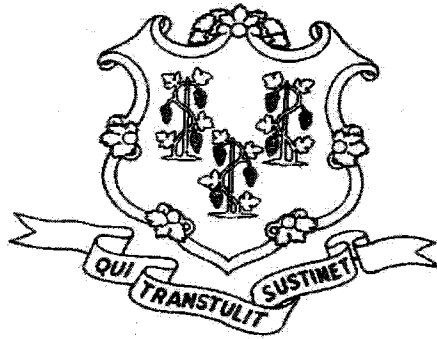


# State of Connecticut



## Annual Report of Long-Term Care Facility Cost Year 2017

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 10/1/2016	Report for Year Ending 9/30/2017

License Numbers:	CCNH 813-C	RHNS	(Specify)	Medicare Provider 07-5232
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Medicaid Provider Numbers:	CCNH 8136	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) Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2017	Page 1	of 37
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**Administrator's/Owner's Certification**

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

I HEREBY CERTIFY that I have read the above statement and that I have examined the accompanying Cost Report and supporting schedules prepared for Cobalt Lodge Health & Rehabilitation Center [facility name], for the cost report period beginning October 1, 2016 and ending September 30, 2017, 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

<b>Data Required for Real Wage Adjustment</b>			Page 1A	of 37
Name of Facility Cobalt Lodge Health & Rehabilitation Center	Period Covered:	From 10/1/2016	To 9/30/2017	
Address of Facility Route 151, Cobalt, CT 06414				
Report Prepared By Marcum LLP	Phone Number 203-781-9600	Date 1/17/2018		
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. <b>Total Wages Paid</b> \$				
7. Total salaries paid \$				
8. <b>Total Wages and Salaries Paid</b> (As per page 10 of Report) \$				

Wages - Compensation computed on an hourly wage rate.

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

**DO NOT include Fringe Benefit Costs.**

**General Information and Questionnaire**  
**Type of Facility - Organization Structure**

Phone No. of Facility 860-267-9034		Report for Year Ended 9/30/2017	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 <input checked="" type="checkbox"/> 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.				
<b>Administrator</b>				
Name of Administrator Todd Zgorski		Nursing Home Administrator's License No.:	1508	
Other Operators/Owners who are assistant administrators (full or part time) of this facility.				
Name N/A		License No.:		



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

Name of Facility Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2017	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	9/30/2017	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 9/30/2017	Page 4	of 37		
Are any individuals receiving compensation from the facility related through marriage, ability to control, ownership, family or business association? <input checked="" type="radio"/> Yes <input type="radio"/> No							
If "Yes," provide the Name/Address and complete the information on Page 11 of the report.							
Are any individuals or companies which provide goods or services, including the rental of property or the loaning of funds to this facility, related through family association, common ownership, control, or business association to any of the owners, operators, or officials of this facility? <input type="radio"/> Yes <input checked="" type="radio"/> No							
If "Yes," provide the following information:							
Name of Related Individual or Company	Business Address	Also Provides Goods/Services to Non-Related Parties		Description of Goods/Services Provided	Indicate Where Costs are Included in Annual Report Page # / Line #	Cost Reported	Actual Cost to the Related Party
		Yes	No				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				

\* Use additional sheets if necessary.

\*\* 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 9/30/2017	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 (See listing page 13 )
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	9/30/2017			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					
Ricoh, 1219 Walt Whitman Road, Melville, NY	<input type="radio"/>	<input checked="" type="radio"/>	Copier/Fax (Balance Sheet account only)	08/20/14	60 months		
Marlin 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	9,452	9,452
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
<b>Is a Mileage Log Book Maintained for All Leased Vehicles ?</b>						<input type="radio"/> Yes	<input type="radio"/> No
<b>Total ***</b>						<b>9,452</b>	<b>9,452</b>

\* 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 9/30/2017	Page 7	of 37
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The records of this facility for the period covered by this report were maintained on the following basis:

Accrual     Cash     Modified Cash

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

**Independent Accounting Firm**

Name of Accounting Firm 1 Marcum, LLP 2 3 4	Address (No. & Street, City, State, Zip Code) 555 Long Wharf Drive, New Haven, CT 06511
---	--

Services Provided by This Firm (*describe fully*)

1 Medicaid/Medicare cost report preparation, general consulting, financial statements, tax return, accounting services	\$ 40,583
2	\$
3	\$
4	\$
	<b>Charge for Services Provided</b>
	\$ 40,583

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)	\$ 8,621
2	\$
3	\$
4	\$
5	\$
	<b>Charge for Services Provided</b>
	\$ 8,621

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 Cobalt Lodge Health & Rehabilitation Center	License No. 813-C		Report for Year Ended 9/30/2017						Page 8	of 37				
	Total All Levels	Total CCNH Level	Total RHNS Level	Total (Specify)	Period 10/1 Thru 6/30		Period 7/1 Thru 9/30							
					Total	CCNH	RHNS	(Specify)	Total	CCNH	RHNS	(Specify)		
1. Certified Bed Capacity														
A. On last day of PREVIOUS report period	60	60			60	60		60	60					
B. On last day of THIS report period	60	60			60	60		60	60					
2. Number of Residents														
A. As of midnight of PREVIOUS report period	52	52			52	52		52	53					
B. As of midnight of THIS report period	53	53			53	53		53	53					
3. Total Number of Days Care Provided During Period														
A. Medicare	1,934	1,934			1,689	1,689		245	245					
B. Medicaid (Conn.)	12,326	12,326			9,268	9,268		3,058	3,058					
C. Medicaid (other states)														
D. Private Pay	4,852	4,852			3,509	3,509		1,343	1,343					
E. State SSI for RCH														
F. Other (Specify)	390	390			169	169		221	221					
G. Total Care Days During Period (3A thru F)	19,502	19,502			14,635	14,635		4,867	4,867					
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. <b>Total Resident Days (3G + 4A + 4B)</b>	19,502	19,502			14,635	14,635		4,867	4,867					

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

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

Name of Facility Cobalt Lodge Health & Rehabilitation Center			License No. 813-C			Report for Year Ended 9/30/2017			Page 9		of 37		
4. Were there any changes in the certified bed capacity during the report year? <input type="radio"/> Yes <input checked="" type="radio"/> 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	CCNH	RHNS	CCNH	RHNS	(Specify)	R.C.H.	ICF-MR					
No. of Residents	4	33		16									
Per Diem Rate													
a. One bed rm.	Various	200.76		380-390									
b. Two bed rms.	Various	200.76		340.00									
c. Three or more bed rms.													
7. Total Number of Physical Therapy Treatments									TOTAL	CCNH	RHNS	(Specify)	
A. Medicare - Part B									781	781			
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments													
2. Restorative Treatments									22	22			
C. Other									1,604	1,604			
D. <b>Total Physical Therapy Treatments</b>									2,407	2,407			
8. Total Number of Speech Therapy Treatments													
A. Medicare - Part B									402	402			
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments													
2. Restorative Treatments									48	48			
C. Other									428	428			
D. <b>Total Speech Therapy Treatments</b>									878	878			
9. Total Number of Occupational Therapy Treatments													
A. Medicare - Part B									636	636			
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments													
2. Restorative Treatments									25	25			
C. Other									1,688	1,688			
D. <b>Total Occupational Therapy Treatments</b>									2,349	2,349			

**Report of Expenditures - Salaries & Wages**

Name of Facility	License No.	Report for Year Ended	Page	of		
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2017	10	37		
Are time records maintained by all individuals receiving compensation? <input 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)	191,179	2,080				
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)	58,663	1,760				
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)	276,284	5,660				
5. Dietary Service						
a. Head Dietitian						
b. Food Service Supervisor	152,996	2,080				
c. Dietary Workers	217,637	15,395				
6. Housekeeping Service						
a. Head Housekeeper						
b. Other Housekeeping Workers	103,788	7,575				
7. Repairs & Maintenance Services						
a. Engineer or Chief of Maintenance	44,247	2,067				
b. Other Maintenance Workers	39,365	2,592				
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	94,931	1,960				
b. RN						
1. Direct Care	328,975	9,240				
2. Administrative**	172,011	5,240				
c. LPN						
1. Direct Care	314,073	13,014				
2. Administrative**						
d. Aides and Attendants	629,025	40,642				
e. Physical Therapists						
f. Speech Therapists						
g. Occupational Therapists						
h. Recreation Workers	49,717	2,907				
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	25,124	1,131				
n. Marketing						
o. Other (Specify) See Attached Schedule						
<i>A-13. Total Salary Expenditures</i>	2,698,015	113,343				

\* 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
	-					
<b>Total</b>	\$ -	-	\$ -	-	\$ -	-

Schedule of Other Fees (Page 13)

Service	CCNH		RHNS		(Specify)	
	\$	Hours	\$	Hours	\$	Hours
	-					
Medical Records	\$ 2,345	19				
Psychiatry Consultant	\$ 2,160	36				
<b>Total</b>	\$ 4,505	55	\$ -	-	\$ -	-



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

Name of Facility		License No.	Report for Year Ended		Page	of			
Cobalt Lodge Health & Rehabilitation Center			9/30/2017	11			37		
Name	Salary Paid		Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS (Specify)							
<b>Section I - Operators/Owners</b>									
Joyce Zgorski, Route 151, Cobalt, CT 06414	152,996		Non Discrim	Food Services Supervisor	2,080	A5b			
<b>Section II - Other related parties of Operators/Owners employed in and paid by facility (EXCEPT those who may be the Administrator or Assistant Administrators who are identified on Page 12).</b>									
Marc Zgorski, Route 151, Cobalt, CT 06414	154,700		Non Discrim	Vice President, Head of Admissions	2,080	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.

State of Connecticut  
**Annual Report of Long-Term Care Facility**  
 CSP-12 Rev. 10/2005

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

Name of Facility (as licensed) Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2017		Page 12	of 37
		CCNH	RHNS (Specify)		
<b>Section III - Administrators***</b>					
Todd Zgorski, Route 151, Cobalt, CT 06414	191,179			2,080 A2	
<b>Section IV - Assistant Administrators</b>					
Jon Caron	58,663			1,760 A3	

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

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

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

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

Name of Facility	License No.	Report for Year Ended	Page	of		
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2017	13	37		
Total Cost and Hours						
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
<b>*B. Direct care consultants paid on a fee for service basis in lieu of salary (For all such services complete Schedule B1)</b>						
1. Dietitian	13,082	327				
2. Dentist	7,587	48				
3. Pharmacist	3,854	104				
4. Podiatrist						
5. Physical Therapy						
a. Resident Care	161,711	2,423				
b. Other						
6. Social Worker						
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	44,921	120				
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	54,045	875				
b. Other						
10. Occupational Therapist						
a. Resident Care	158,849	3,136				
b. Other						
11. Nurses and aides and attendants						
a. RN						
1. Direct Care	35,666	550				
2. Administrative***						
b. LPN						
1. Direct Care	39,884	1,011				
2. Administrative***						
c. Aides	108,151	5,362				
d. Other						
12. Other (Specify) See Attached Schedule	4,505	55				
<b>B-13 Total Fees Paid in Lieu of Salaries</b>	<b>632,255</b>	<b>14,011</b>				

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

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

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

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

Name of Facility Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2017	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 Knotter 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 St, Ste 130, Wellesley, MA 02482	Dentist	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
The Nurse Network, LLC, 653 Main Street, Plantsville, CT 06479	RN, LPN, Aides	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
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		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		

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

**C. Expenditures Other Than Salaries - Administrative and General**

Name of Facility	License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2017		15	37
Item	Total	CCNH	RHNS	(Specify)	
<b>1. Administrative and General</b>					
<b>a. Employee Health &amp; Welfare Benefits</b>					
1. Workmen's Compensation	\$ 91,918	91,918			
2. Disability Insurance	\$				
3. Unemployment Insurance	\$ 29,925	29,925			
4. Social Security (F.I.C.A.)	\$ 193,147	193,147			
5. Health Insurance	\$ 94,889	94,889			
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>b. Personal Retirement Plans, Pensions, and        Profit Sharing Plans for Owners and        Operators (Discriminatory)*</b>	\$				
<b>c. Bad Debts*</b>	\$				
<b>d. Accounting and Auditing</b>	\$ 40,583	40,583			
<b>e. Legal (<i>Services should be fully described on Page 7</i>)</b>	\$ 8,621	8,621			
<b>f. Insurance on Lives of Owners and        Operators (<i>Specify</i>)*</b>	\$				
<b>g. Office Supplies</b>	\$ 11,692	11,692			
<b>h. Telephone and Cellular Phones</b>					
1. Telephone & Pagers	\$ 6,797	6,797			
2. Cellular Phones	\$				
<b>i. Appraisal (<i>Specify purpose and        attach copy</i>)*</b>	\$				
<b>j. Corporation Business Taxes (<i>franchise tax</i>)</b>	\$				
<b>k. Other Taxes (<i>Not related to property - See Page 22</i>)</b>					
1. Income*	\$				
2. Other ( <i>Specify</i> ) See Attached Schedule	\$				
3. Resident Day User Fee	\$ 361,650	361,650			
<b>Subtotal</b>	\$ 839,222	839,222			

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

(Carry Subtotals forward to next page)



**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	9/30/2017		16	37
Item	Total	CCNH	RHNS	(Specify)	
<b>Subtotals Brought Forward:</b>					
	839,222	839,222			
<b>I. Travel and Entertainment</b>					
1. Resident Travel and Entertainment	\$				
2. Holiday Parties for Staff	\$				
3. Gifts to Staff and Residents	\$				
4. Employee Travel	\$ 593	593			
5. Education Expenses Related to Seminars and Conventions	\$ 984	984			
6. Automobile Expense ( <i>not purchase or depreciation</i> )	\$				
7. Other ( <i>Specify</i> ) See Attached Schedule	\$ 17,909	17,909			
<b>m. Other Administrative and General Expenses</b>					
1. Advertising Help Wanted ( <i>all such expenses</i> )	\$ 1,584	1,584			
2. Advertising Telephone Directory ( <i>all such expenses</i> )***	\$				
3. Advertising Other ( <i>Specify</i> )*** See Attached Schedule	\$ 14,681	14,681			
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)***	\$ 506	506			
7. Postage	\$ 1,040	1,040			
* 8. Dues and Membership Fees to Professional Associations ( <i>Specify</i> ) See Attached Schedule	\$ 1,389	1,389			
8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***	\$				
9. Subscriptions	\$ 11,045	11,045			
10. Contributions*** See Attached Schedule	\$ 4,135	4,135			
11. Services Provided by Contract ( <i>Specify and Complete Schedule C-2, Page 21 for each firm or individual</i> )	\$ 43,619	43,619			
12. Administrative Management Services**	\$				
13. Other ( <i>Specify</i> ) See Attached Schedule	\$ 6,192	6,192			
<b>C-14 Total Administrative &amp; General Expenditures</b>	<b>\$ 942,899</b>	<b>942,899</b>			

\* 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)
	-		
Meals/Entertain (Self-disallow)	\$ 100		
Travel & Entertainment (Self-disallow)	\$ 17,809		
<b>Total Other Travel and Entertainment</b>	<b>\$ 17,909</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Other Advertising**

Description	CCNH	RHNS	(Specify)
	-		
Advertising	\$ 13,577		
Public Relations	\$ 1,104		
<b>Total Other Advertising</b>	<b>\$ 14,681</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Dues**

Description	CCNH	RHNS	(Specify)
	-		
CBIA	\$ 1,389		
<b>Total Dues</b>	<b>\$ 1,389</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Contributions**

Description	CCNH	RHNS	(Specify)
	-		
Donations	\$ 4,135		
<b>Total Contributions</b>	<b>\$ 4,135</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Other Administrative and General**

Description	CCNH	RHNS	(Specify)
	-		
Credit Card Usage Fee	\$ 283		
Bank Service Fee	\$ 2,024		
Licenses	\$ 398		
Fines and Penalties (self-disallow)	\$ 11		
Internet	\$ 3,476		
<b>Total Other Administrative and General</b>	<b>\$ 6,192</b>	<b>\$ -</b>	<b>\$ -</b>



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

Name of Facility Cobalt Lodge Health & Rehabilitation Ce	License No. 813-C	Report for Year Ended 9/30/2017	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	9/30/2017	18	37
Item	Total	CCNH	RHNS	(Specify)
2. Dietary				
a. In-House Preparation & Service				
1. Raw Food	\$ 167,055	167,055		
2. Non-Food Supplies	\$ 10,367	10,367		
3. Other (Specify) _____	\$			
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)	\$			
c. Management Services**	\$			
d. Other (Specify) _____	\$			
<b>2E. Total Dietary Expenditures (2a + b + c + d)</b>	<b>\$ 177,422</b>	<b>177,422</b>		
2F. Dietary Questionnaire	Total	CCNH	RHNS	(Specify)
G. Resident Meals: Total no. of meals served per day:*				
H. Is cost of employee meals included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No				
I. Did you receive revenue from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No                      If yes, specify amt.				
J. Where is the revenue received reported in the Cost Report? (Page/Line Item)				
K. Is cost of meals provided to persons other than employees or residents (i.e., Board Members, Guests) included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No                      If yes, specify cost.				
L. Is any revenue collected from these people? <input type="radio"/> Yes <input checked="" type="radio"/> No                      If yes, specify amt.				
M. Where is the revenue received reported in the Cost Report? (Page/Line Item)				
N. Is cost of food (other than meals, e.g., snacks at monthly staff meetings, board meetings) provided to employees included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No                      If yes, specify cost.				
O. Is any revenue collected from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No                      If yes, specify amt.				
P. Where is the revenue received reported in the Cost Report? (Page/Line Item)				

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

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

Name of Facility Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2017	Page 19	of 37
Item		Total	CCNH	RHNS	(Specify)
3. Laundry					
a. In-House Processing*		Lbs.			
1. Bed linens, cubicle curtains, draperies, gowns and other resident care items washed, ironed, and/or processed.***		Amt. \$			
2. Employee items including uniforms, gowns, etc. washed, ironed and/or processed.***		Lbs.			
		Amt. \$			
3. Personal clothing of residents washed, ironed, and/or processed.***		Lbs.			
		Amt. \$			
4. Repair and/or purchase of linens.***		Lbs.			
		Amt. \$			
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)		\$	62,400	62,400	
c. Management Services**		\$			
d. Other (Specify)		\$			
<b>3E. Total Laundry Expenditures (3a + b + c + d)</b>		\$	<b>62,400</b>	<b>62,400</b>	
3F. Laundry Questionnaire					
G. Is cost of employee laundry included in 3E?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
H. Did you receive revenue from employees?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.	
I. Where is the revenue received reported in the Cost Report?		(Page/Line Item)			
J. Is Cost of laundry provided to persons other than employees or residents included in 3E?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
K. Did you receive revenue from these people?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.	
L. Where is the revenue received reported in the Cost Report?		(Page/Line Item)			

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

All allocations should add to total recorded in 3E.

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

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

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

Name of Facility		License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2017		20	37
Item			Total	CCNH	RHNS	(Specify)
4.	Housekeeping	Sq. Ft. Serviced by Personnel				
a.	In-House Care					
1.	Supplies - Cleaning ( <i>Mops, pails, brooms, etc.</i> )	Amt. \$				
b.	Purchased Services ( <i>by contract other than through Management Services</i> ) ( <i>Complete Schedule C-2 att. Page 21</i> )	Sq. Ft. Serviced by Personnel				
		Amt. \$				
c.	Management Services*	\$				
d.	Other ( <i>Specify</i> ) Housekeeping Supplies	\$	(106)	(106)		
4E.	<b>Total Housekeeping Expenditures</b> (4a + b + c + d)	\$	(106)	(106)		
5.	Resident Care (Supplies)**					
a.	Prescription Drugs***					
1.	Own Pharmacy	\$				
2.	Purchased from Prescription Drugs	\$	140,687	140,687		
b.	Medicine Cabinet Drugs	\$	149,740	149,740		
c.	Medical and Therapeutic Supplies	\$				
d.	Ambulance/Limousine***	\$	7,985	7,985		
e.	Oxygen					
1.	For Emergency Use	\$				
2.	Other***	\$	16,176	16,176		
f.	X-rays and Related Radiological Procedures***	\$	4,150	4,150		
g.	Dental ( <i>Not dentists who should be included under salaries or fees</i> )	\$				
h.	Laboratory***	\$	16,174	16,174		
i.	Recreation	\$	7,281	7,281		
j.	Other (Specify)**** See Attached Schedule	\$	1,392	1,392		
5K.	<b>Total Resident Care Expenditures</b> (5a - 5j)	\$	343,585	343,585		

\* 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**

<b>Description</b>	<b>CCNH</b>	<b>RHNS</b>	<b>(Specify)</b>
	-		
Physical Ther- Supplies	\$ 1,027		
MTG- Staff	\$ 365		
<b>Total Other Resident Care</b>	<b>\$ 1,392</b>	<b>\$ -</b>	<b>\$ -</b>

**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				9/30/2017	21	37		
Name of Individual or Company	Address	Related ** to Owners, Operators, Officers		Explanation of Relationship	Full Explanation of Service Provided*	Total Cost/Page Ref.***		
		Yes	No			CCNH	RHNS (Specify)	Pg Line
Middletown Laundry, LLC	644 Wallingford Road, Durham, CT 06422	<input type="radio"/>	<input checked="" type="radio"/>	Laundry Service		62,400		19 3b
Redi Rooter	P.O. Box 112, Cobalt, CT	<input type="radio"/>	<input checked="" type="radio"/>	Septic Pumping Service		32,762		22 6d
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
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		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					

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

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

Name of Facility	License No.	Report for Year Ended			Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2017			22	37
Item	Total	CCNH	RHNS	(Specify)		
6. Maintenance & Operation of Plant						
a. Repairs & Maintenance	\$ 50,681	50,681				
b. Heat	\$ 31,728	31,728				
c. Light & Power	\$ 41,167	41,167				
d. Water	\$ 43,485	43,485				
e. Equipment Lease ( <i>Provide detail on page 6</i> )	\$ 9,452	9,452				
f. Other ( <i>itemize</i> )	\$ 4,849	4,849				
See Attached Schedule						
<b>6g. Total Maint. &amp; Operating Expense (6a - 6f)</b>	\$ 181,362	181,362				
7. Depreciation ( <i>complete schedule page 23*</i> )						
a. Land Improvements	\$ 12,317	12,317				
b. Building & Building Improvements	\$ 19,934	19,934				
c. Non-Movable Equipment	\$					
d. Movable Equipment	\$ 19,175	19,175				
<b>*7e. Total Depreciation Costs (7a + b + c + d)</b>	\$ 51,426	51,426				
8. Amortization ( <i>Complete att. Schedule Page 24*</i> )						
a. Organization Expense	\$					
b. Mortgage Expense	\$					
c. Leasehold Improvements	\$					
d. Other ( <i>Specify</i> )	\$					
<b>*8e. Total Amortization Costs (8a + b + c + d)</b>	\$					
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	\$ 48,100	48,100				
b. Real estate taxes paid by lessor	\$					
c. Personal property taxes	\$ 919	919				
<b>11. Total Property Expenses (7e + 8e + 9 + 10)</b>	\$ 100,445	100,445				

\* 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)
	-		
Hazardous Waste	\$ 3,558		
Outdoor Services	\$ 1,291		
<b>Total Other Repairs and Maintenance</b>	\$ 4,849	\$ -	\$ -



### Depreciation Schedule

Name of Facility		License No.		Report for Year Ended					Page	of
Cobalt Lodge Health & Rehabilitation Center		813-C		9/30/2017					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	
<b>A. Land Improvements</b>										
1. Acquired prior to this report period		60,674		60,674	58,002	S/L	Various	633		
2. Disposals (attach schedule)										
3. Acquired during this report period (attach schedule)		233,690		233,690		S/L	20	11,684		
<b>A-4. Subtotal</b>									12,317	
<b>B. Building and Building Improvements</b>										
1. Acquired prior to this report period		1,412,347		1,404,791	1,233,265	S/L	Various	18,996		
2. Disposals (attach schedule)										
3. Acquired during this report period (attach schedule)		4,688		4,688		S/L	5	938		
<b>B-4. Subtotal</b>									19,934	
<b>C. Non-Movable Equipment</b>										
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)										
<b>C-4. Subtotal</b>										
<b>D. Movable Equipment</b>										
1. Motor Vehicles (Specify name, model and year of each vehicle)										
a. 2015 Ford F-350 (like kind)				57,536	23,014	S/L	5	11,507		
b. 2015 Ford F-350 (like kind)				(57,536)	(23,014)	S/L	5	(11,507)		
c. 2017 Ford F350 (like kind)				64,346		S/L	5	12,869		
d.										
2. Movable Equipment										
a. Acquired prior to this report period		291,073		269,005	259,994	S/L	Various	3,590		
b. Disposals (attach schedule)										
c. Acquired during this report period (attach schedule)		19,015		19,015		S/L	7	2,716		
<b>D-3. Subtotal</b>									19,175	
<b>E. Total Depreciation</b>									51,426	

Cobalt Lodge Health & Rehabilitation Center  
9/30/2017

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

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
<b>Additions:</b>				
6/30/2017	Septic System	\$ 219,346	20	\$ 10,967
6/30/2017	Back Parking Lot Expansion	\$ 14,344	20	\$ 717
<b>Total additions for Land Improvement</b>		\$ 233,690		\$ 11,684 *
<b>Deletions:</b>				
<b>Total deletions for Land Improvement</b>		\$ -		\$ - **

\*Ties to Page 23, Line A3

\*\*Ties to Page 23, Line A2

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

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
<b>Additions:</b>				
12/31/2016	Fire Protection Systems	\$ 4,688	5	\$ 938
<b>Total additions for Building Improvement</b>		\$ 4,688		\$ 938 *
<b>Deletions:</b>				
<b>Total deletions for Building Improvement</b>		\$ -		\$ - **

\*Ties to Page 23, Line B3

\*\*Ties to Page 23, Line B2

**Schedule of Non-Movable Equipment Acquired during this report period**

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

\*Ties to Page 23, Line C3

\*\*Ties to Page 23, Line C2

Schedule of Movable Equipment Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
<b>Additions:</b>				
3/30/2017	Various Furniture/Equipment	\$ 19,015	7	\$ 2,716
<b>Total additions for Movable Equipmen</b>		\$ 19,015		\$ 2,716 *
<b>Deletions:</b>				
<b>Total deletions for Movable Equipmen</b>		\$ -		\$ - **

\*Ties to Page 23, Line D2c

\*\*Ties to Page 23, Line D2b

Schedule of Leasehold Improvements Acquired during this report period

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

\*Ties to Page 24, Line C3

\*\*Ties to Page 24, Line C2

Cobalt Lodge Health & Rehabilitation Center  
 Depreciation Schedule  
 FYE September 30, 2017

	Date Acquired	Hist. Costs	Cost to Be Deprec	Method	Life**	2016 Deprec	2016 Accum	2017 Deprec	2017 Accum	NBV
<b>Building and Building Improvements</b>										
<b>Acquired prior:</b>										
2005 Acquisition		\$ 1,105,552	\$ 1,105,552	SL	Var	-	1,105,552	-	1,105,552	-
2007 Garage Door Installation	2/2/2006	9,372	9,372	SL	7	-	9,372	-	9,372	-
2007 Garage Door Installation	1/25/2006	1,670	-	N/A	N/A	-	-	-	-	1,670
Windows (Disposed)	4/7/2008	1,500	-	N/A	N/A	-	-	-	-	1,500
Windows (Disposed)	4/21/2008	125	-	N/A	N/A	-	-	-	-	125
Windows (Disposed)	7/15/2008	36	-	N/A	N/A	-	-	-	-	36
Windows (Disposed)	3/31/2008	258	-	N/A	N/A	-	-	-	-	258
Windows (Disposed)	10/18/2007	400	-	N/A	N/A	-	-	-	-	400
Patio		10,427	10,427	SL	10	1,043	9,037	1,043	10,079	347
<b>2009 Acquisition</b>										
Water Heaters (2)	5/1/2009	11,162	11,162	SL	7	-	11,162	-	11,162	-
Wallboards	5/30/2009	1,786	-	N/A	N/A	-	-	-	-	1,786
Wood Flooring	8/31/2009	31,196	31,196	SL	15	2,080	16,638	2,080	18,718	12,478
<b>2010 Acquisition</b>										
Flooring	8/1/2010	3,299	3,299	SL	15	220	1,320	220	1,540	1,759
Wallboards	10/21/2009	2,076	-	N/A	N/A	-	-	-	-	2,076
<b>2011 Acquisition</b>										
Wallpaper	10/5/2010	3,551	3,551	SL	5	-	3,551	-	3,551	-
Windows	8/22/2011	-	-	-	-	-	-	-	-	-
Molding and Wainscot	6/9/2011	524	-	N/A	N/A	-	-	-	-	524
Boiler Replacement	8/12/2011	-	-	-	-	-	-	-	-	-
<b>2012 Acquisition</b>										
Building Renovation	10/1/2011	127,236	127,236	S/L	15	8,482	42,412	8,482	50,895	76,342
Generator	5/23/2012	73,547	73,547	S/L	15	4,903	24,516	4,903	29,419	44,128
Nursing Station	10/6/2011	13,150	13,150	S/L	15	877	4,383	877	5,260	7,890
Wallpaper	2/14/2012	4,011	4,011	S/L	7	573	2,865	573	3,438	573
<b>2013 Acquisitions</b>										
Expensed Assets		(819)	-	N/A	N/A	-	-	-	-	(819)
<b>2014 Acquisitions</b>										
Front Porch - Material	10/8/2013	8,555	8,555	SL	15	570	1,711	570	2,281	6,274
Interior Fire Door	1/9/2014	3,733	3,733	SL	15	249	747	249	996	2,737
<b>2017 Acquisitions</b>										
Fire Protection Systems	12/31/2016	4,688	4,688	SL	5	-	-	938	938	3,750
<b>Total</b>		<b>\$ 1,417,035</b>	<b>\$ 1,409,479</b>			<b>\$ 18,997</b>	<b>\$ 1,233,265</b>	<b>\$ 19,934</b>	<b>\$ 1,253,199</b>	<b>\$ 163,836</b>
<b>Non-Movable Equipment</b>										
<b>Acquired prior</b>										
Boiler Replacement	8/12/2011	24,773	24,773	SL	Var	-	24,773	-	24,773	-
<b>Total</b>		<b>\$ 24,773</b>	<b>\$ 24,773</b>			<b>-</b>	<b>\$ 24,773</b>	<b>-</b>	<b>\$ 24,773</b>	<b>-</b>
<b>Movable Equipment</b>										
<b>Acquired prior</b>										
2006 Acquisitions		185,762	185,762	SL	Var	-	185,762	-	185,762	-
Electric Bed	1/31/2006	2,064	-	N/A	N/A	-	-	-	-	2,064
Electric Bed	2/7/2006	2,063	-	N/A	N/A	-	-	-	-	2,063

Head Boards	3/31/2006	602	-	N/A	N/A	-	-	-	602
Dell Laptop Computer	8/12/2006	1,344	-	N/A	N/A	-	-	-	1,344
Dell Desktop Computer	2/15/2006	1,317	-	N/A	N/A	-	-	-	1,317
Accounting Software System	9/1/2006	13,916	13,916	SL	5	-	-	13,916	-
<b>2007 Acquisitions</b>									
Electric Beds	11/13/2006	4,392	4,392	SL	5	-	-	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
<b>2008 Acquisitions</b>									
Refrigerator	10/9/2007	2,782	2,782	SL	7	-	-	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
Dell Lisa's Laptop (Disposed)	5/13/2008	581	-	N/A	N/A	-	-	-	581
Dell 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	SL	5	-	-	2,955	-
<b>2009 Acquisitions</b>									
Snowblower	12/31/2008	1,908	-	N/A	N/A	-	-	-	1,908
Beds	5/31/2009	10,341	10,341	SL	10	1,034	8,273	1,034	1,034
Patio Furniture	5/31/2009	509	-	N/A	N/A	-	-	-	509
Refrigerators	8/26/2009	1,459	-	N/A	N/A	-	-	-	1,459
<b>2010 Acquisitions</b>									
2009 Ford F-250 (Disposed)	11/19/2009	49,835	49,835	SL	5	9,967	49,835	-	-
Bariatric Bed	8/15/2010	3,728	3,728	SL	7	533	3,728	-	-
Beds	11/2/2009	7,690	7,690	SL	7	1,099	7,690	-	-
<b>2011 Acquisitions</b>									
Satellite	4/4/2011	2,849	2,849	S/L	5	-	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	SL	5	-	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	SL	5	-	3,796	-	-
<b>2012 Acquisition</b>									
2011 Ford F-350 (like kind) (disposed)	10/19/2011	63,599	63,599	S/L	5	12,720	62,539	1,060	-
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	S/L	5	609	3,047	-	-
Wanderguard Security System	1/25/2012	1,640	-	N/A	N/A	-	-	-	1,640
<b>2013 Acquisition</b>									
Air Conditioners	7/18/2013	915	915	S/L	5	183	579	183	152
Air Conditioners	7/4/2013	679	679	S/L	5	136	441	136	102
Security Cameras	5/21/2013	1,495	1,495	S/L	7	214	712	214	569
<b>2013 Corrections to Depreciation Sched</b>									
Disposal Furniture Covered Tables	10/1/2008	(120)	-	N/A	N/A	-	-	-	(120)
Expensed Items (From 2008)		(3,161)	-	N/A	N/A	-	-	-	(3,161)
Beds (Missing from 2008)	8/30/2008	2,414	2,414	S/L	10	241	2,173	241	-
Patio Furniture (Missing from 2008)	7/31/2008	5,040	5,040	S/L	5	-	5,040	-	-
Disposal 2009 Ford F-250 (Missing '12)		(49,835)	(49,835)	S/L	5	(9,967)	(49,835)	-	(49,835)



State of Connecticut  
**Annual Report of Long-Term Care Facility**  
 CSP-24 Rev. 10/2006

**Amortization Schedule\***

Name of Facility Cobalt Lodge Health & Rehabilitation Center	Date of Acquisition		License No. 813-C	Report for Year Ended 9/30/2017		Page 24	of 37
	Month	Year		Accumulated Amort. to Beginning of Year's Operations	Basis for Computing Amortization**		
<b>A. Organization Expense</b>							
1.							
2.							
3.							
<b>A-4. Subtotal</b>							
<b>B. Mortgage Expense</b>							
1. Refinancing	9	2001	15	5,538	S/L	7	
2.							
3.							
<b>B-4. Subtotal</b>							
<b>C. Leasehold Improvements and Other</b>							
1. Acquired prior to this report period							
2. Disposals (attach schedule)							
3. Acquired during this report period (attach schedule)							
<b>C-4. Subtotal</b>							
<b>D. Total Amortization</b>							

\* Straight-line method must be used.  
 \*\* Specify which of the following bases were used:  
 A. Minimum of 5 years or 60 months.  
 B. Life of mortgage; OR  
 C. Remaining Life of Lease; OR  
 D. Actual Life if owned by Related Party.

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

Name of Facility Cobalt Lodge Health & Rehabilitation	License No. 813-C	Report for Year Ended 9/30/2017	Page 25	of 37	
<b>11. Property Questionnaire</b>					
<b>Part A</b>					
Is the property either owned by the Facility or leased from a Related Party?*		<input checked="" type="radio"/> Yes	<input type="radio"/> No	If "Yes," complete Part B. If "No," complete Part C.	
*If any owner or operator of this facility is related by family, marriage, ownership, ability to control or business association to any person or organization from whom buildings are leased, then it is considered a related party transaction.					
Description	Total				
1. Date Land Purchased					
2. Date Structure Completed					
3. If NOT Original Owner, Date of Purchase	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				
<b>Part B - Owner and Related Parties</b>		1st Mortgage	2nd Mortgage	3rd Mortgage	4th Mortgage
1. Financing					
a. Type of Financing (e.g., fixed, variable)	Fixed				
b. Date Mortgage Obtained	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 9/30/2017	436,402				
<b>Complete if Mortgage was Refinanced During Current Cost Year</b>					
g. Type of Financing (e.g., fixed, variable)					
h. Date of Refinancing					
i. New Interest Rate					
j. Term of Mortgage (number of years)					
k. Amount of Principal Borrowed					
l. Principal Outstanding on Note Paid-Off					
<b>Part C - Arms-Length Leases for Real Property Improvements Only</b>					
Name and Address of Lessor	Property Leased	Date of Lease	Term of Lease	Annual Amount of Lease	

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



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

Name of Facility		License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation		813-C	9/30/2017		26	37
Item			Total	CCNH	RHNS	(Specify)
<b>12. Interest</b>						
<b>A. Building, Land Improvement &amp; Non-Movable Equipment</b>						
1. First Mortgage			\$ 30,241	30,241		
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>B. CHEFA Loan Information</b>						
1. Original Loan Amount			\$			
2. Loan Origination Date						
3. Interest Rate %						
4. Term						
5. CHEFA Interest Expense						
<b>12 B7. Total Building Interest Expense (A1 - A4 + B5)</b>			\$ 30,241	30,241		

(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		9/30/2017			27	37
Item				Total	CCNH	RHNS	(Specify)	
Subtotals Brought Forward:				30,241	30,241			
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)				\$	5,533	5,533		
Interest - LOC								
13. <b>Total All Interest Expense (12B7 + 12C3 + 12D)</b>				\$	35,774	35,774		
14. Insurance								
a. Insurance on Property (buildings only)				\$	31,626	31,626		
b. Insurance on Automobiles				\$	4,906	4,906		
c. Insurance other than Property (as specified above)								
1. Umbrella (Blanket Coverage)				\$				
2. Fire and Extended Coverage				\$				
3. Other (Specify)				\$				
14d. <b>Total Insurance Expenditures (14a + b + c)</b>				\$	36,532	36,532		
15. <b>Total All Expenditures (A-13 thru C-14)</b>				\$	5,210,583	5,210,583		

**D. Adjustments to Statement of Expenditures**

Name of Facility			License No.	Report for Year Ended	Page	of	
Cobalt Lodge Health & Rehabilitation Center			813-C	9/30/2017	28	37	
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
<b>Page 10 - Salaries and Wages</b>							
1.			Outpatient Service Costs	\$			
2.			Salaries not related to Resident Care	\$			
3.	10	A12g	Occupational Therapy	\$			
4.			Other - See attached Schedule	\$ 58,663	58,663		
<b>Page 13 - Professional Fees</b>							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 158,849	158,849		
7.			Other - See attached Schedule	\$			
<b>Pages 15 &amp; 16 - Administrative and General</b>							
8.			Discriminatory Benefits	\$			
9.	15	1c	Bad Debts	\$			
10.	15	1e	Accounting & Legal	\$ 8,621	8,621		
11.	15	1h1	Telephone	\$ 5,438	5,438		
12.			Cellular Telephone	\$			
13.			Life insurance premiums on the life of Owners, Partners, Operators	\$			
14.			Gifts, flowers and coffee shops	\$			
15.			Education expenditures to colleges or universities for tuition and related costs for owners and employees	\$			
16.			Travel for purposes of attending conferences or seminars outside the continental U.S. Other out-of-state travel in excess of one representative	\$			
17.			Automobile Expense (e.g. personal use)	\$			
18.	16	m2/3	Unallowable Advertising *	\$ 14,681	14,681		
19.			Income Tax / Corporate Business Tax	\$			
20.	16	m10	Fund Raising / Contributions	\$ 4,135	4,135		
21.			Unallowable Management Fees	\$			
22.	16	m6	Barber and Beauty	\$ 506	506		
23.			Other - See attached Schedule	\$ 27,475	27,475		
<b>Page 18 - Dietary Expenditures</b>							
24.			Meals to employees, guests and others who are not residents	\$			
<b>Page 19 - Laundry Expenditures</b>							
25.			Laundry services to employees, guests and others who are not residents	\$			
<b>Page 20 - Housekeeping Expenditures</b>							
26.			Housekeeping services to employees, guests and others who are not residents	\$			
Subtotal (Items 1 - 26)				\$ 278,368	278,368		

\* 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	\$ 58,663		
<b>Total Other Salaries Adjustment</b>			\$ 58,663	\$ -	\$ -

**Schedule of Fees Adjustments**

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

**Schedule of Other A&G Adjustments**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
16	L7	Meals/Entertain (Self-disallow)	\$ 100		
16	L7	Travel & Entertainment (Self-disallow)	\$ 17,809		
16	m13	Fines and Penalties (self-disallow)	\$ 11		
16	L4	Employee Travel - Marketing	\$ 593		
15	Var	Disallowed Marketing Fringe Benefits	\$ 8,962		
<b>Total Other A&amp;G Adjustments</b>			\$ 27,475	\$ -	\$ -

**Cobalt Lodge 2017 Cost Report**  
**Calculation of Allowable Cell Phone Expense**  
**September 30, 2017**

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

Total Bed Capacity	60
# of Allowable Cell Phones	3

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

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

**Cobalt Lodge Health & Rehabilitation Center**  
**Marketing Benefits Disallowance**  
**9/30/2017**

**To disallow fringe benefits associated with the Marketing person**

**Fringe Benefit %**

Total Payroll	2,698,014	TB Linked
Total Fringes	<u>409,880</u>	TB Linked
Fringe %	15%	
Asst. Admin/ Marketing Salary	58,663	TB Linked
Fringe %	<u>15%</u>	
Fringe Disallowance	<u><u>8,912</u></u>	Pg 28

**Cobalt Lodge Health & Rehabilitation Center**  
**Telephone Disallowance**  
**9/30/2017**

**To disallow telephone expenses associated with resident rooms**

Total Telephone Expense	6,797	TB Linked
Number of Resident Phones	60	
Total Phones in Facility	<u>75</u>	
Disallowance %	80%	
<b>Telephone Disallowance</b>	<b>5,438</b>	<b>Pg 28, Line 11</b>

**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	9/30/2017	29	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Subtotals Brought Forward				\$ 278,368	278,368		
<b>Page 20 - Resident Care Supplies***</b>							
27.	20	5a2	Prescription Drugs	\$ 140,687	140,687		
28.	20	5d	Ambulance/Limousine	\$ 7,985	7,985		
29.	20	5f	X-rays, etc	\$ 4,150	4,150		
30.	20	5h	Laboratory	\$ 16,174	16,174		
31.			Medical Supplies	\$			
32.	20	5e2	Oxygen (non emergency)	\$ 16,176	16,176		
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$ 2,560	2,560		
<b>Page 22 - Maintenance and Property</b>							
35.			Excess Movable Equipment Depreciation See Attached Schedule	\$			
36.			Depreciation on Unallowable Motor Vehicles	\$			
37.			Unallowable Property and Real Estate Taxes	\$			
38.			Rental of Building Space or Rooms	\$			
39.			Other - See Attached Schedule	\$ 9,816	9,816		
<b>Page 27 - Insurance</b>							
40.	22	8e	Mortgage Insurance	\$			
41.	27	14b	Property Insurance	\$ 4,906	4,906		
<b>Other - Miscellaneous</b>							
42.			Research or Experimental Activities	\$			
43.			Radio and Television Revenue	\$			
44.			Vending Machine Revenue	\$			
45.			Purchase Discounts and Allowances	\$			
46.			Duplications of functions or services	\$			
47.			Expenditures made for the protection, enhancement or promotion of the providers interest	\$			
48.			Interest Income on Accounts Rec	\$			
49.			Other (include personnel and other costs unrelated to resident care) - See Attached Schedule	\$			
<b>Not For Profit Providers Only</b>							
50.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
<b>51. Total Amount of Decrease (Items 1 - 50)</b>				\$ 480,822	480,822		

\*\*\* 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  
9/30/2017

**Schedule of Other Ancillary Costs**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
20	5i	Cable TV Disallowance (See Attached Pg. 29b)	\$ 2,560		
<b>Total Other Ancillary Costs</b>			\$ 2,560	\$ -	\$ -

**Schedule of Excess Movable Equipment Depreciation**

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

**Schedule of Other Property Adjustments**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
22	6a	Vehicle Repair and Maintenance (See attached)	\$ 8,897		
22	10c	Personal Property (House & Autos) Taxes	\$ 919		
<b>Total Other Property Adjustments</b>			\$ 9,816	\$ -	\$ -

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

Schedule of Unallowable Building Interest

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

**Cobalt Lodge Health & Rehabilitation Center**  
**Cable TV Disallowance**  
**September 30, 2017**

Pg. 29b

Total Monthly Fee Allowed	\$	300	
Total Months		<u>12</u>	
Total Allowable Expense	\$	3,600	
Total Cable TV Expense	\$	6,160	TB Linked
Allowable Expense		<u>3,600</u>	
<b>Disallowed Expense</b>	<b>\$</b>	<b><u>2,560</u></b>	

**Cobalt Lodge Health & Rehabilitation Center**

Vehicle Disallowances

9/30/2017

Totals for BMW		
Account	Description	Amount
22.511	Car Payments	17,670
92.233	Taxes	-
	Total	\$17,670

Personal Property taxes pg. 29a

Totals for Ford		
Account	Description	Amount
22.530	Car Payments	12,999
92.243	Insurance	4,906
92.233	Taxes	919
82.146	Car Maintenance	8,897
88.178	Fuel	17,661
	Total	\$45,381

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

**F. Statement of Revenue**

Name of Facility	License No.	Report for Year Ended			Page	of
Cobalt Lodge Health & Rehabilitation Ce 813-C		9/30/2017			30	37
Item	Total	CCNH	RHNS	(Specify)		
<b>I. Resident Room, Board &amp; Routine Care Revenue</b>						
1. a. Medicaid Residents (CT only)	\$ 2,442,435	2,442,435				
b. Medicaid Room and Board Contractual Allowance **	\$					
2. a. Medicaid (All other states)	\$					
b. Other States Room and Board Contractual Allowance **	\$					
3. a. Medicare Residents (all inclusive)	\$ 1,096,142	1,096,142				
b. Medicare Room and Board Contractual Allowance **	\$					
4. a. Private-Pay Residents and Other	\$ 2,194,654	2,194,654				
b. Private-Pay Room and Board Contractual Allowance **	\$					
<b>II. Other Resident Revenue</b>						
1. a. Prescription Drugs - Medicare	\$					
b. Prescription Drugs - Medicare Contractual Allowance **	\$ (235,680)	(235,680)				
c. Prescription Drugs - Non-Medicare	\$ 235,680	235,680				
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	\$ 583,935	583,935				
d. Physical Therapy - Non-Medicare Contractual Allowance **	\$ (583,935)	(583,935)				
4. a. Speech Therapy - Medicare	\$					
b. Speech Therapy - Medicare Contractual Allowance **	\$					
c. Speech Therapy - Non-Medicare	\$ 192,542	192,542				
d. Speech Therapy - Non-Medicare Contractual Allowance **	\$ (192,542)	(192,542)				
5. a. Occupational Therapy - Medicare	\$					
b. Occupational Therapy - Medicare Contractual Allowance **	\$					
c. Occupational Therapy - Non-Medicare	\$ 603,559	603,559				
d. Occupational Therapy - Non-Medicare Contractual Allowance **	\$ (603,559)	(603,559)				
6. a. Other (Specify) - Medicare	\$					
b. Other (Specify) - Non-Medicare	\$					
<b>III. Total Resident Revenue (Section I. thru Section II.)</b>	<b>\$ 5,733,231</b>	<b>5,733,231</b>				
<b>IV. Other Revenue*</b>						
1. Meals sold to guests, employees & others	\$					
2. Rental of rooms to non-residents	\$					
3. Telephone	\$					
4. Rental of Television and Cable Services	\$					
5. Interest Income (Specify)	\$					
6. Private Duty Nurses' Fees	\$					
7. Barber, Coffee, Beauty and Gift shops	\$					
8. Other (Specify)	\$					
<b>V. Total Other Revenue (1 thru 8)</b>	<b>\$</b>					
<b>VI. Total All Revenue (III +V)</b>	<b>\$ 5,733,231</b>	<b>5,733,231</b>				

\* 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.



**G. Balance Sheet**

Name of Facility		License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation C		813-C	9/30/2017	31	37
Account			Amount		
<b>Assets</b>					
A. Current Assets					
1. Cash ( <i>on hand and in banks</i> )			\$	175,703	
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$	1,090,537	
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$		
4 Inventories			\$		
5. Prepaid Expenses			\$	7,750	
a. Insurance -Property				2,656	
b. Insurance - Liability				5,094	
c. _____					
d. _____					
6. Interest Receivable			\$		
7. Medicare Final Settlement Receivable			\$		
8. Other Current Assets ( <i>itemize</i> )			\$		
_____					
_____					
_____					
A-9. <b>Total Current Assets</b> (Lines A1 thru 8)			\$	1,273,990	
B. Fixed Assets					
1. Land			\$	25,000	
2. Land Improvements			*Historical Cost	294,364	
			Accum. Depreciation	70,319	
			Net	224,045	
3. Buildings			*Historical Cost	1,417,035	
			Accum. Depreciation	1,253,199	
			Net	163,836	
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	310,088	
			Accum. Depreciation	266,300	
			Net	43,788	
7. Motor Vehicles			*Historical Cost	64,346	
			Accum. Depreciation	12,869	
			Net	51,477	
8. Minor Equipment-Not Depreciable			\$		
9. Other Fixed Assets ( <i>itemize</i> )			\$	16,612	
F/S vs C/R Depreciation				16,612	
B-10. <b>Total Fixed Assets</b> (Lines B1 thru 9)			\$	524,758	

\* 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	9/30/2017	32	37
Account			Amount	
Total Brought Forward:			\$ 1,798,748	
<b>C. Leasehold or like property recorded for Equity Purposes.</b>				
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				
\$				
<b>C-8 Total Leasehold or Like Properties (C1 thru 7)</b>				
\$				
<b>D. Investment and Other Assets</b>				
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> )				
\$				
		Refinancing Closing Cost	4,727	4,727
<b>D-8. Total Investments and Other Assets (Lines D1 thru 7)</b>				
\$ 4,727				
<b>D-9. Total All Assets (Lines A9 + B10 + C8 + D8)</b>				
\$ 1,803,475				

\* 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	9/30/2017	33	37
Account				Amount	
<b>Liabilities</b>					
A. Current Liabilities					
1. Trade Accounts Payable				\$	323,412
2. Notes Payable ( <i>itemize</i> )				\$	226,005
Notes & Loans				165,534	
2017 Ford F350				60,471	
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> )				\$	78,594
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> )				\$	93,056
State Excise or B & O Tax				93,056	
<b>A-13. Total Current Liabilities (Lines A1 thru 12)</b>				\$	<b>721,067</b>

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

(Carry Total forward to next page)

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

Name of Facility Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2017	Page 34	of 37
Account				Amount	
Total Brought Forward:				721,067	
<b>Liabilities (cont'd)</b>					
B. Long-Term Liabilities					
1. Loans Payable-Equipment ( <i>itemize</i> )					
Name of Lender		Purpose	Amount	Date Due	\$
2. Mortgages Payable					
\$					
3. Loans from Owners or Related Parties ( <i>itemize</i> )					
\$					
Name and Address of Lender		Amount	Loan Date		
4. Other Long-Term Liabilities ( <i>itemize</i> )					
Renovation Loan Citizens Bank			436,402	\$	
Septic Loan Citizens Bank			132,994	569,396	
B-5. <b>Total Long-Term Liabilities</b> (Lines B1 thru 4)					
\$ 569,396					
C. <b>Total All Liabilities</b> (Lines A-13 + B-5)					
\$ 1,290,463					

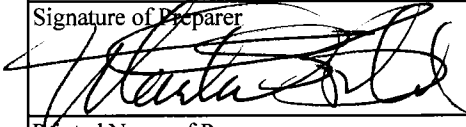
**G. Balance Sheet (cont'd)**  
**Reserves and Net Worth**

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation	813-C	9/30/2017	35	37
Account			Amount	
<b>A. Reserves</b>				
1. Reserve for value of leased land			\$	
2. Reserve for depreciation value of leased buildings and appurtenances to be amortized			\$	
3. Reserve for depreciation value of leased personal property ( <i>Equity</i> )			\$	
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>B. Net Worth</b>				
1. Owner's Capital			\$	
2. Capital Stock			\$	5,000
3. Paid-in Surplus			\$	
4. Treasury Stock			\$	
5. Cumulated Earnings			\$	(21,890)
6. Gain or Loss for Period			\$	529,902
	10/1/2016	thru 9/30/2017		
7. Total Net Worth			\$	513,012
<b>C. Total Reserves and Net Worth</b>			\$	513,012
<b>D. Total Liabilities, Reserves, and Net Worth</b>			\$	1,803,475

### H. Changes in Total Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation C	813-C	9/30/2017	36	37
Account			Amount	
A.	Balance at End of Prior Period as shown on Report of 09/30/2016		\$	477,180
B.	Total Revenue ( <i>From Statement of Revenue Page 30</i> )		\$	5,733,231
C.	Total Expenditures ( <i>From Statement of Expenditures Page 27</i> )		\$	5,203,329
D.	Net Income or Deficit		\$	529,902
E.	Balance		\$	1,007,082
F.	Additions			
	1. Additional Capital Contributed ( <i>itemize</i> )			
	Expenses Per Page 27	\$5,210,583		
	F/S vs C/R Depreciation	(7,256)		
	Rounding	2		
	Expenses Per F/S	\$5,203,329		
	2. Other ( <i>itemize</i> )			
	Prior Period Adjustment	(156,400)		
F-3.	Total Additions		\$	(156,400)
G.	Deductions			
	1. Drawings of Owners/Operators/Partners ( <i>Specify</i> )		\$	
	Name and Address ( <i>No., City, State, Zip</i> )	Title	Amount	
	2. Other Withdrawings ( <i>Specify</i> )		\$	337,670
	Purpose	Amount		
	Distributions - TPZ, MPZ	305,670		
	Distributions - JZ	32,000		
	3. Total Deductions		\$	337,670
H.	<b>Balance at End of Period</b>		\$	513,012
	09/30/17			

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

Name of Facility Cobalt Lodge Health & Rehabilitation	License No. 813-C	Report for Year Ended 9/30/2017	Page 37	of 37
<i>Check appropriate category</i>				
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)	<input type="checkbox"/> (Specify)		
<b>Preparer/Reviewer Certification</b>				
<p>I have prepared and reviewed this report and am familiar with the applicable regulations governing its preparation. I have read the most recent Federal and State issued field audit reports for the Facility and have inquired of appropriate personnel as to the possible inclusion in this report of expenses which are not reimbursable under the applicable regulations. All non-reimbursable expenses of which I am aware (except those expenses known to be automatically removed in the State rate computation system) as a result of reading reports, inquiry or other services performed by me are properly reported as such in this report on Pages 28 and 29 (adjustments to statement of expenditures). Further, the data contained in this report is in agreement with the books and records, as provided to me, by the Facility.</p>				
Signature of Preparer 	Title PRINCIPAL	Date Signed 2/1/18		
Printed Name of Preparer Matthew S. Bovolack				
Address 555 Long Wharf Drive, New Haven, CT 06511		Phone Number 203-781-9600		

**Subject to the attached accountants' consulting report**

## ACCOUNTANTS' CONSULTING REPORT

Management is responsible for the accompanying Annual Report of Long-Term Care Facility (the "Cost Report") for **Cobalt Lodge Health & Rehabilitation Center** for the year ended **September 30, 2017**, 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  
February 1, 2018

# Annual Report of Long-Term Care Facility Cost Year 2017 Checklist

**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 cost year 2016? 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 2017, did you report all certified bed changes on Page 9? Do the bed change dates agree to the license issued by the Department of Health?

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No



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

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

Yes No

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

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

Yes No

13. Does historical cost and accumulated depreciation of all assets reported on Pages 23 and 24 roll forward from cost year 2016?

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

Yes No

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

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

Yes No

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

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

Yes No

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

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

Yes No

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

Explanation:

Yes No

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

Explanation:

Yes No

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

Explanation:

Yes No

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

Explanation:

Yes No

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

Explanation:

Yes No

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

Explanation:

Client: **Cobalt Lodge**  
 Engagement: **Medicaid - Cobalt Lodge 2017 Cost Report**  
 Period Ending: **9/30/2017**  
 Trial Balance: **A.01 - TB-CCNH**

Account	Description	ADJ 9/30/2017	JE Ref #	RJE	FINAL 9/30/2017	1st PP-FINAL 9/30/2016
10.100	CASH- PETTY CASH	1,270.66			1,270.66	1,270.66
10.105	CASH - REC	75.00			75.00	75.00
10.110	CASH - OPERATING ACCOUNT	125,501.25			125,501.25	203,552.75
10.140	CASH - PAYROLL ACCOUNT	48,822.32			48,822.32	2,613.47
10.170	CASH - Project Holding Account	33.85			33.85	138,776.51
11.100	Private	323,350.08			323,350.08	223,959.27
11.120	Medicare	61,723.89			61,723.89	79,417.28
11.130	Medicaid	249,113.31			249,113.31	259,400.84
11.160	Commercial	123,567.65			123,567.65	90,256.13
11.170	ALLOWANCE FOR BAD DEBT	(25,250.00)			(25,250.00)	(10,250.00)
11.484	A/R REFUND CLEARING	14,146.55			14,146.55	0.00
11.486	DUE FROM AFFILIATES	343,885.28			343,885.28	443,885.28
14.310	INSURANCE - PROPERTY	2,656.01			2,656.01	7,346.33
14.320	INSURANCE - LIABILITY	5,094.14			5,094.14	6,760.00
15.000	LAND	25,000.00			25,000.00	25,000.00
15.050	LAND IMPROVEMENTS	336,869.04			336,869.04	103,178.97
15.100	BUILDINGS	61,013.06			61,013.06	61,013.06
15.110	BUILDING IMPROVEMENTS	599,202.13			599,202.13	594,514.37
15.120	BUILDING ADDITION	774,191.21			774,191.21	774,191.21
15.125	Work in Process	0.00			0.00	68,244.52
15.250	FURNITURE & EQUIPMENT	93,292.63			93,292.63	131,814.05
15.253	OFFICE EQUIPMENT	69,814.26			69,814.26	69,814.26
15.254	KITCHEN EQUIPMENT	34,488.09			34,488.09	34,488.09
15.255	LAUNDRY EQUIPMENT	3,738.13			3,738.13	3,738.13
15.256	NURSING EQUIPMENT	112,923.45			112,923.45	112,923.45
15.257	HOUSEKEEPING	4,608.31			4,608.31	4,608.31
15.280	MINOR EQUIPMENT	22,023.00			22,023.00	22,023.00
15.281	VEHICLES	64,345.90			64,345.90	0.00
16.050	LAND IMPROVEMENTS	(63,594.97)			(63,594.97)	(60,673.85)
16.100	BUILDINGS	(1,252,026.98)			(1,252,026.98)	(1,236,496.46)
16.256	NURSING EQUIPMENT	(361,128.57)			(361,128.57)	(365,359.46)
16.404	REFINANCING CLOSING COST A	4,727.20			4,727.20	5,909.00
21.000	TRADE ACCOUNTS	(381,602.65)			(381,602.65)	(266,877.24)
21.100	AP Accrued	58,191.03			58,191.03	0.00
21.331	PAYROLL ACCRUED	(78,594.33)			(78,594.33)	(72,193.35)
21.921	STATE EXCISE OR B & O TAX	(93,056.00)			(93,056.00)	(90,869.00)
22.511	NOTES & LOANS	(165,534.00)			(165,534.00)	(219,534.00)
22.530	2017 FORD F350	(60,470.95)			(60,470.95)	0.00
22.531	2011 FORD F350	0.00			0.00	(36,616.64)
22.730	Renovation Loan Citizens Bank	(436,402.46)			(436,402.46)	(459,272.91)
22.740	Septic Loan Citizens Bank	(132,994.30)			(132,994.30)	(173,450.44)
29.501	Distribution TPZ, MPZ	305,669.90			305,669.90	246,673.99
29.502	Distribution JZ	32,000.00			32,000.00	24,300.00
35.101	COMMON STOCK	(5,000.00)			(5,000.00)	(5,000.00)
35.301	RETAINED EARNINGS	(315,779.80)			(315,779.80)	(261,725.35)
41.101	Private	(2,043,274.60)			(2,043,274.60)	(1,364,459.00)
41.208	Medicare	(1,096,141.87)			(1,096,141.87)	(1,219,119.11)
41.301	Medicaid	(2,431,002.84)			(2,431,002.84)	(2,597,502.46)
41.392	ADJ REV-OTHER	(11,432.55)			(11,432.55)	(187,648.85)
41.401	Commercial	(151,379.87)			(151,379.87)	(70,075.93)
51.032	PHARMACY - Medicaid	(117,840.00)		(117,840.00)	(235,680.00)	(146,761.63)
51.038	Pharmacy Contra Medicaid	117,840.00		117,840.00	235,680.00	146,761.63
52.022	PHYS THERAPY REV-Med A	(291,967.73)		(291,967.73)	(583,935.46)	(684,472.05)
52.028	ADJ TO REV-PHY THER	291,967.73		291,967.73	583,935.46	684,472.05
53.497	OXYGEN EXPENSE-PURCH	(2,256.00)		(2,256.00)	(4,512.00)	(2,054.00)
53.498	Oxygen adjustment	2,256.00		2,256.00	4,512.00	2,054.00
54.028	LAB ADJ TO REV	(21,789.01)		(21,789.01)	(43,578.02)	(27,386.47)
54.097	LABORATORY EXPENSE-P	21,789.01		21,789.01	43,578.02	27,386.47
54.522	X-RAY REVENUE-M	(2,485.81)		(2,485.81)	(4,971.62)	(6,033.62)
54.528	ADJSTMNT TO REV-X-RAY	2,485.81		2,485.81	4,971.62	6,033.62
55.068	ADJ TO REV-OCCUP THERAPY Med B	301,779.30		301,779.30	603,558.60	641,786.29
55.093	OT SALARIES THERAPIES	(301,779.30)		(301,779.30)	(603,558.60)	(641,786.29)

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2017			9/30/2017	9/30/2016
55.522	SPEECH THER REVENUE	(96,270.75)		(96,270.75)	(192,541.50)	(243,891.90)
55.528	ADJ TO REV-SPEECH THERAPY	96,270.75		96,270.75	192,541.50	243,891.90
58.250	Purchase Discount	0.00			0.00	(578.15)
60.030	LAB - PURCH SERV	16,174.26			16,174.26	8,475.78
60.040	XRAY - PURCH SERV	4,149.83			4,149.83	4,557.97
61.010	DRUGS	140,687.48			140,687.48	78,579.48
62.020	OXYGEN SUPPLIES	14,648.18			14,648.18	14,769.98
62.040	OXYGEN PURCHASED SERVICES	1,527.95			1,527.95	1,253.49
71.050	Salaries - Beauty & Hairdresser	506.01			506.01	500.00
71.100	SALARIES - DNS	94,931.02			94,931.02	93,199.14
71.101	SNF NURSING EXP-SALARY	2,609.89			2,609.89	0.00
71.103	SALARIES - R.N.S.	326,365.57			326,365.57	298,649.76
71.105	SALARIES - L.P.N.S OR L.V.N.S	314,073.07			314,073.07	301,162.09
71.111	SALARIES - AIDES & ORDERLIES	629,025.17			629,025.17	565,080.74
71.115	SALARIES - NURS ADM	172,010.79			172,010.79	175,037.67
71.135	SUPPLIES - NURSING	149,740.38			149,740.38	128,512.50
71.141	CONTRACTED LABOR-R.N.S.	35,665.67			35,665.67	68,416.20
71.142	CONTRACTED LABOR-L.P.N.S.	39,884.04			39,884.04	32,294.37
71.143	CONTRACTED LABOR-AIDES & ORDER	108,151.27			108,151.27	128,465.89
71.177	PATIENT TRANSPORTATION	7,985.15			7,985.15	1,470.26
71.178	Cobalt Pt Care Fund	261.60			261.60	0.00
72.092	SALARIES - PHYSICAL THERAPIST	161,449.10			161,449.10	186,605.52
72.095	PHYSICAL THER - SUPPLIES	1,026.80			1,026.80	4,787.93
75.093	SALARIES-OCC THRPY	158,848.99			158,848.99	146,595.85
76.131	PURCHASED SERVICES SPEECH	54,045.00			54,045.00	63,952.01
82.100	SALARIES-SUPER (MAINT)	44,247.41			44,247.41	41,316.96
82.101	PLANT OPER & MAINT	86.00			86.00	1,136.86
82.102	SALARIES-MAINT	39,364.59			39,364.59	22,909.05
82.122	FUEL - GAS	7,367.10			7,367.10	6,559.59
82.123	ELECTRICITY	41,167.11			41,167.11	39,632.64
82.125	WATER, SEWER, GARBAGE	43,485.27			43,485.27	60,126.20
82.126	HAZARDOUS WASTE	3,557.79			3,557.79	2,237.11
82.127	FUEL - OIL	24,360.78			24,360.78	19,933.76
82.131	SUPPLIES - MAINTENANCE	17,479.44			17,479.44	17,007.95
82.135	FURNITURE & APPLIANCE EXPENSE	6,420.18			6,420.18	18,276.47
82.144	Outdoor Services	1,290.77			1,290.77	433.92
82.145	BUILDING SERV.- REPAIRS & MAINT	8,433.47			8,433.47	8,264.13
82.146	EQUIP SVCS - REPAIRS & MAINT E	25,980.68			25,980.68	28,650.87
82.149	PURCH SVCS - CABLE TV	6,160.14			6,160.14	3,535.16
82.150	PLANT OPERATIONS MAINT-EQUIPMENT RENTAL	0.00			0.00	8,036.06
82.161	Maintenance Equipment Rental	(1,298.95)			(1,298.95)	0.00
83.100	DIETARY SUPV. SALERIES	152,580.00			152,580.00	148,665.00
83.101	DIET SALARIES-SUPERVISOR	416.43			416.43	832.86
83.102	DIETARY SALARIES	217,636.92			217,636.92	203,578.05
83.106	DIETICIAN	13,082.36			13,082.36	13,750.83
83.121	FOOD	167,054.53			167,054.53	140,227.44
83.131	DIETARY SUPPLIES	3,946.56			3,946.56	4,025.13
83.161	EQUIPMENT RENTAL	0.00		9,452.16	9,452.16	2,363.00
84.102	LAUNDRY SALARY	0.00			0.00	3,585.14
84.140	LAUNDRY SERVICE CONTRACTED	62,400.00			62,400.00	63,400.00
85.102	HOUSEKEEPING SALARIES	103,788.05			103,788.05	92,443.53
85.131	HOUSEKEEPING SUPPLIES	(105.79)			(105.79)	538.58
85.175	AUTO MILEAGE	592.70			592.70	2,180.76
86.124	Medical Records	2,344.83			2,344.83	585.99
86.150	PURCHASED SERVICES - MEDICAL	44,921.12			44,921.12	38,340.38
86.151	PSYCHIATRY CONSULTANT	2,160.00			2,160.00	2,340.00
86.152	DENTIST	7,587.00			7,587.00	3,450.00
86.180	MTG - STAFF	364.96			364.96	197.89
86.501	SALARIES SOCIAL SERVICE	25,123.77			25,123.77	23,524.49
86.521	PURCHASED SERVICES	3,853.84			3,853.84	2,762.79
87.102	SALARIES REC	49,716.76			49,716.76	40,410.77
87.131	SUPPLIES ACTIVITIES	1,121.00			1,121.00	1,872.71
88.100	SALARIES - ADMINISTRATOR	191,178.57			191,178.57	192,321.43
88.101	SALARIES - ASSISTANT ADMINISTRATOR	58,662.55			58,662.55	48,710.54
88.102	HELP WANTED	1,584.43			1,584.43	0.00
88.104	SALARIES - BUSINESS OFFICE	120,158.52			120,158.52	115,520.98

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2017			9/30/2017	9/30/2016
88.111	Owner / Vice President	156,125.00			156,125.00	152,575.00
88.131	OFFICE SUPPLIES	11,692.37			11,692.37	5,700.19
88.154	PURCHASED SERVICES	31,519.00			31,519.00	23,181.64
88.176	MEALS/ENTERTAIN	100.00			100.00	100.00
88.178	TRAVEL & ENTERTAINMENT	17,809.38			17,809.38	10,573.95
88.179	SEMINAR EXPENSE	983.96			983.96	1,250.00
88.182	PAYROLL SERVICE FEES	12,099.63			12,099.63	10,569.08
88.185	PROFESSIONAL FEES - LEGAL	8,621.11			8,621.11	22,124.00
88.186	PROFESSIONAL FEES - ACCOUNTING	40,583.16			40,583.16	32,514.16
88.190	Credit Card Usage Fee	283.05			283.05	0.00
88.191	Bank Service Fee	2,023.89			2,023.89	0.00
88.313	POSTAGE	1,040.22			1,040.22	1,012.20
88.590	PAYROLL TAX-FICA	193,147.37			193,147.37	178,455.84
88.591	PAYROLL TAX-FUI	3,669.78			3,669.78	3,596.79
88.592	PAYROLL TAX-SUI	26,255.63			26,255.63	26,519.88
88.593	BUSINESS INS	91,918.39			91,918.39	84,460.04
88.594	GRP INSURANCE	94,889.03			94,889.03	103,089.19
89.115	ADVERTISING	13,577.17			13,577.17	17,114.07
89.120	DONATIONS	4,135.00			4,135.00	3,395.00
89.125	DUES & SUBSCRIPTIONS	12,434.16			12,434.16	14,847.06
89.129	LICENSES	398.00			398.00	1,817.40
89.141	ADMIN & GENERAL - MISC	0.00			0.00	(7,394.68)
89.163	BUSINESS TAXES - B & O TAX	361,650.00			361,650.00	356,688.00
89.164	PROVISION STATE TAX	0.00			0.00	940.02
89.165	FINES AND PENALTIES	10.69			10.69	220.00
89.171	TELEPHONE	16,249.10		(9,452.16)	6,796.94	8,237.61
89.172	CELLPHONE	0.00			0.00	110.33
89.173	Internet	3,476.79			3,476.79	1,303.10
89.183	PUBLIC RELATIONS	1,103.70			1,103.70	961.38
89.125	DUES & SUBSCRIPTIONS	0.00		(1,389.00)	(1,389.00)	(1,333.00)
89.128	DUES & SUBSCRIPTIONS	0.00		1,389.00	1,389.00	1,333.00
92.232	REAL PROPERTY TAXES	48,100.00			48,100.00	49,854.93
92.233	PERSONAL PROPERTY TAXES	918.99			918.99	2,457.08
92.242	INSURANCE - LIABILITY	31,626.46			31,626.46	13,260.00
92.243	INSURANCE - AUTO	4,906.00			4,906.00	12,303.50
93.050	DEPREC EXPENSE-LAND IMPROVEMENTS	2,921.12			2,921.12	2,324.22
93.110	DEPREC EXPENSE-BUILD IMP	15,530.52			15,530.52	35,720.91
93.253	DEPREC EXP-OFFICE EQ	24,537.22			24,537.22	27,390.40
93.501	AMORT EXPENSE-ORGANI	1,181.80			1,181.80	1,181.80
94.210	INTEREST ON STATE TAX	0.00			0.00	67.66
94.211	INTEREST EXPENSE-BUI	30,240.68			30,240.68	25,114.57
94.231	INTEREST LOC	5,532.93			5,532.93	3,943.30
Marcum 101	Automobile Insurance	0.00			0.00	4,323.00
<b>Total</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net (Income) Loss</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Client: **Cobalt Lodge**  
 Engagement: **Medicaid - Cobalt Lodge 2017 Cost Report**  
 Period Ending: **9/30/2017**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ 9/30/2017	JE Ref #	RJE	FINAL 9/30/2017
<b>Group : [10-A]</b>	<b>Salaries and Wages</b>				
<b>Subgroup : [2]</b>	<b>Administrators</b>				
88.100	SALARIES - ADMINISTRATOR	191,178.57		0.00	191,178.57
<b>Subtotal [2] Administrators</b>		<u>191,178.57</u>		<u>0.00</u>	<u>191,178.57</u>
<b>Subgroup : [3]</b>	<b>Assistant Administrator</b>				
88.101	SALARIES - ASSISTANT ADMINISTRATOR	58,662.55		0.00	58,662.55
<b>Subtotal [3] Assistant Administrator</b>		<u>58,662.55</u>		<u>0.00</u>	<u>58,662.55</u>
<b>Subgroup : [4]</b>	<b>Other Administrative Salaries</b>				
88.104	SALARIES - BUSINESS OFFICE	120,158.52		0.00	120,158.52
88.111	Owner / Vice President	156,125.00		0.00	156,125.00
<b>Subtotal [4] Other Administrative Salaries</b>		<u>276,283.52</u>		<u>0.00</u>	<u>276,283.52</u>
<b>Subgroup : [5B]</b>	<b>Food Service Supervisor</b>				
83.100	DIETARY SUPV. SALERIES	152,580.00		0.00	152,580.00
83.101	DIET SALARIES-SUPERVISOR	416.43		0.00	416.43
<b>Subtotal [5B] Food Service Supervisor</b>		<u>152,996.43</u>		<u>0.00</u>	<u>152,996.43</u>
<b>Subgroup : [5C]</b>	<b>Dietary Workers</b>				
83.102	DIETARY SALARIES	217,636.92		0.00	217,636.92
<b>Subtotal [5C] Dietary Workers</b>		<u>217,636.92</u>		<u>0.00</u>	<u>217,636.92</u>
<b>Subgroup : [6B]</b>	<b>Other Housekeeping Workers</b>				
85.102	HOUSEKEEPING SALARIES	103,788.05		0.00	103,788.05
<b>Subtotal [6B] Other Housekeeping Workers</b>		<u>103,788.05</u>		<u>0.00</u>	<u>103,788.05</u>
<b>Subgroup : [7A]</b>	<b>Engineer or Chief of Maintenance</b>				
82.100	SALARIES-SUPER (MAINT)	44,247.41		0.00	44,247.41
<b>Subtotal [7A] Engineer or Chief of Maintenance</b>		<u>44,247.41</u>		<u>0.00</u>	<u>44,247.41</u>
<b>Subgroup : [7B]</b>	<b>Other Maintenance Workers</b>				
82.102	SALARIES-MAINT	39,364.59		0.00	39,364.59
<b>Subtotal [7B] Other Maintenance Workers</b>		<u>39,364.59</u>		<u>0.00</u>	<u>39,364.59</u>
<b>Subgroup : [12A]</b>	<b>Director of Nurses/Assistant Director</b>				
71.100	SALARIES - DNS	94,931.02		0.00	94,931.02
<b>Subtotal [12A] Director of Nurses/Assistant Director</b>		<u>94,931.02</u>		<u>0.00</u>	<u>94,931.02</u>
<b>Subgroup : [12B1] RNs - Direct Care</b>					
71.101	SNF NURSING EXP-SALARY	2,609.89		0.00	2,609.89
71.103	SALARIES - R.N.S.	326,365.57		0.00	326,365.57
<b>Subtotal [12B1] RNs - Direct Care</b>		<u>328,975.46</u>		<u>0.00</u>	<u>328,975.46</u>
<b>Subgroup : [12B2] RNs - Administrative</b>					
71.115	SALARIES - NURS ADM	172,010.79		0.00	172,010.79
<b>Subtotal [12B2] RNs - Administrative</b>		<u>172,010.79</u>		<u>0.00</u>	<u>172,010.79</u>
<b>Subgroup : [12C1] LPNs - Direct Care</b>					
71.105	SALARIES - L.P.N.S OR L.V.N.S	314,073.07		0.00	314,073.07
<b>Subtotal [12C1] LPNs - Direct Care</b>		<u>314,073.07</u>		<u>0.00</u>	<u>314,073.07</u>
<b>Subgroup : [12D] Aides and Attendants</b>					
71.111	SALARIES - AIDES & ORDERLIES	629,025.17		0.00	629,025.17
<b>Subtotal [12D] Aides and Attendants</b>		<u>629,025.17</u>		<u>0.00</u>	<u>629,025.17</u>
<b>Subgroup : [12H] Recreation Workers</b>					
87.102	SALARIES REC	49,716.76		0.00	49,716.76
<b>Subtotal [12H] Recreation Workers</b>		<u>49,716.76</u>		<u>0.00</u>	<u>49,716.76</u>
<b>Subgroup : [12M] Social Workers/Case Management</b>					
86.501	SALARIES SOCIAL SERVICE	25,123.77		0.00	25,123.77
<b>Subtotal [12M] Social Workers/Case Management</b>		<u>25,123.77</u>		<u>0.00</u>	<u>25,123.77</u>
<b>Total [10-A] Salaries and Wages</b>		<u>2,698,014.08</u>		<u>0.00</u>	<u>2,698,014.08</u>
<b>Group : [13-B]</b>	<b>Professional Fees</b>				
<b>Subgroup : [1]</b>	<b>Dietitian</b>				
83.106	DIETICIAN	13,082.36		0.00	13,082.36
<b>Subtotal [1] Dietitian</b>		<u>13,082.36</u>		<u>0.00</u>	<u>13,082.36</u>
<b>Subgroup : [2]</b>	<b>Dentist</b>				

Client: **Cobalt Lodge**  
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 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
86.152	DENTIST	7,587.00		0.00	7,587.00
<b>Subtotal [2] Dentist</b>		<b>7,587.00</b>		<b>0.00</b>	<b>7,587.00</b>
<b>Subgroup : [3] Pharmacist</b>					
86.521	PURCHASED SERVICES	3,853.84		0.00	3,853.84
<b>Subtotal [3] Pharmacist</b>		<b>3,853.84</b>		<b>0.00</b>	<b>3,853.84</b>
<b>Subgroup : [5A] PT - Resident Care</b>					
71.178	Cobalt Pt Care Fund	261.60		0.00	261.60
72.092	SALARIES - PHYSICAL THERAPIST	161,449.10		0.00	161,449.10
<b>Subtotal [5A] PT - Resident Care</b>		<b>161,710.70</b>		<b>0.00</b>	<b>161,710.70</b>
<b>Subgroup : [8A] Medical Director</b>					
86.150	PURCHASED SERVICES - MEDICAL	44,921.12		0.00	44,921.12
<b>Subtotal [8A] Medical Director</b>		<b>44,921.12</b>		<b>0.00</b>	<b>44,921.12</b>
<b>Subgroup : [9A] ST - Resident Care</b>					
76.131	PURCHASED SERVICES SPEECH	54,045.00		0.00	54,045.00
<b>Subtotal [9A] ST - Resident Care</b>		<b>54,045.00</b>		<b>0.00</b>	<b>54,045.00</b>
<b>Subgroup : [10A] OT - Resident Care</b>					
75.093	SALARIES-OCC THRPY	158,848.99		0.00	158,848.99
<b>Subtotal [10A] OT - Resident Care</b>		<b>158,848.99</b>		<b>0.00</b>	<b>158,848.99</b>
<b>Subgroup : [11A1] RN's - Direct Care</b>					
71.141	CONTRACTED LABOR-R.N.S.	35,665.67		0.00	35,665.67
<b>Subtotal [11A1] RN's - Direct Care</b>		<b>35,665.67</b>		<b>0.00</b>	<b>35,665.67</b>
<b>Subgroup : [11B1] LPN's - Direct Care</b>					
71.142	CONTRACTED LABOR-L.P.N.S.	39,884.04		0.00	39,884.04
<b>Subtotal [11B1] LPN's - Direct Care</b>		<b>39,884.04</b>		<b>0.00</b>	<b>39,884.04</b>
<b>Subgroup : [11C] Aides</b>					
71.143	CONTRACTED LABOR-AIDES & ORDER	108,151.27		0.00	108,151.27
<b>Subtotal [11C] Aides</b>		<b>108,151.27</b>		<b>0.00</b>	<b>108,151.27</b>
<b>Subgroup : [12] Other</b>					
86.124	Medical Records	2,344.83		0.00	2,344.83
86.151	PSYCHIATRY CONSULTANT	2,160.00		0.00	2,160.00
<b>Subtotal [12] Other</b>		<b>4,504.83</b>		<b>0.00</b>	<b>4,504.83</b>
<b>Total [13-B] Professional Fees</b>		<b>632,254.82</b>		<b>0.00</b>	<b>632,254.82</b>
<b>Group : [15] Expenditures Other than Salaries</b>					
<b>Subgroup : [1A1] Workmen's Compensation</b>					
88.593	BUSINESS INS	91,918.39		0.00	91,918.39
<b>Subtotal [1A1] Workmen's Compensation</b>		<b>91,918.39</b>		<b>0.00</b>	<b>91,918.39</b>
<b>Subgroup : [1A3] Unemployment Insurance</b>					
88.591	PAYROLL TAX-FUI	3,669.78		0.00	3,669.78
88.592	PAYROLL TAX-SUI	26,255.63		0.00	26,255.63
<b>Subtotal [1A3] Unemployment Insurance</b>		<b>29,925.41</b>		<b>0.00</b>	<b>29,925.41</b>
<b>Subgroup : [1A4] Social Security (FICA)</b>					
88.590	PAYROLL TAX-FICA	193,147.37		0.00	193,147.37
<b>Subtotal [1A4] Social Security (FICA)</b>		<b>193,147.37</b>		<b>0.00</b>	<b>193,147.37</b>
<b>Subgroup : [1A5] Health Insurance</b>					
88.594	GRP INSURANCE	94,889.03		0.00	94,889.03
<b>Subtotal [1A5] Health Insurance</b>		<b>94,889.03</b>		<b>0.00</b>	<b>94,889.03</b>
<b>Subgroup : [1D] Accounting and Auditing</b>					
88.186	PROFESSIONAL FEES - ACCOUNTING	40,583.16		0.00	40,583.16
<b>Subtotal [1D] Accounting and Auditing</b>		<b>40,583.16</b>		<b>0.00</b>	<b>40,583.16</b>
<b>Subgroup : [1E] Legal</b>					
88.185	PROFESSIONAL FEES - LEGAL	8,621.11		0.00	8,621.11
<b>Subtotal [1E] Legal</b>		<b>8,621.11</b>		<b>0.00</b>	<b>8,621.11</b>
<b>Subgroup : [1G] Office Supplies</b>					
88.131	OFFICE SUPPLIES	11,692.37		0.00	11,692.37
<b>Subtotal [1G] Office Supplies</b>		<b>11,692.37</b>		<b>0.00</b>	<b>11,692.37</b>

Client: **Cobalt Lodge**  
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 Period Ending: **9/30/2017**  
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 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
<b>Subgroup : [1H1] Telephone and Telegraph</b>					
89.171	TELEPHONE	16,249.10		(9,452.16)	6,796.94
			RJE - 3	(9,452.16)	
<b>Subtotal [1H1] Telephone and Telegraph</b>		<u>16,249.10</u>		<u>(9,452.16)</u>	<u>6,796.94</u>
<b>Subgroup : [1K3] Resident Day User Fee</b>					
89.163	BUSINESS TAXES - B & O TAX	361,650.00		0.00	361,650.00
<b>Subtotal [1K3] Resident Day User Fee</b>		<u>361,650.00</u>		<u>0.00</u>	<u>361,650.00</u>
<b>Total [15] Expenditures Other than Salaries</b>		<u>848,675.94</u>		<u>(9,452.16)</u>	<u>839,223.78</u>
<b>Group : [16] Expenditures Other than Salaries (cont'd) - Admin. and General</b>					
<b>Subgroup : [4] Employee Travel</b>					
85.175	AUTO MILEAGE	592.70		0.00	592.70
<b>Subtotal [4] Employee Travel</b>		<u>592.70</u>		<u>0.00</u>	<u>592.70</u>
<b>Subgroup : [5] Education Expense</b>					
88.179	SEMINAR EXPENSE	983.96		0.00	983.96
<b>Subtotal [5] Education Expense</b>		<u>983.96</u>		<u>0.00</u>	<u>983.96</u>
<b>Subgroup : [7] Other</b>					
88.176	MEALS/ENTERTAIN	100.00		0.00	100.00
88.178	TRAVEL & ENTERTAINMENT	17,809.38		0.00	17,809.38
<b>Subtotal [7] Other</b>		<u>17,909.38</u>		<u>0.00</u>	<u>17,909.38</u>
<b>Subgroup : [M1] Advertising Help Wanted</b>					
88.102	HELP WANTED	1,584.43		0.00	1,584.43
<b>Subtotal [M1] Advertising Help Wanted</b>		<u>1,584.43</u>		<u>0.00</u>	<u>1,584.43</u>
<b>Subgroup : [M3] Advertising Other</b>					
89.115	ADVERTISING	13,577.17		0.00	13,577.17
89.183	PUBLIC RELATIONS	1,103.70		0.00	1,103.70
<b>Subtotal [M3] Advertising Other</b>		<u>14,680.87</u>		<u>0.00</u>	<u>14,680.87</u>
<b>Subgroup : [M6] Barber and Beauty Supplies</b>					
71.050	Salaries - Beauty & Hairdresser	506.01		0.00	506.01
<b>Subtotal [M6] Barber and Beauty Supplies</b>		<u>506.01</u>		<u>0.00</u>	<u>506.01</u>
<b>Subgroup : [M7] Postage</b>					
88.313	POSTAGE	1,040.22		0.00	1,040.22
<b>Subtotal [M7] Postage</b>		<u>1,040.22</u>		<u>0.00</u>	<u>1,040.22</u>
<b>Subgroup : [M8] Dues and Membership Fees to Professional Associations</b>					
89.128	DUES & SUBSCRIPTIONS	0.00		1,389.00	1,389.00
			RJE - 1	1,389.00	
<b>Subtotal [M8] Dues and Membership Fees to Professional Associations</b>		<u>0.00</u>		<u>1,389.00</u>	<u>1,389.00</u>
<b>Subgroup : [M9] Subscriptions</b>					
89.125	DUES & SUBSCRIPTIONS	12,434.16		0.00	12,434.16
89.125	DUES & SUBSCRIPTIONS	0.00		(1,389.00)	(1,389.00)
			RJE - 1	(1,389.00)	
<b>Subtotal [M9] Subscriptions</b>		<u>12,434.16</u>		<u>(1,389.00)</u>	<u>11,045.16</u>
<b>Subgroup : [M10] Contributions</b>					
89.120	DONATIONS	4,135.00		0.00	4,135.00
<b>Subtotal [M10] Contributions</b>		<u>4,135.00</u>		<u>0.00</u>	<u>4,135.00</u>
<b>Subgroup : [M11] Services Provided by Contract</b>					
88.154	PURCHASED SERVICES	31,519.00		0.00	31,519.00
88.182	PAYROLL SERVICE FEES	12,099.63		0.00	12,099.63
<b>Subtotal [M11] Services Provided by Contract</b>		<u>43,618.63</u>		<u>0.00</u>	<u>43,618.63</u>
<b>Subgroup : [M13] Other</b>					
88.190	Credit Card Usage Fee	283.05		0.00	283.05
88.191	Bank Service Fee	2,023.89		0.00	2,023.89
89.129	LICENSES	398.00		0.00	398.00
89.165	FINES AND PENALTIES	10.69		0.00	10.69
89.173	Internet	3,476.79		0.00	3,476.79
<b>Subtotal [M13] Other</b>		<u>6,192.42</u>		<u>0.00</u>	<u>6,192.42</u>
<b>Total [16] Expenditures Other than Salaries (cont'd) - Admin. and General</b>		<u>103,677.78</u>		<u>0.00</u>	<u>103,677.78</u>
<b>Group : [18] Dietary Basis for Allocation of Costs</b>					
<b>Subgroup : [2A1] Raw Food</b>					



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		9/30/2017			9/30/2017
83.121	FOOD	167,054.53		0.00	167,054.53
<b>Subtotal [2A1] Raw Food</b>		<b>167,054.53</b>		<b>0.00</b>	<b>167,054.53</b>
<b>Subgroup : [2A2] Non-Food Supplies</b>					
82.135	FURNITURE & APPLIANCE EXPENSE	6,420.18		0.00	6,420.18
83.131	DIETARY SUPPLIES	3,946.56		0.00	3,946.56
<b>Subtotal [2A2] Non-Food Supplies</b>		<b>10,366.74</b>		<b>0.00</b>	<b>10,366.74</b>
<b>Total [18] Dietary Basis for Allocation of Costs</b>		<b>177,421.27</b>		<b>0.00</b>	<b>177,421.27</b>
<b>Group : [19] Laundry-Basis for Allocation of Costs</b>					
<b>Subgroup : [3B] Purchased Services</b>					
84.140	LAUNDRY SERVICE CONTRACTED	62,400.00		0.00	62,400.00
<b>Subtotal [3B] Purchased Services</b>		<b>62,400.00</b>		<b>0.00</b>	<b>62,400.00</b>
<b>Total [19] Laundry-Basis for Allocation of Costs</b>		<b>62,400.00</b>		<b>0.00</b>	<b>62,400.00</b>
<b>Group : [20] Housekeeping and Resident Care Basis for Allocation of Costs</b>					
<b>Subgroup : [4D] Other</b>					
85.131	HOUSEKEEPING SUPPLIES	(105.79)		0.00	(105.79)
<b>Subtotal [4D] Other</b>		<b>(105.79)</b>		<b>0.00</b>	<b>(105.79)</b>
<b>Subgroup : [5A2] Purchased from</b>					
61.010	DRUGS	140,687.48		0.00	140,687.48
<b>Subtotal [5A2] Purchased from</b>		<b>140,687.48</b>		<b>0.00</b>	<b>140,687.48</b>
<b>Subgroup : [5B] Medicine Cabinet Drugs</b>					
71.135	SUPPLIES - NURSING	149,740.38		0.00	149,740.38
<b>Subtotal [5B] Medicine Cabinet Drugs</b>		<b>149,740.38</b>		<b>0.00</b>	<b>149,740.38</b>
<b>Subgroup : [5D] Ambulance/Limousine</b>					
71.177	PATIENT TRANSPORTATION	7,985.15		0.00	7,985.15
<b>Subtotal [5D] Ambulance/Limousine</b>		<b>7,985.15</b>		<b>0.00</b>	<b>7,985.15</b>
<b>Subgroup : [5E2] Oxygen - Other</b>					
62.020	OXYGEN SUPPLIES	14,648.18		0.00	14,648.18
62.040	OXYGEN PURCHASED SERVICES	1,527.95		0.00	1,527.95
<b>Subtotal [5E2] Oxygen - Other</b>		<b>16,176.13</b>		<b>0.00</b>	<b>16,176.13</b>
<b>Subgroup : [5F] X-Rays and related radiological</b>					
60.040	XRAY - PURCH SERV	4,149.83		0.00	4,149.83
<b>Subtotal [5F] X-Rays and related radiological</b>		<b>4,149.83</b>		<b>0.00</b>	<b>4,149.83</b>
<b>Subgroup : [5H] Laboratory</b>					
60.030	LAB - PURCH SERV	16,174.26		0.00	16,174.26
<b>Subtotal [5H] Laboratory</b>		<b>16,174.26</b>		<b>0.00</b>	<b>16,174.26</b>
<b>Subgroup : [5I] Recreation</b>					
82.149	PURCH SVCS - CABLE TV	6,160.14		0.00	6,160.14
87.131	SUPPLIES ACTIVITIES	1,121.00		0.00	1,121.00
<b>Subtotal [5I] Recreation</b>		<b>7,281.14</b>		<b>0.00</b>	<b>7,281.14</b>
<b>Subgroup : [5J] Other</b>					
72.095	PHYSICAL THER - SUPPLIES	1,026.80		0.00	1,026.80
86.180	MTG - STAFF	364.96		0.00	364.96
<b>Subtotal [5J] Other</b>		<b>1,391.76</b>		<b>0.00</b>	<b>1,391.76</b>
<b>Total [20] Housekeeping and Resident Care Basis for Allocation of Costs</b>		<b>343,480.34</b>		<b>0.00</b>	<b>343,480.34</b>
<b>Group : [22] Maintenance and Property</b>					
<b>Subgroup : [6A] Repairs and Maintenance</b>					
82.101	PLANT OPER & MAINT	86.00		0.00	86.00
82.131	SUPPLIES - MAINTENANCE	17,479.44		0.00	17,479.44
82.145	BUILDING SERV - REPAIRS & MAINT	8,433.47		0.00	8,433.47
82.146	EQUIP SVCS - REPAIRS & MAINT E	25,980.68		0.00	25,980.68
82.161	Maintenance Equipment Rental	(1,298.95)		0.00	(1,298.95)
<b>Subtotal [6A] Repairs and Maintenance</b>		<b>50,680.64</b>		<b>0.00</b>	<b>50,680.64</b>
<b>Subgroup : [6B] Heat</b>					
82.122	FUEL - GAS	7,367.10		0.00	7,367.10
82.127	FUEL - OIL	24,360.78		0.00	24,360.78
<b>Subtotal [6B] Heat</b>		<b>31,727.88</b>		<b>0.00</b>	<b>31,727.88</b>
<b>Subgroup : [6C] Light &amp; Power</b>					
82.123	ELECTRICITY	41,167.11		0.00	41,167.11

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		9/30/2017			9/30/2017
<b>Subtotal [6C] Light &amp; Power</b>		<b>41,167.11</b>		<b>0.00</b>	<b>41,167.11</b>
<b>Subgroup : [6D] Water</b>					
82.125	WATER, SEWER, GARBAGE	43,485.27		0.00	43,485.27
<b>Subtotal [6D] Water</b>		<b>43,485.27</b>		<b>0.00</b>	<b>43,485.27</b>
<b>Subgroup : [6E] Equipment Lease</b>					
83.161	EQUIPMENT RENTAL	0.00	RJE - 3	9,452.16	9,452.16
				9,452.16	
<b>Subtotal [6E] Equipment Lease</b>		<b>0.00</b>		<b>9,452.16</b>	<b>9,452.16</b>
<b>Subgroup : [6F] Other</b>					
82.126	HAZARDOUS WASTE	3,557.79		0.00	3,557.79
82.144	Outdoor Services	1,290.77		0.00	1,290.77
<b>Subtotal [6F] Other</b>		<b>4,848.56</b>		<b>0.00</b>	<b>4,848.56</b>
<b>Subgroup : [7A] Land Improvements</b>					
93.050	DEPREC EXPENSE-LAND IMPROVEMENTS	2,921.12		0.00	2,921.12
<b>Subtotal [7A] Land Improvements</b>		<b>2,921.12</b>		<b>0.00</b>	<b>2,921.12</b>
<b>Subgroup : [7B] Building &amp; Building Improvements</b>					
93.110	DEPREC EXPENSE-BUILD IMP	15,530.52		0.00	15,530.52
<b>Subtotal [7B] Building &amp; Building Improvements</b>		<b>15,530.52</b>		<b>0.00</b>	<b>15,530.52</b>
<b>Subgroup : [7C] Non-movable Equipment</b>					
93.253	DEPREC EXP-OFFICE EQ	24,537.22		0.00	24,537.22
<b>Subtotal [7C] Non-movable Equipment</b>		<b>24,537.22</b>		<b>0.00</b>	<b>24,537.22</b>
<b>Subgroup : [8B] Mortgage Expense</b>					
93.501	AMORT EXPENSE-ORGANI	1,181.80		0.00	1,181.80
<b>Subtotal [8B] Mortgage Expense</b>		<b>1,181.80</b>		<b>0.00</b>	<b>1,181.80</b>
<b>Subgroup : [10A] Real estate taxes paid by owner</b>					
92.232	REAL PROPERTY TAXES	48,100.00		0.00	48,100.00
<b>Subtotal [10A] Real estate taxes paid by owner</b>		<b>48,100.00</b>		<b>0.00</b>	<b>48,100.00</b>
<b>Subgroup : [10C] Personal property taxes</b>					
92.233	PERSONAL PROPERTY TAXES	918.99		0.00	918.99
<b>Subtotal [10C] Personal property taxes</b>		<b>918.99</b>		<b>0.00</b>	<b>918.99</b>
<b>Total [22] Maintenance and Property</b>		<b>265,099.11</b>		<b>9,452.16</b>	<b>274,551.27</b>
<b>Group : [26] Interest</b>					
<b>Subgroup : [12A1] First Mortgage</b>					
94.211	INTEREST EXPENSE-BUI	30,240.68		0.00	30,240.68
<b>Subtotal [12A1] First Mortgage</b>		<b>30,240.68</b>		<b>0.00</b>	<b>30,240.68</b>
<b>Total [26] Interest</b>		<b>30,240.68</b>		<b>0.00</b>	<b>30,240.68</b>
<b>Group : [27] Interest and Insurance</b>					
<b>Subgroup : [12D] Other Interest Expense</b>					
94.231	INTEREST LOC	5,532.93		0.00	5,532.93
<b>Subtotal [12D] Other Interest Expense</b>		<b>5,532.93</b>		<b>0.00</b>	<b>5,532.93</b>
<b>Subgroup : [14A] Insurance on Property</b>					
92.242	INSURANCE - LIABILITY	31,626.46		0.00	31,626.46
<b>Subtotal [14A] Insurance on Property</b>		<b>31,626.46</b>		<b>0.00</b>	<b>31,626.46</b>
<b>Subgroup : [14B] Insurance of Automobiles</b>					
92.243	INSURANCE - AUTO	4,906.00		0.00	4,906.00
<b>Subtotal [14B] Insurance of Automobiles</b>		<b>4,906.00</b>		<b>0.00</b>	<b>4,906.00</b>
<b>Total [27] Interest and Insurance</b>		<b>42,065.39</b>		<b>0.00</b>	<b>42,065.39</b>
<b>Group : [30] Statement of Revenue</b>					
<b>Subgroup : [1A] Medicaid Residents (CT only)</b>					
41.301	Medicaid	(2,431,002.84)		0.00	(2,431,002.84)
41.392	ADJ REV-OTHER	(11,432.55)		0.00	(11,432.55)
<b>Subtotal [1A] Medicaid Residents (CT only)</b>		<b>(2,442,435.39)</b>		<b>0.00</b>	<b>(2,442,435.39)</b>
<b>Subgroup : [3A] Medicare Residents (All inclusive)</b>					
41.208	Medicare	(1,096,141.87)		0.00	(1,096,141.87)
<b>Subtotal [3A] Medicare Residents (All inclusive)</b>		<b>(1,096,141.87)</b>		<b>0.00</b>	<b>(1,096,141.87)</b>
<b>Subgroup : [4A] Private-pay residents and other</b>					

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Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
41.101	Private	(2,043,274.60)		0.00	(2,043,274.60)
41.401	Commercial	(151,379.87)		0.00	(151,379.87)
<b>Subtotal [4A] Private-pay residents and other</b>		<b>(2,194,654.47)</b>		<b>0.00</b>	<b>(2,194,654.47)</b>
<b>Subgroup : [5B] Prescription Drugs - Medicare Contractual Allowance</b>					
51.038	Pharmacy Contra Medicaid	117,840.00	RJE - 2	117,840.00	235,680.00
<b>Subtotal [5B] Prescription Drugs - Medicare Contractual Allowance</b>		<b>117,840.00</b>		<b>117,840.00</b>	<b>235,680.00</b>
<b>Subgroup : [5C] Prescription Drugs - Non-medicare</b>					
51.032	PHARMACY - Medicaid	(117,840.00)	RJE - 2	(117,840.00)	(235,680.00)
<b>Subtotal [5C] Prescription Drugs - Non-medicare</b>		<b>(117,840.00)</b>		<b>(117,840.00)</b>	<b>(235,680.00)</b>
<b>Subgroup : [7C] Physical Therapy - Non-medicare</b>					
52.022	PHYS THERAPY REV-Med A	(291,967.73)	RJE - 2	(291,967.73)	(583,935.46)
<b>Subtotal [7C] Physical Therapy - Non-medicare</b>		<b>(291,967.73)</b>		<b>(291,967.73)</b>	<b>(583,935.46)</b>
<b>Subgroup : [7D] Physical Therapy - Non-medicare Contractual Allowance</b>					
52.028	ADJ TO REV-PHY THER	291,967.73	RJE - 2	291,967.73	583,935.46
<b>Subtotal [7D] Physical Therapy - Non-medicare Contractual Allowance</b>		<b>291,967.73</b>		<b>291,967.73</b>	<b>583,935.46</b>
<b>Subgroup : [8C] Speech Therapy - Non-medicare</b>					
55.522	SPEECH THER REVENUE	(96,270.75)	RJE - 2	(96,270.75)	(192,541.50)
<b>Subtotal [8C] Speech Therapy - Non-medicare</b>		<b>(96,270.75)</b>		<b>(96,270.75)</b>	<b>(192,541.50)</b>
<b>Subgroup : [8D] Speech Therapy - Non-medicare Contractual Allowance</b>					
55.528	ADJ TO REV-SPEECH THERAPY	96,270.75	RJE - 2	96,270.75	192,541.50
<b>Subtotal [8D] Speech Therapy - Non-medicare Contractual Allowance</b>		<b>96,270.75</b>		<b>96,270.75</b>	<b>192,541.50</b>
<b>Subgroup : [9C] Occupational Therapy - Non-medicare</b>					
55.093	OT SALARIES THERAPIES	(301,779.30)	RJE - 2	(301,779.30)	(603,558.60)
<b>Subtotal [9C] Occupational Therapy - Non-medicare</b>		<b>(301,779.30)</b>		<b>(301,779.30)</b>	<b>(603,558.60)</b>
<b>Subgroup : [9D] Occupational Therapy - Non-medicare Contractual Allowance</b>					
55.068	ADJ TO REV-OCCUP THERAPY Med B	301,779.30	RJE - 2	301,779.30	603,558.60
<b>Subtotal [9D] Occupational Therapy - Non-medicare Contractual Allowance</b>		<b>301,779.30</b>		<b>301,779.30</b>	<b>603,558.60</b>
<b>Subgroup : [10A] Other - Medicare</b>					
54.522	X-RAY REVENUE-M	(2,485.81)	RJE - 2	(2,485.81)	(4,971.62)
54.528	ADJSTMNT TO REV-X-RAY	2,485.81	RJE - 2	2,485.81	4,971.62
<b>Subtotal [10A] Other - Medicare</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Subgroup : [10B] Other - Non-medicare</b>					
54.028	LAB ADJ TO REV	(21,789.01)	RJE - 2	(21,789.01)	(43,578.02)
54.097	LABORATORY EXPENSE-P	21,789.01	RJE - 2	21,789.01	43,578.02
<b>Subtotal [10B] Other - Non-medicare</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Subgroup : [18] Other Revenue</b>					
53.497	OXYGEN EXPENSE-PURCH	(2,256.00)	RJE - 2	(2,256.00)	(4,512.00)
53.498	Oxygen adjustment	2,256.00	RJE - 2	2,256.00	4,512.00
<b>Subtotal [18] Other Revenue</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Total [30] Statement of Revenue</b>		<b>(5,733,231.73)</b>		<b>0.00</b>	<b>(5,733,231.73)</b>
<b>Group : [99] Balance Sheet</b>					
<b>Subgroup : None</b>					
10.100	CASH- PETTY CASH	1,270.66		0.00	1,270.66
10.105	CASH - REC	75.00		0.00	75.00
10.110	CASH - OPERATING ACCOUNT	125,501.25		0.00	125,501.25
10.140	CASH - PAYROLL ACCOUNT	48,822.32		0.00	48,822.32

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Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2017			9/30/2017
10.170	CASH - Project Holding Account	33.85		0.00	33.85
11.100	Private	323,350.08		0.00	323,350.08
11.120	Medicare	61,723.89		0.00	61,723.89
11.130	Medicaid	249,113.31		0.00	249,113.31
11.160	Commercial	123,567.65		0.00	123,567.65
11.170	ALLOWANCE FOR BAD DEBT	(25,250.00)		0.00	(25,250.00)
11.484	A/R REFUND CLEARING	14,146.55		0.00	14,146.55
11.486	DUE FROM AFFILIATES	343,885.28		0.00	343,885.28
14.310	INSURANCE - PROPERTY	2,656.01		0.00	2,656.01
14.320	INSURANCE - LIABILITY	5,094.14		0.00	5,094.14
15.000	LAND	25,000.00		0.00	25,000.00
15.050	LAND IMPROVEMENTS	336,869.04		0.00	336,869.04
15.100	BUILDINGS	61,013.06		0.00	61,013.06
15.110	BUILDING IMPROVEMENTS	599,202.13		0.00	599,202.13
15.120	BUILDING ADDITION	774,191.21		0.00	774,191.21
15.250	FURNITURE & EQUIPMENT	93,292.63		0.00	93,292.63
15.253	OFFICE EQUIPMENT	69,814.26		0.00	69,814.26
15.254	KITCHEN EQUIPMENT	34,488.09		0.00	34,488.09
15.255	LAUNDRY EQUIPMENT	3,738.13		0.00	3,738.13
15.256	NURSING EQUIPMENT	112,923.45		0.00	112,923.45
15.257	HOUSEKEEPING	4,608.31		0.00	4,608.31
15.280	MINOR EQUIPMENT	22,023.00		0.00	22,023.00
15.281	VEHICLES	64,345.90		0.00	64,345.90
16.050	LAND IMPROVEMENTS	(63,594.97)		0.00	(63,594.97)
16.100	BUILDINGS	(1,252,026.98)		0.00	(1,252,026.98)
16.256	NURSING EQUIPMENT	(361,128.57)		0.00	(361,128.57)
16.404	REFINANCING CLOSING COST A	4,727.20		0.00	4,727.20
21.000	TRADE ACCOUNTS	(381,602.65)		0.00	(381,602.65)
21.100	AP Accrued	58,191.03		0.00	58,191.03
21.331	PAYROLL ACCRUED	(78,594.33)		0.00	(78,594.33)
21.921	STATE EXCISE OR B & O TAX	(93,056.00)		0.00	(93,056.00)
22.511	NOTES & LOANS	(165,534.00)		0.00	(165,534.00)
22.530	2017 FORD F350	(60,470.95)		0.00	(60,470.95)
22.730	Renovation Loan Citizens Bank	(436,402.46)		0.00	(436,402.46)
22.740	Septic Loan Citizens Bank	(132,994.30)		0.00	(132,994.30)
29.501	Distribution TPZ, MPZ	305,669.90		0.00	305,669.90
29.502	Distribution JZ	32,000.00		0.00	32,000.00
35.101	COMMON STOCK	(5,000.00)		0.00	(5,000.00)
35.301	RETAINED EARNINGS	(315,779.80)		0.00	(315,779.80)
<b>Subtotal : None</b>		<b>529,902.32</b>		<b>0.00</b>	<b>529,902.32</b>
<b>Total [99] Balance Sheet</b>		<b>529,902.32</b>		<b>0.00</b>	<b>529,902.32</b>
<b>Sum of Account Groups</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Net (Income) Loss</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>

Client: **Cobalt Lodge**  
 Engagement: **Medicaid - Cobalt Lodge 2017 Cost Report**  
 Period Ending: **9/30/2017**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **H.01 - Reclassifying Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Reclassifying Journal Entries JE # 1</b>		<b>D.01</b>		
To reclass dues to the correct account				
89128	DUES & SUBSCRIPTIONS		1,389.00	
89125	DUES & SUBSCRIPTIONS			1,389.00
<b>Total</b>			<b>1,389.00</b>	<b>1,389.00</b>
<b>Reclassifying Journal Entries JE # 2</b>		<b>H.02</b>		
To record ancillaries for 2017				
51.038	Pharmacy Contra Medicaid		117,840.00	
52.028	ADJ TO REV-PHY THER		291,967.73	
53.498	Oxygen adjustment		2,256.00	
54.097	LABORATORY EXPENSE-P		21,789.01	
54.528	ADJSTMNT TO REV-X-RAY		2,485.81	
55.068	ADJ TO REV-OCCUP THERAPY Med B		301,779.30	
55.528	ADJ TO REV-SPEECH THERAPY		96,270.75	
51.032	PHARMACY - Medicaid			117,840.00
52.022	PHYS THERAPY REV-Med A			291,967.73
53.497	OXYGEN EXPENSE-PURCH			2,256.00
54.028	LAB ADJ TO REV			21,789.01
54.522	X-RAY REVENUE-M			2,485.81
55.093	OT SALARIES THERAPIES			301,779.30
55.522	SPEECH THER REVENUE			96,270.75
<b>Total</b>			<b>834,388.60</b>	<b>834,388.60</b>
<b>Reclassifying Journal Entries JE # 3</b>		<b>D.02</b>		
To reclass phone systems lease				
83.161	EQUIPMENT RENTAL		9,452.16	
89.171	TELEPHONE			9,452.16
<b>Total</b>			<b>9,452.16</b>	<b>9,452.16</b>



**MYERS AND STAUFFER**  
CERTIFIED PUBLIC ACCOUNTANTS

Workpaper Index: 400.2  
 Prepared By:  
 Reviewed By:  
 Workpaper Date: 2/1/2018  
 Run Date: 2/1/2018

Provider Name: Cobalt Lodge Health & Rehabilitation Center  
 Provider Number: 8136  
 Period Ended: 9/30/17

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:**