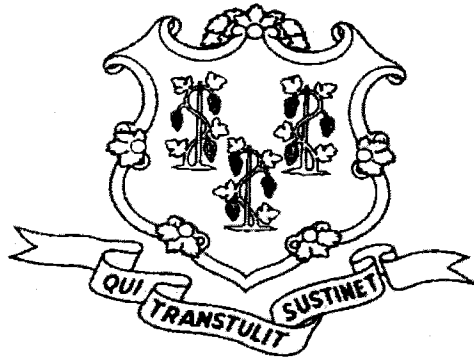


State of Connecticut



Annual Report of Long-Term Care Facility Cost Year 2018

Name of Facility (as licensed) Cobalt Lodge Health & Rehabilitation Center	
Address (No. & Street, City, State, Zip Code) Route 151, Cobalt, CT 06414	
Type of Facility	
<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)	
Report for Year Beginning 10/1/2017	Report for Year Ending 9/30/2018

License Numbers:	CCNH 813-C	RHNS	(Specify)	Medicare Provider 07-5232
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Medicaid Provider Numbers:	CCNH 008136	RHNS	ICF-IID
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For Department Use Only

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

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General Information

Name of Facility (as licensed)	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2018	1	37

Administrator's/Owner's Certification

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

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

I hereby certify that I have directed the preparation of the attached General Information and Questionnaires, Schedule of Resident Statistics, Statements of Reported Expenditures, Statements of Revenues and the related Balance Sheet of this Facility in accordance with the Reporting Requirements of the State of Connecticut for the year ended as specified above. {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) Todd Zgorski			Printed Name (Owner)		
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 Cobalt Lodge Health & Rehabilitation Center		Period Covered: From 10/1/2017	To 9/30/2018
Address of Facility Route 151, Cobalt, CT 06414			
Report Prepared By Marcum LLP		Phone Number 203-781-9600	Date 10/24/2018
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 860-267-9034		Report for Year Ended 9/30/2018	Page 2	of 37
Name of Facility (as shown on license) Cobalt Lodge Health & Rehabilitation Center		Address (No. & Street, City, State, Zip) Route 151, Cobalt, CT 06414		
License Numbers:	CCNH 813-C	RHNS (Specify)	Medicare Provider No. 07-5232	
Type of Facility (Check appropriate box(es))				
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH) <input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS) <input type="checkbox"/> (Specify)				
Type of Ownership (Check appropriate box)				
<input type="checkbox"/> Proprietorship <input type="checkbox"/> LLC <input type="checkbox"/> Partnership <input checked="" type="radio"/> Profit Corp. <input type="radio"/> Non-Profit Corp. <input type="radio"/> Government <input type="radio"/> Trust				
If this facility opened or closed during report year provide:		Date Opened	Date Closed	
Has there been any change in ownership or operation during this report year?				
<input type="radio"/> Yes <input checked="" type="radio"/> No If "Yes," explain fully.				
N/A				
Administrator				
Name of Administrator Todd Zgorski		Nursing Home Administrator's License No.:	001508	
Other Operators/Owners who are assistant administrators (full or part time) of this facility.				
Name		License No.:		
N/A				

General Information and Questionnaire
Corporate Owners

Name of Facility Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2018	Page 3A	of 37
If this facility is owned or operated as a corporation, provide the following information:				
Legal Name of Corporation	Business Address	State(s) in Which Incorporated		
Z, Incorporated	Route 151, Cobalt, CT 06414	CT		
Name of Directors, Officers	Business Address	Title	No. Shares Held by Each	
Joyce Zgorski	Route 151, Cobalt, CT 06414	Secretary	10	
Todd Zgorski	Route 151, Cobalt, CT 06414	Pres / Treas	45	
Marc Zgorski	Route 151, Cobalt, CT 06414	Vice President	45	
Names of Stockholders Owning at Least 10% of Shares				
Joyce Zgorski	Route 151, Cobalt, CT 06414	Secretary	10	
Todd Zgorski	Route 151, Cobalt, CT 06414	Pres / Treas	45	
Marc Zgorski	Route 151, Cobalt, CT 06414	Vice President	45	

General Information and Questionnaire
Individual Proprietorship

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2018	3B	37

If this facility is owned or operated as an individual proprietorship, provide the following information:

Owner(s) of Facility

N/A

General Information and Questionnaire Related Parties*

Name of Facility Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2018	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				
		<input type="radio"/>	<input checked="" type="radio"/>				
		<input type="radio"/>	<input checked="" type="radio"/>				
		<input type="radio"/>	<input checked="" type="radio"/>				
		<input type="radio"/>	<input checked="" type="radio"/>				
		<input type="radio"/>	<input checked="" type="radio"/>				
		<input type="radio"/>	<input checked="" type="radio"/>				
		<input type="radio"/>	<input checked="" type="radio"/>				
		<input type="radio"/>	<input checked="" type="radio"/>				

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

General Information and Questionnaire
Basis for Allocation of Costs

Name of Facility Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2018	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.

N/A - One level of care.

2. Explain the allocation of related company expenses and attach copy of appropriate supporting data.

N/A - One level of care.

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.

N/A - One level of care.

General Information and Questionnaire Leases (Excluding Real Property)

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

Name of Facility		License No.	Report for Year Ended		Page	of	
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2018		6	37	
Name and Address of Lessor	Related * to Owners, Operators, Officers		Description of Items Leased	Date of Lease**	Term of Lease	Annual Amount of Lease	Amount Claimed
	Yes	No					
Marin Business Bank, 2795 E. Cottonwood Pky, Ste 120, Salt Lake City, UT 84121	<input type="radio"/>	<input checked="" type="radio"/>	Phone System	06/28/16	60 months	10,565	10,565
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
	<input type="radio"/>	<input checked="" type="radio"/>					
Total ***							10,565

Is a Mileage Log Book Maintained for All Leased Vehicles ? Yes No

* 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 Cobalt Lodge Health & Rehabilitat	License No. 813-C	Report for Year Ended 9/30/2018	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.

N/A

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 Medicaid/Medicare cost report preparation, general consulting, financial statements, tax return, accounting services	\$ 29,341
2	\$
3	\$
4	\$
	Charge for Services Provided
	\$ 29,341

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 Murtha Cullin LLP 2 3 4 5	Telephone Number (860) 240-6000
---	------------------------------------

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

1 185 Asylum st. Hartford, CT 60103
2
3
4
5

Services Provided by This Firm (*describe fully*)

1 collections (disallowed on pg. 28)	\$ 8,416
2	\$
3	\$
4	\$
5	\$
	Charge for Services Provided
	\$ 8,416

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
	813-C		9/30/2018					
	Total All Levels	Total CCNH Level	Total RHNS Level	Total (Specify)	Period 10/1 Thru 6/30	Period 7/1 Thru 9/30		
1. Certified Bed Capacity								
A. On last day of PREVIOUS report period	60	60					60	60
B. On last day of THIS report period	60	60					60	60
2. Number of Residents								
A. As of midnight of PREVIOUS report period	53	53					52	52
B. As of midnight of THIS report period	51	51					51	51
3. Total Number of Days Care Provided During Period								
A. Medicare	1,605	1,605					444	444
B. Medicaid (Conn.)	11,546	11,546					3,076	3,076
C. Medicaid (other states)								
D. Private Pay	4,641	4,641					1,073	1,073
E. State SSI for RCH								
F. Other (Specify) Managed Care / Other Insurance	449	449					74	74
G. Total Care Days During Period (3A thru F)	18,241	18,241					4,667	4,667
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)	18,241	18,241					4,667	4,667

Schedule of Resident Statistics (Cont'd)

Name of Facility Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2018	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	RHNS	(Specify)	Lost			Gained			CCNH	RHNS	(Specify)	
	(1)	(2)	(3)	(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	RHNS	CCNH	RHNS	CCNH	RHNS	(Specify)	R.C.H.	ICF-MR
No. of Residents	8		31		12				
Per Diem Rate									
a. One bed rm.	Various		201.90		390.00				
b. Two bed rms.	Various		201.90		360.00				
c. Three or more bed rms.									

7. Total Number of Physical Therapy Treatments

	TOTAL	CCNH	RHNS	(Specify)
A. Medicare - Part B	3,741	3,741		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	166	166		
2. Restorative Treatments				
C. Other	4,692	4,692		
D. Total Physical Therapy Treatments	8,599	8,599		
8. Total Number of Speech Therapy Treatments				
A. Medicare - Part B	304	304		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	29	29		
2. Restorative Treatments				
C. Other	465	465		
D. Total Speech Therapy Treatments	798	798		
9. Total Number of Occupational Therapy Treatments				
A. Medicare - Part B	2,731	2,731		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	132	132		
2. Restorative Treatments				
C. Other	4,631	4,631		
D. Total Occupational Therapy Treatments	7,494	7,494		

Report of Expenditures - Salaries & Wages

Name of Facility	License No.	Report for Year Ended	Page	of		
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2018	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)	120,536	2,080				
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)	64,295	1,979				
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)	201,357	7,939				
5. Dietary Service						
a. Head Dietitian						
b. Food Service Supervisor	138,725	2,080				
c. Dietary Workers	209,529	14,725				
6. Housekeeping Service						
a. Head Housekeeper						
b. Other Housekeeping Workers	96,912	6,986				
7. Repairs & Maintenance Services						
a. Engineer or Chief of Maintenance	48,424	2,172				
b. Other Maintenance Workers	27,671	1,934				
8. Laundry Service						
a. Supervisor						
b. Other Laundry Workers						
9. Barber and Beautician Services						
10. Protective Services						
11. Accounting Services						
a. Head Accountant						
b. Other Accountants						
12. Professional Care of Residents						
a. Directors and Assistant Director of Nurses	103,654	2,080				
b. RN						
1. Direct Care	283,111	7,614				
2. Administrative**	159,187	5,038				
c. LPN						
1. Direct Care	306,950	12,328				
2. Administrative**						
d. Aides and Attendants	642,003	42,315				
e. Physical Therapists	221,567	3,177				
f. Speech Therapists						
g. Occupational Therapists						
h. Recreation Workers	54,754	3,655				
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	25,841	1,124				
n. Marketing						
o. Other (Specify)						
See Attached Schedule						
A-13. Total Salary Expenditures	2,704,516	117,226				

* 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
	0					
Total	\$ -	-	\$ -	-	\$ -	-

Schedule of Other Fees (Page 13)

Service	CCNH		RHNS		(Specify)	
	\$	Hours	\$	Hours	\$	Hours
	0					
Medical Records	\$ 1,234	26				
Psychiatry Consultant	2,680	36				
Total	\$ 3,914	62	\$ -	-	\$ -	-

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

Name of Facility	License No.	Report for Year Ended		Name and Address of All Other Employment**	Total Hours Worked	Line Where Claimed on Page 10	Total Hours Worked	Full Description of Services Rendered	Fringe Benefits and/or Other Payments (describe fully)	Salary Paid			Total Hours Worked	Compensation Received
		9/30/2018	9/30/2018							CCNH	RHNS	(Specify)		
Section I - Operators/Owners	813-C													
Joyce Zgorski, Route 151, Cobalt, CT 06414			138,725				2,080	Food Services Supervisor	Non Discrim		A5b			
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).														
Marc Zgorski, Route 151, Cobalt, CT 06414			77,004				2,040	Vice President, Head of Admissions	Non Discrim		A4			

* No allowance for salaries will be considered unless full information is provided. Use additional sheets if required.
 ** Include all employment worked during the cost year.

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

Name of Facility (as licensed)		License No.	Report for Year Ended		Page	of			
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2018		12	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***									
Todd Zgorski, Route 151, Cobalt, CT 06414	120,536		Non Discrim	President, Administrator, CFO	2,080	A2			
Section IV - Assistant Administrators									
Jon Caron	64,295		Non Discrim	Asst. Administrator/Marketing	1,979	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.

Annual Report of Long-Term Care Facility

CSP-13 Rev. 9/2002

B. Report of Expenditures - Professional Fees

Name of Facility	License No.	Report for Year Ended	Page	of		
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2018	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	10,580	265				
2. Dentist	7,017	48				
3. Pharmacist	2,062	104				
4. Podiatrist						
5. Physical Therapy						
a. Resident Care						
b. Other						
6. Social Worker						
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	42,842	168				
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	43,568	662				
b. Other						
10. Occupational Therapist						
a. Resident Care	169,076	2,744				
b. Other						
11. Nurses and aides and attendants						
a. RN						
1. Direct Care	61,627	1,027				
2. Administrative***						
b. LPN						
1. Direct Care	67,884	1,697				
2. Administrative***						
c. Aides	35,637	1,782				
d. Other						
12. Other (Specify) See Attached Schedule	3,914	62				
B-13 Total Fees Paid in Lieu of Salaries	444,207	8,559				

* 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 Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2018	Page 14	of 37
Name & Address of Individual	Full Explanation of Service	Related** to Owners, Operators, Officers		Explanation of Relationship	
		Yes	No		
J. Carey La Porte, MD, Sparrow Commons, Colchester, CT 06480	Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Prakash Huded, MD, 78 Marlborough Street, Portland, CT 06480	Physicians	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
The Center for Geriatric & Family Psychiatry, 55 Nye Ave., Suite 100, Glastonbury, CT 06033	Psychiatry	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Caring Nurses, David Raney, 273 Palisade Ave., Windsor, CT 06095	Medical Records	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Omnicare of CT, 525 Knottter Dr., Cheshire, CT 06410	Pharmacist	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Preferred Therapy Solutions, 850 Silas Deane Highway, 2nd Floor, Wethersfield, CT 06109	Physical Therapy, Occupational Therapy, Speech Therapy	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Fionnuala Brown MS, RD, 285 Oak Street, Watertown CT, 06795	Dietician	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Celtic Consulting, Maureen McCarthy, 507 East Main St, Torrington, CT 06790	MDS Quality Measures	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
HealthDrive Dental Group, 888 Worcester Street Suite 130, Wellesley, MA 02482-3744	Dentist	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
The Nurse Network, LLC, 653 Main Street, Plantsville, CT 06479	RNs, LPNs, CNAs	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Nurse Finders, PO Box 910738, Dallas TX 75391	CNAs	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
World Wide Staffing, 175 Dwight Road, Longmeadow, MA 01106	LPNs, CNAs	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
		<input type="radio"/>	<input checked="" type="radio"/>		
		<input type="radio"/>	<input checked="" type="radio"/>		
		<input type="radio"/>	<input checked="" type="radio"/>		
		<input type="radio"/>	<input checked="" type="radio"/>		
		<input type="radio"/>	<input checked="" type="radio"/>		
		<input type="radio"/>	<input checked="" type="radio"/>		
		<input type="radio"/>	<input checked="" type="radio"/>		
		<input type="radio"/>	<input checked="" type="radio"/>		
		<input type="radio"/>	<input checked="" type="radio"/>		
		<input type="radio"/>	<input checked="" type="radio"/>		

* 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
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2018	15	37
Item	Total	CCNH	RHNS	(Specify)
1. Administrative and General				
a. Employee Health & Welfare Benefits				
1. Workmen's Compensation	\$ 111,341	111,341		
2. Disability Insurance	\$			
3. Unemployment Insurance	\$ 36,421	36,421		
4. Social Security (F.I.C.A.)	\$ 180,805	180,805		
5. Health Insurance	\$ 82,698	82,698		
6. Life Insurance (employees only) (not-owners and not-operators)	\$			
7. Pensions (Non-Discriminatory) (not-owners and not-operators)	\$			
8. Uniform Allowance	\$			
9. Other (<i>Specify</i>) See Attached Schedule	\$			
b. Personal Retirement Plans, Pensions, and Profit Sharing Plans for Owners and Operators (Discriminatory)*	\$			
c. Bad Debts*	\$			
d. Accounting and Auditing	\$ 29,341	29,341		
e. Legal (<i>Services should be fully described on Page 7</i>)	\$ 8,416	8,416		
f. Insurance on Lives of Owners and Operators (<i>Specify</i>)*	\$			
g. Office Supplies	\$ 20,632	20,632		
h. Telephone and Cellular Phones				
1. Telephone & Pagers	\$ 5,764	5,764		
2. Cellular Phones	\$ 1,984	1,984		
i. Appraisal (<i>Specify purpose and attach copy</i>)*	\$			
j. Corporation Business Taxes (<i>franchise tax</i>)	\$			
k. Other Taxes (<i>Not related to property - See Page 22</i>)				
1. Income*	\$			
2. Other (<i>Specify</i>) See Attached Schedule	\$ 288	288		
3. Resident Day User Fee	\$ 342,067	342,067		
Subtotal	\$ 819,757	819,757		

* 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**

Cobalt Lodge Health & Rehabilitation Center
9/30/2018

Attachment Page 15

Schedule of Other Employee Benefits

Description	CCNH	RHNS	(Specify)
	0		
Total	\$ -	\$ -	\$ -

Schedule of Other Taxes

Description	CCNH	RHNS	(Specify)
	0		
Provision State Franchise	\$ 288		
Total	\$ 288	\$ -	\$ -

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

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2018	16	37
Item	Total	CCNH	RHNS	(Specify)
Subtotals Brought Forward:	819,757	819,757		
l. Travel and Entertainment				
1. Resident Travel and Entertainment	\$			
2. Holiday Parties for Staff	\$			
3. Gifts to Staff and Residents	\$			
4. Employee Travel	\$			
5. Education Expenses Related to Seminars and Conventions	\$ 662	662		
6. Automobile Expense (<i>not purchase or depreciation</i>)	\$			
7. Other (<i>Specify</i>) See Attached Schedule	\$ 37,453	37,453		
m. Other Administrative and General Expenses				
1. Advertising Help Wanted (<i>all such expenses</i>)	\$			
2. Advertising Telephone Directory (<i>all such expenses</i>)***	\$			
3. Advertising Other (<i>Specify</i>)*** See Attached Schedule	\$ 24,121	24,121		
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)***	\$ 572	572		
7. Postage	\$ 959	959		
* 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	\$ 12,623	12,623		
10. Contributions*** See Attached Schedule	\$ 3,355	3,355		
11. Services Provided by Contract (<i>Specify and Complete Schedule C-2, Page 21 for each firm or individual</i>)	\$ 43,953	43,953		
12. Administrative Management Services**	\$			
13. Other (<i>Specify</i>) See Attached Schedule	\$ 7,106	7,106		
C-14 Total Administrative & General Expenditures	\$ 950,561	950,561		

* 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)
	0		
Meals & Entertainment	\$ 22,510		
Travel & Entertainment	14,943		
Total Other Travel and Entertainment	\$ 37,453	\$ -	\$ -

Schedule of Other Advertising

Description	CCNH	RHNS	(Specify)
	0		
Advertising	\$ 21,897		
Public Relations	2,224		
Total Other Advertising	\$ 24,121	\$ -	\$ -

Schedule of Dues

Description	CCNH	RHNS	(Specify)
	0		
Total Dues	\$ -	\$ -	\$ -

Schedule of Contributions

Description	CCNH	RHNS	(Specify)
	0		
Donations	\$ 3,355		
Total Contributions	\$ 3,355	\$ -	\$ -

Schedule of Other Administrative and General

Description	CCNH	RHNS	(Specify)
	0		
Credit Card Usage Fee	\$ 355		
Bank Service Fee	3,805		
Licenses	1,403		
Fines & Penalties	1,543		
Total Other Administrative and General	\$ 7,106	\$ -	\$ -

Schedule C-1 - Management Services*

Name of Facility Cobalt Lodge Health & Rehabilitation Cer	License No. 813-C	Report for Year Ended 9/30/2018	Page of 17 37
Name & Address of Individual or Company Supplying Service	Cost of Management Service	Full Description of Mgmt. Service Provided	Indicate Where Costs are Included in Annual Report Page #/Line #
N/A			

*** In addition to management fees reported on page 16, line m12 include any additional management company charges or allocations of home office overhead costs reported elsewhere in the Annual Report.**

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

Name of Facility		License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2018		18	37
Item	Total	CCNH	RHNS	(Specify)		
2. Dietary						
a. In-House Preparation & Service						
1. Raw Food \$	138,909	138,909				
2. Non-Food Supplies \$	13,681	13,681				
3. Other (Specify) _____ \$						
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21) \$						
c. Other (Specify) _____ \$						
2D. Total Dietary Expenditures (2a + b + c + d) \$	152,590	152,590				
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.

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
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2018	19	37
Item	Total	CCNH	RHNS	(Specify)	
3. Laundry					
a. In-House Processing*					
1. Bed linens, cubicle curtains, draperies, gowns and other resident care items washed, ironed, and/or processed.***	Lbs.				
	Amt. \$	88	88		
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)	\$	62,984	62,984		
c. Other (Specify)	\$				
3D. Total Laundry Expenditures (3a + b + c)	\$	63,072	63,072		
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.
 *** 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
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2018		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. Other (<i>Specify</i>) Housekeeping Supplies			\$ 5,267	5,267		
4D.	Total Housekeeping Expenditures (4a + b + c)		\$ 5,267	5,267		
5.	Resident Care (Supplies)**					
a.	Prescription Drugs***					
	1. Own Pharmacy	\$				
	2. Purchased from Omnicare	\$	136,692	136,692		
b.	Medicine Cabinet Drugs	\$	100,610	100,610		
c.	Medical and Therapeutic Supplies	\$				
d.	Ambulance/Limousine***	\$	7,858	7,858		
e.	Oxygen					
	1. For Emergency Use	\$				
	2. Other***	\$	16,551	16,551		
f.	X-rays and Related Radiological Procedures***	\$	858	858		
g.	Dental (<i>Not dentists who should be included under salaries or fees</i>)	\$				
h.	Laboratory***	\$	9,755	9,755		
i.	Recreation	\$	11,459	11,459		
j.	Direct Management Services*	\$				
k.	Indirect Management Services*	\$				
l.	Other (Specify)**** See Attached Schedule	\$	770	770		
5M.	Total Resident Care Expenditures (5a - 5j)		\$ 284,553	284,553		

* 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)
	0		
Physical Therapy - Supplies	\$ 522		
Staff Meeting	248		
Total Other Resident Care	\$ 770	\$ -	\$ -

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

Name of Facility	License No.	Report for Year Ended	Page of						
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2018	21 37						
Name of Individual or Company	Address	Related ** to Owners, Operators, Officers		Explanation of Relationship	Full Explanation of Service Provided*	CCNH	RHNS (Specify)	Pg	Line
		Yes	No						
Middletown Laundry, LLC	644 Wallingford Road, Durham, CT 06422	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Laundry Service	62,400		19	3b
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						
		<input type="radio"/>	<input checked="" type="radio"/>						

* 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
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2018			22	37
Item	Total	CCNH	RHNS	(Specify)		
6. Maintenance & Operation of Plant						
a. Repairs & Maintenance	\$ 76,526	76,526				
b. Heat	\$ 40,465	40,465				
c. Light & Power	\$ 49,388	49,388				
d. Water	\$ 20,251	20,251				
e. Equipment Lease (<i>Provide detail on page 6</i>)	\$ 10,565	10,565				
f. Other (<i>itemize</i>)	\$ 2,189	2,189				
See Attached Schedule						
6g. Total Maint. & Operating Expense (6a - 6f)	\$ 199,384	199,384				
7. Depreciation (<i>complete schedule page 23*</i>)						
a. Land Improvements	\$ 12,254	12,254				
b. Building & Building Improvements	\$ 19,239	19,239				
c. Non-Movable Equipment	\$					
d. Movable Equipment	\$ 19,221	19,221				
*7e. Total Depreciation Costs (7a + b + c + d)	\$ 50,714	50,714				
8. Amortization (<i>Complete att. Schedule Page 24*</i>)						
a. Organization Expense	\$					
b. Mortgage Expense	\$					
c. Leasehold Improvements	\$					
d. Other (<i>Specify</i>)	\$					
*8e. Total Amortization Costs (8a + b + c + d)	\$					
9. Rental payments on leased real property less real estate taxes included in item 10b	\$					
10. Property Taxes						
a. Real estate taxes paid by owner	\$ 49,191	49,191				
b. Real estate taxes paid by lessor	\$					
c. Personal property taxes	\$ 2,012	2,012				
11. Total Property Expenses (7e + 8e + 9 + 10)	\$ 101,917	101,917				

* 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)
	0		
Hazardous Waste	\$ 1,246		
Outdoor Services	943		
Total Other Repairs and Maintenance	\$ 2,189	\$ -	\$ -

Depreciation Schedule

Name of Facility		License No.		Report for Year Ended					Page	of		
Cobalt Lodge Health & Rehabilitation Center		813-C		9/30/2018					23	37		
Property Item	Historical Cost Exclusive of Land	Less Salvage Value	Cost to Be Depreciated	Accumulated Depreciation to Beginning of Year's Operations	Method of Computing Depreciation	Useful Life	Depreciation for This Year	Totals				
								Yes	No			
Is a mileage logbook maintained?		Date of Acquisition		Historical Cost Exclusive of Land	Less Salvage Value	Cost to Be Depreciated	Accumulated Depreciation to Beginning of Year's Operations	Method of Computing Depreciation	Useful Life	Depreciation for This Year	Totals	
Yes	No	Month	Year								Yes	No
A. Land Improvements												
1. Acquired prior to this report period												
	294,364		294,364	70,319	S/L	Various	11,685					
2. Disposals (attach schedule)												
3. Acquired during this report period (attach schedule)												
	5,690		5,690		S/L	Various	569					12,254
A-4. Subtotal												
B. Building and Building Improvements												
1. Acquired prior to this report period												
	1,417,035		1,417,035	1,253,199	S/L	Various	19,239					
2. Disposals (attach schedule)												
3. Acquired during this report period (attach schedule)												
												19,239
B-4. Subtotal												
C. Non-Movable Equipment												
1. Acquired prior to this report period												
	24,773		24,773	24,773	S/L	Various						
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.	2017 Ford F350 (Like Kind)		64,346	12,869	S/L	5	12,869					
b.												
c.												
d.												
2. Movable Equipment												
a.	Acquired prior to this report period			288,020	S/L	Various	6,001					
b.	Disposals (attach schedule)											
c.	Acquired during this report period (attach schedule)			2,460	S/L	Various	351					
												19,221
D-3. Subtotal												
E. Total Depreciation												
												50,714

Cobalt Lodge Health & Rehabilitation Center
9/30/2018

Schedule of Land Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
6/15/2018	Stone Walkway	\$ 5,690	10	\$ 569
Total additions for Land Improvements		\$ 5,690		\$ 569 *
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:				
6/30/2018	Various Furniture and Equipment	\$ 2,460	7	\$ 351
Total additions for Movable Equipment		\$ 2,460		\$ 351 *
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:				
Total additions for Leasehold Improvement		\$ -		\$ - *
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		
Cobalt Lodge Health & Rehabilitation Center		813-C		9/30/2018		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 %	Amortization for This Year	Totals
	Month	Year							
A. Organization Expense									
1.									
2.									
3.									
A-4. Subtotal									
B. Mortgage Expense									
1. Refinancing	9	2001	15	5,538	5,538	S/L	7		
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)									
C-4. Subtotal									
D. Total Amortization									

* 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.

Cobalt Lodge Health & Rehabilitation Center
 Depreciation Schedule
 FYE September 30, 2018

Date Acquired	Hist. Costs	Cost to Be Deprec	Method	Life***	2016 Accum	2017 Deprec	2017 Accum	2018 Deprec	2018 Accum	NBV
Building and Building Improvements										
Acquired prior										
2005 Acquisition										
2/2/2006	1,105,552	1,105,552	SL	Var	1,105,552	-	1,105,552	-	1,105,552	-
1/25/2006	9,372	9,372	SL	7	9,372	-	9,372	-	9,372	-
2007 Garage Door Installation										
4/7/2008	1,670	-	N/A	N/A	-	-	-	-	-	1,670
4/21/2008	1,500	-	N/A	N/A	-	-	-	-	-	1,500
7/15/2008	125	-	N/A	N/A	-	-	-	-	-	125
3/31/2008	36	-	N/A	N/A	-	-	-	-	-	36
10/18/2007	258	-	N/A	N/A	-	-	-	-	-	258
	400	-	N/A	N/A	-	-	-	-	-	400
	10,427	10,427	SL	10	9,037	1,043	10,079	347	10,426	0
2009 Acquisition										
5/1/2009	11,162	11,162	SL	7	11,162	-	11,162	-	11,162	-
5/30/2009	1,786	-	N/A	N/A	-	-	-	-	-	1,786
8/31/2009	31,196	31,196	SL	15	16,638	2,080	18,718	2,080	20,797	10,399
2010 Acquisition										
8/1/2010	3,299	3,299	SL	15	1,320	220	1,540	220	1,759	1,540
10/21/2009	2,076	-	N/A	N/A	-	-	-	-	-	2,076
2011 Acquisition										
10/5/2010	3,551	3,551	SL	5	3,551	-	3,551	-	3,551	-
8/22/2011	524	-	N/A	N/A	-	-	-	-	-	524
8/12/2011	-	-	-	-	-	-	-	-	-	-
2012 Acquisition										
10/1/2011	127,236	127,236	S/L	15	42,412	8,482	50,895	8,482	59,377	67,859
5/23/2012	73,547	73,547	S/L	15	24,516	4,903	29,419	4,903	34,322	39,225
10/6/2011	13,150	13,150	S/L	15	4,383	877	5,260	877	6,137	7,014
2/16/2012	4,011	4,011	S/L	7	2,865	573	3,438	573	4,011	-
2013 Acquisitions										
Expensed Assets										
12/31/2016	(819)	-	N/A	N/A	-	-	-	-	-	(819)
2014 Acquisitions										
10/8/2013	8,555	8,555	SL	15	1,711	570	2,281	570	2,851	5,704
1/9/2014	3,733	3,733	SL	15	747	249	996	249	1,244	2,489
2017 Acquisitions										
12/31/2016	4,688	4,688	SL	5	-	938	938	938	1,875	2,813
Fire Protection Systems										
Total	\$ 1,417,035	\$ 1,409,479			\$ 1,233,265	\$ 19,934	\$ 1,253,199	\$ 19,239	\$ 1,272,438	\$ 144,597
Non-Movable Equipment										
Acquired prior										
8/12/2011	24,773	24,773	SL	Var	24,773	-	24,773	-	24,773	-
Boiler Replacement										
Total	\$ 24,773	\$ 24,773			24,773	-	24,773	-	24,773	-
Movable Equipment										
Acquired prior										
2006 Acquisitions										
1/31/2006	2,064	-	N/A	N/A	-	-	-	-	-	2,064
2/7/2006	2,063	-	N/A	N/A	-	-	-	-	-	2,063
3/31/2006	602	-	N/A	N/A	-	-	-	-	-	602
8/12/2006	1,344	-	N/A	N/A	-	-	-	-	-	1,344
2/15/2006	1,317	-	N/A	N/A	-	-	-	-	-	1,317

Accounting Software System	9/1/2006	13,916	13,916	5	SL	13,916	-	13,916	-	13,916	-	-	-
2007 Acquisitions													
Electric Beds	11/13/2006	4,392	4,392	5	SL	4,392	-	4,392	-	4,392	-	-	-
Head Boards	12/24/2006	517	-	N/A	N/A	-	-	-	-	-	-	-	517
Head Boards	2/27/2007	551	-	N/A	N/A	-	-	-	-	-	-	-	551
Furniture Covered Tables (Disposed)	6/1/2007	120	-	N/A	N/A	-	-	-	-	-	-	-	120
2008 Acquisitions													
Refrigerator	10/9/2007	2,782	2,782	7	SL	2,782	-	2,782	-	2,782	-	-	-
Head Deck (Disposed)	10/17/2007	319	-	N/A	N/A	-	-	-	-	-	-	-	319
Overbed Tables (Disposed)	10/30/2007	288	-	N/A	N/A	-	-	-	-	-	-	-	288
Head Deck (Disposed)	5/31/2008	147	-	N/A	N/A	-	-	-	-	-	-	-	147
Gas Grill (Disposed)	7/1/2008	468	-	N/A	N/A	-	-	-	-	-	-	-	468
Patio Furniture (Disposed)	6/3/2008	600	-	N/A	N/A	-	-	-	-	-	-	-	600
Deil Lisa's Laptop (Disposed)	5/13/2008	581	-	N/A	N/A	-	-	-	-	-	-	-	581
Deil Mark's Laptop (Disposed)	10/23/2007	561	-	N/A	N/A	-	-	-	-	-	-	-	561
Shredder (Disposed)	4/8/2008	113	-	N/A	N/A	-	-	-	-	-	-	-	113
Deskjet D4260 Printer (Disposed)	6/5/2008	84	-	N/A	N/A	-	-	-	-	-	-	-	84
Patio Equipment	10/1/2007	2,955	2,955	5	SL	2,955	-	2,955	-	2,955	-	-	-
2009 Acquisitions													
Snowblower	12/31/2008	1,908	-	N/A	N/A	-	-	-	-	-	-	-	1,908
Beds	5/31/2009	10,341	10,341	10	SL	10,341	1,034	9,307	1,034	10,341	-	-	0
Patio Furniture	5/31/2009	509	-	N/A	N/A	-	-	-	-	-	-	-	509
Refrigerators	8/26/2009	1,459	-	N/A	N/A	-	-	-	-	-	-	-	1,459
2010 Acquisitions													
2009 Ford F-250 (Disposed)	11/19/2009	49,835	49,835	5	SL	49,835	-	49,835	-	49,835	-	-	-
Bariatric Bed	8/15/2010	3,728	3,728	7	SL	3,728	-	3,728	-	3,728	-	-	-
Beds	11/2/2009	7,690	7,690	7	SL	7,690	-	7,690	-	7,690	-	-	-
2011 Acquisitions													
Satellite	4/4/2011	2,849	2,849	5	S/L	2,849	-	2,849	-	2,849	-	-	-
Hand Controls	5/12/2011	372	-	N/A	N/A	-	-	-	-	-	-	-	372
Delivery Carts	10/28/2010	1,025	-	N/A	N/A	-	-	-	-	-	-	-	1,025
Satellite TV Install	5/31/2011	8,295	8,295	5	SL	8,295	-	8,295	-	8,295	-	-	-
Bariatric Bed	10/27/2010	674	-	N/A	N/A	-	-	-	-	-	-	-	674
5 Electric Beds	10/29/2010	1,611	-	N/A	N/A	-	-	-	-	-	-	-	1,611
Snowblower	10/8/2010	709	-	N/A	N/A	-	-	-	-	-	-	-	709
Computer equipment	11/8/2010	992	-	N/A	N/A	-	-	-	-	-	-	-	992
Electric Beds	9/30/2011	3,796	3,796	5	SL	3,796	-	3,796	-	3,796	-	-	-
2012 Acquisition													
2011 Ford F-350 (like kind) (disposed)	10/19/2011	63,599	63,599	5	S/L	63,599	1,060	62,539	1,060	63,599	-	-	-
Laptops	2/14/2012	1,487	-	N/A	N/A	-	-	-	-	-	-	-	1,487
Freezers	9/30/2012	1,223	-	N/A	N/A	-	-	-	-	-	-	-	1,223
Oxygen Equipment	7/18/2012	3,047	3,047	5	S/L	3,047	-	3,047	-	3,047	-	-	-
Wandguard Security System	1/25/2012	1,640	-	N/A	N/A	-	-	-	-	-	-	-	1,640
2013 Acquisition													
Air Conditioners	7/18/2013	915	915	5	S/L	915	183	762	183	915	-	-	(0)
Air Conditioners	7/4/2013	679	679	5	S/L	679	136	577	136	678	-	-	0
Security Cameras	5/21/2013	1,495	1,495	7	S/L	1,495	214	925	214	1,139	-	-	356
2013 Corrections to Depreciation Sched													
Disposal Furniture Covered Tables	10/1/2008	(120)	-	N/A	N/A	-	-	-	-	-	-	-	(120)
Expensed Items (From 2008)	8/30/2008	(3,161)	-	N/A	N/A	-	-	-	-	-	-	-	(3,161)
Beds (Missing from 2008)	7/31/2008	2,414	2,414	10	S/L	2,414	241	2,173	241	2,414	-	-	-
Patio Furniture (Missing from 2008)	8/30/2008	5,040	5,040	5	S/L	5,040	-	5,040	-	5,040	-	-	-
Disposal 2009 Ford F-250 (Missing '12)	7/31/2008	(49,835)	(49,835)	5	S/L	(49,835)	-	(49,835)	-	(49,835)	-	-	-
2015 Acquisition													
2015 Ford F-350 (like kind) (disposed)	10/1/2014	57,536	57,536	5	S/L	57,536	11,507	34,522	11,507	46,029	-	-	11,507
Steam Table	11/21/2014	5,300	5,300	5	S/L	5,300	1,060	3,180	1,060	4,240	-	-	1,060
Air Conditioners	6/12/2015	3,610	3,610	5	S/L	3,610	722	2,166	722	2,888	-	-	722
2015 Dispositions													
2011 Ford F-350 (like kind)	10/19/2011	(63,599)	(63,599)	5	S/L	(63,599)	(1,060)	(62,539)	(1,060)	(63,599)	-	-	-

2017 Acquisition												
Various Furniture/Equipment	3/30/2017	19,015	19,015	S/L	7	2,716	2,716	5,433	13,582			
2017 Ford F350 (like-kind)	3/30/2017	64,346	64,346	S/L	5	12,869	12,869	25,738	38,608			
2017 Dispositions												
2015 Ford F-350 (like kind)	10/1/2014	(57,536)	(57,536)	S/L	5	(11,507)	(34,522)	(46,029)	(11,507)			
2018 Additions												
Various Furniture/Equipment	6/30/2018	2,460	2,460	S/L	7	-	-	351	2,109			
Total		\$ 376,894	\$ 354,826			\$ 19,175	\$ 279,170	\$ 298,391	\$ 78,503			

Land Improvements												
Acquired prior												
2011 Acquisitions												
Sign landscaping	3/11/2011	2,041	2,041	SL	5	-	-	-	2,041			
	6/1/2011	6,658	6,658	SL	5	-	6,658	6,658	-			
2017 Acquisitions												
Septic System	6/30/2017	219,346	219,346	SL	20	10,967	10,967	21,935	197,411			
Back Parking Lot Expansion	6/30/2017	14,344	14,344	SL	20	717	717	1,434	12,910			
2018 Additions												
Stone Walkway	6/15/2018	5,690	5,690	SL	10	-	-	569	5,121			
Total		\$ 300,054	\$ 300,054			\$ 12,318	\$ 70,318	\$ 82,571	\$ 217,483			

Amortization of Mortgage Expense												
Refinancing												
		\$ 5,538	\$ 5,538	SL	15	-	5,538	5,538	-			
		\$ 5,538	\$ 5,538			-	5,538	5,538	-			
Grand Total		2,124,294	\$ 2,094,671			51,427	1,632,998	1,683,711	440,583			

		Assets	2017	Accum.	2018	Accum.	2018	Accum.	Depreciation	Depreciation	Depreciation	NBV
		2,214,102	51,427	1,627,460	52,438	1,729,188	50,713	1,678,173	1,725	51,015	19,331	A
		2,143,756	(51,427)	(1,627,460)	50,713	1,678,173	50,713	1,678,173	1,725	51,015	19,331	B
		70,346	(51,427)	(1,627,460)	50,713	1,683,711	50,713	1,683,711	50,713	1,683,711	440,583	A
		27,925										
		42,500										
		2,220										
		(6,742)										
		1										
		4,442										
		19,332										
		2,907										

Assets according to TB (Minus WIP)
 Assets according to CR (Plus Land minus amort)
 Variance for FS vs. CR

Removed due to 2011 Amendment
 Removed due to 2011 Amendment
 Removed due to 2011 Amendment
 Audit Adj. from 2012
 Variance
 Total TB vs. Assets Variance

A Total Per Page 31, Line B9 FS vs CR NBV
 B Total Per Page 36, Line F1 FS vs CR Dep
 C Assets not placed into service at 9/30/2018

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

Name of Facility Cobalt Lodge Health & Rehabilitation	License No. 813-C	Report for Year Ended 9/30/2018	Page 25	of 37
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11. Property Questionnaire

Part A

Is the property either owned by the Facility or leased from a Related Party?*

Yes

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	07/01/68			
4. Date of Initial Licensure	07/01/68			
5. Total Licensed Bed Capacity	60			
6. Square Footage	26,047			
7. Acquisition Cost				
a. Land	25,000			
b. Building	60,000			

Part B - Owner and Related Parties

	1st Mortgage	2nd Mortgage	3rd Mortgage	4th Mortgage
1. Financing				
a. Type of Financing (e.g., fixed, variable)	Fixed			
b. Date Mortgage Obtained	09/22/11			
c. Interest Rate for the Cost Year	4.50%			
d. Term of Mortgage (number of years)	10			
e. Amount of Principal Borrowed	550,000			
f. Principal balance outstanding as of 9/30/18	412,466			
Complete if Mortgage was Refinanced During Current Cost Year				
g. Type of Financing (e.g., fixed, variable)				
h. Date of Refinancing				
i. New Interest Rate				
j. Term of Mortgage (number of years)				
k. Amount of Principal Borrowed				
l. Principal Outstanding on Note Paid-Off				

Part C - Arms-Length Leases for Real Property Improvements Only

Name and Address of Lessor	Property Leased	Date of Lease	Term of Lease	Annual Amount of Lease

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

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

Name of Facility		License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation		813-C	9/30/2018		26	37
Item			Total	CCNH	RHNS	(Specify)
12. Interest						
A. Building, Land Improvement & Non-Movable Equipment						
1. First Mortgage			\$ 26,986	26,986		
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)			\$ 26,986	26,986		

(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
Cobalt Lodge Health & Rehabilitati		813-C		9/30/2018		27	37
Item				Total	CCNH	RHNS	(Specify)
Subtotals Brought Forward:				26,986	26,986		
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) Interest - LOC				\$	8,802	8,802	
13. Total All Interest Expense (12B7 + 12C3 + 12D)				\$	35,788	35,788	
14. Insurance							
a. Insurance on Property (buildings only)				\$	28,832	28,832	
b. Insurance on Automobiles				\$	4,899	4,899	
c. Insurance other than Property (as specified above)							
1. Umbrella (Blanket Coverage)				\$			
2. Fire and Extended Coverage				\$			
3. Other (Specify)				\$			
14d. Total Insurance Expenditures (14a + b + c)				\$	33,731	33,731	
15. Total All Expenditures (A-13 thru C-14)				\$	4,975,586	4,975,586	

Annual Report of Long-Term Care Facility

CSP-28 Rev. 9/2002

D. Adjustments to Statement of Expenditures

Name of Facility				License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Center				813-C	9/30/2018	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.			Occupational Therapy	\$			
4.			Other - See attached Schedule	\$ 64,295	64,295		
Page 13 - Professional Fees							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 169,076	169,076		
7.			Other - See attached Schedule	\$			
Pages 15 & 16 - Administrative and General							
8.			Discriminatory Benefits	\$			
9.			Bad Debts	\$			
10.			Accounting	\$			
10a.	15	1e	Legal	\$ 8,416	8,416		
11.	15	1h1	Telephone	\$ 4,323	4,323		
12.	15	1h2	Cellular Telephone	\$ 904	904		
13.			Life insurance premiums on the life of Owners, Partners, Operators	\$			
14.			Gifts, flowers and coffee shops	\$			
15.			Education expenditures to colleges or universities for tuition and related costs for owners and employees	\$			
16.			Travel for purposes of attending conferences or seminars outside the continental U.S. Other out-of-state travel in excess of one representative	\$			
17.			Automobile Expense (e.g. personal use)	\$			
18.	16	m2/3	Unallowable Advertising *	\$ 24,121	24,121		
19.			Income Tax / Corporate Business Tax	\$			
20.	16	m10	Fund Raising / Contributions	\$ 3,355	3,355		
21.			Unallowable Management Fees	\$			
22.	16	m6	Barber and Beauty	\$ 572	572		
23.			Other - See attached Schedule	\$ 48,773	48,773		
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)				\$ 323,835	323,835		

* 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	A3	Non-allowable Assistant Admin/Marketing Salary	\$ 64,295		
Total Other Salaries Adjustment			\$ 64,295	\$ -	\$ -

Schedule of Fees Adjustments

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

Schedule of Other A&G Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
16	L7	Meals / Entertainment	\$ 22,510		
16	L7	Travel & Entertainment	14,943		
16	m13	Fines & Penalties	1,543		
15	Var	Disallowed Marketing Fringe Benefits	9,777		
Total Other A&G Adjustments			\$ 48,773	\$ -	\$ -

Cobalt Lodge Health & Rehabilitation Center
Marketing Benefits Disallowance
9/30/2018

To disallow fringe benefits associated with the Marketing person

Fringe Benefit %

Total Payroll	2,704,516	TB Linked
Total Fringes	<u>411,265</u>	TB Linked
Fringe %	15%	

Asst. Admin/ Marketing Salary	64,295	TB Linked
Fringe %	<u>15%</u>	
Fringe Disallowance	<u><u>9,777</u></u>	Pg 28a

Cobalt Lodge Health & Rehabilitation Center
Telephone Disallowance
9/30/2018

To disallow telephone expenses associated with resident rooms

Total Telephone Expense	5,764	TB Linked
Number of Resident Phones	60	
Total Phones in Facility	80	
Disallowance %	75%	
Telephone Disallowance	4,323	Pg 28, Line 11

Cobalt Lodge 2018 Cost Report
Calculation of Allowable Cell Phone Expense
September 30, 2018

Beds	# of Allowable Cell Phones
1-100	3
101-200	4
201-300	5
301-400	6

Total Bed Capacity	60
# of Allowable Cell Phones	3

<u>Allowable Cell Phone Expense (per cell phone):</u>	
per month	\$ 30
per year	\$ 360

Page 15 Line 1h2	<u>Amount</u>
Cell Phone expense per TB	\$ 1,984
Allowable Cell Phone expense	\$ 1,080
Disallowed Cell Phone expense	<u><u>\$ 904</u></u> Page 28 Line 12

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

Name of Facility				License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Center				813-C	9/30/2018	29	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Subtotals Brought Forward				\$ 323,835	323,835		
Page 20 - Resident Care Supplies***							
27.	20	5a2	Prescription Drugs	\$ 136,692	136,692		
28.	20	5d	Ambulance/Limousine	\$ 7,858	7,858		
29.	20	5f	X-rays, etc	\$ 858	858		
30.	20	5h	Laboratory	\$ 9,755	9,755		
31.			Medical Supplies	\$			
32.	20	5e2	Oxygen (non emergency)	\$ 16,551	16,551		
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$ 4,222	4,222		
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	\$ 15,859	15,859		
Page 27 - Insurance							
40.			Mortgage Insurance	\$			
41.	27	14b	Property Insurance	\$ 4,899	4,899		
Other - Miscellaneous							
42.			Other - Indirect	\$			
43.			Interest Income on Account Rec.	\$			
44.			Other - Miscellaneous Administrative	\$			
45.			Management Fees Direct	\$			
46.			Management Fees Indirect	\$			
47.			Other - Direct	\$ 8,802	8,802		
Not For Profit Providers Only							
48.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
49. Total Amount of Decrease (Items 1 - 48)				\$ 529,331	529,331		

*** 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.

Cobalt Lodge Health & Rehabilitation Center
9/30/2018

Schedule of Other Ancillary Costs

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
20	5i	Cable Television Disallowance (See Attached)	\$ 4,222		
Total Other Ancillary Costs			\$ 4,222	\$ -	\$ -

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	6a	Vehicle Repair & Maintenance	\$ 13,847		
22	10c	Personal Property (House & Autos) Taxes	2,012		
Total Other Property Adjustments			\$ 15,859	\$ -	\$ -

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
27	12D	Interest on LOC	\$ 8,802		
Total Other Adjustments			\$ 8,802	\$ -	\$ -

Schedule of Unallowable Building Interest

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

Cobalt Lodge Health & Rehabilitation Center

Vehicle Disallowances

9/30/2018

Totals for BMW		
Account	Description	Amount
22.511	Car Payments	18,505
92.233	Taxes	-
	Total	\$18,505

Personal Property taxes pg. 29a

Totals for Ford		
Account	Description	Amount
22.530	Car Payments	13,472
92.243	Insurance	4,362
92.233	Taxes	2,012
82.146	Car Maintenance	13,847
88.178	Fuel	14,943
	Total	\$48,636

Property Insurance Disallowed on pg. 29

Personal Property taxes pg. 29a

Vehicle Rpairs and Maintenance pg. 29a

Fuel recorded in T&E already disallowed on pg. 28a

Cobalt Lodge Health & Rehabilitation Center
Cable TV Disallowance
September 30, 2018

Pg. 29b

Total Monthly Fee Allowed	\$	300	
Total Months		<u>12</u>	
Total Allowable Expense	\$	3,600	
Total Cable TV Expense	\$	7,822	TB Linked
Allowable Expense		<u>3,600</u>	
Disallowed Expense	\$	<u>4,222</u>	

F. Statement of Revenue

Name of Facility	License No.	Report for Year Ended			Page	of
Cobalt Lodge Health & Rehabilitation Cc	813-C	9/30/2018			30	37
Item	Total	CCNH	RHNS	(Specify)		
I. Resident Room, Board & Routine Care Revenue						
1. a. Medicaid Residents (<i>CT only</i>)	\$ 2,399,999	2,399,999				
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>)	\$ 886,455	886,455				
b. Medicare Room and Board Contractual Allowance **	\$					
4. a. Private-Pay Residents and Other	\$ 2,035,072	2,035,072				
b. Private-Pay Room and Board Contractual Allowance **	\$					
II. Other Resident Revenue						
1. a. Prescription Drugs - Medicare	\$					
b. Prescription Drugs - Medicare Contractual Allowance **	\$ (98,592)	(98,592)				
c. Prescription Drugs - Non-Medicare	\$ 98,592	98,592				
d. Prescription Drugs - Non-Medicare Contractual Allowance **	\$					
2. a. Medical Supplies - Medicare	\$					
b. Medical Supplies - Medicare Contractual Allowance **	\$					
c. Medical Supplies - Non-Medicare	\$					
d. Medical Supplies - Non-Medicare Contractual Allowance **	\$					
3. a. Physical Therapy - Medicare	\$					
b. Physical Therapy - Medicare Contractual Allowance **	\$					
c. Physical Therapy - Non-Medicare	\$ 303,484	303,484				
d. Physical Therapy - Non-Medicare Contractual Allowance **	\$ (303,484)	(303,484)				
4. a. Speech Therapy - Medicare	\$					
b. Speech Therapy - Medicare Contractual Allowance **	\$					
c. Speech Therapy - Non-Medicare	\$ 64,010	64,010				
d. Speech Therapy - Non-Medicare Contractual Allowance **	\$ (64,010)	(64,010)				
5. a. Occupational Therapy - Medicare	\$					
b. Occupational Therapy - Medicare Contractual Allowance **	\$					
c. Occupational Therapy - Non-Medicare	\$ 279,454	279,454				
d. Occupational Therapy - Non-Medicare Contractual Allowance **	\$ (279,454)	(279,454)				
6. a. Other (<i>Specify</i>) - Medicare	\$					
b. Other (<i>Specify</i>) - Non-Medicare	\$					
III. Total Resident Revenue (Section I. thru Section II.)	\$ 5,321,526	5,321,526				
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)	\$ 5,321,526	5,321,526				

* 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)
		0		
Total Other Resident Revenue - Medicare		\$ -	\$ -	\$ -

Schedule of Other Non-Medicare Resident Revenue

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		0		
Total Other Resident Revenue		\$ -	\$ -	\$ -

Interest Income

Account

Page Ref	Account	Balance	CCNH	RHNS	(Specify)
			0		
Total Interest Income			\$ -	\$ -	\$ -

Schedule of Other Revenue

Page Ref	Description	CCNH	RHNS	(Specify)
		0		
Total Other Revenue		\$ -	\$ -	\$ -

G. Balance Sheet

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation C	813-C	9/30/2018	31	37
Account			Amount	
Assets				
A. Current Assets				
1. Cash (<i>on hand and in banks</i>)			\$	145,817
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$	1,099,722
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$	
4 Inventories			\$	
5. Prepaid Expenses			\$	9,971
a. Insurance - Property	5,557			
b. Insurance - Liability	4,414			
c. _____				
d. See Schedule				
6. Interest Receivable			\$	
7. Medicare Final Settlement Receivable			\$	
8. Other Current Assets (<i>itemize</i>)			\$	

See Schedule				
A-9. Total Current Assets (Lines A1 thru 8)			\$	1,255,510
B. Fixed Assets				
1. Land			\$	25,000
2. Land Improvements	*Historical Cost	300,054	\$	217,481
	Accum. Depreciation	82,573		Net
3. Buildings	*Historical Cost	1,417,035	\$	144,597
	Accum. Depreciation	1,272,438		Net
4. Leasehold Improvements	*Historical Cost		\$	
	Accum. Depreciation			Net
5. Non-Movable Equipment	*Historical Cost	24,773	\$	
	Accum. Depreciation	24,773		Net
6. Movable Equipment	*Historical Cost	312,548	\$	39,896
	Accum. Depreciation	272,652		Net
7. Motor Vehicles	*Historical Cost	64,346	\$	38,608
	Accum. Depreciation	25,738		Net
8. Minor Equipment-Not Depreciable			\$	
9. Other Fixed Assets (<i>itemize</i>)			\$	19,332
_____		19,332		
See Schedule				
B-10. Total Fixed Assets (Lines B1 thru 9)			\$	484,914

* 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
Cobalt Lodge Health & Rehabilitation C	813-C	9/30/2018	32	37
Account			Amount	
Total Brought Forward:			\$	1,740,424
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			\$	
2. Escrow Deposits			\$	
3. Organization Expense				
	*Historical Cost	_____		
	Accum. Depreciation	_____	Net	\$
4. Goodwill (Purchased Only)			\$	
5. Investments Related to Resident Care (<i>itemize</i>)			\$	

6. Loans to Owners or Related Parties (<i>itemize</i>)			\$	
Name and Address		Amount	Loan Date	
7. Other Assets (<i>itemize</i>)			\$	3,545
Refinancing Closing Cost		3,545		
See Schedule				
D-8. Total Investments and Other Assets (Lines D1 thru 7)			\$	3,545
D-9. Total All Assets (Lines A9 + B10 + C8 + D8)			\$	1,743,969

* 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
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2018	33	37
Account				Amount	
Liabilities					
A. Current Liabilities					
1. Trade Accounts Payable				\$	502,338
2. Notes Payable (<i>itemize</i>)				\$	294,301
Notes & Loans			244,034		
2017 Ford F350			50,267		
See Schedule					
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>)				\$	65,531
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>)				\$	96,602
Pension			10,000		
State Excise or B&O Tax			86,602		
See Schedule					
A-13. Total Current Liabilities (Lines A1 thru 12)				\$	958,772

* 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 Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2018	Page 34	of 37
Account				Amount	
Total Brought Forward:				958,772	
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>)				\$	
Name and Address of Lender	Amount	Loan Date			
4. Other Long-Term Liabilities (<i>itemize</i>)				\$ 502,991	
Renovation Loan Citizens Bank		412,466			
Septic Loan Citizens Bank		90,525			
See Schedule					
B-5. Total Long-Term Liabilities (Lines B1 thru 4)				\$ 502,991	
C. Total All Liabilities (Lines A-13 + B-5)				\$ 1,461,763	

Schedule of Prepaid Expenses Page 31 Line A5

Page Ref	Line Ref	Description	
Total Prepaid Expenses			\$ -

Schedule of Other Current Assets (Itemize) Page 31 Line A8

Page Ref	Line Ref	Description	
Total Other Current Assets (Itemize)			\$ -

Schedule of Other Fixed Assets (Itemize) Page 31 Line B9

Page Ref	Line Ref	Description	
Total Other Fixed Assets (Itemize)			\$ -

Schedule of Other Assets Page 32 Line D7

Page Ref	Line Ref	Description	
Total Other Assets			\$ -

Schedule of Notes Payable (Itemize) Page 33 Line A2

Page Ref	Line Ref	Description	
Total Notes Payable			\$ -

Schedule of Other Current Liabilities (Itemize) Page 33 Line A12

Page Ref	Line Ref	Description	
Total Other Current Liabilities (Itemize)			\$ -

Schedule of Other Long-Term Liabilities (Itemize) Page 34 Line B4

Page Ref	Line Ref	Description	
Total Other Long-Term Liabilities (Itemize)			\$ -

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

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation	813-C	9/30/2018	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			\$	5,000
3. Paid-in Surplus			\$	
4. Treasury Stock			\$	
5. Cumulated Earnings			\$	(65,828)
6. Gain or Loss for Period			\$	343,034
	10/1/2017	thru 9/30/2018		
7. Total Net Worth			\$	282,206
C. Total Reserves and Net Worth			\$	282,206
D. Total Liabilities, Reserves, and Net Worth			\$	1,743,969

H. Changes in Total Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Ce	813-C	9/30/2018	36	37
Account			Amount	
A.	Balance at End of Prior Period as shown on Report of 09/30/2017		\$	513,012
B.	Total Revenue (<i>From Statement of Revenue Page 30</i>)		\$	5,321,526
C.	Total Expenditures (<i>From Statement of Expenditures Page 27</i>)		\$	4,978,492
D.	Net Income or Deficit		\$	343,034
E.	Balance		\$	856,046
F.	Additions			
	1. Additional Capital Contributed (<i>itemize</i>)			
	Expenses Per Page 27	\$4,975,586		
	F/S vs C/R Depreciation	2,907		
	Rounding	(1)		
	Expenses Per F/S	\$4,978,492		
	2. Other (<i>itemize</i>)			
	Prior Period Bad Debts	(107,158)		
	Prior Period Pension Contribution	(10,000)		
F-3.	Total Additions		\$	(117,158)
G.	Deductions			
	1. Drawings of Owners/Operators/Partners (<i>Specify</i>)		\$	
	Name and Address (<i>No., City, State, Zip</i>)	Title	Amount	
	2. Other Withdrawals (<i>Specify</i>)		\$	456,682
	Purpose	Amount		
	Distributions - TPZ, MPZ, JZ	436,525		
	Distributions - BMW Financial	20,157		
	3. Total Deductions		\$	456,682
H.	Balance at End of Period	09/30/18	\$	282,206

I. Preparer's/Reviewer's Certification


Name of Facility Cobalt Lodge Health & Rehabilitation	License No. 813-C	Report for Year Ended 9/30/2018	Page 37	of 37
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Check appropriate category

<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)
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Preparer/Reviewer Certification

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.

Signature of Preparer 	Title Principal	Date Signed 1/31/19
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Printed Name of Preparer

Matthew S. Bavolack

Address Address 555 Long Wharf Drive, New Haven, CT 06511	Phone Number 203-781-9600
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Annual Report Contact Todd Zgorski	Phone Number 860-267-9034
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Annual Report Contact Email Address

Cobalthhealthcare@gmail.com

ACCOUNTANTS' CONSULTING REPORT

Management is responsible for the accompanying Annual Report of Long-Term Care Facility (the "Cost Report") for **Cobalt Lodge Health & Rehabilitation Center** for the year ended **September 30, 2018**, 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 **Cobalt Lodge Health & Rehabilitation Center**. 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 **Cobalt Lodge Health & Rehabilitation Center** 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 23, 2019



MARCUMGROUP
MEMBER

Annual Report of Long-Term Care Facility Cost Year 2018 Checklist

This checklist is not required to be submitted with the Annual Report

Facility Name Cobalt Lodge Health & Rehabilitation Center

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

Yes No

1. Have all related parties been properly disclosed on Pages 4, 11, 12, 14, 17 and 21?

Explanation: _____

Yes No

2. Are the methods of allocating costs consistent with prior year? 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, 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 the prior cost year?

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

Were all discrepancies on the Error Page addressed?

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: **Cobalt Lodge**
 Engagement: **Medicaid - Cobalt Lodge 2018 Cost Report**
 Period Ending: **9/30/2018**
 Trial Balance: **A.01 - TB-CCNH**

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2018			9/30/2018	9/30/2017
10.100	Cash - Petty Cash	1,271.00			1,271.00	1,270.66
10.105	Bank - Recreation	75.00			75.00	75.00
10.110	Bank - Operating	140,192.00			140,192.00	125,501.25
10.140	Bank - Payroll	4,245.00			4,245.00	48,822.32
10.170	Bank-Project Holding Account	34.00			34.00	33.85
11.100	Private	193,139.00			193,139.00	323,350.08
11.120	Medicare	134,081.00			134,081.00	61,723.89
11.130	Medicaid	339,733.00			339,733.00	249,113.31
11.160	Commercial	85,975.00			85,975.00	123,567.65
11.170	Allowance For Bad Debt	(27,500.00)			(27,500.00)	(25,250.00)
11.484	A/R Refund Clearing	30,409.00			30,409.00	14,146.55
11.486	Due From Affiliates	343,885.00			343,885.00	343,885.28
14.310	Insurance - Property	5,557.00			5,557.00	2,656.01
14.320	Insurance - Liability	4,414.00			4,414.00	5,094.14
15.000	Land	25,000.00			25,000.00	25,000.00
15.050	Land Improvements	342,559.00			342,559.00	336,869.04
15.100	Buildings	61,013.00			61,013.00	61,013.06
15.110	Building Improvements	603,646.00			603,646.00	599,202.13
15.120	Building Addition	774,191.00			774,191.00	774,191.21
15.250	Furniture & Equipment	95,753.00			95,753.00	93,292.63
15.253	Office Equipment	69,814.00			69,814.00	69,814.26
15.254	Kitchen Equipment	34,488.00			34,488.00	34,488.09
15.255	Laundry Equipment	3,738.00			3,738.00	3,738.13
15.256	Nursing Equipment	112,923.00			112,923.00	112,923.45
15.257	Housekeeping	4,608.00			4,608.00	4,608.31
15.261	Vehicles	64,346.00			64,346.00	0.00
15.280	Minor Equipment	22,023.00			22,023.00	22,023.00
15.281	VEHICLES	0.00			0.00	64,345.90
16.050	Land Improvements	(75,469.00)			(75,469.00)	(63,594.97)
16.100	Buildings	(1,267,398.00)			(1,267,398.00)	(1,252,026.98)
16.256	Nursing Equipment	(386,321.00)			(386,321.00)	(361,128.57)
16.404	Refinancing Closing Cost	3,545.00			3,545.00	4,727.20
21.000	Trade Accounts	(587,568.00)			(587,568.00)	(381,602.65)
21.100	AP Accrued	85,230.00			85,230.00	58,191.03
21.331	Payroll Accrued	(65,531.00)			(65,531.00)	(78,594.33)
21.748	Pension	(10,000.00)			(10,000.00)	0.00
21.921	State Excise Or B&O Tax	(86,602.00)			(86,602.00)	(93,056.00)
22.511	Notes & Loans	(244,034.00)			(244,034.00)	(165,534.00)
22.530	2017 Ford F350	(50,267.00)			(50,267.00)	(60,470.95)
22.730	Renovation Loan Citizens Bank	(412,466.00)			(412,466.00)	(436,402.46)
22.740	Septic Loan Citizens Bank	(90,525.00)			(90,525.00)	(132,994.30)
29.501	Distribution TPZ, MPZ	412,782.00			412,782.00	305,669.90
29.502	Distribution JZ	43,900.00			43,900.00	32,000.00
35.101	Common Stock	(5,000.00)			(5,000.00)	(5,000.00)
35.301	Retained Earnings	(390,854.00)			(390,854.00)	(315,779.80)
41.101	Private	(1,671,689.00)			(1,671,689.00)	(2,043,274.60)
41.208	Medicare	(886,455.00)			(886,455.00)	(1,096,141.87)
41.301	Medicaid	(2,375,307.00)			(2,375,307.00)	(2,431,002.84)
41.392	ADJ REV-OTHER	(24,692.00)			(24,692.00)	(11,432.55)
41.401	Commercial	(363,383.00)			(363,383.00)	(151,379.87)
51.032	PHARMACY - Medicaid	(98,592.00)			(98,592.00)	(235,680.00)
51.038	Pharmacy Contra Medicaid	98,592.00			98,592.00	235,680.00
52.022	PHYS THERAPY REV-Med A	(303,484.00)			(303,484.00)	(583,935.46)
52.028	ADJ TO REV-PHY THER	303,484.00			303,484.00	583,935.46
53.497	OXYGEN EXPENSE-PURCH	(2,844.00)			(2,844.00)	(4,512.00)
53.498	Oxygen adjustment	2,844.00			2,844.00	4,512.00
54.028	LAB ADJ TO REV	(16,698.00)			(16,698.00)	(43,578.02)
54.097	LABORATORY EXPENSE-P	16,698.00			16,698.00	43,578.02
54.522	X-RAY REVENUE-M	(858.00)			(858.00)	(4,971.62)
54.528	ADJSTMNT TO REV-X-RAY	858.00			858.00	4,971.62
55.068	ADJ TO REV-OCCUP THERAPY Med B	279,454.00			279,454.00	603,558.60
55.093	OT SALARIES THERAPIES	(279,454.00)			(279,454.00)	(603,558.60)

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2018			9/30/2018	9/30/2017
55.522	SPEECH THER REVENUE	(64,010.00)			(64,010.00)	(192,541.50)
55.528	ADJ TO REV-SPEECH THERAPY	64,010.00			64,010.00	192,541.50
60.030	Lab - Purchased Services	9,755.00			9,755.00	16,174.26
60.040	Xray - Purchased Services	858.00			858.00	4,149.83
61.010	Drugs	136,692.00			136,692.00	140,687.48
62.020	Oxygen Supplies	16,251.00			16,251.00	14,648.18
62.040	Oxygen Purchased Services	300.00			300.00	1,527.95
71.050	Salaries - Beauty & Hairdresser	572.00			572.00	506.01
71.100	Salaries - DNS	103,654.00			103,654.00	94,931.02
71.101	SNF NURSING EXP-SALARY	261.00			261.00	2,609.89
71.103	Salaries - RN	282,850.00			282,850.00	326,365.57
71.105	Salaries - LPN	306,950.00			306,950.00	314,073.07
71.111	Salaries - Aides	642,003.00			642,003.00	629,025.17
71.115	Salaries - Nurseing Admin	159,187.00			159,187.00	172,010.79
71.135	Supplies - Nursing	100,610.00			100,610.00	149,740.38
71.141	Contracted Labor - RN	61,627.00			61,627.00	35,665.67
71.142	Contracted Labor - LPN	67,884.00			67,884.00	39,884.04
71.143	Contracted Labor - Aides	35,637.00			35,637.00	108,151.27
71.155	Purchased Services - Education	568.00			568.00	0.00
71.177	Patient Transportation	7,858.00			7,858.00	7,985.15
71.178	Cobalt Pt Care Fund	0.00			0.00	261.60
72.092	SALARIES - PHYSICAL THERAPIST	0.00			0.00	161,449.10
72.093	Salaries - Physical Therapist	221,567.00			221,567.00	0.00
72.095	Physical Therapy - Supplies	522.00			522.00	1,026.80
75.093	Salaries - Occupational Thera	169,076.00			169,076.00	158,848.99
76.131	PURCHASED SERVICES SPEECH	0.00			0.00	54,045.00
76.597	Salaries - Speech Therapy	43,568.00			43,568.00	0.00
82.100	Salaries - Maintenance Superv	48,424.00			48,424.00	44,247.41
82.101	PLANT OPER & MAINT	511.00			511.00	86.00
82.102	Salaries - Maintenance	27,671.00			27,671.00	39,364.59
82.122	Fuel - Gas	9,446.00			9,446.00	7,367.10
82.123	Electricity	49,388.00			49,388.00	41,167.11
82.125	Water, Sewer, Trash	20,251.00			20,251.00	43,485.27
82.126	Hazardous Waste	1,246.00			1,246.00	3,557.79
82.127	Fuel - Heating Oil	31,019.00			31,019.00	24,360.78
82.131	Supplies - Maintenance	19,895.00			19,895.00	17,479.44
82.135	FURNITURE & APPLIANCE EXPENSE	7,696.00			7,696.00	6,420.18
82.144	Outdoor Services	943.00			943.00	1,290.77
82.145	Building Services - Repair &	27,847.00			27,847.00	8,433.47
82.146	Equip Services - Repair & Mai	28,273.00			28,273.00	25,980.68
82.149	Cable/Satelite TV	7,822.00			7,822.00	6,160.14
82.161	Maintenance Equipment Rental	0.00			0.00	(1,298.95)
83.100	Salaries - Dietary Supervisor	139,118.00			139,118.00	152,580.00
83.101	DIET SALARIES-SUPERVISOR	(393.00)			(393.00)	416.43
83.102	Salaries - Dietary	209,529.00			209,529.00	217,636.92
83.106	Dietician	10,580.00			10,580.00	13,082.36
83.121	Food	138,909.00			138,909.00	167,054.53
83.131	Dietary Supplies	5,985.00			5,985.00	3,946.56
83.161	EQUIPMENT RENTAL	0.00		10,565.00	10,565.00	9,452.16
			RJE - 2	10,565.00		
84.134	Linen	88.00			88.00	0.00
84.140	Contracted Laundry Service	62,984.00			62,984.00	62,400.00
85.102	Salaries - Housekeeping	96,912.00			96,912.00	103,788.05
85.131	Housekeeping Supplies	5,267.00			5,267.00	(105.79)
85.175	AUTO MILEAGE	0.00			0.00	592.70
86.124	Medical Records	0.00			0.00	2,344.83
86.148	Medical Records	1,234.00			1,234.00	0.00
86.150	Purchased Services - Medical	42,842.00			42,842.00	44,921.12
86.151	Psychiatry Consultant	2,680.00			2,680.00	2,160.00
86.152	Dentist	7,017.00			7,017.00	7,587.00
86.180	Staff Meeting	248.00			248.00	364.96
86.501	Salaries Social Services	25,841.00			25,841.00	25,123.77
86.521	Purchased Services	2,062.00			2,062.00	3,853.84
87.102	Salaries - Recreation	54,754.00			54,754.00	49,716.76
87.131	Supplies - Recreation	3,637.00			3,637.00	1,121.00
88.100	Salaries - Administrator	120,536.00			120,536.00	191,178.57

Account	Description	ADJ 9/30/2018	JE Ref #	RJE	FINAL 9/30/2018	1st PP-FINAL 9/30/2017
88.101	SALARIES - ASSISTANT ADMINISTRATOR	(3,121.00)			(3,121.00)	58,662.55
88.102	Salaries -Assistant Administr	67,416.00			67,416.00	1,584.43
88.104	Salaries - Office	124,353.00			124,353.00	120,158.52
88.111	Owner / Vice President	77,004.00			77,004.00	156,125.00
88.131	Office Supplies	20,632.00			20,632.00	11,692.37
88.154	Computer Purchased Services	29,374.00			29,374.00	31,519.00
88.176	Meals & Entertainment	22,510.00			22,510.00	100.00
88.178	Travel & Entertainment	14,943.00			14,943.00	17,809.38
88.179	Seminar Expense	94.00			94.00	983.96
88.182	Payroll Service Fee	11,792.00			11,792.00	12,099.63
88.185	Professional Fees - Legal	8,416.00			8,416.00	8,621.11
88.186	Professional Fees - Accounting	29,341.00			29,341.00	40,583.16
88.190	Credit Card Usage Fee	355.00			355.00	283.05
88.191	Bank Service Fee	3,805.00			3,805.00	2,023.89
88.313	Postage	959.00			959.00	1,040.22
88.590	Payroll Tax - FICA	180,805.00			180,805.00	193,147.37
88.591	Payroll Tax - FUI	3,654.00			3,654.00	3,669.78
88.592	Payroll Tax - SUI	32,767.00			32,767.00	26,255.63
88.593	Business Insurance	111,341.00			111,341.00	91,918.39
88.594	Group Insurance	82,698.00			82,698.00	94,889.03
89.115	Advertising	21,897.00			21,897.00	13,577.17
89.120	Donations	3,355.00			3,355.00	4,135.00
89.125	DUES & SUBSCRIPTIONS	0.00		12,623.00	12,623.00	12,434.16
			RJE - 1	12,623.00		
89.128	Dues & Subscriptions	12,623.00		(12,623.00)	0.00	0.00
			RJE - 1	(12,623.00)		
89.129	Licenses	1,403.00			1,403.00	398.00
89.161	B & O TAX EXPENSE	2,174.00			2,174.00	0.00
89.163	Business Taxes - B&O Tax	339,893.00			339,893.00	361,650.00
89.164	Provision State Franchise	288.00			288.00	0.00
89.165	Fines & Penalties	1,543.00			1,543.00	10.69
89.171	Telephone	16,329.00		(10,565.00)	5,764.00	6,796.94
			RJE - 2	(10,565.00)		
89.172	Internet	2,787.00			2,787.00	0.00
89.173	Non-Allowable Cellphone	1,984.00			1,984.00	3,476.79
89.183	Public Relations	2,224.00			2,224.00	1,103.70
89125	DUES & SUBSCRIPTIONS	0.00			0.00	(1,389.00)
89128	DUES & SUBSCRIPTIONS	0.00			0.00	1,389.00
92.232	Real Property Tax	49,191.00			49,191.00	48,100.00
92.233	Personal Property Tax	2,012.00			2,012.00	918.99
92.242	Insurance - Liability	28,832.00			28,832.00	31,626.46
92.243	Insurance - Auto	4,899.00			4,899.00	4,906.00
93.050	DEPREC EXPENSE-LAND IMPROVEMENTS	11,874.00			11,874.00	2,921.12
93.110	DEPREC EXPENSE-BUILD IMP	15,371.00			15,371.00	15,530.52
93.253	DEPREC EXP-OFFICE EQ	25,193.00			25,193.00	24,537.22
93.501	AMORT EXPENSE-ORGANI	1,182.00			1,182.00	1,181.80
94.211	INTEREST EXPENSE-BUI	26,986.00			26,986.00	30,240.68
94.231	Interest On Credit Loan	8,802.00			8,802.00	5,532.93
Total		0.00		0.00	0.00	0.00
Net (Income) Loss		0.00		0.00	0.00	0.00

Client: **Cobalt Lodge**
 Engagement: **Medicaid - Cobalt Lodge 2018 Cost Report**
 Period Ending: **9/30/2018**
 Trial Balance: **A.01 - TB-CCNH**
 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ 9/30/2018	JE Ref #	RJE	FINAL 9/30/2018	1st PP-FINAL 9/30/2017
Group : [10-A] Salaries and Wages						
Subgroup : [2] Administrators						
88.100	Salaries - Administrator	120,536.00		0.00	120,536.00	191,178.57
Subtotal [2] Administrators		120,536.00		0.00	120,536.00	191,178.57
Subgroup : [3] Assistant Administrator						
88.101	SALARIES - ASSISTANT ADMINISTRATOR	(3,121.00)		0.00	(3,121.00)	58,662.55
88.102	Salaries -Assistant Administr	67,416.00		0.00	67,416.00	1,584.43
Subtotal [3] Assistant Administrator		64,295.00		0.00	64,295.00	60,246.98
Subgroup : [4] Other Administrative Salaries						
88.104	Salaries - Office	124,353.00		0.00	124,353.00	120,158.52
88.111	Owner / Vice President	77,004.00		0.00	77,004.00	156,125.00
Subtotal [4] Other Administrative Salaries		201,357.00		0.00	201,357.00	276,283.52
Subgroup : [5B] Food Service Supervisor						
83.100	Salaries - Dietary Supervisor	139,118.00		0.00	139,118.00	152,580.00
83.101	DIET SALARIES-SUPERVISOR	(393.00)		0.00	(393.00)	416.43
Subtotal [5B] Food Service Supervisor		138,725.00		0.00	138,725.00	152,996.43
Subgroup : [5C] Dietary Workers						
83.102	Salaries - Dietary	209,529.00		0.00	209,529.00	217,636.92
Subtotal [5C] Dietary Workers		209,529.00		0.00	209,529.00	217,636.92
Subgroup : [6B] Other Housekeeping Workers						
85.102	Salaries - Housekeeping	96,912.00		0.00	96,912.00	103,788.05
Subtotal [6B] Other Housekeeping Workers		96,912.00		0.00	96,912.00	103,788.05
Subgroup : [7A] Engineer or Chief of Maintenance						
82.100	Salaries - Maintenance Superv	48,424.00		0.00	48,424.00	44,247.41
Subtotal [7A] Engineer or Chief of Maintenance		48,424.00		0.00	48,424.00	44,247.41
Subgroup : [7B] Other Maintenance Workers						
82.102	Salaries - Maintenance	27,671.00		0.00	27,671.00	39,364.59
Subtotal [7B] Other Maintenance Workers		27,671.00		0.00	27,671.00	39,364.59
Subgroup : [12A] Director of Nurses/Assistant Director						
71.100	Salaries - DNS	103,654.00		0.00	103,654.00	94,931.02
Subtotal [12A] Director of Nurses/Assistant Director		103,654.00		0.00	103,654.00	94,931.02
Subgroup : [12B1] RNs - Direct Care						
71.101	SNF NURSING EXP-SALARY	261.00		0.00	261.00	2,609.89
71.103	Salaries - RN	282,850.00		0.00	282,850.00	326,365.57
Subtotal [12B1] RNs - Direct Care		283,111.00		0.00	283,111.00	328,976.46
Subgroup : [12B2] RNs - Administrative						
71.115	Salaries - Nurseing Admin	159,187.00		0.00	159,187.00	172,010.79
Subtotal [12B2] RNs - Administrative		159,187.00		0.00	159,187.00	172,010.79
Subgroup : [12C1] LPNs - Direct Care						
71.105	Salaries - LPN	306,950.00		0.00	306,950.00	314,073.07
Subtotal [12C1] LPNs - Direct Care		306,950.00		0.00	306,950.00	314,073.07
Subgroup : [12D] Aides and Attendants						
71.111	Salaries - Aides	642,003.00		0.00	642,003.00	629,025.17
Subtotal [12D] Aides and Attendants		642,003.00		0.00	642,003.00	629,025.17
Subgroup : [12E] Physical Therapists						
72.093	Salaries - Physical Therapist	221,567.00		0.00	221,567.00	0.00
Subtotal [12E] Physical Therapists		221,567.00		0.00	221,567.00	0.00
Subgroup : [12H] Recreation Workers						
87.102	Salanes - Recreation	54,754.00		0.00	54,754.00	49,716.76
Subtotal [12H] Recreation Workers		54,754.00		0.00	54,754.00	49,716.76
Subgroup : [12M] Social Workers/Case Management						
86.501	Salaries Social Services	25,841.00		0.00	25,841.00	25,123.77
Subtotal [12M] Social Workers/Case Management		25,841.00		0.00	25,841.00	25,123.77
Total [10-A] Salaries and Wages		2,704,516.00		0.00	2,704,516.00	2,699,598.51
Group : [13-B] Professional Fees						
Subgroup : [1] Dietitian						
83.106	Dietician	10,580.00		0.00	10,580.00	13,082.36
Subtotal [1] Dietitian		10,580.00		0.00	10,580.00	13,082.36
Subgroup : [2] Dentist						
86.152	Dentist	7,017.00		0.00	7,017.00	7,587.00
Subtotal [2] Dentist		7,017.00		0.00	7,017.00	7,587.00
Subgroup : [3] Pharmacist						
86.521	Purchased Services	2,062.00		0.00	2,062.00	3,853.84
Subtotal [3] Pharmacist		2,062.00		0.00	2,062.00	3,853.84
Subgroup : [5A] PT - Resident Care						

Client: Cobalt Lodge
 Engagement: Medicaid - Cobalt Lodge 2018 Cost Report
 Period Ending: 9/30/2018
 Trial Balance: A.01 - TB-CCNH
 Workpaper: A.03 - TB-CCNH Combined Detail LS - 2

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2018			9/30/2018	9/30/2017
71.178	Cobalt PT Care Fund	0.00		0.00	0.00	261.60
72.092	SALARIES - PHYSICAL THERAPIST	0.00		0.00	0.00	161,449.10
Subtotal [5A] PT - Resident Care		0.00		0.00	0.00	161,710.70
Subgroup : [8A] Medical Director						
86.150	Purchased Services - Medical	42,842.00		0.00	42,842.00	44,921.12
Subtotal [8A] Medical Director		42,842.00		0.00	42,842.00	44,921.12
Subgroup : [9A] ST - Resident Care						
76.131	PURCHASED SERVICES SPEECH	0.00		0.00	0.00	54,045.00
76.597	Salaries - Speech Therapy	43,568.00		0.00	43,568.00	0.00
Subtotal [9A] ST - Resident Care		43,568.00		0.00	43,568.00	54,045.00
Subgroup : [10A] OT - Resident Care						
75.093	Salaries - Occupational Thera	169,076.00		0.00	169,076.00	158,848.99
Subtotal [10A] OT - Resident Care		169,076.00		0.00	169,076.00	158,848.99
Subgroup : [11A1] RN's - Direct Care						
71.141	Contracted Labor - RN	61,627.00		0.00	61,627.00	35,665.67
Subtotal [11A1] RN's - Direct Care		61,627.00		0.00	61,627.00	35,665.67
Subgroup : [11B1] LPN's - Direct Care						
71.142	Contracted Labor - LPN	67,884.00		0.00	67,884.00	39,884.04
Subtotal [11B1] LPN's - Direct Care		67,884.00		0.00	67,884.00	39,884.04
Subgroup : [11C] Aides						
71.143	Contracted Labor - Aides	35,637.00		0.00	35,637.00	108,151.27
Subtotal [11C] Aides		35,637.00		0.00	35,637.00	108,151.27
Subgroup : [12] Other						
86.124	Medical Records	0.00		0.00	0.00	2,344.83
86.148	Medical Records	1,234.00		0.00	1,234.00	0.00
86.151	Psychiatry Consultant	2,680.00		0.00	2,680.00	2,160.00
Subtotal [12] Other		3,914.00		0.00	3,914.00	4,604.83
Total [13-B] Professional Fees		444,207.00		0.00	444,207.00	632,264.82
Group : [15] Expenditures Other than Salaries						
Subgroup : [1A1] Workmen's Compensation						
88.593	Business Insurance	111,341.00		0.00	111,341.00	91,918.39
Subtotal [1A1] Workmen's Compensation		111,341.00		0.00	111,341.00	91,918.39
Subgroup : [1A3] Unemployment Insurance						
88.591	Payroll Tax - FUI	3,654.00		0.00	3,654.00	3,669.78
88.592	Payroll Tax - SUI	32,767.00		0.00	32,767.00	26,255.63
Subtotal [1A3] Unemployment Insurance		36,421.00		0.00	36,421.00	29,925.41
Subgroup : [1A4] Social Security (FICA)						
88.590	Payroll Tax - FICA	180,805.00		0.00	180,805.00	193,147.37
Subtotal [1A4] Social Security (FICA)		180,805.00		0.00	180,805.00	193,147.37
Subgroup : [1A5] Health Insurance						
88.594	Group Insurance	82,698.00		0.00	82,698.00	94,889.03
Subtotal [1A5] Health Insurance		82,698.00		0.00	82,698.00	94,889.03
Subgroup : [1D] Accounting and Auditing						
88.186	Professional Fees - Accounting	29,341.00		0.00	29,341.00	40,583.16
Subtotal [1D] Accounting and Auditing		29,341.00		0.00	29,341.00	40,583.16
Subgroup : [1E] Legal						
88.185	Professional Fees - Legal	8,416.00		0.00	8,416.00	8,621.11
Subtotal [1E] Legal		8,416.00		0.00	8,416.00	8,621.11
Subgroup : [1G] Office Supplies						
88.131	Office Supplies	20,632.00		0.00	20,632.00	11,692.37
Subtotal [1G] Office Supplies		20,632.00		0.00	20,632.00	11,692.37
Subgroup : [1H1] Telephone and Telegraph						
89.171	Telephone	16,329.00		(10,565.00)	5,764.00	6,796.94
Subtotal [1H1] Telephone and Telegraph		16,329.00	RJE - 2	(10,565.00)	5,764.00	6,796.94
Subgroup : [1H2] Cellular Phones and Beepers						
89.173	Non-Allowable Cellphone	1,984.00		0.00	1,984.00	3,476.79
Subtotal [1H2] Cellular Phones and Beepers		1,984.00		0.00	1,984.00	3,476.79
Subgroup : [1K2] Other						
89.164	Provision State Franchise	288.00		0.00	288.00	0.00
Subtotal [1K2] Other		288.00		0.00	288.00	0.00
Subgroup : [1K3] Resident Day User Fee						
89.161	B & O TAX EXPENSE	2,174.00		0.00	2,174.00	0.00
89.163	Business Taxes - B&O Tax	339,893.00		0.00	339,893.00	361,650.00
Subtotal [1K3] Resident Day User Fee		342,067.00		0.00	342,067.00	361,650.00
Total [15] Expenditures Other than Salaries		830,322.00		(10,565.00)	819,767.00	842,700.67

Client: **Cobalt Lodge**
 Engagement: **Medicaid - Cobalt Lodge 2018 Cost Report**
 Period Ending: **9/30/2018**
 Trial Balance: **A.01 - TB-CCNH**
 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2018			9/30/2018	9/30/2017
Group : [16]	Expenditures Other than Salaries (cont'd) - Admin. and General					
Subgroup : [4]	Employee Travel					
85.175	AUTO MILEAGE	0.00		0.00	0.00	592.70
Subtotal [4] Employee Travel		0.00		0.00	0.00	592.70
Subgroup : [5]	Education Expense					
71.155	Purchased Services - Education	568.00		0.00	568.00	0.00
88.179	Seminar Expense	94.00		0.00	94.00	983.96
Subtotal [5] Education Expense		662.00		0.00	662.00	983.96
Subgroup : [7]	Other					
88.176	Meals & Entertainment	22,510.00		0.00	22,510.00	100.00
88.178	Travel & Entertainment	14,943.00		0.00	14,943.00	17,809.38
Subtotal [7] Other		37,453.00		0.00	37,453.00	17,909.38
Subgroup : [M3]	Advertising Other					
89.115	Advertising	21,897.00		0.00	21,897.00	13,577.17
89.183	Public Relations	2,224.00		0.00	2,224.00	1,103.70
Subtotal [M3] Advertising Other		24,121.00		0.00	24,121.00	14,680.87
Subgroup : [M6]	Barber and Beauty Supplies					
71.050	Salaries - Beauty & Hairdresser	572.00		0.00	572.00	506.01
Subtotal [M6] Barber and Beauty Supplies		572.00		0.00	572.00	506.01
Subgroup : [M7]	Postage					
88.313	Postage	959.00		0.00	959.00	1,040.22
Subtotal [M7] Postage		959.00		0.00	959.00	1,040.22
Subgroup : [M8]	Dues and Membership Fees to Professional Associations					
89.128	Dues & Subscriptions	12,623.00		(12,623.00)	0.00	0.00
			RJE - 1	(12,623.00)		
89128	DUES & SUBSCRIPTIONS	0.00		0.00	0.00	1,389.00
Subtotal [M8] Dues and Membership Fees to Professional Associations		12,623.00		(12,623.00)	0.00	1,389.00
Subgroup : [M9]	Subscriptions					
89.125	DUES & SUBSCRIPTIONS	0.00		12,623.00	12,623.00	12,434.16
			RJE - 1	12,623.00		
89125	DUES & SUBSCRIPTIONS	0.00		0.00	0.00	(1,389.00)
Subtotal [M9] Subscriptions		0.00		12,623.00	12,623.00	11,045.16
Subgroup : [M10]	Contributions					
89.120	Donations	3,355.00		0.00	3,355.00	4,135.00
Subtotal [M10] Contributions		3,355.00		0.00	3,355.00	4,135.00
Subgroup : [M11]	Services Provided by Contract					
88.154	Computer Purchased Services	29,374.00		0.00	29,374.00	31,519.00
88.182	Payroll Service Fee	11,792.00		0.00	11,792.00	12,099.63
89.172	Internet	2,787.00		0.00	2,787.00	0.00
Subtotal [M11] Services Provided by Contract		43,953.00		0.00	43,953.00	43,618.63
Subgroup : [M13]	Other					
88.190	Credit Card Usage Fee	355.00		0.00	355.00	283.05
88.191	Bank Service Fee	3,805.00		0.00	3,805.00	2,023.89
89.129	Licenses	1,403.00		0.00	1,403.00	398.00
89.165	Fines & Penalties	1,543.00		0.00	1,543.00	10.69
Subtotal [M13] Other		7,106.00		0.00	7,106.00	2,716.63
Total [16] Expenditures Other than Salaries (cont'd) - Admin. and General		130,804.00		0.00	130,804.00	98,616.56
Group : [18]	Dietary Basis for Allocation of Costs					
Subgroup : [2A1]	Raw Food					
83.121	Food	138,909.00		0.00	138,909.00	167,054.53
Subtotal [2A1] Raw Food		138,909.00		0.00	138,909.00	167,054.53
Subgroup : [2A2]	Non-Food Supplies					
82.135	FURNITURE & APPLIANCE EXPENSE	7,696.00		0.00	7,696.00	6,420.18
83.131	Dietary Supplies	5,985.00		0.00	5,985.00	3,946.56
Subtotal [2A2] Non-Food Supplies		13,681.00		0.00	13,681.00	10,366.74
Total [18] Dietary Basis for Allocation of Costs		162,590.00		0.00	162,590.00	177,421.27
Group : [19]	Laundry-Basis for Allocation of Costs					
Subgroup : [3A1]	Bed Linens, etc...washed, ironed..					
84.134	Linen	88.00		0.00	88.00	0.00
Subtotal [3A1] Bed Linens, etc...washed, ironed..		88.00		0.00	88.00	0.00
Subgroup : [3B]	Purchased Services					
84.140	Contracted Laundry Service	62,984.00		0.00	62,984.00	62,400.00
Subtotal [3B] Purchased Services		62,984.00		0.00	62,984.00	62,400.00
Total [19] Laundry-Basis for Allocation of Costs		63,072.00		0.00	63,072.00	62,400.00
Group : [20]	Housekeeping and Resident Care Basis for Allocation of Costs					
Subgroup : [4C]	Other					
85.131	Housekeeping Supplies	5,267.00		0.00	5,267.00	(105.79)
Subtotal [4C] Other		5,267.00		0.00	5,267.00	(105.79)
Subgroup : [5A2]	Purchased from					

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Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2018			9/30/2018	9/30/2017
61.010	Drugs	136,692.00		0.00	136,692.00	140,687.48
Subtotal [5A2] Purchased from		136,692.00		0.00	136,692.00	140,687.48
Subgroup : [5B] Medicine Cabinet Drugs						
71.135	Supplies - Nursing	100,610.00		0.00	100,610.00	149,740.38
Subtotal [5B] Medicine Cabinet Drugs		100,610.00		0.00	100,610.00	149,740.38
Subgroup : [5D] Ambulance/Limousine						
71.177	Patient Transportation	7,858.00		0.00	7,858.00	7,985.15
Subtotal [5D] Ambulance/Limousine		7,858.00		0.00	7,858.00	7,985.15
Subgroup : [5E2] Oxygen - Other						
62.020	Oxygen Supplies	16,251.00		0.00	16,251.00	14,648.18
62.040	Oxygen Purchased Services	300.00		0.00	300.00	1,527.95
Subtotal [5E2] Oxygen - Other		16,551.00		0.00	16,551.00	16,176.13
Subgroup : [5F] X-Rays and related radiological						
60.040	Xray - Purchased Services	858.00		0.00	858.00	4,149.83
Subtotal [5F] X-Rays and related radiological		858.00		0.00	858.00	4,149.83
Subgroup : [5H] Laboratory						
60.030	Lab - Purchased Services	9,755.00		0.00	9,755.00	16,174.26
Subtotal [5H] Laboratory		9,755.00		0.00	9,755.00	16,174.26
Subgroup : [5I] Recreation						
82.149	Cable/Satellite TV	7,822.00		0.00	7,822.00	6,160.14
87.131	Supplies - Recreation	3,637.00		0.00	3,637.00	1,121.00
Subtotal [5I] Recreation		11,459.00		0.00	11,459.00	7,281.14
Subgroup : [5L] Other						
72.095	Physical Therapy - Supplies	522.00		0.00	522.00	1,026.80
86.180	Staff Meeting	248.00		0.00	248.00	364.96
Subtotal [5L] Other		770.00		0.00	770.00	1,391.76
Total [20] Housekeeping and Resident Care Basis for Allocation of Costs		289,820.00		0.00	289,820.00	343,480.34
Group : [22] Maintenance and Property						
Subgroup : [6A] Repairs and Maintenance						
82.101	PLANT OPER & MAINT	511.00		0.00	511.00	86.00
82.131	Supplies - Maintenance	19,895.00		0.00	19,895.00	17,479.44
82.145	Building Services - Repair &	27,847.00		0.00	27,847.00	8,433.47
82.146	Equip Services - Repair & Mai	28,273.00		0.00	28,273.00	25,980.68
82.161	Maintenance Equipment Rental	0.00		0.00	0.00	(1,298.95)
Subtotal [6A] Repairs and Maintenance		76,526.00		0.00	76,526.00	60,680.64
Subgroup : [6B] Heat						
82.122	Fuel - Gas	9,446.00		0.00	9,446.00	7,367.10
82.127	Fuel - Heating Oil	31,019.00		0.00	31,019.00	24,360.78
Subtotal [6B] Heat		40,465.00		0.00	40,465.00	31,727.88
Subgroup : [6C] Light & Power						
82.123	Electricity	49,388.00		0.00	49,388.00	41,167.11
Subtotal [6C] Light & Power		49,388.00		0.00	49,388.00	41,167.11
Subgroup : [6D] Water						
82.125	Water, Sewer, Trash	20,251.00		0.00	20,251.00	43,485.27
Subtotal [6D] Water		20,251.00		0.00	20,251.00	43,485.27
Subgroup : [6E] Equipment Lease						
83.161	EQUIPMENT RENTAL	0.00	RJE - 2	10,565.00	10,565.00	9,452.16
Subtotal [6E] Equipment Lease		0.00		10,565.00	10,565.00	9,452.16
Subgroup : [6F] Other						
82.126	Hazardous Waste	1,246.00		0.00	1,246.00	3,557.79
82.144	Outdoor Services	943.00		0.00	943.00	1,290.77
Subtotal [6F] Other		2,189.00		0.00	2,189.00	4,848.56
Subgroup : [7A] Land Improvements						
93.050	DEPREC EXPENSE-LAND IMPROVEMENTS	11,874.00		0.00	11,874.00	2,921.12
Subtotal [7A] Land Improvements		11,874.00		0.00	11,874.00	2,921.12
Subgroup : [7B] Building & Building Improvements						
93.110	DEPREC EXPENSE-BUILD IMP	15,371.00		0.00	15,371.00	15,530.52
Subtotal [7B] Building & Building Improvements		15,371.00		0.00	15,371.00	15,530.52
Subgroup : [7C] Non-movable Equipment						
93.253	DEPREC EXP-OFFICE EQ	25,193.00		0.00	25,193.00	24,537.22
Subtotal [7C] Non-movable Equipment		25,193.00		0.00	25,193.00	24,537.22
Subgroup : [8B] Mortgage Expense						
93.501	AMORT EXPENSE-ORGANI	1,182.00		0.00	1,182.00	1,181.80
Subtotal [8B] Mortgage Expense		1,182.00		0.00	1,182.00	1,181.80
Subgroup : [10A] Real estate taxes paid by owner						
92.232	Real Property Tax	49,191.00		0.00	49,191.00	48,100.00

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Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2018			9/30/2018	9/30/2017
Subtotal [10A] Real estate taxes paid by owner		<u>49,191.00</u>		<u>0.00</u>	<u>49,191.00</u>	<u>48,100.00</u>
Subgroup : [10C] Personal property taxes						
92.233 Personal Property Tax		2,012.00		0.00	2,012.00	918.99
Subtotal [10C] Personal property taxes		<u>2,012.00</u>		<u>0.00</u>	<u>2,012.00</u>	<u>918.99</u>
Total [22] Maintenance and Property		<u>293,642.00</u>		<u>10,565.00</u>	<u>304,207.00</u>	<u>274,551.27</u>
Group : [26] Interest						
Subgroup : [12A1] First Mortgage						
94.211 INTEREST EXPENSE-BUI		26,986.00		0.00	26,986.00	30,240.68
Subtotal [12A1] First Mortgage		<u>26,986.00</u>		<u>0.00</u>	<u>26,986.00</u>	<u>30,240.68</u>
Total [26] Interest		<u>26,986.00</u>		<u>0.00</u>	<u>26,986.00</u>	<u>30,240.68</u>
Group : [27] Interest and Insurance						
Subgroup : [12D] Other Interest Expense						
94.231 Interest On Credit Loan		8,802.00		0.00	8,802.00	5,532.93
Subtotal [12D] Other Interest Expense		<u>8,802.00</u>		<u>0.00</u>	<u>8,802.00</u>	<u>6,532.93</u>
Subgroup : [14A] Insurance on Property						
92.242 Insurance - Liability		28,832.00		0.00	28,832.00	31,626.46
Subtotal [14A] Insurance on Property		<u>28,832.00</u>		<u>0.00</u>	<u>28,832.00</u>	<u>31,626.46</u>
Subgroup : [14B] Insurance of Automobiles						
92.243 Insurance - Auto		4,899.00		0.00	4,899.00	4,906.00
Subtotal [14B] Insurance of Automobiles		<u>4,899.00</u>		<u>0.00</u>	<u>4,899.00</u>	<u>4,906.00</u>
Total [27] Interest and Insurance		<u>42,533.00</u>		<u>0.00</u>	<u>42,533.00</u>	<u>42,065.39</u>
Group : [30] Statement of Revenue						
Subgroup : [1A] Medicaid Residents (CT only)						
41.301 Medicaid		(2,375,307.00)		0.00	(2,375,307.00)	(2,431,002.84)
41.392 ADJ REV-OTHER		(24,692.00)		0.00	(24,692.00)	(11,432.55)
Subtotal [1A] Medicaid Residents (CT only)		<u>(2,399,999.00)</u>		<u>0.00</u>	<u>(2,399,999.00)</u>	<u>(2,442,435.39)</u>
Subgroup : [3A] Medicare Residents (All Inclusive)						
41.208 Medicare		(886,455.00)		0.00	(886,455.00)	(1,096,141.87)
Subtotal [3A] Medicare Residents (All Inclusive)		<u>(886,455.00)</u>		<u>0.00</u>	<u>(886,455.00)</u>	<u>(1,096,141.87)</u>
Subgroup : [4A] Private-pay residents and other						
41.101 Private		(1,671,689.00)		0.00	(1,671,689.00)	(2,043,274.60)
41.401 Commercial		(363,383.00)		0.00	(363,383.00)	(151,379.87)
Subtotal [4A] Private-pay residents and other		<u>(2,035,072.00)</u>		<u>0.00</u>	<u>(2,035,072.00)</u>	<u>(2,194,654.47)</u>
Subgroup : [5B] Prescription Drugs - Medicare Contractual Allowance						
51.038 Pharmacy Contra Medicaid		98,592.00		0.00	98,592.00	235,680.00
Subtotal [5B] Prescription Drugs - Medicare Contractual Allowance		<u>98,592.00</u>		<u>0.00</u>	<u>98,592.00</u>	<u>235,680.00</u>
Subgroup : [5C] Prescription Drugs - Non-medicare						
51.032 PHARMACY - Medicaid		(98,592.00)		0.00	(98,592.00)	(235,680.00)
Subtotal [5C] Prescription Drugs - Non-medicare		<u>(98,592.00)</u>		<u>0.00</u>	<u>(98,592.00)</u>	<u>(235,680.00)</u>
Subgroup : [7C] Physical Therapy - Non-medicare						
52.022 PHYS THERAPY REV-Med A		(303,484.00)		0.00	(303,484.00)	(583,935.46)
Subtotal [7C] Physical Therapy - Non-medicare		<u>(303,484.00)</u>		<u>0.00</u>	<u>(303,484.00)</u>	<u>(583,935.46)</u>
Subgroup : [7D] Physical Therapy - Non-medicare Contractual Allowance						
52.028 ADJ TO REV-PHY THER		303,484.00		0.00	303,484.00	583,935.46
Subtotal [7D] Physical Therapy - Non-medicare Contractual Allowance		<u>303,484.00</u>		<u>0.00</u>	<u>303,484.00</u>	<u>583,935.46</u>
Subgroup : [8C] Speech Therapy - Non-medicare						
55.522 SPEECH THER REVENUE		(64,010.00)		0.00	(64,010.00)	(192,541.50)
Subtotal [8C] Speech Therapy - Non-medicare		<u>(64,010.00)</u>		<u>0.00</u>	<u>(64,010.00)</u>	<u>(192,541.50)</u>
Subgroup : [8D] Speech Therapy - Non-medicare Contractual Allowance						
55.528 ADJ TO REV-SPEECH THERAPY		64,010.00		0.00	64,010.00	192,541.50
Subtotal [8D] Speech Therapy - Non-medicare Contractual Allowance		<u>64,010.00</u>		<u>0.00</u>	<u>64,010.00</u>	<u>192,541.50</u>
Subgroup : [9C] Occupational Therapy - Non-medicare						
55.093 OT SALARIES THERAPIES		(279,454.00)		0.00	(279,454.00)	(603,558.60)
Subtotal [9C] Occupational Therapy - Non-medicare		<u>(279,454.00)</u>		<u>0.00</u>	<u>(279,454.00)</u>	<u>(603,558.60)</u>
Subgroup : [9D] Occupational Therapy - Non-medicare Contractual Allowance						
55.068 ADJ TO REV-OCCUP THERAPY Med B		279,454.00		0.00	279,454.00	603,558.60
Subtotal [9D] Occupational Therapy - Non-medicare Contractual Allowance		<u>279,454.00</u>		<u>0.00</u>	<u>279,454.00</u>	<u>603,558.60</u>
Subgroup : [10A] Other - Medicare						
54.522 X-RAY REVENUE-M		(858.00)		0.00	(858.00)	(4,971.62)
54.528 ADJSTMNT TO REV-X-RAY		858.00		0.00	858.00	4,971.62
Subtotal [10A] Other - Medicare		<u>0.00</u>		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subgroup : [10B] Other - Non-medicare						
54.028 LAB ADJ TO REV		(16,698.00)		0.00	(16,698.00)	(43,578.02)
54.097 LABORATORY EXPENSE-P		16,698.00		0.00	16,698.00	43,578.02
Subtotal [10B] Other - Non-medicare		<u>0.00</u>		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subgroup : [18] Other Revenue						

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Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2018			9/30/2018	9/30/2017
53.497	OXYGEN EXPENSE-PURCH	(2,844.00)		0.00	(2,844.00)	(4,512.00)
53.498	Oxygen adjustment	2,844.00		0.00	2,844.00	4,512.00
Subtotal [18] Other Revenue		0.00		0.00	0.00	0.00
Total [30] Statement of Revenue		(5,321,626.00)		0.00	(5,321,626.00)	(6,733,231.73)
Group : [31] Current Assets						
Subgroup : [A1] Cash						
10.100	Cash - Petty Cash	1,271.00		0.00	1,271.00	1,270.66
10.105	Bank - Recreation	75.00		0.00	75.00	75.00
10.110	Bank - Operating	140,192.00		0.00	140,192.00	125,501.25
10.140	Bank - Payroll	4,245.00		0.00	4,245.00	48,822.32
10.170	Bank-Project Holding Account	34.00		0.00	34.00	33.85
Subtotal [A1] Cash		145,817.00		0.00	145,817.00	175,703.08
Subgroup : [A2] Accounts Receivable						
11.100	Private	193,139.00		0.00	193,139.00	323,350.08
11.120	Medicare	134,081.00		0.00	134,081.00	61,723.89
11.130	Medicaid	339,733.00		0.00	339,733.00	249,113.31
11.160	Commercial	85,975.00		0.00	85,975.00	123,567.65
11.170	Allowance For Bad Debt	(27,500.00)		0.00	(27,500.00)	(25,250.00)
11.484	A/R Refund Clearing	30,409.00		0.00	30,409.00	14,146.55
11.486	Due From Affiliates	343,885.00		0.00	343,885.00	343,885.28
Subtotal [A2] Accounts Receivable		1,099,722.00		0.00	1,099,722.00	1,090,536.76
Subgroup : [A5] Prepaid Expenses						
14.310	Insurance - Property	5,557.00		0.00	5,557.00	2,656.01
14.320	Insurance - Liability	4,414.00		0.00	4,414.00	5,094.14
Subtotal [A5] Prepaid Expenses		9,971.00		0.00	9,971.00	7,750.15
Subgroup : [B1] Land						
15.000	Land	25,000.00		0.00	25,000.00	25,000.00
Subtotal [B1] Land		25,000.00		0.00	25,000.00	25,000.00
Subgroup : [B2] Land Improvements						
15.050	Land Improvements	342,559.00		0.00	342,559.00	336,869.04
16.050	Land Improvements	(75,469.00)		0.00	(75,469.00)	(63,594.97)
Subtotal [B2] Land Improvements		267,090.00		0.00	267,090.00	273,274.07
Subgroup : [B3] Buildings						
15.100	Buildings	61,013.00		0.00	61,013.00	61,013.06
15.110	Building Improvements	603,646.00		0.00	603,646.00	599,202.13
15.120	Building Addition	774,191.00		0.00	774,191.00	774,191.21
16.100	Buildings	(1,267,398.00)		0.00	(1,267,398.00)	(1,252,026.98)
Subtotal [B3] Buildings		171,462.00		0.00	171,462.00	182,379.42
Subgroup : [B6] Movable Equipment						
15.250	Furniture & Equipment	95,753.00		0.00	95,753.00	93,292.63
15.253	Office Equipment	69,814.00		0.00	69,814.00	69,814.26
15.254	Kitchen Equipment	34,488.00		0.00	34,488.00	34,488.09
15.255	Laundry Equipment	3,738.00		0.00	3,738.00	3,738.13
15.256	Nursing Equipment	112,923.00		0.00	112,923.00	112,923.45
15.257	Housekeeping	4,608.00		0.00	4,608.00	4,608.31
15.280	Minor Equipment	22,023.00		0.00	22,023.00	22,023.00
16.256	Nursing Equipment	(386,321.00)		0.00	(386,321.00)	(361,128.57)
Subtotal [B6] Movable Equipment		(42,974.00)		0.00	(42,974.00)	(20,240.70)
Subgroup : [B7] Motor Vehicles						
15.261	Vehicles	64,346.00		0.00	64,346.00	0.00
15.281	VEHICLES	0.00		0.00	0.00	64,345.90
Subtotal [B7] Motor Vehicles		64,346.00		0.00	64,346.00	64,345.90
Total [31] Current Assets		1,740,424.00		0.00	1,740,424.00	1,798,748.68
Group : [31-32] Non-Current Assets						
Subgroup : [D7] Other Assets						
16.404	Refinancing Closing Cost	3,545.00		0.00	3,545.00	4,727.20
Subtotal [D7] Other Assets		3,545.00		0.00	3,545.00	4,727.20
Total [31-32] Non-Current Assets		3,545.00		0.00	3,545.00	4,727.20
Group : [33] Current Liabilities						
Subgroup : [A1] Accounts Payable						
21.000	Trade Accounts	(587,568.00)		0.00	(587,568.00)	(381,602.65)
21.100	AP Accrued	85,230.00		0.00	85,230.00	58,191.03
Subtotal [A1] Accounts Payable		(502,338.00)		0.00	(502,338.00)	(323,411.62)
Subgroup : [A2] Notes Payable						
22.511	Notes & Loans	(244,034.00)		0.00	(244,034.00)	(165,534.00)
22.530	2017 Ford F350	(50,267.00)		0.00	(50,267.00)	(60,470.95)
Subtotal [A2] Notes Payable		(294,301.00)		0.00	(294,301.00)	(226,004.95)
Subgroup : [A4] Accrued Payroll						
21.331	Payroll Accrued	(65,531.00)		0.00	(65,531.00)	(78,594.33)
Subtotal [A4] Accrued Payroll		(65,531.00)		0.00	(65,531.00)	(78,594.33)
Subgroup : [A12] Other Current Liabilities						
21.748	Pension	(10,000.00)		0.00	(10,000.00)	0.00

Client: **Cobalt Lodge**
 Engagement: **Medicaid - Cobalt Lodge 2018 Cost Report**
 Period Ending: **9/30/2018**
 Trial Balance: **A.01 - TB-CCNH**
 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2018			9/30/2018	9/30/2017
21.921	State Excise Or B&O Tax	(86,602.00)		0.00	(86,602.00)	(93,056.00)
Subtotal [A12] Other Current Liabilities		(96,602.00)		0.00	(96,602.00)	(93,056.00)
Total [33] Current Liabilities		(958,772.00)		0.00	(958,772.00)	(721,066.90)
Group : [34] Non-Current Liabilities						
Subgroup : [B4] Other Long-Term Liabilities						
22.730	Renovation Loan Citizens Bank	(412,466.00)		0.00	(412,466.00)	(436,402.46)
22.740	Septic Loan Citizens Bank	(90,525.00)		0.00	(90,525.00)	(132,994.30)
Subtotal [B4] Other Long-Term Liabilities		(502,991.00)		0.00	(502,991.00)	(569,396.76)
Total [34] Non-Current Liabilities		(502,991.00)		0.00	(502,991.00)	(569,396.76)
Group : [35] Equity						
Subgroup : [B2] Capital Stock						
35.101	Common Stock	(5,000.00)		0.00	(5,000.00)	(5,000.00)
Subtotal [B2] Capital Stock		(5,000.00)		0.00	(5,000.00)	(5,000.00)
Subgroup : [B5] Cummulated Earnings						
29.501	Distribution TPZ, MPZ	412,782.00		0.00	412,782.00	305,669.90
29.502	Distribution JZ	43,900.00		0.00	43,900.00	32,000.00
35.301	Retained Earnings	(390,854.00)		0.00	(390,854.00)	(315,779.80)
Subtotal [B5] Cummulated Earnings		65,828.00		0.00	65,828.00	21,890.10
Total [35] Equity		60,828.00		0.00	60,828.00	16,890.10
Sum of Account Groups		0.00		0.00	0.00	0.00
Net (Income) Loss		0.00		0.00	0.00	0.00

Client: **Cobalt Lodge**
 Engagement: **Medicaid - Cobalt Lodge 2018 Cost Report**
 Period Ending: **9/30/2018**
 Trial Balance: **A.01 - TB-CCNH**
 Workpaper: **H.01 - Reclassifying Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Reclassifying Journal Entries JE # 1		N.01a		
To reclass Subscriptions to the correct account				
89.125	DUES & SUBSCRIPTIONS		12,623.00	
89.128	Dues & Subscriptions			12,623.00
Total			<u>12,623.00</u>	<u>12,623.00</u>
Reclassifying Journal Entries JE # 2		N.01a		
To reclass phone systems lease				
83.161	EQUIPMENT RENTAL		10,565.00	
89.171	Telephone			10,565.00
Total			<u>10,565.00</u>	<u>10,565.00</u>



Provider Name: Cobalt Lodge Health & Rehabilitation Center
 Provider Number: 8136
 Period Ended: 9/30/18

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: