



# Advocate BroMenn Medical Center

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February 25, 2010

Ms. Courtney Avery, Acting Chair  
Illinois Health Facilities Planning Board  
525 West Jefferson Street  
Springfield, IL 62761

**RECEIVED**

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HEALTH FACILITIES &  
SERVICE REVIEW BOARD

Re: Project #08-076

## Annual Progress Report

Advocate Health and Hospitals Corporation, dba Advocate BroMenn Medical Center  
Construction Project for an Addition for Obstetrics, Intensive Care, and Medical Surgical Beds.

Dear Ms. Avery:

This letter is to inform you that, in accordance with requirements of the 77 Ill. Adm. Code 1130.760, I am submitting an annual progress report on the project referenced above. The permit for this project was granted January 28, 2009.

You may recall that on October 13, 2009 BroMenn Healthcare System and Advocate Health and Hospitals Corporation received a Change of Ownership Exemption to merge the two organizations. One of the factors in that merger was the opportunity to take advantage of the excellent bond rating in obtaining financing for the planned addition at BroMenn Regional Medical Center. That merger was completed on January 6, 2010.

### 1. Current status of the project:

The contract with the General Contractor was just signed February 9, 2010, and the formal Notice of Obligation will follow this report.

Percentage of the project finished:	Less than 1%
Components finished:	None
Components yet to be finished:	All
Changes in scope and size:	None

### 2. Costs

Costs incurred to date, an itemized listing of the total current estimated project costs, and a comparison of those costs to the approved permit amounts:

PROJECT COST AND SOURCES OF FUNDS	Costs incurred to date	Total approved in permit	Estimated project uses and sources
Preplanning Costs	\$ 337,229	\$ 340,000	\$ 340,000
Site Survey and Soil Investigation	\$ 70,908	\$ 151,400	\$ 151,400
Site Preparation		\$ 1,785,431	\$ 1,785,431
Off Site Work		\$ -	\$ -
New Construction Contracts		\$ 38,107,262	\$ 38,107,262
Modernization Contracts*		\$ 331,007	\$ 331,007
Contingencies		\$ 3,657,671	\$ 3,657,671
Architectural/Engineering Fees	\$ 2,088,187	\$ 2,493,055	\$ 2,493,055
Consulting and Other Fees	\$ 12,268	\$ 615,000	\$ 615,000
Movable or Other Equipment (Not in Construction Contracts)		\$ 6,846,799	\$ 6,846,799
Bond Issuance Expense (project related)	\$ 469,466	\$ 1,800,000	\$ 1,800,000
Net Interest Expense During Construction (project related)		\$ 8,240,000	\$ 8,240,000
Fair Market Value of Leased Space or Equipment		\$ -	\$ -
Other Costs To Be Capitalized	\$ 18,109	\$ 2,892,340	\$ 2,892,340
Acquisition of Building or other Property (excluding land)		\$ -	\$ -
<b>Totals</b>	<b>\$ 2,996,167</b>	<b>\$ 67,259,965</b>	<b>\$ 67,259,965</b>

### 3. Method of financing the project and sources of funds

	Total approved in permit	Estimated project financing sources
Cash and Securities	\$ 5,759,965	\$ 20,259,965
Pledges	\$ 8,300,000	\$ 8,300,000
Gifts & Bequests	\$ 1,700,000	\$ 1,700,000
Bond Issues (project related)	\$ 51,500,000	\$ 37,000,000
Mortgages	\$ -	\$ -
Leases (fair market value)	\$ -	\$ -
Government Appropriations	\$ -	\$ -
Grants	\$ -	\$ -
Other Funds and Sources	\$ -	\$ -
<b>Total</b>	<b>\$ 67,259,965</b>	<b>\$ 67,259,965</b>

**4. Payment information:** Because of the status of the project we have not yet received our first form G702 from our architects and consequently no G702 is available to include with this report.

**5. Anticipated date of completion: March 31, 2013**

Please contact me if you have any questions about this report.

Sincerely,

A handwritten signature in cursive script that reads "Sonja Reece".

Sonja Reece, FACHE  
Director of Government Affairs and Property Management

CC: Roger Hunt  
Steve Holman