



Lake County Illinois

Legislation Text

File #: 09-1416, **Version:** 1

,...Title

Joint resolution adopting the 2009 Winchester House Market Study including the associated financial and capital study.

- The County Board commissioned 3 prior studies to review the management, financial information, and market share of Winchester House in senior care.
- The third study, the 2007 Transition Plan, focused on identifying the primary and secondary market areas, projected population needing skilled nursing care, revenue and expenses, and resident occupancy. The conclusion was that the primary and secondary service areas for Winchester House can support a new skilled nursing facility of approximately 175 beds.
- On September 11, 2007 the County Board adopted a resolution which established the Winchester House Operating Policies that set parameters for resident payer mix, directs facility operation within revenues and the property tax levy, requires that capital bonds for a new skilled nursing facility be retired using revenues and the property tax levy, and that the number of employees be in line with industry standards and tied directly to operational performance and occupancy.
- In 2009, a Market Study update was commissioned and found that the maximum capacity of the skilled nursing facility was 175 beds. An associated financial and capital study was also performed and found that a new 175 bed skilled nursing facility is financially and operationally feasible and would operate within projected revenues and the property tax levy.
- The joint resolution reaffirms the September 11, 2007 resolution, adopts the 2009 Market Study update including the associated financial and capital study findings that a 175 bed skilled nursing facility is feasible, and directs that the final number of beds be determined through the architectural design process. The joint resolution also directs the County Administrator's Office to oversee and insure that the architectural design process and the construction of a new skilled nursing facility be accomplished within the parameters and requirements of the Winchester House Operating Policies.

WHEREAS, this County Board in 2005 and 2006 commissioned management, fiscal, and market studies related to the overall financial and operating performance of Winchester House, determined its position in the senior care market, and projected future senior care demand; and

WHEREAS, in 2007 this County Board commissioned a third study, the 2007 Transition Plan, which focused on identifying Winchester House's primary market area, projected population by age specific groups likely to need skilled nursing care, projected revenue and expenses, and projected resident occupancy and found that the primary and secondary service areas for Winchester House can support a new skilled nursing facility of approximately 175 beds; and

WHEREAS, on September 11, 2007 this County Board adopted a resolution which, among other things, established the "Winchester House Operating Policies"; and

WHEREAS, the "Winchester House Operating Policies" establishes parameters for resident payer mix, directs Winchester House to operate within revenues and the property tax levy as approved by referendum in 1982, provides that capital bonds for a new skilled nursing facility be retired using revenues and the property tax levy, and requires the number of employees be in line

with industry standards and tied directly to operational performance and occupancy; and

WHEREAS, in order to determine continuing market changes in senior care and to identify the final bed size for the new skilled nursing facility, an updated market study was commissioned in 2009 to recommend a maximum size the new skilled nursing facility; and

WHEREAS, the 2009 Updated Market Study confirms the original finding of the 2007 Transition Plan, that the new skilled nursing facility should have a maximum of 175 beds; and

WHEREAS, an associated updated financial operating and capital study was performed demonstrating that a new skilled nursing facility of 175 beds is financially and operationally feasible and would operate within projected revenues and the property tax levy.

NOW, THEREFORE BE IT RESOLVED, by this County Board of Lake County, Illinois that the September 11, 2006 Resolution is hereby reaffirmed in its intent and direction to the County Administrator's Office to proceed with the necessary steps to construct a new skilled nursing facility on the Libertyville Campus; and

BE IT FURTHER RESOLVED, by this County Board that the 2009 updated Market Study , the associated financial and capital study, and the findings for each study are hereby adopted for a new skilled nursing facility having approximately 175 beds with the final number of beds to be determined through the architectural design process; and

BE IT FURTHER RESOLVED, by this County Board that the County Administrator's Office is hereby directed as follows:

1. To recommend a final size for the new skilled nursing facility of approximately 175 beds. The final size of said facility shall be the must be financially and operationally feasible to provide the best senior care within the "Winchester House Operating Policies".
2. To oversee and insure that the architectural design and construction of the new skilled nursing facility is accomplished within the parameters and requirements of the "Winchester House Operating Policies".

DATED AT WAUKEGAN, LAKE COUNTY, ILLINOIS this day, April 14, 2009.