



December 9, 2019

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

Re: HFSRB Project #18-031
Anderson Surgery Center, LLC

Dear Ms. Avery:

This letter constitutes an Annual Progress Report on the above-referenced project, which was granted a CON permit at the December 4, 2018, meeting of the Illinois Health Facilities and Services Review Board.

You may recall that this permit is to establish and construct an Ambulatory Surgical Treatment Center (ASTC) in Edwardsville, Illinois.

The permit was approved with project costs of \$7,685,382, the sources for which are cash and securities and a bank loan or equipment lease, as specified in the CON permit.

1. The current status of the project is as follows.
 - a. A financial commitment for the project has been made because more than \$2,536,176, which is 33% of the total estimated project cost, has been expended for this project.
 - b. The project is approximately 40% complete. The following components of the project have been completed.
 - Site Survey & Soil Investigation
 - Site Preparation
 - Construction of Access Roads
 - Installation of Site Utilities
 - Construction of the building exterior and waterproofing it

- d. The following components of the project are not yet finished.
- Construction of building partitions
 - Interior finishes
 - Final Grading and Landscaping
- e. The project costs are unchanged from the approved project.
2. The funds expended toward the project as of December 5, 2019, are \$3,068,672.
- I am enclosing an itemized listing of the costs expended as of December 5, 2019, and a comparison of those costs to the approved permit amounts.
3. The method of financing the project and the source of funds remain cash and securities plus a bank loan, as specified in the CON permit.
4. We estimate project completion by December 31, 2021, as specified in the CON application.

Please feel free to contact Andrea Rozran of Diversified Health Resources (312-266-0466) if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Keith A. Page', with a long horizontal line extending to the right.

Keith A. Page
President & CEO

Enclosure

Anderson Surgery Center, LLC**IHFSRB PROJECT # 18-031****PROJECT COSTS AND SOURCES OF FUNDS AS OF DECEMBER 5, 2019**

USE OF FUNDS	APPROVED COSTS PER CON	TOTAL COSTS EXPENDED
Preplanning Costs	\$21,820	\$21,820
Site Survey and Soil Investigation	\$2,514	\$1,265
Site Preparation	\$10,180	\$10,180
Off Site Work	\$386,234	\$336,234
New Construction Contracts	\$3,495,126	\$2,366,711
Modernization Contracts	\$0	\$0
Contingencies	\$349,512	\$0
Architectural/Engineering Fees	\$250,265	\$229,607
Consulting and Other Fees	\$175,263	\$102,855
Movable or Other Equipment (not in construction contracts)	\$2,809,706	\$0
Bond Issuance Expense (project related)	\$0	\$0
Net Interest Expense During Construction (project related)	\$184,762	\$0
Fair Market Value of Leased Space or Equipment	\$0	\$0
Other Costs to be Capitalized	\$0	\$0
Acquisition of Building or Other Property (excluding land)	\$0	\$0
ESTIMATED TOTAL PROJECT COST	\$7,685,382	\$3,068,672