

July 25, 2013

**BY FEDERAL EXPRESS**

Ms. Courtney Avery  
Illinois Department of Public Health  
Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, Illinois 62761

**RECEIVED**

JUL 29 2013

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

**RE: Carle Foundation Hospital, Project # 08-013 Annual Progress Report**

Dear Ms. Avery:

Carle Foundation Hospital's CON permit for project 08-013 was approved on August 12, 2008.

On January 12, 2010 the Illinois Health Facilities and Services Review Board (the "Board") approved a request to extend the obligation period for the project from February 12, 2010 to February 12, 2011.

On December 14, 2010 the Board approved an alteration request for the project, which resulted in the following:

1. A decrease in the permit amount from \$235,896,765 to \$218,632,421.
2. A decrease in the gross square footage ("GSF") of the clinical portion of the project from 163,328 GSF to 154,828 GSF.
3. A change to the ninth floor of the bed tower to shell space.
4. A change in funding sources of the project.

On September 19, 2012 the Board approved a permit renewal which extended the project completion date to June 30, 2014.

**Project Obligation**

The August 10, 2011 Annual Progress Report served as verification that the project was obligated on January 31, 2011.

**Current Status of the Project**

The project is approximately 74% percent complete.

Neither the size nor the scope of the project has changed. The Digestive Health Center portion of the project is complete. This portion involved modernization work in the existing facility.

The bed tower portion of the project is in the final stages of work: Construction complete, waiting for final inspection.

**Costs Incurred to Date**

The project has incurred costs in the amount of \$154,594,693 as of June 30, 2013. The Project Costs table below provides an itemized listing showing the Approved Permit Amount and the Cost Incurred to Date.

<b>PROJECT COSTS</b>	<b>Approved Permit Amount</b>	<b>Cost Incurred to Date</b>
Preplanning Costs	\$2,771,658	\$2,771,658
Site Survey and Soil Investigation	\$50,000	\$37,546
Site Preparation	\$6,960,679	\$6,194,497
Off Site Work	\$5,750,000	\$4,200,508
New Construction Contracts	\$105,592,973	\$100,968,673
Modernization Contracts	\$10,441,425	\$8,863,193
Contingencies	\$11,603,440	\$268,924
Architectural/Engineering Fees	\$11,792,767	\$11,830,145
Consulting and Other Fees	\$1,000,000	\$581,890
Movable or Other Equipment (not in construction contracts)	\$27,328,232	\$17,428,971
Bond Issuance Expense (project related)	\$3,560,000	\$133,659
Net Interest Expense During Construction (project related)	\$26,600,000	\$146,174
Fair Market Value of Leased Space or Equipment	\$4,787,919	\$1,168,854
Other Costs To be Capitalized	\$393,328	\$0
Acquisition of Building or Other Property (excluding land)	\$0	\$0
<b>ESTIMATED TOTAL PROJECT COSTS</b>	<b>\$218,632,421</b>	<b>\$154,594,693</b>

**Method of Financing of the Project**

The Project Sources of Funds table below provides a listing of the sources of funding of the project through June 30, 2013.

<b>PROJECT SOURCES OF FUNDS</b>	<b>Original Amount</b>	<b>Funds Expended to Date</b>
Cash and Securities	\$18,634,502	\$8,153,839
Pledges	\$0	\$0
Gifts and Bequests	\$3,210,000	\$135,000
Bond Issues (project related)	\$192,000,000	\$145,137,000
Mortgages	\$0	\$0
Leases (fair market value)	\$0	\$0
Governmental Appropriations	\$0	\$0
Grants	\$0	\$0
Other Funds and Sources	\$4,787,919	\$1,168,854
<b>TOTAL FUNDS</b>	<b>\$218,632,421</b>	<b>\$154,594,693</b>

Please note that the internal cash management policies of the permit holder are such that cash outlays are sometimes made for this project which are subsequently submitted for reimbursement from bond funds. When that occurs, the line items on the project are adjusted accordingly. Therefore, there may be differences in the figures above when compared to other years or the final audited cost report for this project.

**The Anticipated Completion Date**

The project completion date of record is June 30, 2014. It is anticipated that the project will be completed by December 31, 2013.

If you have any questions or concerns about this project, please feel free to contact me.

Sincerely,

*Stephanie Beever*  
Stephanie Beever

Vice President, Strategic Development and Diagnostic & Surgical Services

Cc: Mr. Michael Constantino, Ms. Kara Friedman

*Christina Lynn Withers, July 25, 2013*  
