

June 5, 2020

Board of Directors,

Here are a few highlights over the past month:

- **It continues to be a different world...**but it is a little better now that we are in Phase 3. It means that we can carefully reopen with staff classified as “non-essential,” meetings of 10 or less and office capacity limited to 50%. Currently it looks like Illinois is doing well so I am cautiously hopeful that we will be able to transition into Phase 4 by June 27 which would allow gatherings of up to 50. I am guessing that Phase 4 will also allow us to resume, with guidelines, parent/guardian visits and outings for our residents.
- Since March 12, I have sent 24 **Parent-Guardian-Staff Updates** to keep them, as well as the Board, informed of what we are doing in this constantly changing environment to keep their loved ones and our staff healthy and safe. During this entire time we have had one resident and six staff test positive for COVID-19; all of them recovered without hospitalization. ☺ I cannot say enough about the fabulous staff that Marklund is blessed to have. We have been giving our direct care staff a 10% bonus; this will end on June 26. All of our staff have been paid this entire time.
- IDPH required us to apply for the **Personal Paycheck Protection** program (PPP). We worked through our bank (Wintrust) and received a loan for **\$3.9M** on May 6. We are working with the bank and our auditors (KPMG) to determine how much of the loan is forgivable. As in other areas, the rules are continuing to evolve. There are no downsides to getting the loan and we have already identified areas where the funds can be used under the rules of the program.
- I learned last week that as part of the **Cares Act** we are going to be receiving \$50K for each of our eight facilities (MHC – 6, MPC & MWC) and \$2500/bed for a total of **\$835K**; this funding is a grant. We haven’t seen the rules for use of the funds but understand that it is for general support. The money is supposed to be transferred to us...any...day...now. ☺
- Since my last report, Marklund has received **\$2.0M** from the State of Illinois. Our aging for Residential and Community Day Services, through May, stands at \$4.2M; this includes the temporary rate increase of 20% for the residential program. The entire \$7M line of credit continues to be available.
- The **State of Illinois** passed the **FY21 budget** on May 31. Basically, the state budget was held at the FY20 level except for Human Services which received a significant increase. Included in the Human Services funding is a sizable wage increase for our PSP. They are to receive the following:
  - Retroactive increase of \$0.26/hour on March 1
  - \$1.00/hour increase on July 1
  - \$0.50/hour increase on Jan 1, 2021

This will bring the starting wage of our PSPs to \$14.50/hour. As you might expect, this is a significant increase to our budget. We are waiting to see the final language of the funding bill to see if it will be an increase to our overall reimbursement rate or is specifically tied to that position. It is never simple!

