

December 23, 2015

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

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

Dear Ms. Avery:

Please find enclosed documentation supporting the completion of project 11-018 at Blessing Hospital, Quincy, Illinois, inclusive of:

- 1) Itemization of all project costs.
- 2) Certification that the final realized costs are the total costs.
- 3) Certification of compliance with all terms of the permit to date, including project cost, square footage, services, etc. (notarized statement attached).
- 4) Final Application and Certification for Payment – G702.
- 5) Audited financial report of all project costs and sources of funds.

Sincerely,



Betty J. Kasparie
Vice President
Corporate Compliance

BJK/lmm

Enclosures

Itemization of all Project Costs

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

	Costs July 2015- December 2015		Total to Date for December 2015		
	Clinical	Nonclinical	Clinical	Nonclinical	Total
Preplanning costs	-	-	10,943.00	7,601.00	18,544.00
Site Survey and Soil Investigation	-	-	20,064.00	13,936.00	34,000.00
Site Preparation	-	-	-	16,693,437.02	16,693,437.02
Off Site Work	-	-	-	-	-
New Construction Contracts	1,141,218.30	1,141,218.30	21,277,615.21	21,410,785.68	42,688,400.89
Modernization Contracts	-	-	-	8,140.00	8,140.00
Contingencies	-	-	-	-	-
Architectural/Engineering Fees	38,268.04	38,268.04	2,226,814.93	2,002,016.67	4,228,831.60
Consulting and Other Fees	-	-	72,302.00	50,219.00	122,521.00
Movable or Other Equipment (not in construction contracts)	476,224.82	476,224.82	2,621,488.61	5,122.70	2,626,611.31
Bond Issuance Expense (project related)	-	-	96,141.38	75,773.44	171,914.82
Net Interest Expense During Construction (project related)	157,167.30	157,167.30	574,225.07	624,489.49	1,198,714.56
Fair Market Value of Leased Space or Equipment	-	-	-	-	-
Other Costs To Be Capitalized	-	-	-	-	-
Acquisition of Building or Other Property (excluding land)	-	-	-	-	-
Total Use of Funds	1,812,878.46	-	26,899,594.21	40,891,520.99	67,791,115.20

3) The method of financing the project and sources of funds:

For the cash vs. bond funding sources:

- \$7 million pledges
- \$30 million bonds
- Remaining balance is funded with cash

B BLESSING HOSPITAL

A member of the Blessing Health System

December 23, 2015

To Whom It May Concern,

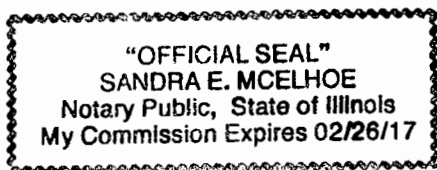
I certify the final realized costs, as itemized are the total costs required to complete the project and that there are not additional or associated costs or capital expenditures related to the project.

I certify the project is in compliance with all terms of the permit to date, including project cost, square footage, services, etc.

Signature: Maurice A. Kahn
Title: President / CEO
Date: 12/23/2015

Notary Signature: Sandra E. McElhoe

My Commission Expires: 2-26-2017



APPLICATION AND CERTIFICATE FOR PAYMENT

Invoice #: 0110044-45

To Owner: **BLESSING HOSPITAL**
 500 North Tenth
 Quincy IL 62301

Project: 0110044.00 Blessing Hospital-Patient Tower Addition

Application No.: 45

Period To: _____

Distribution to:
 Owner
 Architect
 Contractor

From Contractor: **S. M. Wilson & Co.**
 2185 Hampton Ave.
 St. Louis MO 63139

Via Architect: **Christiner, Inc.**

Project Nos: 11000.000

Contract Date: 8/30/2012

Contract For: **New Patient Tower**

CONTRACTOR'S APPLICATION FOR PAYMENT

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

1. Original Contract Sum	\$58,196,714.00
2. Net Change By Change Order	\$98,410.23
3. Contract Sum To Date	\$58,295,124.23
4. Total Completed and Stored To Date	\$58,295,124.23
5. Retainage:	
a. 0.00% of Completed Work	\$0.00
b. 0.00% of Stored Material	\$0.00
Total Retainage	\$0.00
6. Total Earned Less Retainage	\$58,295,124.23
7. Less Previous Certificates For Payments	\$57,791,574.32
8. Current Payment Due	\$503,549.91
9. Balance To Finish, Plus Retainage	\$0.00

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 current payment shown herein is now due.

CONTRACTOR: **S. M. Wilson & Co.**
 By: *[Signature]* Date: 10/01/15
 State of: St. County of: St. Louis
 My Commission expires: 10/28/19



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above 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 \$ 503,549.91

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT: _____ Date: _____

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 this Contract.

CHANGE ORDER SUMMARY		ADDITIONS	DEDUCTIONS
Change Orders approved previously		2,486,464.00	-1,506,303.00
022		0.00	-881,790.77
CURRENT TOTAL		\$2,486,464.00	\$2,388,053.77
Net Change by Change Orders			\$98,410.23

CONTINUATION SHEET

Application and Certification for Payment, containing Contractor's signed certification is attached.
 In tabulations below, amounts are stated to the nearest dollar.
 Use Column I on Contracts where variable retainage for line items may apply.

Application No.: 45

Application Date: 10/07/15

To:

Invoice #: 0110044-45 Contract: 0110044.00 Blessing Hospital-Patient Tower Addition Architect's Project No.: 11000.000

A Item No.	B Description of Work	C Scheduled Value		D Work Completed From Previous Application (D+E)	E Completed This Period in Place	F Materials Presently Stored (Not in D or E)	G Total Completed and Stored to Date (D+E+F)	H Balance to Finish (C-G)	I Retainage
		Original	Change Orders						
01	GENERAL REQUIREMENTS								
007910	General Liability	145,492.00	-1,756.00	143,736.00	50.40	0.00	143,736.00	0.00	0.00
007920	Builders Risk - Deductible only	25,000.00	-25,000.00	0.00	0.00	0.00	0.00	0.00	0.00
010000	General Conditions	1,982,435.00	15,081.39	1,973,227.26	4,299.13	0.00	1,977,526.39	0.00	0.00
011510	Building Permit	57,521.00	-3,450.00	54,071.00	0.00	0.00	54,071.00	0.00	0.00
317400	Tunnel Construction	0.00	58,206.82	58,206.82	0.00	0.00	58,206.82	0.00	0.00
890105	Base Fee	1,280,612.00	-23,868.00	1,256,726.00	-215.43	0.00	1,256,726.00	0.00	0.00
890110	Shared Savings	0.00	581,549.00	461,276.00	120,273.00	0.00	581,549.00	0.00	0.00
900111	Extra T&M Work	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
900112	Sub Backcharges	0.00	1,250.00	1,250.00	0.00	0.00	1,250.00	0.00	0.00
08100-00	MID-STATES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
010000-01	Additional General Conditions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
011620-00	Teasing Services Subcontractor	100,565.00	-100,565.00	0.00	0.00	0.00	0.00	0.00	0.00
	GENERAL REQUIREMENTS Total:	3,571,625.00	686,228.96	4,133,446.86	124,407.10	0.00	4,257,853.96	0.00	0.00
01.001	CONSTRUCTION CONTINGENCY								
008020	Construction Contingency	1,864,018.00	-1,831,952.95	27,061.05	5,004.00	0.00	32,065.05	0.00	0.00
	CONSTRUCTION CONTINGENCY Total:	1,864,018.00	-1,831,952.95	27,061.05	5,004.00	0.00	32,065.05	0.00	0.00
01.002	OWNER ALLOWANCES								
007550	Mechanical Design Fee's	0.00	20,000.00	0.00	20,000.00	0.00	20,000.00	0.00	0.00
033101-00	Remove & Replace Fat Clay Allowance	59,555.00	-59,555.00	0.00	0.00	0.00	0.00	0.00	0.00
055000-00	New Building Tie-In Misc. Steel Allowance	60,000.00	-50,000.00	0.00	0.00	0.00	0.00	0.00	0.00
071100-00	Ice & Water Shield in Air Shaft Allowance	10,000.00	-10,000.00	0.00	0.00	0.00	0.00	0.00	0.00
133400-00	Fab. Engineered Playground Structure Allowance	235,000.00	-235,000.00	0.00	0.00	0.00	0.00	0.00	0.00
231300-00	HVAC Coordination Allowance	200,000.00	-200,000.00	0.00	0.00	0.00	0.00	0.00	0.00
329000-00	Landscaping Allowance	224,830.00	-224,830.00	0.00	0.00	0.00	0.00	0.00	0.00
	OWNER ALLOWANCES Total:	779,385.00	-759,385.00	0.00	20,000.00	0.00	20,000.00	0.00	0.00
01.003	SMW ALLOWANCES								
022113-00	Utility/Footing Locating	24,280.00	-12,672.57	11,607.43	0.00	-0.00	11,607.43	0.00	0.00

BLESSING HOSPITAL
ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
PATIENT ADDITION
IHFSRB PROJECT #11-018
PROJECT COSTS REPORT
FOR THE PERIOD OCTOBER 1, 2009 TO SEPTEMBER 30, 2015

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

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GRAY HUNTER STENN LLP

A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

CERTIFIED PUBLIC ACCOUNTANTS

500 MAINE STREET

QUINCY, ILLINOIS 62301

(217) 222-0304 FAX (217) 222-1691

QUINCY, ILLINOIS
OAK BROOK, ILLINOIS

MARION, ILLINOIS
DEKALB, ILLINOIS

Independent Auditors' Report

To the Board of Trustees of
Blessing Hospital

We have audited the accompanying Project Costs Report of Blessing Hospital which comprise the project costs for the period from October 1, 2009 through September 30, 2015, and the related notes (Report).

Management's Responsibility for the Project Cost Report

Management is responsible for the preparation and fair presentation of the Report for the purpose of complying with the terms of the Illinois Health Facilities Planning Act; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Report that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the Report 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 Report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Report, 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 Report 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 Report.

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

Opinion

In our opinion, the Report referred to above presents fairly, in all material respects, the project costs of Blessing Hospital for the period from October 1, 2009 through September 30, 2015, in accordance with the terms of the Illinois Health Facilities Planning Act.

Gray Hunter Stenn LLP
Certified Public Accountants

Dated at Quincy, Illinois
December 22, 2015

BLESSING HOSPITAL
ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
PATIENT ADDITION
IHF SRB PROJECT #11-018
PROJECT COSTS REPORT
PERIOD FROM OCTOBER 1, 2009 TO SEPTEMBER 30, 2015

	<u>CON Permit</u> <u>Final</u>	<u>Final Funds</u> <u>Expended</u>	<u>Difference</u>
<u>Costs</u>			
Preplanning Costs	\$ 18,544	\$ 18,544	\$ -
Site Survey and Soil Investigation	34,000	34,000	-
Site Preparation	2,518,299	16,693,437	14,175,138
New Construction Contracts	53,021,966	42,688,401	(10,333,565)
Modernization Contracts	754,912	8,140	(746,772)
Contingencies	4,963,122	-	(4,963,122)
Architectural/Engineering Fees	3,065,282	4,228,832	1,163,550
Consulting and Other Fees	329,830	122,521	(207,309)
Movable or Other Equipment (not in construction contracts)	1,545,000	2,626,611	1,081,611
<u>Total Construction Related</u>	\$ 66,250,955	\$ 66,420,486	\$ 169,531
Bond Issuance Expense (project related)	\$ 600,000	\$ 171,915	(428,085)
Net Interest Expense During Construction (project related)	3,578,687	1,198,715	(2,379,972)
<u>Total Finance Related</u>	4,178,687	1,370,630	(2,808,057)
<u>Total Project Costs</u>	\$ 70,429,642	\$ 67,791,116	\$ (2,638,526)

BLESSING HOSPITAL

NOTES TO PROJECT COSTS REPORT

Blessing Hospital was issued a permit on July 21, 2011 to construct a patient care addition, project number #11-018. Work for the project included a new bed tower to modernize the medical surgical category of service allowing for private rooms and establishment of a mental health category of service at the Hospital's 11th street campus in Quincy, Illinois. The building consists of a new ground level and four floors totaling 177,044 square feet of new construction, and 5,537 square feet of renovation to existing space. The building houses a new mental health category of service for adolescents and adults that was relocated to the 11th street campus on the ground level and first floor. The 2nd and 3rd floor houses modernized medical/surgical beds allowing for the development of private rooms. The 4th floor is currently shelled space. The project eliminated the medical surgical and mental illness categories of service remaining at the Hospital's 14th street campus in Quincy, Illinois. The 14th street hospital license was surrendered at completion of the project.

The project was obligated on September 24, 2012 per the report filed with the Illinois Health Facilities and Services Review Board on September 26, 2015. The project originally had a completion date of June 30th, 2014. A permit renewal for the project was obtained with an expiration date of December 31, 2015. The project was originally budgeted for \$70,429,642 and the actual cost of the project was \$67,791,116, a \$2,638,526 reduction from budget.