,321.63 | 211.07 | S/L | 3.00 |
| 135 | | APPLE MAC COMPUTER | 4/03/17 | 3,368.11 | 0.00 | 0.00 | 1,684.05 | 1,122.70 | 2,806.75 | 561.36 | S/L | 3.00 |
| 136 | | COMMERCIAL DRYER | 1/04/19 | 0.00 | 0.00c | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.0 |
| 137 | | WALL CAMERA | 1/04/19 | 0.00 | 0.00c | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.0 |
| | | MOVABLE EQUIPMENT | | 67,349.90 | 0.00c | 0.00 | 40,762.35 | 7,208.23 | 47,970.58 | 19,379.32 | | |
| | | *Less: Dispositions and Transfers | | 567.90 | 0.00 | 0.00 | 340.74 | 0.00 | 392.80 | 175.10 | | |
| | | Net MOVABLE EQUIPMENT | | 66,782.00 | 0.00c | 0.00 | 40,421.61 | 7,208.23 | 47,577.78 | 19,204.22 | | |
| DEPARTMENT: NON-MOVABLE EQUIPMENT | | | | | | | | | | | | |
| 51 | | NON MOVABLE EQUIPMENT | 9/01/76 | 162,511.00 | 0.00 | 0.00 | 162,511.00 | 0.00 | 162,511.00 | 0.00 | S/L | 20.00 |
| 52 | | FLOOR | 9/30/89 | 1,550.00 | 0.00 | 0.00 | 1,550.00 | 0.00 | 1,550.00 | 0.00 | S/L | 10.00 |
| 53 | | FIRE SYSTEM | 9/30/91 | 925.00 | 0.00 | 0.00 | 925.00 | 0.00 | 925.00 | 0.00 | S/L | 15.00 |
| | | NON-MOVABLE EQUIPMENT | | 164,986.00 | 0.00c | 0.00 | 164,986.00 | 0.00 | 164,986.00 | 0.00 | | |
| DEPARTMENT: NON-MOVE EQUIP - EQUITY | | | | | | | | | | | | |
| 79 | | NEW FIRE ALARM SYSTEM | 6/28/12 | 2,823.59 | 0.00 | 0.00 | 1,764.75 | 282.36 | 2,047.11 | 776.48 | S/L | 10.00 |
| 80 | | AIR CONDITIONING SYSTEM U | 4/23/12 | 27,007.00 | 0.00 | 0.00 | 17,329.49 | 2,700.70 | 20,030.19 | 6,976.81 | S/L | 10.00 |
| 81 | | 275 GALLON OIL TANK | 4/23/12 | 2,127.00 | 0.00 | 0.00 | 682.41 | 106.35 | 788.76 | 1,338.24 | S/L | 20.00 |
| 82 | | NEW BOILER W/INDIRECT WA | 4/26/12 | 8,858.00 | 0.00 | 0.00 | 3,789.23 | 590.53 | 4,379.76 | 4,478.24 | S/L | 15.00 |
| | | NON-MOVE EQUIP - EQUITY | | 40,815.59 | 0.00c | 0.00 | 23,565.88 | 3,679.94 | 27,245.82 | 13,569.77 | | |
| DEPARTMENT: VEHICLE | | | | | | | | | | | | |
| 131 | | 2015 GMC ACADIA | 1/01/15 | 50,904.82 | 0.00 | 0.00 | 47,723.28 | 3,181.54 | 50,904.82 | 0.00 | S/L | 4.00 |
| | | VEHICLE | | 50,904.82 | 0.00c | 0.00 | 47,723.28 | 3,181.54 | 50,904.82 | 0.00 | | |
| | | Grand Total | | 814,762.05 | 0.00c | 0.00 | 534,876.90 | 43,344.65 | 578,221.55 | 236,540.50 | | |
| | | Less: Dispositions and Transfers | | 567.90 | 0.00 | 0.00 | 340.74 | 0.00 | 392.80 | 175.10 | | |
| | | Net Grand Total | | 814,194.15 | 0.00c | 0.00 | 534,536.16 | 43,344.65 | 577,828.75 | 236,365.40 | | |

Amortization Schedule*

| Name of Facility East Ridge Manor, Inc. | | | License No. 928 | | Report for Year Ended 9/30/2019 | | | Page 24 | of 37 |
|---|---------------------|------|------------------------|----------------------|--|------------------------------------|---------|----------------------------|----------|
| Item | Date of Acquisition | | Length of Amortization | Cost to Be Amortized | Accumulated Amort. to Beginning of Year's Operations | Basis for Computing Amortization** | Rate % | Amortization for This Year | Totals |
| | Month | Year | | | | | | | |
| A. Organization Expense | | | | | | | | | |
| 1. | | | | | | | | | |
| 2. | | | | | | | | | |
| 3. | | | | | | | | | |
| A-4. Subtotal | | | | | | | | | |
| B. Mortgage Expense | | | | | | | | | |
| 1. | | | | | | | | | |
| 2. | | | | | | | | | |
| 3. | | | | | | | | | |
| B-4. Subtotal | | | | | | | | | |
| C. Leasehold Improvements and Other | | | | | | | | | |
| 1. Acquired prior to this report period | var | var | various | 107,132 | 89,978 | S/L | various | 1,806 | |
| 2. Disposals (attach schedule) | | | | | | | | | |
| 3. Acquired during this report period (attach schedule) | | | | | | | | | |
| C-4. Subtotal | | | | | | | | | 1,806 |
| D. Total Amortization | | | | | | | | | 1,806 |

* Straight-line method must be used.

** Specify which of the following bases were used:

- A. Minimum of 5 years or 60 months.
- B. Life of mortgage; OR
- C. Remaining Life of Lease; OR
- D. Actual Life if owned by Related Party.

C. Expenditures Other Than Salaries (cont'd) - Property Questionnaire

| | | | | | |
|---|--------------------|--------------------------------------|--------------------------|---|--------------|
| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | Page 25 | of 37 | |
| 11. Property Questionnaire | | | | | |
| Part A | | | | | |
| Is the property either owned by the Facility or leased from a Related Party?* | | <input checked="" type="radio"/> Yes | <input type="radio"/> No | If "Yes," complete Part B. If "No," complete Part C. | |
| *If any owner or operator of this facility is related by family, marriage, ownership, ability to control or business association to any person or organization from whom buildings are leased, then it is considered a related party transaction. | | | | | |
| Description | Total | | | | |
| 1. Date Land Purchased | | | | | |
| 2. Date Structure Completed | | | | | |
| 3. If NOT Original Owner, Date of Purchase | 04/01/73 | | | | |
| 4. Date of Initial Licensure | 04/01/73 | | | | |
| 5. Total Licensed Bed Capacity | 25 | | | | |
| 6. Square Footage | | | | | |
| 7. Acquisition Cost | | | | | |
| a. Land | | | | | |
| b. Building | | | | | |
| Part B - Owner and Related Parties | | 1st Mortgage | 2nd Mortgage | 3rd Mortgage | 4th Mortgage |
| 1. Financing | | | | | |
| a. Type of Financing (e.g., fixed, variable) | | variable | fixed | | |
| b. Date Mortgage Obtained | | 03/30/12 | 04/17/13 | | |
| c. Interest Rate for the Cost Year | | variable | 2.12% | | |
| d. Term of Mortgage (number of years) | | 20 | 20 | | |
| e. Amount of Principal Borrowed | | 431,279 | 270,000 | | |
| f. Principal balance outstanding as of | | 389,554 | 195,286 | | |
| Complete if Mortgage was Refinanced During Current Cost Year | | | | | |
| g. Type of Financing (e.g., fixed, variable) | | | | | |
| h. Date of Refinancing | | | | | |
| i. New Interest Rate | | | | | |
| j. Term of Mortgage (number of years) | | | | | |
| k. Amount of Principal Borrowed | | | | | |
| l. Principal Outstanding on Note Paid-Off | | | | | |
| Part C - Arms-Length Leases for Real Property Improvements Only | | | | | |
| Name and Address of Lessor | Property Leased | Date of Lease | Term of Lease | Annual Amount of Lease | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Note: Be sure required copies of leases are attached to Page 25 and real estate taxes paid by lessor are included on Page 22, Item 10b.

LEASE

This Indenture of lease made by and between, Preston Real Estate, LLC, hereinafter designated as LESSOR; and East Ridge Manor, Inc., hereinafter designated as LESSEE.

WITNESSETH:

The Lessor does hereby demise and lease unto the Lessee and the Lessee does hereby hire and take from the Lessor for the term and upon the rentals hereinafter specified, 100% of the premises located at 43 Preston Ave., Meriden, CT 06450.

TERM: The term of this lease shall be for twenty-one (21) years commencing on April 1, 2012 and ending on March 31, 2033.

RENT: Rent in the amount of \$5,500.00 shall be due and payable on the 1st day of April, 2012 and on the 1st day of each and every subsequent month thereafter during the term of this lease for a total annual rent of \$66,000.00.

Notwithstanding any other provision of the Lease, the rent and any additional rent payable by Lessee to Lessor under this Lease is limited to an amount equal to:

- a. Debt service payable to Webster Bank, N.A. on its loan to Lessor in the aggregate principal amount of \$650,000.00 as the same may be refinanced from time to time;
- b. Debt service payable to Connecticut Community Development Corporation and/or the U.S. Small Business Administration on U.S. Small Business Administration Loan No. 51236250-03 as may be amended;
- c. Real estate and rental taxes, association fees/dues, utilities, insurance, reasonable repair/replacement reserves, and any other expenses of holding the Leased Premises to the extent that Lessee, in accordance with this Lease, is not paying any or all of such items.

Said rent shall be paid to the Lessor at 43 Preston Ave., Meriden, CT 06450 or as otherwise may be directed by Lessor, in writing. In addition to said rent payments, the Lessee shall pay the additional rents as set forth hereinafter.

PROVIDED, always, the lease is entered into upon the following terms and condition, all of which the parties hereto agree to keep and perform:

1. **QUIET ENJOYMENT**- Lessor covenants that Lessee, on paying said rental and performing the covenants and conditions in this contained, shall and may peaceably and quietly have, hold and enjoy the leased premises for the term afforded.

2. **USE**- Lessee may use and occupy the premises for a convalescent home.

3. **ASSIGNMENT and SUBLEASE**- This lease shall be assigned to Webster Bank, N.A. and SEA in the form of a Collateral Assignment of Leases and Rentals. Any sublease will flow through East Ridge Manor, Inc. to Preston Real Estate, LLC.

4. **NO WASTE**- Lessee further agrees not to commit any waste or suffer any to be committed on the premises herein leased and will deliver up the said premises upon the expiration or sooner termination of this lease in as good condition as when received, and make good any injury or breakage suffered by Lessor, or caused by Lessee, Lessee's agents, clerks, servants, or visitors, reasonable wear and tear excepted.

5. **IMPROVEMENTS**- All alterations and improvements which may be made by Lessee upon the premises except movable furniture, machinery, and moveable partitions put in at the expense of the Lessee, shall be the property of the Lessor and shall remain upon and be surrendered with the premises as a part thereof at the termination of this lease without disturbance, molestation or injury; but injury caused by moving said movable objects in or out shall be repaired at the expense of the Lessee.

6. **INSURANCE**- The Lessee further agrees that it will at all times indemnify the Lessor and save it harmless from any and all claims for the injury and damage sustained upon the leased premises to the person or property of any person other than the Lessee, and that it will at its own expense carry public liability insurance with such insurance companies and in such amounts as may be satisfactory to the Lessor with copies of said policies.

7. **RUBBISH**- The Lessee further agrees to pay for the removal of rubbish that may accumulate on said demised premises and Lessee agrees not to use on said premises any materials which will increase the fire hazard or cause additional insurance premiums.

8. **LAWS**- The Lessee further agrees to conform to all the Laws of the State of Connecticut and the by-laws, rules and regulations of the relating to Health, Nuisance, Fire, Highways, and Sidewalks, so far as the premises hereby leased are concerned; and also to save the Lessor from all fines, penalties and costs for violation of or noncompliance with the same.

9. **SUMMARY PROCESS**- Provided, however, that if the said rent shall remain unpaid ten days after the same shall become payable, as aforesaid, or assign this lease without permission of the Lessor which permission shall not be unreasonably withheld, or shall commit waste or suffer the same to be committed on said premises, or injure the same, or shall not perform and fulfill each of the covenants herein before contained to be performed by the Lessee, then this lease shall thereupon, by virtue of this express stipulation, expire and terminate, and the Lessor may, at any time thereafter, re-enter said premises, and the same have and possess as of its former estate, and without such re-entry, may recover possession thereof in the manner prescribed by the statutes relating to Summary Process; its being understood that no demand for the rent and no re-entry for condition broken as at common law, shall be necessary to enable the Lessor to recover such possession pursuant to the Summary Process statutes, but that right to any such demand, or any such re-entry is hereby expressly waived by Lessee.

10. **TERMINATION**- It is further agreed between the parties that whatever this lease shall terminate, whether by lapse of time or by virtue of any of the express stipulations therein, the said Lessee hereby waives all right to any notice to quit possession, as prescribed by the statutes relating to Summary Process.

11. **DESTRUCTION**- In the event of the destruction of the demised premises or the building containing the said premises by fire, explosion, the elements or otherwise during the term hereby created, or previous thereto, or such partial destruction thereof as to render the premises wholly untenable or unfit for occupancy, or should the demised premises be so badly injured that the same cannot be repaired within the ninety days from the happening of such injury then and in

such case the term hereby created shall at the option of the Lessor, cease and become null and void from the date of such damage or destruction, and the Lessee shall immediately surrender said premises and all the Lessee's interests therein to the Lessor, and shall pay rent only to the time of such surrender, in which event the lessor may re-enter and repossess the premises thus discharged from this lease and may remove all parties therefrom. Should the demised premises be rendered untenable and unfit for occupancy, but yet be repairable within ninety days from the happening of said injury or while said repairs shall be completed. But if the premises shall be so slightly injured as not be rendered untenable and unfit for occupancy, than the Lessor agrees to repair the same with reasonable promptness and in that case, the rent accrued and accruing shall not cease or determine. The Lessee shall immediately notify the Lessor in case of fire or other damage to the premises.

12. HOLD OVER- And it is hereby further agreed, that in case the Lessor shall, with written consent of the Lessor endorsed hereon, or on the duplicate hereof, at any time hold over the said premises beyond the period above specified as the termination of this lease, then said Lessee shall hold the premises upon the same terms and conditions, and under the same stipulations and agreements as are in this instrument contained, and no holding over the Lessee shall operate to renew this lease without such written consent of the Lessor.

13. REPRESENTATION- The Lessee has examined the demised as otherwise expressly provided herein and without any representations on the part of the Lessor or its agents as to the present or future condition of said premises.

14. GOVERNMENT- Any and all fixtures, partitions, facilities, plumbing, electric and heating alterations or additions, which may be ordered installed by the Federal or State or the Municipal government, or any department, bureau, agency or other subdivision thereof as a result of the Lessee's special or specific use of the demised premises shall not be the responsibility of the Lessor.

15. MECHANIC'S LIENS- In the event that any mechanic's lien is filed against the premises as a result of alterations, additions, or improvements made by the Lessee, at his option, after thirty days notice to the Lessee may terminate this lease and may pay the said lien without requiring into the validity thereof, and the Lessee shall forthwith reimburse the Lessor the total expenses incurred by the Lessor in discharging the said lien, as additional rent hereunder.

16. UTILITIES- Utilities and services to the demised premises for the benefit of the Lessee, shall be provided and paid for as follows:

| | |
|-----------------------|--------|
| a. Heat | Lessee |
| b. Electricity | Lessee |
| c. Water | Lessee |
| d. Interior Repairs | Lessee |
| e. Air Conditioning | Lessee |
| f. Structural Repairs | Lessor |

The Lessor shall not be liable for any interruptions or delays in any of the above services for any reason.

17. ENTRY- The Lessor, or its agents, shall have the right to enter the demised premises at reasonable hours in the day or night to examine the same or to run telephone or other wires, or to

make such repairs, additions, or alterations as it shall deem necessary or the safety, preservation or restoration of the improvements, or for the safety or convenience of the occupants users thereof.

18. **SIGNS**- No sign, advertisement or notice shall be affixed to or placed upon any part of the demised premises by the Lessee except in such a manner, and of such size, design, and color as shall be approved in advance in writing by the Lessor.

19. **SUBORDINATION**- This lease is subject and is hereby subordinated to all present and future mortgages, fees of or the property of which said premises are a part. The Lessee agrees to execute, at no expense to the lessor, any instrument to further effect the subordination of this lease to any such mortgage, deed of trust or encumbrance.

20. **RIGHTS**- No rights are to conferred upon the Lessee until this lease has been signed by the Lessor and an executed copy of the lease has been delivered to the Lessee.

21. **BANKRUPTCY**- If Lessee shall be adjudicated bankrupt or make assignment for the benefit of creditors or a receiver shall be appointed of Lessee's property of Lessee's interest shall be sold under execution or other legal process, than this lease shall, at the option of the Lessor terminate.

22. **WAIVER**- The waiving of any of the covenants of this lease by either party shall be limited to the particular instance and shall not be deemed to waive any other breach of such covenant.

23. **CONDEMNATION**- If the leased premises or any part thereof shall be taken by exercise of the power of eminent domain or otherwise taken by government authority, this lease shall terminate and the Lessee shall have no right or claim to compensation for the value of its lease, such rights, if any, the Lessee may have with respect thereto being hereby assigned to the Lessor, excluding however and retaining in the Lessee, only the right to compensation for such damages, if any, the Lessee may be entitled to receive from such condemning authority for loss of its business, good will, merchandise, inventory, fixtures, equipment, leasehold improvements and removal expenses.

24. **NOTICES**- Any notice, demand, request or other instrument which may require to be given under this lease shall be delivered in person and sent by United State certified or registered mail, postage prepaid and shall be addressed as follows:

LESSOR: Preston Real Estate, LLC, 43 Preston Ave., Meriden, CT 06450

LESSEE: East Ridge Manor, Inc., 43 Preston Ave., Meriden, CT 06450

25. **RIGHTS**- The foregoing rights and remedies are not intended to be exclusive but as additional to all rights and remedies the Lessor would otherwise have by law.

26. **TERMINATION OF PRIOR LEASES**- All prior leases executed between the parties hereof are declared to be terminated effective March 31, 2012.

27. **SURVIVAL.** All of the terms, covenants and conditions of this lease shall inure to the benefit of and be binding upon the respective heirs, executors, administrators, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF, the Parties hereunto have set their hands and seals, and to a duplicate of the same tenor and dated this 30th day of March, 2012.

Signed, sealed and delivered in the presence of

LESSOR:

BY: _____

LESSEE:

BY: _____

C. Expenditures Other Than Salaries (cont'd) - Interest

| Name of Facility East Ridge Manor, Inc. | | License No. 928 | Report for Year Ended 9/30/2019 | | | Page 26 | of 37 |
|---|--|--------------------|------------------------------------|------|-----------------------|------------|----------|
| Item | | Total | CCNH | RHNS | Residential Care Home | | |
| 12. Interest | | | | | | | |
| A. Building, Land Improvement & Non-Movable Equipment | | | | | | | |
| 1. First Mortgage | | \$ | | | | | |
| Name of Lender | | Rate | | | | | |
| Address of Lender | | | | | | | |
| 2. Second Mortgage | | \$ | | | | | |
| Name of Lender | | Rate | | | | | |
| Address of Lender | | | | | | | |
| 3. Third Mortgage | | \$ | | | | | |
| Name of Lender | | Rate | | | | | |
| Address of Lender | | | | | | | |
| 4. Fourth Mortgage | | \$ | | | | | |
| Name of Lender | | Rate | | | | | |
| Address of Lender | | | | | | | |
| B. CHEFA Loan Information | | | | | | | |
| 1. Original Loan Amount | | \$ | | | | | |
| 2. Loan Origination Date | | | | | | | |
| 3. Interest Rate % | | | | | | | |
| 4. Term | | | | | | | |
| 5. CHEFA Interest Expense | | | | | | | |
| 12 B7. Total Building Interest Expense (A1 - A4 + B5) | | \$ | | | | | |

(Carry Subtotals forward to next page)

C. Expenditures Other Than Salaries (cont'd) - Interest and Insurance

| Name of Facility | | License No. | | Report for Year Ended | | | Page of | |
|---|--|-------------|--------|-----------------------|------|------|-----------------------|--|
| East Ridge Manor, Inc. | | 928 | | 9/30/2019 | | | 27 37 | |
| Item | | | | Total | CCNH | RHNS | Residential Care Home | |
| Subtotals Brought Forward: | | | | | | | | |
| 12. C. Movable Equipment | | | | | | | | |
| 1. Automotive Equipment | | | | \$ 613 | | | 613 | |
| A. Item | | Rate | Amount | | | | | |
| 2015 GMC Acadia | | 3.94% | 613 | | | | | |
| Lender | | | | | | | | |
| Ally Bank | | | | | | | | |
| Address of Lender | | | | | | | | |
| PO Box 78234 Phoenix, AZ 85062-8234 | | | | | | | | |
| 2. Other (Specify) | | | | \$ | | | | |
| A. Item | | Rate | Amount | | | | | |
| Lender | | | | | | | | |
| Address of Lender | | | | | | | | |
| B. Item | | Rate | Amount | | | | | |
| Lender | | | | | | | | |
| Address of Lender | | | | | | | | |
| 12. C. 3. Total Movable Equipment Interest Expense (C1 + 2) | | | | \$ 613 | | | 613 | |
| 12. D. Other Interest Expense (Specify) | | | | \$ 1,834 | | | 1,834 | |
| Finance charges and fees | | | | | | | | |
| 13. Total All Interest Expense (12B7 + 12C3 + 12D) | | | | \$ 2,447 | | | 2,447 | |
| 14. Insurance | | | | | | | | |
| a. Insurance on Property (buildings only) | | | | \$ 8,265 | | | 8,265 | |
| b. Insurance on Automobiles | | | | \$ 1,979 | | | 1,979 | |
| c. Insurance other than Property (as specified above) | | | | | | | | |
| 1. Umbrella (Blanket Coverage) | | | | \$ | | | | |
| 2. Fire and Extended Coverage | | | | \$ | | | | |
| 3. Other (Specify) | | | | \$ 2,725 | | | 2,725 | |
| Liability | | | | | | | | |
| 14d. Total Insurance Expenditures (14a + b + c) | | | | \$ 12,969 | | | 12,969 | |
| 15. Total All Expenditures (A-13 thru C-14) | | | | \$ 733,039 | | | 733,039 | |

D. Adjustments to Statement of Expenditures

| Name of Facility East Ridge Manor, Inc. | | | License No. 928 | Report for Year Ended 9/30/2019 | Page 28 | of 37 | |
|---|----------|----------|---|------------------------------------|------------|----------|-----------------------|
| Item No. | Page No. | Line No. | Item Description | Total Amount of Decrease | CCNH | RHNS | Residential Care Home |
| Page 10 - Salaries and Wages | | | | | | | |
| 1. | | | Outpatient Service Costs | \$ | | | |
| 2. | 10 | A7b | Salaries not related to Resident Care | \$ 35,488 | | | 35,488 |
| 3. | | | Occupational Therapy | \$ | | | |
| 4. | | | Other - See attached Schedule | \$ | | | |
| Page 13 - Professional Fees | | | | | | | |
| 5. | | | Resident Care Physicians ** | \$ | | | |
| 6. | | | Occupational Therapy | \$ | | | |
| 7. | | | Other - See attached Schedule | \$ | | | |
| Pages 15 & 16 - Administrative and General | | | | | | | |
| 8. | | | Discriminatory Benefits | \$ | | | |
| 9. | | | Bad Debts | \$ | | | |
| 10. | | | Accounting | \$ | | | |
| 10a. | | | Legal | \$ | | | |
| 11. | | | Telephone | \$ | | | |
| 12. | 15 | h2 | Cellular Telephone | \$ 950 | | | 950 |
| 13. | | | Life insurance premiums on the life of Owners, Partners, Operators | \$ | | | |
| 14. | | | Gifts, flowers and coffee shops | \$ | | | |
| 15. | | | Education expenditures to colleges or universities for tuition and related costs for owners and employees | \$ | | | |
| 16. | | | Travel for purposes of attending conferences or seminars outside the continental U.S. Other out-of-state travel in excess of one representative | \$ | | | |
| 17. | 16 | L6 | Automobile Expense (e.g. personal use) | \$ 5,182 | | | 5,182 |
| 18. | 16 | m2 | Unallowable Advertising * | \$ 230 | | | 230 |
| 19. | | | Income Tax / Corporate Business Tax | \$ | | | |
| 20. | 16 | m10 | Fund Raising / Contributions | \$ 25 | | | 25 |
| 21. | | | Unallowable Management Fees | \$ | | | |
| 22. | | | Barber and Beauty | \$ | | | |
| 23. | | | Other - See attached Schedule | \$ 5,471 | | | 5,471 |
| Page 18 - Dietary Expenditures | | | | | | | |
| 24. | | | Meals to employees, guests and others who are not residents | \$ | | | |
| Page 19 - Laundry Expenditures | | | | | | | |
| 25. | | | Laundry services to employees, guests and others who are not residents | \$ | | | |
| Page 20 - Housekeeping Expenditures | | | | | | | |
| 26. | | | Housekeeping services to employees, guests and others who are not residents | \$ | | | |
| Subtotal (Items 1 - 26) | | | | \$ 47,346 | | | 47,346 |

* All except "Help Wanted".

(Carry Subtotal forward to next page)

** Physicians who provide services to Title 19 residents are required to bill the Department of Social Services directly for each individual resident.

Schedule of Other Salaries Adjustment

| Page Ref | Line Ref | Description | CCNH | RHNS | Residential Care Home |
|--|----------|-------------|------|------|-----------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total Other Salaries Adjustment | | | \$ - | \$ - | \$ - |

Schedule of Fees Adjustments

| Page Ref | Line Ref | Description | CCNH | RHNS | Residential Care Home |
|-------------------------------------|----------|-------------|------|------|-----------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total Other Fees Adjustments | | | \$ - | \$ - | \$ - |

Schedule of Other A&G Adjustments

| Page Ref | Line Ref | Description | CCNH | RHNS | Residential Care Home |
|--|----------|---|------|------|-----------------------|
| 16 | m8a | Chamber of Commerce dues | | | \$ 324 |
| 16 | m8a | Central Studio web hosting | | | \$ 120 |
| Various | | Fringe benefits on disallowed maintenance wages (pg. 28a) | | | \$ 3,694 |
| 16 | m13 | Unallowable bank service charges | | | 1293 |
| 16 | m13 | Penalties | | | 40 |
| Total Other A&G Adjustments | | | \$ - | \$ - | \$ 5,471 |

Page 28 - Adjustments to Statement of Expenditures

| Page | Line | Description | GL Number | Amount |
|--|------|-------------------|-----------|--------|
| <u>Item # 2 - Salaries not related to Patient Care</u> | | | | |
| 10 | 7b | Maintenance Wages | 8000 | 35,488 |
| | | Total Adjustment | | 35,488 |

Item #23 - Administrative and General (other)

Fringe Benefits on Maintenance Wages

| | | | | <u>Per Page 15</u> |
|----|-------|----------------------------------|-----------|--------------------|
| 15 | 1.a.1 | Workmen's Comp | 5026 | 4,922 |
| 15 | 1.a.2 | Unemployment Insurance | 5011/5012 | 3,608 |
| 15 | 1.a.3 | Social Security (FICA) | 6130 | 22,680 |
| 15 | 1.a.4 | Health Insurance | n/a | |
| | | Total Fringes | | 31,210 |
| | | Total Wages Paid | | 299,806 |
| | | Fringe Benefit Percentage | | 10.41% |
| | | Disallowed Maintenance Wages | | 35,488 |
| | | Dissallowed Fringes | | 3,694 |

D. Adjustments to Statement of Expenditures (cont'd)

| Name of Facility | | | | License No. | Report for Year Ended | Page | of |
|--|----------|----------|---|--------------------------|-----------------------|------|-----------------------|
| East Ridge Manor, Inc. | | | | 928 | 9/30/2019 | 29 | 37 |
| Item No. | Page No. | Line No. | Item Description | Total Amount of Decrease | CCNH | RHNS | Residential Care Home |
| Subtotals Brought Forward | | | | \$ 47,346 | | | 47,346 |
| Page 20 - Resident Care Supplies*** | | | | | | | |
| 27. | | | Prescription Drugs | \$ | | | |
| 28. | | | Ambulance/Limousine | \$ | | | |
| 29. | | | X-rays, etc | \$ | | | |
| 30. | | | Laboratory | \$ | | | |
| 31. | | | Medical Supplies | \$ | | | |
| 32. | | | Oxygen (non emergency) | \$ | | | |
| 33. | | | Occupational Therapy | \$ | | | |
| 34. | | | Other - See Attached Schedule | \$ 1,707 | | | 1,707 |
| Page 22 - Maintenance and Property | | | | | | | |
| 35. | | | Excess Movable Equipment Depreciation See Attached Schedule | \$ 585 | | | 585 |
| 36. | | | Depreciation on Unallowable Motor Vehicles | \$ | | | |
| 37. | | | Unallowable Property and Real Estate Taxes | \$ | | | |
| 38. | | | Rental of Building Space or Rooms | \$ | | | |
| 39. | | | Other - See Attached Schedule | \$ 4,224 | | | 4,224 |
| Page 27 - Insurance | | | | | | | |
| 40. | | | Mortgage Insurance | \$ | | | |
| 41. | | | Property Insurance | \$ | | | |
| Other - Miscellaneous | | | | | | | |
| 42. | | | Other - Indirect | \$ | | | |
| 43. | | | Interest Income on Account Rec. | \$ | | | |
| 44. | | | Other - Miscellaneous Administrative | \$ | | | |
| 45. | | | Management Fees Direct | \$ | | | |
| 46. | | | Management Fees Indirect | \$ | | | |
| 47. | | | Other - Direct | \$ 1,874 | | | 1,874 |
| Not For Profit Providers Only | | | | | | | |
| 48. | | | Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule | \$ | | | |
| 49. Total Amount of Decrease (Items 1 - 48) | | | | \$ 55,736 | | | 55,736 |

*** Items billed directly to Department of Social Services and/or Health Services in CT, or other states, Medicare, and private-pay residents. Identify separately by category as indicated on Page 20.

Schedule of Other Ancillary Costs

| Page Ref | Line Ref | Description | CCNH | RHNS | Residential Care Home |
|------------------------------------|----------|-------------------|------|------|-----------------------|
| 20 | 5i | Cable TV over cap | | | \$ 1,707 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total Other Ancillary Costs | | | \$ - | \$ - | \$ 1,707 |

Schedule of Excess Movable Equipment Depreciation

| Page Ref | Line Ref | Description | CCNH | RHNS | Residential Care Home |
|--|----------|-----------------------------|------|------|-----------------------|
| 22 | 7d | 2015 GMC Acadia-see pg. 29a | | | \$ 585 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total Excess Movable Equipment Depreciation | | | \$ - | \$ - | \$ 585 |

Schedule of Other Property Adjustments

| Page Ref | Line Ref | Description | CCNH | RHNS | Residential Care Home |
|---|----------|---|------|------|-----------------------|
| 22 | 7d | Moveable equipment depreciation (auto) personal use (pg. 29a) | | | \$ 2,032 |
| 22 | 10c | Personal property tax-auto personal use (pg. 29a) | | | \$ 537 |
| 27 | 14b | Auto insurance, personal use (pg. 29a) | | | \$ 1,264 |
| 27 | 12C3 | Auto loan interest, personal use (pg. 29a) | | | \$ 391 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total Other Property Adjustments | | | \$ - | \$ - | \$ 4,224 |

Schedule of Other - Indirect Adjustments

| Page Ref | Line Ref | Description | CCNH | RHNS | Residential Care Home |
|----------|----------|-------------|------|------|-----------------------|
| | | | | | |
| | | | | | |
| | | | | | |

| | | | | | |
|--------------------------------|--|--|------|------|------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total Other Adjustments | | | \$ - | \$ - | \$ - |

Schedule of Other - Miscellaneous Administrative Adjustments

| Page Ref | Line Ref | Description | CCNH | RHNS | Residential Care Home |
|--------------------------------|----------|-------------|------|------|-----------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total Other Adjustments | | | \$ - | \$ - | \$ - |

| Page Ref | Line Ref | Description | CCNH | RHNS | Residential Care Home |
|--------------------------------|----------|--------------------------|------|------|-----------------------|
| 27 | 12d | Finance charges and fees | | | \$ 1,874 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total Other Adjustments | | | \$ - | \$ - | \$ 1,874 |

Schedule of Unallowable Building Interest

| Page Ref | Line Ref | Description | CCNH | RHNS | Residential Care Home |
|--|----------|-------------|------|------|-----------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total Unallowable Building Interest | | | \$ - | \$ - | \$ - |

Page 28 & 29 - Adjustments to Statement of Expenditures

Personal Use of Auto - 2015 GMC Acadia

| | | <u>Total</u> | <u>Business</u> | <u>Personal</u> | |
|---------------------|---------|---------------|-----------------|-----------------|---------|
| Odometer 9/30/19 | 108,651 | | | | |
| Odometer 10/01/2018 | 84,761 | 23,890 | 8,635 | 15,255 | |
| | | <u>23,890</u> | <u>8,635</u> | <u>15,255</u> | |
| Percentage | | | 36.14% | 63.86% | 100.00% |

| <u>Item #17-Auto Expense</u> | <u>Description</u> | <u>GL Number</u> | <u>Total</u> | <u>Business</u> | <u>Personal</u> | <u>Cost report</u> | |
|--|--|------------------|--------------|-----------------|-----------------|--------------------|-------------|
| | | | | | | <u>Page</u> | <u>Line</u> |
| | Auto Expense | 6550 | 8,115 | 2,933 | 5,182 | 16 | 16 |
| <u>Item 39-Maintenance and Property-Other</u> | | | | | | | |
| | Insurance - Auto | 6250 | 1,979 | 715 | 1,264 | 27 | 14 b |
| | Auto Loan Interest | 9045 | 613 | 222 | 391 | 27 | 12 C3 |
| | Personal Prop Tax - Auto | 6260 | 841 | 304 | 537 | 22 | 10 c |
| <u>Item #35-Excess Moveable Equipment Depreciation</u> | | | | | | | |
| | Depreciation - Auto portion | 9055 | 3,182 | <u>1,150</u> | <u>2,032</u> | 22 | 7 d |
| | Personal Use of Auto (Income calculated) | | | | <u>9,406</u> * | 30 | IV.8 |

Item #35-Excess Moveable Equipment Depreciation

Excess Depreciation

| | | | | | |
|----------------------------------|------|---------------|--|-----|--------------------------|
| 2015 Acadia vehicle depreciation | 9055 | 1,150 | | | |
| Excess depreciation adjustment | | <u>50,89%</u> | | | |
| | | <u>585</u> | | 212 | Excess dep business only |

| <u>Excess Depn Adj-Acadia Denali</u> | |
|--------------------------------------|--------|
| Allowable cost of vehicle | 25,000 |
| Actual cost of vehicle | 50,905 |
| Allowable % | 49.11% |
| Disallowed % | 50.89% |

Net Allowable Motor Vehicle Depreciation

| | |
|---|------------|
| Motor vehicle depreciation | 3,182 |
| Personal use of auto | (2,032) |
| Excess depreciation adj. (bus portion only) | (212) |
| Net Allowable MV Depreciation | <u>938</u> |

* Note: difference between schedule and trial balance is due to the expansion of the percentage calculations to two decimal places as prescribed in previous audits

F. Statement of Revenue

| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | | | Page 30 | of 37 |
|--|--------------------|------------------------------------|------|-----------------------|------------|----------|
| Item | Total | CCNH | RHNS | Residential Care Home | | |
| I. Resident Room, Board & Routine Care Revenue | | | | | | |
| 1. a. Medicaid Residents (<i>CT only</i>) | \$ 691,111 | | | | | 691,111 |
| b. Medicaid Room and Board Contractual Allowance ** | \$ | | | | | |
| 2. a. Medicaid (<i>All other states</i>) | \$ | | | | | |
| b. Other States Room and Board Contractual Allowance ** | \$ | | | | | |
| 3. a. Medicare Residents (<i>all inclusive</i>) | \$ | | | | | |
| b. Medicare Room and Board Contractual Allowance ** | \$ | | | | | |
| 4. a. Private-Pay Residents and Other | \$ | | | | | |
| b. Private-Pay Room and Board Contractual Allowance ** | \$ | | | | | |
| II. Other Resident Revenue | | | | | | |
| 1. a. Prescription Drugs - Medicare | \$ | | | | | |
| b. Prescription Drugs - Medicare Contractual Allowance ** | \$ | | | | | |
| c. Prescription Drugs - Non-Medicare | \$ | | | | | |
| d. Prescription Drugs - Non-Medicare Contractual Allowance ** | \$ | | | | | |
| 2. a. Medical Supplies - Medicare | \$ | | | | | |
| b. Medical Supplies - Medicare Contractual Allowance ** | \$ | | | | | |
| c. Medical Supplies - Non-Medicare | \$ | | | | | |
| d. Medical Supplies - Non-Medicare Contractual Allowance ** | \$ | | | | | |
| 3. a. Physical Therapy - Medicare | \$ | | | | | |
| b. Physical Therapy - Medicare Contractual Allowance ** | \$ | | | | | |
| c. Physical Therapy - Non-Medicare | \$ | | | | | |
| d. Physical Therapy - Non-Medicare Contractual Allowance ** | \$ | | | | | |
| 4. a. Speech Therapy - Medicare | \$ | | | | | |
| b. Speech Therapy - Medicare Contractual Allowance ** | \$ | | | | | |
| c. Speech Therapy - Non-Medicare | \$ | | | | | |
| d. Speech Therapy - Non-Medicare Contractual Allowance ** | \$ | | | | | |
| 5. a. Occupational Therapy - Medicare | \$ | | | | | |
| b. Occupational Therapy - Medicare Contractual Allowance ** | \$ | | | | | |
| c. Occupational Therapy - Non-Medicare | \$ | | | | | |
| d. Occupational Therapy - Non-Medicare Contractual Allowance ** | \$ | | | | | |
| 6. a. Other (<i>Specify</i>) - Medicare | \$ | | | | | |
| b. Other (<i>Specify</i>) - Non-Medicare | \$ | | | | | |
| III. Total Resident Revenue (Section I. thru Section II.) | \$ 691,111 | | | | | 691,111 |
| IV. Other Revenue* | | | | | | |
| 1. Meals sold to guests, employees & others | \$ | | | | | |
| 2. Rental of rooms to non-residents | \$ | | | | | |
| 3. Telephone | \$ | | | | | |
| 4. Rental of Television and Cable Services | \$ | | | | | |
| 5. Interest Income (<i>Specify</i>) | \$ | | | | | |
| 6. Private Duty Nurses' Fees | \$ | | | | | |
| 7. Barber, Coffee, Beauty and Gift shops | \$ | | | | | |
| 8. Other (<i>Specify</i>) | \$ 9,531 | | | | | 9,531 |
| V. Total Other Revenue (1 thru 8) | \$ 9,531 | | | | | 9,531 |
| VI. Total All Revenue (III +V) | \$ 700,642 | | | | | 700,642 |

* Facility should off-set the appropriate expense on Page 28 or Page 29 of the Cost Report.
 ** Facility should report all contractual allowances and/or payer discounts.

Schedule of Other Resident Revenue - Medicare

Related Exp

| Page Ref | Description | CCNH | RHNS | Residential Care Home |
|--|-------------|-----------|-----------|-----------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total Other Resident Revenue - Medicare | | \$ | \$ | \$ |

Schedule of Other Non-Medicare Resident Revenue

Related Exp

| Page Ref | Description | CCNH | RHNS | Residential Care Home |
|-------------------------------------|-------------|-----------|-----------|-----------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total Other Resident Revenue | | \$ | \$ | \$ |

Interest Income

Account

| Page Ref | Account | Balance | CCNH | RHNS | Residential Care Home |
|------------------------------|---------|---------|-----------|-----------|-----------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| Total Interest Income | | | \$ | \$ | \$ |

Schedule of Other Revenue

| Page Ref | Description | CCNH | RHNS | Residential Care Home |
|----------------------------|--|-----------|-----------|-----------------------|
| 30IV8 | Personal use of auto | | | \$ 9,406 |
| 30IV8 | PY disallowed charitable contribution check never cleared bank account | | | \$.125 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total Other Revenue | | \$ | \$ | \$ 9,531 |

G. Balance Sheet

| Name of Facility | License No. | Report for Year Ended | Page | of |
|--|--|-----------------------|--------|--------|
| East Ridge Manor, Inc. | 928 | 9/30/2019 | 31 | 37 |
| Account | | | Amount | |
| Assets | | | | |
| A. Current Assets | | | | |
| 1. Cash (<i>on hand and in banks</i>) | | | \$ | 8,078 |
| 2. Resident Accounts Receivable (Less Allowance for Bad Debts) | | | \$ | 39,435 |
| 3. Other Accounts Receivable (Excluding Owners or Related Parties) | | | \$ | |
| 4 Inventories | | | \$ | 1,449 |
| 5. Prepaid Expenses | | | \$ | 9,045 |
| a. Prepaid insurance | 3,548 | | | |
| b. Prepaid heating oil | 5,296 | | | |
| c. Prepaid copier lease | 201 | | | |
| d. See Schedule | | | | |
| 6. Interest Receivable | | | \$ | |
| 7. Medicare Final Settlement Receivable | | | \$ | |
| 8. Other Current Assets (<i>itemize</i>) | | | \$ | |
| _____ | | | | |
| _____ | | | | |
| See Schedule | | | | |
| A-9. Total Current Assets (Lines A1 thru 8) | | | \$ | 58,007 |
| B. Fixed Assets | | | | |
| 1. Land | | | \$ | |
| 2. Land Improvements | *Historical Cost _____ | | \$ | |
| | Accum. Depreciation _____ Net | | | |
| 3. Buildings | *Historical Cost _____ | | \$ | |
| | Accum. Depreciation _____ Net | | | |
| 4. Leasehold Improvements | *Historical Cost <u>107,132</u> | | \$ | 15,348 |
| | Accum. Depreciation <u>91,784</u> Net | | | |
| 5. Non-Movable Equipment | *Historical Cost <u>164,986</u> | | \$ | |
| | Accum. Depreciation <u>164,986</u> Net | | | |
| 6. Movable Equipment | *Historical Cost <u>66,782</u> | | \$ | 19,204 |
| | Accum. Depreciation <u>47,578</u> Net | | | |
| 7. Motor Vehicles | *Historical Cost <u>50,905</u> | | \$ | |
| | Accum. Depreciation <u>50,905</u> Net | | | |
| 8. Minor Equipment-Not Depreciable | | | \$ | |
| 9. Other Fixed Assets (<i>itemize</i>) | | | \$ | |
| _____ | | | | |
| See Schedule | | | | |
| B-10. Total Fixed Assets (Lines B1 thru 9) | | | \$ | 34,552 |

* Historical Costs must agree with Historical Cost reported in Schedules on Depreciation and Amortization (Pages 23 and 24).

(Carry Total forward to next page)

G. Balance Sheet (cont'd)

| Name of Facility | License No. | Report for Year Ended | Page | of |
|--|---------------------|-----------------------|---------|------------|
| East Ridge Manor, Inc. | 928 | 9/30/2019 | 32 | 37 |
| Account | | | Amount | |
| Total Brought Forward: | | | \$ | 92,559 |
| C. Leasehold or like property recorded for Equity Purposes. | | | | |
| 1. Land | | | | |
| 2. Land Improvements | | | | |
| | *Historical Cost | 44,924 | | |
| | Accum. Depreciation | 29,191 | Net | \$ 15,733 |
| 3. Buildings | | | | |
| | *Historical Cost | 337,150 | | |
| | Accum. Depreciation | 166,138 | Net | \$ 171,012 |
| 4. Non-Movable Equipment | | | | |
| | *Historical Cost | 40,816 | | |
| | Accum. Depreciation | 27,246 | Net | \$ 13,570 |
| 5. Movable Equipment | | | | |
| | *Historical Cost | | | |
| | Accum. Depreciation | | Net | \$ |
| 6. Motor Vehicles | | | | |
| | *Historical Cost | | | |
| | Accum. Depreciation | | Net | \$ |
| 7. Minor Equipment-Not Depreciable | | | | |
| C-8 Total Leasehold or Like Properties (C1 thru 7) | | | \$ | 200,315 |
| D. Investment and Other Assets | | | | |
| 1. Deferred Deposits | | | | |
| 2. Escrow Deposits | | | | |
| 3. Organization Expense | | | | |
| | *Historical Cost | | | |
| | Accum. Depreciation | | Net | \$ |
| 4. Goodwill (Purchased Only) | | | | |
| 5. Investments Related to Resident Care (<i>itemize</i>) | | | | |
| _____ | | | | |
| 6. Loans to Owners or Related Parties (<i>itemize</i>) | | | | |
| Name and Address | | | Amount | Loan Date |
| Gabriela Conroy | | | 106,864 | various |
| 7. Other Assets (<i>itemize</i>) | | | | |
| Due from TGC, Inc. d/b/a Caroline's Residential | | 22,038 | | |
| Due from Haughton Cove Manor, Inc. | | 77,182 | | |
| See Schedule | | | | |
| D-8. Total Investments and Other Assets (Lines D1 thru 7) | | | \$ | 206,084 |
| D-9. Total All Assets (Lines A9 + B10 + C8 + D8) | | | \$ | 498,958 |

* Historical Costs must agree with Historical Cost reported in Schedules on Depreciation and Amortization (Pages 23 and 24).

G. Balance Sheet (cont'd)

| Name of Facility | | License No. | Report for Year Ended | Page | of |
|--|-----------|-------------|-----------------------|--------|----------------|
| East Ridge Manor, Inc. | | 928 | 9/30/2019 | 33 | 37 |
| Account | | | | Amount | |
| Liabilities | | | | | |
| A. Current Liabilities | | | | | |
| 1. Trade Accounts Payable | | | | \$ | 93,104 |
| 2. Notes Payable (<i>itemize</i>) | | | | \$ | |
| _____ | | | | | |
| _____ | | | | | |
| See Schedule | | | | | |
| 3. Loans Payable for Equipment (<i>Current portion</i>) (<i>itemize</i>) | | | | \$ | 9,771 |
| Name of Lender | Purpose | Amount | Date Due | | |
| Ally Bank | Auto Loan | 9,771 | various | | |
| 4. Accrued Payroll (<i>Exclusive of Owners and/or Stockholders only</i>) | | | | \$ | 7,236 |
| 5. Accrued Payroll (<i>Owners and/or Stockholders only</i>) | | | | \$ | |
| 6. Accrued Payroll Taxes Payable | | | | \$ | 554 |
| 7. Medicare Final Settlement Payable | | | | \$ | |
| 8. Medicare Current Financing Payable | | | | \$ | |
| 9. Mortgage Payable (<i>Current Portion</i>) | | | | \$ | |
| 10. Interest Payable (<i>Exclusive of Owner and/or Related Parties</i>) | | | | \$ | |
| 11. Accrued Income Taxes* | | | | \$ | 940 |
| 12. Other Current Liabilities (<i>itemize</i>) | | | | \$ | 8,071 |
| Accrued water/sewer | | 1,449 | | | |
| Credit cards payable | | 6,622 | | | |
| _____ | | | | | |
| See Schedule | | | | | |
| A-13. Total Current Liabilities (Lines A1 thru 12) | | | | \$ | 119,676 |

* Business Income Tax (not that withheld from employees). Attach copy of owner's Federal Income Tax Return.

(Carry Total forward to next page)

U.S. Income Tax Return for an S Corporation

2018

Department of the Treasury Internal Revenue Service

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation. Go to www.irs.gov/Form1120S for instructions and the latest information.

For calendar year 2018 or tax year beginning 10/01/18 ending 09/30/19

Header section containing: A S election effective date 10/01/03, B Business activity code number 623000, C Check if Sch. M-3 attached, D Employer identification number 06-0894640, E Date incorporated 03/27/1973, F Total assets \$ 298,643

G Is the corporation electing to be an S corporation beginning with this tax year? Yes No (checked)
H Check if: (1) Final return (2) Name change (3) Address change (4) Amended return (5) S election termination or revocation
I Enter the number of shareholders who were shareholders during any part of the tax year 1

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income section table with rows 1a-6. 1a Gross receipts or sales 691,111. 1b Returns and allowances. 1c Balance 691,111. 2 Cost of goods sold. 3 Gross profit 691,111. 4 Net gain (loss). 5 Other income (loss) SEE STMT 1 9,535. 6 Total income (loss) 700,646

Deductions section table with rows 7-21. 7 Compensation of officers. 8 Salaries and wages 299,806. 9 Repairs and maintenance 20,368. 10 Bad debts. 11 Rents 66,000. 12 Taxes and licenses 44,300. 13 Interest 2,448. 14 Depreciation 11,690. 15 Depletion. 16 Advertising 255. 17 Pension, profit-sharing, etc., plans. 18 Employee benefit programs 96,553. 19 Other deductions SEE STMT 2 148,394. 20 Total deductions 689,814. 21 Ordinary business income (loss) 10,832

Tax and Payments section table with rows 22a-27. 22a Excess net passive income or LIFO recapture tax. 22b Tax from Schedule D. 22c Add lines 22a and 22b. 23a 2018 estimated tax payments and 2017 overpayment credited to 2018. 23b Tax deposited with Form 7004. 23c Credit for federal tax paid on fuels. 23d Refundable credit from Form 8827. 23e Add lines 23a through 23d. 24 Estimated tax penalty. 25 Amount owed. 26 Overpayment. 27 Enter amount from line 26: Credited to 2019 estimated tax Refunded

Sign Here section: Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. Signature of officer DOREEN CONROY, Title PRESIDENT

Paid Preparer Use Only section: Print/Type preparer's name MICHAEL J. MICHAUD, Preparer's signature, Date 01/20/20, Check self-employed if PTIN P00429449, Firm's name BRODEUR & COMPANY, CPAS, P.C., Firm's EIN 06-0885645, Firm's address P.O. BOX 164 OLD SAYBROOK, CT 06475, Phone no. 860-388-4627

Schedule B Other Information (see instructions)

1 Check accounting method: a Cash b [X] Accrual c Other (specify)
2 See the instructions and enter the: a Business activity RESIDENTIAL CARE b Product or service ROOM & BOARD
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation
4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below

Table with 5 columns: (i) Name of Corporation, (ii) Employer Identification Number (if any), (iii) Country of Incorporation, (iv) Percentage of Stock Owned, (v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below

Table with 5 columns: (i) Name of Entity, (ii) Employer Identification Number (if any), (iii) Type of Entity, (iv) Country of Organization, (v) Maximum Percentage Owned in Profit, Loss, or Capital

5 a At the end of the tax year, did the corporation have any outstanding shares of restricted stock? If "Yes," complete lines (i) and (ii) below. (i) Total shares of restricted stock (ii) Total shares of non-restricted stock
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? If "Yes," complete lines (i) and (ii) below. (i) Total shares of stock outstanding at the end of the tax year (ii) Total shares of stock outstanding if all instruments were executed
6 Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount
8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions)
9 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions
10 Does the corporation satisfy one of the following conditions and the corporation doesn't own a pass-through entity with current year, or prior year carryover, excess business interest expense? See instructions
a The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year don't exceed \$25 million, and the corporation isn't a tax shelter; or
b The corporation only has business interest expense from (1) an electing real property trade or business, (2) an electing farming business, or (3) certain utility businesses under section 163(j)(7). If "No," complete and attach Form 8990.
11 Does the corporation satisfy both of the following conditions?
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000
b The corporation's total assets at the end of the tax year were less than \$250,000
If "Yes," the corporation is not required to complete Schedules L and M-1.

| Schedule B Other Information (see instructions) (continued) | | Yes | No |
|---|---|-----|----|
| 12 | During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? If "Yes," enter the amount of principal reduction ▶ \$ | | X |
| 13 | During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions | | X |
| 14a | Did the corporation make any payments in 2018 that would require it to file Form(s) 1099? | X | |
| b | If "Yes," did the corporation file or will it file required Forms 1099? | X | |
| 15 | Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund? If "Yes," enter the amount from Form 8996, line 13 ▶ \$ | | X |

| Schedule K Shareholders' Pro Rata Share Items | | Total amount | |
|---|--|--------------|--------|
| Income (Loss) | 1 Ordinary business income (loss) (page 1, line 21) | 1 | 10,832 |
| | 2 Net rental real estate income (loss) (attach Form 8825) | 2 | |
| | 3a Other gross rental income (loss) | 3a | |
| | b Expenses from other rental activities (attach statement) | 3b | |
| | c Other net rental income (loss). Subtract line 3b from line 3a | 3c | |
| | 4 Interest income | 4 | |
| | 5 Dividends: a Ordinary dividends | 5a | |
| | b Qualified dividends | 5b | |
| | 6 Royalties | 6 | |
| | 7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)) | 7 | |
| 8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S)) | 8a | | |
| | b Collectibles (28%) gain (loss) | 8b | |
| | c Unrecaptured section 1250 gain (attach statement) | 8c | |
| 9 Net section 1231 gain (loss) (attach Form 4797) | 9 | -51 | |
| 10 Other income (loss) (see instructions) Type ▶ | 10 | | |
| Deductions | 11 Section 179 deduction (attach Form 4562) | 11 | |
| | 12a Charitable contributions SEE STMT 3 | 12a | 25 |
| | b Investment interest expense | 12b | |
| | c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶ | 12c(2) | |
| d Other deductions (see instructions) Type ▶ | 12d | | |
| Credits | 13a Low-income housing credit (section 42(j)(5)) | 13a | |
| | b Low-income housing credit (other) | 13b | |
| | c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) | 13c | |
| | d Other rental real estate credits (see instructions) Type ▶ | 13d | |
| | e Other rental credits (see instructions) Type ▶ | 13e | |
| | f Biofuel producer credit (attach Form 6478) | 13f | |
| | g Other credits (see instructions) Type ▶ | 13g | |
| Foreign Transactions | 14a Name of country or U.S. possession ▶ | | |
| | b Gross income from all sources | 14b | |
| | c Gross income sourced at shareholder level | 14c | |
| | Foreign gross income sourced at corporate level | | |
| | d Section 951A category | 14d | |
| | e Foreign branch category | 14e | |
| | f Passive category | 14f | |
| | g General category | 14g | |
| | h Other (attach statement) | 14h | |
| | Deductions allocated and apportioned at shareholder level | | |
| | i Interest expense | 14i | |
| | j Other | 14j | |
| | Deductions allocated and apportioned at corporate level to foreign source income | | |
| | k Section 951A category | 14k | |
| | l Foreign branch category | 14l | |
| | m Passive category | 14m | |
| n General category | 14n | | |
| o Other (attach statement) | 14o | | |
| Other information | | | |
| p Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued | 14p | | |
| q Reduction in taxes available for credit (attach statement) | 14q | | |
| r Other foreign tax information (attach statement) | | | |

| Schedule K Shareholders' Pro Rata Share Items (continued) | | Total amount |
|--|--|--------------|
| Alternative Minimum Tax (AMT) Items | 15a Post-1986 depreciation adjustment | 15a -822 |
| | b Adjusted gain or loss | 15b -19 |
| | c Depletion (other than oil and gas) | 15c |
| | d Oil, gas, and geothermal properties – gross income | 15d |
| | e Oil, gas, and geothermal properties – deductions | 15e |
| | f Other AMT items (attach statement) | 15f |
| Items Affecting Shareholder Basis | 16a Tax-exempt interest income | 16a |
| | b Other tax-exempt income | 16b |
| | c Nondeductible expenses | 16c 40 |
| | d Distributions (attach statement if required) (see instructions) | 16d |
| | e Repayment of loans from shareholders | 16e |
| Other Information | 17a Investment income | 17a |
| | b Investment expenses | 17b |
| | c Dividend distributions paid from accumulated earnings and profits | 17c |
| | d Other items and amounts (attach statement) SEE STATEMENT 4 | |
| Reconciliation | 18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14p | 18 10,756 |

| Schedule L Balance Sheets per Books | Beginning of tax year | | End of tax year | |
|---|-----------------------|---------|-----------------|---------|
| | (a) | (b) | (c) | (d) |
| Assets | | | | |
| 1 Cash | | | | 8,078 |
| 2a Trade notes and accounts receivable | 37,907 | | 39,435 | |
| b Less allowance for bad debts | | 37,907 | | 39,435 |
| 3 Inventories | | 1,366 | | 1,449 |
| 4 U.S. government obligations | | | | |
| 5 Tax-exempt securities (see instructions) | | | | |
| 6 Other current assets (attach statement) STMT 5 | | 103,414 | | 115,909 |
| 7 Loans to shareholders | | | | |
| 8 Mortgage and real estate loans | | | | |
| 9 Other investments (attach statement) | | | | |
| 10a Buildings and other depreciable assets | 390,372 | | 392,972 | |
| b Less accumulated depreciation | 343,450 | 46,922 | 358,420 | 34,552 |
| 11a Depletable assets | | | | |
| b Less accumulated depletion | | | | |
| 12 Land (net of any amortization) | | | | |
| 13a Intangible assets (amortizable only) | | | | |
| b Less accumulated amortization | | | | |
| 14 Other assets (attach statement) STMT 6 | | 99,220 | | 99,220 |
| 15 Total assets | | 288,829 | | 298,643 |
| Liabilities and Shareholders' Equity | | | | |
| 16 Accounts payable | | 79,717 | | 93,102 |
| 17 Mortgages, notes, bonds payable in less than 1 year | | 8,703 | | 9,771 |
| 18 Other current liabilities (attach statement) STMT 7 | | 17,699 | | 16,801 |
| 19 Loans from shareholders | | 44,424 | | 44,424 |
| 20 Mortgages, notes, bonds payable in 1 year or more | | 12,142 | | 2,319 |
| 21 Other liabilities (attach statement) STMT 8 | | 199,059 | | 206,241 |
| 22 Capital stock | | 20,000 | | 20,000 |
| 23 Additional paid-in capital | | | | |
| 24 Retained earnings | | -92,915 | | -94,015 |
| 25 Adjustments to shareholders' equity (attach statement) | | | | |
| 26 Less cost of treasury stock | | | | |
| 27 Total liabilities and shareholders' equity | | 288,829 | | 298,643 |

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The corporation may be required to file Schedule M-3 (see instructions)

| | | |
|---|--|---|
| <p>1 Net income (loss) per books -1,123</p> <p>2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize) STMT 9 124</p> <p>3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14p (itemize):</p> <p style="padding-left: 20px;">a Depreciation \$ 508</p> <p style="padding-left: 20px;">b Travel and entertainment \$ 11,372</p> <p style="padding-left: 20px;">STMT 10 11,372</p> <p>4 Add lines 1 through 3 10,881</p> | | <p>5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):</p> <p style="padding-left: 20px;">a Tax-exempt interest \$ 125</p> <p style="padding-left: 20px;">STMT 11 125</p> <p>6 Deductions included on Schedule K, lines 1 through 12 and 14p, not charged against book income this year (itemize):</p> <p style="padding-left: 20px;">a Depreciation \$ 125</p> <p>7 Add lines 5 and 6 125</p> <p>8 Income (loss) (Schedule K, line 18). Line 4 less line 7 10,756</p> |
|---|--|---|

Schedule M-2 Analysis of Accumulated Adjustments Account, Shareholders' Undistributed Taxable Income Previously Taxed, Accumulated Earnings and Profits, and Other Adjustments Account (see instructions)

| | (a) Accumulated adjustments account | (b) Shareholders' undistributed taxable income previously taxed | (c) Accumulated earnings and profits | (d) Other adjustments account |
|--|-------------------------------------|---|--------------------------------------|-------------------------------|
| 1 Balance at beginning of tax year | -40,780 | | -33,337 | |
| 2 Ordinary income from page 1, line 21 | 10,832 | | | |
| 3 Other additions STMT 12 | 148 | | | |
| 4 Loss from page 1, line 21 | | | | |
| 5 Other reductions STMT 13 | 116 | | | |
| 6 Combine lines 1 through 5 | -29,916 | | -33,337 | |
| 7 Distributions | | | | |
| 8 Balance at end of tax year. Subtract line 7 from line 6 | -29,916 | | -33,337 | |

Final K-1 Amended K-1

Schedule K-1
(Form 1120S)
Department of the Treasury
Internal Revenue Service

2018

For calendar year 2018, or tax year

beginning **10/01/18** ending **09/30/19**

Shareholder's Share of Income, Deductions, Credits, etc.
▶ See back of form and separate instructions.

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

| | | | |
|----|--|-----------|-------------------------------------|
| 1 | Ordinary business income (loss) 10,832 | 13 | Credits |
| 2 | Net rental real estate income (loss) | | |
| 3 | Other net rental income (loss) | | |
| 4 | Interest income | | |
| 5a | Ordinary dividends | | |
| 5b | Qualified dividends | 14 | Foreign transactions |
| 6 | Royalties | | |
| 7 | Net short-term capital gain (loss) | | |
| 8a | Net long-term capital gain (loss) | | |
| 8b | Collectibles (28%) gain (loss) | | |
| 8c | Unrecaptured section 1250 gain | | |
| 9 | Net section 1231 gain (loss) -51 | | |
| 10 | Other income (loss) | 15 | Alternative minimum tax (AMT) items |
| | | A | -822 |
| | | B | -19 |
| 11 | Section 179 deduction | 16 | Items affecting shareholder basis |
| | | C* | 40 |
| 12 | Other deductions 25 | A | |
| | | 17 | Other information |
| | | V* | 10,832 |
| | | W* | 312,077 |
| | | X* | 179,735 |

* See attached statement for additional information.

Part I Information About the Corporation

A Corporation's employer identification number
06-0894640

B Corporation's name, address, city, state, and ZIP code
EAST RIDGE MANOR, INC.
43 PRESTON AVENUE
MERIDEN CT 06450

C IRS Center where corporation filed return
E-FILE

Part II Information About the Shareholder

D Shareholder's identifying number
043-42-6838

E Shareholder's name, address, city, state, and ZIP code
DOREEN Z CONROY
PO BOX 457
HIGGANUM CT 06441

F Shareholder's percentage of stock ownership for tax year **100.000000 %**

For IRS Use Only

Depreciation and Amortization
(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

Name(s) shown on return

EAST RIDGE MANOR, INC.

Identifying number

06-0894640

Business or activity to which this form relates

REGULAR DEPRECIATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

| | | | |
|----|---|------------------------------|------------------|
| 1 | Maximum amount (see instructions) | 1 | 1,000,000 |
| 2 | Total cost of section 179 property placed in service (see instructions) | 2 | |
| 3 | Threshold cost of section 179 property before reduction in limitation (see instructions) | 3 | 2,500,000 |
| 4 | Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- | 4 | |
| 5 | Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions | 5 | |
| 6 | (a) Description of property | (b) Cost (business use only) | (c) Elected cost |
| 7 | Listed property. Enter the amount from line 29 | 7 | |
| 8 | Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 | 8 | |
| 9 | Tentative deduction. Enter the smaller of line 5 or line 8 | 9 | |
| 10 | Carryover of disallowed deduction from line 13 of your 2017 Form 4562 | 10 | |
| 11 | Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions | 11 | |
| 12 | Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11 | 12 | |
| 13 | Carryover of disallowed deduction to 2019. Add lines 9 and 10, less line 12 | 13 | |

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

| | | | |
|----|--|----|-------|
| 14 | Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions | 14 | 1,728 |
| 15 | Property subject to section 168(f)(1) election | 15 | |
| 16 | Other depreciation (including ACRS) | 16 | |

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

| | | | |
|----|---|----|-------|
| 17 | MACRS deductions for assets placed in service in tax years beginning before 2018 | 17 | 7,030 |
| 18 | If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here | | |

Section B—Assets Placed in Service During 2018 Tax Year Using the General Depreciation System

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depreciation (business/investment use only—see instructions) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|--------------------------------|--------------------------------------|--|---------------------|----------------|------------|----------------------------|
| 19a 3-year property | | | | | | |
| b 5-year property | | | | | | |
| c 7-year property | | | | | | |
| d 10-year property | | | | | | |
| e 15-year property | | | | | | |
| f 20-year property | | | | | | |
| g 25-year property | | | 25 yrs. | | S/L | |
| h Residential rental property | | | 27.5 yrs. | MM | S/L | |
| | | | 27.5 yrs. | MM | S/L | |
| i Nonresidential real property | | | 39 yrs. | MM | S/L | |
| | | | | MM | S/L | |

Section C—Assets Placed in Service During 2018 Tax Year Using the Alternative Depreciation System

| | | | | | | |
|-----|------------|--|---------|----|-----|--|
| 20a | Class life | | | | S/L | |
| b | 12-year | | 12 yrs. | | S/L | |
| c | 30-year | | 30 yrs. | MM | S/L | |
| d | 40-year | | 40 yrs. | MM | S/L | |

Part IV Summary (See instructions.)

| | | | |
|----|--|----|--------|
| 21 | Listed property. Enter amount from line 28 | 21 | 2,932 |
| 22 | Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions | 22 | 11,690 |
| 23 | For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs | 23 | |

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? [X] Yes [] No 24b If "Yes," is the evidence written? [X] Yes [] No

Table with columns (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost.

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use. See instructions. 2015 GMC ACADIA, 01/01/15, 100.00%, 50,905, 25,453, 5.0, 200DBHY, 2,932.

26 Property used more than 50% in a qualified business use: 27 Property used 50% or less in a qualified business use:

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28 2,932
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table for Section B with columns (a) through (f) for Vehicle 1 through Vehicle 6. Rows 30-36 include miles driven and availability for personal use.

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons. See instructions.

Table for Section C with rows 37-41 asking about written policies and requirements for vehicle use by employees.

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

Table for Section C with columns (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Rows 42-44.

Sales of Business Property
 (Also Involuntary Conversions and Recapture Amounts
 Under Sections 179 and 280F(b)(2))

Department of the Treasury
 Internal Revenue Service

▶ Attach to your tax return.

Attachment
 Sequence No. **27**

▶ Go to www.irs.gov/Form4797 for instructions and the latest information.

| | |
|--|---|
| Name(s) shown on return EAST RIDGE MANOR, INC. | Identifying number 06-0894640 |
|--|---|

1 Enter the gross proceeds from sales or exchanges reported to you for 2018 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20. See instructions **1**

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

| 2 (a) Description of property | (b) Date acquired (mo., day, yr.) | (c) Date sold (mo., day, yr.) | (d) Gross sales price | (e) Depreciation allowed or allowable since acquisition | (f) Cost or other basis, plus improvements and expense of sale | (g) Gain or (loss) Subtract (f) from the sum of (d) and (e) |
|-----------------------------------|-----------------------------------|-------------------------------|-----------------------|---|--|---|
| COMMERCIAL WASHING MACHINE | 10/11/12 | 09/01/19 | | 517 | 568 | -51 |

| | | |
|---|----------|------------|
| 3 Gain, if any, from Form 4684, line 39 | 3 | |
| 4 Section 1231 gain from installment sales from Form 6252, line 26 or 37 | 4 | |
| 5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824 | 5 | |
| 6 Gain, if any, from line 32, from other than casualty or theft | 6 | |
| 7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows | 7 | -51 |
| Partnerships and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below. Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you didn't have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below. | | |
| 8 Nonrecaptured net section 1231 losses from prior years. See instructions | 8 | |
| 9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return. See instructions | 9 | |

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

| | | | | | | |
|--|--|--|--|--|--|--|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

| | | |
|--|------------|--|
| 11 Loss, if any, from line 7 | 11 | |
| 12 Gain, if any, from line 7 or amount from line 8, if applicable | 12 | |
| 13 Gain, if any, from line 31 | 13 | |
| 14 Net gain or (loss) from Form 4684, lines 31 and 38a | 14 | |
| 15 Ordinary gain from installment sales from Form 6252, line 25 or 36 | 15 | |
| 16 Ordinary gain or (loss) from like-kind exchanges from Form 8824 | 16 | |
| 17 Combine lines 10 through 16 | 17 | |
| 18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below. | | |
| a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the loss from income-producing property on Schedule A (Form 1040), line 16. (Do not include any loss on property used as an employee.) Identify as from "Form 4797, line 18a." See instructions | 18a | |
| b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Schedule 1 (Form 1040), line 14 | 18b | |

For Paperwork Reduction Act Notice, see separate instructions.

THERE ARE NO AMOUNTS FOR PAGE 2

Section 199A Information Worksheet

Form **1120S**

2018

For calendar year 2018 or tax year beginning **10/01/18**, ending **09/30/19**

| | |
|---------------------------------------|---|
| Name EAST RIDGE MANOR, INC. | Employer Identification Number 06-0894640 |
|---------------------------------------|---|

Activity Description

| | |
|----------|------------------------|
| Column A | <u>PAGE 1 ACTIVITY</u> |
| Column B | _____ |
| Column C | _____ |
| Column D | _____ |
| Column E | _____ |

| | Column A | Column B | Column C | Column D | Column E |
|--------------------------------------|---------------|----------|----------|----------|----------|
| Specified service business | NO | | | | |
| Ordinary business income (loss) | 10,832 | | | | |
| Net rental real estate income (loss) | | | | | |
| Other net rental income (loss) | | | | | |
| Royalties | | | | | |
| Section 199A income | <u>10,832</u> | | | | |
| | | | | | |
| Section 199A W-2 wages | 312,077 | | | | |
| Section 199A unadjusted basis | 179,735 | | | | |

Other Information:

QBI allocable to cooperative prmts received
W-2 wages allocable to qualified payments
Cooperative QPAI deduction to patron

Federal Statements

Statement 1 - Form 1120S, Page 1, Line 5 - Other Income (Loss)

| <u>Description</u> | <u>Amount</u> |
|-----------------------|-----------------|
| PERSONAL AUTO USE | \$ 9,406 |
| PRIOR YEAR ADJUSTMENT | 152 |
| PRIOR YEAR ADJUSTMENT | -23 |
| TOTAL | \$ <u>9,535</u> |

Statement 2 - Form 1120S, Page 1, Line 19 - Other Deductions

| <u>Description</u> | <u>Amount</u> |
|-------------------------------|-------------------|
| ANNUAL REPORT | \$ 150 |
| AUTO EXPENSE | 8,115 |
| BACKGROUND CHECKS | 105 |
| BANK CHARGES | 1,292 |
| CABLE TV | 2,907 |
| DIETARY - FOOD | 37,589 |
| DIETARY - SUPPLIES | 3,529 |
| DUES & SUBSCRIPTIONS | 1,454 |
| EQUIPMENT LEASE | 2,412 |
| FIRE/MONITOR PROTECTION | 2,973 |
| FIRST AID SUPPLIES | 112 |
| GIFTS TO RESIDENTS&EMPLOYEES | 105 |
| HOUSEKEEPING EXPENSE | 4,714 |
| INSURANCE - AUTO | 1,979 |
| INSURANCE - LIABILITY | 2,725 |
| INSURANCE - PROPERTY | 8,265 |
| INSURANCE - WORKMAN'S COMP | 4,922 |
| INTERNET | 1,500 |
| LAUNDRY SUPPLIES | 1,947 |
| LICENSES/PERMITS | 525 |
| LINENS | 871 |
| OFFICE EXPENSE | 4,497 |
| PAYROLL PROCESSING FEES | 5,157 |
| POSTAGE | 22 |
| RECREATION EXPENSE | 83 |
| RESIDENT CARE EXPENSES | 869 |
| TELEPHONE (BUSINESS) | 4,978 |
| TELEPHONE (CELLULAR) | 2,390 |
| UTILITIES - ELECTRICITY | 15,105 |
| UTILITIES - HEATING OIL & GAS | 18,608 |
| UTILITIES WATER/SEWER | 5,069 |
| WASTE REMOVAL | 3,425 |
| TOTAL | \$ <u>148,394</u> |

Statement 3 - Form 1120S, Page 3, Schedule K, Line 12a - Cash Contributions

| <u>Description</u> | <u>Cash Contrib 60%</u> | <u>Cash Contrib 30%</u> | <u>Total</u> |
|--------------------|-----------------------------|-----------------------------|--------------|
| | \$ 25 | \$ | \$ 25 |
| TOTAL | \$ <u>25</u> | \$ <u>0</u> | \$ <u>25</u> |

Federal Statements

Statement 4 - Form 1120S, Page 4, Schedule K, Line 17d - Other Items and Amounts

| Description | Amount |
|---|--------|
| SECTION 199A INFORMATION - SEE ATTACHED WRK | |

Statement 5 - Form 1120S, Page 4, Schedule L, Line 6 - Other Current Assets

| Description | Beginning of Year | End of Year |
|--------------------|----------------------|-------------------|
| DUE FROM G. CONROY | \$ 97,458 | \$ 106,864 |
| PREPAID EXPENSE | 3,189 | 5,497 |
| PREPAID INSURANCE | 2,767 | 3,548 |
| TOTAL | <u>\$ 103,414</u> | <u>\$ 115,909</u> |

Statement 6 - Form 1120S, Page 4, Schedule L, Line 14 - Other Assets

| Description | Beginning of Year | End of Year |
|-------------------------------|----------------------|------------------|
| DUE FROM HAUGHTON COVE | \$ 77,182 | \$ 77,182 |
| DUE FROM TGC DBA CAROLINE MAN | 22,038 | 22,038 |
| TOTAL | <u>\$ 99,220</u> | <u>\$ 99,220</u> |

Statement 7 - Form 1120S, Page 4, Schedule L, Line 18 - Other Current Liabilities

| Description | Beginning of Year | End of Year |
|-------------------------|----------------------|------------------|
| STATE TAX PAYABLE | \$ | \$ 940 |
| ACCRUED EXPENSES | 1,600 | 1,449 |
| ACCRUED PAYROLL | 4,974 | 5,952 |
| ACCRUED PAYROLL - ADMIN | 1,070 | 1,284 |
| ACCRUED PAYROLL TAXES | 456 | 554 |
| CASH OVERDRAFT | 492 | |
| CREDIT CARDS PAYABLE | 7,667 | 6,622 |
| ACCRUED ACCOUNTING FEES | 1,440 | |
| TOTAL | <u>\$ 17,699</u> | <u>\$ 16,801</u> |

Statement 8 - Form 1120S, Page 4, Schedule L, Line 21 - Other Liabilities

| Description | Beginning of Year | End of Year |
|------------------------------|----------------------|-------------------|
| DUE PRESTON REAL ESTATE LLC | \$ 84,856 | \$ 92,038 |
| DUE TO DSS | 48,468 | 48,468 |
| DUE TO PRESTON - RENOVATIONS | 62,546 | 62,546 |
| DUE TO TIMOTHY CONROY JR | 3,189 | 3,189 |
| TOTAL | <u>\$ 199,059</u> | <u>\$ 206,241</u> |

Statement 9 - Form 1120S, Page 5, Schedule M-1, Line 2 - Taxable Income Not on Books

| <u>Description</u> | <u>Amount</u> |
|-------------------------|---------------|
| FORM 4797 BOOK/TAX DIFF | \$ 124 |
| TOTAL | \$ 124 |

Statement 10 - Form 1120S, Page 5, Schedule M-1, Line 3 - Expenses on Books Not on Return

| <u>Description</u> | <u>Amount</u> |
|---------------------|---------------|
| ACCOUNTING FEES | \$ 9,605 |
| CAPITALIZED REPAIRS | 1,727 |
| FINES AND PENALTIES | 40 |
| TOTAL | \$ 11,372 |

Statement 11 - Form 1120S, Page 5, Schedule M-1, Line 5 - Income on Books Not on Return

| <u>Description</u> | <u>Amount</u> |
|------------------------------|---------------|
| PR YR POLITICAL CONTRIB VOID | \$ 125 |
| TOTAL | \$ 125 |

Statement 12 - Form 1120S, Page 5, Schedule M-2, Line 3(a) - Other Additions

| <u>Description</u> | <u>Amount</u> |
|-------------------------------|---------------|
| CORRECT PRIOR YEAR ADJUSTMENT | \$ 23 |
| PR YR POLITICAL CONTRIB VOID | 125 |
| TOTAL | \$ 148 |

Statement 13 - Form 1120S, Page 5, Schedule M-2, Line 5(a) - Other Reductions

| <u>Description</u> | <u>Amount</u> |
|--------------------------|---------------|
| FINES AND PENALTIES | \$ 40 |
| NET SECTION 1231 LOSS | 51 |
| CHARITABLE CONTRIBUTIONS | 25 |
| TOTAL | \$ 116 |

06-0894640

Federal Statements

Doreen Z Conroy

043-42-6838

Schedule K-1, Box 16, Code C - Nondeductible Expenses

| <u>Description</u> | <u>Shareholder Amount</u> |
|---------------------|-------------------------------|
| FINES AND PENALTIES | \$ 40 |
| TOTAL | <u>\$ 40</u> |

| | |
|---|---|
| Name EAST RIDGE MANOR, INC. DOREEN Z CONROY | Taxpayer Identification Number 06-0894640 043-42-6838 |
|---|---|

Activity Description

Column A PAGE 1 ACTIVITY

Column B _____

Column C _____

Column D _____

Column E _____

| | Column A | Column B | Column C | Column D | Column E | TOTAL |
|--|---------------|----------|----------|----------|----------|---------------|
| Specified service business | NO | | | | | |
| Ordinary business income (loss) | 10,832 | | | | | |
| Net rental real estate income (loss) | | | | | | |
| Other net rental income (loss) | | | | | | |
| Royalties | | | | | | |
| 17V Section 199A income | <u>10,832</u> | | | | | <u>10,832</u> |
| 17W Section 199A W-2 wages | 312,077 | | | | | 312,077 |
| 17X Section 199A unadjusted basis | 179,735 | | | | | 179,735 |

Other Information:
 QBI allocable to cooperative pmts received
 W-2 wages allocable to qualified payments
 Cooperative QPAI deduction to patron

Federal Asset Report

Form 1120S, Page 1

| Asset | Description | Date In Service | Cost | Bus % | Sec 179 Bonus | Basis for Depr | PerConv Meth | Prior | Current |
|-----------------------------|-----------------------------------|-----------------|--------------|-------|---------------|----------------|--------------|----------|--------------|
| 5-year GDS Property: | | | | | | | | | |
| 136 | COMMERCIAL DRYER | 1/04/19 | 798 | | X | 0 | 5 HY 200DB | 0 | 798 |
| 137 | WALL CAMERA | 1/04/19 | 930 | | X | 0 | 5 HY 200DB | 0 | 930 |
| | | | <u>1,728</u> | | | <u>0</u> | | <u>0</u> | <u>1,728</u> |
| Prior MACRS: | | | | | | | | | |
| 2 | STEP REPAVING | 9/30/90 | 918 | | | 918 | 10 HY 200DB | 918 | 0 |
| 3 | FIRE PROTECTION | 9/30/91 | 4,109 | | | 4,109 | 15 HY 150DB | 4,109 | 0 |
| 4 | TOILET | 4/01/92 | 792 | | | 792 | 10 HY 200DB | 792 | 0 |
| 5 | TELEPHONE | 10/01/91 | 6,663 | | | 6,663 | 10 HY 200DB | 6,663 | 0 |
| 7 | SPRINKLER | 3/01/93 | 1,160 | | | 1,160 | 10 HY 200DB | 1,160 | 0 |
| 8 | FIRE ALARM | 3/01/93 | 8,454 | | | 8,454 | 31 MMS/L | 6,855 | 268 |
| 9 | PLUMBING | 9/01/93 | 706 | | | 706 | 10 HY 200DB | 706 | 0 |
| 10 | PAINTING | 3/01/93 | 870 | | | 870 | 15 HY 200DB | 870 | 0 |
| 11 | PLUMBING | 9/01/93 | 607 | | | 607 | 10 HY 200DB | 607 | 0 |
| 15 | PAINTING | 3/01/94 | 1,851 | | | 1,851 | 27 MMS/L | 1,652 | 67 |
| 16 | LIGHT FIXTURES | 3/01/94 | 703 | | | 703 | 27 MMS/L | 628 | 25 |
| 17 | RENOVATIONS | 1/01/94 | 832 | | | 832 | 27 MMS/L | 748 | 30 |
| 18 | LEASEHOLD IMPROVEMENTS | 9/30/95 | 729 | | | 729 | 27 MMS/L | 611 | 27 |
| 19 | LEASEHOLD IMPROVEMENTS | 9/30/96 | 3,985 | | | 3,985 | 27 MMS/L | 3,194 | 145 |
| 20 | PAINTING | 7/02/92 | 630 | | | 630 | 27 MMS/L | 600 | 23 |
| 21 | REPAIR GENERATOR | 9/01/90 | 2,063 | | | 2,063 | 5 HY 200DB | 2,063 | 0 |
| 22 | BOILER | 9/30/98 | 6,060 | | | 6,060 | 20 HY 150DB | 6,060 | 0 |
| 23 | AIR CONDITIONING SYSTEM | 9/30/98 | 2,539 | | | 2,539 | 10 HY 200DB | 2,539 | 0 |
| 24 | AIR HANDLER | 9/30/99 | 2,544 | | | 2,544 | 10 HY 200DB | 2,544 | 0 |
| 25 | FLOORING AND CARPETING | 8/23/02 | 17,250 | | X | 12,075 | 7 HY 200DB | 17,250 | 0 |
| 26 | WALLPAPERING & PAINTING | 9/15/02 | 13,892 | | | 13,892 | 27 MMS/L | 8,104 | 505 |
| 27 | FLOORING | 11/09/06 | 2,692 | | | 2,692 | 7 HY 200DB | 2,692 | 0 |
| 52 | FLOOR | 9/30/89 | 1,550 | | | 1,550 | 10 HY 200DB | 1,550 | 0 |
| 53 | FIRE SYSTEM | 9/30/91 | 925 | | | 925 | 15 HY 150DB | 925 | 0 |
| 59 | Freezer (Lowes) | 3/14/11 | 482 | | X X | 0 | 7 MQ 200DB | 482 | 0 |
| 65 | KITCHEN EQUIPMENT | 8/30/12 | 16,646 | | X X | 8,323 | 7 MQ 200DB | 16,010 | 636 |
| 70 | 10 XCELERATOR HAND DRYERS | 6/15/12 | 3,600 | | X | 1,800 | 7 MQ 200DB | 3,500 | 100 |
| 83 | ASTORIA STACKABLE ARMCHAIRS (3) | 6/24/13 | 9,567 | | | 9,567 | 7 HY 200DB | 8,286 | 854 |
| 84 | 54 ROUND DINING TABLE TOPS (4) | 6/24/13 | 1,463 | | | 1,463 | 7 HY 200DB | 1,267 | 131 |
| 85 | QUEEN ANNE BASES (4) | 6/24/13 | 1,331 | | | 1,331 | 7 HY 200DB | 1,153 | 119 |
| 86 | 30 SQUARE DINING TABLES (2) | 6/24/13 | 287 | | | 287 | 7 HY 200DB | 248 | 26 |
| 87 | QUEEN ANNE TABLE BASES (2) | 6/24/13 | 595 | | | 595 | 7 HY 200DB | 516 | 73 |
| 88 | FOYER TABLE | 6/24/13 | 603 | | | 603 | 7 HY 200DB | 522 | 54 |
| 89 | MORGAN LOUNGE CHAIRS (6) | 6/24/13 | 3,241 | | | 3,241 | 7 HY 200DB | 2,807 | 289 |
| 90 | MORGAN LOVE SEAT | 6/24/13 | 876 | | | 876 | 7 HY 200DB | 759 | 78 |
| 91 | 60 WIDE CONSOLE TABLE | 6/24/13 | 667 | | | 667 | 7 HY 200DB | 577 | 76 |
| 92 | CONSTANCE LOUNGE ARMCHAIRS | 6/24/13 | 2,386 | | | 2,386 | 7 HY 200DB | 2,066 | 213 |
| 93 | ASTORIA STACKABLE ARMCHAIRS (4) | 6/24/13 | 1,275 | | | 1,275 | 7 HY 200DB | 1,105 | 114 |
| 95 | SHEERS (4) | 6/24/13 | 1,085 | | | 1,085 | 7 HY 200DB | 940 | 96 |
| 96 | VALANCES (4) | 6/24/13 | 1,747 | | | 1,747 | 7 HY 200DB | 1,513 | 156 |
| 97 | FAUX WOOD 2 BLINDS (4) | 6/24/13 | 1,440 | | | 1,440 | 7 HY 200DB | 1,248 | 128 |
| 98 | BARRINGTON STYLE BEDSIDE CABINETS | 6/24/13 | 690 | | | 690 | 7 HY 200DB | 598 | 62 |
| 99 | BARRINGTON STYLE 4 DRAWER DRESSER | 6/24/13 | 1,186 | | | 1,186 | 7 HY 200DB | 1,027 | 106 |
| 100 | TWIN SIZE HEADBOARDS (2) | 6/24/13 | 361 | | | 361 | 7 HY 200DB | 312 | 33 |
| 101 | SOUTH BEND DOUBLE OVEN STOVE | 12/18/12 | 3,557 | | | 3,557 | 7 HY 200DB | 3,081 | 318 |
| 102 | DINING TABLE TOP | 9/23/13 | 478 | | | 478 | 7 HY 200DB | 414 | 42 |
| 104 | COMMERCIAL WASHING MACHINE | 10/11/12 | 568 | | | 568 | 7 HY 200DB | 492 | 25 |
| | Sold/Scrapped 9/01/19 | | | | | | | | |
| 106 | FREEZER | 11/26/12 | 1,409 | | | 1,409 | 7 HY 200DB | 1,220 | 126 |
| 107 | COMMERCIAL DRYER | 12/13/12 | 545 | | | 545 | 7 HY 200DB | 472 | 48 |
| 108 | SIGN | 2/25/13 | 521 | | | 521 | 7 HY 200DB | 451 | 47 |
| 109 | FURNITURE (NASSAU'S) | 3/04/13 | 414 | | | 414 | 7 HY 200DB | 359 | 37 |
| 110 | STORAGE CABINETS - MEDICINE ROOM | 3/15/13 | 915 | | | 915 | 7 HY 200DB | 792 | 82 |
| 111 | TRAILER | 5/28/13 | 1,675 | | | 1,675 | 7 HY 200DB | 1,451 | 149 |
| 112 | GLASS TABLE TOPS - 4 RD, 3 SQ | 7/12/13 | 1,407 | | | 1,407 | 7 HY 200DB | 1,219 | 125 |
| 113 | TV & MOUNT | 9/09/13 | 915 | | | 915 | 7 HY 200DB | 792 | 82 |
| 114 | APPLE IPAD | 12/10/12 | 955 | | | 955 | 5 HY 200DB | 955 | 0 |
| 128 | MISC IMPROVEMENTS | 4/01/13 | 27,084 | | | 27,084 | 27 MMS/L | 5,376 | 985 |
| 133 | SCANNER | 7/02/15 | 722 | | X X | 0 | 5 HY 200DB | 722 | 0 |
| 134 | APPLE MACBOOK PRO SYSTEM | 12/20/16 | 2,533 | | X | 1,267 | 5 HY 200DB | 1,925 | 243 |
| 135 | APPLE MAC COMPUTER | 4/03/17 | 3,368 | | X | 1,684 | 5 HY 200DB | 2,560 | 323 |

Federal Asset Report

Form 1120S, Page 1

| Asset | Description | Date In Service | Cost | Bus Sec % 179 Bonus | Basis for Depr | PerConv Meth | Prior | Current |
|--|-----------------------------------|--------------------|---------|------------------------|-------------------|--------------|---------|---------|
| | | | 179,118 | | 159,666 | | 141,057 | 7,030 |
| Other Depreciation: | | | | | | | | |
| 51 | NON-MOVABLE EQUIPMENT | 9/01/76 | 162,511 | | 162,511 | 20 MO S/L | 162,511 | 0 |
| 61 | 6 NEW OR REMODELED BATHROOMS | 7/01/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 62 | STEEL DOORS | 9/15/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 63 | DRIVEWAY PAVING/WIDENING | 6/18/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 64 | FIRE ESCAPE STAIRS, RAILINGS, ROO | 4/27/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 66 | LAUNDRY ROOM REMODEL | 9/21/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 67 | LANDSCAPING/RETAINING WALL | 5/17/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 68 | RENOVATIONS - MAIN HALLWAY | 7/23/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 69 | SIDING | 8/07/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 72 | INSTALLATION OF WINDOWS & SIDIN | 8/13/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 73 | VARIOUS MISC RENOVATIONS | 9/13/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 74 | NEW COVERED FRONT ENTRYWAY/D | 9/21/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 75 | WINDOWS | 5/25/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 77 | ROOF RENOVATIONS | 4/02/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 78 | LAND SURVEY | 5/05/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 79 | NEW FIRE ALARM SYSTEM | 6/28/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 80 | AIR CONDITIONING SYSTEM UPGRAD | 4/23/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 81 | 275 GALLON OIL TANK | 4/23/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 82 | NEW BOILER W/INDIRECT WATER HE | 4/26/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 115 | DOORS | 10/19/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 116 | KITCHEN RENOVATIONS | 10/19/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 117 | GUTTERS | 11/12/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 118 | ELECTRICAL & LIGHTING | 11/12/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 119 | RESIDENT CEILING | 11/27/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 120 | LIVING/DINING-RM RENOV | 11/27/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 121 | FLOORING | 12/27/12 | 0 | | 0 | 0 HY | 0 | 0 |
| 122 | LIVING/DINING-RM CEILING | 1/02/13 | 0 | | 0 | 0 HY | 0 | 0 |
| 123 | FIRE SYSTEM UPGRADE | 1/05/13 | 0 | | 0 | 0 HY | 0 | 0 |
| 124 | BUILD IMPROVEMENTS | 1/11/13 | 0 | | 0 | 0 HY | 0 | 0 |
| 125 | INTERIOR PAINTING | 1/15/13 | 0 | | 0 | 0 HY | 0 | 0 |
| 126 | TRIM AND MOULDING | 1/27/13 | 0 | | 0 | 0 HY | 0 | 0 |
| 127 | ELECTRICAL & LIGHTING | 3/05/13 | 0 | | 0 | 0 HY | 0 | 0 |
| 129 | FLOORING | 3/27/13 | 0 | | 0 | 0 HY | 0 | 0 |
| 130 | FLOORING (LABOR) | 1/25/13 | 0 | | 0 | 0 HY | 0 | 0 |
| Total Other Depreciation | | | 162,511 | | 162,511 | | 162,511 | 0 |
| Total ACRS and Other Depreciation | | | 162,511 | | 162,511 | | 162,511 | 0 |
| Listed Property: | | | | | | | | |
| 131 | 2015 GMC ACADIA | 1/01/15 | 50,905 | X | 25,453 | 5 HY 200DB | 46,507 | 2,932 |
| | | | 50,905 | | 25,453 | | 46,507 | 2,932 |
| Grand Totals | | | 394,262 | | 347,630 | | 350,075 | 11,690 |
| Less: Dispositions and Transfers | | | 568 | | 568 | | 492 | 25 |
| Less: Start-up/Org Expense | | | 70 | | 0 | | 0 | 0 |
| Net Grand Totals | | | 393,694 | | 347,062 | | 349,583 | 11,665 |

Bonus Depreciation Report

Form 1120S, Page 1

| Asset | Property Description | Date In Service | Tax Cost | Bus Pct | Tax Sec 179 Exp | Current Bonus | Prior Bonus | Tax - Basis for Depr |
|--------------------|---------------------------|-----------------|---------------|-----------|-----------------|---------------|----------------|----------------------|
| 25 | FLOORING AND CARPETING | 3/23/02 | 17,250 | 100 | 0 | 0 | 5,175 | 12,075 |
| 59 | Freezer (Lowes) | 3/14/11 | 482 | 100 | 482 | 0 | 0 | 0 |
| 65 | KITCHEN EQUIPMENT | 8/30/12 | 16,646 | 100 | 0 | 0 | 8,323 | 8,323 |
| 70 | 10 XCELERATOR HAND DRYERS | 6/15/12 | 3,600 | 100 | 0 | 0 | 1,800 | 1,800 |
| 131 | 2015 GMC ACADIA | 1/01/15 | 50,905 | 100 | 0 | 0 | 25,452 | 25,453 |
| 133 | SCANNER | 7/02/15 | 722 | | 722 | 0 | 0 | 0 |
| 134 | APPLE MACBOOK PRO SYSTEM | 12/20/16 | 2,533 | | 0 | 0 | 1,266 | 1,267 |
| 135 | APPLE MAC COMPUTER | 4/03/17 | 3,368 | | 0 | 0 | 1,684 | 1,684 |
| 136 | COMMERCIAL DRYER | 1/04/19 | 798 | 100 | 0 | 798 | 0 | 0 |
| 137 | WALL CAMERA | 1/04/19 | 930 | | 0 | 930 | 0 | 0 |
| Grand Total | | | 97,234 | 10 | 0 | 1,728 | 143,700 | 50,602 |

| | | | |
|---|---|--|---|
| Form 1120S | Retained Earnings Reconciliation Worksheet | | 2018 |
| For calendar year 2018 or tax year beginning 10/01/18 , ending 09/30/19 | | | |
| Name EAST RIDGE MANOR, INC. | | | Employer Identification Number 06-0894640 |

Schedule L - Retained Earnings

| | |
|--|---------|
| Retained Earnings - Unappropriated (Accumulated E&P) | -33,337 |
| Accumulated Adjustments Account | -29,916 |
| Undistributed Previously Taxed Income | 0 |
| Other Adjustments Account | 0 |
| Retained Earnings Timing Differences | -30,762 |
| Schedule L, Line 24 - Retained Earnings | -94,015 |

Schedule M-2 - Retained Earnings

| | Accumulated Adjustments Account | Undistributed Previously Taxed Income | Accumulated Earnings and Profits | Other Adjustments Account | Retained Earnings Timing Differences | Total Retained Earnings |
|------------------------|---------------------------------------|---|--|---------------------------------|---|-------------------------------|
| Beginning of Year | -40,780 | 0 | -33,337 | 0 | -18,798 | -92,915 |
| Ordinary Income (Loss) | 10,832 | | | | | 10,832 |
| Other Additions | 148 | | | | | 148 |
| Other Reductions | 116 | | | | 11,964 | 12,080 |
| Distributions | | | | | | |
| End of Year | -29,916 | 0 | -33,337 | 0 | -30,762 | -94,015 |

Form 1120S, Retained Earnings Reconciliation Worksheet, AAA - Other Additions

| <u>Description</u> | <u>Amount</u> |
|-------------------------------|---------------|
| CORRECT PRIOR YEAR ADJUSTMENT | \$ 23 |
| PR YR POLITICAL CONTRIB VOID | 125 |
| TOTAL | <u>\$ 148</u> |

Form 1120S, Retained Earnings Reconciliation Worksheet, AAA - Other Reductions

| <u>Description</u> | <u>Amount</u> |
|--------------------------|---------------|
| FINES AND PENALTIES | \$ 40 |
| NET SECTION 1231 LOSS | 51 |
| CHARITABLE CONTRIBUTIONS | 25 |
| TOTAL | <u>\$ 116</u> |

Form 1120S, Retained Earnings Reconciliation Worksheet, REU - Other Reductions

| <u>Description</u> | <u>Amount</u> |
|----------------------------|------------------|
| ACCOUNTING FEES | \$ 9,605 |
| CAPITALIZED REPAIRS | 1,727 |
| DEPRECIATION BOOK/TAX DIFF | 508 |
| FORM 4797 BOOK/TAX DIFF | 124 |
| TOTAL | <u>\$ 11,964</u> |

G. Balance Sheet (cont'd)

| | | | | |
|--|--------------------|------------------------------------|------------|------------|
| Name of Facility East Ridge Manor, Inc. | License No. 928 | Report for Year Ended 9/30/2019 | Page 34 | of 37 |
| Account | | | | Amount |
| Total Brought Forward: | | | | 119,676 |
| Liabilities (cont'd) | | | | |
| B. Long-Term Liabilities | | | | |
| 1. Loans Payable-Equipment (<i>itemize</i>) | | | | \$ 2,319 |
| Name of Lender | Purpose | Amount | Date Due | |
| Ally Bank | Auto loan | 2,319 | various | |
| 2. Mortgages Payable | | | | \$ |
| 3. Loans from Owners or Related Parties (<i>itemize</i>) | | | | \$ 47,612 |
| Name and Address of Lender | Amount | Loan Date | | |
| Doreen Conroy | 44,424 | various | | |
| Tim Conroy | 3,188 | various | | |
| 4. Other Long-Term Liabilities (<i>itemize</i>) | | | | \$ 203,051 |
| Due to Preston Real Estate | | 154,583 | | |
| Due to DSS | | 48,468 | | |
| See Schedule | | | | |
| B-5. Total Long-Term Liabilities (Lines B1 thru 4) | | | | \$ 252,982 |
| C. Total All Liabilities (Lines A-13 + B-5) | | | | \$ 372,658 |

G. Balance Sheet (cont'd)
Reserves and Net Worth

| Name of Facility | License No. | Report for Year Ended | Page | of |
|---|-------------|-----------------------|-----------|----------|
| East Ridge Manor, Inc. | 928 | 9/30/2019 | 35 | 37 |
| Account | | | Amount | |
| A. Reserves | | | | |
| 1. Reserve for value of leased land | | | \$ | 15,733 |
| 2. Reserve for depreciation value of leased buildings and appurtenances to be amortized | | | \$ | 171,012 |
| 3. Reserve for depreciation value of leased personal property (<i>Equity</i>) | | | \$ | 13,570 |
| 4. Reserve for leasehold real properties on which fair rental value is based | | | \$ | |
| 5. Reserve for funds set aside as donor restricted | | | \$ | |
| 6. Total Reserves | | | \$ | 200,315 |
| B. Net Worth | | | | |
| 1. Owner's Capital | | | \$ | |
| 2. Capital Stock | | | \$ | 20,000 |
| 3. Paid-in Surplus | | | \$ | |
| 4. Treasury Stock | | | \$ | |
| 5. Cumulated Earnings | | | \$ | (92,767) |
| 6. Gain or Loss for Period | | | \$ | (1,248) |
| | 10/1/2018 | thru | 9/30/2019 | |
| 7. Total Net Worth | | | \$ | (74,015) |
| C. Total Reserves and Net Worth | | | \$ | 126,300 |
| D. Total Liabilities, Reserves, and Net Worth | | | \$ | 498,958 |


H. Changes in Total Net Worth

| Name of Facility | License No. | Report for Year Ended | Page | of | | |
|--|-------------|-----------------------|--------|----------|----|-----|
| East Ridge Manor, Inc. | 928 | 9/30/2019 | 36 | 37 | | |
| Account | | | Amount | | | |
| A. Balance at End of Prior Period as shown on Report of 09/30/2018 | | | \$ | (72,919) | | |
| B. Total Revenue (From Statement of Revenue Page 30) | | | \$ | 700,642 | | |
| C. Total Expenditures (From Statement of Expenditures Page 27) | | | \$ | 701,890 | | |
| D. Net Income or Deficit | | | \$ | (1,248) | | |
| E. Balance | | | \$ | (74,167) | | |
| F. Additions | | | | | | |
| 1. Additional Capital Contributed (itemize) | | | | | | |
| prior year adj-prepaid auto insurance correction | | 152 | | | | |
| 2. Other (itemize) | | | | | | |
| F-3. Total Additions | | | | | \$ | 152 |
| G. Deductions | | | | | | |
| 1. Drawings of Owners/Operators/Partners (Specify) | | | \$ | | | |
| Name and Address (No., City, State, Zip) | | Title | Amount | | | |
| | | | | | | |
| 2. Other Withdrawings (Specify) | | | \$ | | | |
| Purpose | | Amount | | | | |
| | | | | | | |
| 3. Total Deductions | | | \$ | | | |
| H. Balance at End of Period | | 09/30/19 | \$ | (74,015) | | |

Page 36 - Expense Reconciliation

| | |
|--|-----------------|
| Total Expense - Page 27 | 733,039 |
| Depreciation - Book/Cost Report Difference | <u>(31,149)</u> |
| Total Expenses per Trial Balance (Page 36, line C) | <u>701,890</u> |

I. Preparer's/Reviewer's Certification

| | | | | | |
|--|--|---|------------------------------------|---|----------|
| Name of Facility East Ridge Manor, Inc. | | License No. 928 | Report for Year Ended 9/30/2019 | Page 37 | of 37 |
| <i>Check appropriate category</i> | | | | | |
| <input type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH) | | <input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS) | | <input checked="" type="checkbox"/> Residential Care Home | |
| Preparer/Reviewer Certification | | | | | |
| <p>I have prepared and reviewed this report and am familiar with the applicable regulations governing its preparation. I have read the most recent Federal and State issued field audit reports for the Facility and have inquired of appropriate personnel as to the possible inclusion in this report of expenses which are not reimbursable under the applicable regulations. All non-reimbursable expenses of which I am aware (except those expenses known to be automatically removed in the State rate computation system) as a result of reading reports, inquiry or other services performed by me are properly reported as such in this report on Pages 28 and 29 (adjustments to statement of expenditures). Further, the data contained in this report is in agreement with the books and records, as provided to me, by the Facility.</p> | | | | | |
| Signature of Preparer  | | Title CPA | | Date Signed 1/21/20 | |
| Printed Name of Preparer Michael J. Michaud, CPA | | | | | |
| Address Address PO Box 164, Old Saybrook, CT 06475 | | | | Phone Number 860-388-4627 | |
| Contacted Person Regarding Additional Information Needed Regarding This Report 860-388-4627 | | | | Phone Number 860-388-4627 | |
| Contact Email Address mmichaud@brodeurcpa.com | | | | | |