

# FOLEY & ASSOCIATES, INC.

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## SENT VIA HAND DELIVERY

October 9, 2019

**RECEIVED**

OCT 9 2019

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

Ms. Courtney Avery, Administrator  
**Health Facilities and Services Review Board**  
**Illinois Department of Public Health**  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761

**Re:** Permit # 18-016, Transformative Health of  
McHenry; Annual Progress Report

Dear Ms. Avery:

On October 30, 2018 the Illinois Health Facilities and Services Review Board granted a permit to Transformative Health of McHenry for the construction and establishment of an 84-bed skilled nursing and rehabilitation facility located on the Northeast corner of Bull Valley Road and Ridgeview Drive, McHenry, Illinois. On behalf of the Applicant, I am writing this letter to comply with section 1130.760 (Annual Progress Reports) of the 77 Illinois Administrative Code.

### Current Status:

Construction is well underway for the project and is approximately 25% complete. The pad has been prepared, detention pond completed, foundations have been placed, and underground utilities and the setting of structural steel are in process. Framing, pouring of the slab, roofing, siding, mechanicals, drywall, finishes, flooring, asphalt, curbs, landscaping, and equipment installation have not yet started.

### Project Costs:

Appended herein (**EXHIBIT A**) is a project cost and sources of funds chart illustrating the approved line items and the corresponding expenditures that have been made per line item.

### Project Financing:

The method and sources of funds have not changed as originally approved. All funds to date have been paid from the owners and financing is now in place. Moreover, as construction



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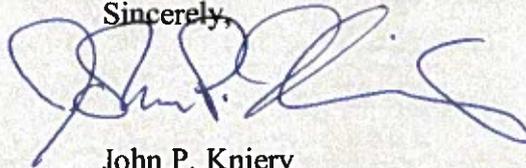
has commenced and financing is in place, the project has been committed to expend in excess of 33% of the total project costs. Therefore, *Section 1130.720 Financial Commitment* has been met.

**Project Completion:**

The anticipated date of completion is still on schedule for January 31, 2021 as stated in the permit letter. This project remains in compliance with all the conditions and items of the permit.

Should you have any questions or concerns regarding this annual progress report of the reported financial commitment, please do not hesitate to contact me on behalf of the Applicant.

Sincerely,



John P. Kniery  
Health Care Consultant

**ENCLOSURE**

Transformative Health of McHenry  
Project No. 18-016

## PROJECT COSTS AND SOURCES OF FUNDS

Use of Funds	Cost	Expended to Date	% Expended
Preplanning Costs	\$ 241,695	\$ 225,065.00	93%
Site Survey and Soil Investigation	\$ 75,000	\$ -	0%
Site Preparation	\$ 434,621	\$ 942,800.00	217%
Off Site Work	\$ -	\$ -	
New Construction Contracts	\$ 11,729,184	\$ 738,147.00	6%
Modernization Contracts	\$ -	\$ -	
Contingencies	\$ 1,000,000	\$ -	0%
Architectural/Engineering Fees	\$ 539,695	\$ 472,185.61	87%
Consulting and Other Fees	\$ 848,000	\$ 441,007.12	52%
Movable or Other Equipment	\$ 700,000	\$ -	0%
Bond Issuance Expense	\$ -	\$ -	
Net Interest Expense During Construction	\$ 1,224,465	\$ -	0%
Fair Market Value of Leased Space or Equipment	\$ -	\$ -	
Other Costs to be Capitalized	\$ 620,000	\$ 280,112.12	45%
Acquisition of Building or Other Property	\$ -	\$ -	
<b>Total Uses of Funds</b>	<b>\$ 17,412,660</b>	<b>\$ 3,099,317</b>	<b>18%</b>
<b>Source of Funds</b>			<b>#DIV/0!</b>
Cash and Securities	\$ 3,693,165	\$ 3,099,316.85	84%
Pledges	\$ -	\$ -	
Gifts and Bequests	\$ -	\$ -	
Bond Issues	\$ -	\$ -	
Mortgages	\$ 13,719,495	\$ -	0%
Leases	\$ -	\$ -	
Governmental Appropriations	\$ -	\$ -	
Grants	\$ -	\$ -	
Other Funds and Sources	\$ -	\$ -	
<b>Total Sources of Funds</b>	<b>\$ 17,412,660</b>	<b>\$ 3,099,316.85</b>	<b>18%</b>