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**BY EMAIL**

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November 6, 2023

Mr. John Kniery
Illinois Department of Public Health
Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

**RE: Skokie Hospital, Project #20-008 Final Report**

Dear Mr. Kniery:

Below is the final report for CON permit #20-008, which was approved on April 7, 2020.

**Project Completion**

The modernized and expanded surgery department was occupied and patient care commenced there on February 14, 2022.

**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 project completion and the related costs and sources of funds.

**Itemization of Project Costs and Sources of Funds**

Total project costs were $58,678,782. 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 | $600,000 | $606,024 |
| Site Survey and Soil Investigation | $125,000 | $139,118 |
| Site Preparation | $300,000 | $301,943 |
| Off Site Work | $400,000 | $399,628 |
| New Construction Contracts | $11,444,270 | $11,399,631 |
| Modernization Contracts | $14,326,660 | $14,526,362 |
| Contingencies | $1,865,066 | $1,923,664 |
| Architectural/Engineering Fees | $2,348,500 | $2,517,054 |

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|---|---|---|
| Consulting and Other Fees | $1,315,000 | $1,786,382 |
| Movable or Other Equipment (not in construction contracts) | $20,200,000 | $13,665,505 |
| Bond Issuance Expense (project related) | $564,300 | $171,901 |
| Net Interest Expense During Construction (project related)[1] | $4,508,130 | $73,247 |
| Fair Market Value of Leased Space or Equipment | $0 | $0 |
| Other Costs To be Capitalized | $11,550,000 | $11,168,322 |
| Acquisition of Building or Other Property (excluding land) | $0 | $0 |
| **ESTIMATED TOTAL PROJECT COSTS** | $69,546,926 | $58,678,782 |

[1] The final figure for the bond interest expense deviates from the estimated amount because of the timing of the issuance of the bonds that were used to finance this project. Specifically, during the project construction, cash reserves were utilized to fund a majority of the project costs. After the bonds were issued, bond proceeds were allocated to this project to reimburse the Applicant for the cash reserves originally utilized to fund the project costs. Additional project costs were paid for or reimbursed directly from bond proceeds.

**Method of Financing of the Project**

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

| **PROJECT SOURCES OF FUNDS** | **Approved Permit Amount** | **Actual Expenditures** |
|---|---|---|
| Cash and Securities | $9,546,926 | $4,149,251 |
| Pledges | $0 | $0 |
| Gifts and Bequests | $0 | $0 |
| Bond Issues (project related) | $60,000,000 | $54,529,531 |
| Mortgages | $0 | $0 |
| Leases (fair market value) | $0 | $0 |
| Governmental Appropriations | $0 | $0 |
| Grants | $0 | $0 |
| Other Funds & Sources (book value of FFE that was relocated) | $0 | $0 |
| **TOTAL FUNDS** | $69,546,926 | $58,678,782 |

**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 Application and Certification for Payment for the construction contract of the project (Form G702) is attached.

**Audited Financial Report**

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

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

Sincerely,

Kara Friedman

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