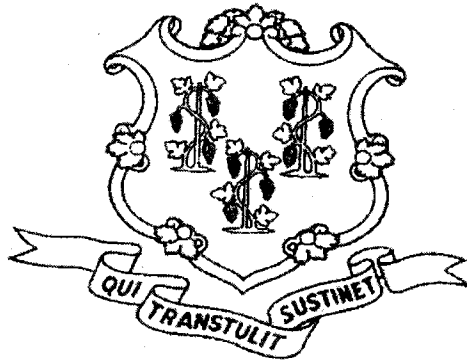


State of Connecticut



Annual Report of Long-Term Care Facility Cost Year 2016

Name of Facility (as licensed) RegalCare at Waterbury, LLC	
Address (No. & Street, City, State, Zip Code) 177 Whitewood Road, Waterbury, CT 06708	
Type of Facility Chronic and Convalescent Rest Home with Nursing <input checked="" type="checkbox"/> Nursing Home only <input type="checkbox"/> Supervision only <input type="checkbox"/> (Specify) (CCNH) (RHNS)	
Report for Year Beginning 3/4/2016	Report for Year Ending 9/30/2016

License Numbers:	CCNH 2356	RHNS	(Specify)	Medicare Provider 07-5219
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Medicaid Provider Numbers:	CCNH 000009001	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

Table of Contents

General Information - Administrator's/Owner's Certification	1
General Information and Questionnaire - Data Required for Real Wage Adjustment	1A
General Information and Questionnaire - Type of Facility - Organization Structure	2
General Information and Questionnaire - Partners/Members	3
General Information and Questionnaire - Corporate Owners	3A
General Information and Questionnaire - Individual Proprietorship	3B
General Information and Questionnaire - Related Parties	4
General Information and Questionnaire - Basis for Allocation of Costs	5
General Information and Questionnaire - Leases	6
General Information and Questionnaire - Accounting Basis	7
Schedule of Resident Statistics	8
Schedule of Resident Statistics (Cont'd)	9
A. Report of Expenditures - Salaries & Wages	10
Schedule A1 - Salary Information for Operators/Owners; Administrators, Assistant Administrators and Other Relatives	11
Schedule A1 - Salary Information for Operators/Owners; Administrators, Assistant Administrators and Other Relatives (Cont'd)	12
B. Report of Expenditures - Professional Fees	13
Report of Expenditures - Schedule B-1 - Information Required for Individual(s) Paid on Fee for Service Basis	14
C. Expenditures Other than Salaries - Administrative and General	15
C. Expenditures Other than Salaries (Cont'd) - Administrative and General	16
Schedule C-1 - Management Services	17
C. Expenditures Other than Salaries (Cont'd) - Dietary	18
C. Expenditures Other than Salaries (Cont'd) - Laundry	19
C. Expenditures Other than Salaries (Cont'd) - Housekeeping and Resident Care	20
Report of Expenditures - Schedule C-2 - Individuals or Firms Providing Services by Contract	21
C. Expenditures Other than Salaries (Cont'd) - Maintenance and Property	22
Depreciation Schedule	23
Amortization Schedule	24
C. Expenditures Other than Salaries (Cont'd) - Property Questionnaire	25
C. Expenditures Other than Salaries (Cont'd) - Interest	26
C. Expenditures Other than Salaries (Cont'd) - Interest and Insurance	27
D. Adjustments to Statement of Expenditures	28
D. Adjustments to Statement of Expenditures (Cont'd)	29
F. Statement of Revenue	30
G. Balance Sheet	31
G. Balance Sheet (Cont'd)	32
G. Balance Sheet (Cont'd)	33
G. Balance Sheet (Cont'd)	34
G. Balance Sheet (Cont'd) - Reserves and Net Worth	35
H. Changes in Total Net Worth	36
I. Preparer's/Reviewer's Certification	37

General Information

Name of Facility (as licensed) RegalCare at Waterbury, LLC	License No. 2356	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 RegalCare at Waterbury, LLC [facility name], for the cost report period beginning March 4, 2016 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) Tom Quinn			Printed Name (Owner) See Page 3		
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

Data Required for Real Wage Adjustment			Page 1A	of 37
Name of Facility RegalCare at Waterbury, LLC		Period Covered:	From 3/4/2016	To 9/30/2016
Address of Facility 177 Whitewood Road, Waterbury, CT 06708				
Report Prepared By Marcum LLP		Phone Number 203-781-9600	Date 12/19/2016	
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. Total Wages Paid	\$			
7. Total salaries paid	\$			
8. Total Wages and Salaries Paid (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 203-757-9491		Report for Year Ended 9/30/2016	Page 2	of 37
Name of Facility (as shown on license) RegalCare at Waterbury, LLC		Address (No. & Street, City, State, Zip) 177 Whitewood Road, Waterbury, CT 06708		
License Numbers:	CCNH 2356	RHNS (Specify)	Medicare Provider No. 07-5219	
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="radio"/> Proprietorship <input checked="" type="radio"/> LLC <input type="radio"/> Partnership <input type="radio"/> Profit Corp. <input type="radio"/> Non-Profit Corp. <input type="radio"/> Government <input type="radio"/> Trust				
If this facility opened or closed during report year provide:		Date Opened	Date Closed	
Has there been any change in ownership or operation during this report year? <input checked="" type="radio"/> Yes <input type="radio"/> No If "Yes," explain fully.				
Purchased by RegalCare OP Holding Company, LLC on 3/4/2016 from Paradigm.				
Administrator				
Name of Administrator Tom Quinn		Nursing Home Administrator's License No.:	00431	
Other Operators/Owners who are assistant administrators (full or part time) of this facility.				
Name		License No.:		

General Information and Questionnaire Related Parties*

Name of Facility RegalCare at Waterbury, LLC	License No. 2356	Report for Year Ended 9/30/2016	Page 4	of 37
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Are any individuals receiving compensation from the facility related through marriage, ability to control, ownership, family or business association? Yes No

If "Yes," provide the Name/Address and complete the information on Page 11 of the report.

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

If "Yes," provide the following information:

Name of Related Individual or Company	Business Address	Also Provides Goods/Services to Non-Related Parties		Description of Goods/Services Provided	Indicate Where Costs are Included in Annual Report Page # / Line #	Cost Reported	Actual Cost to the Related Party
		Yes	No %**				
RegalCare OP Holding Company, LLC	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Line of Credit Interest	Pg. 27 / Line 12d	109,425	109,425
RegalCare Management Group	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Management Fee	Pg. 16 / Line m12	327,900	162,524
Regal Care Rehab	26 Firemens Memorial Drive, Suite 205 Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>	Physical Therapy	Pg. 13 / Line B5a	149,976	149,976
Regal Care Rehab	26 Firemens Memorial Drive, Suite 205 Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>	Speech Therapy	Pg. 13 / Line B9a	17,775	17,775
Regal Care Rehab	26 Firemens Memorial Drive, Suite 205 Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>	Occupational Therapy	Pg. 13 / Line B10a	207,977	207,977
RegalCare Management Group	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Workers Comp	Pg. 15 / Line 1a1	163,733	163,733
RegalCare Management Group	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Health Insurance	Pg. 15 / Line 1a5	87,324	87,324
RegalCare Management Group	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Property Insurance	Pg. 27 / Line 14a	9,364	9,364
RegalCare Management Group	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Liability Insurance	Pg. 27 / Line 14c3	41,570	41,570

* Use additional sheets if necessary.

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

NOTE: Due to Regal Care Rehabilitation LLC operating with a loss based on the calendar year, the actual cost was reported at the cost report.

Regal Care Rehabilitation LLC

PROFIT AND LOSS

January - December 2016

	TOTAL
INCOME	
Sales	2,120,981.99
Services	-12,785.37
Total Income	\$2,108,196.62
GROSS PROFIT	
	\$2,108,196.62
EXPENSES	
Bank Charges	285.00
CEUs	488.98
Computers & Hardware	6,942.38
Dues & Subscriptions	183.96
Insurance	12,785.37
Dental	5,657.54
health insurance	56,343.04
Total Insurance	74,785.95
Insurance - Liability	5,096.82
Payroll Expenses	
Greenwich	134,782.19
New Haven	238,249.89
Prospect	317,935.73
Southport	107,026.42
Torrington	162,967.54
Waterbury	239,021.64
West Haven	320,606.75
Total Payroll Expenses	1,520,590.16
Payroll Tax	
Greenwich	15,684.30
New Haven	22,387.89
Prospect	30,659.21
Southport	11,742.61
Torrington	16,467.90
Waterbury	23,548.06
West Haven	30,107.10
Total Payroll Tax	150,597.07
Professional Fees	
Greenwich	3,500.00
New Haven	90,065.65
Prospect	65,737.04
Southport	8,362.00
Torrington	92,666.21
Waterbury	146,310.61
West Haven	96,995.02
Total Professional Fees	568,938.16
Therapy Supplies	65.74

	TOTAL
Unapplied Cash Bill Payment Expense	0.00
Total Expenses	\$2,327,974.22
NET OPERATING INCOME	\$ -219,777.60
NET INCOME	\$ -219,777.60

General Information and Questionnaire
Basis for Allocation of Costs

Name of Facility RegalCare at Waterbury, LLC	License No. 2356	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.

N/A

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.

General Information and Questionnaire Leases (Excluding Real Property)

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

Name of Facility RegalCare at Waterbury, LLC		License No. 2356	Report for Year Ended 9/30/2016	Page 6	of 37		
Name and Address of Lessor	Related * to Owners, Operators, Officers		Description of Items Leased	Date of Lease**	Term of Lease	Annual Amount of Lease	Amount Claimed
	Yes	No					
	<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"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
Is a Mileage Log Book Maintained for All Leased Vehicles ?			<input type="radio"/> Yes	<input type="radio"/> No	Total ***		

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

**General Information and Questionnaire
Accounting Basis**

Name of Facility RegalCare at Waterbury, LLC	License No. 2356	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 1 Marcum LLP 2 3 4	Address (No. & Street, City, State, Zip Code) 555 Long Wharf Drive, New Haven, CT 06511
--	--

Services Provided by This Firm (*describe fully*)

1 Wage enhancement, rate templates, prior owner Medicare CHOW report (Disallowed \$3,150 on Pg. 28)	\$ 6,148
2	\$
3	\$
4	\$
	Charge for Services Provided
	\$ 6,148

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 1 Robinson + Cole LLP 2 Murtha Cullina LLP 3 CNH Finance 4 Waterbury Probate Court 5	Telephone Number 860-275-8200 860-240-6000 203-742-3057 203-755-1127
--	--

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

1 280 Trumbull Street, Hartford, CT 06103
2 P.O. Box 150435
3 Two Greenwich Plaza Greenwich, CT 06830
4 49 Leavenworth St #1, Waterbury, CT 06702
5

Services Provided by This Firm (*describe fully*)

1 Settlements for employee issues (Disallowed 50% on Pg. 28)	\$ 2,562
2 Legal service for successor liability claims (Disallowed on Pg. 28)	\$ 3,271
3 Line of Credit Financing (Disallowed on Pg. 28)	\$ 1,277
4 Conservatorship (Disallowed on Pg. 28)	\$ 97
5	\$
	Charge for Services Provided
	\$ 7,207

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	License No.	Report for Year Ended						Page	of			
		9/30/2016								8	37	
		Period 10/1 Thru 6/30		Period 7/1 Thru 9/30		Total	CCNH					RHNS
RegalCare at Waterbury, LLC	2356	Total All Levels	Total CCNH Level	Total RHNS Level	Total (Specify)			Total	CCNH	RHNS	Total	
1. Certified Bed Capacity												
A. On last day of PREVIOUS report period									120	120		
B. On last day of THIS report period		120	120						120	120		
2. Number of Residents												
A. As of midnight of PREVIOUS report period												
B. As of midnight of THIS report period		98	98						97	97		
3. Total Number of Days Care Provided During Period												
A. Medicare		2,766	2,766						1,582	1,582		
B. Medicaid (Conn.)		17,349	17,349						9,722	9,722		
C. Medicaid (other states)												
D. Private Pay		372	372						169	169		
E. State SSI for RCH												
F. Other (Specify) HMO & Private Insurance		230	230						128	128		
G. Total Care Days During Period (3A thru F)		20,717	20,717						11,601	11,601		
4. Total Number of Days Not Included in Figures in 3G for Which Revenue Was Received for Reserved Beds												
A. Medicaid Bed Reserve Days												
B. Other Bed Reserve Days												
5. Total Resident Days (3G + 4A + 4B)		20,717	20,717						11,601	11,601		
									9,116	9,116		

Annual Report of Long-Term Care Facility

Schedule of Resident Statistics (Cont'd)

Name of Facility RegalCare at Waterbury, LLC	License No. 2356	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	12	83		3				
Per Diem Rate								
a. One bed rm.	Various	259.56		376.00				
b. Two bed rms.	Various	259.56		353.00				
c. Three or more bed rms.								

7. Total Number of Physical Therapy Treatments

	TOTAL	CCNH	RHNS	(Specify)
A. Medicare - Part B	1,136	1,136		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	82	82		
2. Restorative Treatments	742	742		
C. Other	6,734	6,734		
D. Total Physical Therapy Treatments	8,694	8,694		

8. Total Number of Speech Therapy Treatments

A. Medicare - Part B	63	63		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	9	9		
2. Restorative Treatments	78	78		
C. Other	333	333		
D. Total Speech Therapy Treatments	483	483		

9. Total Number of Occupational Therapy Treatments

A. Medicare - Part B	2,455	2,455		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	128	128		
2. Restorative Treatments	1,151	1,151		
C. Other	8,331	8,331		
D. Total Occupational Therapy Treatments	12,065	12,065		

Report of Expenditures - Salaries & Wages

Name of Facility	License No.	Report for Year Ended	Page	of		
RegalCare at Waterbury, LLC	2356	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
A. Salaries and Wages*						
1. Operators/Owners (Complete also Sec. I of Schedule A1)						
2. Administrator(s) (Complete also Sec. III of Schedule A1)	67,438	1,176				
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)	21,402	1,200				
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)	131,936	4,548				
5. Dietary Service						
a. Head Dietitian	33,109	832				
b. Food Service Supervisor	26,858	1,152				
c. Dietary Workers	260,840	15,614				
6. Housekeeping Service						
a. Head Housekeeper	987	152				
b. Other Housekeeping Workers	154,559	10,107				
7. Repairs & Maintenance Services						
a. Engineer or Chief of Maintenance	26,910	1,104				
b. Other Maintenance Workers	20,636	1,316				
8. Laundry Service						
a. Supervisor						
b. Other Laundry Workers	58,313	3,664				
9. Barber and Beautician Services						
10. Protective Services	26,928	2,193				
11. Accounting Services						
a. Head Accountant						
b. Other Accountants						
12. Professional Care of Residents						
a. Directors and Assistant Director of Nurses	82,036	1,969				
b. RN						
1. Direct Care	259,763	7,120				
2. Administrative**	121,956	5,151				
c. LPN						
1. Direct Care	756,302	22,794				
2. Administrative**						
d. Aides and Attendants	881,108	49,722				
e. Physical Therapists	643	17				
f. Speech Therapists						
g. Occupational Therapists	2,011	24				
h. Recreation Workers	50,610	2,486				
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	46,649	1,580				
n. Marketing	85,627	1,214				
o. Other (Specify) See Attached Schedule	14,310	951				
<i>A-13. Total Salary Expenditures</i>	3,130,931	136,086				

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

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

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

Schedule of Other Salaries and Wages (Page 10)

Position	CCNH		RHNS		(Specify)	
	\$	Hours	\$	Hours	\$	Hours
Medical Records	\$ 14,310	951				
Total	\$ 14,310	951	\$ -	-	\$ -	-

Schedule of Other Fees (Page 13)

Service	CCNH		RHNS		(Specify)	
	\$	Hours	\$	Hours	\$	Hours
Respiratory Therapist	\$ 150	2				
Independent Nurse Monitor	\$ 34,300	490				
Total	\$ 34,450	492	\$ -	-	\$ -	-

**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		
RegalCare at Waterbury, LLC		2356		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)							
Section I - Operators/Owners									
Section II - Other related parties of Operators/Owners employed in and paid by facility (EXCEPT those who may be the Administrator or Assistant Administrators who are identified on Page 12).									

* 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) RegalCare at Waterbury, LLC		License No. 2356		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)							
Section III - Administrators***									
William Cahalan (3/4/2016 - 5/10/2016)	18,981		Non Discrim	Administrator	376 A2				
Tom Quinn (5/11/2016 - 9/30/2016)	48,457		Non Discrim	Administrator	800 A2				
Section IV - Assistant Administrators									
Eli Elefant	21,402		Non Discrim	Assist Administrator	1,200 A3				

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

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

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

B. Report of Expenditures - Professional Fees

Name of Facility	License No.	Report for Year Ended	Page	of		
RegalCare at Waterbury, LLC	2356	9/30/2016	13	37		
Total Cost and Hours						
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
*B. Direct care consultants paid on a fee for service basis in lieu of salary (For all such services complete Schedule B1)						
1. Dietitian						
2. Dentist	3,600	Monthly Fee				
3. Pharmacist						
4. Podiatrist						
5. Physical Therapy						
a. Resident Care	149,976	2,186				
b. Other						
6. Social Worker						
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	13,500	80				
b. Utilization Review (Title 18 and 19 only) monthly meeting						
c. Resident Care**						
d. Administrative Services facility						
1. Infection Control Committee (Quarterly meetings)						
2. Pharmaceutical Committee (Quarterly meetings)						
3. Staff Development Committee (Once annually)						
e. Other (Specify)						
9. Speech Therapist						
a. Resident Care	17,775	258				
b. Other						
10. Occupational Therapist						
a. Resident Care	207,977	3,026				
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	34,450	492				
B-13 Total Fees Paid in Lieu of Salaries	427,278	6,042				

* 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 RegalCare at Waterbury, LLC		License No. 2356		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			
LTC Management, 174 Scott Road Prospect CT 06712	Dentist	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Regal Care Rehab, 26 Firemens Memorial Drive, Suite 205 Pomona, NY 10970	Physical, Occupational and Speech Therapy	<input checked="" type="radio"/>	<input type="radio"/>	Common Ownership		
Marc N. Raad M.D, 503 Wolcott Road, Wolcott, Connecticut 06716	Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
ProCaire, 77 Summit Street Manchester CT 06040	Respiratory Therapist	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Lynn Poole, 31 Bronx Ave., Waterbury, Connecticut 06705	Independent Nurse Monitor	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
		<input type="radio"/>	<input checked="" 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"/>	<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"/>	<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
RegalCare at Waterbury, LLC	2356	9/30/2016		15	37
Item	Total	CCNH	RHNS	(Specify)	
1. Administrative and General					
a. Employee Health & Welfare Benefits					
1. Workmen's Compensation	\$ 163,733	163,733			
2. Disability Insurance	\$				
3. Unemployment Insurance	\$				
4. Social Security (F.I.C.A.)	\$ 341,029	341,029			
5. Health Insurance	\$ 539,629	539,629			
6. Life Insurance (employees only) (not-owners and not-operators)	\$				
7. Pensions (Non-Discriminatory) (not-owners and not-operators)	\$ 160,875	160,875			
8. Uniform Allowance	\$				
9. Other (<i>Specify</i>) See Attached Schedule	\$ 34,882	34,882			
b. Personal Retirement Plans, Pensions, and Profit Sharing Plans for Owners and Operators (Discriminatory)*	\$				
c. Bad Debts*	\$				
d. Accounting and Auditing	\$ 6,148	6,148			
e. Legal (<i>Services should be fully described on Page 7</i>)	\$ 7,207	7,207			
f. Insurance on Lives of Owners and Operators (<i>Specify</i>)*	\$				
g. Office Supplies	\$ 6,323	6,323			
h. Telephone and Cellular Phones					
1. Telephone & Pagers	\$ 8,798	8,798			
2. Cellular Phones	\$ 1,069	1,069			
i. Appraisal (<i>Specify purpose and attach copy</i>)*	\$				
j. Corporation Business Taxes (<i>franchise tax</i>)	\$ 349	349			
k. Other Taxes (<i>Not related to property - See Page 22</i>)					
1. Income*	\$				
2. Other (<i>Specify</i>) See Attached Schedule	\$				
3. Resident Day User Fee	\$ 374,829	374,829			
Subtotal	\$ 1,644,871	1,644,871			

* 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**

RegalCare at Waterbury, LLC
9/30/2016

Attachment Page 15

Schedule of Other Employee Benefits

Description	CCNH	RHNS	(Specify)
	-		
Misc. Employee Benefits	\$ 4,197		
Union Training	\$ 20,664		
Background Checks	\$ 1,971		
Tuition Reimbursement	\$ 8,050		
Total	\$ 34,882	\$ -	\$ -

Schedule of Other Taxes

Description	CCNH	RHNS	(Specify)
	-		
Total	\$ -	\$ -	\$ -

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

Name of Facility	License No.	Report for Year Ended	Page	of
RegalCare at Waterbury, LLC	2356	9/30/2016	16	37
Item	Total	CCNH	RHNS	(Specify)
Subtotals Brought Forward:	1,644,871	1,644,871		
i. Travel and Entertainment				
1. Resident Travel and Entertainment	\$			
2. Holiday Parties for Staff	\$			
3. Gifts to Staff and Residents	\$			
4. Employee Travel	\$ 12,428	12,428		
5. Education Expenses Related to Seminars and Conventions	\$ 1,095	1,095		
6. Automobile Expense (<i>not purchase or depreciation</i>)	\$			
7. Other (<i>Specify</i>) See Attached Schedule	\$			
m. Other Administrative and General Expenses				
1. Advertising Help Wanted (<i>all such expenses</i>)	\$ 1,386	1,386		
2. Advertising Telephone Directory (<i>all such expenses</i>)***	\$			
3. Advertising Other (<i>Specify</i>)*** See Attached Schedule	\$ 22,813	22,813		
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)***	\$ 13	13		
7. Postage	\$ 816	816		
* 8. Dues and Membership Fees to Professional Associations (<i>Specify</i>) See Attached Schedule	\$			
8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***	\$			
9. Subscriptions	\$ 15	15		
10. Contributions*** See Attached Schedule	\$			
11. Services Provided by Contract (<i>Specify and Complete Schedule C-2, Page 21 for each firm or individual</i>)	\$ 66,081	66,081		
12. Administrative Management Services**	\$ 327,900	327,900		
13. Other (<i>Specify</i>) See Attached Schedule	\$ 168,067	168,067		
C-14 Total Administrative & General Expenditures	\$ 2,245,485	2,245,485		

* 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)
	-		
Total Other Travel and Entertainment	\$ -	\$ -	\$ -

Schedule of Other Advertising

Description	CCNH	RHNS	(Specify)
	-		
Marketing & Advertising	\$ 22,813		
Total Other Advertising	\$ 22,813	\$ -	\$ -

Schedule of Dues

Description	CCNH	RHNS	(Specify)
	-		
Total Dues	\$ -	\$ -	\$ -

Schedule of Contributions

Description	CCNH	RHNS	(Specify)
	-		
Total Contributions	\$ -	\$ -	\$ -

Schedule of Other Administrative and General

Description	CCNH	RHNS	(Specify)
	-		
Licenses	\$ 1,045		
Fines & Penalties	\$ 50		
Late Fees	\$ 20		
Bank Fees	\$ 19,471		
Startup Costs	\$ 83,733		
Prior Period Adjustment	\$ 63,748		
Total Other Administrative and General	\$ 168,067	\$ -	\$ -

Schedule C-1 - Management Services*

Name of Facility RegalCare at Waterbury, LLC	License No. 2356	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 #
RegalCare Management Group, 5 Barlow Road, Edison, NJ 08817	327,900	Management Services Per Contract	Pg. 16 / Line m12

* 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 RegalCare at Waterbury, LLC		License No. 2356	Report for Year Ended 9/30/2016	Page 18	of 37
Item		Total	CCNH	RHNS	(Specify)
2. Dietary					
a. In-House Preparation & Service					
1.	Raw Food	\$ 137,748	137,748		
2.	Non-Food Supplies	\$ 8,060	8,060		
3.	Other (Specify) _____	\$			
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)		\$			
c. Management Services**		\$			
d. Other (Specify) _____		\$			
2E. Total Dietary Expenditures (2a + b + c + d)		\$ 145,808	145,808		
2F. Dietary Questionnaire		Total	CCNH	RHNS	(Specify)
G. Resident Meals: Total no. of meals served per day:*					
H. Is cost of employee meals included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No					
I. Did you receive revenue from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify amt.
J. Where is the revenue received reported in the Cost Report? (Page/Line Item)					
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.
L. Is any revenue collected from these people? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify amt.
M. Where is the revenue received reported in the Cost Report? (Page/Line Item)					
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.
O. Is any revenue collected from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify amt.
P. Where is the revenue received reported in the Cost Report? (Page/Line Item)					

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

** 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
RegalCare at Waterbury, LLC		2356	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. \$				
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) Supplies	\$	5,006	5,006		
3E. Total Laundry Expenditures (3a + b + c + d)	\$	5,006	5,006		
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
RegalCare at Waterbury, LLC		2356	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. \$				
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>) Supplies	\$	14,001	14,001		
4E.	Total Housekeeping Expenditures (4a + b + c + d)	\$	14,001	14,001		
5.	Resident Care (Supplies)**					
a.	Prescription Drugs***					
	1. Own Pharmacy	\$				
	2. Purchased from Pharmacy	\$	142,993	142,993		
b.	Medicine Cabinet Drugs	\$	9,104	9,104		
c.	Medical and Therapeutic Supplies	\$				
d.	Ambulance/Limousine***	\$	20	20		
e.	Oxygen					
	1. For Emergency Use	\$				
	2. Other***	\$	5,173	5,173		
f.	X-rays and Related Radiological Procedures***	\$	3,566	3,566		
g.	Dental (<i>Not dentists who should be included under salaries or fees</i>)	\$				
h.	Laboratory***	\$	7,490	7,490		
i.	Recreation	\$	13,063	13,063		
j.	Other (Specify)**** See Attached Schedule	\$	125,036	125,036		
5K.	Total Resident Care Expenditures (5a - 5j)	\$	306,445	306,445		

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

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

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

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

Schedule of Other Resident Care

Description	CCNH	RHNS	(Specify)
	-		
PPD Supplies	\$ 73,940		
Minor Equip & Supplies	\$ 1,921		
Incontinence Supplies	\$ 1,706		
Equipment Rental	\$ 46,402		
Data Processing	\$ 1,067		
Total Other Resident Care	\$ 125,036	\$ -	\$ -

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

Name of Facility RegalCare at Waterbury, LLC		License No. 2356	Report for Year Ended 9/30/2016	Page of 21 37				
Name of Individual or Company	Address	Related ** to Owners, Operators, Officers		Full Explanation of Service Provided*	CCNH	RHNS (Specify)	Pg	Line
		Yes	No					
Caretech	Mcdonald Ave, Brklyn, NY 11230	<input type="radio"/>	<input checked="" type="radio"/>	Purchasing Agent	12,500			16 m11
Streamline HR Management	7 Randolph Rd Howell, NJ 07731	<input type="radio"/>	<input checked="" type="radio"/>	Payroll Processing and Oversight	17,258			16 m11
Wescom Solutions	PO BOX 674802 Detroit, MI 48267	<input type="radio"/>	<input checked="" type="radio"/>	Internet Software System	11,841			16 m11
		<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"/>					
		<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"/>					

* 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
RegalCare at Waterbury, LLC	2356	9/30/2016			22	37
Item	Total	CCNH	RHNS	(Specify)		
6. Maintenance & Operation of Plant						
a. Repairs & Maintenance	\$ 19,427	19,427				
b. Heat	\$ 31,024	31,024				
c. Light & Power	\$ 51,078	51,078				
d. Water	\$ 28,427	28,427				
e. Equipment Lease (<i>Provide detail on page 6</i>)	\$					
f. Other (<i>itemize</i>)	\$ 40,633	40,633				
See Attached Schedule						
6g. Total Maint. & Operating Expense (6a - 6f)	\$ 170,589	170,589				
7. Depreciation (<i>complete schedule page 23*</i>)						
a. Land Improvements	\$					
b. Building & Building Improvements	\$					
c. Non-Movable Equipment	\$					
d. Movable Equipment	\$ 21,434	21,434				
*7e. Total Depreciation Costs (7a + b + c + d)	\$ 21,434	21,434				
8. Amortization (<i>Complete att. Schedule Page 24*</i>)						
a. Organization Expense	\$ 4,263	4,263				
b. Mortgage Expense	\$					
c. Leasehold Improvements	\$ 1,973	1,973				
d. Other (<i>Specify</i>)	\$					
*8e. Total Amortization Costs (8a + b + c + d)	\$ 6,236	6,236				
9. Rental payments on leased real property less real estate taxes included in item 10b	\$ 184,505	184,505				
10. Property Taxes						
a. Real estate taxes paid by owner	\$					
b. Real estate taxes paid by lessor	\$ 79,951	79,951				
c. Personal property taxes	\$ 887	887				
11. Total Property Expenses (7e + 8e + 9 + 10)	\$ 293,013	293,013				

* 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)
	-		
Supplies	\$ 6,494		
Minor Equip & Supplies	\$ 520		
Sanitation & Incineration	\$ 10,675		
Extermination	\$ 856		
Landscaping	\$ 5,053		
Fire Drill	\$ 2,821		
Contracted Service	\$ 13,994		
Professional Fees	\$ 220		
Total Other Repairs and Maintenance	\$ 40,633	\$ -	\$ -

Depreciation Schedule

Name of Facility RegalCare at Waterbury, LLC		Report for Year Ended 9/30/2016		Page 23	of 37		
Property Item		License No. 2356	Accumulated Depreciation to Beginning of Year's Operations	Method of Computing Depreciation	Useful Life	Depreciation for This Year	Totals
		Historical Cost Exclusive of Land	Less Salvage Value	Cost to Be Depreciated			
Yes	No	Month	Year				
A. Land Improvements							
1. Acquired prior to this report period							
2. Disposals (attach schedule)							
3. Acquired during this report period (attach schedule)							
A-4. Subtotal							
B. Building and Building Improvements							
1. Acquired prior to this report period							
2. Disposals (attach schedule)							
3. Acquired during this report period (attach schedule)							
B-4. Subtotal							
C. Non-Movable Equipment							
1. Acquired prior to this report period							
2. Disposals (attach schedule)							
3. Acquired during this report period (attach schedule)							
C-4. Subtotal							
D. Movable Equipment							
1. Motor Vehicles (Specify name, model and year of each vehicle)							
a.							
b.							
c.							
d.							
2. Movable Equipment							
a. Acquired prior to this report period							
b. Disposals (attach schedule)							
c. Acquired during this report period {a}							
D-3. Subtotal							
E. Total Depreciation							
						92,811	21,434
						S/L	21,434
						Various	21,434

{a} Assets listed exclude historical assets from prior owners

RegalCare at Waterbury, LLC
9/30/2016

Schedule of Land Improvements Acquired during this report period

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

*Ties to Page 23, Line A3

**Ties to Page 23, Line A2

Schedule of Building Improvements Acquired during this report period

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

*Ties to Page 23, Line B3

**Ties to Page 23, Line B2

Schedule of Non-Movable Equipment Acquired during this report period

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

*Ties to Page 23, Line C3

**Ties to Page 23, Line C2

Schedule of Movable Equipment Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
4/1/2016	ID Card Printer	\$ 1,244	5	\$ 249
4/1/2016	119 Gallon Insulated Storage Tank	1,358	10	136
7/1/2016	Food Blender	1,140	10	114
8/1/2016	Satellite nurse master console	1,739	10	174
4/1/2016	Rail system	12,695	15	846
4/1/2016	Stepper Recumbent stepone	3,942	5	788
3/1/2016	Sonicwall Network, Sec, 8 computers, server Microsoft Office Pro (8)	12,638	5	2,528
4/1/2016	Lenovo Desktop (4), Lenovo Notebook (3)	3,952	5	790
6/1/2016	52 Port Gigabite Ethernet Switch, Backup (12), Project Management (4)	14,769	5	2,954
6/1/2016	Lenovo Computer	489	5	98
6/1/2016	Lenovo Computer	31	5	6
7/1/2016	Lenovo Computer	489	5	98
7/1/2016	Lenovo Computer	31	5	6
9/1/2016	Check Scanner	877	5	175
3/1/2016	3 Printers	747	3	249
4/1/2016	Microsoft Office Pro (8) & Sonicwall Antivirus	2,751	3	917
6/1/2016	Microsoft Office Pro	219	3	73
3/1/2016	E-Copiers (Total = 6)	33,700	3	11,233
Total additions for Movable Equipment		\$ 92,811		\$ 21,434 *
Deletions:				
Total deletions for Movable Equipment		\$ -		\$ - **

*Ties to Page 23, Line D2c

**Ties to Page 23, Line D2b

Schedule of Leasehold Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
4/1/2016	Sign Replacement	\$ 1,383	10	\$ 138
8/1/2016	Tile Flooring and labor	31,554	20	1,578
8/1/2016	Roof Repairs	3,848	15	257
Total additions for Leasehold Improvement		\$ 36,785		\$ 1,973 *
Deletions:				
Total deletions for Leasehold Improvement		\$ -		\$ - **

*Ties to Page 24, Line C3

**Ties to Page 24, Line C2

Amortization Schedule*

Name of Facility		License No.		Report for Year Ended		Page	of		
RegalCare at Waterbury, LLC		2356		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							
A. Organization Expense									
1. Deferred Financing Costs				42,630		S/L		4,263	
2.									
3.									
A-4. Subtotal									4,263
B. Mortgage Expense									
1.									
2.									
3.									
B-4. Subtotal									
C. Leasehold Improvements and Other									
1. Acquired prior to this report period									
2. Disposals (attach schedule)									
3. Acquired during this report period									
(attach schedule)									
{a}				36,785		S/L		1,973	
C-4. Subtotal									1,973
D. Total Amortization									6,236

* 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.

{a} Assets listed exclude historical assets from prior owners

RegalCare at Waterbury, LLC
FIXED ASSET / DEPRECIATION SCHEDULE

G/L Account	Description	Date In Service	Method	Life	Historical Cost	2016 Deprec.	2016 A/D	NBV
LEASEHOLD IMPROVEMENTS								
Leasehold Imp.	Sign Replacement	4/1/2016	S/L	10	1,383	138	138	1,245
Leasehold Imp.	Tile Flooring and labor	8/1/2016	S/L	20	31,534	1,578	1,578	29,976
Leasehold Imp.	Roof Repairs	8/1/2016	S/L	15	3,848	257	257	3,591
TOTAL LEASEHOLD IMPROVEMENTS					36,785	1,973	1,973	34,812
MOVABLE EQUIPMENT								
FF&E	ID Card Printer	4/1/2016	S/L	5	1,244	249	249	995
FF&E	119 Gallon Insulated Storage Tank	4/1/2016	S/L	10	1,358	136	136	1,222
FF&E	Food Blender	7/1/2016	S/L	10	1,140	114	114	1,026
FF&E	Satellite nurse master console	8/1/2016	S/L	10	1,739	174	174	1,565
Medical Equipment	Rail system	4/1/2016	S/L	15	12,695	846	846	11,849
Medical Equipment	Stepper Recumbent stepone	4/1/2016	S/L	5	3,942	788	788	3,154
Computer Hardware	Sonicwall Network, Sec. 8 computers, server Microsoft Office Pro (8)	3/1/2016	S/L	5	12,638	2,528	2,528	10,110
Computer Hardware	Lenovo Desktop (4), Lenovo Notebook (3)	4/1/2016	S/L	5	3,952	790	790	3,162
Computer Hardware	52 Port Gigabite Ethernet Switch, Backup (12), Project Management (4)	6/1/2016	S/L	5	14,769	2,954	2,954	11,815
Computer Hardware	Lenovo Computer	6/1/2016	S/L	5	489	98	98	391
Sales Use Tax	Lenovo Computer	6/1/2016	S/L	5	31	6	6	25
Computer Hardware	Lenovo Computer	7/1/2016	S/L	5	489	98	98	391
Sales Use Tax	Lenovo Computer	7/1/2016	S/L	5	31	6	6	25
Computer Hardware	Check Scanner	9/1/2016	S/L	5	877	175	175	702
Computer Software	3 Printers	3/1/2016	S/L	3	747	249	249	498
Computer Software	Microsoft Office Pro (8) & Sonicwall Antivirus	4/1/2016	S/L	3	2,751	917	917	1,834
Computer Software	Microsoft Office Pro	6/1/2016	S/L	3	219	73	73	146
Capital Lease	E-Copiers (Total = 6)	3/1/2016	S/L	3	33,700	11,233	11,233	22,467
TOTAL MOVABLE EQUIPMENT					92,811	21,434	21,434	71,377
TOTAL ASSETS					129,596	23,407	23,407	106,189
TOTAL ASSETS PER CR SCHEDULE					129,596	23,407	23,407	106,189
TOTAL ASSETS PER TRIAL BALANCE					135,696	16,351	16,351	119,345
VARIANCE					(6,100)	7,056	7,056	(13,156)
VARIANCE DETAIL								
(ADD) CIP					6,100	-	-	-
ROUNDING					-	-	-	-
REVISED VARIANCE					-	7,056	7,056	(7,056)

F/S vs C/R NBV - Page 31, Line B9
F/S vs C/R Depreciation - Page 36, Line F1

7,056
(7,056)

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

Name of Facility RegalCare at Waterbury, LLC	License No. 2356	Report for Year Ended 9/30/2016	Page 25	of 37	
11. Property Questionnaire					
Part A					
Is the property either owned by the Facility or leased from a Related Party?*		<input type="radio"/> Yes	<input checked="" 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					
Part B - Owner and Related Parties		1st Mortgage	2nd Mortgage	3rd Mortgage	4th Mortgage
1. Financing					
a. Type of Financing (e.g., fixed, variable)					
b. Date Mortgage Obtained					
c. Interest Rate for the Cost Year					
d. Term of Mortgage (number of years)					
e. Amount of Principal Borrowed					
f. Principal balance outstanding as of					
Complete if Mortgage was Refinanced During Current Cost Year					
g. Type of Financing (e.g., fixed, variable)					
h. Date of Refinancing					
i. New Interest Rate					
j. Term of Mortgage (number of years)					
k. Amount of Principal Borrowed					
l. Principal Outstanding on Note Paid-Off					
Part C - Arms-Length Leases for Real Property Improvements Only					
Name and Address of Lessor	Property Leased	Date of Lease	Term of Lease	Annual Amount of Lease	
Independence Senior Holdings LLC, 13 Freedom Drive, Lakewood, NJ 08707	Building	03/04/16	20 Years	184,505	

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
RegalCare at Waterbury, LLC		2356	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. Total Building Interest Expense (A1 - A4 + B5)			\$			

(Carry Subtotals forward to next page)

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

Name of Facility		License No.		Report for Year Ended		Page	of
RegalCare at Waterbury, LLC		2356		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)				\$	109,425	109,425	
Line of Credit Interest							
13. Total All Interest Expense (12B7 + 12C3 + 12D)				\$	109,425	109,425	
14. Insurance							
a. Insurance on Property (buildings only)				\$	9,364	9,364	
b. Insurance on Automobiles				\$	396	396	
c. Insurance other than Property (as specified above)							
1. Umbrella (Blanket Coverage)				\$			
2. Fire and Extended Coverage				\$			
3. Other (Specify)				\$	41,570	41,570	
General Liability, EPLI & Surety Bond							
14d. Total Insurance Expenditures (14a + b + c)				\$	51,330	51,330	
15. Total All Expenditures (A-13 thru C-14)				\$	6,899,311	6,899,311	

D. Adjustments to Statement of Expenditures

Name of Facility				License No.	Report for Year Ended	Page	of
RegalCare at Waterbury, LLC				2356	9/30/2016	28	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Page 10 - Salaries and Wages							
1.			Outpatient Service Costs	\$			
2.			Salaries not related to Resident Care	\$			
3.	10	A12g	Occupational Therapy	\$ 2,011	2,011		
4.			Other - See attached Schedule	\$ 85,627	85,627		
Page 13 - Professional Fees							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 207,977	207,977		
7.			Other - See attached Schedule	\$ 34,450	34,450		
Pages 15 & 16 - Administrative and General							
8.			Discriminatory Benefits	\$			
9.			Bad Debts	\$			
10.	15	1d/e	Accounting & Legal	\$ 9,076	9,076		
11.			Telephone	\$			
12.	15	1h2	Cellular Telephone	\$ 239	239		
13.			Life insurance premiums on the life of Owners, Partners, Operators	\$			
14.			Gifts, flowers and coffee shops	\$			
15.	15	1a9	Education expenditures to colleges or universities for tuition and related costs for owners and employees	\$ 8,050	8,050		
16.	16	L4	Travel for purposes of attending conferences or seminars outside the continental U.S. Other out-of-state travel in excess of one representative	\$ 8,824	8,824		
17.			Automobile Expense (e.g. personal use)	\$			
18.	16	m3	Unallowable Advertising *	\$ 22,813	22,813		
19.	15	1j	Income Tax / Corporate Business Tax	\$ 99	99		
20.			Fund Raising / Contributions	\$			
21.	16	m12	Unallowable Management Fees	\$ 193,240	193,240		
22.	16	m6	Barber and Beauty	\$ 13	13		
23.			Other - See attached Schedule	\$ 186,328	186,328		
Page 18 - Dietary Expenditures							
24.			Meals to employees, guests and others who are not residents	\$			
Page 19 - Laundry Expenditures							
25.			Laundry services to employees, guests and others who are not residents	\$			
Page 20 - Housekeeping Expenditures							
26.			Housekeeping services to employees, guests and others who are not residents	\$			
Subtotal (Items 1 - 26)				\$ 758,747	758,747		

* 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)
10	A12n	Marketing	\$ 85,627		
Total Other Salaries Adjustment			\$ 85,627	\$ -	\$ -

Schedule of Fees Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
13	B12o	Respiratory Therapist	\$ 150		
13	B12o	Independent Nurse Monitor	\$ 34,300		
Total Other Fees Adjustments			\$ 34,450	\$ -	\$ -

Schedule of Other A&G Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
16	m13	Fines & Penalties	\$ 50		
16	m13	Late Fees	\$ 20		
16	m13	Startup Costs	\$ 83,733		
16	m13	Prior Period Adjustment	\$ 63,748		
16	m13	Bank Fees - Line of Credit & Credit Cards	\$ 1,952		
15	Var	Marketing Salary Benefits (See attached)	\$ 32,628		
15	1a9	Misc. Employee Benefits	\$ 4,197		
Total Other A&G Adjustments			\$ 186,328	\$ -	\$ -

**RegalCare at Waterbury, LLC
 Calculation of Allowable Management Fee
 September 30, 2016**

Page 16 Line M12	<u>Amount</u>	
Management fees Charged	327,900	{b}
Patient Days	20,717	Page 8
Amount Per Patient Day	\$ 15.83	
 2016 PPD Allowance Per Rate Agreement		6.50 J.01a
 Amount over (Under)	 \$ 9.33	
 Total Days		20,717 Page 8
Disallowed Management Fee	\$ 193,240	{a}
 Allowed Management Fee	 \$ 134,660	

Tickmark

{a}

{b}

Ties to page 28, Line 21

Please note that this amount represents the actual expense incurred during the time period, but not the total paid. See account 27-000-92 Due To Management for the amount not paid as of 9/30/2016.

RegalCare at Waterbury, LLC
Disallowance Schedule for Cell Phones
September 30, 2016

	<u>Amount</u>	
Total Cell Phone Expense	1,069	TB Linked
Cell Phone Allowed Based on Bed Capacity	4	
Monthly Allowable amount per Cell Phone	\$ 30	
Months in Cost Report Year	<u>12</u>	
Allowable Per Year	1,440	
Percentage of Year (211 Days / 366 Days)	<u>58%</u>	
Total Allowable Cost	\$ 830	
Disallowed Cell Phone (Page 28, Line 12)	<u><u>\$ 239</u></u>	

RegalCare at Waterbury, LLC
September 30, 2016
Benefits Disallowance

Pg. 28d

Marketing

Marketing Salary	85,627	TB Linked
Total Salaries	<u>3,130,931</u>	TB Linked
Percent to Total Salaries	2.73%	

Total Benefits (Pg 15, Line 1a1 - 1a7)	1,205,266	TB Linked
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Less: Disallowances on Page 28

Tuition Reimbursement	(8,050)
Misc. Employee Benefits	(4,197)

Revised Total Benefits	1,193,019
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Marketing Benefits Disallowed	32,628	Page 28 attachment
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D. Adjustments to Statement of Expenditures (cont'd)

Name of Facility			License No.	Report for Year Ended	Page	of	
RegalCare at Waterbury, LLC			2356	9/30/2016	29	37	
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Subtotals Brought Forward				\$ 758,747	758,747		
Page 20 - Resident Care Supplies***							
27.	20	5a2	Prescription Drugs	\$ 142,993	142,993		
28.	20	5d	Ambulance/Limousine	\$ 20	20		
29.	20	5f	X-rays, etc	\$ 3,566	3,566		
30.	20	5h	Laboratory	\$ 7,490	7,490		
31.			Medical Supplies	\$			
32.	20	5e2	Oxygen (non emergency)	\$ 5,173	5,173		
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$ 31,342	31,342		
Page 22 - Maintenance and Property							
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	\$ 4,263	4,263		
Page 27 - Insurance							
40.			Mortgage Insurance	\$			
41.			Property Insurance	\$			
Other - Miscellaneous							
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	\$ 109,821	109,821		
Not For Profit Providers Only							
50.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
51. Total Amount of Decrease (Items 1 - 50)				\$ 1,063,415	1,063,415		

*** 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.

RegalCare at Waterbury, LLC
9/30/2016

Schedule of Other Ancillary Costs

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
20	5i	Cable TV Disallowance (See attached)	\$ 1,678		
20	5j	Equipment Rental	\$ 29,664		
Total Other Ancillary Costs			\$ 31,342	\$ -	\$ -

Schedule of Excess Movable Equipment Depreciation

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

Schedule of Other Property Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
22	8a	Amortization Expense	\$ 4,263		
Total Other Property Adjustments			\$ 4,263	\$ -	\$ -

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
27	12d	Line of Credit Interest Expense	\$ 109,425		
27	14b	Automobile Insurance (Owner)	\$ 396		
Total Other Adjustments			\$ 109,821	\$ -	\$ -

Schedule of Unallowable Building Interest

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

**RegalCare at Torrington, LLC
Disallowance Schedule for Cable TV
September 30, 2016**

	<u>Amount</u>
Total Cable TV Expense acct #80-232-00	\$ 3,753 TB Linked
Monthly Allowable amount	\$ 300
Months in Year	12
% of Actual Days in Cost Year (211 Days)	<u>57.65%</u>
Total Allowable Cost	\$ 2,075
Disallowed Cable TV	<u><u>\$ 1,678</u></u>

F. Statement of Revenue

Name of Facility	License No.	Report for Year Ended			Page	of
RegalCare at Waterbury, LLC	2356	9/30/2016			30	37
Item	Total	CCNH	RHNS	(Specify)		
I. Resident Room, Board & Routine Care Revenue						
1. a. Medicaid Residents (<i>CT only</i>)	\$ 4,289,652	4,289,652				
b. Medicaid Room and Board Contractual Allowance **	\$					
2. a. Medicaid (<i>All other states</i>)	\$					
b. Other States Room and Board Contractual Allowance **	\$					
3. a. Medicare Residents (<i>all inclusive</i>)	\$ 1,732,803	1,732,803				
b. Medicare Room and Board Contractual Allowance **	\$ (26,456)	(26,456)				
4. a. Private-Pay Residents and Other	\$ 444,671	444,671				
b. Private-Pay Room and Board Contractual Allowance **	\$ (255)	(255)				
II. Other Resident Revenue						
1. a. Prescription Drugs - Medicare	\$ 163,735	163,735				
b. Prescription Drugs - Medicare Contractual Allowance **	\$ (163,735)	(163,735)				
c. Prescription Drugs - Non-Medicare	\$					
d. Prescription Drugs - Non-Medicare Contractual Allowance **	\$					
2. a. Medical Supplies - Medicare	\$					
b. Medical Supplies - Medicare Contractual Allowance **	\$					
c. Medical Supplies - Non-Medicare	\$					
d. Medical Supplies - Non-Medicare Contractual Allowance **	\$					
3. a. Physical Therapy - Medicare	\$ 220,835	220,835				
b. Physical Therapy - Medicare Contractual Allowance **	\$ (186,538)	(186,538)				
c. Physical Therapy - Non-Medicare	\$ 29,051	29,051				
d. Physical Therapy - Non-Medicare Contractual Allowance **	\$ (29,051)	(29,051)				
4. a. Speech Therapy - Medicare	\$ 36,537	36,537				
b. Speech Therapy - Medicare Contractual Allowance **	\$ (28,186)	(28,186)				
c. Speech Therapy - Non-Medicare	\$ 5,590	5,590				
d. Speech Therapy - Non-Medicare Contractual Allowance **	\$ (5,590)	(5,590)				
5. a. Occupational Therapy - Medicare	\$ 302,174	302,174				
b. Occupational Therapy - Medicare Contractual Allowance **	\$ (228,459)	(228,459)				
c. Occupational Therapy - Non-Medicare	\$ 43,640	43,640				
d. Occupational Therapy - Non-Medicare Contractual Allowance **	\$ (43,640)	(43,640)				
6. a. Other (<i>Specify</i>) - Medicare	\$					
b. Other (<i>Specify</i>) - Non-Medicare	\$ 1,221	1,221				
III. Total Resident Revenue (Section I. thru Section II.)	\$ 6,557,999	6,557,999				
IV. Other Revenue*						
1. Meals sold to guests, employees & others	\$					
2. Rental of rooms to non-residents	\$					
3. Telephone	\$					
4. Rental of Television and Cable Services	\$					
5. Interest Income (<i>Specify</i>)	\$					
6. Private Duty Nurses' Fees	\$					
7. Barber, Coffee, Beauty and Gift shops	\$					
8. Other (<i>Specify</i>)	\$					
V. Total Other Revenue (1 thru 8)	\$					
VI. Total All Revenue (III + V)	\$ 6,557,999	6,557,999				

* 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	Radiology Rev>Medicare A	\$ 642		
30 II 6a	Radiology Rev>Medicare A>C/A	\$ (642)		
30 II 6a	Lab Rev>Medicare A	\$ 3,027		
30 II 6a	Lab Rev>Medicare A>C/A	\$ (3,027)		
Total Other Resident Revenue - Medicare		\$ -	\$ -	\$ -

Schedule of Other Non-Medicare Resident Revenue

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 II 6b	Revenue Adjustments.Hospice	\$ 204		
30 II 6b	Revenue Adjustments>Medicaid	\$ 1,017		
Total Other Resident Revenue		\$ 1,221	\$ -	\$ -

Interest Income

Account

Page Ref	Account	Balance	CCNH	RHNS	(Specify)
			-		
Total Interest Income			\$ -	\$ -	\$ -

Schedule of Other Revenue

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
Total Other Revenue		\$ -	\$ -	\$ -

G. Balance Sheet

Name of Facility	License No.	Report for Year Ended	Page	of
RegalCare at Waterbury, LLC	2356	9/30/2016	31	37
Account			Amount	
Assets				
A. Current Assets				
1. Cash (<i>on hand and in banks</i>)			\$	(7,767)
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$	1,154,927
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$	
4. Inventories			\$	
5. Prepaid Expenses			\$	155,912
a. Prepaid Expenses	2,157			
b. Prepaid Expenses>Insurance	35,561			
c. Prepaid Expenses>Taxes	1,243			
d. Prepaid Expenses>Workers Comp	116,951			
6. Interest Receivable			\$	
7. Medicare Final Settlement Receivable			\$	
8. Other Current Assets (<i>itemize</i>)			\$	

A-9. Total Current Assets (Lines A1 thru 8)			\$	1,303,072
B. Fixed Assets				
1. Land			\$	
2. Land Improvements	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
3. Buildings	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
4. Leasehold Improvements	*Historical Cost <u>36,785</u>		\$	34,812
	Accum. Depreciation <u>1,973</u>	Net		
5. Non-Movable Equipment	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
6. Movable Equipment	*Historical Cost <u>92,811</u>		\$	71,377
	Accum. Depreciation <u>21,434</u>	Net		
7. Motor Vehicles	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
8. Minor Equipment-Not Depreciable			\$	
9. Other Fixed Assets (<i>itemize</i>)			\$	13,156
CIP	6,100			
F/S vs C/R NBV	7,056			
B-10. Total Fixed Assets (Lines B1 thru 9)			\$	119,345

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

(Carry Total forward to next page)

G. Balance Sheet (cont'd)

Name of Facility	License No.	Report for Year Ended	Page	of
RegalCare at Waterbury, LLC	2356	9/30/2016	32	37
Account			Amount	
Total Brought Forward:			\$	1,422,417
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 Total Leasehold or Like Properties (C1 thru 7)			\$	
D. Investment and Other Assets				
1. Deferred Deposits			\$	5,305
2. Escrow Deposits			\$	
3. Organization Expense				
	*Historical Cost	42,630		
	Accum. Depreciation	4,263	Net	\$ 38,367
4. Goodwill (Purchased Only)			\$	254,301
5. Investments Related to Resident Care (<i>itemize</i>)			\$	

6. Loans to Owners or Related Parties (<i>itemize</i>)			\$	6,601
Name and Address	Amount	Loan Date		
West Haven	6,601			
7. Other Assets (<i>itemize</i>)			\$	48,380
Due from Old Owner		47,199		
Due from Vendor		1,181		
D-8. Total Investments and Other Assets (Lines D1 thru 7)			\$	352,954
D-9. Total All Assets (Lines A9 + B10 + C8 + D8)			\$	1,775,371

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

G. Balance Sheet (cont'd)

Name of Facility	License No.	Report for Year Ended	Page	of	
RegalCare at Waterbury, LLC	2356	9/30/2016	33	37	
Account			Amount		
Liabilities					
A. Current Liabilities					
1. Trade Accounts Payable			\$	735,503	
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>)			\$	198,374	
5. Accrued Payroll (<i>Owners and/or Stockholders only</i>)			\$		
6. Accrued Payroll Taxes Payable			\$		
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>)			\$	405,787	
Accrued Expenses		168,345	Accrued Expenses>Insur:		26,756
Accrued Expenses>Tamkar Brokerage		10,658	Accrued Expenses>Welfa		32,519
Accrued Expenses>Capital Lease>C		24,700	Accrued Expenses>Therz		5,000
Accrued Expenses>Utilities (Assum		44,255	Accrued Expenses>Work		93,554
A-13. Total Current Liabilities (Lines A1 thru 12)			\$	1,339,664	

* 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 RegalCare at Waterbury, LLC		License No. 2356	Report for Year Ended 9/30/2016	Page 34	of 37
Account				Amount	
Total Brought Forward:				1,339,664	
Liabilities (cont'd)					
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>)				\$ 769,963	
Name and Address of Lender	Amount	Loan Date			
Torrington, Mgmt, Holdings	768,937				
Eli Mirlis	1,026				
4. Other Long-Term Liabilities (<i>itemize</i>)				\$	

B-5. Total Long-Term Liabilities (Lines B1 thru 4)				\$ 769,963	
C. Total All Liabilities (Lines A-13 + B-5)				\$ 2,109,627	

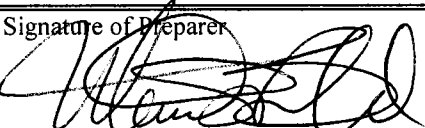
G. Balance Sheet (cont'd)
Reserves and Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of
RegalCare at Waterbury, LLC	2356	9/30/2016	35	37
Account			Amount	
A. Reserves				
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>)			\$	
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			\$	
B. Net Worth				
1. Owner's Capital			\$	
2. Capital Stock			\$	
3. Paid-in Surplus			\$	
4. Treasury Stock			\$	
5. Cumulated Earnings			\$	
6. Gain or Loss for Period			\$	(334,256)
	3/4/2016	thru 9/30/2016		
7. Total Net Worth			\$	(334,256)
C. Total Reserves and Net Worth			\$	(334,256)
D. Total Liabilities, Reserves, and Net Worth			\$	1,775,371

H. Changes in Total Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of
RegalCare at Waterbury, LLC	2356	9/30/2016	36	37
Account			Amount	
A. Balance at End of Prior Period as shown on Report of 09/30/2015			\$	
B. Total Revenue (From Statement of Revenue Page 30)			\$	6,557,999
C. Total Expenditures (From Statement of Expenditures Page 27)			\$	6,892,255
D. Net Income or Deficit			\$	(334,256)
E. Balance			\$	(334,256)
F. Additions				
1. Additional Capital Contributed (itemize)				
Expenses Per Page 27			\$6,899,311	
F/S vs C/R Depreciation			(7,056)	
Expenses Per F/S			\$6,892,255	
2. Other (itemize)				
F-3. Total Additions			\$	
G. Deductions				
1. Drawings of Owners/Operators/Partners (Specify)			\$	
Name and Address (No., City, State, Zip)		Title	Amount	
2. Other Withdrawings (Specify)			\$	
Purpose		Amount		
3. Total Deductions			\$	
H. Balance at End of Period			\$	(334,256)
				09/30/16

I. Preparer's/Reviewer's Certification

Name of Facility RegalCare at Waterbury, LLC	License No. 2356	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)		
Preparer/Reviewer Certification				
<p>I have prepared and reviewed this report and am familiar with the applicable regulations governing its preparation. I have read the most recent Federal and State issued field audit reports for the Facility and have inquired of appropriate personnel as to the possible inclusion in this report of expenses which are not reimbursable under the applicable regulations. All non-reimbursable expenses of which I am aware (except those expenses known to be automatically removed in the State rate computation system) as a result of reading reports, inquiry or other services performed by me are properly reported as such in this report on Pages 28 and 29 (adjustments to statement of expenditures). Further, the data contained in this report is in agreement with the books and records, as provided to me, by the Facility.</p>				
Signature of Preparer 	Title PRINCIPAL	Date Signed 2/1/17		
Printed Name of Preparer Matthew S. Bovolack				
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 RegalCare at Waterbury, LLC 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 RegalCare at Waterbury, LLC. 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 RegalCare at Waterbury, LLC 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 31, 2017



MARCUM GROUP
MEMBER

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

Facility Name RegalCare at Waterbury, LLC

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:

Yes No

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

Explanation:

Yes No

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

Explanation:

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:

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:

Yes No

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

Explanation:

Client: **Regal Care Management**
 Engagement: **Medicaid - RegalCare at Waterbury, LLC**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB-CCNH**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
10-010-91	Cash>Operating>Waterbury	(734.00)			(734.00)
10-010-93	Cash>Operating>Holdings Receiving	(53,639.00)			(53,639.00)
10-014-00	Cash>Petty Cash Facility	200.00			200.00
10-015-00	Cash>Petty Cash PNA	500.00			500.00
10-020-91	Cash>Payroll>Waterbury	1,287.00			1,287.00
10-030-91	Cash>Govt>Waterbury	(59.00)			(59.00)
10-040-91	Cash>Non Govt>Waterbury	(358.00)			(358.00)
10-060-91	Cash>Resident Trust>Waterbury	26,233.00			26,233.00
10-061-00	Cash>Care Cost	5,000.00			5,000.00
10-090-91	Cash>WFOperating>Waterbury	13,803.00			13,803.00
11-102-00	Accounts Receivable>Medicare A	186,917.00			186,917.00
11-104-00	Accounts Receivable>Private	30,259.00			30,259.00
11-105-00	Accounts Receivable>HMO	50,278.00			50,278.00
11-109-00	Accounts Receivable>Hospice	115,056.00			115,056.00
11-111-00	Accounts Receivable>Medicaid	721,564.00			721,564.00
11-112-00	Accounts Receivable>Income	20,132.00			20,132.00
11-123-00	Accounts Receivable>Ancillary	30,721.00			30,721.00
12-000-00	Prepaid Expenses	2,157.00			2,157.00
12-124-00	Prepaid Expenses>Insurance	35,561.00			35,561.00
12-126-00	Prepaid Expenses>Taxes	1,243.00			1,243.00
12-881-00	Prepaid Expenses>Workers Comp	116,951.00			116,951.00
13-127-00	Due From>Old Owner	43,745.00			43,745.00
13-128-00	Due From>Vendor Security Deposits	5,305.00			5,305.00
14-131-00	Fixed Assets>Leasehold Improvements	36,785.00			36,785.00
14-132-00	Fixed Assets>Furniture, Fixtures and Equipment	5,481.00			5,481.00
14-133-00	Fixed Assets>Medical Equipment	16,637.00			16,637.00
14-134-00	Fixed Assets>Computer Hardware	33,214.00			33,214.00
14-135-00	Fixed Assets>Computer Software	3,717.00			3,717.00
14-136-00	Fixed Assets>CIP	6,100.00			6,100.00
14-137-01	Fixed Asset>Capital Lease>Copier	33,700.00			33,700.00
14-305-00	Fixed Assets>Sales Use Tax	62.00			62.00
15-131-00	Accum Depn>Leasehold Improvements	(942.00)			(942.00)
15-132-00	Accum Depn>Furniture, Fixtures and Equipment	(375.00)			(375.00)
15-133-00	Accum Depn>Medical Equipment	(1,664.00)			(1,664.00)
15-134-00	Accum Depn>Computer Hardware	(3,172.00)			(3,172.00)
15-135-00	Accum Depn>Computer Software	(366.00)			(366.00)
15-137-01	Accumulated Depn>Capital Lease>Copier	(9,829.00)			(9,829.00)
15-305-00	Accum Depn>Sales Use Tax	(3.00)			(3.00)
16-000-00	Goodwill	254,301.00			254,301.00
17-000-00	Deferred Financing Costs	42,630.00			42,630.00
19-265-00	Accumulated Amortization>Deferred Financing Costs	(4,263.00)			(4,263.00)
20-000-00	Accounts Payable	(797,759.00)		87,769.00	(709,990.00)
21-141-00	Other Current Payables>Employee Benefits	(50.00)			(50.00)
21-149-00	Other Current Payables>Misc. PR Deduction	1,434.00			1,434.00
21-149-09	Other Current Payables>Misc. PR Deduction>401k	(664.00)			(664.00)
21-350-00	Other Current Payables>Resident Funds	(26,233.00)			(26,233.00)
23-000-00	Accrued Wages & Related	(66,305.00)			(66,305.00)
23-156-00	Accrued Wages & Related>PR Taxes	(9,183.00)			(9,183.00)
23-157-00	Accrued Expenses>PTO	(122,886.00)			(122,886.00)
24-000-00	Accrued Expenses	(168,345.00)			(168,345.00)
24-000-02	Accrued Expenses>Tamkar Brokerage Fee	(10,658.00)			(10,658.00)
24-137-01	Accrued Expenses>Capital Lease>Copier	(24,700.00)			(24,700.00)
24-158-00	Accrued Expenses>Utilities (Assumed)	(44,255.00)			(44,255.00)
24-162-00	Accrued Expenses>Insurance - General Liability & Other	(26,756.00)			(26,756.00)
24-260-79	Accrued Expenses>Welfare (Assumed) >Union	(32,519.00)			(32,519.00)

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
24-311-00	Accrued Expenses>Therapy (Assumed)	(5,000.00)			(5,000.00)
24-881-00	Accrued Expenses>Workers Comp	(93,554.00)			(93,554.00)
27-000-87	Due To/(From)>Torrington	(45.00)			(45.00)
27-000-90	Due To/(From)>West Haven	6,601.00			6,601.00
27-000-92	Due To/(From)>Management	(28,199.00)		(87,769.00)	(115,968.00)
27-000-93	Due To/(From)>Holdings	(652,924.00)			(652,924.00)
27-172-00	Due To/(From)>Vendor	1,181.00			1,181.00
27-400-00	Due to/(from)>Eli Mirlis	(1,026.00)			(1,026.00)
28-127-00	Due To>Old Owner	3,454.00			3,454.00
40-102-00	Room & Board Revenue>Medicare A	(1,732,803.00)			(1,732,803.00)
40-102-14	Room & Board Revenue>Medicare A>Sequester	26,456.00			26,456.00
40-104-00	Room & Board Revenue>Private	(127,453.00)			(127,453.00)
40-105-00	Room & Board Revenue>HMO	(107,213.00)			(107,213.00)
40-105-14	Room & Board Revenue>HMO>Sequester	255.00			255.00
40-109-00	Room & Board Revenue>Hospice	(210,005.00)			(210,005.00)
40-111-00	Room & Board Revenue>Medicaid	(4,289,652.00)			(4,289,652.00)
41-102-00	Pharmacy Rev>Medicare A	(163,735.00)			(163,735.00)
41-102-01	Pharmacy Rev>Medicare A>C/A	163,735.00			163,735.00
42-102-00	PT Revenue>Medicare A	(186,774.00)			(186,774.00)
42-102-01	PT Revenue>Medicare A>C/A	186,538.00			186,538.00
42-103-00	PT Revenue>Medicare B	(34,061.00)			(34,061.00)
42-105-00	PT Revenue>HMO	(3,893.00)			(3,893.00)
42-105-01	PT Revenue>HMO>C/A	3,893.00			3,893.00
42-111-00	PT Revenue>Medicaid	(25,158.00)			(25,158.00)
42-111-01	PT Revenue>Medicaid>C/A	25,158.00			25,158.00
43-102-00	OT Revenue>Medicare A	(228,459.00)			(228,459.00)
43-102-01	OT Revenue>Medicare A>C/A	228,459.00			228,459.00
43-103-00	OT Revenue>Medicare B	(73,715.00)			(73,715.00)
43-105-00	OT Revenue>HMO	(3,810.00)			(3,810.00)
43-105-01	OT Revenue>HMO>C/A	3,810.00			3,810.00
43-111-00	OT Revenue>Medicaid	(39,830.00)			(39,830.00)
43-111-01	OT Revenue>Medicaid>C/A	39,830.00			39,830.00
44-102-00	ST Revenue>Medicare A	(28,186.00)			(28,186.00)
44-102-01	ST Revenue>Medicare A>C/A	28,186.00			28,186.00
44-103-00	ST Revenue>Medicare B	(8,351.00)			(8,351.00)
44-105-00	ST Revenue>HMO	(788.00)			(788.00)
44-105-01	ST Revenue>HMO>C/A	788.00			788.00
44-111-00	ST Revenue>Medicaid	(4,802.00)			(4,802.00)
44-111-01	ST Revenue>Medicaid>C/A	4,802.00			4,802.00
45-102-00	Radiology Rev>Medicare A	(642.00)			(642.00)
45-102-01	Radiology Rev>Medicare A>C/A	642.00			642.00
46-102-00	Lab Rev>Medicare A	(3,027.00)			(3,027.00)
46-102-01	Lab Rev>Medicare A>C/A	3,027.00			3,027.00
52-109-00	Revenue Adjustments.Hospice	(204.00)			(204.00)
52-111-00	Revenue Adjustments>Medicaid	(1,017.00)			(1,017.00)
60-183-00	Nursing Expense>Supplies	73,940.00			73,940.00
60-184-00	Nursing Expense>Minor Equip & Supplies	1,921.00			1,921.00
60-185-00	Nursing Expense>Incontinence Supplies	1,706.00			1,706.00
60-204-00	Nursing Expense>Training & Education	571.00			571.00
60-206-00	Nursing Expense>Clinical Services	3,750.00		(3,600.00)	150.00
60-207-00	Nursing Expense>Repairs & Maint	535.00			535.00
60-208-00	Nursing Expense>Equip-Rental	46,402.00			46,402.00
60-212-00	Nursing Expense>Clinical Consultants	34,300.00			34,300.00
60-213-00	Nursing Expense>Transportation	438.00		(20.00)	418.00
60-230-00	Nursing Expense>Data Processing	1,067.00			1,067.00
60-801-80	Nursing Expense>CNA>Wages	881,108.00			881,108.00
60-805-80	Nursing Expense>LPN>Wages	756,302.00			756,302.00
60-808-80	Nursing Expense>RN>Wages	38,285.00			38,285.00
60-809-80	Nursing Expense>RN Supervisor>Wages	221,478.00			221,478.00

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
61-750-00	Nursing Admin Expense>Medical Director	13,500.00			13,500.00
61-811-80	Nursing Admin Expense>Director>Wages	20,395.00			20,395.00
61-812-80	Nursing Admin Expense>Assistant Director>Wages	61,641.00			61,641.00
61-814-80	Nursing Admin Expense>Central Supply>Wages	19,722.00			19,722.00
61-817-80	Nursing Admin Expense>MDS / RNAC>Wages	82,120.00			82,120.00
61-818-80	Nursing Admin Expense>Medical Records>Wages	14,310.00			14,310.00
61-823-80	Nursing Admin Expense>Staff Coordinator>Wages	20,114.00			20,114.00
61-880-00	Nursing Admin Expense>Payroll Taxes	231,221.00			231,221.00
61-881-00	Nursing Admin Expense>Workers Comp	110,966.00			110,966.00
61-882-00	Nursing Admin Expense>Health Insurance	58,857.00			58,857.00
61-883-00	Nursing Admin Expense>Other Benefits	439,319.00		(439,319.00)	0.00
62-000-00	Pharmacy Expense	1,112.00			1,112.00
62-145-00	Pharmacy Expense>RX	141,881.00			141,881.00
62-222-00	Pharmacy Expense>OTC	9,104.00			9,104.00
64-223-00	Other Ancillary Expense>Oxygen	5,173.00			5,173.00
64-224-00	Other Ancillary Expense>Lab	7,490.00			7,490.00
64-225-00	Other Ancillary Expense>Radiology	3,566.00			3,566.00
65-000-00	PT Expense	149,976.00			149,976.00
65-829-80	PT Expense>Staff>Wages	643.00			643.00
66-000-00	OT Expense	207,977.00			207,977.00
66-829-80	OT Expense>Staff>Wages	2,011.00			2,011.00
67-000-00	ST Expense	17,775.00			17,775.00
68-880-00	Therapy Expense>Payroll Taxes	566.00			566.00
68-881-00	Therapy Expense>Workers Comp	271.00			271.00
68-882-00	Therapy Expense>Health Insurance	110.00			110.00
68-883-00	Therapy Expense>Other Benefits	921.00		(921.00)	0.00
69-811-80	Social Services Expense>Director>Wages	43,652.00			43,652.00
69-830-80	Social Services Expense>Assistant>Wages	2,997.00			2,997.00
69-880-00	Social Services Expense>Payroll Taxes	5,181.00			5,181.00
69-881-00	Social Services Expense>Workers Comp	2,468.00			2,468.00
69-882-00	Social Services Expense>Health Insurance	1,309.00			1,309.00
69-883-00	Social Services Expense>Other Benefits	9,614.00		(9,614.00)	0.00
70-177-00	Dietary Expense>Supplements	15,789.00			15,789.00
70-178-00	Dietary Expense>Food	121,921.00			121,921.00
70-183-00	Dietary Expense>Supplies	8,060.00			8,060.00
70-207-00	Dietary Expense>Repairs & Maint	2,111.00			2,111.00
70-811-80	Dietary Expense>Director>Wages	26,858.00			26,858.00
70-831-80	Dietary Expense>Aide>Wages	183,615.00			183,615.00
70-832-80	Dietary Expense>Cook>Wages	77,225.00			77,225.00
70-833-80	Dietary Expense>Dietician>Wages	33,109.00			33,109.00
70-880-00	Dietary Expense>Payroll Taxes	34,836.00			34,836.00
70-881-00	Dietary Expense>Workers Comp	16,704.00			16,704.00
70-882-00	Dietary Expense>Health Insurance	8,922.00			8,922.00
70-883-00	Dietary Expense>Other Benefits	66,132.00		(66,132.00)	0.00
71-178-00	Activity Expense>Food	38.00			38.00
71-179-00	Activity Expense>Barber & Beauty	13.00			13.00
71-183-00	Activity Expense>Supplies	1,856.00			1,856.00
71-202-00	Activity Expense>Resident Missing Items	1,085.00			1,085.00
71-700-00	Activity Expense>Contracted Service	6,155.00			6,155.00
71-811-80	Activity Expense>Director>Wages	33,265.00			33,265.00
71-831-80	Activity Expense>Aide>Wages	17,345.00			17,345.00
71-880-00	Activity Expense>Payroll Taxes	5,523.00			5,523.00
71-881-00	Activity Expense>Workers Comp	2,651.00			2,651.00
71-882-00	Activity Expense>Health Insurance	1,532.00			1,532.00
71-883-00	Activity Expense>Other Benefits	10,388.00		(10,388.00)	0.00
72-183-00	Housekeeping Expense>Supplies	14,001.00			14,001.00
72-811-80	Housekeeping Expense>Director>Wages	987.00			987.00
72-831-80	Housekeeping Expense>Aide>Wages	154,559.00			154,559.00
73-183-00	Laundry Expense>Supplies	5,006.00			5,006.00

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
73-831-80	Laundry Expense>Aide>Wages	58,313.00			58,313.00
74-880-00	Housekeeping & Laundry Expense>Payroll Taxes	23,520.00			23,520.00
74-881-00	Housekeeping & Laundry Expense>Workers Comp	11,298.00			11,298.00
74-882-00	Housekeeping & Laundry Expense>Health Insurance	5,939.00			5,939.00
74-883-00	Housekeeping & Laundry Expense>Other Benefits	44,630.00		(44,630.00)	0.00
75-183-00	Maintenance Expense>Supplies	6,494.00			6,494.00
75-184-00	Maintenance Expense>Minor Equip & Supplies	520.00			520.00
75-205-00	Maintenance Expense>Sanitation & Incineration	10,675.00			10,675.00
75-207-00	Maintenance Expense>Repairs & Maint	16,781.00			16,781.00
75-217-00	Maintenance Expense>Extermination	856.00			856.00
75-219-00	Maintenance Expense>Landscaping	5,053.00			5,053.00
75-220-00	Maintenance Expense>Fire Drill	2,821.00			2,821.00
75-700-00	Maintenance Expense>Contracted Service	13,994.00			13,994.00
75-811-80	Maintenance Expense>Director>Wages	26,910.00			26,910.00
75-829-80	Maintenance Expense>Staff>Wages	20,636.00			20,636.00
75-838-80	Maintenance Expense>Security Desk>Wages	26,928.00			26,928.00
75-880-00	Maintenance Expense>Payroll Taxes	7,678.00			7,678.00
75-881-00	Maintenance Expense>Workers Comp	3,709.00			3,709.00
75-882-00	Maintenance Expense>Health Insurance	2,023.00			2,023.00
75-883-00	Maintenance Expense>Other Benefits	14,984.00		(14,984.00)	0.00
76-227-00	Utility Expense>Gas	31,024.00			31,024.00
76-228-00	Utility Expense>Electric	51,078.00			51,078.00
76-229-00	Utility Expense>Water/Sewer	28,427.00			28,427.00
80-101-00	Admin Expense>Provider Tax	374,829.00			374,829.00
80-162-00	Admin Expense>Insurance - General Liability & Other	38,566.00			38,566.00
80-163-00	Admin Expense>Insurance - EPLI	2,504.00			2,504.00
80-164-00	Admin Expense>Surety Bond	500.00			500.00
80-165-00	Admin Expense>Insurance - Property	8,716.00			8,716.00
80-167-00	Admin Expense>Insurance - Auto	396.00			396.00
80-183-00	Admin Expense>Supplies	5,894.00			5,894.00
80-184-00	Admin Expense>Minor Equip & Supplies	429.00			429.00
80-209-00	Admin Expense>Postage	816.00			816.00
80-210-00	Admin Expense>Internet	1,231.00			1,231.00
80-230-00	Admin Expense>Data Processing	41,288.00			41,288.00
80-231-00	Admin Expense>Telephone	9,867.00		(1,069.00)	8,798.00
80-232-00	Admin Expense>Cable TV	3,967.00			3,967.00
80-233-00	Admin Expense>Seminars	524.00			524.00
80-234-00	Admin Expense>Licenses	1,045.00			1,045.00
80-235-00	Admin Expense>Dues & Subscriptions	15.00			15.00
80-236-00	Admin Expense>Travel	12,010.00			12,010.00
80-238-00	Admin Expense>Legal Fees	7,207.00			7,207.00
80-240-00	Admin Expense>Professional Fees	9,650.00		(4,445.00)	5,205.00
80-242-00	Admin Expense>Fines & Penalties	50.00			50.00
80-243-00	Admin Expense>Late Fees	20.00			20.00
80-244-00	Admin Expense>Bank Fees	19,471.00			19,471.00
80-247-00	Admin Expense>Corporate Tax	349.00			349.00
80-249-00	Admin Expense>Recruiting	1,386.00			1,386.00
80-250-00	Admin Expense>Marketing & Advertising	22,813.00			22,813.00
80-252-00	Admin Expense>Startup Costs	85,436.00		(1,703.00)	83,733.00
80-279-00	Admin Expense>Management Fee	327,900.00			327,900.00
80-700-00	Admin Expense>Contracted Service	18,357.00			18,357.00
80-811-80	Admin Expense>Director>Wages	67,438.00			67,438.00
80-812-80	Admin Expense>Assistant Director>Wages	21,402.00			21,402.00
80-839-80	Admin Expense>Admissions>Wages	69,082.00			69,082.00
80-840-80	Admin Expense>Business Office>Wages	62,854.00			62,854.00
80-842-80	Admin Expense>Marketing>Wages	85,627.00			85,627.00
80-880-00	Admin Expense>Payroll Taxes	32,504.00			32,504.00
80-881-00	Admin Expense>Workers Comp	15,666.00			15,666.00
80-882-00	Admin Expense>Health Insurance	8,632.00			8,632.00

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
80-883-00	Admin Expense>Other Benefits	62,074.00		(57,877.00)	4,197.00
85-255-79	Employee Benefits Expense>Pension>Union	0.00		160,875.00	160,875.00
91-121-00	Property Expense>Rent	184,505.00			184,505.00
91-161-00	Property Expense>RE Taxes	79,951.00			79,951.00
91-165-00	Property Expense>Insurance - Property	648.00			648.00
91-240-00	Property Expense>Professional Fees	220.00			220.00
91-261-00	Property Expense>Personal Prop Taxes	887.00			887.00
92-000-00	Depreciation Expense	16,351.00			16,351.00
93-000-00	Amortization Expense	4,263.00			4,263.00
94-000-00	Interest Expense	109,425.00			109,425.00
98-999-99	Prior Period Adjustment	63,748.00			63,748.00
Marcum 101	Dentist	0.00		3,600.00	3,600.00
Marcum 102	Cell Phone	0.00		1,069.00	1,069.00
Marcum 103	Union Training	0.00		20,664.00	20,664.00
Marcum 104	Background Checks	0.00		1,971.00	1,971.00
Marcum 105	Union Health & Welfare	0.00		452,305.00	452,305.00
Marcum 106	Tuition Reimbursement	0.00		8,050.00	8,050.00
Marcum 107	Accounting Fees	0.00		6,148.00	6,148.00
Marcum 108	Ambulance	0.00		20.00	20.00
Total		0.00		0.00	0.00
Net (Income) Loss		0.00		0.00	0.00

Client: **Regal Care Management**
 Engagement: **Medicaid - RegalCare at Waterbury, LLC**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB-CCNH**
 Workpaper: **A.03 - Grouping Report**

Account	Description	ADJ 9/30/2016	JE Ref #	RJE 9/30/2016	FINAL 9/30/2016
Group : [10-A]	Salaries and Wages				
Subgroup : [2]	Administrators				
80-811-80	Admin Expense>Director>Wages	67,438.00		0.00	67,438.00
Subtotal [2]	Administrators	67,438.00		0.00	67,438.00
Subgroup : [3]	Assistant Administrator				
80-812-80	Admin Expense>Assistant Director>Wag	21,402.00		0.00	21,402.00
Subtotal [3]	Assistant Administrator	21,402.00		0.00	21,402.00
Subgroup : [4]	Other Administrative Salaries				
80-839-80	Admin Expense>Admissions>Wages	69,082.00		0.00	69,082.00
80-840-80	Admin Expense>Business Office>Wages	62,854.00		0.00	62,854.00
Subtotal [4]	Other Administrative Salaries	131,936.00		0.00	131,936.00
Subgroup : [5A]	Head Dietitian				
70-833-80	Dietary Expense>Dietician>Wages	33,109.00		0.00	33,109.00
Subtotal [5A]	Head Dietitian	33,109.00		0.00	33,109.00
Subgroup : [5B]	Food Service Supervisor				
70-811-80	Dietary Expense>Director>Wages	26,858.00		0.00	26,858.00
Subtotal [5B]	Food Service Supervisor	26,858.00		0.00	26,858.00
Subgroup : [5C]	Dietary Workers				
70-831-80	Dietary Expense>Aide>Wages	183,615.00		0.00	183,615.00
70-832-80	Dietary Expense>Cook>Wages	77,225.00		0.00	77,225.00
Subtotal [5C]	Dietary Workers	260,840.00		0.00	260,840.00
Subgroup : [6A]	Head Housekeeper				
72-811-80	Housekeeping Expense>Director>Wage:	987.00		0.00	987.00
Subtotal [6A]	Head Housekeeper	987.00		0.00	987.00
Subgroup : [6B]	Other Housekeeping Workers				
72-831-80	Housekeeping Expense>Aide>Wages	154,559.00		0.00	154,559.00
Subtotal [6B]	Other Housekeeping Workers	154,559.00		0.00	154,559.00
Subgroup : [7A]	Engineer or Chief of Maintenance				
75-811-80	Maintenance Expense>Director>Wages	26,910.00		0.00	26,910.00
Subtotal [7A]	Engineer or Chief of Maintenance	26,910.00		0.00	26,910.00
Subgroup : [7B]	Other Maintenance Workers				
75-829-80	Maintenance Expense>Staff>Wages	20,636.00		0.00	20,636.00
Subtotal [7B]	Other Maintenance Workers	20,636.00		0.00	20,636.00
Subgroup : [8B]	Other Laundry Workers				
73-831-80	Laundry Expense>Aide>Wages	58,313.00		0.00	58,313.00
Subtotal [8B]	Other Laundry Workers	58,313.00		0.00	58,313.00
Subgroup : [10]	Protective Services				
75-838-80	Maintenance Expense>Security Desk>W	26,928.00		0.00	26,928.00
Subtotal [10]	Protective Services	26,928.00		0.00	26,928.00
Subgroup : [12A]	Director of Nurses/Assistant Director				
61-811-80	Nursing Admin Expense>Director>Wage	20,395.00		0.00	20,395.00
61-812-80	Nursing Admin Expense>Assistant Direct	61,641.00		0.00	61,641.00
Subtotal [12A]	Director of Nurses/Assistant Director	82,036.00		0.00	82,036.00
Subgroup : [12B1]	RNs - Direct Care				
60-808-80	Nursing Expense>RN>Wages	38,285.00		0.00	38,285.00
60-809-80	Nursing Expense>RN Supervisor>Wage:	221,478.00		0.00	221,478.00

Subtotal [12B1]	RNs - Direct Care	259,763.00	0.00	259,763.00
Subgroup : [12B2]	RNs - Administrative			
61-814-80	Nursing Admin Expense>Central Supply	19,722.00	0.00	19,722.00
61-817-80	Nursing Admin Expense>MDS / RNAC>\	82,120.00	0.00	82,120.00
61-823-80	Nursing Admin Expense>Staff Coordinat	20,114.00	0.00	20,114.00
Subtotal [12B2]	RNs - Administrative	121,956.00	0.00	121,956.00
Subgroup : [12C1]	LPNs - Direct Care			
60-805-80	Nursing Expense>LPN>Wages	756,302.00	0.00	756,302.00
Subtotal [12C1]	LPNs - Direct Care	756,302.00	0.00	756,302.00
Subgroup : [12D]	Aides and Attendants			
60-801-80	Nursing Expense>CNA>Wages	881,108.00	0.00	881,108.00
Subtotal [12D]	Aides and Attendants	881,108.00	0.00	881,108.00
Subgroup : [12E]	Physical Therapists			
65-829-80	PT Expense>Staff>Wages	643.00	0.00	643.00
Subtotal [12E]	Physical Therapists	643.00	0.00	643.00
Subgroup : [12G]	Occupational Therapists			
66-829-80	OT Expense>Staff>Wages	2,011.00	0.00	2,011.00
Subtotal [12G]	Occupational Therapists	2,011.00	0.00	2,011.00
Subgroup : [12H]	Recreation Workers			
71-811-80	Activity Expense>Director>Wages	33,265.00	0.00	33,265.00
71-831-80	Activity Expense>Aide>Wages	17,345.00	0.00	17,345.00
Subtotal [12H]	Recreation Workers	50,610.00	0.00	50,610.00
Subgroup : [12M]	Social Workers/Case Management			
69-811-80	Social Services Expense>Director>Wage	43,652.00	0.00	43,652.00
69-830-80	Social Services Expense>Assistant>Wag	2,997.00	0.00	2,997.00
Subtotal [12M]	Social Workers/Case Management	46,649.00	0.00	46,649.00
Subgroup : [12N]	Marketing			
80-842-80	Admin Expense>Marketing>Wages	85,627.00	0.00	85,627.00
Subtotal [12N]	Marketing	85,627.00	0.00	85,627.00
Subgroup : [12O]	Other			
61-818-80	Nursing Admin Expense>Medical Record	14,310.00	0.00	14,310.00
Subtotal [12O]	Other	14,310.00	0.00	14,310.00
Total [10-A]	Salaries and Wages	3,130,931.00	0.00	3,130,931.00
Group : [13-B]	Professional Fees			
Subgroup : [2]	Dentist			
Marcum 101	Dentist	0.00	3,600.00	3,600.00
			RJE - 1	
			3,600.00	
Subtotal [2]	Dentist	0.00	3,600.00	3,600.00
Subgroup : [5A]	PT - Resident Care			
65-000-00	PT Expense	149,976.00	0.00	149,976.00
Subtotal [5A]	PT - Resident Care	149,976.00	0.00	149,976.00
Subgroup : [8A]	Medical Director			
61-750-00	Nursing Admin Expense>Medical Directo	13,500.00	0.00	13,500.00
Subtotal [8A]	Medical Director	13,500.00	0.00	13,500.00
Subgroup : [9A]	ST - Resident Care			
67-000-00	ST Expense	17,775.00	0.00	17,775.00
Subtotal [9A]	ST - Resident Care	17,775.00	0.00	17,775.00
Subgroup : [10A]	OT - Resident Care			
66-000-00	OT Expense	207,977.00	0.00	207,977.00
Subtotal [10A]	OT - Resident Care	207,977.00	0.00	207,977.00
Subgroup : [12]	Other			

60-206-00	Nursing Expense>Clinical Services	3,750.00		(3,600.00)	150.00
60-212-00	Nursing Expense>Clinical Consultants	34,300.00	RJE - 1	(3,600.00)	34,300.00
Subtotal [12]	Other	38,050.00		0.00	34,450.00
Total [13-B]	Professional Fees	427,278.00		0.00	427,278.00
Group : [15]	Expenditures Other than Salaries				
Subgroup : [1A1]	Workmen's Compensation				
61-881-00	Nursing Admin Expense>Workers Comp	110,966.00		0.00	110,966.00
68-881-00	Therapy Expense>Workers Comp	271.00		0.00	271.00
69-881-00	Social Services Expense>Workers Comp	2,468.00		0.00	2,468.00
70-881-00	Dietary Expense>Workers Comp	16,704.00		0.00	16,704.00
71-881-00	Activity Expense>Workers Comp	2,651.00		0.00	2,651.00
74-881-00	Housekeeping & Laundry Expense>Worl	11,298.00		0.00	11,298.00
75-881-00	Maintenance Expense>Workers Comp	3,709.00		0.00	3,709.00
80-881-00	Admin Expense>Workers Comp	15,666.00		0.00	15,666.00
Subtotal [1A1]	Workmen's Compensation	163,733.00		0.00	163,733.00
Subgroup : [1A4]	Social Security (FICA)				
61-880-00	Nursing Admin Expense>Payroll Taxes	231,221.00		0.00	231,221.00
68-880-00	Therapy Expense>Payroll Taxes	566.00		0.00	566.00
69-880-00	Social Services Expense>Payroll Taxes	5,181.00		0.00	5,181.00
70-880-00	Dietary Expense>Payroll Taxes	34,836.00		0.00	34,836.00
71-880-00	Activity Expense>Payroll Taxes	5,523.00		0.00	5,523.00
74-880-00	Housekeeping & Laundry Expense>Payr	23,520.00		0.00	23,520.00
75-880-00	Maintenance Expense>Payroll Taxes	7,678.00		0.00	7,678.00
80-880-00	Admin Expense>Payroll Taxes	32,504.00		0.00	32,504.00
Subtotal [1A4]	Social Security (FICA)	341,029.00		0.00	341,029.00
Subgroup : [1A5]	Health Insurance				
61-882-00	Nursing Admin Expense>Health Insuranc	58,857.00		0.00	58,857.00
68-882-00	Therapy Expense>Health Insurance	110.00		0.00	110.00
69-882-00	Social Services Expense>Health Insuran	1,309.00		0.00	1,309.00
70-882-00	Dietary Expense>Health Insurance	8,922.00		0.00	8,922.00
71-882-00	Activity Expense>Health Insurance	1,532.00		0.00	1,532.00
74-882-00	Housekeeping & Laundry Expense>Heal	5,939.00		0.00	5,939.00
75-882-00	Maintenance Expense>Health Insurance	2,023.00		0.00	2,023.00
80-882-00	Admin Expense>Health Insurance	8,632.00		0.00	8,632.00
Marcum 105	Union Health & Welfare	0.00		452,305.00	452,305.00
Subtotal [1A5]	Health Insurance	87,324.00	RJE - 3	452,305.00	539,629.00
Subgroup : [1A7]	Pensions				
85-255-79	Employee Benefits Expense>Pension>U	0.00		160,875.00	160,875.00
Subtotal [1A7]	Pensions	0.00	RJE - 3	160,875.00	160,875.00
Subgroup : [1A9]	Other				
61-883-00	Nursing Admin Expense>Other Benefits	439,319.00		(439,319.00)	0.00
68-883-00	Therapy Expense>Other Benefits	921.00	RJE - 3	(439,319.00)	0.00
69-883-00	Social Services Expense>Other Benefits	9,614.00	RJE - 3	(921.00)	0.00
70-883-00	Dietary Expense>Other Benefits	66,132.00	RJE - 3	(9,614.00)	0.00
71-883-00	Activity Expense>Other Benefits	10,388.00	RJE - 3	(66,132.00)	0.00
74-883-00	Housekeeping & Laundry Expense>Othe	44,630.00	RJE - 3	(66,132.00)	0.00
75-883-00	Maintenance Expense>Other Benefits	14,984.00	RJE - 3	(10,388.00)	0.00
80-883-00	Admin Expense>Other Benefits	62,074.00	RJE - 3	(44,630.00)	0.00
Marcum 103	Union Training	0.00	RJE - 3	(14,984.00)	0.00
			RJE - 3	(14,984.00)	0.00
			RJE - 3	(44,630.00)	0.00
			RJE - 3	(14,984.00)	0.00
			RJE - 3	(14,984.00)	0.00
			RJE - 3	(57,877.00)	4,197.00
			RJE - 3	(57,877.00)	4,197.00
			RJE - 3	20,664.00	20,664.00
			RJE - 3	20,664.00	20,664.00

Marcum 104	Background Checks	0.00		1,971.00	1,971.00
Marcum 106	Tuition Reimbursement	0.00	RJE - 3	1,971.00	8,050.00
				8,050.00	
Subtotal [1A9]	Other	648,062.00		(613,180.00)	34,882.00
Subgroup : [1D]	Accounting and Auditing				
Marcum 107	Accounting Fees	0.00		6,148.00	6,148.00
			RJE - 4	1,703.00	
			RJE - 5	4,445.00	
Subtotal [1D]	Accounting and Auditing	0.00		6,148.00	6,148.00
Subgroup : [1E]	Legal				
80-238-00	Admin Expense>Legal Fees	7,207.00		0.00	7,207.00
Subtotal [1E]	Legal	7,207.00		0.00	7,207.00
Subgroup : [1G]	Office Supplies				
80-183-00	Admin Expense>Supplies	5,894.00		0.00	5,894.00
80-184-00	Admin Expense>Minor Equip & Supplies	429.00		0.00	429.00
Subtotal [1G]	Office Supplies	6,323.00		0.00	6,323.00
Subgroup : [1H1]	Telephone and Telegraph				
80-231-00	Admin Expense>Telephone	9,867.00		(1,069.00)	8,798.00
			RJE - 2	(1,069.00)	
Subtotal [1H1]	Telephone and Telegraph	9,867.00		(1,069.00)	8,798.00
Subgroup : [1H2]	Cellular Phones and Beepers				
Marcum 102	Cell Phone	0.00		1,069.00	1,069.00
			RJE - 2	1,069.00	
Subtotal [1H2]	Cellular Phones and Beepers	0.00		1,069.00	1,069.00
Subgroup : [1J]	Corporation Business Taxes				
80-247-00	Admin Expense>Corporate Tax	349.00		0.00	349.00
Subtotal [1J]	Corporation Business Taxes	349.00		0.00	349.00
Subgroup : [1K3]	Resident Day User Fee				
80-101-00	Admin Expense>Provider Tax	374,829.00		0.00	374,829.00
Subtotal [1K3]	Resident Day User Fee	374,829.00		0.00	374,829.00
Total [15]	Expenditures Other than Salaries	1,638,723.00		6,148.00	1,644,871.00
Group : [16]	Expenditures Other than Salaries (cont'd) - Admin. and General				
Subgroup : [4]	Employee Travel				
60-213-00	Nursing Expense>Transportation	438.00		(20.00)	418.00
			RJE - 6	(20.00)	
80-236-00	Admin Expense>Travel	12,010.00		0.00	12,010.00
Subtotal [4]	Employee Travel	12,448.00		(20.00)	12,428.00
Subgroup : [5]	Education Expense				
60-204-00	Nursing Expense>Training & Education	571.00		0.00	571.00
80-233-00	Admin Expense>Seminars	524.00		0.00	524.00
Subtotal [5]	Education Expense	1,095.00		0.00	1,095.00
Subgroup : [M1]	Advertising Help Wanted				
80-249-00	Admin Expense>Recruiting	1,386.00		0.00	1,386.00
Subtotal [M1]	Advertising Help Wanted	1,386.00		0.00	1,386.00
Subgroup : [M3]	Advertising Other				
80-250-00	Admin Expense>Marketing & Advertising	22,813.00		0.00	22,813.00
Subtotal [M3]	Advertising Other	22,813.00		0.00	22,813.00
Subgroup : [M6]	Barber and Beauty Supplies				
71-179-00	Activity Expense>Barber & Beauty	13.00		0.00	13.00
Subtotal [M6]	Barber and Beauty Supplies	13.00		0.00	13.00
Subgroup : [M7]	Postage				
80-209-00	Admin Expense>Postage	816.00		0.00	816.00

Subtotal [M7]	Postage	816.00	0.00	816.00
Subgroup : [M9]	Subscriptions			
80-235-00	Admin Expense>Dues & Subscriptions	15.00	0.00	15.00
Subtotal [M9]	Subscriptions	15.00	0.00	15.00
Subgroup : [M11]	Services Provided by Contract			
80-210-00	Admin Expense>Internet	1,231.00	0.00	1,231.00
80-230-00	Admin Expense>Data Processing	41,288.00	0.00	41,288.00
80-240-00	Admin Expense>Professional Fees	9,650.00	(4,445.00)	5,205.00
			RJE - 5 (4,445.00)	
80-700-00	Admin Expense>Contracted Service	18,357.00	0.00	18,357.00
Subtotal [M11]	Services Provided by Contract	70,526.00	(4,445.00)	66,081.00
Subgroup : [M12]	Administrative Management Services			
80-279-00	Admin Expense>Management Fee	327,900.00	0.00	327,900.00
Subtotal [M12]	Administrative Management Services	327,900.00	0.00	327,900.00
Subgroup : [M13]	Other			
80-234-00	Admin Expense>Licenses	1,045.00	0.00	1,045.00
80-242-00	Admin Expense>Fines & Penalties	50.00	0.00	50.00
80-243-00	Admin Expense>Late Fees	20.00	0.00	20.00
80-244-00	Admin Expense>Bank Fees	19,471.00	0.00	19,471.00
80-252-00	Admin Expense>Startup Costs	85,436.00	(1,703.00)	83,733.00
			RJE - 4 (1,703.00)	
98-999-99	Prior Period Adjustment	63,748.00	0.00	63,748.00
Subtotal [M13]	Other	169,770.00	(1,703.00)	168,067.00
Total [16]	Expenditures Other than Salaries (con	606,782.00	(6,168.00)	600,614.00
Group : [18]	Dietary Basis for Allocation of Costs			
Subgroup : [2A1]	Raw Food			
70-177-00	Dietary Expense>Supplements	15,789.00	0.00	15,789.00
70-178-00	Dietary Expense>Food	121,921.00	0.00	121,921.00
71-178-00	Activity Expense>Food	38.00	0.00	38.00
Subtotal [2A1]	Raw Food	137,748.00	0.00	137,748.00
Subgroup : [2A2]	Non-Food Supplies			
70-183-00	Dietary Expense>Supplies	8,060.00	0.00	8,060.00
Subtotal [2A2]	Non-Food Supplies	8,060.00	0.00	8,060.00
Total [18]	Dietary Basis for Allocation of Costs	145,808.00	0.00	145,808.00
Group : [19]	Laundry-Basis for Allocation of Costs			
Subgroup : [3D]	Other			
73-183-00	Laundry Expense>Supplies	5,006.00	0.00	5,006.00
Subtotal [3D]	Other	5,006.00	0.00	5,006.00
Total [19]	Laundry-Basis for Allocation of Costs	5,006.00	0.00	5,006.00
Group : [20]	Housekeeping and Resident Care Basis for Allocation of Costs			
Subgroup : [4D]	Other			
72-183-00	Housekeeping Expense>Supplies	14,001.00	0.00	14,001.00
Subtotal [4D]	Other	14,001.00	0.00	14,001.00
Subgroup : [5A2]	Purchased from			
62-000-00	Pharmacy Expense	1,112.00	0.00	1,112.00
62-145-00	Pharmacy Expense>RX	141,881.00	0.00	141,881.00
Subtotal [5A2]	Purchased from	142,993.00	0.00	142,993.00
Subgroup : [5B]	Medicine Cabinet Drugs			
62-222-00	Pharmacy Expense>OTC	9,104.00	0.00	9,104.00
Subtotal [5B]	Medicine Cabinet Drugs	9,104.00	0.00	9,104.00
Subgroup : [5D]	Ambulance/Limousine			
Marcum 108	Ambulance	0.00	20.00	20.00
			RJE - 6 20.00	

Subtotal [5D]	Ambulance/Limousine	0.00	20.00	20.00
Subgroup : [5E2]	Oxygen - Other			
64-223-00	Other Ancillary Expense>Oxygen	5,173.00	0.00	5,173.00
Subtotal [5E2]	Oxygen - Other	5,173.00	0.00	5,173.00
Subgroup : [5F]	X-Rays and related radiological			
64-225-00	Other Ancillary Expense>Radiology	3,566.00	0.00	3,566.00
Subtotal [5F]	X-Rays and related radiological	3,566.00	0.00	3,566.00
Subgroup : [5H]	Laboratory			
64-224-00	Other Ancillary Expense>Lab	7,490.00	0.00	7,490.00
Subtotal [5H]	Laboratory	7,490.00	0.00	7,490.00
Subgroup : [5I]	Recreation			
71-183-00	Activity Expense>Supplies	1,856.00	0.00	1,856.00
71-202-00	Activity Expense>Resident Missing Items	1,085.00	0.00	1,085.00
71-700-00	Activity Expense>Contracted Service	6,155.00	0.00	6,155.00
80-232-00	Admin Expense>Cable TV	3,967.00	0.00	3,967.00
Subtotal [5I]	Recreation	13,063.00	0.00	13,063.00
Subgroup : [5J]	Other			
60-183-00	Nursing Expense>Supplies	73,940.00	0.00	73,940.00
60-184-00	Nursing Expense>Minor Equip & Supplie	1,921.00	0.00	1,921.00
60-185-00	Nursing Expense>Incontinence Supplies	1,706.00	0.00	1,706.00
60-208-00	Nursing Expense>Equip-Rental	46,402.00	0.00	46,402.00
60-230-00	Nursing Expense>Data Processing	1,067.00	0.00	1,067.00
Subtotal [5J]	Other	125,036.00	0.00	125,036.00
Total [20]	Housekeeping and Resident Care Bas	320,426.00	20.00	320,446.00
Group : [22]	Maintenance and Property			
Subgroup : [6A]	Repairs and Maintenance			
60-207-00	Nursing Expense>Repairs & Maint	535.00	0.00	535.00
70-207-00	Dietary Expense>Repairs & Maint	2,111.00	0.00	2,111.00
75-207-00	Maintenance Expense>Repairs & Maint	16,781.00	0.00	16,781.00
Subtotal [6A]	Repairs and Maintenance	19,427.00	0.00	19,427.00
Subgroup : [6B]	Heat			
76-227-00	Utility Expense>Gas	31,024.00	0.00	31,024.00
Subtotal [6B]	Heat	31,024.00	0.00	31,024.00
Subgroup : [6C]	Light & Power			
76-228-00	Utility Expense>Electric	51,078.00	0.00	51,078.00
Subtotal [6C]	Light & Power	51,078.00	0.00	51,078.00
Subgroup : [6D]	Water			
76-229-00	Utility Expense>Water/Sewer	28,427.00	0.00	28,427.00
Subtotal [6D]	Water	28,427.00	0.00	28,427.00
Subgroup : [6F]	Other			
75-183-00	Maintenance Expense>Supplies	6,494.00	0.00	6,494.00
75-184-00	Maintenance Expense>Minor Equip & Su	520.00	0.00	520.00
75-205-00	Maintenance Expense>Sanitation & Incin	10,675.00	0.00	10,675.00
75-217-00	Maintenance Expense>Extermination	856.00	0.00	856.00
75-219-00	Maintenance Expense>Landscaping	5,053.00	0.00	5,053.00
75-220-00	Maintenance Expense>Fire Drill	2,821.00	0.00	2,821.00
75-700-00	Maintenance Expense>Contracted Servi	13,994.00	0.00	13,994.00
91-240-00	Property Expense>Professional Fees	220.00	0.00	220.00
Subtotal [6F]	Other	40,633.00	0.00	40,633.00
Subgroup : [7D]	Movable Equipment			
92-000-00	Depreciation Expense	16,351.00	0.00	16,351.00
Subtotal [7D]	Movable Equipment	16,351.00	0.00	16,351.00
Subgroup : [8A]	Organization Expense			
93-000-00	Amortization Expense	4,263.00	0.00	4,263.00

Subtotal [8A]	Organization Expense	4,263.00	0.00	4,263.00
Subgroup : [9]	Rental Payments			
91-121-00	Property Expense>Rent	184,505.00	0.00	184,505.00
Subtotal [9]	Rental Payments	184,505.00	0.00	184,505.00
Subgroup : [10B]	Real estate taxes paid by lessor			
91-161-00	Property Expense>RE Taxes	79,951.00	0.00	79,951.00
Subtotal [10B]	Real estate taxes paid by lessor	79,951.00	0.00	79,951.00
Subgroup : [10C]	Personal property taxes			
91-261-00	Property Expense>Personal Prop Taxes	887.00	0.00	887.00
Subtotal [10C]	Personal property taxes	887.00	0.00	887.00
Total [22]	Maintenance and Property	456,546.00	0.00	456,546.00
Group : [27]	Interest and Insurance			
Subgroup : [12D]	Other Interest Expense			
94-000-00	Interest Expense	109,425.00	0.00	109,425.00
Subtotal [12D]	Other Interest Expense	109,425.00	0.00	109,425.00
Subgroup : [14A]	Insurance on Property			
80-165-00	Admin Expense>Insurance - Property	8,716.00	0.00	8,716.00
91-165-00	Property Expense>Insurance - Property	648.00	0.00	648.00
Subtotal [14A]	Insurance on Property	9,364.00	0.00	9,364.00
Subgroup : [414B]	Insurance of Automobiles			
80-167-00	Admin Expense>Insurance - Auto	396.00	0.00	396.00
Subtotal [414B]	Insurance of Automobiles	396.00	0.00	396.00
Subgroup : [14C3]	Other			
80-162-00	Admin Expense>Insurance - General Lia	38,566.00	0.00	38,566.00
80-163-00	Admin Expense>Insurance - EPLI	2,504.00	0.00	2,504.00
80-164-00	Admin Expense>Surety Bond	500.00	0.00	500.00
Subtotal [14C3]	Other	41,570.00	0.00	41,570.00
Total [27]	Interest and Insurance	160,755.00	0.00	160,755.00
Group : [30]	Statement of Revenue			
Subgroup : [1A]	Medicaid Residents (CT only)			
40-111-00	Room & Board Revenue>Medicaid	(4,289,652.00)	0.00	(4,289,652.00)
Subtotal [1A]	Medicaid Residents (CT only)	(4,289,652.00)	0.00	(4,289,652.00)
Subgroup : [3A]	Medicare Residents (All inclusive)			
40-102-00	Room & Board Revenue>Medicare A	(1,732,803.00)	0.00	(1,732,803.00)
Subtotal [3A]	Medicare Residents (All inclusive)	(1,732,803.00)	0.00	(1,732,803.00)
Subgroup : [3B]	Medicare room and board contractual allowance			
40-102-14	Room & Board Revenue>Medicare A>Se	26,456.00	0.00	26,456.00
Subtotal [3B]	Medicare room and board contractual	26,456.00	0.00	26,456.00
Subgroup : [4A]	Private-pay residents and other			
40-104-00	Room & Board Revenue>Private	(127,453.00)	0.00	(127,453.00)
40-105-00	Room & Board Revenue>HMO	(107,213.00)	0.00	(107,213.00)
40-109-00	Room & Board Revenue>Hospice	(210,005.00)	0.00	(210,005.00)
Subtotal [4A]	Private-pay residents and other	(444,671.00)	0.00	(444,671.00)
Subgroup : [4B]	Private-pay room and board contractual allowance			
40-105-14	Room & Board Revenue>HMO>Sequest	255.00	0.00	255.00
Subtotal [4B]	Private-pay room and board contractu	255.00	0.00	255.00
Subgroup : [5A]	Prescription Drugs - Medicare			
41-102-00	Pharmacy Rev>Medicare A	(163,735.00)	0.00	(163,735.00)
Subtotal [5A]	Prescription Drugs - Medicare	(163,735.00)	0.00	(163,735.00)
Subgroup : [5B]	Prescription Drugs - Medicare Contractual Allowance			
41-102-01	Pharmacy Rev>Medicare A>C/A	163,735.00	0.00	163,735.00

Subtotal [5B]	Prescription Drugs - Medicare Contract	163,735.00	0.00	163,735.00
Subgroup : [7A]	Physical Therapy - Medicare			
42-102-00	PT Revenue>Medicare A	(186,774.00)	0.00	(186,774.00)
42-103-00	PT Revenue>Medicare B	(34,061.00)	0.00	(34,061.00)
Subtotal [7A]	Physical Therapy - Medicare	(220,835.00)	0.00	(220,835.00)
Subgroup : [7B]	Physical Therapy - Medicare Contractual Allowance			
42-102-01	PT Revenue>Medicare A>C/A	186,538.00	0.00	186,538.00
Subtotal [7B]	Physical Therapy - Medicare Contract	186,538.00	0.00	186,538.00
Subgroup : [7C]	Physical Therapy - Non-medicare			
42-105-00	PT Revenue>HMO	(3,893.00)	0.00	(3,893.00)
42-111-00	PT Revenue>Medicaid	(25,158.00)	0.00	(25,158.00)
Subtotal [7C]	Physical Therapy - Non-medicare	(29,051.00)	0.00	(29,051.00)
Subgroup : [7D]	Physical Therapy - Non-medicare Contractual Allowance			
42-105-01	PT Revenue>HMO>C/A	3,893.00	0.00	3,893.00
42-111-01	PT Revenue>Medicaid>C/A	25,158.00	0.00	25,158.00
Subtotal [7D]	Physical Therapy - Non-medicare Contract	29,051.00	0.00	29,051.00
Subgroup : [8A]	Speech Therapy - Medicare			
44-102-00	ST Revenue>Medicare A	(28,186.00)	0.00	(28,186.00)
44-103-00	ST Revenue>Medicare B	(8,351.00)	0.00	(8,351.00)
Subtotal [8A]	Speech Therapy - Medicare	(36,537.00)	0.00	(36,537.00)
Subgroup : [8B]	Speech Therapy - Medicare Contractual Allowance			
44-102-01	ST Revenue>Medicare A>C/A	28,186.00	0.00	28,186.00
Subtotal [8B]	Speech Therapy - Medicare Contract	28,186.00	0.00	28,186.00
Subgroup : [8C]	Speech Therapy - Non-medicare			
44-105-00	ST Revenue>HMO	(788.00)	0.00	(788.00)
44-111-00	ST Revenue>Medicaid	(4,802.00)	0.00	(4,802.00)
Subtotal [8C]	Speech Therapy - Non-medicare	(5,590.00)	0.00	(5,590.00)
Subgroup : [8D]	Speech Therapy - Non-medicare Contractual Allowance			
44-105-01	ST Revenue>HMO>C/A	788.00	0.00	788.00
44-111-01	ST Revenue>Medicaid>C/A	4,802.00	0.00	4,802.00
Subtotal [8D]	Speech Therapy - Non-medicare Contract	5,590.00	0.00	5,590.00
Subgroup : [9A]	Occupational Therapy - Medicare			
43-102-00	OT Revenue>Medicare A	(228,459.00)	0.00	(228,459.00)
43-103-00	OT Revenue>Medicare B	(73,715.00)	0.00	(73,715.00)
Subtotal [9A]	Occupational Therapy - Medicare	(302,174.00)	0.00	(302,174.00)
Subgroup : [9B]	Occupational Therapy - Medicare Contractual Allowance			
43-102-01	OT Revenue>Medicare A>C/A	228,459.00	0.00	228,459.00
Subtotal [9B]	Occupational Therapy - Medicare Contract	228,459.00	0.00	228,459.00
Subgroup : [9C]	Occupational Therapy - Non-medicare			
43-105-00	OT Revenue>HMO	(3,810.00)	0.00	(3,810.00)
43-111-00	OT Revenue>Medicaid	(39,830.00)	0.00	(39,830.00)
Subtotal [9C]	Occupational Therapy - Non-medicare	(43,640.00)	0.00	(43,640.00)
Subgroup : [9D]	Occupational Therapy - Non-medicare Contractual Allowance			
43-105-01	OT Revenue>HMO>C/A	3,810.00	0.00	3,810.00
43-111-01	OT Revenue>Medicaid>C/A	39,830.00	0.00	39,830.00
Subtotal [9D]	Occupational Therapy - Non-medicare Contract	43,640.00	0.00	43,640.00
Subgroup : [10A]	Other - Medicare			
45-102-00	Radiology Rev>Medicare A	(642.00)	0.00	(642.00)
45-102-01	Radiology Rev>Medicare A>C/A	642.00	0.00	642.00
46-102-00	Lab Rev>Medicare A	(3,027.00)	0.00	(3,027.00)
46-102-01	Lab Rev>Medicare A>C/A	3,027.00	0.00	3,027.00
Subtotal [10A]	Other - Medicare	0.00	0.00	0.00
Subgroup : [10B]	Other - Non-medicare			

52-109-00	Revenue Adjustments Hospice	(204.00)	0.00	(204.00)
52-111-00	Revenue Adjustments>Medicaid	(1,017.00)	0.00	(1,017.00)
Subtotal [10B]	Other - Non-medicare	(1,221.00)	0.00	(1,221.00)
Total [30]	Statement of Revenue	(6,557,999.00)	0.00	(6,557,999.00)
Group : [31-32]	Assets			
Subgroup : [A1]	Cash			
10-010-91	Cash>Operating>Waterbury	(734.00)	0.00	(734.00)
10-010-93	Cash>Operating>Holdings Receiving	(53,639.00)	0.00	(53,639.00)
10-014-00	Cash>Petty Cash Facility	200.00	0.00	200.00
10-015-00	Cash>Petty Cash PNA	500.00	0.00	500.00
10-020-91	Cash>Payroll>Waterbury	1,287.00	0.00	1,287.00
10-030-91	Cash>Govt>Waterbury	(59.00)	0.00	(59.00)
10-040-91	Cash>Non Govt>Waterbury	(358.00)	0.00	(358.00)
10-060-91	Cash>Resident Trust>Waterbury	26,233.00	0.00	26,233.00
10-061-00	Cash>Care Cost	5,000.00	0.00	5,000.00
10-090-91	Cash>WFOperating>Waterbury	13,803.00	0.00	13,803.00
Subtotal [A1]	Cash	(7,767.00)	0.00	(7,767.00)
Subgroup : [A2]	Resident A/R			
11-102-00	Accounts Receivable>Medicare A	186,917.00	0.00	186,917.00
11-104-00	Accounts Receivable>Private	30,259.00	0.00	30,259.00
11-105-00	Accounts Receivable>HMO	50,278.00	0.00	50,278.00
11-109-00	Accounts Receivable>Hospice	115,056.00	0.00	115,056.00
11-111-00	Accounts Receivable>Medicaid	721,564.00	0.00	721,564.00
11-112-00	Accounts Receivable>Income	20,132.00	0.00	20,132.00
11-123-00	Accounts Receivable>Ancillary	30,721.00	0.00	30,721.00
Subtotal [A2]	Resident A/R	1,154,927.00	0.00	1,154,927.00
Subgroup : [A5]	Prepaid Expenses			
12-000-00	Prepaid Expenses	2,157.00	0.00	2,157.00
12-124-00	Prepaid Expenses>Insurance	35,561.00	0.00	35,561.00
12-126-00	Prepaid Expenses>Taxes	1,243.00	0.00	1,243.00
12-881-00	Prepaid Expenses>Workers Comp	116,951.00	0.00	116,951.00
Subtotal [A5]	Prepaid Expenses	155,912.00	0.00	155,912.00
Subgroup : [B4]	Leasehold Improvements			
14-131-00	Fixed Assets>Leasehold Improvements	36,785.00	0.00	36,785.00
14-137-01	Fixed Asset>Capital Lease>Copier	33,700.00	0.00	33,700.00
15-131-00	Accum Depn>Leasehold Improvements	(942.00)	0.00	(942.00)
15-137-01	Accumulated Depn>Capital Lease>Copier	(9,829.00)	0.00	(9,829.00)
Subtotal [B4]	Leasehold Improvements	59,714.00	0.00	59,714.00
Subgroup : [B6]	Movable Equipment			
14-132-00	Fixed Assets>Furniture, Fixtures and Eq	5,481.00	0.00	5,481.00
14-133-00	Fixed Assets>Medical Equipment	16,637.00	0.00	16,637.00
14-134-00	Fixed Assets>Computer Hardware	33,214.00	0.00	33,214.00
14-135-00	Fixed Assets>Computer Software	3,717.00	0.00	3,717.00
14-305-00	Fixed Assets>Sales Use Tax	62.00	0.00	62.00
15-132-00	Accum Depn>Furniture, Fixtures and Eq	(375.00)	0.00	(375.00)
15-133-00	Accum Depn>Medical Equipment	(1,664.00)	0.00	(1,664.00)
15-134-00	Accum Depn>Computer Hardware	(3,172.00)	0.00	(3,172.00)
15-135-00	Accum Depn>Computer Software	(366.00)	0.00	(366.00)
15-305-00	Accum Depn>Sales Use Tax	(3.00)	0.00	(3.00)
Subtotal [B6]	Movable Equipment	53,531.00	0.00	53,531.00
Subgroup : [B9]	Other Fixed Assets			
14-136-00	Fixed Assets>CIP	6,100.00	0.00	6,100.00
Subtotal [B9]	Other Fixed Assets	6,100.00	0.00	6,100.00
Subgroup : [D1]	Deferred Deposits			
13-128-00	Due From>Vendor Security Deposits	5,305.00	0.00	5,305.00
Subtotal [D1]	Deferred Deposits	5,305.00	0.00	5,305.00
Subgroup : [D3]	Organization Expense			
17-000-00	Deferred Financing Costs	42,630.00	0.00	42,630.00

19-265-00	Accumulated Amortization>Deferred Fine	(4,263.00)	0.00	(4,263.00)
Subtotal [D3]	Organization Expense	38,367.00	0.00	38,367.00
Subgroup : [D4]	Goodwill			
16-000-00	Goodwill	254,301.00	0.00	254,301.00
Subtotal [D4]	Goodwill	254,301.00	0.00	254,301.00
Subgroup : [D6]	Loans to Owners or Related Parties			
27-000-90	Due To/(From)>West Haven	6,601.00	0.00	6,601.00
Subtotal [D6]	Loans to Owners or Related Parties	6,601.00	0.00	6,601.00
Subgroup : [D7]	Other Assets			
13-127-00	Due From>Old Owner	43,745.00	0.00	43,745.00
27-172-00	Due To/(From)>Vendor	1,181.00	0.00	1,181.00
28-127-00	Due To>Old Owner	3,454.00	0.00	3,454.00
Subtotal [D7]	Other Assets	48,380.00	0.00	48,380.00
Total [31-32]	Assets	1,775,371.00	0.00	1,775,371.00
Group : [33-34]	Liabilities			
Subgroup : [A1]	Trade A/P			
20-000-00	Accounts Payable	(797,759.00)	87,769.00	(709,990.00)
			RJE - 7	
			87,769.00	
21-141-00	Other Current Payables>Employee Bene	(50.00)	0.00	(50.00)
21-149-00	Other Current Payables>Misc. PR Deduc	1,434.00	0.00	1,434.00
21-149-09	Other Current Payables>Misc. PR Deduc	(664.00)	0.00	(664.00)
21-350-00	Other Current Payables>Resident Funds	(26,233.00)	0.00	(26,233.00)
Subtotal [A1]	Trade A/P	(823,272.00)	87,769.00	(735,503.00)
Subgroup : [A4]	Accrued Payroll			
23-000-00	Accrued Wages & Related	(66,305.00)	0.00	(66,305.00)
23-156-00	Accrued Wages & Related>PR Taxes	(9,183.00)	0.00	(9,183.00)
23-157-00	Accrued Expenses>PTO	(122,886.00)	0.00	(122,886.00)
Subtotal [A4]	Accrued Payroll	(198,374.00)	0.00	(198,374.00)
Subgroup : [A12]	Other Current Liabilities			
24-000-00	Accrued Expenses	(168,345.00)	0.00	(168,345.00)
24-000-02	Accrued Expenses>Tamkar Brokerage F	(10,658.00)	0.00	(10,658.00)
24-137-01	Accrued Expenses>Capital Lease>Copie	(24,700.00)	0.00	(24,700.00)
24-158-00	Accrued Expenses>Utilities (Assumed)	(44,255.00)	0.00	(44,255.00)
24-162-00	Accrued Expenses>Insurance - General	(26,756.00)	0.00	(26,756.00)
24-260-79	Accrued Expenses>Welfare (Assumed) :	(32,519.00)	0.00	(32,519.00)
24-311-00	Accrued Expenses>Therapy (Assumed)	(5,000.00)	0.00	(5,000.00)
24-881-00	Accrued Expenses>Workers Comp	(93,554.00)	0.00	(93,554.00)
Subtotal [A12]	Other Current Liabilities	(405,787.00)	0.00	(405,787.00)
Subgroup : [B3]	Loans from Owners or Related Parties			
27-000-87	Due To/(From)>Torrington	(45.00)	0.00	(45.00)
27-000-92	Due To/(From)>Management	(28,199.00)	(87,769.00)	(115,968.00)
			RJE - 7	
			(87,769.00)	
27-000-93	Due To/(From)>Holdings	(652,924.00)	0.00	(652,924.00)
27-400-00	Due to/(from)>Eli Mirtis	(1,026.00)	0.00	(1,026.00)
Subtotal [B3]	Loans from Owners or Related Parties	(682,194.00)	(87,769.00)	(769,963.00)
Total [33-34]	Liabilities	(2,109,627.00)	0.00	(2,109,627.00)
	NET (INCOME) LOSS	0.00	0.00	0.00
	Sum of Account Groups	0.00	0.00	0.00

Client: **Regal Care Management**
 Engagement: **Medicaid - RegalCare at Waterbury, LLC**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB-CCNH**
 Workpaper: **H.01 - Reclassifying Journal Entry Report**

Account	Description	W/P Ref	Debit	Credit
Reclassifying Journal Entries				
Reclassifying Journal Entries JE # 1				
To reclass dental expense to the correct line of the cost report				
Marcum 101	Dentist		3,600.00	
60-206-00	Nursing Expense>Clinical Services			3,600.00
Total			3,600.00	3,600.00
Reclassifying Journal Entries JE # 2				
To reclass cell phone expense from the telephone line				
Marcum 102	Cell Phone		1,069.00	
80-231-00	Admin Expense>Telephone			1,069.00
Total			1,069.00	1,069.00
Reclassifying Journal Entries JE # 3				
To reclass other employee benefits				
85-255-79	Employee Benefits Expense>Pension>Union		160,875.00	
Marcum 103	Union Training		20,664.00	
Marcum 104	Background Checks		1,971.00	
Marcum 105	Union Health & Welfare		452,305.00	
Marcum 106	Tuition Reimbursement		8,050.00	
61-883-00	Nursing Admin Expense>Other Benefits			439,319.00
68-883-00	Therapy Expense>Other Benefits			921.00
69-883-00	Social Services Expense>Other Benefits			9,614.00
70-883-00	Dietary Expense>Other Benefits			66,132.00
71-883-00	Activity Expense>Other Benefits			10,388.00
74-883-00	Housekeeping & Laundry Expense>Other Benefits			44,630.00
75-883-00	Maintenance Expense>Other Benefits			14,984.00
80-883-00	Admin Expense>Other Benefits			57,877.00
Total			643,865.00	643,865.00
Reclassifying Journal Entries JE # 4				
To reclass fees from startup costs to the correct line of the cost report				
Marcum 107	Accounting Fees		1,703.00	
80-252-00	Admin Expense>Startup Costs			1,703.00
Total			1,703.00	1,703.00
Reclassifying Journal Entries JE # 5				
To reclass Marcum accounting expenses to the correct line of the cost report				
Marcum 107	Accounting Fees		4,445.00	
80-240-00	Admin Expense>Professional Fees			4,445.00
Total			4,445.00	4,445.00
Reclassifying Journal Entries JE # 6				
To reclass ambulance costs to the correct line of the cost report				
Marcum 108	Ambulance		20.00	
60-213-00	Nursing Expense>Transportation			20.00
Total			20.00	20.00
Reclassifying Journal Entries JE # 7				
To reclass related party A/P to the correct line of the cost report				
20-000-00	Accounts Payable		87,769.00	
27-000-92	Due To/(From)>Management			87,769.00
Total			87,769.00	87,769.00
Total Reclassifying Journal Entries			742,471.00	742,471.00
Total All Journal Entries			742,471.00	742,471.00



MYERS AND STAUFFER
CERTIFIED PUBLIC ACCOUNTANTS

Workpaper Index:
 Prepared By:
 Reviewed By:
 Workpaper Date: 1/31/2017
 Run Date:

Provider Name: RegalCare at Waterbury, LLC
 Provider Number: 000009001
 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>				
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: