

St. Mary's Good Samaritan

co-sponsored by Felician Services & SSM Health Care

June 18, 2013

Mr. Dale Galassie
Chairperson
Illinois Health Facilities & Services Review Board (IHFSRB)
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

RECEIVED

JUN 24 2013

HEALTH FACILITIES &
SERVICES REVIEW BOARD

RE: Report of Final Realized Costs
IHFSRB Project #08-051
Good Samaritan Regional Health Center – Acute Care Replacement Hospital

Dear Mr. Galassie:

In accordance with 77 Illinois Administrative Code 1130.770 subchapter b., Good Samaritan Regional Health Center is notifying IHFSRB of its final costs for Project #08-051 for the new acute care replacement hospital. The Project costs and sources are summarized on page 5 in the attached Project audit prepared by Kerber, Eck, and Braeckel, LLP, a certified public accounting firm. The Project total cost of \$189,600,777 is below the altered permit amount of \$191,088,636. Also attached is the final Application and Certification for Payment (AIA Form G-702) for the construction contract.

Good Samaritan Regional Health Center certifies that the costs detailed are those which have been or will be submitted for reimbursement under Title XVIII and XIX of the Social Security Act. We further certify that these are the final total realized costs required to complete the Project and that there are no additional or associated costs or capital expenditures related to the Project which will be submitted for reimbursement under Title XVIII and XIX. This Project complies with all terms of the permit with regards to project cost, square footage, services, and other pertinent aspects.

I, the undersigned, am an officer of Good Samaritan Regional Health Center, the permit holder.

Sincerely,

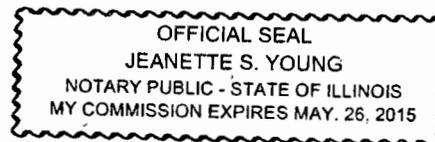


Michael Warren, FACHE
President, Good Samaritan Regional Health Center

Subscribed and sworn to me this 18th day of June, 2013.

Notary Public:


Jeanette S. Young, Jefferson County, Illinois
Commission Expires May 26, 2015



1 Good Samaritan Way
Mt. Vernon, IL 62864
618.242.4600

www.smsgsi.com

APPLICATION AND CERTIFICATE FOR PAYMENT

TO OWNER:
 St. Mary's Good Samaritan, Inc.
 605 N 12th St.
 Mount Vernon, IL 62864

PROJECT: Good Samaritan Regional Health Center

APPLICATION NO. 15
 FUNDING TO: 2/29/2013
 PROJECT NOS: 3728

FROM CONTRACTOR:
 McCarthy
 1341 North Rock Hill Road
 St. Louis MO 63124

VIA: BSA LifeStructures

CONTRACT DATE:

CONTRACT FOR: Good Samaritan Regional Health Center

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract Continuation Sheet as attached.

1.	ORIGINAL CONTRACT SUM.....	\$ 139,518,860.00
2.	Net Change by Change Orders.....	\$ 4,640,024.80
3.	CONTRACT SUM TO DATE (Line 1+2).....	\$ 144,158,884.80
4.	TOTAL COMPLETED & STORED TO DATE..... (Column 1 or Continuation Sheet)	\$ 144,158,884.80

5.	Retainage:	
a.	Completed Work.....	\$ -
b.	Stored Material.....	\$ -

6.	Total in Column 1 on Continuation Sheet.....	\$ -
7.	TOTAL EARNED LESS RETAINAGE..... (Line 4 less Line 5 Total)	\$ 144,158,884.80
8.	LESS PREVIOUS CERTIFICATES FOR PAYMENT..... (Line 6 from previous cert)	\$ 140,434,513.00
9.	CURRENT PAYMENT DUE.....	\$ 3,724,371.80
10.	BALANCE TO FINISH, INCLUDING RETAINAGE..... (Line 3 less Line 6 Total)	\$ -

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total change approved in previous months by Owner	\$ 15,822,414.38	\$ (10,334,400.11)
Total approved this month	\$ (4,098,043.51)	\$ (1,027,471.92)
TOTALS	\$ 11,724,370.87	\$ (11,361,872.03)
NET CHANGES BY CHANGE ORDER		\$ 362,498.84

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that correct payment shown herein is now due.

CONTRACTOR: McCarthy
 By: Robert D. A. [Signature]
 State of: Illinois
 County of: Madison

Date: 3/6/13

"OFFICIAL SEAL"
 ELIZABETH SCHOLZ DONAHOWER
 NOTARY PUBLIC -- STATE OF ILLINOIS
 MY COMMISSION EXPIRES JUNE 13, 2016

Subscribed and sworn to before me this 6 day of March, 2013
 Notary Public: Elizabeth Scholz Donahower
 My Commission expires: 6-13-16

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED..... \$ 3,724,371.80
 (Attached explanation if amount certified differs from the amount applied for. Initial all figures on this Application and on the Continuation Sheet that are changed to conform to the amount certified.)

ARCHITECT: Marshall Eadie
 Digitally signed by Marshall Eadie
 DN: cn=Marshall Eadie, o=BSA LifeStructures, ou, email=marshall@bsalifestructures.com, c=US
 Date: 2013.03.06 11:56:10 -05'00'

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under the Contract.

OWNER'S CERTIFICATE FOR PAYMENT

The Owner acknowledges that the Work has progressed as indicated in this Application and Certificate for Payment, and authorizes disbursement of funds equal to the Amount Authorized, subject to the terms of the Contract Documents.

AMOUNT AUTHORIZED..... \$ _____
 Date: _____

GOOD SAMARITAN REGIONAL HEALTH CENTER

d/b/a GOOD SAMARITAN REGIONAL HEALTH CENTER, SSM HEALTH CARE CORPORATION
AND SSM REGIONAL HEALTH SERVICES

HEALTH FACILITIES AND SERVICES
REVIEW BOARD (HFSRB)
HFSRB PROJECT #08-051
SCHEDULE OF PROJECT COSTS AND
SOURCES OF FUNDS

For the Period January 28, 2009 to June 14, 2013



GOOD SAMARITAN REGIONAL HEALTH CENTER
d/b/a GOOD SAMARITAN REGIONAL HEALTH CENTER, SSM HEALTH CARE CORPORATION
AND SSM REGIONAL HEALTH SERVICES

HEALTH FACILITIES AND SERVICES REVIEW BOARD
GOOD SAMARITAN REGIONAL HEALTH CENTER PROJECT
HFSRB PROJECT #08-051
SCHEDULE OF PROJECT COSTS AND SOURCES OF FUNDS
For the period from January 28, 2009 to June 14, 2013

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Kerber, Eck & Braeckel LLP

CPAs and
Management Consultants

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Carbondale, IL 62901-2335
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fax 618.549.2311
www.kebcpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Good Samaritan Regional Health
Center and to the State of Illinois'
Health Facilities and Planning Board

We have audited the accompanying schedule of Project Costs and Sources of Funds of Good Samaritan Regional Health Center d/b/a/ Good Samaritan Regional Health Center, SSM Health Care Corporation and SSM Regional Health Services related to the Health Facilities and Services Review Board ("HFSRB") Project #08-051 for the period from January 28, 2009 through June 14, 2013 (Schedule), and related note.

Management is responsible for the preparation and fair presentation of this schedule in accordance with accounting principles generally accepted in the United States of America: this included the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts on the Schedule. An audit also involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

The accompanying Schedule was prepared to present the project costs of funds for the purpose of complying with the terms of the Health Facilities and Services Review Board permit as described in Note 1 and is not intended to be a complete presentation of Good Samaritan Regional Health Center's financial position.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the Schedule referred to above present fairly, in all material respects and in accordance with the aforementioned guidelines, the project costs and sources of funds of Good Samaritan Regional Health Center's for the period from January 28, 2009 through June 14, 2013, in conformity with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the management of Good Samaritan Regional Health Center and the state of Illinois, and is not intended to be and should not be used by anyone other than these specified parties.

Kerber, Eck & Braeschel LLP

Carbondale, Illinois
June 17, 2013

GOOD SAMARITAN REGIONAL HEALTH CENTER
d/b/a GOOD SAMARITAN REGIONAL HEALTH CENTER, SSM HEALTH CARE CORPORATION

HEALTH FACILITIES AND SERVICES REVIEW BOARD
GOOD SAMARITAN REGIONAL HEALTH CENTER PROJECT
HFSRB PROJECT #08-051

SCHEDULE OF PROJECT COSTS AND SOURCES OF FUNDS
For the period from January 28, 2009 to June 14, 2013

Cost	Project Cost		
	Approved Permit Amount	Actual Funds Expended and Accrued	Variance
Preplanning Costs	\$ 721,457	\$ 721,457	\$ -
Site Survey and Soil Investigation	40,378	48,279	(7,901)
Site Preparation	11,823,020	13,425,311	(1,602,291)
Off Site Work - Demolition	1,425,000	1,425,000	-
New Construction Contracts	137,974,517	135,653,687	2,320,830
Builder's Risk	289,968	264,804	25,164
Contingencies	-	-	-
Contingencies - Construction	-	-	-
Contingencies - Owner	-	-	-
Architects/Engineering Fees	11,173,923	11,793,312	(619,389)
Consulting and Other Fees	2,110,820	1,441,380	669,440
Movable/Other Equipment	16,329,553	15,933,008	396,545
Total Construction Related	<u>181,888,636</u>	<u>180,706,238</u>	<u>1,182,398</u>
Net Interest Expense During Construction	<u>9,200,000</u>	<u>8,894,539</u>	<u>305,461</u>
Total Finance Related	<u>9,200,000</u>	<u>8,894,539</u>	<u>305,461</u>
Total Assets	<u>\$ 191,088,636</u>	<u>\$ 189,600,777</u>	<u>\$ 1,487,859</u>
	Sources of Funds		
	Approved CON Amount	Actual Funds Spent and Accrued	Variance
Cash and Securities	\$ 39,675,636	\$ 65,600,777	\$ (25,925,141)
Pledges	-	-	-
Gifts and Bequests	-	-	-
Bond Issues (Project Related)	151,413,000	-	151,413,000
Mortgages/Loans	-	124,000,000	(124,000,000)
Leases (Fair Market Value)	-	-	-
Government Appropriations	-	-	-
Grants	-	-	-
Other Funds and Sources	-	-	-
Total Funds	<u>\$ 191,088,636</u>	<u>\$ 189,600,777</u>	<u>\$ 1,487,859</u>

See notes to schedule of project costs and sources of funds

GOOD SAMARITAN REGIONAL HEALTH CENTER
NOTES TO SCHEDULE OF PROJECT COSTS AND SOURCES OF FUNDS
Period January 28, 2009 to June 14, 2013

NOTE 1 - DESCRIPTION OF PROJECT

Good Samaritan Regional Health Center (GSRHC) was issued a permit for discontinuation of a 161 bed acute care hospital and the establishment of a 134 bed acute hospital with 382,067 gross square feet, located at Veterans Memorial Drive and 42nd Street, Mount Vernon, Illinois under Illinois' Health Facilities and Services Review Board (HFSRB) Project #08-051. Work on the project was started January 2009. The project was approved by the HFSRB at an estimated cost of \$184,843,873 and in 2012 an alteration was approved with a new estimated cost of \$191,088,636. Final project costs totaled \$189,600,777. The Schedule has been prepared in conformity with accounting principles generally accepted in the United States of America.

NOTE 2 - ADDITIONAL COSTS

When closing a certificate of need, all costs are required to be paid before the completion date. Good Samaritan Regional Health Center has been granted approval from the HFSRB to include costs which have not been completed and paid as of the completion date. GSRHC has a \$1,425,000 contract with Shores Builders for the demolition of the old hospital. At June 14, 2013 \$1,211,250 of this contract was unpaid and included in the Off Site Work – Demolition category. GSRHC also has a \$200,000 contract with AT&T for an in-building service enhancement. At June 14, 2013 the entire \$200,000 was unpaid and included in the New Construction Contracts category.

