



**FRESENIUS
MEDICAL CARE**

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

January 13, 2014

Ms. Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson, 2nd Floor
Springfield, Il 62761

Re: Annual Progress Report. Section 1130.760
Project: #12-069, RCG Pekin
Permit Holder: Dialysis Centers of America - Illinois, Inc. and Fresenius Medical
Care Holdings, Inc.
Permit Amount: \$2,698,570

Dear Ms. Avery:

Enclosed please find the annual progress report which summarizes the current status of the above-mentioned project.

If you have any questions, please contact me at 630-960-6807.

Sincerely,

Lori Wright
Senior CON Specialist

cc: Clare Ranalli

January 13, 2014

Annual Progress Report, Section 1130.760

Project: #12-069, RCG Pekin

Permit Holder: Dialysis Centers of America - Illinois, Inc. and Fresenius Medical Care Holdings, Inc.

Permit Amount: \$2,698,570

This report summarizes the current status of the above-mentioned project. The development is located at 3422-3536 Court Street, Pekin, Illinois. There have been no changes to the scope and size of this project. The Permit amount is \$2,698,570.

Key Milestones Completed:

Date Completed

- | | |
|---|------------|
| • Project Obligation with Lease Execution | 05/16/2013 |
| • Preliminary Plan approved, notice sent to the Architect to proceed. | 08/23/2013 |
| • Construction Drawings Completed | 09/23/2013 |
| • Scope of Project sent out for bids | 10/03/2013 |
| • Construction Contract Awarded | 10/08/2013 |
| • Building permit granted | 10/31/2013 |
| • Construction Commencement | 11/08/2013 |

<u>Key Actions that need to be completed:</u>	<u>Target Date</u>
• Misc. Purchase orders placed	01/17/2014
• Vendor Installs	01/25/2014
• Certificate of occupancy granted	01/30/2014
• 1 st Patient Dialyzed	03/01/2014
• ESRD Federal Certification Survey	06/01/2014
• Project Complete with Receipt of Certification Letter	09/01/2014

The project is currently approximately 75% complete and is expected to be completed prior to permit expiration of 10/31/2014.

Sources and Uses of Funds

All Project financing to date has been funded from available cash and its equivalents as reported on the company's financial statements. The right to occupy the premises is being secured through a leasing arrangement. This leasing arrangement was utilized to obligate the project. None of the project costs have exceeded the approved permit amounts.

Project Costs and Sources of Funds

Line Item	Allowance/CON	Realized Costs
Preplanning Costs	N/A	N/A
Site Survey & Soil Investigation	N/A	N/A
Site Preparation	N/A	N/A
Off-site work	N/A	N/A
New Construction Contracts	N/A	N/A
Modernization	966,000	416,347
Contingencies	95,970	0
Architectural/Engineering	106,000	54,707
Consulting and other fees	N/A	N/A
Movable & Other Equipment	296,000	155,298
Bond Issuance Expense	N/A	N/A
Net Interest Expense during Construction	N/A	N/A
FMV of Leased Space & Equipment	1,234,600	1,234,600
Other Costs to be Capitalized	N/A	N/A
Acquisition of Building or other Property (excluding land)	N/A	N/A
Total Project Costs	2,698,570	
Realized Total Project Costs To Date	CLINICAL	1,860,952
Cash & Securities	1,463,970	626,352
Pledges	N/A	N/A
Gifts & Bequests	N/A	N/A
Bond Issues	N/A	N/A
Mortgages	N/A	N/A
Lease FMV	1,234,600	1,234,600
Gov. Approp	N/A	N/A
Grants	N/A	N/A
Other funds and Sources	N/A	N/A
Total funds	2,698,570	
Total Spent to Date		1,860,952