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DEKALB COUNTY REHAB & NURSING CENTER

2600 N. ANNIE GLIDDEN ROAD, DEKALB, ILLINOIS 60115

PHONE: (815) 758-2477 FAX: (815) 217-0451

May 7 2020

Via Email and USPS

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities and Services
Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Progress Report #2
Annual Progress Report
Project 18-005: DeKalb County Rehab & Nursing Center

Dear Ms. Avery:

On behalf of the County of DeKalb (the "Permit Holder"), I am writing to submit the first annual project cost report for Project No. 18-005. On June 5, 2018, the Illinois Health Facilities and Services Review Board (the "Board") approved the Permit Holders' application for a certificate of need ("CON") permit to construct a new 18-bed long-term care unit, modernize existing patient care units including clinical and non-clinical space (the Project"). The permit amount is \$16,834,948.

The Permit Holders submit the following information as its second cost report for Project No.18-005:

Current Status of the Project (as of April 27, 2020)

The project is approximately 65 percent complete. There are two elements to the new construction: 1) the 18-bed long-term care unit and 2) a new dining/activity area in the central courtyard. There have been no changes in the scope of the project although there have been several minor unforeseen conditions discovered during renovation that have been corrected. Also, the City of DeKalb required more sitework than originally forecast.

Costs Incurred to Date

Costs incurred to date are \$11,652,109 as of April 27 2020. We provide a comparison to the approved permit amounts in Exhibit A.

The Method of Financing; Sources of Funds

As anticipated in our application, the project is to be financed by a combination of borrowing no more than \$15,834,948 plus cash in the amount of at least \$1 million from DeKalb County Rehab & Nursing Center.

All costs incurred to-date have been paid for by the Rehab & Nursing Center and via internal borrowing through DeKalb County. DeKalb County is expecting to issue bonds in 2020; the Rehab & Nursing Center will be repaid a portion of its contribution from the proceeds.

Anticipated Date of Completion

In an earlier notification to the HFSRB, the anticipated date of completion was extended to October 31, 2021. While there was time lost earlier due to weather delays and to an overly aggressive schedule, the project has been proceeding at a consistent pace. Under normal circumstances, construction should be completed by the end of 2020 with ample time remaining to allow for final licensing and close-out. However, the COVID pandemic has introduced a high degree of uncertainty. We believe that the external elements of the project – the Transitional Care Unit (18 beds) and the Activity Center/Dining Area -will be completed as expected. The interior renovations will resume once we are comfortable that workplace health safety can be maintained.

Please let me know if you need any further information.

Sincerely,



Steven D Duchene
Administrator

cc: Michael Constantino

Exhibit A

DeKalb County Rehab & Nursing Center: Project 18-005

Costs Incurred To-Date versus Permit Amount as of April 27 2020

Progress Report # 2			
Health Facilities & Services Review Board			
DeKalb County Rehab & Nursing Center			
Project Cost	Permit Amount	As of 5/31/2019	Pct Complete
Preplanning costs	\$ 135,000	\$ 95,000	70%
Site survey and soil investigation	\$ 20,000	\$ 33,449	167%
Site preparation	\$ 210,000	\$ 55,503	26%
Off site work	N/A	N/A	
New construction contracts	\$ 7,937,220	\$ 7,250,576	91%
Modernization contracts	\$ 3,056,860	\$ 1,817,408	59%
Contingencies	\$ 1,062,390	\$ 324,104	31%
Architectural/engineering fees	\$ 735,000	\$ 1,032,240	140%
Consulting and other fees	\$ 250,000	\$ 34,702	14%
Movable and other equip (not in construction contracts)	\$ 1,112,000	0	0%
Net Interest Expense during construction period	\$ 1,116,478	0	0%
FMV of leased space or equipment			
Other costs to be capitalized	\$ 1,200,000	\$ 1,009,127	84%
Acquisition of building or other property			
Total Uses of Funds	\$ 16,834,948	\$ 11,652,109	69%
Sources of Funds			
Cash and securities	\$ 1,000,000	\$ 11,652,109	1165%
Bond issues	\$ 15,834,948	0	0%
Total Sources of Funds	\$ 16,834,948	\$ 11,652,109	69%