

### Marcum LLP Healthcare Advisory Services Group Project Flow sheet

**ENGAGEMENT INFORMATION**

1)	Client Name	<u>Avon Health Care 2016 Cost Report</u>															
2)	Health Care Sector (Nursing Home , Home Health, Etc)	<u>Skilled Nursing Facility</u>															
3)	Date Started	<u>1/12/2017</u>															
4)	Due Date	<u>2/15/2017</u>															
5)	Client Originated By	<u>Matthew Bavalack</u>															
6)	Production Responsibility	<u>Gina Lucibello</u>															
7)	Type of Engagement	Medicare Cost Report Medicaid Cost Report Request for Information Compliance Audit Representation Appeal Processing Proposal/Engagement Letter Budgets Other <u>(Specify)</u> _____	<table border="1" style="border-collapse: collapse; text-align: center;"> <tr><td>Yes</td><td>No</td></tr> <tr><td>Yes</td><td>No</td></tr> <tr><td>Yes</td><td>No</td></tr> <tr><td>Yes</td><td>No</td></tr> <tr><td>Yes</td><td>No</td></tr> <tr><td>Yes</td><td>No</td></tr> <tr><td>Yes</td><td>No</td></tr> </table>	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Yes	No																
Yes	No																
Yes	No																
Yes	No																
Yes	No																
Yes	No																
Yes	No																
8)	Is this a re-occurring engagement		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No														
9)	Are there any deadlines that might impede completion on a timely basis?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No														
10)	Do you have the team in place to effectively manage this matter? Production Team:	<u>Gina Lucibello</u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No														
11)	Is this matter likely to attract publicity?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No														

**REVIEW PROCESS**

12)	First Review Performed By/Date	<u>1/30/17</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		Name/Date	
13)	Review Notes were prepared and are posted in the client file binder	<u>1/30/17</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
14)	Second Review Performed by/Date	<u>1/30/17</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		Name/Date	
15)	Partner Sign off*	<u>1/30/17</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		Name/Date	
16)	Processed By/Date	<u>LRC</u> <u>1/30/17</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
		Name/Date	

\*if a Partner is not available for sign-off the work product may be stamped draft and submitted to the client with the note "pending partner review"

**Shipping Information**

PLEASE CHECK ONE

- Regular Mail (use only if no address on letter)
- Priority Mail
- FedEx 1st Overnight (9:00 am delivery, select locations)
- FedEx Priority Overnight (morning delivery)
- Saturday Delivery (by 12 PM)
- FedEx Standard Overnight (afternoon delivery)
- FedEx 2 Day (2nd business day)
- FedEx Express Saver (3rd business day)
- Express Mail (next day to most locations)
- Certified - Return Receipt Requested (domestic only)

Date: 1/30/17

Send To: Russell Schwartz, COO

Company: Avon Convalescent Home, Inc.

Address: 652 West Avon Road  
Avon, CT 06001

Phone: \_\_\_\_\_

Bill To: 101385

Engage No: 10148719

Department: Advisory

Contents: 2016 Medicaid Cost Report

Authorized By: Matthew S. Bavalack

January 30, 2017

Russell Schwartz, COO  
Avon Convalescent Home, Inc.  
d/b/a Avon Health Center  
652 West Avon Road  
Avon, CT 06001

Dear Russell,

Enclosed is one copy of Avon Convalescent Home, Inc.'s Annual Report of Long-Term Care Facility for the period ended September 30, 2016, one copy of the administrator's/owner's certification page 1 and one copy of the vehicle compliance checklist. The instructions below should be followed:

1. The copy of the administrator's/owner's certification page 1 should be dated, signed and notarized by an officer or administrator. The signed page 1 must be submitted through Myers & Stauffer LLC's web based submission portal no later than February 15, 2017. See below for the web based portal login link.

<https://ctltcreports.mslc.com/>

2. The following is a list of information required by the Department of Social Services, which should be assembled by management and submitted no later than February 15, 2017 through Myers and Stauffer, LLC's web based portal.
  - A. A copy of the completed Form W-411 (Resident Trust Fund) as of June 30 of the cost report year, if applicable
  - B. A completed Vehicle Compliance Checklist (see attached), if applicable
  - C. For all newly acquired motor vehicle additions, please provide the following: invoices, lease agreements, payment support, copies of the most current registration and insurance cards, if applicable
  - D. Schedule of architectural and/ or engineering fees associated with current year property additions reported in the cost report, if applicable
  - E. For newly acquired assets, please provide invoice and payment support for the three highest movable equipment and three highest fixed asset additions.



MARCUMGROUP  
MEMBER

Russell Schwartz, COO  
Avon Convalescent Home, Inc.  
January 30, 2017

Page 2

- F. For related party property additions, please provide the invoice(s) and payment support along with copies of any additional quotes received, if applicable
  - G. A schedule of all television additions, indicating location, i.e., resident rooms or common areas. Please include the total cable TV expense and the line on which these costs are reported. A copy of invoice and payment support for all moveable equipment and fixed asset additions, if applicable.
3. The bound copy, along with the cost report grouping schedules, are for your files. Please note, we have submitted on your behalf, an electronic version of this document through Myers and Stauffer LLC's web based portal.

The enclosed cost report was prepared by information provided to us by you and your staff, without complete verification. Therefore, we are unable to express an opinion on such data in terms of accuracy and reasonableness. We recommend that you review the attached cost report prior to signature and submission to insure that it meets with your general understanding and that all related party transactions have been properly disclosed.

Please note, based upon the information provided to prepare the as filed Annual Report we have identified your per diem expenses by cost category and detailed them below, please consider the following:

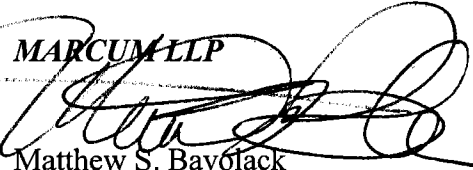
	<u>Direct</u>	<u>Indirect</u>	<u>A&amp;G</u>	<u>Capital</u>
Cost PPD*	\$145.76	\$84.69	\$37.76	\$26.31

*\*Costs PPD are based on expenses per each category. These amounts are not intended to calculate a daily Medicaid rate, but are instead intended to be informative.*

Should you have any questions regarding the above or enclosed, please do not hesitate to contact me at (203) 781-9680.

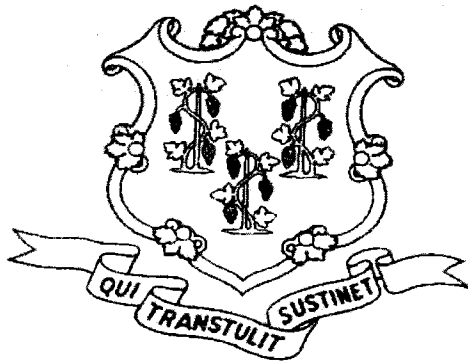
Very truly yours,

**MARCUM LLP**

  
Matthew S. Bavolack  
Principal

**AVON CONVALESCENT HOME, INC.**  
**d/b/a AVON HEALTH CENTER**  
**ANNUAL REPORT OF LONG TERM CARE FACILITY**  
**FYE SEPTEMBER 30, 2016**  
**CLIENT COPY**

# State of Connecticut



## Annual Report of Long-Term Care Facility Cost Year 2016

Name of Facility (as licensed) Avon Convalescent Home, Inc., d/b/a Avon Health Center	
Address (No. & Street, City, State, Zip Code) 652 West Avon Road, Avon, CT 06001	
Type of Facility <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;">                     Chronic and Convalescent  <input checked="" type="checkbox"/> Nursing Home only (CCNH)                 </div> <div style="width: 30%;">                     Rest Home with Nursing  <input type="checkbox"/> Supervision only (RHNS)                 </div> <div style="width: 30%;"> <input type="checkbox"/> (Specify)                 </div> </div>	
Report for Year Beginning 10/1/2015	Report for Year Ending 9/30/2016

License Numbers:	CCNH 938-C	RHNS	(Specify)	Medicare Provider 07-5244
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Medicaid Provider Numbers:	CCNH 9381	RHNS	ICF-IID
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**For Department Use Only**

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

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**General Information**

Name of Facility (as licensed) Avon Convalescent Home, Inc., d/b/a Avon Health Ce	License No. 938-C	Report for Year Ended 9/30/2016	Page 1	of 37
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**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 Avon Convalescent Home, Inc., d/b/a Avon Health Center [facility name], for the cost report period beginning October 1, 2015 and ending September 30, 2016, 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. {a}

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.

{a} Subject to Desk Audit Review

Signed (Administrator)		Date	Signed (Owner)		Date
Printed Name (Administrator) Tina L. Richardson			Printed Name (Owner) Russell Schwartz		
Subscribed and Sworn to before me:	State of	Date	Signed (Notary Public)	Comm. Expires / /	
Address of Notary Public					

(Notary Seal)

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

<b>Data Required for Real Wage Adjustment</b>		Page 1A	of 37
Name of Facility Avon Convalescent Home, Inc., d/b/a Avon Health Center		Period Covered: From 10/1/2015	To 9/30/2016
Address of Facility 652 West Avon Road, Avon, CT 06001			
Report Prepared By Marcum LLP		Phone Number 203-781-9600	Date 1/12/2017
Item	Total	CCNH	RHNS (Specify)
1. Dietary wages paid	\$		
2. Laundry wages paid	\$		
3. Housekeeping wages paid	\$		
4. Nursing wages paid	\$		
5. All other wages paid	\$		
6. <b>Total Wages Paid</b>	\$		
7. Total salaries paid	\$		
8. <b>Total Wages and Salaries Paid</b> (As per page 10 of Report)	\$		

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 860-673-3521	Report for Year Ended 9/30/2016	Page 2	of 37
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Name of Facility (as shown on license) Avon Convalescent Home, Inc., d/b/a Avon Health Center	Address (No. & Street, City, State, Zip) 652 West Avon Road, Avon, CT 06001
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License Numbers:	CCNH 938-C	RHNS (Specify)	Medicare Provider No. 07-5244
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Type of Facility (Check appropriate box(es))			
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)	<input type="checkbox"/> (Specify)	

Type of Ownership (Check appropriate box)			
<input type="checkbox"/> Proprietorship	<input type="checkbox"/> LLC	<input type="checkbox"/> Partnership	<input checked="" type="radio"/> Profit Corp.
<input type="checkbox"/> Non-Profit Corp.	<input type="checkbox"/> Government	<input type="checkbox"/> 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.
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<b>Administrator</b>		
Name of Administrator Tina L. Richardson	Nursing Home Administrator's License No.:	1984

Other Operators/Owners who are assistant administrators (full or part time) of this facility.		
Name	License No.:	
N/A		



**General Information and Questionnaire**  
**Corporate Owners**

Name of Facility Avon Convalescent Home, Inc., d/b/a Avon	License No. 938-C	Report for Year Ended 9/30/2016	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		
Avon Convalescent Home, Inc., d/b/a Avon Health Center	652 West Avon Road, Avon, CT 06001	CT		
Name of Directors, Officers	Business Address	Title	No. Shares Held by Each	
Leonard Schwartz	652 West Avon Road, Avon, CT 06001	Stockholder	100	
Freda Schwartz	652 West Avon Road, Avon, CT 06001	Pres / Secretary		
Russell Schwartz	652 West Avon Road, Avon, CT 06001	VP / Treasurer		
Names of Stockholders Owning at Least 10% of Shares				
Leonard Schwartz	652 West Avon Road, Avon, CT 06001	Stockholder	100	

## General Information and Questionnaire Individual Proprietorship

Name of Facility Avon Convalescent Home, Inc., d/b/a Avon Health	License No. 938-C	Report for Year Ended 9/30/2016	Page 3B	of 37
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If this facility is owned or operated as an individual proprietorship, provide the following information:

Owner(s) of Facility

N/A

## General Information and Questionnaire Related Parties\*

Name of Facility Avon Convalescent Home, Inc., d/b/a Avon Health Cer	License No. 938-C	Report for Year Ended 9/30/2016	Page 4	of 37			
Are any individuals receiving compensation from the facility related through marriage, ability to control, ownership, family or business association? <input checked="" type="radio"/> Yes <input type="radio"/> 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? <input checked="" type="radio"/> Yes <input type="radio"/> 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				
Avon Realty, LLC	652 West Avon Road, Avon, CT 06001	<input type="radio"/>	<input checked="" type="radio"/>	Rental of Real Property	Various See Attached	498,615	498,615
Avon Realty, LLC	652 West Avon Road, Avon, CT 06001	<input type="radio"/>	<input checked="" type="radio"/>	Depreciation (Movable Equipment)	Pg. 22 / Line 7d	50,055	50,055
Avon Realty, LLC	652 West Avon Road, Avon, CT 06001	<input type="radio"/>	<input checked="" type="radio"/>	Depreciation (Leasehold Equipment)	Pg. 22 / Line 8c	107,590	107,590
Leonard Schwartz	652 West Avon Road, Avon, CT 06001	<input type="radio"/>	<input checked="" type="radio"/>	Salary (Distributions)	Pg. 36 / Line G1		
West Hartford Health and Rehabilitation Center	130 Loomis Drive, West Hartford, CT 06107	<input type="radio"/>	<input checked="" type="radio"/>	Nurse Consultant	Pg. 13 / Line B12	40,190	40,190
Brookview/Avon Realty		<input type="radio"/>	<input checked="" type="radio"/>	Related Party Realty	See Pgs. 32 & 34		
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				

\* Use additional sheets if necessary.

\*\* Provide the percentage amount of revenue received from non-related parties.

Avon Health Care  
 Reconciliation of Related Party Rent  
 September 30, 2016

	Cost Reported	Actual Cost to Provider	Page on Cost Report	Line on Page
Portion Related to Taxes	105,122 {a}	105,122	22	10b
Portion Related to Personal Property Taxes	7,371 {a}	7,371	22	10c
Portion Related to Insurance	67,304 {a}	67,304	27	14a
Portion Related to Mortgage Insurance	20,857 {a}	20,857	22	9
Actual Rent per Cost Report	<u>297,961</u>	<u>297,961</u>	22	9
<b>Total</b>	<b><u>498,615</u></b>	<b><u>498,615</u></b>		

**Tickmarks**

{a}

Recorded on the books of the related realty and applicable to the operation of the facility, as a result of HUD refinance.

## General Information and Questionnaire

### Basis for Allocation of Costs

Name of Facility Avon Convalescent Home, Inc., d/b/a Avon He	License No. 938-C	Report for Year Ended 9/30/2016	Page 5	of 37
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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?       Yes       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.

Russell Schwartz, Director of Operations, salary is allocated between West Hartford Health and Rehab Center and Avon Health Center. The split is 57% and 43% respectively, based upon beds.

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.)

Yes       No      If "No," explain fully why such allocation was not made.





**MailFinance Lease Agreement**

NEOPOST

**IN-360 Mailing Solution**

**Payment Information**

Billing Frequency: <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Annually	
Number of Months: 63	Monthly Payment: \$82.00
Professional Installation Service <input checked="" type="checkbox"/>	Included Promotions:
Online Expense Management <input type="checkbox"/>	

**Billing Information**

Company Name (Full legal name): AVON CONVALESCENT HOME INC		
DBA:		
Mailing Address: 652 W Avon Rd		
City: AVON	State: CT	Zip Code: 06001
Contact Name:	Email Address: ap@avonhealthcenter.com	
Phone Number: (860) 673-2521	Fax Number:	
Purchase Order #:		
Tax Exempt? (Exemption Certificate is required if Yes) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

**ACH Direct Debit (For lease payments only)**

Bank Name:	
Bank Contact Name:	Bank Routing Number:
<b>**Please attach a blank voided check. A deposit slip will NOT be accepted.**</b>	

**Services Provided**

<input checked="" type="checkbox"/> <b>Unlimited Meter Resets</b>	<ul style="list-style-type: none"> <li>No Meter Reset Charges</li> <li>Only pay for what you download!</li> </ul>
<input checked="" type="checkbox"/> <b>NeoFunds® Postage Payment</b>	<ul style="list-style-type: none"> <li>Instant access up to \$700 postage - without having to prepay!</li> <li>Receive a monthly invoice for postage</li> <li>Online access to account information, statements, &amp; payments</li> </ul>
<input checked="" type="checkbox"/> <b>Rate Change Protection</b>	<ul style="list-style-type: none"> <li>USPS® Rate Updates included</li> <li>Accurate postage prevents returned mail and wasted money</li> <li>Online Updates - no chips</li> </ul>
<input checked="" type="checkbox"/> <b>Maintenance</b>	<ul style="list-style-type: none"> <li>Service is provided by one of our <b>local</b> offices</li> </ul>

**Installation Information (If different than billing)**

Company Name (Full legal name):		
DBA:		
Installation Address (No PO Boxes):		
City:	State:	Zip Code + 4:
County:		
Contact Name:	Email Address:	
Phone Number:	Fax Number:	
<input checked="" type="checkbox"/> Use my existing POC Account Number: 249534		
Postage Payment Option: <input type="checkbox"/> NeoFunds® <input checked="" type="checkbox"/> Prepay <input type="checkbox"/> PostageNow™ ACH		

**For Internal Use Only**

Previous Lease Number: N10121764	New Lease Number:	Customer Number (CSN): 60542446
Owning Branch/Dealer Number:	Owning Branch/Dealer Name: 9390 - Neopost New England	
Account Manager:	Marketing Codes: Please see attached worksheet	
Date Submitted:	Date Sent: 11/16/2015	Replaces Meter S/N: 10623018

This document consists of a Product Lease ("Lease") with MailFinance Inc.; Postage Meter Rental Agreement, Maintenance Agreement and an Online Services and Software Agreement with Neopost and a NeoFunds® Account Agreement with Mailroom Finance, Inc. Your signature constitutes an offer to enter into the Lease and, if applicable, the other agreements, and acknowledges that you have received, read, and agree to all applicable terms and conditions (Version DirectLease-06-13), which are also available at <http://www.neopostusa.com/terms/DirectLease-06-13.pdf>, and that you are authorized to sign the agreements on behalf of the customer identified above. The applicable agreements will become binding on the companies identified above only after an authorized individual accepts your offer by signing below, or when the equipment is shipped to you.  
 \* Customers providing an email address will receive invitations to our educational webinars, product updates and NeoNews, our monthly email newsletter.  
 Customers who are upgrading or renewing an Agreement and currently fund the POC Postage account by ACH Debit will not be converted to NeoFunds unless initiated here

Authorized Signature: *Russell Schwartz, V.P.*  
 Date Accepted: 11/24/15  
 Print Name and Title: Russell Schwartz, V.P.

MailFinance Authorization

Date Accepted

Offer valid until **11-20-15**



**Fax Completed Form To:  
(203) 301-2637**

**Michele Tessier**  
 478 Wheelers Farms Road  
 PH: 203-301-3657 Ext. 13657  
 Fax: (203) 301-2637  
 Email: m.tessier@neopost.com

# neopost TERMS & CONDITIONS

## PRODUCT LEASE AGREEMENT

In this Product Lease (the "Lease"), the words "You" and "Your" mean the lessee, which is the entity that is identified as the Customer on the Product Lease Agreement order form ("Order Form"). "We," "Us" and "Our" mean the lessor, MailFinance Inc. "Supplier" refers to either Neopost USA Inc., or any other third party that has manufactured, or is providing services related to, the Products.

**1. Lease of Products.** THIS LEASE IS UNCONDITIONAL AND NON-CANCELABLE during the Initial Term (as defined below). You agree to lease from Us the equipment, embedded software, Software, and other products listed on the Order Form, together with all existing and future accessories, embedded software programs, attachments, replacements, updates, additions and repairs, (collectively the "Products") upon the terms stated herein. For the avoidance of doubt, postage meters for use in mailing machines are excluded from the definition of Products. The term "Software" means any software that is subject to this Lease, other than software programs that are embedded in the hardware. Software is subject to the additional terms contained in the Online Services and Software Agreement with the Supplier.

**2. Promise to Pay.** You promise to pay to Us the lease payment shown on the Order Form ("Lease Payment") in accordance with the payment schedule set forth on that page, plus all other amounts stated herein. Upon our request, at any time during the term of this Lease, You agree to furnish current financial and other information, including Your tax identification number. This Lease is binding on You as of the date You sign it. This Lease is not binding on Us until We sign it or until the Products are shipped, whichever happens first.

**3. Initial Term; Renewal.** The Initial Term of this Lease will begin on the earlier of either the date the Products are installed or five (5) days after the Products are shipped by the Supplier and will continue for the number of months shown on the Order Form ("Initial Term"). Unless You notify Us in writing at least ninety (90) days before the end of the Initial Term that You intend to return the Products at the end of the Initial Term, this Lease will automatically renew for consecutive terms equal to the billing cycle listed on the Order Form (each a "Renewal Period"). The amount You pay for the Products will remain unchanged during each Renewal Period. We will not notify You that the Initial Term or any Renewal Period is ending. You may terminate this Lease at the conclusion of any Renewal Period by giving Us thirty (30) days prior written notice of Your intent to do so. If You notify Us in writing that You intend to terminate the Lease, as set forth above, You shall return the Products pursuant to Section 14 of this Lease.

**4. Payments.** PAYMENTS UNDER THIS LEASE ARE UNCONDITIONAL AND WILL CONTINUE FOR THE ENTIRE TERM OF THIS LEASE, WITHOUT ANY RIGHT TO REDUCTION OR SET-OFF. Lease Payments, plus applicable taxes and other charges provided for herein, are payable in advance periodically as stated on the Order Form ("Lease Payment"). You agree to make Lease Payments to Us at the address specified on Our invoices, or at any other place designated by Us within thirty (30) days of the date of Our invoice. If We do not receive a payment in full on or before its due date, You shall pay a fee equal to the greater of 5%

the amount that is late, or twenty dollars (\$20), but in no event shall You pay more than the maximum amount allowed by law. In addition, You agree to pay Us Our then-current fee for checks returned unpaid and for ACH direct debit transactions which are rejected. In addition to the Lease Payment, You agree to pay Us a one-time fee (not to exceed \$100.00) to cover the origination, documentation, processing and certain other costs associated with this Lease.

**5. Buy-Out of Another Obligation.** In the event that We have provided You with money to complete the remaining stream of payments on a lease that You may have with a third party, Your repayment of that amount shall be included as part of Your Lease Payment. You remain solely responsible for the full performance of any commitments that You have made with such third party. You agree that We are not responsible for any difference between the amount that We have provided and any amounts actually due, or claimed to be due, to the third party. In the event that You fail to make all of the Lease Payments set forth on the Order Form, in addition to any other remedies We may have, You agree to immediately pay Us the unamortized remaining balance of the money given to You to complete the remaining stream of payments on the third party lease.

**6. Delivery and Location of Products.** The Products will be delivered to You at the delivery address specified on the Order Form ("Delivery Address") or, if no such location is specified, to Your invoice address. Your acceptance of the Products occurs upon delivery of the Products. You shall not remove the Products from the Delivery Address unless You first get Our written permission to do so.

**7. Ownership, Use, and Maintenance of Products.** We will own and have title to the Products during the Lease. You agree that the Products are and shall remain Our personal property. You authorize Us to record (and amend, if appropriate) a UCC financing statement to protect Our interests. You represent that the Products will be used solely for commercial purposes and not for personal, family or household purposes. At Your own cost, You agree to maintain the Products in accordance with the applicable operation manuals and to keep the Products in good working order, ordinary wear and tear excepted.

**8. Assignment of Supplier's Warranties.** We hereby assign to You any warranties relating to the Products that We may have received from the Supplier.

**9. Relationship of the Parties.** You agree that You, not We, selected the Products and the Supplier, and that We are a separate company from the Supplier and that the Supplier is not Our agent. IF YOU ARE A PARTY TO ANY POSTAGE METER RENTAL, MAINTENANCE, SERVICE, SUPPLIES OR OTHER CONTRACT WITH ANY SUPPLIER, WE ARE NOT A PARTY THERETO, AND SUCH CONTRACT IS NOT PART OF THIS LEASE (EVEN THOUGH WE MAY, AS A CONVENIENCE TO YOU AND THE SUPPLIER, BILL AND COLLECT MONIES OWED BY YOU TO THEM).

**10. Default.** You will be in default under this Lease if You fail to pay any amount within ten (10) days of the due date or fail to perform or observe any other obligation in this Lease. If You default, We may, without notice to You, do any one or more of the following, at Our option, concurrently or separately: (A) cancel this Lease; (B) require You to return the Products pursuant to Section 14 below; (C) take possession of and/or render the Products unusable, and for such purposes

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# neopost TERMS & CONDITIONS

You hereby authorize Us and Our designees to enter Your premises, with prior reasonable notice or other process of law; and (D) require You to pay to Us, on demand as liquidated damages and not as a penalty, an amount equal to the sum of: (i) all Lease Payments and other amounts then due and past due; (ii) all remaining Lease Payments for the then-current term, together with any taxes due or to become due during such term (which You agree is a reasonable estimate of Our damages); and (iii) in the event that You failed to promptly return the Products to Us, an amount equal to the remaining value of the Products at the end of the then-current term, as reasonably determined by Us. You shall also pay all Our costs in enforcing Our rights under this Lease, including reasonable attorneys' fees and expenses that We incur to take possession, store, repair, or dispose of the Products, as well as any other expenses that We may incur to collect amounts owed to Us. We are not required to re-lease or sell the Products if We repossess them. These remedies shall be cumulative and not exclusive, and shall be in addition to any and all other remedies available to Us.

**11. Finance Lease.** You agree that this Lease is a "finance lease" as defined in Article 2A of the Uniform Commercial Code ("UCC"). To the extent permitted by law, You hereby waive any and all rights and remedies conferred upon You under UCC Sections 2A-303 and 2A-508 through 2A-522, or any similar laws.

**12. Automated Clearinghouse Direct Debit ("ACH").** If You have elected ACH service, You hereby authorize Us to initiate with the depository bank ("Bank") that You have provided to Us a debit of any amounts that become due by You to Us (and/or any of Our affiliates including, but not limited to, Neopost USA Inc., and Mailroom Finance, Inc.) from the specified account. ACH payments shall remain in effect until terminated by the Bank, You, or Us. You must give Us thirty (30) days prior written notice of Your intent to terminate ACH services or any change in Bank account status which would impair Our ability to debit such funds.

**13. Loss; Damage; Insurance.** You shall: (i) bear the risk of loss and damage to the Product(s) for the Initial Term and any Renewal Period; (ii) keep the Product(s) insured, at Your expense, against all risks of loss and damage in an amount at least equal to its full replacement cost, with Us named as sole loss payee thereon ("Insurance"); and (iii) provide Us with evidence of Insurance within thirty (30) days of a request by Us, or a third party acting on our behalf, to do so. You are required to provide Us with sufficient evidence of Insurance within thirty (30) days of the commencement of the Initial Term. If You fail to provide such evidence of Insurance, then We may, at our sole option, protect Our interest in any hardware Product(s) by obtaining insurance on Your behalf via inclusion of such Product(s) in Our MailProtect program. If We obtain such coverage, then You agree that We may charge You the premium for such insurance, as well as our then-current fee for doing so. This charge will be added to Your Lease invoice and You agree to pay this charge according to the terms of this Lease. Refer to Section 13.1 of this Lease for more information regarding Our MailProtect program.

**13.1 MailProtect Program.** If We have included a hardware Product in Our MailProtect program and any covered loss, damage or destruction to such covered Product(s) (a "Loss") occurs and the amount of the Loss is

greater than \$100, then We shall (provided You are not in default under this Lease) repair or replace such Product(s) and Your obligations pursuant to this Lease will remain unchanged. More information regarding Our MailProtect program, including information on Losses that are not covered, is available at [www.neopostusa.com/products/solutions/mailprotect.aspx](http://www.neopostusa.com/products/solutions/mailprotect.aspx). If there is a covered Loss and We fail to repair or replace the affected hardware Product(s) within twenty (20) days of receiving written notice of the covered Loss from You, then You may terminate this Lease; provided that (i) You give us written notice of Your intent to do so; and (ii) We receive such notice within forty-five (45) days of the Loss. The coverage offered through Our MailProtect program may: (i) be more expensive than Insurance that You could obtain on Your own; (ii) be obtained through companies affiliated with Us; and (iii) involve a fee paid to such affiliated companies (which will result in a profit by Us). Once enrolled in the MailProtect program, You may cancel the coverage at any time by providing Us with evidence of Insurance. We reserve the right to discontinue the MailProtect program at anytime.

**14. Return of Products.** You are required to return the Products under this Lease. Upon the termination of this Lease You shall, after receiving an Equipment Return Authorization ("ERA") number from Us, promptly send the Products, at Your expense, to any location(s) that We designate, in addition to paying Us Our then-applicable processing fee. The Products must be properly packed for shipment with the ERA number clearly visible, freight prepaid and fully insured, and must be received in good condition, less normal wear and tear.

**15. Indemnification.** You shall indemnify and defend Us against, and hold Us harmless for, any and all claims, actions, damages, liabilities, losses, and costs (including reasonable attorneys' fees) made against or incurred by Us relating to Product Matters (as defined below). Your obligations pursuant to this Section shall survive the termination or expiration of this Lease.

**16. Assignment.** YOU SHALL NOT SELL, TRANSFER, ASSIGN, SUBLEASE, PLEDGE OR OTHERWISE ENCUMBER (COLLECTIVELY, "TRANSFER") THE PRODUCTS OR THIS LEASE IN WHOLE OR IN PART. We may, without notice to You, Transfer Our interests in the Products and/or this Lease, in whole or in part, to a third party. You agree not to assert against the new owner any claim, defense or offset You may have against Us or any predecessor in interest.

**17. Taxes.** You agree to pay for all applicable taxes related to the Products, including taxes related to Your acquisition, possession, and/or use of the Products as well as all property taxes on the Products. Furthermore, You agree to pay the applicable fee to cover Our expenses associated with the administration, billing and tracking of such charges and taxes. In addition, in the event We determine it is reasonable to do so, You hereby authorize Us to pay any such taxes and to include such amount as part of the capitalized amount used to compute Your payment pursuant to this Lease.

**18. Disclaimer of Warranties.** WE MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, REGARDING ANY MATTER WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, THE SUITABILITY OF THE PRODUCT(S), ITS CONDITION, ITS MERCHANTABILITY, ITS FITNESS

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FOR A PARTICULAR PURPOSE, ITS FREEDOM FROM INFRINGEMENT, OR OTHERWISE. WE PROVIDE THE PRODUCTS TO YOU "AS IS," "WHERE IS" AND "WITH ALL FAULTS."

**19. Limitation of Liability.** WE SHALL NOT BE LIABLE TO YOU AND YOU SHALL NOT MAKE A CLAIM AGAINST US FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), OR EXPENSE OF ANY KIND ARISING DIRECTLY OR INDIRECTLY FROM THE DELIVERY, INSTALLATION, USE, RETURN, LOSS OF USE, DEFECT, MALFUNCTION, OR ANY OTHER MATTER RELATING TO THE PRODUCTS (COLLECTIVELY, "PRODUCT MATTERS"). NOTWITHSTANDING ANY OTHER PROVISION OF THIS LEASE, EXCEPT FOR DIRECT DAMAGES RESULTING FROM PERSONAL INJURY OR DAMAGE TO TANGIBLE PROPERTY CAUSED BY OUR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, THE MAXIMUM OUR LIABILITY TO YOU FOR DAMAGES HEREUNDER SHALL NOT EXCEED THE TOTAL OF THE AMOUNTS PAID TO US HEREUNDER BY YOU.

**20. Notice.** All notices, requests and other communications hereunder shall be in writing, and shall be addressed to You or Us, as applicable and shall be considered given when (i.) delivered personally, or (ii.) sent by commercial overnight courier with written confirmation of delivery.

**21. Integration.** The Lease represents the final and only agreement between You and Us. There are no unwritten oral agreements between You and Us. The Lease can be changed only by a written agreement between You and Us.

**22. Severability.** In the event any provision of this Lease shall be deemed to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties agree to replace any invalid provision with a valid provision, which most closely approximates the intent and economic effect of the invalid provision.

**23. Waiver or Delay.** A waiver of any default hereunder or of any term or condition of this Lease shall not be deemed to be a continuing waiver or a waiver of any other default or any other term or condition, but shall apply solely to the instance to which such waiver is directed. We may accept late payments, partial payments, checks, or money orders marked "payment in full," or with a similar notation, without compromising any rights under this Lease.

**24. Survival of Obligations.** Any obligations and duties which by their nature extend beyond the expiration or termination of this Lease shall survive the expiration or termination of this Lease.

**25. Arbitration; Choice of Law; Venue; and Attorney's Fees.** Any controversy or claim arising out of or relating to this Lease, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration rules and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. There shall be no class arbitration. The place of arbitration shall be in Hartford County in the State of Connecticut. This Lease shall be governed by and interpreted in accordance with the laws of the State of Connecticut, excluding its conflict of law principles. All fees and expenses shall be borne by the parties equally. However, each party shall bear the expense of its own

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counsel, experts, witnesses, and preparation of proofs. The prevailing party shall be entitled to an award of reasonable attorney's fees and costs and the arbitrator(s) shall be authorized to award such amounts.

## POSTAGE METER RENTAL AGREEMENT

**1. Incorporation of Certain Terms.** Customer acknowledges that: (i) it has entered a Product Lease Agreement with MailFinance Inc. (the "Lease"); and (ii) if the Products that are subject to the Lease includes a mailing machine, then the terms of this Postage Meter Rental Agreement ("Rental Agreement") shall govern its rental of the Postage Meter (as defined below) for such machine. Any defined terms in the Lease shall have the same meanings in this Rental Agreement, except that "We," "Us," and "Our," refers to Neopost USA Inc., and any reference to "Products" shall refer to the Postage Meter. Sections 13, 13.1, 14 and 17 through 25 of the Lease are hereby incorporated into this Rental Agreement, except that any reference in those sections to the "Lease" refer to this Rental Agreement.

**2. Provisions as to Use.** You acknowledge that: (i) as required by United States Postal Service ("USPS") regulations, the postage meter(s) identified on the Order Form (the "Postage Meter") is being rented to You and that it is Our property; (ii) the Postage Meter will be surrendered by You upon demand by Us (iii) You are responsible for the control and use of the Postage Meter; (iv) You will comply with all applicable laws regarding Your use or possession of the Postage Meter; (v) the use of the Postage Meter is subject to the conditions established from time to time by the United States Postal Service; and (vi) the Postage Meter is to be used only for generating an indicia to evidence the prepayment of postage and to account for postal funds. It is a violation of Federal law to misuse or tamper with the Postage Meter and, if You do so, We may terminate this Rental Agreement upon notice to You.

**3. Rental Fee, Term, and Taxes.** The rental fee for the Postage Meter rental during the Initial Term is included in the Lease Payment. For each Renewal Term, You agree to pay Our then-current fee for the Postage Meter rental. The Postage Meter rental fee does not include the cost of consumable supplies. The term of the rental shall be equal to the term of the Lease and is NON-CANCELABLE. You agree to pay all applicable taxes related to Your acquisition, possession, and/or use of the Postage Meter including all property taxes on the Postage Meter. Furthermore, You agree to pay the applicable fee to cover Our expenses associated with the administration, billing and tracking of such charges and taxes. You agree that you will return the Postage Meter at the end of the Lease term and that You will do so in the manner set forth in Section 14 of the Lease. Furthermore, You agree that if you fail to return a postage meter within thirty (30) days of receipt of the ERA then You will pay a postage meter replacement fee of \$1,000.

**4. Postage Meter Maintenance, Inspections, and Location.** We will keep the Postage Meter in good working condition during the term of this Rental Agreement. The United States Postal Service regulations may require Us to periodically inspect the Postage Meter. You agree to cooperate with Us regarding such inspections. We may, from time to time, access and download information from Your Postage Meter to provide Us with information about Your

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postage usage and We may share that information with Our distributors and other third parties and You hereby authorize Us to do so. You agree to promptly update Us whenever there is any change in Your name, address, telephone number, the licensing post office, or the location of the Postage Meter.

**5. Postage Advances.** We do not sell postage. In the event You require an emergency advance for postage, We, at Our sole discretion, may advance You money to reset the Postage Meter. If We do provide such an advance, You agree to repay Us within five (5) days from the time of such advance: (i) the amount of the emergency advance; and (ii) the then-current advance fee.

**6. Default.** In the event You fail to perform in accordance with the terms set forth in this Rental Agreement, or any other Agreement with Us or any of Our affiliates, including, but not limited to, MailFinance Inc., and Mailroom Finance, Inc., then We may, without notice: (i) repossess the Postage Meter(s); (ii) disable the Postage Meter; (iii) immediately terminate this Rental Agreement; and (iv) pursue any remedies available to Us at law or in equity. Furthermore, upon the return of the Postage Meter, You hereby authorize Us to offset any amount of postage remaining in the Postage Meter, prior to any refund to You, against any amount due to Us or any of Our affiliates. You shall also pay all of Our costs in enforcing Our rights under this Rental Agreement, including reasonable attorneys' fees and expenses that We incur to take possession, store, or repair, the Postage Meter, as well as any other expenses that We may incur to collect amounts owed to Us. These remedies shall be cumulative and not exclusive, and shall be in addition to any and all other remedies available to Us.

## **7. Rate Updates.**

**A. MAINTENANCE OF POSTAL RATES.** It is Your sole responsibility to ensure that correct amounts are applied as payment for mailing and shipping services. We shall not be responsible for returns for delivery delays, refusals, or any other problems caused by applying the incorrect rate to mail or packages.

**B. Rate Updates with Online Services.** If the Order Form indicates that You are enrolled in Our Online Services program, then We will make available periodic updates for Your covered Products and/or Postage Meter, including updates to maintain accurate USPS rates for the USPS services that are compatible with such Products or Postage Meter. **The rate updates that are offered with Our Online Services program are only available for products that are Integrated (as defined below) into Your mailing machine.** For the purposes of this section, "Integrated" means that the covered hardware cannot properly operate on a stand-alone basis and it has been incorporated into the mail machine. Products that are not Integrated including, but not limited to, all Software and scales with "ST-77," or "SE" in the model number will not receive updated rates as part of Our Online Services program (collectively "Excluded Products").

**C. Rate Updates with Rate Change Protection and Software Advantage.** If You have any of Our Excluded Products, You may have elected to purchase Rate Change Protection ("RCP") from Us for Your hardware products or Software Advantage for Your Software. If the Order Form indicates that

You have selected RCP or Software Advantage, We will make available the following updates for Your covered Products or Software: (i) updates to maintain accurate rates for the services offered by the USPS and other couriers that are compatible with Your covered Products or Software; and (ii) updates for major zip or zone changes that are compatible with Your covered Products or Software. If any reprogramming is required because You have moved the Products or Postage Meter to a new location, none of the services described in this Section cover the cost to do so. If You have not selected RCP or Software Advantage, You agree that We may send You periodic rate updates as needed and You agree to either: (i) promptly pay the then-current price for such update; or (ii) return the unused, update to Us within ten (10) business days of receiving it. Customers with an outstanding Accounts Receivable balance may not receive a rate update until the open balance is resolved.

**8. UNITED STATES POSTAL SERVICE ACKNOWLEDGEMENT OF DEPOSIT REQUIREMENT.** By signing this Postage Meter Rental Agreement, You acknowledge and agree that You have read the United States Postal Service Acknowledgement of Deposit (the "Acknowledgement") and will comply with its terms and conditions, as it may be amended from time to time.

## **9. ADDITIONAL UNITED STATES POSTAL SERVICE TERMS.**

- A.** By signing this Postage Meter Rental Agreement, You acknowledge that You are also entering into an Agreement with the United States Postal Service ("USPS") in accordance with the Domestic Mail Manual ("DMM") 604.4, Postage Payment Methods, Postage Meters and PC Postage Products (collectively, "Postage Evidencing Systems" or "PES") and accept responsibility for control and use of the PES contained therein.
- B.** You also acknowledge You have read the DMM 604.4, Postage Payment Methods, Postage Meters and PC Postage Products (Postage Evidencing Systems) and agree to abide by all rules and regulations governing its use.
- C.** Failure to comply with the rules and regulations contained in the DMM or use of the PES in any fraudulent or unlawful scheme or enterprise may result in the revocation of this Rental Agreement.
- D.** You further acknowledge that any use of this PES that fraudulently deprives the USPS of revenue can cause You to be subject to civil and criminal penalties applicable to fraud and/or false claims against the United States. The submission of a false, fictitious or fraudulent statement can result in imprisonment of up to five (5) years and fines of up to \$10,000 (18 U.S.C. 1001). In addition, a civil penalty of up to \$5,000 and an additional assessment of twice the amount falsely claimed may be imposed (3 U.S.C. 3802).
- E.** You further understand that the rules and regulations regarding use of this PES as documented in the USPS Domestic Mail Manual may be updated from time to time by the USPS and it is Your obligation to comply

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with any current or future rules and regulations regarding its use.

- F. You are responsible for immediately reporting (within seventy-two hours or less) the theft or loss of the postage meter that is subject to this Rental Agreement. Failure to comply with this notification provision in a timely manner may result in the denial of refund of funds remaining on the postage meter at the time of the loss or theft.

## neoFunds/TotalFunds ACCOUNT AGREEMENT

**1. Incorporation of Certain Terms.** You acknowledge that You have entered a Product Lease Agreement with MailFinance Inc. (the "Lease") and a Postage Meter Rental Agreement with Neopost USA Inc. (the "Rental Agreement"). If you have an eligible postage meter, then you will have access to a neoFunds® postage funding account (for Neopost POC accounts) or a TotalFunds® postage funding account (for Hasler TMS accounts) and this neoFunds/TotalFunds Account Agreement ("Account Agreement") shall govern Your use of such account. Any defined terms in the Lease or Rental Agreement shall have the same meanings in this neoFunds Account Agreement, except that "We," "Us," and "Our," refer to Mailroom Finance, Inc., an affiliate of Neopost USA Inc. Sections 17 through 24 of the Lease are hereby incorporated into this Account Agreement except that any reference in those sections to the "Lease" refers to this Account Agreement.

**2. Establishment and Activation of Account.** You hereby authorize Us, to establish an account in Your name ("Account") for funding the purchase of postage from the United State Postal Service ("USPS") for use in the postage meter. Your Account may also be used to purchase supplies, pay for the Postage Meter rental, and obtain certain other products and services from Neopost USA. The establishment of Your Account shall be subject to Our approval of Your creditworthiness. Any use of the Account shall constitute Your acceptance of all the terms and conditions of this Account Agreement and all other documents executed or provided in connection with the Account. The Account may not be used for personal, family, or household purposes.

**3. Operation of Account.** Each time an employee or agent of Yours with the express, implied, or apparent authority to do so (each an "Authorized User") uses the Account to receive a postage meter reset or obtain other products or services that Neopost USA Inc. is authorized to provide, Neopost USA Inc. will notify Us of the amount to be applied to Your Account balance. If the Account is used to obtain postage, then We will transfer the requested amount of postage to the USPS on Your behalf and Your Account will be charged for the amount of postage requested and any related fees, if applicable. You can continue to pre-pay the USPS for postage and understand that pre-paid postage funds will be used first to pay for my postage meter resets. You further understand that neoFunds/TotalFunds will provide additional available postage funds when Your pre-paid account balance is zero (\$0). When You request a postage meter reset, if You have the funds on account with the USPS, those funds automatically will be withdrawn first to pay for postage, and any additional amounts due for postage and related fees will be billed through the neoFunds/TotalFunds Account under the terms and conditions of this Account Agreement. If the Account is

used to acquire products or services that Neopost USA is authorized to provide, then We shall pay the applicable amount to Neopost USA Inc. and add such amount to Your Account balance.

**4. Payment Terms.** You will receive a billing statement for each billing cycle in which You have any activity on Your Account. Payments are due on the due date shown on Your billing statement. You may pay the entire balance due or a portion of the balance, provided that You pay at least the minimum payment amount shown on Your statement. However, if You have exceeded the Account Limit, then You must pay the entire amount of any overage, as well as the minimum payment amount shown on Your statement. Whenever there is an unpaid balance outstanding on Your Account which is not paid in full by the due date shown on Your billing statement, We will charge You, and You agree to pay, interest on the unpaid balance of the Account for each day from the date the transaction is posted to Your Account until the date the unpaid balance is paid in full, at the Annual Percentage Rate (as defined below). The Account balance that is subject to a finance charge each day will include outstanding balances, minus any payments and credits received by Us on Your Account that day. The Annual Percentage Rate applicable to Your Account will be equal to the lesser of eighteen percent (18.00%) per annum or the maximum permitted by law. Each payment will be applied to reduce the outstanding balance of Your Account and replenish the amount available to You. We may refuse to extend further credit if the amount of a requested charge plus Your existing balance exceeds Your Account Limit.

**5. Account Limit and Account Fees.** You agree that We will establish a credit limit on Your Account (the "Account Limit"). The exact amount of the Account Limit will be indicated on Your invoice. We may, in Our sole discretion, allow Your balance to exceed the Account Limit. In the event We do so, You agree to pay Us an additional fee equal to one percent (1%) of the amount by which the Account Limit is exceeded for each transaction that You initiate after Your Account has reached the Account Limit. Such amount will be charged to Your Account on the date that the relevant transaction(s) occurs. Unless prohibited by applicable law, You agree to pay the amounts set forth in this Account Agreement, which may include, without limitation, the amounts specified above, a fee for a late payment, and a fee for any checks that are returned as a result of insufficient funds. Unless prohibited by applicable law, We may charge You and You agree to pay Our fees then in effect for copies of Your monthly statements. All such fees shall be added to Your Account balance.

**6. Cancellation and Suspension.** We may at any time close or suspend Your Account or temporarily refuse to allow further charges to Your Account. You can cancel Your Account at any time by notifying Us in writing at the address provided on Your Account statement of Your desire to do so. No cancellation or suspension will affect Your obligation to pay any amounts You then owe under this Account Agreement. We will notify You of the Account balance in the event of any termination and all outstanding obligations will survive the termination of this Account Agreement by either party.

**7. Default.** We may declare You in default if You: (i.) have made any misrepresentations to Us; (ii.) at any time, have done or allowed anything that indicates to Us that You may be

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unable or unwilling to repay the balance of Your Account as required under this Account Agreement; or (iii.) are in default under this Account Agreement or any lease, rental, or other agreement with Us, Neopost USA Inc., or their affiliates. If You are in default, or upon any cancellation of Your Account, We shall not be obligated to continue to provide the Account service or extend further credit under this Account Agreement. If We are required to take collection action or any other legal action under this Account Agreement, You shall pay upon demand by Us all court and collection costs, along with reasonable attorney's fees. These remedies shall be cumulative and not exclusive, and shall be in addition to any and all other remedies available to Us.

**8. Remedies.** If We have declared that You are in default under this Account Agreement, then We may: (i) declare all agreements You have with Us in default and due and payable at once without notice or demand; (ii) refuse to make further advances on Your behalf to reset Your postage meter; and (iii) exercise any other rights that We may have. In addition, You agree that any default under this Account Agreement shall constitute a default under any agreement You may have with any of Our affiliates, including, but not limited to, Neopost USA Inc., MailFinance Inc.

**9. Amendments.** We may amend this Account Agreement, or any of its provisions, including without limitation any fees and charges and/or the Annual Percentage Rate, at any time by at least thirty (30) days written notice to You, and such written notice may be included in Your billing statement. Any such amendment will become effective on the date stated in the notice and will apply to any transactions after such date, as well as to any outstanding balance on Your Account.

**10. Notice:** Any notice required to be given under this Account Agreement by either party hereto shall be given if to You, at the address shown on Your Order Form, and if to Us at P.O. Box 30193, Tampa, Florida 33630-3193.

**11. Miscellaneous.** You understand that We may obtain credit reports in connection with Your Account now and in the future. This Account Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without reference to its conflict-of-laws rules, and any applicable federal laws. The sole jurisdiction and venue for actions related to the subject matter hereof shall be in a State or Federal Court within the State of Florida.

## MAINTENANCE AGREEMENT

**1. Incorporation of Certain Terms.** You acknowledge that You have entered a Product Lease Agreement with MailFinance Inc. (the "Lease"). Any defined terms in the Lease shall have the same meanings in this Maintenance Agreement, except that "We," "Us," and "Our," refer to Neopost USA Inc. Sections 17 through 25 of the Lease are hereby incorporated into this Maintenance Agreement, except that any reference in those sections to the "Lease" refers to this Maintenance Agreement.

**2. Neopost's Terms and Conditions for Maintenance Services.** If the Order Form indicates that You have purchased maintenance services, then Neopost USA Inc., or one of its affiliates, will provide maintenance services for the Products in accordance with Neopost USA Inc.'s then-current maintenance terms and pricing for the level of maintenance services that You have purchased. Those services will be

provided for the entire term of the Lease and are NON-CANCELABLE. The current version of those terms and conditions are available at [www.neopostusa.com/maintenanceagreementV0613](http://www.neopostusa.com/maintenanceagreementV0613). You agree that You have access to such terms and that they are incorporated into this Maintenance Agreement by this reference, and that You shall be bound by such terms as if they were fully stated herein. Notwithstanding the foregoing, maintenance services are not available on HD Office Printer Series products.

## ONLINE SERVICES AND SOFTWARE AGREEMENT

**1. Incorporation of Certain Terms.** You acknowledge that You have entered a Product Lease Agreement with MailFinance Inc (the "Lease"). Any defined terms in the Lease shall have the same meanings in this Online Services and Software Agreement ("OSS Agreement"), except that "We," "Us," and "Our," refer to Neopost USA Inc. Sections 17 through 25 of the Lease are hereby incorporated into this OSS Agreement, except that any reference in those sections to the "Lease" refer to this OSS Agreement.

**2. License Grant and Additional Terms.** In exchange for the license fees that are included in Your Lease Payment, We hereby grant to You a nonexclusive, nontransferable license to use the Software products, including related documentation, described on the Order Form solely for Your own use on or with the Products. You warrant and represent that You will not sell, transfer, disclose or otherwise make available such Software products or copies thereof to third parties; provided, however, that the Software products may be used by Your employees or independent contractors using the Products. No title or ownership of the Software products or any portion thereof is transferred to You. You acknowledge and agree that there may be additional terms and conditions that apply to Your use of any Software provided by Us. Such terms may be provided with the Software, or made available at [www.neopostusa.com/softwareterms](http://www.neopostusa.com/softwareterms) and may be supplemented by Us or third party licensors, from time to time, by notice to You. You acknowledge and agree that You have access to the appropriate version(s) of the applicable terms provided at the address above and corresponding to Software described on the Order Form at the time you enter this OSS Agreement. Such terms are incorporated herein by this reference and You agree to be bound by such terms as if they were fully stated herein.

**3. Use of Websites.** Neopost USA Inc. and/or any of Our affiliates or suppliers, including, but not limited to, MailFinance Inc. may, from time to time, make certain websites available to You in order to provide You with certain services ("Websites"). If You access any such Websites, You acknowledge and agree that Your use of the Website is subject to the terms of use and/or license terms in effect at the time You use the Website. Such terms are available on the Websites for Your review. You acknowledge and agree that such terms may be supplemented and modified from time to time ("Supplemental Terms"). Your use of a Website after Supplemental Terms have been issued will signify Your acceptance of those terms. In the event of a conflict between the terms of this OSS Agreement and the Supplemental Terms, the Supplemental Terms shall control.

### General Information and Questionnaire Accounting Basis

Name of Facility Avon Convalescent Home, Inc., d/b	License No. 938-C	Report for Year Ended 9/30/2016	Page 7	of 37
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The records of this facility for the period covered by this report were maintained on the following basis:

- Accrual     Cash     Modified Cash

Is the accounting basis for this period the same as for the previous period?     Yes     No    If "No," explain.

**Independent Accounting Firm**

Name of Accounting Firm	Address (No. & Street, City, State, Zip Code)
1 Cohn Reznick	1780 Glastonbury Blvd, Glastonbury, CT 06033
2 Cornerstone Accounting	525 Bridgeport Ave; Ste 1000, Shelton, CT 06484
3 Marcum LLP	555 Long Wharf Drive, New Haven, CT 06511
4	

Services Provided by This Firm (*describe fully*)

1 Tax Returns	\$ 11,100
2 General Accounting	\$ 9,600
3 General Accounting, Financial Statements, Prepare Medicaid & Medicare Cost Reports, Reimbursement Consulting	\$ 24,797
4	\$
<b>Charge for Services Provided</b>	
\$ 45,497	

Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No.

- Yes     No    Page 15, Line 1d

**Legal Services Information**

Name of Legal Firm or Independent Attorney	Telephone Number
1 Healthcare Resources Intl, LLC	860-673-5593
2 Jackson Lewis	914-328-0404
3 Murtha Cullina	860-240-6000
4 Goff Wilson	603-228-1277
5	

Address (*No. & Street, City, State, Zip Code*)

- 1 PO Box 1549, Burlington, CT 06013
- 2 1 North Broadway, White Plains, NY 10601
- 3 185 Asylum Street, Hartford, CT 06013
- 4 Two Capital Plaza, Concord, NH 03302-0347
- 5

Services Provided by This Firm (*describe fully*)

1 Foreign Nurse Recruitment	\$ 4,500
2 Employment/Consulting	\$ 13,364
3 Regulatory Compliance & Collections (Collections Disallowed Pg. 28)	\$ 10,877
4 Foreign Nurse Recruitment	\$ (2,060)
5	\$
<b>Charge for Services Provided</b>	
\$ 26,681	

Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No.

- Yes     No    Page 15, Line 1e



**Schedule of Resident Statistics**

Name of Facility Avon Convalescent Home, Inc., d/b/a Avon Health Center	License No. 938-C		Report for Year Ended 9/30/2016				Page 8	of 37
	Total All Levels	Total CCNH Level	Total RHNS Level	Period 10/1 Thru 6/30		Period 7/1 Thru 9/30		
				Total	CCNH	RHNS	(Specify)	Total
1. Certified Bed Capacity								
A. On last day of PREVIOUS report period	120	120		120	120	120	120	
B. On last day of THIS report period	120	120		120	120	120	120	
2. Number of Residents								
A. As of midnight of PREVIOUS report period	114	114		114	114	104	104	
B. As of midnight of THIS report period	110	110		104	104	110	110	
3. Total Number of Days Care Provided During Period								
A. Medicare	5,137	5,137		3,916	3,916	1,221	1,221	
B. Medicaid (Conn.)	27,477	27,477		20,696	20,696	6,781	6,781	
C. Medicaid (other states)								
D. Private Pay	6,719	6,719		5,020	5,020	1,699	1,699	
E. State SSI for RCH								
F. Other (Specify) Commercial Insurance	440	440		263	263	177	177	
G. Total Care Days During Period (3A thru F)	39,773	39,773		29,895	29,895	9,878	9,878	
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	33	33		17	17	16	16	
5. Total Resident Days (3G + 4A + 4B)	39,806	39,806		29,912	29,912	9,894	9,894	

**Annual Report of Long-Term Care Facility**

**Schedule of Resident Statistics (Cont'd)**

Name of Facility Avon Convalescent Home, Inc., d/b/a Avon H	License No. 938-C	Report for Year Ended 9/30/2016	Page 9	of 37
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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)	(Specify) (3)	Lost			Gained			CCNH	RHNS	(Specify)	
				(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	(Specify)
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	CCNH	RHNS	CCNH	RHNS	(Specify)	R.C.H.	ICF-MR
No. of Residents	14	76		20				
Per Diem Rate								
a. One bed rm.	Various	233.40		478.00				
b. Two bed rms.	Various	233.40		460.00				
c. Three or more bed rms.	Various	233.40		396.00				

7. Total Number of Physical Therapy Treatments

	TOTAL	CCNH	RHNS	(Specify)
A. Medicare - Part B	2,813	2,813		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	30	30		
2. Restorative Treatments				
C. Other	11,394	11,394		
D. <b>Total Physical Therapy Treatments</b>	14,237	14,237		

8. Total Number of Speech Therapy Treatments

	TOTAL	CCNH	RHNS	(Specify)
A. Medicare - Part B	455	455		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	4	4		
2. Restorative Treatments				
C. Other	766	766		
D. <b>Total Speech Therapy Treatments</b>	1,225	1,225		

9. Total Number of Occupational Therapy Treatments

	TOTAL	CCNH	RHNS	(Specify)
A. Medicare - Part B	1,840	1,840		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	26	26		
2. Restorative Treatments				
C. Other	9,325	9,325		
D. <b>Total Occupational Therapy Treatments</b>	11,191	11,191		

### Report of Expenditures - Salaries & Wages

Name of Facility	License No.	Report for Year Ended	Page	of		
Avon Convalescent Home, Inc., d/b/a Avon Health Center	938-C	9/30/2016	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	(Specify)	Hours
<b>A. Salaries and Wages*</b>						
1. Operators/Owners (Complete also Sec. I of Schedule A1)						
2. Administrator(s) (Complete also Sec. III of Schedule A1)	99,012	2,101				
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)						
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)	330,424	10,325				
5. Dietary Service						
a. Head Dietitian	41,348	1,036				
b. Food Service Supervisor	63,665	2,027				
c. Dietary Workers	465,059	29,035				
6. Housekeeping Service						
a. Head Housekeeper	56,229	2,067				
b. Other Housekeeping Workers	317,045	21,382				
7. Repairs & Maintenance Services						
a. Engineer or Chief of Maintenance	63,140	1,979				
b. Other Maintenance Workers	53,980	2,247				
8. Laundry Service						
a. Supervisor						
b. Other Laundry Workers	99,996	6,970				
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	208,063	4,073				
b. RN						
1. Direct Care	1,352,459	38,843				
2. Administrative**	381,825	13,344				
c. LPN						
1. Direct Care	583,947	16,871				
2. Administrative**						
d. Aides and Attendants	2,086,756	117,543				
e. Physical Therapists						
f. Speech Therapists						
g. Occupational Therapists						
h. Recreation Workers	147,904	7,054				
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	176,235	6,083				
n. Marketing						
o. Other (Specify) See Attached Schedule						
<i>A-13. Total Salary Expenditures</i>	<i>6,527,087</i>	<i>282,980</i>				

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

Name of Facility		License No.		Report for Year Ended		Page	of		
Avon Convalescent Home, Inc., d/b/a Avon Health Center		938-C		9/30/2016		11	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 (Specify)							
<b>Section I - Operators/Owners</b>									
Leonard J. Schwartz (No salary paid)			Dental Insurance (See page 28a)	President			Brookview Corp., 130 Loomis Drive, West Hartford, CT		
<b>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).</b>									
Russell Schwartz	115,039		Non Discrim	Director of Operations	894	A4			

\* 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) Avon Convalescent Home, Inc., d/b/a Avon Health Center		License No. 938-C		Report for Year Ended 9/30/2016			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 (Specify)							
<b>Section III - Administrators***</b>									
Tina L. Richardson	99,012		Non Discrim	Administrator	2,101	A2			
<b>Section IV - Assistant Administrators</b>									

\*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.

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**B. Report of Expenditures - Professional Fees**

Name of Facility	License No.	Report for Year Ended	Page	of		
Avon Convalescent Home, Inc., d/b/a Avon Health C	938-C	9/30/2016	13	37		
<b>Total Cost and Hours</b>						
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
<b>*B. Direct care consultants paid on a fee for service basis in lieu of salary (For all such services complete Schedule B1)</b>						
1. Dietitian						
2. Dentist	6,508	171				
3. Pharmacist	9,403	174				
4. Podiatrist						
5. Physical Therapy						
a. Resident Care	242,667	4,163				
b. Other						
6. Social Worker						
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	52,545	655				
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) Physiatrist	10,000	145				
9. Speech Therapist						
a. Resident Care	46,878	658				
b. Other						
10. Occupational Therapist						
a. Resident Care	185,060	3,873				
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	63,197	1,024				
<b>B-13 Total Fees Paid in Lieu of Salaries</b>	<b>616,258</b>	<b>10,863</b>				

\* 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 Avon Convalescent Home, Inc., d/b/a Avon Health Cent		License No. 938-C		Report for Year Ended 9/30/2016	Page 14	of 37
Name & Address of Individual	Full Explanation of Service	Related** to Owners, Operators, Officers		Explanation of Relationship		
		Yes	No			
Gerident Solutions, PO Box 290539, Wethersfield, CT 06129	Dentist - Dental Consultant Service	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Value Health Care Services, PO Box 715268, Columbus, OH 43271	Pharmacist - Pharmacy Consultant	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
ValueRX Pharmacy Services, 54 Tuttle Place, Middletown, CT 06457	Pharmacist - Pharmacy Consultant	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Hartford Hospital (Jeffrey Robbins, MD), 80 Seymour Street, Hartford, CT 06102	Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Bloomfield Internists (Munish Shastri, MD), 6 Northwestern Drive #201, Bloomfield, CT 06002	Assistant Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
University Physicians (Dawn Murphy, MD), PO Box 660, Hartford, CT 06143	Assistant Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
St. Francis Medical Group (Raymond Chagnon), 114 Woodland Street, Hartford, CT 06105	Physiatrist - Subacute consultant	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Alliance Rehab, 1520 Kensington Road, Oak Brook, IL 60523	Rehab - Physical Therapy	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Alliance Rehab, 1520 Kensington Road, Oak Brook, IL 60523	Rehab - Occupational Therapy	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Alliance Rehab, 1520 Kensington Road, Oak Brook, IL 60523	Rehab - Speech Therapy	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Celtic Consulting, Maureen McCarthy, RN, BS, 507 East Main Street, Torrington, CT 06790	Medical Records, Compliance Audits, Education	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Mary Alice Spratto	Clinical Liaison	<input checked="" type="radio"/>	<input type="radio"/>	West Hartford Health & Rehabilitation Center		
Hearing Improvement Center, 28 North Main Street, West Hartford, CT 06107	Audiology	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Procaire, PO Box 801, Tolland, CT 06084	Respiratory Therapy	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Swallowing Diagnostics, 21 Waterville Road, Avon, CT 06001	Speech Therapy	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Valley Psychiatrists, 558 Hopmeadow Street, Simsbury, CT 06070	Psychiatrist	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
		<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"/>			
		<input type="radio"/>	<input 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
Avon Convalescent Home, Inc., d/b/a Avon Heal	938-C	9/30/2016	15	37
Item	Total	CCNH	RHNS	(Specify)
<b>1. Administrative and General</b>				
<b>a. Employee Health &amp; Welfare Benefits</b>				
1. Workmen's Compensation	\$ 164,114	164,114		
2. Disability Insurance	\$			
3. Unemployment Insurance	\$ 113,297	113,297		
4. Social Security (F.I.C.A.)	\$ 487,279	487,279		
5. Health Insurance	\$ 808,263	808,263		
6. Life Insurance (employees only) (not-owners and not-operators)	\$			
7. Pensions (Non-Discriminatory) (not-owners and not-operators)	\$ 105,678	105,678		
8. Uniform Allowance	\$			
9. Other ( <i>Specify</i> ) See Attached Schedule	\$ 3,612	3,612		
<b>b. Personal Retirement Plans, Pensions, and         Profit Sharing Plans for Owners and         Operators (Discriminatory)*</b>	\$			
<b>c. Bad Debts*</b>	\$ 142,266	142,266		
<b>d. Accounting and Auditing</b>	\$ 45,497	45,497		
<b>e. Legal (<i>Services should be fully described on Page 7</i>)</b>	\$ 26,681	26,681		
<b>f. Insurance on Lives of Owners and         Operators (<i>Specify</i>)*</b>	\$			
<b>g. Office Supplies</b>	\$ 30,185	30,185		
<b>h. Telephone and Cellular Phones</b>				
1. Telephone & Pagers	\$ 9,230	9,230		
2. Cellular Phones	\$ 554	554		
<b>i. Appraisal (<i>Specify purpose and         attach copy</i>)*</b>	\$			
<b>j. Corporation Business Taxes (<i>franchise tax</i>)</b>	\$ 250	250		
<b>k. Other Taxes (<i>Not related to property - See Page 22</i>)</b>				
1. Income*	\$			
2. Other ( <i>Specify</i> ) See Attached Schedule	\$			
3. Resident Day User Fee	\$ 731,160	731,160		
<b>Subtotal</b>	\$ 2,668,066	2,668,066		

\* 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**

Avon Convalescent Home, Inc., d/b/a Avon Health Center  
9/30/2016

Attachment Page 15

**Schedule of Other Employee Benefits**

Description	CCNH	RHNS	(Specify)
	-		
New Hire Expense	\$ 2,640		
Employee Physicals/Medication	\$ 972		
<b>Total</b>	\$ 3,612	\$ -	\$ -

**Schedule of Other Taxes**

Description	CCNH	RHNS	(Specify)
	-		
<b>Total</b>	\$ -	\$ -	\$ -

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

Name of Facility	License No.	Report for Year Ended		Page	of
Avon Convalescent Home, Inc., d/b/a Avon Health C	938-C	9/30/2016		16	37
Item	Total	CCNH	RHNS	(Specify)	
<b>Subtotals Brought Forward:</b>	2,668,066	2,668,066			
<b>l. Travel and Entertainment</b>					
1. Resident Travel and Entertainment	\$				
2. Holiday Parties for Staff	\$ 22,795	22,795			
3. Gifts to Staff and Residents	\$				
4. Employee Travel	\$ 4,672	4,672			
5. Education Expenses Related to Seminars and Conventions	\$ 16,370	16,370			
6. Automobile Expense ( <i>not purchase or depreciation</i> )	\$				
7. Other ( <i>Specify</i> ) See Attached Schedule	\$				
<b>m. Other Administrative and General Expenses</b>					
1. Advertising Help Wanted ( <i>all such expenses</i> )	\$ 14,403	14,403			
2. Advertising Telephone Directory ( <i>all such expenses</i> )***	\$				
3. Advertising Other ( <i>Specify</i> )*** See Attached Schedule	\$ 35,994	35,994			
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	\$ 5,061	5,061			
* 8. Dues and Membership Fees to Professional Associations ( <i>Specify</i> ) See Attached Schedule	\$ 9,260	9,260			
8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***	\$ 140	140			
9. Subscriptions	\$ 1,941	1,941			
10. Contributions*** See Attached Schedule	\$ 1,243	1,243			
11. Services Provided by Contract ( <i>Specify and Complete Schedule C-2, Page 21 for each firm or individual</i> )	\$ 64,169	64,169			
12. Administrative Management Services**	\$				
13. Other ( <i>Specify</i> ) See Attached Schedule	\$ 60,461	60,461			
<b>C-14 Total Administrative &amp; General Expenditures</b>	\$ 2,904,575	2,904,575			

\* 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	(Specify)
	-		
<b>Total Other Travel and Entertainment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Other Advertising**

Description	CCNH	RHNS	(Specify)
	-		
Business Promotion	\$ 35,994		
<b>Total Other Advertising</b>	<b>\$ 35,994</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Dues**

Description	CCNH	RHNS	(Specify)
	-		
ACHCA Dues	\$ 625		
ALTCFM Dues	\$ 240		
SNFCB Dues	\$ 470		
CAHCF Dues	\$ 7,506		
CLIA Laboratory	\$ 150		
Farmington Exchange Club	\$ 170		
Amazon.com	\$ 99		
<b>Total Dues</b>	<b>\$ 9,260</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Contributions**

Description	CCNH	RHNS	(Specify)
	-		
Donation Expense	\$ 1,243		
<b>Total Contributions</b>	<b>\$ 1,243</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Other Administrative and General**

Description	CCNH	RHNS	(Specify)
	-		
Licenses	\$ 1,143		
Purchased Services Office	\$ 9,474		
Bank Charges	\$ 5,322		
Computer Services	\$ 44,467		
Volunteer Expense	\$ 277		
Owner Expenses	\$ (222)		
<b>Total Other Administrative and General</b>	<b>\$ 60,461</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule C-1 - Management Services\***

Name of Facility Avon Convalescent Home, Inc., d/b/a Avon	License No. 938-C	Report for Year Ended 9/30/2016	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 #
N/A			

\* 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		License No.	Report for Year Ended		Page	of
Avon Convalescent Home, Inc., d/b/a Avon Health Ce		938-C	9/30/2016		18	37
Item		Total	CCNH	RHNS	(Specify)	
<b>2. Dietary</b>						
<b>a. In-House Preparation &amp; Service</b>						
1.	Raw Food	\$ 253,829	253,829			
2.	Non-Food Supplies	\$ 50,124	50,124			
3.	Other (Specify) _____	\$				
<b>b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)</b>						
<b>c. Management Services**</b>						
<b>d. Other (Specify) _____</b>						
<b>2E. Total Dietary Expenditures (2a + b + c + d)</b>		<b>\$ 303,953</b>	<b>303,953</b>			
<b>2F. Dietary Questionnaire</b>		<b>Total</b>	<b>CCNH</b>	<b>RHNS</b>	<b>(Specify)</b>	
<b>G. Resident Meals:</b>		<b>Total no. of meals served per day:*</b>				
<b>H. Is cost of employee meals included in 2E?    <input type="radio"/> Yes                      <input checked="" type="radio"/> No</b>						
<b>I. Did you receive revenue from employees?    <input type="radio"/> Yes                      <input checked="" type="radio"/> No                      If yes, specify amt.</b>						
<b>J. Where is the revenue received reported in the Cost Report? (Page/Line Item)</b>						
<b>K. Is cost of meals provided to persons other than employees or residents (i.e., Board Members, Guests) included in 2E?    <input type="radio"/> Yes                      <input checked="" type="radio"/> No                      If yes, specify cost.</b>						
<b>L. Is any revenue collected from these people?    <input type="radio"/> Yes                      <input checked="" type="radio"/> No                      If yes, specify amt.</b>						
<b>M. Where is the revenue received reported in the Cost Report? (Page/Line Item)</b>						
<b>N. Is cost of food (other than meals, e.g., snacks at monthly staff meetings, board meetings) provided to employees included in 2E?    <input type="radio"/> Yes                      <input checked="" type="radio"/> No                      If yes, specify cost.</b>						
<b>O. Is any revenue collected from employees?    <input type="radio"/> Yes                      <input checked="" type="radio"/> No                      If yes, specify amt.</b>						
<b>P. Where is the revenue received reported in the Cost Report? (Page/Line Item)</b>						

\* Count each tray served to a resident at meal time, but do not count liquids or other "between meal" snacks.  
 \*\* Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

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

Name of Facility		License No.	Report for Year Ended	Page	of
Avon Convalescent Home, Inc., d/b/a Avon Health Cent		938-C	9/30/2016	19	37
Item		Total	CCNH	RHNS	(Specify)
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. \$	9,093	9,093		
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. \$				
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)	\$				
c. Management Services**	\$				
d. Other (Specify) Laundry Supplies	\$	7,697	7,697		
3E. <b>Total Laundry Expenditures</b> (3a + b + c + d)	\$	16,790	16,790		
3F. Laundry Questionnaire					
G.	Is cost of employee laundry included in 3E?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
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 laundry provided to persons other than employees or residents included in 3E?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
K.	Did you receive revenue 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)			

\* 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 3E.

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

\*\*\* 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
Avon Convalescent Home, Inc., d/b/a Avon He		938-C	9/30/2016		20	37
Item			Total	CCNH	RHNS	(Specify)
4.	Housekeeping	Sq. Ft. Serviced by Personnel				
a.	In-House Care					
	1. Supplies - Cleaning ( <i>Mops, pails, brooms, etc.</i> )	Amt. \$	45,616	45,616		
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.	Management Services*	\$				
d.	Other ( <i>Specify</i> )	\$				
4E.	<b>Total Housekeeping Expenditures</b> (4a + b + c + d)	\$	45,616	45,616		
5.	Resident Care (Supplies)**					
a.	Prescription Drugs***					
	1. Own Pharmacy	\$				
	2. Purchased from Pharmacy	\$	240,851	240,851		
b.	Medicine Cabinet Drugs	\$	260,996	260,996		
c.	Medical and Therapeutic Supplies	\$	10,971	10,971		
d.	Ambulance/Limousine***	\$	3,423	3,423		
e.	Oxygen					
	1. For Emergency Use	\$				
	2. Other***	\$	18,247	18,247		
f.	X-rays and Related Radiological Procedures***	\$	10,029	10,029		
g.	Dental ( <i>Not dentists who should be included under salaries or fees</i> )	\$				
h.	Laboratory***	\$	37,598	37,598		
i.	Recreation	\$	32,818	32,818		
j.	Other (Specify)**** See Attached Schedule	\$	53,717	53,717		
5K.	<b>Total Resident Care Expenditures</b> (5a - 5j)	\$	668,650	668,650		

\* 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.





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

Name of Facility Avon Convalescent Home, Inc., d/b/a Avon Health Center		License No. 938-C	Report for Year Ended 9/30/2016	Total Cost/Page Ref.***		Page of 21   37
Name of Individual or Company	Address	Explanation of Relationship	Full Explanation of Service Provided*	CCNH	RHNS (Specify)	Pg Line
		Yes	No			
Paylocity	Arlington Heights, IL 60004	<input type="radio"/>	<input checked="" type="radio"/>	Payroll Processing	22,388	16 m11
Paine's Rubbish Removal	P.O. Box 307, Simsbury, CT 06070	<input type="radio"/>	<input checked="" type="radio"/>	Trash Removal/recycling Equipment, Nursing Supplies	18,118	22 6f
Procaire	P.O. Box 801, Tolland, CT 06084	<input type="radio"/>	<input checked="" type="radio"/>		27,663	Var Var
St. Francis Laboratory	114 Woodland Street, Hartford, CT 06105	<input type="radio"/>	<input checked="" type="radio"/>	Lab	34,450	20 5h
NOA Diagnostics	150, Syosset, NY 11791- 4462	<input type="radio"/>	<input checked="" type="radio"/>	X-Ray	10,029	20 5f
Signacare	Floor, New York, NY 10018	<input type="radio"/>	<input checked="" type="radio"/>	Clinical Software	20,874	20 5j
TM Technology Systems	Wallingford, CT 06492- 1904	<input type="radio"/>	<input checked="" type="radio"/>	IT/Technology Support	33,656	16 m13
Saucier Mechanical	148 Norton Street, Plantsville, CT 06479	<input type="radio"/>	<input checked="" type="radio"/>	HVAC	23,285	22 6a/f
Aegis Energy Services, Inc.	Springfield, MA 01101- 2511	<input type="radio"/>	<input checked="" type="radio"/>	Cogeneration Maintenance	13,067	22 6f
Pete's Landscaping	806 Hillstown Road, Manchester, CT 06040	<input type="radio"/>	<input checked="" type="radio"/>	Groundskeeping	15,512	22 6f
Goldstar Property Maintenance	471 New Britain Avenue, Unionville, CT 06085	<input type="radio"/>	<input checked="" type="radio"/>	Snow Removal	15,421	22 6f
Office Team	Drive, Chicago, IL 60693	<input type="radio"/>	<input checked="" type="radio"/>	Human Resources	34,102	16 m11
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" 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	License No.	Report for Year Ended		Page	of
Avon Convalescent Home, Inc., d/b/a Avon H	938-C	9/30/2016		22	37
Item	Total	CCNH	RHNS	(Specify)	
6. Maintenance & Operation of Plant					
a. Repairs & Maintenance	\$ 86,731	86,731			
b. Heat	\$ 66,621	66,621			
c. Light & Power	\$ 47,212	47,212			
d. Water	\$ 33,322	33,322			
e. Equipment Lease ( <i>Provide detail on page 6</i> )	\$ 12,445	12,445			
f. Other ( <i>itemize</i> )	\$ 90,649	90,649			
See Attached Schedule					
<b>6g. Total Maint. &amp; Operating Expense (6a - 6f)</b>	<b>\$ 336,980</b>	<b>336,980</b>			
7. Depreciation ( <i>complete schedule page 23*</i> )					
a. Land Improvements	\$				
b. Building & Building Improvements	\$ 375	375			
c. Non-Movable Equipment	\$				
d. Movable Equipment	\$ 97,448	97,448			
<b>*7e. Total Depreciation Costs (7a + b + c + d)</b>	<b>\$ 97,823</b>	<b>97,823</b>			
8. Amortization ( <i>Complete att. Schedule Page 24*</i> )					
a. Organization Expense	\$				
b. Mortgage Expense	\$				
c. Leasehold Improvements	\$ 240,204	240,204			
d. Other ( <i>Specify</i> )	\$				
<b>*8e. Total Amortization Costs (8a + b + c + d)</b>	<b>\$ 240,204</b>	<b>240,204</b>			
9. Rental payments on leased real property less real estate taxes included in item 10b	\$ 318,818	318,818			
10. Property Taxes					
a. Real estate taxes paid by owner	\$				
b. Real estate taxes paid by lessor	\$ 105,122	105,122			
c. Personal property taxes	\$ 20,035	20,035			
<b>11. Total Property Expenses (7e + 8e + 9 + 10)</b>	<b>\$ 782,002</b>	<b>782,002</b>			

\* 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	(Specify)
	-		
Groundskeeping	\$ 17,613		
Rubbish Removal	\$ 18,118		
Snow Removal	\$ 15,421		
Purchased Maintenance Contract	\$ 39,497		
<b>Total Other Repairs and Maintenance</b>	<b>\$ 90,649</b>	<b>\$ -</b>	<b>\$ -</b>

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### Depreciation Schedule

Name of Facility Avon Convalescent Home, Inc., d/b/a Avon Health Center		License No. 938-C		Report for Year Ended 9/30/2016				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			
<b>A. Land Improvements</b>											
1. Acquired prior to this report period											
2. Disposals (attach schedule)											
3. Acquired during this report period (attach schedule)											
<b>A-4. Subtotal</b>											
<b>B. Building and Building Improvements</b>											
1. Acquired prior to this report period	7,495		7,495	375	S/L	20	375				
2. Disposals (attach schedule)											
3. Acquired during this report period (attach schedule)											
<b>B-4. Subtotal</b>								375			
<b>C. Non-Movable Equipment</b>											
1. Acquired prior to this report period											
2. Disposals (attach schedule)											
3. Acquired during this report period (attach schedule)											
<b>C-4. Subtotal</b>											
<b>D. Movable Equipment</b>											
1. Motor Vehicles (Specify name, model and year of each vehicle)	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								
a.											
b.											
c.											
d.											
<b>2. Movable Equipment</b>											
a. Acquired prior to this report period				1,563,077		1,563,077	1,119,699	S/L	Various	94,880	
b. Disposals (attach schedule)				(57,238)		(57,238)	(57,238)	S/L	Various		
c. Acquired during this report period (attach schedule)				15,119		15,119		S/L	Various	2,568	
<b>D-3. Subtotal</b>											97,448
<b>E. Total Depreciation</b>											
											97,823

Avon Convalescent Home, Inc., d/b/a Avon Health Center  
9/30/2016

**Schedule of Land Improvements Acquired during this report period**

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

\*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
<b>Additions:</b>				
<b>Total additions for Building Improvements</b>		\$ -		\$ - *
<b>Deletions:</b>				
<b>Total deletions for Building Improvements</b>		\$ -		\$ - **

\*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
<b>Additions:</b>				
<b>Total additions for Non-Movable Equipment</b>		\$ -		\$ - *
<b>Deletions:</b>				
<b>Total deletions for Non-Movable Equipment</b>		\$ -		\$ - **

\*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
<b>Additions:</b>				
Various	See attached	\$ 15,119	Various	\$ 2,568
<b>Total additions for Movable Equipment</b>		\$ 15,119		\$ 2,568 *
<b>Deletions:</b>				
Various	See attached	\$ (57,238)	Various	\$ -
<b>Total deletions for Movable Equipment</b>		\$ (57,238)		\$ - **

\*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
<b>Additions:</b>				
Various	See attached	\$ 12,691	Various	\$ 982
Various	See attached (Related Party)	\$ 105,756	Various	\$ 5,548
<b>Total additions for Leasehold Improvement</b>		\$ 118,447		\$ 6,530 *
<b>Deletions:</b>				
<b>Total deletions for Leasehold Improvement</b>		\$ -		\$ - **

\*Ties to Page 24, Line C3

\*\*Ties to Page 24, Line C2

AVON HEALTH CENTER  
BUILDINGS

Vendor	Description	DATE OF ACQUISITION	HISTORICAL COST	BASIS FOR DEPRECIATION	DEPR. METHOD	USEFUL LIFE (YEARS)	MONTHLY DEPREC	Accum. 30-Sep-15	Depreciation 30-Sep-16	Accum. 30-Sep-16	NET VALUE
<i>2015 Additions:</i>											
RC Restoration	Storage Shed	9/14/2015	7,495	7,495	S/L	20	-	375	375	750	6,745
<b>2016 Balance</b>		<b>Totals</b>	<b>\$ 7,495</b>	<b>\$ 7,495</b>				<b>\$ 375</b>	<b>\$ 375</b>	<b>\$ 750</b>	<b>\$ 6,745</b>



AVON HEALTH CENTER  
FURNITURE FIXTURES

Vendor	Description	DATE OF ACQUISITION	HISTORICAL COST	BASIS FOR DEPRECIATION	USEFUL LIFE (YEARS)	DEPR. METHOD	MONTHLY DEPREC	Accum. 30-Sep-15	Depreciation 30-Sep-16	Accum. 30-Sep-16	NET VALUE
<b>Balance Forward prior 2008</b>			\$1,078,923	\$1,079,551			\$4,366	1,002,323	10,133	1,012,456	67,095
Build 'N Serve	2 Laptops	11-Oct-07	4,799	4,799	S/L	5	80	4,799	-	4,799	-
Harbor Sales	Northington Room Curtains	22-Oct-07	823	823	S/L	5	14	823	-	823	-
SMD	Pin Hole Camera	5-Oct-07	1,021	1,021	S/L	5	17	204	204	408	612
Digital Meida	27 LCD TV	29-Nov-07	8,589	8,589	S/L	5	143	8,589	-	8,589	-
Build 'N Serve	HP Laser Printer	31-Jan-08	1,001	1,001	S/L	5	17	1,001	-	1,001	-
Boston Showcase	Rotary Toaster	10-Jan-08	1,032	1,032	S/L	10	9	800	103	903	129
Gulf South Medical Supply	Matrix Bed	2-Jan-08	2,348	2,348	S/L	12	16	1,516	196	1,712	636
Puritan Furniture	Bookcase & console	31-Jan-08	1,107	1,107	S/L	20	5	429	55	484	623
Direct Supply	Vital Signs Monitor	28-Mar-08	1,607	1,607	S/L	8	17	1,523	84	1,607	-
Gulf South Medical Supply	Matrix Bed	18-Feb-08	1,405	1,405	S/L	12	10	898	117	1,015	390
Health Care Logistics	Emergency cart	19-Mar-08	849	849	S/L	10	7	644	85	729	120
Digital Meida	2 LCD TV	6-Feb-08	3,173	3,173	S/L	5	53	3,173	-	3,173	-
Direct Supply	Mobile Hydrocollator	11-Apr-08	1,178	1,178	S/L	10	10	884	118	1,002	177
Gulf South Medical Supply	Matrix Bed	16-Apr-08	1,499	1,499	S/L	12	10	937	125	1,062	437
HPC Foodservice	Smart Them Base DineX	16-Apr-08	1,719	1,719	S/L	5	29	1,719	-	1,719	-
Medline	Vital Signs Monitor	22-May-08	1,386	1,386	S/L	8	14	1,284	101	1,386	-
Suburban Stationers	Shredder	18-Apr-08	1,324	1,324	S/L	5	22	1,324	-	1,324	-
Arjo	Patient Lifts	30-Apr-08	16,072	16,072	S/L	10	134	12,054	1,607	13,661	2,411
Build 'N Serve	2 Computers	1-Jun-08	1,571	1,571	S/L	5	26	1,571	-	1,571	-
Total Communication	Digital Card System	19-Jun-08	1,655	1,655	S/L	5	28	1,655	-	1,655	-
Titan Mechanical	Replace Economizer	10-Jun-08	1,166	1,166	S/L	12	8	713	97	810	356
Build 'N Serve	2 computers	1-Jul-08	2,490	2,490	S/L	5	42	2,490	-	2,490	-
Industrial Time	Time Clock Software	31-Aug-08	981	981	S/L	5	16	981	-	981	-
Direct Supply	7 QT Stainless Steel Bowl	31-Aug-08	834	834	S/L	5	14	834	-	834	-
Harford Provision	Smart Them Base DineX	31-Aug-08	3,392	3,392	S/L	5	57	3,392	-	3,392	-
<b>Prior Year Adjustment</b>								\$672			
<b>2008 Ending</b>			\$ 1,141,944	\$ 1,142,571			\$ 834	\$ 1,056,560	\$ 13,025	\$ 1,069,585	\$ 72,986
Amano	Time Clock - Leased	1-Oct-08	\$ 7,974	\$ 7,974	S/L	10	\$ 66	\$ 5,582	\$ 797	\$ 6,379	\$ 1,595
JCPenney	Windsor Benches	1-Oct-08	522	522	S/L	15	3	244	35	278	243
Build 'N Serve	Desktop & Monitor - Karen's	1-Nov-08	1,541	1,541	S/L	5	26	1,541	-	1,541	-
Sears	Refrigerator	22-Oct-08	613	613	S/L	10	5	429	61	490	122
Joems Healthcare	Queen Anne Chair	10-Nov-08	884	884	S/L	15	5	408	59	466	417
Music Score	Piano	31-Dec-08	3,175	3,175	S/L	20	13	1,085	159	1,244	1,931
Chef's Equipment Emp	1 Gallon Blender	31-Dec-08	1,145	1,145	S/L	10	10	782	114	897	248
Lintech	Software & Installation	1-Jan-09	61,787	61,787	S/L	15	343	27,804	4,119	31,923	29,864
Build 'N Serve	New Server	1-Jan-09	7,155	7,155	S/L	5	119	7,155	-	7,155	-
Joems Healthcare	8 Overbed Tables	25-Feb-09	856	856	S/L	5	14	856	-	856	-
Harbor Linen	North Wing Day Room Valances	9-Mar-09	676	676	S/L	5	11	676	-	676	-
Encompass	3 Chairs Admissions Office	5-May-09	1,045	1,045	S/L	15	6	447	70	517	528
Joems Healthcare	6 Overbed Tables	12-May-09	647	647	S/L	5	11	647	-	647	-
HD Supply Facilities	4 Linen Carts	20-May-09	1,063	1,063	S/L	10	9	682	106	788	274
Best Buy (AMEX)	47" LCD TV for Rehab	31-May-09	1,124	1,124	S/L	5	19	1,124	-	1,124	-
Build 'N Serve	Server Rack	31-May-09	1,632	1,632	S/L	5	27	1,632	-	1,632	-
Build 'N Serve	Administrator Computer	30-Jun-09	1,166	1,166	S/L	5	19	1,166	-	1,166	-
Office Depot	3 Refrigerators for Rehab	15-Jul-09	676	676	S/L	10	6	422	68	490	186
Build 'N Serve	Dell Laptop for MDS Coordinator	31-Jul-09	1,007	1,007	S/L	5	17	1,007	-	1,007	-
Amex - Ace Hardware	5 Leaf Benches	15-Jul-09	583	583	S/L	15	3	243	39	282	301
	Disposals		(18,705)	(18,705)			(251)	-	-	-	(18,705)
<b>2009 Balance</b>			\$ 1,218,506	\$ 1,219,134			\$ 1,110,491	\$ 18,652	\$ 1,129,143	\$ 89,991	
Amex BestBuy	6 Overbed Tables	30-Oct-09	\$ 668	\$ 668	S/L	5	\$ 111	\$ 668	\$ -	\$ 668	\$ -
	42" LCD HDTV	11-Dec-09	848	848	S/L	5	14	848	-	848	-
	Dell for Nursing Secretary	1-Jan-10	686	686	S/L	5	111	686	-	686	(0)
	6 Lounge chairs	1,326	1,326	S/L	10	111	619	133	751	575	
	2 HP 2035n Printers	732	732	S/L	5	112	634	98	732	-	
	7 Dining Table Tops	923	923	S/L	5	115	800	123	923	-	
	36 insulated bases	2,210	2,210	S/L	5	137	1,915	295	2,210	-	
	6 Overbed Tables	665	665	S/L	5	111	532	133	665	(0)	
	6 Overbed Tables	665	665	S/L	5	111	488	133	620	44	
	6 Overbed Tables	658	658	S/L	5	111	459	132	570	88	
	2 Patio Dining Sets w/Umbrellas	1,391	1,391	S/L	10	112	417	139	556	835	
	Software Training	44,291	44,291	S/L	3	\$1,230	44,291	-	44,291	(0)	
	Resident Rooms A&B Wings Blinds	2,598	2,598	S/L	5	543	1,386	520	1,905	693	
	Enamel Shampoo Bowl	653	653	S/L	20	53	76	33	109	544	
	Adj.										
<b>2010 Balance</b>			\$ 1,276,819	\$ 1,277,447			\$ 1,164,288	\$ 20,389	\$ 1,184,678	\$ 92,770	
TM Technology	3 HP Mini Notebooks - SS	10-Oct-10	\$ 1,701	\$ 1,701	S/L	3	\$ 47	\$ 1,701	\$ -	\$ 1,701	\$ -
SMD Inc.	Keypad outside of Front Doors	28-Oct-10	1,708	1,708	S/L	5	28	1,708	-	1,708	(0)
Direct Supply	Bladderscaner	12-Nov-10	13,640	13,640	S/L	5	227	12,958	682	13,640	-
Direct Supply	Vital Signs Monitor (South Wing)	9-Nov-10	1,604	1,604	S/L	8	17	952	200	1,153	451
TM Technology	2 Mini HP Desktops	17-Nov-10	1,813	1,813	S/L	5	30	1,722	91	1,813	-
TM Technology	Notebook & Printer	16-Jan-11	1,177	1,177	S/L	5	20	1,000	176	1,177	-
TM Technology	Samsung Laser Printer Admissions	18-Feb-11	665	665	S/L	5	11	532	133	665	(0)
Lintech	Care Plan Library	28-Feb-11	1,734	1,734	S/L	3	48	1,734	-	1,734	-
Alfax Furniture	7 Square Tables	1-Mar-11	1,387	1,387	S/L	15	8	347	92	439	948
TM Technology	Receipt Color Laserjet & other items	31-Mar-11	2,928	2,928	S/L	5	49	2,196	586	2,781	146
TM Technology	Wireless Router & Printer	30-Apr-11	900	900	S/L	5	15	630	180	810	90
Home Depot	18 Blinds N/S Wing Resident Rms	11-Apr-11	2,061	2,061	S/L	5	34	1,442	412	1,855	206
Best Buy (AMEX)	47" TV for PUB	12-Apr-11	954	954	S/L	5	16	668	191	859	95
InPro Corp	Bed Protectors	16-May-11	2,980	2,980	S/L	5	47	1,895	596	2,491	489
WB Mason	Lateral Filing Cabinet for Payroll	3-Jun-11	1,007	1,007	S/L	15	6	201	67	268	739
TM Technology	Admissions/Receipt Computers & Monitor	20-Jul-11	1,286	1,286	S/L	5	21	707	257	964	321
Perkins	Rack Tray Dispenser	25-Jul-11	1,520	1,520	S/L	5	25	836	304	1,140	380
American Healthcare Supply	2 Chair and table for Payroll Office	27-Jul-11	748	748	S/L	15	4	337	50	387	361
Carstens	Medical Records Cart	17-Aug-11	1,468	1,468	S/L	10	12	367	147	514	954
Direct Supply	Dragon 30" Floor Finisher	26-Aug-11	1,317	1,317	S/L	5	22	658	263	922	395
Signs Care/Lintech	eMar/eTar Software & Implementation	30-Sep-11	11,993	11,993	S/L	3	333	8,995	2,998	11,993	-
	Disposals		(19,396)	(19,396)				(10,904)		(10,904)	(8,492)
<b>2011 Balance</b>			\$ 1,312,012	\$ 1,312,639			\$ 1,194,771	\$ 27,015	\$ 1,222,586	\$ 90,053	
<b>2012 Additions:</b>											
Perkins	China	\$ 40,840	\$ 1,000	\$ 1,000	S/L	7	\$ 12	\$ 571	\$ 143	\$ 714	\$ 286
TM Technology	Mini Computer & Printer	31-Oct-11	1,024	1,024	S/L	3	28	1,024	-	1,024	-
WB Mason	Office Furniture for Dietician Office	1-Jan-12	1,224	1,224	S/L	15	7	286	82	368	857
BSD Care	8 Dining Room Chairs	3-Jan-12	1,953	1,953	S/L	15	11	456	130	586	1,367
Farmington Valley Equipment	Ariens Professional Snow Thrower	20-Jan-12	2,126	2,126	S/L	5	35	1,488	425	1,913	213
Life Systems	2 Roundbed Oximeters	27-Jan-12	3,594	3,594	S/L	10	30	1,258	359	1,617	1,977
TM Technology	HP 4530 Laptop for Dietician	31-Jan-12	1,059	1,059	S/L	3	29	1,059	-	1,059	-
Amex - Best Buy	2 32" TV w/ht incans A/B Day Rooms	23-Feb-12	723	723	S/L	5	12	482	145	627	96
McKesson Medical	Ultrasonic Cleaner	19-Mar-12	1,061	1,061	S/L	10	9	336	106	442	619
TM Technology	Desktop for Medical Records	31-Mar-12	1,579	1,579	S/L	5	26	1,000	316	1,316	263
WB Mason	Office Furniture for Dietary Office	12-Apr-12	1,005	1,005	S/L	15	6	201	67	268	737

AVON HEALTH CENTER  
FURNITURE FIXTURES

Vendor	Description	DATE OF ACQUISITION	HISTORICAL COST	BASIS FOR DEPRECIATION	DEPR. METHOD	USEFUL LIFE (YEARS)	MONTHLY DEPREC.	Accum. 30-Sep-15	Depreciation 30-Sep-16	Accum. 30-Sep-16	NET VALUE
TM Technology	Desktop - Administrator	16-May-12	798	798	S/L	5	13	452	160	611	186
TM Technology	Laptop - Dietician	16-May-12	835	835	S/L	3	23	788	46	835	-
TM Technology	Epson GT80 Scanner - Mod Record	16-May-12	956	956	S/L	5	16	542	191	733	223
Fire Equipment Headquarters	Gas Meter to test air	23-May-12	850	850	S/L	8	9	301	106	407	443
TM Technology	Desktop for A Wing #524	30-Jun-12	803	803	S/L	5	13	428	161	589	214
TM Technology	Desktop for Payroll #526	30-Jun-12	936	936	S/L	5	16	499	187	686	250
WB Mason	5 Task Chairs for Nursing	10-Jul-12	675	675	S/L	15	4	113	45	158	518
TM Technology	4 Minis-Therapy, 2 NB and Labler Disposals	12-Aug-12	3,751	3,751	S/L	3	104	2,917	834	3,751	-
			(3,819)	(3,819)				(3,819)		(3,819)	-
<b>2012 Balance</b>			<b>TOTALS</b>	<b>\$ 1,334,144</b>	<b>\$ 1,334,771</b>			<b>\$ 1,205,153</b>	<b>\$ 31,318</b>	<b>\$ 1,236,471</b>	<b>\$ 98,201</b>
<b>2013 Additions:</b>											
HD Supply Facilities	6 Overbed Tables	1-Oct-12	\$ 626	\$ 626	S/L	5	\$ 10	\$ 376	\$ 125	\$ 501	\$ 125
TM Technology	HP Laptop MDS Nurse	21-Oct-12	729	729	S/L	3	20	729	-	729	-
SignaCare	eMar/eTar Software & Implementation	31-Oct-12	12,335	12,335	S/L	3	343	12,335	-	12,335	-
TM Technology	Printer North & ADNS	15-Nov-12	1,013	1,013	S/L	5	17	608	203	811	203
Fire Equipment Headquarters	Tripod, Winch & Harness	14-Dec-12	2,201	2,201	S/L	20	9	330	110	440	1,761
Perkins	1 Galton Blender	31-Dec-12	1,225	1,225	S/L	10	10	367	122	490	735
Bemes Inc.	Spirodoc & Oto (combo Resp Eq)	25-Jan-13	1,717	1,717	S/L	5	29	1,030	343	1,373	343
TM Technology	Fax	10-Mar-13	532	532	S/L	3	15	532	-	532	-
TM Technology	Dietary Desktop Computer	10-Mar-13	1,664	1,664	S/L	5	28	999	333	1,332	333
Perkins	Hot Water Dispenser 5 gal	21-Mar-13	888	888	S/L	10	7	266	89	355	533
Dunouchel Paper	Walk Behind Auto Scrubber	4-Apr-13	4,842	4,842	S/L	5	81	2,905	968	3,874	968
Direct Supply	Blood Pressure Unit & Oximeter	5-Apr-13	1,371	1,371	S/L	6	19	685	228	914	457
Surface Solutions	Kaivue Omni Dispense & Vac	7-May-13	862	862	S/L	8	9	323	108	431	431
WB Mason	Office Furniture for Staff Development	19-Jun-13	1,177	1,177	S/L	15	7	235	78	314	863
WB Mason	Office Furniture for Staff Development	11-Jul-13	1,170	1,170	S/L	15	7	234	78	312	858
TM Technology	TM Desktop Machines #563 and 564	13-Jul-13	1,284	1,284	S/L	3	36	1,284	-	1,284	-
TM Technology	Iawin Mini Desktop	13-Jul-13	1,957	1,957	S/L	3	54	1,957	-	1,957	-
WB Mason	4 Grey Task Chairs - South Unit	19-Jul-13	583	583	S/L	10	5	175	58	233	350
Perkins	Advelution 20 xp Floor Burnisher	22-Jul-13	1,272	1,272	S/L	5	21	763	254	1,018	254
TM Technology	Printer Nursing Super & Staff Dev	31-Jul-13	956	956	S/L	5	16	574	191	765	191
TM Technology	Computer Nursing Supervisor	31-Aug-13	1,637	1,637	S/L	5	27	982	327	1,309	327
WB Mason	Office Furniture DNS Office	4-Sep-13	2,003	2,003	S/L	15	11	401	134	534	1,468
			(316,187)	(316,187)				(316,187)		(316,187)	-
<b>2013 Balance</b>			<b>Totals</b>	<b>\$ 1,059,999</b>	<b>\$ 1,060,627</b>			<b>\$ 917,056</b>	<b>\$ 35,069</b>	<b>\$ 952,125</b>	<b>\$ 108,502</b>
<b>2014 Additions:</b>											
TM Technology	Laptop for B Wing	10/31/2013	\$ 850	\$ 850	S/L	3	\$ 24	\$ 566	\$ 283	\$ 850	\$ -
Arjo	Sit to Stand Sara Lift	12/31/2013	2,911	2,911	S/L	10	24	582	291	873	2,038
McKesson Medical	2 Blood Pressure Monitors	1/21/2014	1,830	1,830	S/L	6	25	610	305	915	915
TM Technology	HP ProBook and Replicator	2/28/2014	1,070	1,070	S/L	3	30	713	357	1,070	-
TM Technology	HP ProBook Spare 1	3/31/2014	914	914	S/L	3	25	609	305	914	-
TM Technology	AP Bookkeeper PC	4/30/2014	1,073	1,073	S/L	5	18	429	215	644	429
TM Technology	QuickBooks Server	4/30/2014	1,282	1,282	S/L	5	21	513	256	769	513
SMD	Paging Transmitter	5/20/2014	1,590	1,590	S/L	20	7	159	79	238	1,351
Graham-Field	Banatic Bed	5/30/2014	1,793	1,793	S/L	12	12	299	149	448	1,344
Space Tables	3 Oak Tables Northington Dining Room	5/31/2014	1,950	1,950	S/L	15	11	269	130	399	1,560
TM Technology	Computer Medical Records	5/31/2014	851	851	S/L	5	14	340	170	510	340
TM Technology	Signature Server Hard Drive	5/31/2014	690	690	S/L	5	12	276	138	414	276
TM Technology	2 Color Printers and Windows 8.1	6/30/2014	1,216	1,216	S/L	5	20	486	243	729	486
TM Technology	Microsoft Office 2013	7/31/2014	3,191	3,191	S/L	5	53	1,276	638	1,914	1,276
TM Technology	Russell's Laptop	8/31/2014	994	994	S/L	3	28	663	331	994	-
Space Tables	A Wing Lounge Tables	8/31/2014	680	680	S/L	15	4	91	45	136	544
TM Technology	DNS Laptop	8/31/2014	744	744	S/L	3	21	496	248	744	-
TM Technology	Dietary Desktop Computer	8/31/2014	1,010	1,010	S/L	5	17	404	202	606	404
TM Technology	Admissions Desktop Computer	8/31/2014	1,206	1,206	S/L	5	20	482	241	723	482
TM Technology	North Wing Printer & Windows 7	9/30/2014	804	804	S/L	5	13	322	161	482	322
Arjo		8/31/2001	(3,583)	(3,583)	S/L	7	-	(3,583)	-	(3,583)	-
<b>2014 Balance</b>			<b>Totals</b>	<b>\$ 1,083,064</b>	<b>\$ 1,083,691</b>			<b>\$ 923,050</b>	<b>\$ 39,850</b>	<b>\$ 962,900</b>	<b>\$ 128,784</b>
<b>2015 Additions:</b>											
WB Mason	Furniture for Infection Control Nurse	10/24/2014	\$ 763	\$ 763	S/L	15	\$ 4	\$ 51	\$ 51	\$ 102	\$ 661
TM Technology	2 HP LaserJet Pro Printers	12/31/2014	596	596	S/L	5	10	119	119	238	357
TM Technology	Cisco Router with 3 Yr. Ent License	12/31/2014	2,953	2,953	S/L	3	82	984	984	1,968	985
TM Technology	3 Desks, Printer and Dual Monitors	12/31/2014	1,956	1,956	S/L	5	33	391	391	782	1,174
TM Technology	Cisco 52 port	4/30/2015	1,442	1,442	S/L	5	24	288	288	576	865
WB Mason	2 Desks for Social Services	4/30/2015	1,926	1,926	S/L	20	8	96	96	192	1,734
TM Technology	Notebook and Printer	4/30/2015	860	860	S/L	3	24	287	287	574	287
McKesson Medical	Defibrillator	4/8/2015	1,539	1,539	S/L	5	26	308	308	616	923
Sure Response	Portable Radio w/6 earpieces	8/20/2015	1,564	1,564	S/L	5	26	313	313	626	938
TM Technology	New Server	9/30/2015	10,651	10,651	S/L	5	178	2,130	2,130	4,260	6,391
<b>2015 Disposals:</b>											
ACQUISITIONS		9/30/1990	\$ (2,813)	\$ (2,813)	S/L	5	\$ (47)	\$ (2,813)	-	\$ (2,813)	-
ACQUISITIONS		9/30/1990	(497)	(497)	S/L	10	(4)	(497)	-	(497)	-
ACQUISITIONS		9/30/1990	(3,013)	(3,013)	S/L	15	(17)	(3,013)	-	(3,013)	-
ACQUISITIONS		9/30/1991	(3,510)	(3,510)	S/L	3	(98)	(3,510)	-	(3,510)	-
ACQUISITIONS		9/30/1991	(31,379)	(31,379)	S/L	5	(523)	(31,379)	-	(31,379)	-
ACQUISITIONS		9/30/1991	(14,993)	(14,993)	S/L	10	(125)	(14,993)	-	(14,993)	-
ACQUISITIONS		9/30/1991	(1,331)	(1,331)	S/L	15	(7)	(1,331)	-	(1,331)	-
Build 'N Serve		1/1/2009	(7,155)	(7,155)	S/L	5	(119)	(7,155)	-	(7,155)	-
<b>2015 Balance</b>			<b>Totals</b>	<b>\$ 1,042,621</b>	<b>\$ 1,043,249</b>			<b>\$ 863,326</b>	<b>\$ 44,825</b>	<b>\$ 908,151</b>	<b>\$ 135,098</b>
<b>2016 Additions:</b>											
TM Technology	HP Pro Book / HP Retail Desktop	11/30/2015	\$ 1,121	\$ 1,121	S/L	3	\$ 31	\$ -	\$ 374	\$ 374	\$ 747
W.B. Mason	Office Furniture Admin Office	3/31/2016	1,819	1,819	S/L	15	10	-	121	121	1,697
W.B. Mason	Office Furniture Admin Office	3/31/2016	1,808	1,808	S/L	3	50	-	603	603	1,205
W.B. Mason	new file for admission office	3/31/2016	465	465	S/L	15	3	-	31	31	434
Direct Supply	5 Classic 4 foot benches	7/31/2016	3,180	3,180	S/L	15	18	-	212	212	2,968
TM Technology	17" Touch Computer	7/31/2016	3,607	3,607	S/L	5	60	-	721	721	2,886
TM Technology	2 HP ProBooks Spares	7/31/2016	1,117	1,117	S/L	3	31	-	372	372	744
Space Tables	6 Tables	9/30/2016	2,003	2,003	S/L	15	11	-	134	134	1,869
<b>2016 Disposals:</b>											
ACQUISITIONS		9/30/1991	\$ (829)	\$ (829)	S/L	18	\$ (4)	-	-	\$ (829)	-
ACQUISITIONS		9/30/1991	(2,076)	(2,076)	S/L	20	(9)	-	-	(2,076)	-
ACQUISITIONS		9/30/1992	(4,955)	(4,955)	S/L	5	(83)	-	-	(4,955)	-
ACQUISITIONS		9/30/1992	(6,706)	(6,706)	S/L	10	(56)	-	-	(6,706)	-
ACQUISITIONS		9/30/1992	(4,330)	(4,330)	S/L	3	(120)	-	-	(4,330)	-
ACQUISITIONS		9/30/1992	(23,328)	(23,328)	S/L	15	(130)	-	-	(23,328)	-
ACQUISITIONS		9/30/1993	(4,020)	(4,020)	S/L	5	(67)	-	-	(4,020)	-

AVON HEALTH CENTER  
FURNITURE FIXTURES

Vendor	Description	DATE OF ACQUISITION	HISTORICAL COST	BASIS FOR DEPRECIATION	DEPR METHOD	USEFUL LIFE (YEARS)	MONTHLY DEPREC	Accum. 30-Sep-15	Depreciation 30-Sep-16	Accum. 30-Sep-16	NET VALUE
ACQUISITIONS		9/30/1993	(6,714)	(6,714)	S/L	10	(56)	-	-	(6,714)	-
ACQUISITIONS		9/30/1993	(4,280)	(4,280)	S/L	15	(24)	-	-	(4,280)	-
<b>2016 Balance</b>	<b>Totals</b>		<b>\$ 1,000,502</b>	<b>\$ 1,001,130</b>				<b>\$ 863,326</b>	<b>\$ 47,393</b>	<b>\$ 853,481</b>	<b>\$ 147,649</b>
	<b>Per TB</b>								<b>38,623</b>	<b>898,871</b>	<b>159,498</b>
	<b>Difference</b>			<b>\$ (57,239)</b>					<b>\$ 8,770</b>	<b>\$ (45,390)</b>	<b>\$ (11,849)</b>

Related Party Assets

Asset No.	Asset Description	Date Acquired	Cost	Method	Life	Accum Depr 09/30/15	Depreciation 9/30/2016	Accum Depr 09/30/16	NET VALUE
<b>Movable Equipment</b>									
25	56 Electric Beds	9-Feb-09	\$ 73,141	S/L	12	\$ 40,581	\$ 6,095	\$ 46,676	\$ 26,465
17	56 Electric Beds	9-Mar-09	70,346	S/L	12	38,550	5,862	44,412	25,934
16	120 Chairs, Cabinets & Dressers	12-May-09	166,979	S/L	15	71,295	11,132	82,427	84,552
	21 Arm Chairs	3-Jun-10	6,247	S/L	15	2,637	416	3,053	3,194
	7 Round Table	4-Apr-10	2,041	S/L	15	884	136	1,020	1,021
	2 Ice Makers	14-Jul-10	5,583	S/L	10	3,488	558	4,047	1,536
	Steam Cooker	14-Dec-10	5,607	S/L	10	2,662	561	3,223	2,384
	2 Watt Scoones For Lobby	27-Jun-11	204	S/L	10	87	20	108	96
	8 Diaz Warming Trays	24-Jun-11	1,583	S/L	10	681	158	840	744
	Plate Warming System	4-May-11	12,934	S/L	10	5,708	1,291	7,002	5,933
	Lobby Chandeliers	20-Apr-11	937	S/L	10	420	94	514	423
	Security Camera	28-Mar-11	9,467	S/L	5	8,631	836	9,467	-
	Lobby & Admin Office Furniture	8-Jul-11	13,616	S/L	15	3,849	908	4,757	8,859
	4 Tilt Tables for Pub	11-Mar-11	2,444	S/L	15	718	163	881	1,563
	Computer Equipment for EMar	3-Aug-11	22,251	S/L	5	18,525	3,726	22,251	-
	10 Flo touch screen computers	12-Sep-12	12,560	S/L	5	7,679	2,512	10,191	2,369
	Computer Equipment EMAR/ETAR	1-Oct-11	23,835	S/L	5	19,062	4,767	23,829	7
	13 Dining Room Tables for lower	5-Apr-12	7,256	S/L	15	1,691	484	2,175	5,081
	22 Blinds/61 Valances	23-Aug-13	14,615	S/L	5	8,769	2,923	11,692	2,923
	Recumbent Stepper Machine	20-Jun-13	4,694	S/L	10	1,408	469	1,878	2,816
	Wood Blinds for dining room windows	14-Jul-14	772	S/L	10	84	77	161	612
	4 time clocks & time & time & attendance	2-Apr-14	17,022	S/L	10	1,844	1,702	3,546	13,476
	New Arjo Sara 3000 patient lift	19-Mar-14	2,745	S/L	10	297	274	572	2,173
	Wood blinds for A & B Wing Lounge	8-Dec-14	459	S/L	10	46	46	92	367
	Light Fixtures for dining room & lo	24-Nov-14	940	S/L	15	63	63	126	814
	3 door reach-in refrigerator to re	14-Apr-15	5,621	S/L	10	562	562	1,124	4,497
	Reupholster 24 dining room chair	31-Mar-15	16,793	S/L	10	1,679	1,679	3,358	13,435
	Leaveset for connector hall/sofa	10-Mar-15	2,392	S/L	12	199	199	398	1,994
	Samsung Security Camera RowL	27-Feb-15	2,918	S/L	5	584	584	1,168	1,750
	New artwork resident corridors	27-Feb-15	8,418	S/L	10	842	842	1,684	6,734
	Pleated Valance North Day Rm	5-Jun-15	1,075	S/L	10	108	108	216	860
	Square Scrub floor finish machine	30-Jun-15	3,717	S/L	5	743	743	1,486	2,231
	3 Pictures	1-Jun-15	615.00	S/L	10	62	62	124	492
			<b>\$ 519,826</b>	<b>\$ 519,826</b>		<b>\$ 244,438</b>	<b>\$ 50,055</b>	<b>\$ 294,493</b>	<b>\$ 225,333</b>
<b>COMBINED TOTALS</b>			<b>\$ 1,520,956</b>			<b>\$ 1,107,764</b>	<b>\$ 97,448</b>	<b>\$ 1,147,974</b>	<b>\$ 372,982</b>

		Cost Report	Variance
<b>Buildings &amp; Building Improvements</b>	\$ 7,495	\$ 375	\$ 750
<b>Additions</b>	-	-	-
<b>Disposals</b>	-	-	-
<b>Total</b>	<b>\$ 7,495</b>	<b>\$ 375</b>	<b>\$ 750</b>
<b>Movable Equipment</b>	\$ 1,043,249	\$ 863,327	\$ 908,152
<b>Additions</b>	15,119	-	2,568
<b>Disposals</b>	(57,238)	-	(57,238)
<b>Related Party Movable Equipment</b>	519,826	256,372	50,055
<b>Related Party Additions</b>	-	-	-
<b>Prior Year C/R Variance</b>	-	-	-
<b>Total</b>	<b>\$ 1,520,968</b>	<b>\$ 1,110,699</b>	<b>\$ 97,448</b>
<b>Leasehold Improvements</b>	\$ 3,107,391	\$ 2,121,396	\$ 2,253,028
<b>Additions</b>	12,691	3,351	981
<b>Disposals</b>	-	-	4,332
<b>Related Party Leasehold Improvements</b>	1,171,261	440,329	102,042
<b>Related Party Additions</b>	105,756	8,263	5,548
<b>Prior Year C/R Variance</b>	-	-	-
<b>Total</b>	<b>\$ 4,397,099</b>	<b>\$ 2,573,339</b>	<b>\$ 240,203</b>

Per Trial Balance	4,185,944	170,304	3,157,750	1,028,194
Per Cost Report Depreciation	5,925,550	338,025	3,974,201	1,951,349
Related Party	1,796,844	-	862,609	934,235
F/S vs C/R Variance	(1,739,606)		(167,721)	11,079
Rounding Variance				(4)
		F/S vs C/R Depreciation / NBV Variance	(167,721)	11,075

F/S vs C/R NBV - Page 31, Line 9B 11,075  
 F/S vs C/R Dep. - Page 38, Line F2 (167,721)  
 Reserve for Dep. - Page 35, Line A3 934,235

AVON HEALTH CENTER  
LEASEHOLD IMPROVEMENTS

Vendor	Description	DATE OF ACQUISITION	HISTORICAL COST	BASIS FOR DEPRECIATION	DEPR. METHOD	USEFUL LIFE (IN YEARS)	MONTHLY DEPRECIATION	ACC'D EXPENSE as of 9/30/15	Depreciation EXPENSE FY 2016	ACC'D EXPENSE as of 9/30/16	NET VALUE
<b>BALANCE FORWARD prior 2008</b>			\$ 2,599,083	\$ 2,603,503			\$ 10,441	\$ 1,918,127	\$ 98,333	\$ 2,016,460	\$ 587,043
Titan Mechanical	Hot water holding tank	27-Nov-07	4,770	4,770	S/L	10	40	3,776	477	4,253	517
Build N Serve	Wiring	1-Nov-07	1,968	1,968	S/L	5	33	1,968	-	1,968	-
Titan Mechanical	Hot water tank Motor	14-Dec-07	1,748	1,748	S/L	10	15	1,369	175	1,544	204
Titan Mechanical	Insulation	28-Feb-08	4,235	4,235	S/L	15	24	2,164	282	2,447	1,788
Total Building Svc	Dish room floor	23-May-08	1,095	1,095	S/L	10	9	110	110	219	876
RC Restoration	Shed	30-Jun-08	6,985	6,985	S/L	20	29	2,561	349	2,910	4,075
W.B.Morrison	7 wood doors	31-Jul-08	3,073	3,073	S/L	15	17	1,485	205	1,690	1,383
Titan Mechanical	Compressor HVAC unit	31-Jul-08	5,014	5,014	S/L	12	35	3,029	418	3,447	1,567
The Barn Yard	Smoking Shed	31-Jul-08	1,494	1,494	S/L	20	6	542	75	616	878
Sexaur	Grab Bars	31-Aug-08	6,067	6,067	S/L	15	34	2,899	404	3,303	2,764
Sexaur	Smoke Detectors	31-Aug-08	1,209	1,209	S/L	10	10	866	121	987	222
Sexaur	Returned Grab Bars	31-Aug-08	(4,119)	(4,119)	S/L	15	(23)	(1,968)	(275)	(2,242)	(1,876)
<b>2008 Ending</b>			\$ 2,632,621	\$ 2,637,041			\$ 10,669	\$ 1,936,928	\$ 100,674	\$ 2,037,602	\$ 599,439
CL&P	Retrofit Lighting	15-Oct-08	43,457	43,457	S/L	15	241	20,280	2,897	23,177	20,280
Best Welding	Wrought Iron Railings	30-Oct-08	1,487	1,487	S/L	15	8	694	99	793	694
WH Morrison Co	3 Wooden Doors #14 & Dietary	8-Dec-08	1,695	1,695	S/L	15	9	772	113	885	810
Titan Mechanical	Second Compressor	31-Dec-08	1,465	1,465	S/L	12	10	834	122	956	509
Jay LaChance	Ceiling Tiles	28-Feb-09	3,600	3,600	S/L	8	38	3,000	450	3,450	150
Riley Plumbing	2 Utility Sinks	28-Feb-09	3,450	3,450	S/L	20	14	1,150	173	1,323	2,127
Fire Protection	Permit & Sprinkler Heads over Dryers	31-Mar-09	1,236	1,236	S/L	25	4	325	49	375	861
Huntington Power	Generator Rental on Replacement (Generator on Realty P	31-Mar-09	3,313	3,313	S/L	20	14	1,090	166	1,256	2,057
Perfectemp Heating	Replace Compressor Walk-in Freezer	31-Mar-09	2,441	2,441	S/L	15	14	1,071	163	1,234	1,207
INPro Corporation	Wall Covering	17-Apr-09	1,666	1,666	S/L	5	28	1,666	-	1,666	-
Saucier Mechnacia	Air Conditioning System for new Server Room	21-Apr-09	3,740	3,740	S/L	10	31	2,431	374	2,805	935
Collier Electrical C	Prepare electrical feed for new Server Room	30-Apr-09	2,955	2,955	S/L	15	16	1,280	197	1,477	1,478
Collier Electric/San	7.5 Ton Roof Top AC	29-May-09	19,149	19,149	S/L	10	160	12,288	1,915	14,203	4,947
Ward Kipp	Computer wiring	31-May-09	900	900	S/L	5	15	900	-	900	-
Build N Serve	Server Wiring	1-Jun-09	1,458	1,458	S/L	5	24	1,458	-	1,458	-
Susaya Concrete	Concrete Walk at Rear Entrance/Driveway Repair/New V	16-Jun-09	8,425	8,425	S/L	15	47	3,577	562	4,139	4,306
SMD	Electromag Door Locks Back & Service Entrances	19-Jun-09	7,440	7,440	S/L	10	62	4,712	744	5,456	1,984
First American	Permits for Cogeneration System	22-Jun-09	2,183	2,183	S/L	15	12	922	146	1,067	1,116
Jay LaChance	Elevator Panels	30-Jun-09	5,085	5,085	S/L	10	42	3,221	509	3,729	1,356
First American	Cogeneration System	2-Jul-09	169,222	169,222	S/L	20	705	52,882	8,461	61,343	107,879
Courtesy Carpet	Elevator Flooring	4-Aug-09	737	737	S/L	10	6	454	74	528	209
Fournier Irrigation	Lawn Sprinkler System	28-Aug-09	10,957	10,957	S/L	15	61	4,504	730	5,233	5,722
Michael Gervais	Wallpaper Hallway and Nurses Station	28-Aug-09	1,651	1,651	S/L	5	28	1,651	-	1,651	-
Collier Electric	Electrical upgrades	31-Aug-09	2,694	2,694	S/L	15	15	1,108	180	1,287	1,407
Jay LaChance	Fire Door Glass	2-Sep-09	804	804	S/L	10	7	489	80	569	234
Ward Kipp	Server Wiring	8-Sep-09	6,173	6,173	S/L	5	103	6,173	-	6,173	-
Custom Exterior L	Front Entrance Landscaping	10-Sep-09	8,787	8,787	S/L	10	73	5,346	879	6,224	2,563
Build N Serve	Network Upgrade Hardware & Labor	10-Sep-09	6,189	6,189	S/L	5	103	6,189	-	6,189	-
Build N Serve	Network Wiring	15-Sep-09	3,751	3,751	S/L	5	63	3,751	-	3,751	-
WH Morrison Co	Automatic Door Openers	30-Sep-09	9,986	9,986	S/L	15	55	4,050	666	4,716	5,271
Riley Signs	Front Sign	30-Sep-09	755	755	S/L	5	13	755	-	755	-
Disposed Assets				(4,666)							(4,666)
<b>2009 Balance</b>			TOTALS	\$ 2,969,471	\$ 2,969,224		\$ 12,690	\$ 2,085,932	\$ 120,421	\$ 2,206,353	\$ 762,872
Front Sign Sales Tax		10/1/2009	45	45	S/L	5	1	45	-	45	-
Access Doors for Hot Water Coils		10/29/2009	936	936	S/L	20	4	281	47	328	608
Door Locks		10/29/2010	1,009	1,009	S/L	15	6	404	67	471	538
5 More Registers from Air Handler to Wings		11/30/2009	3,700	3,700	S/L	20	15	1,048	185	1,233	2,467
Exhaust for boiler room		11/30/2009	1,525	1,525	S/L	20	6	432	76	508	1,017
Fix doors not hanging properly		12/3/2009	1,914	1,914	S/L	15	11	680	128	808	1,106
All 3 Nurses Stations Counters Refaced		12/14/2009	13,036	13,036	S/L	15	72	4,635	869	5,504	7,532
Front Arch Walkway		12/17/2009	14,814	14,814	S/L	15	82	5,267	988	6,255	8,559
Handrails		1/15/2010	5,499	5,499	S/L	15	31	1,833	367	2,200	3,300
Exhaust Duct for Dishmachine		1/29/2010	1,245	1,245	S/L	20	5	311	62	374	871
Formica		2/19/2010	1,462	1,462	S/L	15	8	455	97	552	910
Exhaust fan in Oxygen room		3/22/2010	1,095	1,095	S/L	20	5	237	55	292	803
Install Wallpaper		4/9/2010	1,908	1,908	S/L	5	32	1,526	382	1,908	-
Concrete Walk Rear Entrance		4/15/2010	2,133	2,133	S/L	15	12	569	142	711	1,422
Cobblestone along Entranceway		5/22/2010	2,438	2,438	S/L	5	41	1,788	488	2,275	163
Outlet in Maintenance Workshop		6/30/2010	1,362	1,362	S/L	15	8	303	91	394	969
Resident Bathroom Door Protectors		8/16/2010	8,890	8,890	S/L	15	49	1,580	593	2,173	6,717
<b>2010 Balance</b>			TOTALS	\$ 3,032,481	\$ 3,032,235		\$ 13,078	\$ 2,107,327	\$ 125,056	\$ 2,232,384	\$ 799,852
Walkway to Gazebo		10/22/2010	4,688	4,688	S/L	15	26	1,563	313	1,875	2,813
New outlets in Breakroom and Dietary Office		10/28/2010	1,046	1,046	S/L	15	6	349	70	418	628
2 Pressure Regulators A/B Wings		11/10/2010	869	869	S/L	20	4	214	43	257	612
Lines for installation of Steamer		12/29/2010	1,301	1,301	S/L	10	11	629	130	759	542
Water main Pressure Regulator N/S Wing		1/31/2011	1,198	1,198	S/L	10	10	569	120	689	509
Electrical Installation of Steamer		1/31/2011	1,544	1,544	S/L	10	13	734	154	888	656
Renovate "Pub" room		2/28/2011	1,570	1,570	S/L	15	9	488	105	593	977
Main Reception Counters & Cabinets		8/5/2011	3,998	3,998	S/L	15	22	1,111	267	1,377	2,621
<b>2011 Balance</b>			TOTALS	\$ 3,048,697	\$ 3,048,450		\$ 13,178	\$ 2,112,983	\$ 126,258	\$ 2,239,240	\$ 809,210
<b>2012 Additions:</b>											
Attic Lighting		3/23/2012	4,884	4,884	S/L	20	20	733	244	977	3,907
Cabinetry in Beauty Salon for Dentist		5/25/2012	1,487	1,487	S/L	15	8	297	99	396	1,090
Emergency Water Main Hook up		9/18/2012	2,340	2,340	S/L	25	8	281	94	374	1,965
Outlets for ELO Touch Screens		9/27/2012	3,294	3,294	S/L	10	27	988	329	1,318	1,976
<b>2012 Balance</b>			\$ 3,060,701	\$ 3,060,455		\$ 13,241	\$ 2,115,282	\$ 127,024	\$ 2,242,306	\$ 818,149	
<b>2013 Additions:</b>											

AVON HEALTH CENTER  
LEASEHOLD IMPROVEMENTS

Vendor	Description	DATE OF ACQUISITION	HISTORICAL COST	BASIS FOR DEPRECIATION	DEPR. METHOD	USEFUL LIFE (IN YEARS)	MONTHLY DEPRECIATION	ACC'D EXPENSE as of 9/30/15	Depreciation EXPENSE FY 2016	ACC'D EXPENSE as of 9/30/16	NET VALUE
	Electrical Outlets for PT Office	31-Oct-12	\$ 1,026	\$ 1,026	S/L	15	\$ 6	\$ 205	\$ 68	\$ 274	\$ 753
	Water Main Repair	18-Oct-12	890	890	S/L	10	7	267	89	356	534
	Water Softener	13-Nov-12	2,606	2,606	S/L	10	22	782	261	1,042	1,563
	Wall Guards	27-Dec-12	2,420	2,420	S/L	5	40	1,452	484	1,936	484
	Blower Motor for RTU #7	2-Jan-13	2,200	2,200	S/L	20	9	330	110	440	1,760
	Roof Mounted Exhaust Fan A Wing	18-Feb-13	1,520	1,520	S/L	20	6	228	76	304	1,216
	Dedicated Hot Water lines to Laundry	12-Feb-13	4,243	4,243	S/L	25	14	509	170	679	3,564
<b>2013 Balance</b>			<b>\$ 3,075,606</b>	<b>\$ 3,075,359</b>			<b>\$ 13,346</b>	<b>\$ 2,119,054</b>	<b>\$ 128,282</b>	<b>\$ 2,247,336</b>	<b>\$ 828,023</b>
<b>2014 Additions:</b>											
	Replace Panel in Boiler Room	23-Oct-13	\$ 1,595	\$ 1,595	S/L	15	\$ 9	\$ 213	\$ 106	\$ 319	\$ 1,276
	Outlets for De-icing Cables	8-Nov-13	1,638	1,638	S/L	15	9	218	109	328	1,310
	Covebase Elevator, Dining Room & Lower Lobby	3-Jan-14	1,079	1,079	S/L	5	18	432	216	648	432
	Wall Guards	31-Jan-14	2,029	2,029	S/L	5	34	811	406	1,217	811
	Kitchen Cook Exhaust Fan	30-Jun-14	2,680	2,680	S/L	10	22	536	268	804	1,876
	Compressor in South Wing	31-Jul-14	6,522	6,522	S/L	10	54	1,304	652	1,957	4,566
	Compressor #3 over Cooks Line	28-Aug-14	2,070	2,070	S/L	10	17	414	207	621	1,449
	Vinyl Cove Base	31-Aug-14	1,888	1,888	S/L	5	31	755	378	1,133	755
<b>2014 Balance</b>			<b>\$ 3,095,107</b>	<b>\$ 3,094,861</b>			<b>\$ 2,123,738</b>	<b>\$ 130,624</b>	<b>\$ 2,254,362</b>	<b>\$ 840,499</b>	
	Saucier Mechancia Exhaust Fans Bathrooms A Wing/B Lounge	11-Dec-14	\$ 1,745	\$ 1,745	S/L	10	\$ 15	\$ 175	\$ 175	\$ 350	\$ 1,396
	Saucier Mechancia Motor for Boiler #3	7-Jan-15	1,320	1,320	S/L	15	7	88	88	176	1,144
	Saucier Mechancia Motor for Boiler #2	12-Feb-15	1,050	1,050	S/L	15	6	70	70	140	910
	Precision Electrical Outlets in Nurses Office	2-Mar-15	973	973	S/L	15	5	65	65	130	843
	SMD Electromagnetic Door Lock	11-Aug-15	2,132	2,132	S/L	15	12	142	142	284	1,848
	Fire Protection 8 Sprinkler Heads	11-Aug-15	1,042	1,042	S/L	25	3	42	42	84	958
	Proline Hatco Water Booster	31-Aug-15	4,268	4,268	S/L	10	36	427	427	854	3,414
<b>2015 Balance</b>			<b>\$ 3,107,637</b>	<b>\$ 3,107,391</b>			<b>\$ 2,124,747</b>	<b>\$ 131,631</b>	<b>\$ 2,256,379</b>	<b>\$ 851,012</b>	
	Joel Martin 2 Mixing Valves	31-Oct-15	\$ 1,776	\$ 1,776	S/L	7	\$ 21.14	\$ -	\$ 254	\$ 254	\$ 1,522
	Magnum Insutries North and South Shower Room Remodel and Repair	1-Sep-16	10,915	10,915	S/L	15	60.64	-	728	728	10,188
<b>2016 Balance</b>			<b>\$ 3,120,328</b>	<b>\$ 3,120,082</b>			<b>\$ 2,124,747</b>	<b>\$ 132,613</b>	<b>\$ 2,257,360</b>	<b>\$ 862,721</b>	

Per TB Difference \$ 3,120,080 \$ 131,306 2,258,473 861,607  
\$ 1,307 \$ (1,113) \$ 1,114

RELATED PARTY ASSETS

Asset No.	Asset Description	Date Acquired	Cost	Method	Life	Accum Depr 9/30/2015	Depreciation 9/30/2016	Accum Depr 9/30/2016	NBV	
<b>Building Improvements</b>										
20	Ceiling Tile Replacement	02/28/09	\$ 24,216	\$ 24,216	S/L	8	\$ 20,105	\$ 3,027	\$ 23,132	\$ 1,084
21	Laundry Room Upgrades	02/28/09	6,430	6,430	S/L	20	2,135	321	2,457	3,973
22	3 Washers & 4 Dryers	02/28/09	75,711	75,711	S/L	10	50,287	7,571	57,858	17,853
13	Shower Renovation Project	05/31/09	28,282	28,282	S/L	20	8,956	1,414	10,371	17,911
14	New Windows	06/30/09	49,820	49,820	S/L	20	15,676	2,491	18,167	31,653
15	Levered Door Hardware	06/30/09	4,198	4,198	S/L	15	1,749	280	2,029	2,168
19	Generator	06/30/09	147,807	147,807	S/L	20	46,509	7,390	53,900	93,908
23	Wood Laminate Flooring	06/30/09	70,580	70,580	S/L	10	44,418	7,058	51,476	19,104
24	Doors	06/30/09	79,073	79,073	S/L	15	33,175	5,272	38,446	40,626
18	Boiler	07/31/09	86,425	86,425	S/L	20	26,797	4,321	31,119	55,306
	Repair Patio Ceiling	11/6/2008	8,500	8,500	S/L	12	4,780	708	5,488	3,012
	Exterior Painting	11/7/2008	16,000	16,000	S/L	5	16,000	3,200	19,200	(3,200)
	Automated Doors	11/24/2008	17,850	17,850	S/L	10	12,045	1,785	13,830	4,020
	Electric Upgrades	5/31/2008	28,631	28,631	S/L	15	10,971	1,909	12,880	15,751
	Roof Repairs	6/23/2010	9,910	9,910	S/L	10	5,696	991	6,687	3,223
	Electrical Panel Upgrades	5/26/2010	3,800	3,800	S/L	15	1,456	253	1,709	2,091
	2.5 Ton A/C Roof Top Units	7/31/2010	32,965	32,965	S/L	10	18,948	3,296	22,244	10,720
	Wander Control System	10/29/2010	7,086	7,086	S/L	10	3,364	709	4,073	3,013
	Repl Roof Top Exhaust	12/30/2010	1,595	1,595	S/L	10	757	160	917	678
	Baseboard	12/14/2010	1,568	1,568	S/L	10	744	157	901	666
	Volumed Dampers Dining & Rehab	11/30/2010	997	997	S/L	10	473	100	573	424
	Economizer Motors & Controls	11/1/2010	2,820	2,820	S/L	10	2,820	282	3,102	(282)
	Lobby/Office Renovations	5/31/2011	24,011	24,011	S/L	15	7,013	1,601	8,614	15,397
	Phone System Upgrades	6/30/2011	7,696	7,696	S/L	10	3,304	770	4,073	3,622
	Carpet of Lobby/Offices	5/31/2011	15,492	15,492	S/L	5	13,575	3,098	16,674	(1,182)
	Painting lobby/offices	5/16/2011	3,900	3,900	S/L	5	3,432	780	4,212	(312)
	Wallpaper lobby & offices	5/18/2011	3,053	3,053	S/L	5	2,685	611	3,296	(243)
	Phone system upgrade wiring	7/6/2011	447	447	S/L	10	190	45	234	212
	Wiring for phone system upgrade	5/10/2011	1,155	1,155	S/L	20	255	58	312	843
	Lower Level Emp Entrance	6/28/2011	4,140	4,140	S/L	15	1,186	276	1,462	2,678
	Wiring for Security Cameras	2/20/2011	2,473	2,473	S/L	5	2,299	495	2,794	(321)
	Deliver Entrance Doors	9/16/2011	4,850	4,850	S/L	10	1,963	485	2,448	2,402
	Windows for N & S Wings	3/20/2012	25,577	25,577	S/L	20	3,837	1,279	5,115	20,462
	Install pull-down stairs by N & S	6/7/2012	2,400	2,400	S/L	10	720	240	960	1,440
	New fire alarm panel & annunciator	7/11/2012	3,403	3,403	S/L	10	1,021	340	1,361	2,042
	Parking Lot Repairs	10/29/2011	14,384	14,384	S/L	8	5,394	1,798	7,192	7,192
	Oil Tank Removal	3/5/2012	2,800	2,800	S/L	20	420	140	560	2,240
	7.5 Ton AC Rooftop Unit #5	6/18/2013	13,695	13,695	S/L	10	4,109	1,370	5,478	8,217
	Elevator Upgrades	11/30/2012	95,544	95,544	S/L	20	14,331	4,777	19,109	76,435
	Stainless Steel Door Buck Wraps	5/29/2013	2,355	2,355	S/L	15	471	157	628	1,727

AVON HEALTH CENTER  
LEASEHOLD IMPROVEMENTS

Vendor	Description	DATE OF ACQUISITION	HISTORICAL COST	BASIS FOR DEPRECIATION	DEPR METHOD	USEFUL LIFE (IN YEARS)	MONTHLY DEPRECIATION	ACC'D EXPENSE as of 9/30/15	Depreciation EXPENSE FY 2016	ACC'D EXPENSE as of 9/30/16	NET VALUE
	Carpet for Rehab Gym	4/23/2013	2,394	2,394	S/L	5		1,437	479	1,916	479
	Rehab Gym Renovation	4/5/2013	1,850	1,850	S/L	15		370	123	493	1,357
	Electrical Panel-Connector Hall	9/24/2013	2,840	2,840	S/L	10		852	284	1,136	1,704
	Front Column Repairs	7/23/2013	1,025	1,025	S/L	10		308	103	410	615
	2.5 ton AC Unit for Lobby	10/15/2013	10,665	10,665	S/L	10		2,133	1,067	3,200	7,466
	Rooftop kitchen air unit	3/31/2014	22,110	22,110	S/L	15		2,948	1,474	4,422	17,688
	North Wing AC Condesnor	8/5/2014	15,225	15,225	S/L	15		2,030	1,015	3,045	12,180
	Wallpaper Northington/Dining/Ele	12/17/2013	24,929	24,929	S/L	5		9,972	4,986	14,958	9,972
	Corridors & Lounges Wallpaper	9/12/2014	59,293	59,293	S/L	5		23,717	11,859	35,576	23,717
	Repair to rear parking lot	7/18/2014	11,029	11,029	S/L	8		2,757	1,379	4,136	6,893
	New ductless split A/C unit for kit	8/20/2015	9,085	9,085	S/L	10		909	909	1,818	7,268
	Dining Room 10ton AC rooftop	6/30/2015	17,990	17,990	S/L	10		1,799	1,799	3,598	14,392
	New cabinets/workstations/counters	3/10/2015	5,271	5,271	S/L	15		351	351	702	4,569
	Modify HVAC ductwork nurse su	3/6/2015	980	980	S/L	20		49	49	98	882
	Relocate 2 Sprinklers Nurse Spr	2/23/2015	700	700	S/L	25		28	28	56	644
	Wall /poclet door Nurse Super	2/10/2015	3,420	3,420	S/L	15		228	228	456	2,964
	New Carpeting Social Service	2/10/2015	3,415	3,415	S/L	5		683	683	1,366	2,049
	Reseal/Insulate windows&wrap	8/29/2015	12,299	12,299	S/L	5		2,460	2,460	4,920	7,379
	New handrails for North & South	9/28/2015	8,454	8,454	S/L	20		423	423	846	7,608
	Exterior doors in lower hall way	9/28/2015	26,651	26,651	S/L	20		1,333	1,333	2,666	23,985
	1 set Exterior doors in rehab	12/10/2015	4,887	4,887	S/L	10		-	489	489	4,398
	Two Doors Exterior	1/1/2016	9,774	9,774	S/L	10		-	977	977	8,797
	Sign & Post Front of Building	5/1/2016	3,026	3,026	S/L	10		-	303	303	2,723
	New Shingled Roof	9/30/2016	78,870	78,870	S/L	30		-	2,629	2,629	76,241
	Parking lot repairs, drainage insta	12/2/2015	9,200	9,200	S/L	8		-	1,150	1,150	8,050
			<b>\$ 1,277,017</b>	<b>\$ 1,277,017</b>				<b>\$ 448,855</b>	<b>\$ 107,590</b>	<b>\$ 556,445</b>	<b>\$ 720,573</b>
<b>LHI Combined Totals for Cost Report</b>			<b>\$ 4,397,345</b>	<b>\$ 4,397,099</b>				<b>\$ 2,573,602</b>	<b>\$ 240,203</b>	<b>\$ 2,813,805</b>	<b>\$ 1,583,294</b>

Leasehold Improvements	\$ 3,107,391	2,121,396	131,631	2,253,028	\$ 854,363
Additions	12,691	3,351	981	4,332	8,359
Disposals	-	-	-	-	-
Related Party Leasehold improvements	1,171,261	440,592	102,042	542,634	628,626
Related Party Additions	105,756	8,263	5,548	13,811	91,946
Prior Year C/R Variance		(263)	-	(263)	263
<b>Total</b>	<b>\$ 4,397,099</b>	<b>\$ 2,573,339</b>	<b>\$ 240,203</b>	<b>\$ 2,813,542</b>	<b>\$ 1,583,557</b>

AVON HEALTH CENTER  
FURNITURE FIXTURES

Vendor	Description	DATE OF ACQUISITION	HISTORICAL COST	ADJ.	BASIS FOR DEPRECIATION	DEPR METHOD	USEFUL LIFE (YEARS)	MONTHLY DEPREC	EXPENSE FY 2016	ACC'D DEPRECIATION 9/30/2016
<b>2016 Additions:</b>										
TM Technology	HP Pro Book / HP Retail Desktop.	11/30/2015	1,121		1,121	S/L	3	31	374	374
W.B. Mason	Office Furniture Admin Office	3/31/2016	1,819		1,819	S/L	15	10	121	121
W.B. Mason	Office Furniture Admin Office	3/31/2016	1,808		1,808	S/L	3	50	603	603
W.B. Mason	new file for admission office	3/31/2016	465		465	S/L	15	3	31	31
Direct Supply	5 Classic 4 foot benches	7/31/2016	3,180		3,180	S/L	15	18	212	212
TM Technology	17" Touch Computer	7/31/2016	3,607		3,607	S/L	5	60	721	721
TM Technology	2 HP ProBooks Spares	7/31/2016	1,117		1,117	S/L	3	31	372	372
Space Tables	6 Tables	9/30/2016	2,003		2,003	S/L	15	11	134	134
		<b>Totals Additions</b>			<b>\$ 15,119</b>				<b>\$ 2,568</b>	<b>\$ 2,568</b>
<b>2016 Disposals:</b>										
ACQUISITIONS		9/30/1991	(829)		(829)	S/L	18	(4)	-	(829)
ACQUISITIONS		9/30/1991	(2,076)		(2,076)	S/L	20	(9)	-	(2,076)
ACQUISITIONS		9/30/1992	(4,955)		(4,955)	S/L	5	(83)	-	(4,955)
ACQUISITIONS		9/30/1992	(6,706)		(6,706)	S/L	10	(56)	-	(6,706)
ACQUISITIONS		9/30/1992	(4,330)		(4,330)	S/L	3	(120)	-	(4,330)
ACQUISITIONS		9/30/1992	(23,328)		(23,328)	S/L	15	(130)	-	(23,328)
ACQUISITIONS		9/30/1993	(4,020)		(4,020)	S/L	5	(67)	-	(4,020)
ACQUISITIONS		9/30/1993	(6,714)		(6,714)	S/L	10	(56)	-	(6,714)
ACQUISITIONS		9/30/1993	(4,280)		(4,280)	S/L	15	(24)	-	(4,280)
		<b>Totals Disposals</b>			<b>\$ (57,238)</b>				<b>\$ -</b>	<b>\$ (57,238)</b>
<b>2016 Related Party Additions:</b>										
	NONE									
		<b>Totals</b>			<b>\$ -</b>				<b>\$ -</b>	<b>\$ -</b>
		<b>Combined Totals</b>			<b>\$ (42,119)</b>				<b>\$ 2,568</b>	<b>\$ (54,670)</b>

AVON HEALTH CENTER  
LEASEHOLD IMPROVEMENTS

Description	DATE OF ACQUISITION	HISTORICAL COST	ADJ.	BASIS FOR DEPRECIATION	DEPR. METHOD	USEFUL LIFE (YEARS)	MONTHLY DEPREC	EXPENSE FY 2016	ACC'D DEPRECIATION 9/30/2016
<b>2016 Additions:</b>									
2 Mixing Valves	10/31/2015	1,776	-	1,776	S/L	7	21	254	254
North and South Shower Room Remodel and I	9/1/2016	10,915	-	10,915	S/L	15	61	728	728
<b>Totals</b>				<b>\$ 12,691</b>			<b>\$ 22</b>	<b>\$ 982</b>	<b>\$ 982</b>
<b>2016 Related Party Additions:</b>									
1 set Exterior doors in rehab	12/10/2015	4,887	-	4,887	S/L	10	41	489	489
Two Doors Exterior	1/1/2016	9,774	-	9,774	S/L	10	81	977	977
Sign & Post Front of Building	5/1/2016	3,026	-	3,026	S/L	10	25	303	303
New Shingled Roof	9/30/2016	78,870	-	78,870	S/L	30	219	2,629	2,629
Parking lot repairs; drainage insta	12/2/2015	9,200	-	9,200	S/L	8	96	1,150	1,150
<b>Totals</b>				<b>\$ 105,756</b>			<b>\$ 462</b>	<b>\$ 5,548</b>	<b>\$ 5,548</b>
<b>Combined Totals</b>				<b>\$ 118,447</b>			<b>\$ 484</b>	<b>\$ 6,530</b>	<b>\$ 6,530</b>



**Amortization Schedule\***

Name of Facility		License No.		Report for Year Ended		Page	of		
Avon Convalescent Home, Inc., d/b/a Avon Health Center		938-C		9/30/2016		24	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							
<b>A. Organization Expense</b>									
1.									
2.									
3.									
A-4. Subtotal									
<b>B. Mortgage Expense</b>									
1.									
2.									
3.									
B-4. Subtotal									
<b>C. Leasehold Improvements and Other</b>									
1. Acquired prior to this report period	Var	Var	Various	4,278,652	2,573,338	S/L	Var	233,674	
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)	Var	Var	Various	118,447		S/L	Var	6,530	
C-4. Subtotal									240,204
<b>D. Total Amortization</b>									240,204

\* 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 Avon Convalescent Home, Inc., d/b/a	License No. 938-C	Report for Year Ended 9/30/2016	Page 25	of 37
<b>11. Property Questionnaire</b>				
<b>Part A</b>				
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				
4. Date of Initial Licensure				
5. Total Licensed Bed Capacity	120			
6. Square Footage				
7. Acquisition Cost				
a. Land				
b. Building				
<b>Part B - Owner and Related Parties</b>	1st Mortgage	2nd Mortgage	3rd Mortgage	4th Mortgage
1. Financing				
a. Type of Financing (e.g., fixed, variable)	Fixed			
b. Date Mortgage Obtained	08/26/13			
c. Interest Rate for the Cost Year	4.05%			
d. Term of Mortgage (number of years)	30			
e. Amount of Principal Borrowed	3,903,200			
f. Principal balance outstanding as of 9/30/2016	3,701,689			
<b>Complete if Mortgage was Refinanced During Current Cost Year</b>				
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				
<b>Part C - Arms-Length Leases for Real Property Improvements Only</b>				
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.

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

Name of Facility		License No.	Report for Year Ended		Page	of
Avon Convalescent Home, Inc., d/b/a		938-C	9/30/2016		26	37
Item			Total	CCNH	RHNS	(Specify)
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. <b>Total Building Interest Expense</b> (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
Avon Convalescent Home, Inc., d/b		938-C		9/30/2016		27	37
Item				Total	CCNH	RHNS	(Specify)
Subtotals Brought Forward:							
12. C. Movable Equipment							
1. Automotive Equipment				\$			
A. Item		Rate	Amount				
Lender							
Address of Lender							
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)				\$			
12. D. Other Interest Expense (Specify)				\$			
13. <b>Total All Interest Expense (12B7 + 12C3 + 12D)</b>				\$			
14. Insurance							
a. Insurance on Property (buildings only)				\$ 80,984	80,984		
b. Insurance on Automobiles				\$			
c. Insurance other than Property (as specified above)							
1. Umbrella (Blanket Coverage)				\$			
2. Fire and Extended Coverage				\$			
3. Other (Specify)				\$			
14d. <b>Total Insurance Expenditures (14a + b + c)</b>				\$ 80,984	80,984		
15. <b>Total All Expenditures (A-13 thru C-14)</b>				\$ 12,282,895	12,282,895		

**D. Adjustments to Statement of Expenditures**

Name of Facility				License No.	Report for Year Ended	Page	of
Avon Convalescent Home, Inc., d/b/a Avon Health Center				938-C	9/30/2016	28	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
<b>Page 10 - Salaries and Wages</b>							
1.			Outpatient Service Costs	\$			
2.			Salaries not related to Resident Care	\$			
3.			Occupational Therapy	\$			
4.			Other - See attached Schedule	\$			
<b>Page 13 - Professional Fees</b>							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 185,060	185,060		
7.			Other - See attached Schedule	\$			
<b>Pages 15 &amp; 16 - Administrative and General</b>							
8.			Discriminatory Benefits	\$			
9.	15	1c	Bad Debts	\$ 142,266	142,266		
10.	15	1e	Accounting & Legal	\$ 4,105	4,105		
11.			Telephone	\$			
12.			Cellular Telephone	\$			
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.			Automobile Expense (e.g. personal use)	\$			
18.	16	m3	Unallowable Advertising *	\$ 35,994	35,994		
19.			Income Tax / Corporate Business Tax	\$			
20.	16	m10	Fund Raising / Contributions	\$ 1,243	1,243		
21.			Unallowable Management Fees	\$			
22.			Barber and Beauty	\$			
23.			Other - See attached Schedule	\$ 847	847		
<b>Page 18 - Dietary Expenditures</b>							
24.			Meals to employees, guests and others who are not residents	\$			
<b>Page 19 - Laundry Expenditures</b>							
25.			Laundry services to employees, guests and others who are not residents	\$			
<b>Page 20 - Housekeeping Expenditures</b>							
26.			Housekeeping services to employees, guests and others who are not residents	\$			
Subtotal (Items 1 - 26)				\$ 369,515	369,515		

\* 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	(Specify)
<b>Total Other Salaries Adjustment</b>			\$ -	\$ -	\$ -

**Schedule of Fees Adjustments**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
<b>Total Other Fees Adjustments</b>			\$ -	\$ -	\$ -

**Schedule of Other A&G Adjustments**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
16	m8	Farmington Exchange Club	\$ 170		
15	1a5	Owner's Health Insurance (Dental)	\$ 899		
16	m13	Owner Expenses	\$ (222)		
<b>Total Other A&amp;G Adjustments</b>			\$ 847	\$ -	\$ -

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

Name of Facility				License No.	Report for Year Ended	Page	of
Avon Convalescent Home, Inc., d/b/a Avon Health Center				938-C	9/30/2016	29	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Subtotals Brought Forward				\$ 369,515	369,515		
<b>Page 20 - Resident Care Supplies***</b>							
27.	20	5a2	Prescription Drugs	\$ 240,851	240,851		
28.	20	5d	Ambulance/Limousine	\$ 3,423	3,423		
29.	20	5f	X-rays, etc	\$ 10,029	10,029		
30.	20	5h	Laboratory	\$ 37,598	37,598		
31.	20	5c	Medical Supplies	\$ 6,014	6,014		
32.	20	5e2	Oxygen (non emergency)	\$ 18,247	18,247		
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$ 12,917	12,917		
<b>Page 22 - Maintenance and Property</b>							
35.			Excess Movable Equipment Depreciation See Attached Schedule	\$			
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	\$			
<b>Page 27 - Insurance</b>							
40.			Mortgage Insurance	\$			
41.			Property Insurance	\$			
<b>Other - Miscellaneous</b>							
42.			Research or Experimental Activities	\$			
43.			Radio and Television Revenue	\$			
44.			Vending Machine Revenue	\$			
45.			Purchase Discounts and Allowances	\$			
46.			Duplications of functions or services	\$			
47.			Expenditures made for the protection, enhancement or promotion of the providers interest	\$			
48.			Interest Income on Accounts Rec	\$			
49.			Other (include personnel and other costs unrelated to resident care) - See Attached Schedule	\$ (713)	(713)		
<b>Not For Profit Providers Only</b>							
50.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
<b>51. Total Amount of Decrease (Items 1 - 50)</b>				\$ 697,881	697,881		

\*\*\* 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.

Avon Convalescent Home, Inc., d/b/a Avon Health Center  
9/30/2016

**Schedule of Other Ancillary Costs**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
20	5j	Supplies Patient Personal	\$ 474		
20	5j	Nursing Equipment Med A	\$ 5,988		
20	5j	Therapy Equipment Rental - OT Disallowance (See Attached)	\$ 6,455		
<b>Total Other Ancillary Costs</b>			<b>\$ 12,917</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Excess Movable Equipment Depreciation**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
<b>Total Excess Movable Equipment Depreciation</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Other Property Adjustments**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
<b>Total Other Property Adjustments</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
30	IV 8	Bad Debt Recovery	\$ (713)		
<b>Total Other Adjustments</b>			\$ (713)	\$ -	\$ -

Schedule of Unallowable Building Interest

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
<b>Total Unallowable Building Interest</b>			\$ -	\$ -	\$ -

**Avon Health Care  
OT Therapy Equipment Rental Disallowance  
September 30, 2016**

	<u># of Treatments Page 9</u>	<u>Percentage</u>
Physical Therapy	14,237	55.99%
Occupational Therapy	11,191	44.01% {a}
	25,428	100.00%

Therapy Equipment Rental Pg. 20 / Line 5j 14,668 {b}

**OT Equipment Rental Disallowed** Pg. 29 attachment **6,455** {a} x {b}

**F. Statement of Revenue**

Name of Facility	License No.	Report for Year Ended			Page	of
Avon Convalescent Home, Inc., d/b/a Avt 938-C		9/30/2016			30	37
Item	Total	CCNH	RHNS	(Specify)		
<b>I. Resident Room, Board &amp; Routine Care Revenue</b>						
1. a. Medicaid Residents ( <i>CT only</i> )	\$ 11,388,674	11,388,674				
b. Medicaid Room and Board Contractual Allowance **	\$ (4,805,855)	(4,805,855)				
2. a. Medicaid ( <i>All other states</i> )	\$					
b. Other States Room and Board Contractual Allowance **	\$					
3. a. Medicare Residents ( <i>all inclusive</i> )	\$ 1,617,221	1,617,221				
b. Medicare Room and Board Contractual Allowance **	\$ 160,660	160,660				
4. a. Private-Pay Residents and Other	\$ 3,352,803	3,352,803				
b. Private-Pay Room and Board Contractual Allowance **	\$					
<b>II. Other Resident Revenue</b>						
1. a. Prescription Drugs - Medicare	\$ 187,752	187,752				
b. Prescription Drugs - Medicare Contractual Allowance **	\$ (187,752)	(187,752)				
c. Prescription Drugs - Non-Medicare	\$ 63,858	63,858				
d. Prescription Drugs - Non-Medicare Contractual Allowance **	\$ (63,858)	(63,858)				
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	\$ 129,949	129,949				
b. Physical Therapy - Medicare Contractual Allowance **	\$ (47,026)	(47,026)				
c. Physical Therapy - Non-Medicare	\$ 56,883	56,883				
d. Physical Therapy - Non-Medicare Contractual Allowance **	\$ (65,857)	(65,857)				
4. a. Speech Therapy - Medicare	\$ 121,681	121,681				
b. Speech Therapy - Medicare Contractual Allowance **	\$ (74,765)	(74,765)				
c. Speech Therapy - Non-Medicare	\$ 35,787	35,787				
d. Speech Therapy - Non-Medicare Contractual Allowance **	\$ (27,098)	(27,098)				
5. a. Occupational Therapy - Medicare	\$ 207,414	207,414				
b. Occupational Therapy - Medicare Contractual Allowance **	\$ (132,713)	(132,713)				
c. Occupational Therapy - Non-Medicare	\$ 61,037	61,037				
d. Occupational Therapy - Non-Medicare Contractual Allowance **	\$ (59,948)	(59,948)				
6. a. Other ( <i>Specify</i> ) - Medicare	\$ (14,414)	(14,414)				
b. Other ( <i>Specify</i> ) - Non-Medicare	\$ 12,145	12,145				
<b>III. Total Resident Revenue</b> (Section I. thru Section II.)	\$ 11,916,578	11,916,578				
<b>IV. Other Revenue*</b>						
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> )	\$ 2,871	2,871				
<b>V. Total Other Revenue</b> (1 thru 8)	\$ 2,871	2,871				
<b>VI. Total All Revenue</b> (III + V)	\$ 11,919,449	11,919,449				

\* 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	(Specify)
		-		
30 II 6a	Medicare Discounts	\$ (34,601)		
30 II 6a	Lab Medicare A	\$ 31,645		
30 II 6a	Allow Lab MCR A	\$ (31,645)		
30 II 6a	X-ray Medicare A	\$ 8,993		
30 II 6a	Allow X-ray MCR A	\$ (8,993)		
30 II 6a	Pharmacy MCR B	\$ 4,100		
30 II 6a	Lab Insurance B	\$ 4,884		
30 II 6a	Allow Lab Insurance B	\$ 248		
30 II 6a	Shared Savings Program Revenue	\$ 10,955		
<b>Total Other Resident Revenue - Medicare</b>		<b>\$ (14,414)</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Other Non-Medicare Resident Revenue**

**Related Exp**

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 II 6b	Allow OT MCD	\$ (1,289)		
30 II 6b	Allow Lab MCD	\$ (201)		
30 II 6b	Insurance Other Dividends	\$ 13,635		
30 II 6b	Lab Insurance Other	\$ 39,723		
30 II 6b	Allow Lab Insurance Other	\$ (39,723)		
30 II 6b	X-ray Insurance Other	\$ 2,568		
30 II 6b	Allow X-ray Insurance Other	\$ (2,568)		
<b>Total Other Resident Revenue</b>		<b>\$ 12,145</b>	<b>\$ -</b>	<b>\$ -</b>

**Interest Income**

**Account**

Page Ref	Account	Balance	CCNH	RHNS	(Specify)
			-		
<b>Total Interest Income</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Other Revenue**

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 IV 8	Retro Ancillaries	\$ 2,158		
30 IV 8	Bad Debt Recovery	\$ 713		
<b>Total Other Revenue</b>		<b>\$ 2,871</b>	<b>\$ -</b>	<b>\$ -</b>

### G. Balance Sheet

Name of Facility	License No.	Report for Year Ended	Page	of
Avon Convalescent Home, Inc., d/b/a A	938-C	9/30/2016	31	37
Account			Amount	
<b>Assets</b>				
<b>A. Current Assets</b>				
1. Cash ( <i>on hand and in banks</i> )			\$	685,005
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$	1,677,823
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$	
4. Inventories			\$	33,971
5. Prepaid Expenses			\$	68,623
a. Prepaid Insurance	46,306			
b. Prepaid Federal Taxes	11,822			
c. Prepaid Real/Property Taxes	1,217			
d. Prepaid Other	9,278			
6. Interest Receivable			\$	
7. Medicare Final Settlement Receivable			\$	
8. Other Current Assets ( <i>itemize</i> )			\$	254,986
Due from West Hartford Rehab	254,986			
<b>A-9. Total Current Assets (Lines A1 thru 8)</b>			<b>\$</b>	<b>2,720,408</b>
<b>B. Fixed Assets</b>				
1. Land			\$	
2. Land Improvements	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
3. Buildings	*Historical Cost <u>7,495</u>		\$	6,745
	Accum. Depreciation <u>750</u>	Net		
4. Leasehold Improvements	*Historical Cost <u>4,397,099</u>		\$	1,583,557
	Accum. Depreciation <u>2,813,542</u>	Net		
5. Non-Movable Equipment	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
6. Movable Equipment	*Historical Cost <u>1,520,958</u>		\$	361,049
	Accum. Depreciation <u>1,159,909</u>	Net		
7. Motor Vehicles	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
8. Minor Equipment-Not Depreciable			\$	
9. Other Fixed Assets ( <i>itemize</i> )			\$	11,075
F/S vs C/R NBV	11,075			
<b>B-10. Total Fixed Assets (Lines B1 thru 9)</b>			<b>\$</b>	<b>1,962,426</b>

\* 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 Avon Convalescent Home, Inc., d/b/a A	License No. 938-C	Report for Year Ended 9/30/2016	Page 32	of 37
Account			Amount	
Total Brought Forward:			\$	4,682,834
C. Leasehold or like property recorded for Equity Purposes.				
1. Land			\$	
2. Land Improvements			*Historical Cost _____	
			Accum. Depreciation _____	Net
			\$	
3. Buildings			*Historical Cost _____	
			Accum. Depreciation _____	Net
			\$	
4. Non-Movable Equipment			*Historical Cost _____	
			Accum. Depreciation _____	Net
			\$	
5. Movable Equipment			*Historical Cost _____	
			Accum. Depreciation _____	Net
			\$	
6. Motor Vehicles			*Historical Cost _____	
			Accum. Depreciation _____	Net
			\$	
7. Minor Equipment-Not Depreciable			\$	
C-8 <b>Total Leasehold or Like Properties</b> (C1 thru 7)			\$	
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	
_____		_____	_____	
7. Other Assets ( <i>itemize</i> )			\$	
_____				
D-8. <b>Total Investments and Other Assets</b> (Lines D1 thru 7)			\$	
D-9. <b>Total All Assets</b> (Lines A9 + B10 + C8 + D8)			\$	4,682,834

\* 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 Avon Convalescent Home, Inc., d/b/a Avon H		License No. 938-C	Report for Year Ended 9/30/2016	Page 33	of 37
Account				Amount	
<b>Liabilities</b>					
A. Current Liabilities					
1. Trade Accounts Payable				\$	169,941
2. Notes Payable ( <i>itemize</i> )				\$	
_____					
_____					
_____					
3. Loans Payable for Equipment ( <i>Current portion</i> ) ( <i>itemize</i> )				\$	
Name of Lender		Purpose	Amount	Date Due	
4. Accrued Payroll ( <i>Exclusive of Owners and/or Stockholders only</i> )				\$	269,545
5. Accrued Payroll ( <i>Owners and/or Stockholders only</i> )				\$	
6. Accrued Payroll Taxes Payable				\$	8,084
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*				\$	
12. Other Current Liabilities ( <i>itemize</i> )				\$	968,710
Credit Balance Liabilities		608,702	Accrued User Fee	183,863	
Due to Cash Resident Funds		19,543	Accrued Property Taxes	1,720	
Accrued Pension		111,434	Accrued Insurance Finan	28,398	
Accrued Accounting		15,050			
<b>A-13. Total Current Liabilities (Lines A1 thru 12)</b>				<b>\$</b>	<b>1,416,280</b>

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

(Carry Total forward to next page)

**G. Balance Sheet (cont'd)**

Name of Facility Avon Convalescent Home, Inc., d/b/a Avon		License No. 938-C	Report for Year Ended 9/30/2016	Page 34	of 37
Account				Amount	
Total Brought Forward:				1,416,280	
<b>Liabilities (cont'd)</b>					
B. Long-Term Liabilities					
1. Loans Payable-Equipment ( <i>itemize</i> )					\$
Name of Lender	Purpose	Amount	Date Due		
2. Mortgages Payable					\$
3. Loans from Owners or Related Parties ( <i>itemize</i> )					\$
Name and Address of Lender	Amount	Loan Date			
4. Other Long-Term Liabilities ( <i>itemize</i> )					\$
_____					
_____					
_____					
B-5. <b>Total Long-Term Liabilities</b> (Lines B1 thru 4)					\$
C. <b>Total All Liabilities</b> (Lines A-13 + B-5)					\$ 1,416,280



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

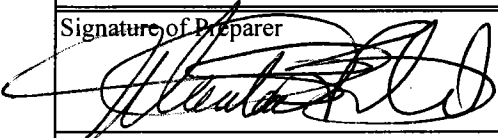
Name of Facility	License No.	Report for Year Ended	Page	of
Avon Convalescent Home, Inc., d/b/a	938-C	9/30/2016	35	37
Account			Amount	
<b>A. Reserves</b>				
1. Reserve for value of leased land			\$	
2. Reserve for depreciation value of leased buildings and appurtenances to be amortized			\$	
3. Reserve for depreciation value of leased personal property ( <i>Equity</i> )			\$	934,235
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			\$	934,235
<b>B. Net Worth</b>				
1. Owner's Capital			\$	
2. Capital Stock			\$	156,000
3. Paid-in Surplus			\$	
4. Treasury Stock			\$	
5. Cumulated Earnings			\$	2,372,044
6. Gain or Loss for Period			\$	(195,725)
	10/1/2015	thru	9/30/2016	
7. Total Net Worth			\$	2,332,319
<b>C. Total Reserves and Net Worth</b>			\$	3,266,554
<b>D. Total Liabilities, Reserves, and Net Worth</b>			\$	4,682,834

### H. Changes in Total Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of
Avon Convalescent Home, Inc., d/b/a Av	938-C	9/30/2016	36	37
<b>Account</b>			<b>Amount</b>	
A. Balance at End of Prior Period as shown on Report of 09/30/2015			\$	2,688,695
B. Total Revenue <i>(From Statement of Revenue Page 30)</i>			\$	11,919,449
C. Total Expenditures <i>(From Statement of Expenditures Page 27)</i>			\$	12,115,174
D. Net Income or Deficit			\$	(195,725)
E. Balance			\$	2,492,970
F. Additions				
1. Additional Capital Contributed <i>(itemize)</i>				
Expenses Per Page 27			\$12,282,895	
(Less) F/S vs C/R Depreciation			(167,721)	
Total Expenses Per F/S			\$12,115,174	
2. Other <i>(itemize)</i>				
F-3. Total Additions			\$	
G. Deductions				
1. Drawings of Owners/Operators/Partners <i>(Specify)</i>			\$	160,651
Name and Address <i>(No., City, State, Zip)</i>		Title	Amount	
Leonard Schwartz		Owner	160,651 {a}	
2. Other Withdrawings <i>(Specify)</i>			\$	
Purpose		Amount		
3. Total Deductions			\$	160,651
H. <b>Balance at End of Period</b>			\$	2,332,319
				09/30/16

{a} Includes portion relating to tax liability payment due to IRS

### I. Preparer's/Reviewer's Certification

Name of Facility Avon Convalescent Home, Inc., d/b/a	License No. 938-C	Report for Year Ended 9/30/2016	Page 37	of 37
<i>Check appropriate category</i>				
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)	<input type="checkbox"/> (Specify)		
<b>Preparer/Reviewer Certification</b>				
<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 PRINCIPAL	Date Signed 1/30/17		
Printed Name of Preparer Matthew S. Bavalack				
Address: Address 555 Long Wharf Drive, New Haven, CT 06511		Phone Number 203-781-9600		

Subject to the attached accountants' consulting report

## ACCOUNTANTS' CONSULTING REPORT

Management is responsible for the accompanying Annual Report of Long-Term Care Facility (the "Cost Report") for Avon Convalescent Home, Inc. for the year ended September 30, 2016, included in the accompanying prescribed form. We have prepared the Cost Report in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Consulting Services. The Cost Report was prepared in conformity with regulations prescribed by The State of CT Department of Social Services (DSS) from data provided to us by the management of Avon Convalescent Home, Inc.. We did not audit or review the Cost Report included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the Cost Report included in the accompanying prescribed form.

Management is responsible for maintaining its records in accordance with accounting principles generally accepted in the United States of America and in accordance with reimbursement regulations set forth by DSS. Management is also responsible for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial data and supplemental information included in the Cost Report.

This report is intended solely for the information and use of the management of Avon Convalescent Home, Inc. and DSS and is not intended to be, and should not be, used by anyone other than these specified parties.

**MARCUM LLP**

New Haven, CT  
January 30, 2017

Error Check

Reported as

Level Item

# Annual Report of Long-Term Care Facility Cost Year 2016 Checklist

**Facility Name** Avon Convalescent Home, Inc. d/b/a Avon Health Care Center

Complete the following check list. **Provide an explanation for any "No" answers.** Attach additional sheets to explain further, if necessary.

Yes No  
  1. Have all related parties been properly disclosed on Pages 4, 11, 12, 14, 17 and 21?

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No  
  2. Are the methods of allocating costs consistent with cost year 2015? If not, explain the reporting change.

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No  
  3. Are costs allocated based on the methods prescribed on Page 5 of the Annual Report? If not, provide the basis of your allocation.

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No  
  4. Do equipment leases listed on Page 6 agree with equipment leases reported on Page 22, Line 6e? If not, state where these costs are included in the Annual Report.

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

5. Do accounting and legal fees reported on Page 7 agree with Page 15, Lines 1d and 1e, respectively?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

6. During cost year 2016, did you report all certified bed changes on Page 9? Do the bed change dates agree to the license issued by the Department of Health?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

7. If there has been a change in Administrators, have the dates of employment and applicable hours for each Administrator been reported on Page 12?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

8. Have hours been reported for all expenses claimed on Page 13? Hours must be actual rather than estimated.

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

9. Has resident day user fee expense been properly reported on Page 15, Line 1k3?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

10. Have purchased services greater than \$10,000 reported on Pages 16, 18, 19, 20 and 22 been detailed on Page 21?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

11. Have the dietary and laundry questionnaires on Pages 18 and 19 been completed?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

12. Has the personal use portion of automobile expense been disallowed, including, depreciation, lease payments, insurance and taxes?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

13. Does historical cost and accumulated depreciation of all assets reported on Pages 23 and 24 roll forward from cost year 2015?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

14. Does the net book value of all assets reported on Pages 23 and 24 agree with the net book value reported on Pages 31 and 32?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

15. Has asset useful life been reported in accordance with the 2013 edition of the American Hospital Association guidelines?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No

16. Have all assets been categorized between movable and fixed in accordance with the 2013 edition of the American Hospital Association guidelines?

Explanation: \_\_\_\_\_  
\_\_\_\_\_

Yes No



17. Have all contractual allowances been properly reported on Page 30?

Explanation:

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Yes No

18. If the automated cost report was used, were all discrepancies on the Error Page addressed? If not addressed, explain why.

Explanation:

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Yes No

19. Have Pages 1 and 37 been signed? *Cost reports without a signed Page 1 and 37 will not be accepted.*

Explanation:

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Yes No

20. Have detailed schedules been provided for all "other" line items, fixed asset and movable equipment additions? *If detail is not provided, appropriate disallowances will be made.*

Explanation:

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Yes No

21. Have all costs associated with non-nursing home businesses (i.e., Adult Daycare, Meals on Wheels, Outpatient Therapy Services, etc.) been disallowed on Pages 28 and/or 29 of the Annual Report?

Explanation:

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Yes No

22. Has all required documentation been submitted to the Annual Report review and audit contractor?

Explanation:

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Client: **Avon Health Care**  
 Engagement: **Medicaid - Avon Health Care 2016 Cost Report**  
 Period Ending: **9/30/2016**  
 Trial Balance: **A.01 - TB-CCNH**

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2016			9/30/2016	9/30/2015
11020	Petty Cash	300.00			300.00	300.00
11140	Cash Operating Account	665,162.00			665,162.00	599,732.00
11620	Cash Resident Funds	19,543.00			19,543.00	17,359.00
13010	A/R Private	319,260.65			319,260.65	749,787.00
13020	A/R Medicaid	1,021,045.21			1,021,045.21	794,578.00
13040	A/R Medicare A	152,197.99			152,197.99	165,921.00
13050	A/R Medicare B	22,858.90			22,858.90	33,841.00
13060	A/R Coinsurance	55,910.44			55,910.44	63,077.00
13080	A/R Insurance Other	101,450.41			101,450.41	183,853.00
13290	Allowance for Doubtful Accounts	0.00			0.00	(25,000.00)
13300	A/R Refunds	5,535.00			5,535.00	5,535.00
13600	A/R Suspense	(436.00)			(436.00)	0.00
15300	Prepaid Insurance	46,306.00			46,306.00	43,833.00
15380	Inventory	33,971.00			33,971.00	31,560.00
15600	Prepaid Federal Taxes	11,822.00			11,822.00	26,282.00
15700	Prepaid Real/Property Taxes	1,217.00			1,217.00	0.00
15800	Prepaid Other	9,278.00			9,278.00	8,957.00
17700	Due from West Hartford Rehab	254,986.00			254,986.00	154,264.00
19220	Buildings	7,495.00			7,495.00	7,495.00
19290	Accum Depr Buildings	(406.00)			(406.00)	(31.00)
19420	Leasehold Improvements	3,120,080.00			3,120,080.00	3,107,389.00
19490	Accum Depr Leasehold Impvmts	(2,258,473.00)			(2,258,473.00)	(2,127,167.00)
19520	Furniture & Equipment	1,058,369.00			1,058,369.00	1,043,250.00
19590	Accum Depr Furniture & Equipmt	(898,871.00)			(898,871.00)	(861,219.00)
21020	Accounts Payable Trade	(169,941.00)			(169,941.00)	(216,364.00)
21300	Credit Balance Liabilities	(608,702.60)			(608,702.60)	(513,588.00)
21310	Unearned Income	0.00			0.00	(24,643.00)
21610	Due to Cash Resident Funds	(19,543.00)			(19,543.00)	(17,359.00)
25360	P/R Garnishment	(33.00)			(33.00)	0.00
25500	Accrued Payroll	(106,590.00)			(106,590.00)	(67,176.00)
25600	Accrued FICA Taxes	(7,690.00)			(7,690.00)	(14,147.00)
25610	Accrued SUI Taxes	(357.00)			(357.00)	(1,144.00)
25620	Accrued FUI Taxes	(37.00)			(37.00)	(109.00)
25650	Accrued Vac Personal Sick	(162,922.00)			(162,922.00)	(167,747.00)
25680	Accrued Pension	(111,434.00)			(111,434.00)	(106,615.00)
26100	Accrued Accounting	(15,050.00)			(15,050.00)	(10,350.00)
26110	Accrued User Fee	(183,863.00)			(183,863.00)	(182,265.00)
26120	Accrued Property Taxes	(1,720.00)			(1,720.00)	0.00
26130	Accrued Insurance Financing	(28,398.00)			(28,398.00)	(13,394.00)
26150	Accrued Expense Other	0.28			0.28	0.00
30100	Shareholder Distributions	160,651.00			160,651.00	305,135.00
30110	Capital Stock	(156,000.00)			(156,000.00)	(156,000.00)
30120	Retained Earnings	(2,532,695.00)			(2,532,695.00)	(2,668,481.00)
40100	Room & Board Private	(2,870,701.00)			(2,870,701.00)	(3,335,081.00)
40110	Private Discounts	20,054.00			20,054.00	54,550.00
40240	ST Private	(37.00)			(37.00)	0.00
41100	Room & Board Medicaid	(11,388,674.00)			(11,388,674.00)	(10,462,804.00)
41110	Allowance R&B Medicaid	4,998,942.00			4,998,942.00	4,605,943.00
41220	PT Medicaid	(2,022.00)			(2,022.00)	(5,160.00)
41225	Allow PT MCD	2,022.00			2,022.00	5,160.00
41230	OT Medicaid	(1,289.00)			(1,289.00)	(3,347.00)
41235	Allow OT MCD	1,289.00			1,289.00	3,347.00
41240	ST Medicaid	(648.00)			(648.00)	(2,206.00)
41245	Allow ST MCD	648.00			648.00	2,206.00
41255	Allow Lab MCD	201.00			201.00	0.00
43100	Room & Board Medicare	(1,620,841.00)			(1,620,841.00)	(1,599,892.00)
43110	Allowance R&B Medicare	(160,660.00)			(160,660.00)	(207,873.00)
43120	Medicare Discounts	34,601.00			34,601.00	34,122.00
43210	Pharmacy Medicare A	(187,752.00)			(187,752.00)	(222,108.00)
43215	Allow Phar MCR A	187,752.00			187,752.00	222,108.00
43220	PT Medicare A	(131,493.00)			(131,493.00)	(124,082.00)
43225	Allow PT MCR A	131,493.00			131,493.00	124,082.00

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2016			9/30/2016	9/30/2016
43230	OT Medicare A	(110,601.00)			(110,601.00)	(113,288.00)
43235	Allow OT MCR A	110,601.00			110,601.00	113,288.00
43240	ST Medicare A	(50,227.00)			(50,227.00)	(78,115.00)
43245	Allow ST MCR A	50,227.00			50,227.00	78,115.00
43250	Lab Medicare A	(31,645.00)			(31,645.00)	(28,857.00)
43255	Allow Lab MCR A	31,645.00			31,645.00	28,857.00
43270	X-ray Medicare A	(8,993.00)			(8,993.00)	(12,871.00)
43275	Allow X-ray MCR A	8,993.00			8,993.00	12,871.00
43310	Pharmacy MCR B	(4,100.00)			(4,100.00)	(3,397.00)
43320	PT Medicare B	(97,159.00)			(97,159.00)	(102,888.00)
43325	Allow PT MCR B	47,026.00			47,026.00	42,137.00
43330	OT Medicare B	(71,356.00)			(71,356.00)	(95,764.00)
43335	Allow OT MCR B	22,915.00			22,915.00	40,564.00
43340	ST Medicare B	(40,822.00)			(40,822.00)	(58,175.00)
43345	Allow ST MCR B	12,365.00			12,365.00	18,937.00
44100	Room & Board Insurance Other	(823,828.00)			(823,828.00)	(724,648.00)
44110	Allowance R&B Insurance Other	56,612.00			56,612.00	20,491.00
44120	Insurance Other Dividends	(13,635.00)			(13,635.00)	(14,670.00)
44510	Pharmacy Insurance Other	(63,858.00)			(63,858.00)	(64,965.00)
44515	Allow Phar Insurance Other	63,858.00			63,858.00	64,965.00
44520	PT Insurance Other	(54,861.00)			(54,861.00)	(53,041.00)
44525	Allow PT Insurance Other	63,835.00			63,835.00	53,041.00
44530	OT Insurance Other	(59,748.00)			(59,748.00)	(46,439.00)
44535	Allow OT Insurance Other	59,948.00			59,948.00	46,439.00
44540	ST Insurance Other	(35,102.00)			(35,102.00)	(37,112.00)
44545	Allow ST Insurance Other	26,450.00			26,450.00	37,112.00
44550	Lab Insurance Other	(39,723.00)			(39,723.00)	(50,789.00)
44555	Allow Lab Insurance Other	39,723.00			39,723.00	40,989.00
44570	X-ray Insurance Other	(2,568.00)			(2,568.00)	(4,596.00)
44575	Allow X-ray Insurance Other	2,568.00			2,568.00	4,596.00
44820	PT Insurance B	(34,614.00)			(34,614.00)	(35,665.00)
44825	Allow PT Insurance B	1,824.00			1,824.00	1,097.00
44830	OT Insurance B	(25,457.00)			(25,457.00)	(19,421.00)
44835	Allow OT Insurance B	(803.00)			(803.00)	1,945.00
44840	ST Insurance B	(30,632.00)			(30,632.00)	(34,787.00)
44845	Allow ST Insurance B	12,173.00			12,173.00	17,865.00
44850	Lab Insurance B	(4,884.00)			(4,884.00)	(3,015.00)
44855	Allow Lab Insurance B	(248.00)			(248.00)	(173.00)
48000	Room & Board Retro Private	267,516.00			267,516.00	58,750.00
48100	Room & Board Retro Medicaid	(193,087.00)			(193,087.00)	(113,777.00)
48300	Room & Board Retro Medicare	3,620.00			3,620.00	(6,419.00)
48400	Room & Board Retro Ins Other	(2,456.00)			(2,456.00)	10,272.00
48600	Retro Ancillaries	(2,158.00)			(2,158.00)	(8.00)
49170	Bad Debt Recovery	(713.00)			(713.00)	(697.00)
49200	Miscellaneous Income	(10,955.00)			(10,955.00)	0.00
51010	P/R Administrator	99,012.00			99,012.00	97,539.00
51020	P/R Director of Operations	115,039.00			115,039.00	103,946.00
51150	P/R Office	215,385.00			215,385.00	220,821.00
51240	Legal Fees	26,681.00			26,681.00	38,640.00
51260	Accounting Fees	45,497.00			45,497.00	45,673.00
51280	Professional Fees	7,679.00			7,679.00	5,489.00
51290	Telephone	9,230.00			9,230.00	12,140.00
51300	Cellular Phones	554.00			554.00	554.00
51310	Advertising Help Wanted	14,403.00			14,403.00	4,332.00
51320	Advertising Telephone Dir	0.00			0.00	94.00
51330	Business Promotion	35,994.00			35,994.00	54,084.00
51340	Dues Chamber Of Commerce	140.00			140.00	0.00
51350	Dues / Association	9,038.00		222.00	9,260.00	9,926.00
51360	Subscriptions	1,941.00			1,941.00	1,632.00
51370	Licenses	1,143.00			1,143.00	2,386.00
51380	Office Supplies	30,185.00			30,185.00	26,379.00
51390	Purchased Services Office	43,627.00		(34,102.00)	9,525.00	2,765.00
51400	Courier & Postage	5,061.00			5,061.00	5,687.00
51410	Office Equipment Rental	12,445.00			12,445.00	11,866.00
51420	Employee Travel	4,672.00			4,672.00	6,527.00
51430	Professional Development	16,370.00			16,370.00	22,773.00

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2016			9/30/2016	9/30/2015
51450	Bank Charges	5,322.00			5,322.00	5,075.00
51460	Payroll Processing	22,388.00			22,388.00	18,006.00
51470	Donation Expense	1,243.00			1,243.00	2,212.00
51480	Employee Relations	22,795.00			22,795.00	22,136.00
51500	Computer Services	44,467.00			44,467.00	47,766.00
51570	Bad Debt Expense	101,133.00			101,133.00	243,024.00
51580	Penalties	0.00			0.00	7,005.00
51700	Other Insurance	13,680.00			13,680.00	14,044.00
51950	State Provider Tax	731,160.00			731,160.00	723,929.00
53600	Fica Tax	487,279.00			487,279.00	460,111.00
53610	State Unemployment Taxes	104,864.00			104,864.00	83,214.00
53620	Federal Unemployment Taxes	8,433.00			8,433.00	33,680.00
53630	Workers Compensation Ins	164,114.00			164,114.00	157,533.00
53640	Employee Group Insurance	808,263.00			808,263.00	757,530.00
53660	Pension Expense	105,678.00			105,678.00	96,990.00
53770	Tuition Expense	0.00			0.00	500.00
53780	New Hire Expense	2,640.00			2,640.00	4,737.00
53790	Employee Physicals/Medication	972.00			972.00	4,252.00
55010	P/R Maintenance Supervisor	63,140.00			63,140.00	63,072.00
55150	P/R Maintenance Staff	53,980.00			53,980.00	50,788.00
55380	Maintenance Supplies	27,947.00			27,947.00	27,316.00
55390	Repair & Maintenance	58,784.00			58,784.00	39,651.00
55430	Groundskeeping	17,613.00			17,613.00	18,612.00
55470	Rubbish Removal	18,118.00			18,118.00	19,262.00
55480	Snow Removal	15,421.00			15,421.00	13,559.00
55490	Purchased Maintenance Contract	39,497.00			39,497.00	39,313.00
5566-010	PERSONAL PROPERTY TAX	0.00		7,371.00	7,371.00	7,820.00
55660	Personal Property Taxes	12,663.72			12,663.72	10,611.00
55710	Water & Sewer	33,322.00			33,322.00	35,083.00
55720	Gas	66,621.00			66,621.00	79,253.00
55740	Electricity	47,212.00			47,212.00	42,759.00
57150	P/R Laundry Staff	99,996.00			99,996.00	104,982.00
57380	Laundry Supplies	7,697.00			7,697.00	7,217.00
57400	Linen & Bedding	9,093.00			9,093.00	6,869.00
59010	P/R Housekeeping Supervisor	56,229.00			56,229.00	69,019.00
59150	P/R Housekeeping Staff	317,045.00			317,045.00	293,140.00
59380	Housekeeping Supplies	45,616.00			45,616.00	47,258.00
63010	P/R Food Supervisor	63,665.00			63,665.00	67,446.00
63030	P/R Dietician	41,348.00			41,348.00	39,142.00
63150	P/R Dietary Staff	465,059.00			465,059.00	430,327.00
63340	Raw Food	253,829.00			253,829.00	256,994.00
63380	Dietary Supplies	50,124.00			50,124.00	47,881.00
65010	P/R Recreation Director	65,076.00			65,076.00	65,384.00
65150	P/R Recreation Staff	82,828.00			82,828.00	79,997.00
65380	Recreation Supplies	5,970.00			5,970.00	4,702.00
65400	Resident & Family Entertainment	17,480.00			17,480.00	19,417.00
65450	Cable TV	9,368.00			9,368.00	10,865.00
65500	Volunteer Expense	277.00			277.00	260.00
66900	Reconciliation Discrepancies	(51.00)			(51.00)	0.00
67010	P/R Social Service Supervisor	69,290.00			69,290.00	67,888.00
67150	P/R Social Service Staff	106,945.00			106,945.00	100,443.00
70200	Medical Director	40,011.00		12,534.00	52,545.00	35,011.00
70210	Medical Director Program	22,534.00		(12,534.00)	10,000.00	10,000.00
70280	Consult Psychiatrist	500.00			500.00	0.00
70300	Consult Pharmacist	9,403.00			9,403.00	8,439.00
70920	Consult Dentist	6,508.00			6,508.00	6,947.00
73160	Therapy Equipment Rental	14,668.00			14,668.00	14,298.00
73170	Purchased Physical Therapy	242,667.00			242,667.00	220,769.00
73180	Physical Therapy Supplies	4,962.00			4,962.00	1,049.00
73190	Purchased Speech Therapy	46,878.00			46,878.00	72,395.00
73200	Purchased Occupational Therapy	185,060.00			185,060.00	187,992.00
76290	Pharmacy	6,765.00			6,765.00	6,266.00
76380	Oxygen Supplies	18,247.00			18,247.00	19,750.00
76400	Pharmacy Other	15,920.00			15,920.00	21,752.00
76500	Pharmacy Medicare	218,166.00			218,166.00	199,551.00
76700	Lab Expense	37,598.00			37,598.00	34,939.00

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2016			9/30/2016	9/30/2015
76760	X-Ray Expense	10,029.00			10,029.00	13,002.00
76860	Resident Travel	3,423.00			3,423.00	11,642.00
76900	Supplies Patient Personal	474.00			474.00	1,629.00
83010	P/R Director Of Nursing	109,747.00			109,747.00	106,728.00
83030	P/R Asst Director Of Nursing	98,316.00			98,316.00	96,394.00
83050	P/R Nursing Support Staff	102,553.00			102,553.00	96,929.00
83070	P/R Nursing Support RN	252,490.00			252,490.00	271,828.00
83080	P/R Infection Control Nurse	26,782.00			26,782.00	0.00
83100	P/R Nursing Supervisors	453,907.00			453,907.00	454,591.00
83110	P/R RN	898,552.00			898,552.00	842,163.00
83120	P/R LPN	583,947.00			583,947.00	580,205.00
83130	P/R Aides	2,086,756.00			2,086,756.00	1,857,899.00
83370	Nursing Equipment Rental	4,565.00			4,565.00	7,139.00
83375	Nursing Equipment Med A	5,988.00			5,988.00	6,861.00
83380	Nursing Supplies	260,996.00			260,996.00	279,410.00
83385	Non Qual T19 Part B Supplies	4,957.00			4,957.00	0.00
83395	Non Qual Other Part B Supplies	6,014.00			6,014.00	7,162.00
83400	Medical Software Subscriptions	23,060.00			23,060.00	24,852.00
83510	Nursing Dept Consultant	62,697.00			62,697.00	49,523.00
9608-010	BAD DEBTS	41,133.00			41,133.00	0.00
97700	Rent	498,615.00		(200,654.00)	297,961.00	303,165.00
9780-010	Related Taxes	0.00		105,122.00	105,122.00	100,827.00
9781-010	Related Insurance	0.00		67,304.00	67,304.00	76,698.00
9782-010	Related Mortgage Insurance	0.00		20,857.00	20,857.00	20,940.00
97900	State Corporate Taxes	250.00			250.00	0.00
98260	Depr Leasehold Improvement	131,306.00			131,306.00	133,294.00
98270	Depr Furniture & Equipment	38,623.00			38,623.00	49,109.00
98290	Depr Buildings	375.00			375.00	31.00
Marcum 101	Purchased Service - LPN	0.00			0.00	312.00
Marcum 102	Purchased Service - CNA	0.00			0.00	114.00
Marcum 103	Contracted Purchased Services	0.00		34,102.00	34,102.00	0.00
Marcum 104	Owner Expenses	0.00		(222.00)	(222.00)	0.00
<b>Total</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Client: **Avon Health Care**  
 Engagement: **Medicaid - Avon Health Care 2016 Cost Report**  
 Period Ending: **9/30/2016**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.03 - Grouping Report - P&L**

Account	Description	FINAL 9/30/2016	1st PP-FINAL 9/30/2015
<b>Group : [10-A]</b>	<b>Salaries and Wages</b>		
<b>Subgroup : [2]</b>	<b>Administrators</b>		
51010	P/R Administrator	99,012.00	97,539.00
<b>Subtotal [2]</b>	<b>Administrators</b>	<b>99,012.00</b>	<b>97,539.00</b>
<b>Subgroup : [4]</b>	<b>Other Administrative Salaries</b>		
51020	P/R Director of Operations	115,039.00	103,946.00
51150	P/R Office	215,385.00	220,821.00
<b>Subtotal [4]</b>	<b>Other Administrative Salaries</b>	<b>330,424.00</b>	<b>324,767.00</b>
<b>Subgroup : [5A]</b>	<b>Head Dietitian</b>		
63030	P/R Dietician	41,348.00	39,142.00
<b>Subtotal [5A]</b>	<b>Head Dietitian</b>	<b>41,348.00</b>	<b>39,142.00</b>
<b>Subgroup : [5B]</b>	<b>Food Service Supervisor</b>		
63010	P/R Food Supervisor	63,665.00	67,446.00
<b>Subtotal [5B]</b>	<b>Food Service Supervisor</b>	<b>63,665.00</b>	<b>67,446.00</b>
<b>Subgroup : [5C]</b>	<b>Dietary Workers</b>		
63150	P/R Dietary Staff	465,059.00	430,327.00
<b>Subtotal [5C]</b>	<b>Dietary Workers</b>	<b>465,059.00</b>	<b>430,327.00</b>
<b>Subgroup : [6A]</b>	<b>Head Housekeeper</b>		
59010	P/R Housekeeping Supervisor	56,229.00	69,019.00
<b>Subtotal [6A]</b>	<b>Head Housekeeper</b>	<b>56,229.00</b>	<b>69,019.00</b>
<b>Subgroup : [6B]</b>	<b>Other Housekeeping Workers</b>		
59150	P/R Housekeeping Staff	317,045.00	293,140.00
<b>Subtotal [6B]</b>	<b>Other Housekeeping Workers</b>	<b>317,045.00</b>	<b>293,140.00</b>
<b>Subgroup : [7A]</b>	<b>Engineer or Chief of Maintenance</b>		
55010	P/R Maintenance Supervisor	63,140.00	63,072.00
<b>Subtotal [7A]</b>	<b>Engineer or Chief of Maintenance</b>	<b>63,140.00</b>	<b>63,072.00</b>
<b>Subgroup : [7B]</b>	<b>Other Maintenance Workers</b>		
55150	P/R Maintenance Staff	53,980.00	50,788.00
<b>Subtotal [7B]</b>	<b>Other Maintenance Workers</b>	<b>53,980.00</b>	<b>50,788.00</b>
<b>Subgroup : [8B]</b>	<b>Other Laundry Workers</b>		
57150	P/R Laundry Staff	99,996.00	104,982.00
<b>Subtotal [8B]</b>	<b>Other Laundry Workers</b>	<b>99,996.00</b>	<b>104,982.00</b>
<b>Subgroup : [12A]</b>	<b>Director of Nurses</b>		
83010	P/R Director Of Nursing	109,747.00	106,728.00
83030	P/R Asst Director Of Nursing	98,316.00	96,394.00
<b>Subtotal [12A]</b>	<b>Director of Nurses</b>	<b>208,063.00</b>	<b>203,122.00</b>
<b>Subgroup : [12B1]</b>	<b>RNs - Direct Care</b>		
83100	P/R Nursing Supervisors	453,907.00	454,591.00
83110	P/R RN	898,552.00	842,163.00
<b>Subtotal [12B1]</b>	<b>RNs - Direct Care</b>	<b>1,352,459.00</b>	<b>1,296,754.00</b>
<b>Subgroup : [12B2]</b>	<b>RNs - Administrative</b>		
83050	P/R Nursing Support Staff	102,553.00	96,929.00
83070	P/R Nursing Support RN	252,490.00	271,828.00
83080	P/R Infection Control Nurse	26,782.00	0.00

<b>Subtotal [12B2]</b>	<b>RNs - Administrative</b>	<b>381,825.00</b>	<b>368,757.00</b>
<b>Subgroup : [12C1]</b>	<b>LPNs - Direct Care</b>		
83120	P/R LPN	583,947.00	580,205.00
<b>Subtotal [12C1]</b>	<b>LPNs - Direct Care</b>	<b>583,947.00</b>	<b>580,205.00</b>
<b>Subgroup : [12D]</b>	<b>Aides and Attendants</b>		
83130	P/R Aides	2,086,756.00	1,857,899.00
<b>Subtotal [12D]</b>	<b>Aides and Attendants</b>	<b>2,086,756.00</b>	<b>1,857,899.00</b>
<b>Subgroup : [12H]</b>	<b>Recreation Workers</b>		
65010	P/R Recreation Director	65,076.00	65,384.00
65150	P/R Recreation Staff	82,828.00	79,997.00
<b>Subtotal [12H]</b>	<b>Recreation Workers</b>	<b>147,904.00</b>	<b>145,381.00</b>
<b>Subgroup : [12M]</b>	<b>Social Workers/Case Management</b>		
67010	P/R Social Service Supervisor	69,290.00	67,888.00
67150	P/R Social Service Staff	106,945.00	100,443.00
<b>Subtotal [12M]</b>	<b>Social Workers/Case Management</b>	<b>176,235.00</b>	<b>168,331.00</b>
<b>Total [10-A]</b>	<b>Salaries and Wages</b>	<b>6,527,087.00</b>	<b>6,160,671.00</b>
<b>Group : [13-B]</b>	<b>Professional Fees</b>		
<b>Subgroup : [2]</b>	<b>Dentist</b>		
70920	Consult Dentist	6,508.00	6,947.00
<b>Subtotal [2]</b>	<b>Dentist</b>	<b>6,508.00</b>	<b>6,947.00</b>
<b>Subgroup : [3]</b>	<b>Pharmacist</b>		
70300	Consult Pharmacist	9,403.00	8,439.00
<b>Subtotal [3]</b>	<b>Pharmacist</b>	<b>9,403.00</b>	<b>8,439.00</b>
<b>Subgroup : [5A]</b>	<b>PT - Resident Care</b>		
73170	Purchased Physical Therapy	242,667.00	220,769.00
<b>Subtotal [5A]</b>	<b>PT - Resident Care</b>	<b>242,667.00</b>	<b>220,769.00</b>
<b>Subgroup : [8A]</b>	<b>Medical Director</b>		
70200	Medical Director	52,545.00	35,011.00
<b>Subtotal [8A]</b>	<b>Medical Director</b>	<b>52,545.00</b>	<b>35,011.00</b>
<b>Subgroup : [8E]</b>	<b>Other</b>		
70210	Medical Director Program	10,000.00	10,000.00
<b>Subtotal [8E]</b>	<b>Other</b>	<b>10,000.00</b>	<b>10,000.00</b>
<b>Subgroup : [9A]</b>	<b>ST - Resident Care</b>		
73190	Purchased Speech Therapy	46,878.00	72,395.00
<b>Subtotal [9A]</b>	<b>ST - Resident Care</b>	<b>46,878.00</b>	<b>72,395.00</b>
<b>Subgroup : [10A]</b>	<b>OT - Resident Care</b>		
73200	Purchased Occupational Therapy	185,060.00	187,992.00
<b>Subtotal [10A]</b>	<b>OT - Resident Care</b>	<b>185,060.00</b>	<b>187,992.00</b>
<b>Subgroup : [11B1]</b>	<b>LPN's - Direct Care</b>		
Marcum 101	Purchased Service - LPN	0.00	312.00
<b>Subtotal [11B1]</b>	<b>LPN's - Direct Care</b>	<b>0.00</b>	<b>312.00</b>
<b>Subgroup : [11C]</b>	<b>Aides</b>		
Marcum 102	Purchased Service - CNA	0.00	114.00
<b>Subtotal [11C]</b>	<b>Aides</b>	<b>0.00</b>	<b>114.00</b>
<b>Subgroup : [12]</b>	<b>Other</b>		
70280	Consult Psychiatrist	500.00	0.00
83510	Nursing Dept Consultant	62,697.00	49,523.00
<b>Subtotal [12]</b>	<b>Other</b>	<b>63,197.00</b>	<b>49,523.00</b>

<b>Total [13-B]</b>	<b>Professional Fees</b>	<b>616,258.00</b>	<b>591,502.00</b>
<b>Group : [15]</b>	<b>Expenditures Other than Salaries</b>		
<b>Subgroup : [1A1]</b>	<b>Workmen's Compensation</b>		
53630	Workers Compensation Ins	164,114.00	157,533.00
<b>Subtotal [1A1]</b>	<b>Workmen's Compensation</b>	<b>164,114.00</b>	<b>157,533.00</b>
<b>Subgroup : [1A3]</b>	<b>Unemployment Insurance</b>		
53610	State Unemployment Taxes	104,864.00	83,214.00
53620	Federal Unemployment Taxes	8,433.00	33,680.00
<b>Subtotal [1A3]</b>	<b>Unemployment Insurance</b>	<b>113,297.00</b>	<b>116,894.00</b>
<b>Subgroup : [1A4]</b>	<b>Social Security (FICA)</b>		
53600	Fica Tax	487,279.00	460,111.00
<b>Subtotal [1A4]</b>	<b>Social Security (FICA)</b>	<b>487,279.00</b>	<b>460,111.00</b>
<b>Subgroup : [1A5]</b>	<b>Health Insurance</b>		
53640	Employee Group Insurance	808,263.00	757,530.00
<b>Subtotal [1A5]</b>	<b>Health Insurance</b>	<b>808,263.00</b>	<b>757,530.00</b>
<b>Subgroup : [1A7]</b>	<b>Pensions</b>		
53660	Pension Expense	105,678.00	96,990.00
<b>Subtotal [1A7]</b>	<b>Pensions</b>	<b>105,678.00</b>	<b>96,990.00</b>
<b>Subgroup : [1A9]</b>	<b>Other</b>		
53770	Tuition Expense	0.00	500.00
53780	New Hire Expense	2,640.00	4,737.00
53790	Employee Physicals/Medication	972.00	4,252.00
<b>Subtotal [1A9]</b>	<b>Other</b>	<b>3,612.00</b>	<b>9,489.00</b>
<b>Subgroup : [1C]</b>	<b>Bad Debts</b>		
51570	Bad Debt Expense	101,133.00	243,024.00
9608-010	BAD DEBTS	41,133.00	0.00
<b>Subtotal [1C]</b>	<b>Bad Debts</b>	<b>142,266.00</b>	<b>243,024.00</b>
<b>Subgroup : [1D]</b>	<b>Accounting and Auditing</b>		
51260	Accounting Fees	45,497.00	45,673.00
<b>Subtotal [1D]</b>	<b>Accounting and Auditing</b>	<b>45,497.00</b>	<b>45,673.00</b>
<b>Subgroup : [1E]</b>	<b>Legal</b>		
51240	Legal Fees	26,681.00	38,640.00
<b>Subtotal [1E]</b>	<b>Legal</b>	<b>26,681.00</b>	<b>38,640.00</b>
<b>Subgroup : [1G]</b>	<b>Office Supplies</b>		
51380	Office Supplies	30,185.00	26,379.00
<b>Subtotal [1G]</b>	<b>Office Supplies</b>	<b>30,185.00</b>	<b>26,379.00</b>
<b>Subgroup : [1H1]</b>	<b>Telephone and Telegraph</b>		
51290	Telephone	9,230.00	12,140.00
<b>Subtotal [1H1]</b>	<b>Telephone and Telegraph</b>	<b>9,230.00</b>	<b>12,140.00</b>
<b>Subgroup : [1H2]</b>	<b>Cellular Phones and Beepers</b>		
51300	Cellular Phones	554.00	554.00
<b>Subtotal [1H2]</b>	<b>Cellular Phones and Beepers</b>	<b>554.00</b>	<b>554.00</b>
<b>Subgroup : [1K3]</b>	<b>Resident Day User Fee</b>		
51950	State Provider Tax	731,160.00	723,929.00
<b>Subtotal [1K3]</b>	<b>Resident Day User Fee</b>	<b>731,160.00</b>	<b>723,929.00</b>
<b>Subgroup : [1J]</b>	<b>Corporation Business Taxes</b>		
97900	State Corporate Taxes	250.00	0.00
<b>Subtotal [1J]</b>	<b>Corporation Business Taxes</b>	<b>250.00</b>	<b>0.00</b>
<b>Total [15]</b>	<b>Expenditures Other than Salaries</b>	<b>2,668,066.00</b>	<b>2,688,886.00</b>



<b>Group : [16]</b>	<b>Expenditures Other than Salaries (cont'd) - Admin. and General</b>		
<b>Subgroup : [2]</b>	<b>Holiday Parties for Staff</b>		
51480	Employee Relations	22,795.00	22,136.00
<b>Subtotal [2]</b>	<b>Holiday Parties for Staff</b>	<u>22,795.00</u>	<u>22,136.00</u>
<b>Subgroup : [4]</b>	<b>Employee Travel</b>		
51420	Employee Travel	4,672.00	6,527.00
<b>Subtotal [4]</b>	<b>Employee Travel</b>	<u>4,672.00</u>	<u>6,527.00</u>
<b>Subgroup : [5]</b>	<b>Education Expense</b>		
51430	Professional Development	16,370.00	22,773.00
<b>Subtotal [5]</b>	<b>Education Expense</b>	<u>16,370.00</u>	<u>22,773.00</u>
<b>Subgroup : [M1]</b>	<b>Advertising Help Wanted</b>		
51310	Advertising Help Wanted	14,403.00	4,332.00
<b>Subtotal [M1]</b>	<b>Advertising Help Wanted</b>	<u>14,403.00</u>	<u>4,332.00</u>
<b>Subgroup : [M2]</b>	<b>Advertising Telephone Directory</b>		
51320	Advertising Telephone Dir	0.00	94.00
<b>Subtotal [M2]</b>	<b>Advertising Telephone Directory</b>	<u>0.00</u>	<u>94.00</u>
<b>Subgroup : [M3]</b>	<b>Advertising Other</b>		
51330	Business Promotion	35,994.00	54,084.00
<b>Subtotal [M3]</b>	<b>Advertising Other</b>	<u>35,994.00</u>	<u>54,084.00</u>
<b>Subgroup : [M7]</b>	<b>Postage</b>		
51400	Courier & Postage	5,061.00	5,687.00
<b>Subtotal [M7]</b>	<b>Postage</b>	<u>5,061.00</u>	<u>5,687.00</u>
<b>Subgroup : [M8]</b>	<b>Dues</b>		
51350	Dues / Association	9,260.00	9,926.00
<b>Subtotal [M8]</b>	<b>Dues</b>	<u>9,260.00</u>	<u>9,926.00</u>
<b>Subgroup : [M8A]</b>	<b>Dues to Chamber of Commerce</b>		
51340	Dues Chamber Of Commerce	140.00	0.00
<b>Subtotal [M8A]</b>	<b>Dues to Chamber of Commerce</b>	<u>140.00</u>	<u>0.00</u>
<b>Subgroup : [M9]</b>	<b>Subscriptions</b>		
51360	Subscriptions	1,941.00	1,632.00
<b>Subtotal [M9]</b>	<b>Subscriptions</b>	<u>1,941.00</u>	<u>1,632.00</u>
<b>Subgroup : [M10]</b>	<b>Contributions</b>		
51470	Donation Expense	1,243.00	2,212.00
<b>Subtotal [M10]</b>	<b>Contributions</b>	<u>1,243.00</u>	<u>2,212.00</u>
<b>Subgroup : [M11]</b>	<b>Services Provided by Contract</b>		
51280	Professional Fees	7,679.00	5,489.00
51460	Payroll Processing	22,388.00	18,006.00
Marcum 103	Contracted Purchased Services	34,102.00	0.00
<b>Subtotal [M11]</b>	<b>Services Provided by Contract</b>	<u>64,169.00</u>	<u>23,495.00</u>
<b>Subgroup : [M13]</b>	<b>Other</b>		
51370	Licenses	1,143.00	2,386.00
51390	Purchased Services Office	9,525.00	2,765.00
51450	Bank Charges	5,322.00	5,075.00
51500	Computer Services	44,467.00	47,766.00
51580	Penalties	0.00	7,005.00
65500	Volunteer Expense	277.00	260.00
66900	Reconciliation Discrepancies	(51.00)	0.00
Marcum 104	Owner Expenses	(222.00)	0.00
<b>Subtotal [M13]</b>	<b>Other</b>	<u>60,461.00</u>	<u>65,257.00</u>
<b>Total [16]</b>	<b>Expenditures Other than Salaries (cont'd) - Admin. and General</b>	<u>236,509.00</u>	<u>218,155.00</u>

<b>Group : [18]</b>	<b>Dietary Basis for Allocation of Costs</b>		
<b>Subgroup : [2A1]</b>	<b>Raw Food</b>		
63340	Raw Food	253,829.00	256,994.00
<b>Subtotal [2A1]</b>	<b>Raw Food</b>	<u>253,829.00</u>	<u>256,994.00</u>
<b>Subgroup : [2A2]</b>	<b>Non-Food Supplies</b>		
63380	Dietary Supplies	50,124.00	47,881.00
<b>Subtotal [2A2]</b>	<b>Non-Food Supplies</b>	<u>50,124.00</u>	<u>47,881.00</u>
<b>Total [18]</b>	<b>Dietary Basis for Allocation of Costs</b>	<u>303,953.00</u>	<u>304,875.00</u>
<b>Group : [19]</b>	<b>Laundry-Basis for Allocation of Costs</b>		
<b>Subgroup : [3A1]</b>	<b>Bed Linens, etc...washed, ironed..</b>		
57400	Linen & Bedding	9,093.00	6,869.00
<b>Subtotal [3A1]</b>	<b>Bed Linens, etc...washed, ironed..</b>	<u>9,093.00</u>	<u>6,869.00</u>
<b>Subgroup : [3D]</b>	<b>Other</b>		
57380	Laundry Supplies	7,697.00	7,217.00
<b>Subtotal [3D]</b>	<b>Other</b>	<u>7,697.00</u>	<u>7,217.00</u>
<b>Total [19]</b>	<b>Laundry-Basis for Allocation of Costs</b>	<u>16,790.00</u>	<u>14,086.00</u>
<b>Group : [20]</b>	<b>Housekeeping and Resident Care Basis for Allocation of Costs</b>		
<b>Subgroup : [4A1]</b>	<b>In-Houe Care Supplies</b>		
59380	Housekeeping Supplies	45,616.00	47,258.00
<b>Subtotal [4A1]</b>	<b>In-Houe Care Supplies</b>	<u>45,616.00</u>	<u>47,258.00</u>
<b>Subgroup : [5A2]</b>	<b>Purchased From</b>		
76290	Pharmacy	6,765.00	6,266.00
76400	Pharmacy Other	15,920.00	21,752.00
76500	Pharmacy Medicare	218,166.00	199,551.00
<b>Subtotal [5A2]</b>	<b>Purchased From</b>	<u>240,851.00</u>	<u>227,569.00</u>
<b>Subgroup : [5B]</b>	<b>Medicine Cabinet Drugs</b>		
83380	Nursing Supplies	260,996.00	279,410.00
<b>Subtotal [5B]</b>	<b>Medicine Cabinet Drugs</b>	<u>260,996.00</u>	<u>279,410.00</u>
<b>Subgroup : [5C]</b>	<b>Medical and Therapeutic Supplies</b>		
83385	Non Qual T19 Part B Supplies	4,957.00	0.00
83395	Non Qual Other Part B Supplies	6,014.00	7,162.00
<b>Subtotal [5C]</b>	<b>Medical and Therapeutic Supplies</b>	<u>10,971.00</u>	<u>7,162.00</u>
<b>Subgroup : [5D]</b>	<b>Ambulance/Limousine</b>		
76860	Resident Travel	3,423.00	11,642.00
<b>Subtotal [5D]</b>	<b>Ambulance/Limousine</b>	<u>3,423.00</u>	<u>11,642.00</u>
<b>Subgroup : [5E2]</b>	<b>Oxygen - Other</b>		
76380	Oxygen Supplies	18,247.00	19,750.00
<b>Subtotal [5E2]</b>	<b>Oxygen - Other</b>	<u>18,247.00</u>	<u>19,750.00</u>
<b>Subgroup : [5F]</b>	<b>X-Rays and related radiological</b>		
76760	X-Ray Expense	10,029.00	13,002.00
<b>Subtotal [5F]</b>	<b>X-Rays and related radiological</b>	<u>10,029.00</u>	<u>13,002.00</u>
<b>Subgroup : [5H]</b>	<b>Laboratory</b>		
76700	Lab Expense	37,598.00	34,939.00
<b>Subtotal [5H]</b>	<b>Laboratory</b>	<u>37,598.00</u>	<u>34,939.00</u>
<b>Subgroup : [5I]</b>	<b>Recreation</b>		
65380	Recreation Supplies	5,970.00	4,702.00
65400	Resident & Family Entertainment	17,480.00	19,417.00
65450	Cable TV	9,368.00	10,865.00
<b>Subtotal [5I]</b>	<b>Recreation</b>	<u>32,818.00</u>	<u>34,984.00</u>

<b>Subgroup : [5J]</b>	<b>Other</b>		
73160	Therapy Equipment Rental	14,668.00	14,298.00
73180	Physical Therapy Supplies	4,962.00	1,049.00
76900	Supplies Patient Personal	474.00	1,629.00
83370	Nursing Equipment Rental	4,565.00	7,139.00
83375	Nursing Equipment Med A	5,988.00	6,861.00
83400	Medical Software Subscriptions	23,060.00	24,852.00
<b>Subtotal [5J]</b>	<b>Other</b>	<b>53,717.00</b>	<b>55,828.00</b>
<b>Total [20]</b>	<b>Housekeeping and Resident Care Basis for Allocation of Costs</b>	<b>714,266.00</b>	<b>731,544.00</b>
<b>Group : [22]</b>	<b>Maintenance and Property</b>		
<b>Subgroup : [6A]</b>	<b>Repairs and Maintenance</b>		
55380	Maintenance Supplies	27,947.00	27,316.00
55390	Repair & Maintenance	58,784.00	39,651.00
<b>Subtotal [6A]</b>	<b>Repairs and Maintenance</b>	<b>86,731.00</b>	<b>66,967.00</b>
<b>Subgroup : [6B]</b>	<b>Heat</b>		
55720	Gas	66,621.00	79,253.00
<b>Subtotal [6B]</b>	<b>Heat</b>	<b>66,621.00</b>	<b>79,253.00</b>
<b>Subgroup : [6C]</b>	<b>Light &amp; Power</b>		
55740	Electricity	47,212.00	42,759.00
<b>Subtotal [6C]</b>	<b>Light &amp; Power</b>	<b>47,212.00</b>	<b>42,759.00</b>
<b>Subgroup : [6D]</b>	<b>Water</b>		
55710	Water & Sewer	33,322.00	35,083.00
<b>Subtotal [6D]</b>	<b>Water</b>	<b>33,322.00</b>	<b>35,083.00</b>
<b>Subgroup : [6E]</b>	<b>Equipment Lease</b>		
51410	Office Equipment Rental	12,445.00	11,866.00
<b>Subtotal [6E]</b>	<b>Equipment Lease</b>	<b>12,445.00</b>	<b>11,866.00</b>
<b>Subgroup : [6F]</b>	<b>Other</b>		
55430	Groundskeeping	17,613.00	18,612.00
55470	Rubbish Removal	18,118.00	19,262.00
55480	Snow Removal	15,421.00	13,559.00
55490	Purchased Maintenance Contract	39,497.00	39,313.00
<b>Subtotal [6F]</b>	<b>Other</b>	<b>90,649.00</b>	<b>90,746.00</b>
<b>Subgroup : [7B]</b>	<b>Building &amp; Building Improvements</b>		
98290	Depr Buildings	375.00	31.00
<b>Subtotal [7B]</b>	<b>Building &amp; Building Improvements</b>	<b>375.00</b>	<b>31.00</b>
<b>Subgroup : [7D]</b>	<b>Movable Equipment</b>		
98270	Depr Furniture & Equipment	38,623.00	49,109.00
<b>Subtotal [7D]</b>	<b>Movable Equipment</b>	<b>38,623.00</b>	<b>49,109.00</b>
<b>Subgroup : [8C]</b>	<b>Leasehold Improvements</b>		
98260	Depr Leasehold Improvement	131,306.00	133,294.00
<b>Subtotal [8C]</b>	<b>Leasehold Improvements</b>	<b>131,306.00</b>	<b>133,294.00</b>
<b>Subgroup : [9]</b>	<b>Rental Payments</b>		
97700	Rent	297,961.00	303,165.00
9782-010	Related Mortgage Insurance	20,857.00	20,940.00
<b>Subtotal [9]</b>	<b>Rental Payments</b>	<b>318,818.00</b>	<b>324,105.00</b>
<b>Subgroup : [10B]</b>	<b>Real estate taxes paid by lessor</b>		
9780-010	Related Taxes	105,122.00	100,827.00
<b>Subtotal [10B]</b>	<b>Real estate taxes paid by lessor</b>	<b>105,122.00</b>	<b>100,827.00</b>
<b>Subgroup : [10C]</b>	<b>Personal property taxes</b>		
5566-010	PERSONAL PROPERTY TAX	7,371.00	7,820.00

55660	Personal Property Taxes	12,663.72	10,611.00
<b>Subtotal [10C]</b>	<b>Personal property taxes</b>	<b>20,034.72</b>	<b>18,431.00</b>
<b>Total [22]</b>	<b>Maintenance and Property</b>	<b>951,258.72</b>	<b>952,471.00</b>
<b>Group : [27]</b>	<b>Interest and Insurance</b>		
<b>Subgroup : [14A]</b>	<b>Insurance on Property</b>		
51700	Other Insurance	13,680.00	14,044.00
9781-010	Related Insurance	67,304.00	76,698.00
<b>Subtotal [14A]</b>	<b>Insurance on Property</b>	<b>80,984.00</b>	<b>90,742.00</b>
<b>Total [27]</b>	<b>Interest and Insurance</b>	<b>80,984.00</b>	<b>90,742.00</b>
<b>Group : [30]</b>	<b>Statement of Revenue</b>		
<b>Subgroup : [1A]</b>	<b>Medicaid Residents (CT only)</b>		
41100	Room & Board Medicaid	(11,388,674.00)	(10,462,804.00)
<b>Subtotal [1A]</b>	<b>Medicaid Residents (CT only)</b>	<b>(11,388,674.00)</b>	<b>(10,462,804.00)</b>
<b>Subgroup : [1B]</b>	<b>Medicaid room and board contractual allowance</b>		
41110	Allowance R&B Medicaid	4,998,942.00	4,605,943.00
48100	Room & Board Retro Medicaid	(193,087.00)	(113,777.00)
<b>Subtotal [1B]</b>	<b>Medicaid room and board contractual allowance</b>	<b>4,805,855.00</b>	<b>4,492,166.00</b>
<b>Subgroup : [3A]</b>	<b>Medicare Residents (All inclusive)</b>		
43100	Room & Board Medicare	(1,620,841.00)	(1,599,892.00)
48300	Room & Board Retro Medicare	3,620.00	(6,419.00)
<b>Subtotal [3A]</b>	<b>Medicare Residents (All inclusive)</b>	<b>(1,617,221.00)</b>	<b>(1,606,311.00)</b>
<b>Subgroup : [3B]</b>	<b>Medicare room and board contractual allowance</b>		
43110	Allowance R&B Medicare	(160,660.00)	(207,873.00)
<b>Subtotal [3B]</b>	<b>Medicare room and board contractual allowance</b>	<b>(160,660.00)</b>	<b>(207,873.00)</b>
<b>Subgroup : [4A]</b>	<b>Private-pay residents and other</b>		
40100	Room & Board Private	(2,870,701.00)	(3,335,081.00)
40110	Private Discounts	20,054.00	54,550.00
44100	Room & Board Insurance Other	(823,828.00)	(724,648.00)
44110	Allowance R&B Insurance Other	56,612.00	20,491.00
48000	Room & Board Retro Private	267,516.00	58,750.00
48400	Room & Board Retro Ins Other	(2,456.00)	10,272.00
<b>Subtotal [4A]</b>	<b>Private-pay residents and other</b>	<b>(3,352,803.00)</b>	<b>(3,915,666.00)</b>
<b>Subgroup : [5A]</b>	<b>Prescription Drugs - Medicare</b>		
43210	Pharmacy Medicare A	(187,752.00)	(222,108.00)
<b>Subtotal [5A]</b>	<b>Prescription Drugs - Medicare</b>	<b>(187,752.00)</b>	<b>(222,108.00)</b>
<b>Subgroup : [5B]</b>	<b>Prescription Drugs - Medicare Contractual Allowance</b>		
43215	Allow Phar MCR A	187,752.00	222,108.00
<b>Subtotal [5B]</b>	<b>Prescription Drugs - Medicare Contractual Allowance</b>	<b>187,752.00</b>	<b>222,108.00</b>
<b>Subgroup : [5C]</b>	<b>Prescription Drugs - Non-medicare</b>		
44510	Pharmacy Insurance Other	(63,858.00)	(64,965.00)
<b>Subtotal [5C]</b>	<b>Prescription Drugs - Non-medicare</b>	<b>(63,858.00)</b>	<b>(64,965.00)</b>
<b>Subgroup : [5D]</b>	<b>Prescription Drugs - Non-medicare Contractual Allowance</b>		
44515	Allow Phar Insurance Other	63,858.00	64,965.00
<b>Subtotal [5D]</b>	<b>Prescription Drugs - Non-medicare Contractual Allowance</b>	<b>63,858.00</b>	<b>64,965.00</b>
<b>Subgroup : [7A]</b>	<b>Physical Therapy - Medicare</b>		
43220	PT Medicare A	(131,493.00)	(124,082.00)
43225	Allow PT MCR A	131,493.00	124,082.00
43320	PT Medicare B	(97,159.00)	(102,888.00)
44820	PT Insurance B	(34,614.00)	(35,665.00)
44825	Allow PT Insurance B	1,824.00	1,097.00
<b>Subtotal [7A]</b>	<b>Physical Therapy - Medicare</b>	<b>(129,949.00)</b>	<b>(137,456.00)</b>

<b>Subgroup : [7B]</b>	<b>Physical Therapy - Medicare Contractual Allowance</b>		
43325	Allow PT MCR B	47,026.00	42,137.00
<b>Subtotal [7B]</b>	<b>Physical Therapy - Medicare Contractual Allowance</b>	<u>47,026.00</u>	<u>42,137.00</u>
<b>Subgroup : [7C]</b>	<b>Physical Therapy - Non-medicare</b>		
41220	PT Medicaid	(2,022.00)	(5,160.00)
44520	PT Insurance Other	(54,861.00)	(53,041.00)
<b>Subtotal [7C]</b>	<b>Physical Therapy - Non-medicare</b>	<u>(56,883.00)</u>	<u>(58,201.00)</u>
<b>Subgroup : [7D]</b>	<b>Physical Therapy - Non-medicare Contractual Allowance</b>		
41225	Allow PT MCD	2,022.00	5,160.00
44525	Allow PT Insurance Other	63,835.00	53,041.00
<b>Subtotal [7D]</b>	<b>Physical Therapy - Non-medicare Contractual Allowance</b>	<u>65,857.00</u>	<u>58,201.00</u>
<b>Subgroup : [8A]</b>	<b>Speech Therapy - Medicare</b>		
43240	ST Medicare A	(50,227.00)	(78,115.00)
43340	ST Medicare B	(40,822.00)	(58,175.00)
44840	ST Insurance B	(30,632.00)	(34,787.00)
<b>Subtotal [8A]</b>	<b>Speech Therapy - Medicare</b>	<u>(121,681.00)</u>	<u>(171,077.00)</u>
<b>Subgroup : [8B]</b>	<b>Speech Therapy - Medicare Contractual Allowance</b>		
43245	Allow ST MCR A	50,227.00	78,115.00
43345	Allow ST MCR B	12,365.00	18,937.00
44845	Allow ST Insurance B	12,173.00	17,865.00
<b>Subtotal [8B]</b>	<b>Speech Therapy - Medicare Contractual Allowance</b>	<u>74,765.00</u>	<u>114,917.00</u>
<b>Subgroup : [8C]</b>	<b>Speech Therapy - Non-medicare</b>		
40240	ST Private	(37.00)	0.00
41240	ST Medicaid	(648.00)	(2,206.00)
44540	ST Insurance Other	(35,102.00)	(37,112.00)
<b>Subtotal [8C]</b>	<b>Speech Therapy - Non-medicare</b>	<u>(35,787.00)</u>	<u>(39,318.00)</u>
<b>Subgroup : [8D]</b>	<b>Speech Therapy - Non-medicare Contractual Allowance</b>		
41245	Allow ST MCD	648.00	2,206.00
44545	Allow ST Insurance Other	26,450.00	37,112.00
<b>Subtotal [8D]</b>	<b>Speech Therapy - Non-medicare Contractual Allowance</b>	<u>27,098.00</u>	<u>39,318.00</u>
<b>Subgroup : [9A]</b>	<b>Occupational Therapy - Medicare</b>		
43230	OT Medicare A	(110,601.00)	(113,288.00)
43330	OT Medicare B	(71,356.00)	(95,764.00)
44830	OT Insurance B	(25,457.00)	(19,421.00)
<b>Subtotal [9A]</b>	<b>Occupational Therapy - Medicare</b>	<u>(207,414.00)</u>	<u>(228,473.00)</u>
<b>Subgroup : [9B]</b>	<b>Occupational Therapy - Medicare Contractual Allowance</b>		
43235	Allow OT MCR A	110,601.00	113,288.00
43335	Allow OT MCR B	22,915.00	40,564.00
44835	Allow OT Insurance B	(803.00)	1,945.00
<b>Subtotal [9B]</b>	<b>Occupational Therapy - Medicare Contractual Allowance</b>	<u>132,713.00</u>	<u>155,797.00</u>
<b>Subgroup : [9C]</b>	<b>Occupational Therapy - Non-medicare</b>		
41230	OT Medicaid	(1,289.00)	(3,347.00)
44530	OT Insurance Other	(59,748.00)	(46,439.00)
<b>Subtotal [9C]</b>	<b>Occupational Therapy - Non-medicare</b>	<u>(61,037.00)</u>	<u>(49,786.00)</u>
<b>Subgroup : [9D]</b>	<b>Occupational Therapy - Non-medicare Contractual Allowance</b>		
44535	Allow OT Insurance Other	59,948.00	46,439.00
<b>Subtotal [9D]</b>	<b>Occupational Therapy - Non-medicare Contractual Allowance</b>	<u>59,948.00</u>	<u>46,439.00</u>
<b>Subgroup : [10A]</b>	<b>Other - Medicare</b>		
43120	Medicare Discounts	34,601.00	34,122.00
43250	Lab Medicare A	(31,645.00)	(28,857.00)
43255	Allow Lab MCR A	31,645.00	28,857.00
43270	X-ray Medicare A	(8,993.00)	(12,871.00)

43275	Allow X-ray MCR A	8,993.00	12,871.00
43310	Pharmacy MCR B	(4,100.00)	(3,397.00)
44850	Lab Insurance B	(4,884.00)	(3,015.00)
44855	Allow Lab Insurance B	(248.00)	(173.00)
49200	Miscellaneous Income	(10,955.00)	0.00
<b>Subtotal [10A]</b>	<b>Other - Medicare</b>	<u><b>14,414.00</b></u>	<u><b>27,537.00</b></u>
<b>Subgroup : [10B]</b>	<b>Other - Non-medicare</b>		
41235	Allow OT MCD	1,289.00	3,347.00
41255	Allow Lab MCD	201.00	0.00
44120	Insurance Other Dividends	(13,635.00)	(14,670.00)
44550	Lab Insurance Other	(39,723.00)	(50,789.00)
44555	Allow Lab Insurance Other	39,723.00	40,989.00
44570	X-ray Insurance Other	(2,568.00)	(4,596.00)
44575	Allow X-ray Insurance Other	2,568.00	4,596.00
<b>Subtotal [10B]</b>	<b>Other - Non-medicare</b>	<u><b>(12,145.00)</b></u>	<u><b>(21,123.00)</b></u>
<b>Subgroup : [18]</b>	<b>Other Revenue</b>		
48600	Retro Ancillaries	(2,158.00)	(8.00)
49170	Bad Debt Recovery	(713.00)	(697.00)
<b>Subtotal [18]</b>	<b>Other Revenue</b>	<u><b>(2,871.00)</b></u>	<u><b>(705.00)</b></u>
<b>Total [30]</b>	<b>Statement of Revenue</b>	<u><u><b>(11,919,449.00)</b></u></u>	<u><u><b>(11,922,281.00)</b></u></u>
	<b>NET (INCOME) LOSS</b>	<u><u><b>195,722.72</b></u></u>	<u><u><b>(169,349.00)</b></u></u>

Client: **Avon Health Care**  
 Engagement: **Medicaid - Avon Health Care 2016 Cost Report**  
 Period Ending: **9/30/2016**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **H.01 - Reclassifying Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Reclassifying Journal Entries JE # 1</b>		<b>G.01</b>		
To reclass taxes, insurance and mortgage insurance to correct cost centers from rent				
5566-010	PERSONAL PROPERTY TAX		7,371.00	
9780-010	Related Taxes		105,122.00	
9781-010	Related Insurance		67,304.00	
9782-010	Related Mortgage Insurance		20,857.00	
97700	Rent			200,654.00
<b>Total</b>			<b>200,654.00</b>	<b>200,654.00</b>
<b>Reclassifying Journal Entries JE # 2</b>		<b>D.01, pg. 18</b>		
To reclass assistant medical director professional fees				
70200	Medical Director		3,784.00	
70200	Medical Director		8,750.00	
70210	Medical Director Program			12,534.00
<b>Total</b>			<b>12,534.00</b>	<b>12,534.00</b>
<b>Reclassifying Journal Entries JE # 3</b>		<b>N.04</b>		
To reclass contracted purchased services				
Marcum 103	Contracted Purchased Services		34,102.00	
51390	Purchased Services Office			34,102.00
<b>Total</b>			<b>34,102.00</b>	<b>34,102.00</b>
<b>Reclassifying Journal Entries JE # 4</b>		<b>N.04</b>		
To reclass owner expenses from dues				
51350	Dues / Association		222.00	
Marcum 104	Owner Expenses			222.00
<b>Total</b>			<b>222.00</b>	<b>222.00</b>



Provider Name: Avon Health Care Center

Provider Number: 938-C

Period Ended: 9/30/16

Name of Workpaper: VHCL CKLST

**VEHICLE COMPLIANCE CHECKLIST**

**PURPOSE:** To determine that vehicles comply with the published February 15, 2000 guidelines developed to assist providers in understanding what transportation costs are allowable and how the costs must be documented.

		Yes	No	Support Filed at?	Finding Issued?
1	Are all vehicles registered and insured in the facility's name? <i>Request insurance cards and current vehicle registration.</i>	N/A			
2	Are all purchase and lease agreements made in the facility's name?				
3	Were mileage logs obtained for facility vehicles claimed for reimbursement				
4	Were the number of vehicles allowed for reimbursement determined?				
5	Was personal use of the facility vehicles determined?				
6	Has the maximum cost allowed for depreciation purposes or the maximum allowable monthly lease expense been determined?				
7	Were all newly acquired vehicle additions for the cost years specified to supporting invoices and cancelled checks verified?				
8	Were all motor vehicle additions physically inspected?				

**Conclusion:**