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HEALTH FACILITIES &
SERVICES REVIEW BOARD

August 22, 2014

BY FEDERAL EXPRESS

Ms. Courtney Avery
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

RE: Carle Foundation Hospital, Project # 08-013 Final Report

Dear Ms. Avery:

Carle Foundation Hospital's CON permit for project 08-013 was approved on August 12, 2008. On December 14, 2010 the Illinois Health Facilities and Services Review 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 Completion

On May 15, 2014, formal notification was submitted indicating that Project 08-013 was completed on February 28, 2014.

Cost Report and Supporting Documentation

In compliance with Section 1130.770 of the Board rules, this letter and its enclosures contain the supporting documentation relating to completion of Project 08-013 and the related costs and sources of funds.

Itemization of Project Costs and Sources of Funds

Total project costs for Project 08-013 were \$186,733,552. The Project Costs table below provides an itemized listing showing the Approved Permit Amount and the Final Realized Costs.

PROJECT COSTS	Approved Permit Amount	Final Realized Costs
Preplanning Costs	\$2,771,658	\$2,771,658
Site Survey and Soil Investigation	\$50,000	\$37,778
Site Preparation	\$6,960,679	\$6,598,982
Off Site Work	\$5,750,000	\$4,301,500
New Construction Contracts	\$105,592,973	\$107,391,959
Modernization Contracts	\$10,441,425	\$10,369,783
Contingencies	\$11,603,440	\$268,924
Architectural/Engineering Fees	\$11,792,767	\$11,870,157
Consulting and Other Fees	\$1,000,000	\$790,598
Movable or Other Equipment (not in construction contracts)	\$27,328,232	\$27,990,970
Bond Issuance Expense (project related)	\$3,560,000	\$2,119,554
Net Interest Expense During Construction (project related)	\$26,600,000	\$6,790,679
Fair Market Value of Leased Space or Equipment	\$4,787,919	\$5,431,010
Other Costs To be Capitalized	\$393,328	\$0
TOTAL PROJECT COSTS	\$218,632,421	\$186,733,552

The Project Sources of Funds table below provides a listing of the sources of funding of the project.

PROJECT SOURCES OF FUNDS	Original Amount	Actual Expenditures
Cash and Securities	\$18,634,502	\$17,549,533
Pledges	\$0	\$0
Gifts and Bequests	\$3,210,000	\$617,539
Bond Issues (project related)	\$192,000,000	\$163,135,470
Mortgages	\$0	\$0
Leases (fair market value)	\$0	\$0
Governmental Appropriations	\$0	\$0
Grants	\$0	\$0
Other Funds and Sources (FMV of existing equipment)	\$4,787,919	\$5,431,010
TOTAL FUNDS	\$218,632,421	\$186,733,552

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 prior annual report data.

Titles XVIII and XIX

This letter certifies that the reported final realized costs are the total costs required to complete the project and that there are no additional or associated costs or capital expenditures related to the project that will be submitted for reimbursement under Titles XVIII or XIX.

Certification of Compliance

This letter certifies that the project is in compliance with all of the terms of the associated permit.

Application and Certification for Payment

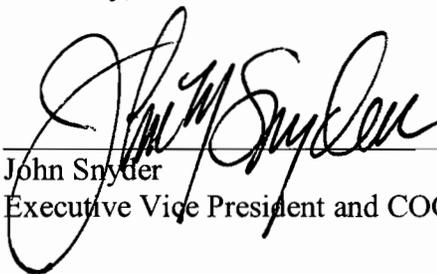
The final AIA Applications and Certifications for Payment for the construction contracts of the project (Form G702) are attached. Please note that this Project was managed under two separate construction contracts, one for the Heart and Vascular Institute bed tower and the other for the Digestive Health Center modernization which is why there are two final pay applications.

Audited Financial Report

An audited financial report of the project's final realized costs and sources of funds completed by the independent firm of KPMG, LLP is attached.

If you have any questions or concerns about this project, please feel free to contact Collin Anderson at 217-383-8364.

Sincerely,



John Snyder
Executive Vice President and COO

