

December 20, 2013

**RECEIVED**

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HEALTH FACILITIES &  
SERVICES REVIEW BOARD

Courtney R. Avery  
Administrator  
Health Facilities Planning Board  
Illinois Department of Public Health  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62702

Re: Annual Progress Report -- IHFPB Project #12-080, Memorial Medical Center  
Permit Holder – Memorial Health System

Dear Ms. Avery:

This letter is submitted in compliance with State Board Rule 1130.760 which requires that a CON permit holder provide an annual report of project status to the Illinois Health Facilities Planning Board.

Memorial received approval on December 10, 2012 to construct a vertical expansion containing all-private, replacement medical surgical beds and modernize and expand the hospital's main operating suite. Other affected Clinical Service Areas include our Post Anesthesia Recovery Unit and Stage 2 Recovery. The project also includes construction and modernization of certain Non-Clinical Service Areas. This project was obligated on November 6, 2013. 16.8% of the approved amount for this project has been disbursed. The building is approximately 20% completed with the foundation and steel frame work in place. We anticipate that the construction of the building will be substantially completed by January 31, 2016. The final report will be submitted to the Planning Board before December 31, 2016.

The amounts approved in the CON and the amounts paid in each of the expense categories follow:

	<u>Approved</u>	<u>Disbursed</u>
Preplanning	1,183,236	1,183,236
Site Survey & soil investigation	0	0.00
Site Preparation	589,534	267,308
Off site work	0	0.00
Construction contracts	62,682,180	7,440,771
Modernization contracts	5,966,339	0.00
Contingencies	6,864,852	0.00
Arch/Eng fees	4,717,820	3,161,079
Consulting/other	2,532,648	2,178,168
Equipment	28,231,796	5,639,307
Bond Issuance Expense	3,172,000	0.00
Net interest	2,828,000	363,351
Other Costs to be Capitalized	3,589,097	164,620
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Total	122,357,501	20,610,623

The scope of the project has not altered from what was approved by the IHFPB. The source and use of funds and method of financing for this project remain as stated in the approved CON application.

If additional information is required, please contact us at 217-788-3342.

Sincerely,

A handwritten signature in black ink that reads "Mitchell L. Johnson". The signature is written in a cursive style with a large, stylized "M" and "J".

Mitchell L Johnson  
Senior Vice President &  
Chief Strategy Officer