

MID-AMERICA MEDICAL DISTRICT COMMISSION

COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2014

MID-AMERICA MEDICAL DISTRICT COMMISSION
 COMPLIANCE EXAMINATION
 For the Two Years Ended June 30, 2014

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MID-AMERICA MEDICAL DISTRICT COMMISSION
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

COMMISSION OFFICIALS

President	Mr. Stanley Franklin (4/19/13 - Present) Ms. Marsha Johnson (7/1/12 - 4/18/13)
Vice President	Ms. Edie Koch (4/19/13 - Present) Mr. Stanley Franklin (7/1/12 - 4/18/13)
Treasurer	Mr. Roy Lantry (4/19/13 - Present) Ms. Edie Koch (7/1/12 - 4/18/13)
Secretary	Ms. Pam Funk (7/17/14 - Present) Ms. Leah Turner (4/19/13 - 7/16/14) Ms. Edie Koch (7/1/12 - 4/18/13)

Commission office is located at:

327 Missouri Avenue
East Saint Louis, Illinois 62201



**Mid-America
Medical District**

MANAGEMENT ASSERTION LETTER

Honorable William G. Holland
Auditor General
Iles Park Plaza
740 East Ash Street
Springfield, Illinois 62703

February 2, 2015

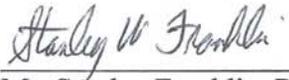
Dear Mr. Holland:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Mid-America Medical District Commission (Commission). We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Commission's compliance with the following assertions during the two-year period ended June 30, 2014. Based on this evaluation, we assert that during the years ended June 30, 2014 and June 30, 2013, the Commission has materially complied with the assertions below.

- A. The Commission has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Commission has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Commission has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. Money or negotiable securities or similar assets handled by the Commission on behalf of the State or held in trust by the Commission have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours truly,

Mid-America Medical District Commission



Mr. Stanley Franklin, President



Ms. Edie Koch, Vice President/Audit Liaison

MID-AMERICA MEDICAL DISTRICT COMMISSION
 COMPLIANCE EXAMINATION
 For the Two Years Ended June 30, 2014

COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

ACCOUNTANT’S REPORT

The Independent Accountant’s Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current</u> <u>Report</u>	<u>Prior</u> <u>Report</u>
Findings	3	4
Repeated findings	2	1
Prior recommendations implemented or not repeated	2	0

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)			
2014-001	9	Noncompliance with the Open Meetings Act	Significant Deficiency and Noncompliance
2014-002	10	Commission not fully seated	Noncompliance
2014-003	12	Failure to file economic interest statements	Significant Deficiency and Noncompliance

PRIOR FINDINGS NOT REPEATED

- | | | |
|---|----|---|
| A | 13 | Lack of internal controls over interest calculation |
| B | 13 | Noncompliance with the Commission By-Laws |

EXIT CONFERENCE

The Commission waived an exit conference in correspondence dated January 21, 2015. Responses to the recommendations were provided by Edie Koch, Commission Vice President and engagement liaison, in correspondence dated February 2, 2015.

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OFFICE OF THE AUDITOR GENERAL
WILLIAM G. HOLLAND

INDEPENDENT ACCOUNTANT'S REPORT ON STATE COMPLIANCE,
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

We have examined the Mid-America Medical District Commission's (Commission) compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the two years ended June 30, 2014. The management of the Commission is responsible for compliance with these requirements. Our responsibility is to express an opinion on the Commission's compliance based on our examination.

- A. The Commission has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Commission has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Commission has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. Money or negotiable securities or similar assets handled by the Commission on behalf of the State or held in trust by the Commission have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of

the United States; the Illinois State Auditing Act (Act); and the Audit Guide as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the Commission's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Commission's compliance with specified requirements.

In our opinion, the Commission complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2014. However, the results of our procedures disclosed instances of noncompliance with the requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings as items 2014-001 through 2014-003.

Internal Control

Management of the Commission is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the Commission's internal control over compliance with the requirements listed in the first paragraph of this report to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the requirements listed in the first paragraph of this report on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be

material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings as items 2014-001 and 2014-003 that we consider to be significant deficiencies.

There were no immaterial findings that have been excluded from this report.

The Commission's responses to the findings identified in our examination are described in the accompanying schedule of findings. We did not examine the Commission's responses and, accordingly, we express no opinion on the responses.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information for the years ended June 30, 2014 and June 30, 2013 in Schedules 1 through 4 and the Analysis of Operations Section is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2014 and June 30, 2013 accompanying supplementary information in Schedules 1 through 4. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2012 accompanying supplementary information in Schedules 1 through 4 and in the Analysis of Operations Section, and accordingly, we do not express an opinion or provide any assurance on it.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and Commission management and is not intended to be and should not be used by anyone other than these specified parties.



Bruce L. Bullard, CPA
Director of Financial and Compliance Audits

Springfield, Illinois

February 2, 2015

MID-AMERICA MEDICAL DISTRICT COMMISSION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-001. **FINDING** (Noncompliance with the Open Meetings Act)

The Mid-America Medical District Commission (Commission) did not comply with training requirements of the Open Meetings Act.

The Mid-America Medical District Act (70 ILCS 930/10(i)) states the Commission is a public body and subject to the Open Meetings Act (Act). During testing, the auditors noted the Commission did not designate and report to the Public Access Counselor members to receive training on compliance with the Act on behalf of the Commission. As a result, there were no employees that received annual training on the Act.

The Act (5 ILCS 120/1.05) requires every public body to designate employees, officers, or members to receive training on compliance with the Act. Each public body shall submit a list of designated employees, officers, or members to the Public Access Counselor. Further, the Act requires the designated employees, officers, or members to successfully complete training on the Act by July 2, 2010 or within 30 days after designation and then annually thereafter.

Commission officials stated they misinterpreted the statute requirements.

Failure to designate members and to require members to be trained on the compliance with the Act increases the likelihood that all requirements of the Act would not be met and may subject the Commission to unnecessary legal action. (Finding Code No. 2014-001, 12-2)

RECOMMENDATION

We recommend the Commission review the requirements of the Act and implement controls to ensure compliance with all provisions of the Act.

COMMISSION RESPONSE

The Commission will review the requirements of the Open Meetings Act and additionally designate one member of the Commission to receive Open Meetings Act compliance training on an annual basis.

MID-AMERICA MEDICAL DISTRICT COMMISSION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-002. **FINDING** (Commission not fully seated)

The Mid-America Medical District Commission (Commission) did not consist of the required number of Commission members throughout FY13 and FY14.

The Commission was statutorily created to provide for the orderly creation, maintenance, development, and expansion of health care and related facilities, as well as medical research and high technology parks within the Mid-America Medical District.

In the prior year examination, we noted the Commission had 12 vacancies. During our testing we noted that as of June 30, 2014, the Commission filled 8 of the 12 vacancies but still had 4 vacancies remaining: three vacancies were to be filled by the Mayor of the City of Belleville and one vacancy was to be filled by the Mayor of the City of O'Fallon. Attempts were made by the Commission to fill these positions throughout FY13 and FY14; however, the positions remained vacant.

The Mid-America Medical District Act (Act) (70 ILCS 930/10(c)) requires the Commission to be composed of 18 members, including three members appointed by the Governor, three members appointed by the Mayor of East Saint Louis, three members appointed by the Chairman of the Board of St. Clair County, three members appointed by the Mayor of the City of Belleville, three members appointed by the Mayor of the City of O'Fallon, and three ex-officio members.

Commission officials stated they have repeatedly communicated with appointing bodies in regard to missing members by phone, email, letters, and face-to-face meetings. All always voice willingness to cooperate, but have run into problems finding the time to recruit qualified members.

Failure of the Commission to be composed of 18 members is noncompliance with State statute and limits the input into Commission decisions by all parties intended by statute. (Finding Code No. 2014-002, 12-3, 10-1)

RECOMMENDATION

We recommend the Commission continue communications with the various appointing authorities to request the vacancies be filled.

MID-AMERICA MEDICAL DISTRICT COMMISSION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

COMMISSION RESPONSE

The Commission will continue to reach out to the Governor's office, along with the other appointing authorities from the county of St. Clair, City of O'Fallon, City of Belleville, and the City of East St. Louis, on a regular basis to request that vacancies on the Mid-America Medical District Commission be filled.

MID-AMERICA MEDICAL DISTRICT COMMISSION
SCHEDULE OF FINDINGS
For the Two Years Ended June 30, 2014

2014-003. **FINDING** (Failure to file economic interest statements)

The Mid-America Medical District Commission (Commission) did not require its members to file economic interest statements in FY13 and FY14.

We noted 7 of 11 (64%) Commission members did not file an economic interest statement during FY13 and 11 of 14 (79%) Commission members did not file an economic interest statement during FY14. The Commission members who did file economic interest statements during the examination period did so as a result of their employment with other State agencies.

The Illinois Governmental Ethics Act (Act) (5 ILCS 420/4A-101(h)) requires persons appointed to the governing board of a special district to file verified written statements of economic interests. The Act (5 ILCS 420/4A-105) also states by May 1 of each year a statement must be filed by each person whose position at that time subjects him to the filing requirements.

Commission management stated they believed they were not required to file economic interest statements due to a differing interpretation of the statute.

Failure to file economic interest statements with the Secretary of State can inhibit the Commission's ability to determine if a commissioner has any conflicts of interest and is noncompliance with the Illinois Governmental Ethics Act. (Finding Code No. 2014-003)

RECOMMENDATION

We recommend the Commission file economic interest statements as required by the Act.

COMMISSION RESPONSE

The leadership of the Commission will take measures to ensure that all members of the Mid-America Medical District Commission file economic interest statements with the Secretary of the State by May 1 of each year.

MID-AMERICA MEDICAL DISTRICT COMMISSION
PRIOR FINDINGS NOT REPEATED
For the Two Years Ended June 30, 2014

A. **FINDING** (Lack of internal controls over interest calculation)

During the prior examination, the Mid-America Medical District Commission (Commission) did not have adequate controls in place to determine whether the interest calculated on their behalf by the Southwestern Illinois Development Authority (SWIDA) on funds held in trust was accurate.

During the current examination, the Commission's funds held by SWIDA were disbursed and no interest was required to be calculated by SWIDA. In addition, the entire amount of interest due back to the Department of Commerce and Economic Opportunity was returned during the examination period as required. (Finding Code No. 12-1)

B. **FINDING** (Noncompliance with the Commission By-Laws)

During the prior examination, the Mid-America Medical District Commission (Commission) did not adhere to their by-laws. Specifically, the Commission's Treasurer was not bonded and the Commission's motions were not signed by the appropriate members.

During the current examination, the Commission removed the bonding requirement from their by-laws and the President and Secretary of the Commission began signing the Commission's motions. (Finding Code No. 12-4)

MID-AMERICA MEDICAL DISTRICT COMMISSION
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2014

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

SUMMARY

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

- Fiscal Schedules and Analysis:
 - Schedule of Receipts, Disbursements, and Fund Balance (Cash Basis)
 - Schedule of State Grant Funds (Cash Basis)
 - Analysis of Significant Variations in Disbursements
 - Analysis of Significant Variations in Receipts

- Analysis of Operations (Not Examined):
 - Commission Functions and Planning Program (Not Examined)
 - Service Efforts and Accomplishments (Not Examined)

The accountant's report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the accountants have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2014 and June 30, 2013 accompanying supplementary information in Schedules 1 through 4. However, the accountants do not express an opinion on the supplementary information. The accountant's report also states that they have not applied procedures to the Analysis of Operations Section, and accordingly, they do not express an opinion or provide any assurance on it.

MID-AMERICA MEDICAL DISTRICT COMMISSION
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE (CASH BASIS)
– LOCALLY HELD FUNDS
 For the Two Years Ended June 30, 2014

	Economic Development Administration <u>Grant</u>
Cash Balance at July 1, 2012	\$ 50,000
Receipts	200,000
Disbursements	<u>250,000</u>
Cash Balance at June 30, 2013	<u><u>\$ 0</u></u>
Cash Balance at July 1, 2013	\$ 0
Receipts	0
Disbursements	<u>0</u>
Cash Balance at June 30, 2014	<u><u>\$ 0</u></u>

The balances per the Mid-America Medical District Commission’s records at June 30, 2013 and June 30, 2014 were reconciled with the respective bank statements.

**MID-AMERICA MEDICAL DISTRICT COMMISSION
SCHEDULE OF STATE GRANT FUNDS (CASH BASIS)**

For the Two Years Ended June 30, 2014

The Southwestern Illinois Development Authority (SWIDA) received a \$250,000 grant from the Department of Commerce and Economic Opportunity (DCEO) in July 2007 for start-up costs of the Mid-America Medical District Commission (Commission). SWIDA received custody of the funds in FY08 and was charged with administering the funds due to the fact that the Commission had not yet begun meeting when the grant was awarded. SWIDA began expending these funds, as directed by the Commission, during the previous examination period for the Commission's Master Plan. The contract for the Master Plan was entered into with a vendor in late May 2009. The Master Plan and related services were completed in December 2010 and the remaining unspent grant funds were returned to DCEO in February 2011. SWIDA paid the interest earned on the account to DCEO during the examination period.

	<u>State Grant</u>
Beginning Balance at July 1, 2012	\$ 1,613
Receipts	-
Disbursements	<u>-</u>
Ending Balance at June 30, 2013	<u>\$ 1,613</u>
Beginning Balance at July 1, 2013	\$ 1,613
Receipts	-
Disbursements	(1,052)
Reconciling Item	<u>(561)</u>
Ending Balance at June 30, 2014	<u>\$ -</u>

Note: This schedule was prepared based on Commission records as reported by and reconciled to bank statements of SWIDA.

MID-AMERICA MEDICAL DISTRICT COMMISSION
ANALYSIS OF SIGNIFICANT VARIATIONS IN DISBURSEMENTS
For the Two Years Ended June 30, 2014

**ANALYSIS OF SIGNIFICANT VARIATIONS IN DISBURSEMENTS BETWEEN
FISCAL YEARS 2013 AND 2014**

Locally Held Fund

The decrease of \$250,000 in disbursement was due to the Commission spending the remaining balance of the Economic Development Administration grant funds for an infrastructure analysis performed by an engineering firm in FY13.

State Grant Funds

The increase of \$1,502 in disbursements was a result of the Commission paying out the accrued interest due to the Department of Commerce and Economic Opportunity in FY14.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN DISBURSEMENTS BETWEEN
FISCAL YEARS 2012 AND 2013**

Locally Held Fund

The increase of \$250,000 in disbursement was due to the Commission spending the remaining balance of the Economic Development Administration grant funds for an infrastructure analysis performed by an engineering firm in FY13.

MID-AMERICA MEDICAL DISTRICT COMMISSION
ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS
For the Two Years Ended June 30, 2014

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2013 AND 2014

Locally Held Fund

The decrease of \$200,000 was due to the Commission being awarded a grant from the U.S. Department of Commerce - Economic Development Administration ending during FY13.

ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2012 AND 2013

Locally Held Fund

The increase of \$150,000 was due to the Commission being awarded a grant from the U.S. Department of Commerce - Economic Development Administration during FY13. The Commission received the \$50,000 matching portion from the City of East St. Louis for the grant in FY12.

MID-AMERICA MEDICAL DISTRICT COMMISSION
COMMISSION FUNCTIONS AND PLANNING PROGRAM
(NOT EXAMINED)

For the Two Years Ended June 30, 2014

FUNCTIONS

The Mid-America Medical District Commission (Commission) was created January 1, 2007, as a result of Public Act 94-1036. The Mid-America Medical District Act (70 ILCS 930/1 et seq.) provides the powers and duties of the Commission. The Commission's mission is to attract and retain academic centers of excellence, viable health care facilities, medical research facilities, emerging high technology enterprises, and other facilities and uses as permitted by the Act.

The Mid-America Medical District's (District) boundaries are Martin Luther King Drive on the Northeast, 10th Street up to Trendley Avenue on the Southeast, Trendley Avenue and the confluence of I-64, I-70, and I-55 on the Southwest and West within the City of East St. Louis, and a line north of Collinsville, parallel to Collinsville, so as to include both sides of Collinsville on the Northwest, excluding any part of the City Hall complex and any property belonging to the federal government. Public Act 97-0583, effective August 26, 2011, expanded the boundaries of the District to also include the boundaries of the City of Belleville and the City of O'Fallon.

Pursuant to the Act, the Commission has the following statutory powers:

- a. To plan, construct, acquire, develop, operate, expand, maintain and/or contract health care facilities and other ancillary or related facilities including but not limited to; hospitals, sanitariums, clinics, laboratories or any other institutions, buildings, or structures.
- b. To convene dialogue among leaders in the public and private sectors on topics and issues associated with the training in the delivery of health care services within the District's program area.
- c. To preserve the proper surroundings for a medical center and related technology center in order to attract, stabilize, and retain within the District hospitals, clinics, research facilities, educational facilities, or other facilities.
- d. To exercise the right to sell, convey, transfer, or lease, all at fair market value, any title or interest in real property owned by it to any person or persons.
- e. To secure grants, loans or appropriations from the State of Illinois, the Federal government, any State or Federal agency or instrumentality, any unit of local government, or any other person or entity to be used for any of the purposes of the Commission.

**MID-AMERICA MEDICAL DISTRICT COMMISSION
COMMISSION FUNCTIONS AND PLANNING PROGRAM
(NOT EXAMINED)**

For the Two Years Ended June 30, 2014

- f. To collect assessments or fees from entities that enter into such a contract for District enhancement and improvements, common area shared services, shared facilities or other activities or expenditures.
- g. To acquire the fee simple title to real property lying within the District and personal property required for its purposes, by gift, purchase, or otherwise.
- h. To provide relocation assistance to persons and entities displaced by the Commission's acquisition of property and improvement of the District.
- i. To prepare and approve a comprehensive master plan for the orderly development and management of all property within the District.
- j. To establish an advisory council, appointed by the Mayor of East St. Louis, to review and make recommendations to the District with respect to the Comprehensive Master Plan.
- k. To exercise the right to use all money received as rentals for the purposes of planning, acquisition, and development of property within the District, for the operation, maintenance, and improvement of property of the District, and for all purposes and powers set forth in the Act.
- l. To issue revenue bonds in its corporate capacity or borrow money from any public or private agency, department, corporation or person to obtain the funds necessary for financing the acquisition of land, for the acquisition, construction, maintenance and rehabilitation of facilities and equipment within the District.

COMMISSIONERS

Public Act 97-0583 made significant changes to the Commission's membership. Effective August 26, 2011, the Commission consists of 15 appointed members and 3 ex-officio members: three members appointed by the Governor; three members appointed by the Mayor of East St. Louis, with the consent of the city council; three members appointed by the Chairman of the County Board of St. Clair County; three members appointed by the Mayor of the City of Belleville with the advice and consent of the corporate authorities of the City of Belleville; and three members appointed by the Mayor of the City of O'Fallon with the advice and consent of

MID-AMERICA MEDICAL DISTRICT COMMISSION
COMMISSION FUNCTIONS AND PLANNING PROGRAM
(NOT EXAMINED)

For the Two Years Ended June 30, 2014

the corporate authorizes of the City of O'Fallon. The Director of Commerce and Economic Opportunity or his or her designee, the Director of the Department of Public Health or his or her designee, and the Secretary of the Department of Human Services or his or her designee serve as ex-officio members. Ms. Marsha Johnson was elected President on March 21, 2012 and served until April 18, 2013. Mr. Stanley Franklin was elected President in April 19, 2013 and served as President through the remainder of the examination period.

Members serve three year staggered terms. Seven Commissioners constitute a quorum. The Commission members at June 30, 2014 were as follows:

City of East St. Louis Mayoral Appointments

Stanley Franklin, President

Scott Randolph

Leah Turner

St. Clair County Board Appointments

Terry Beach

Marsha Johnson

Elizabeth Patton-Whiteside

Gubernatorial Appointments

Roy Lantry

Ethel Manager

Larry McCulley

City of Belleville Mayoral Appointments

3 Vacancies

City of O'Fallon Mayoral Appointments

Pam Funk

Greg Yank

Vacant

Ex-Officio Members

Marilyn Green, Department of Public Health

Ebby Knebel, Department of Human Services

Edie Koch, Vice President, Department of Commerce and Economic Opportunity

**MID-AMERICA MEDICAL DISTRICT COMMISSION
COMMISSION FUNCTIONS AND PLANNING PROGRAM
(NOT EXAMINED)**

For the Two Years Ended June 30, 2014

PLANNING PROGRAM

The Mid-America Medical District Commission meets quarterly to conduct business and to discuss various planning and marketing strategies. The Master Plan was developed and now serves as the official guide for future District development activity. The Commission's strategic goals include increasing and enhancing awareness of the District through implementation of portions of the Commission's new marketing plan. The Commission is taking steps to meet with other key developers in East St. Louis to establish and promote the Commission as an entity able to sustain the organization and accomplish its redevelopment mission. The Commission also plans to create a public information network and effective marketing designed to attract health and wellness institutions, investors, and developers, physicians, and other medical talent and consumers to the District.

The Mid-America Medical District Commission received no State appropriations during FY13 and FY14. The Commission had expenditures against a grant from the Department of Commerce and Economic Opportunity - Economic Development Administration (EDA) for the purposes of conducting an infrastructure analysis study of the District. The Commission was awarded \$200,000 from the EDA with a local share of \$50,000 to be paid by the City of East St. Louis. The Commission contracted with a vendor to conduct the infrastructure study, which was completed in June 2012.

The Commission sought additional grant funding via a grant from the Illinois Department of Transportation (IDOT) for the purposes of making streetscape enhancements on Collinsville Avenue from Broadway to Martin Luther King Drive. The Commission was notified in February of 2013 that they were awarded \$112,660 for engineering services towards the streetscape project. To date, the Commission has yet to access the cost reimbursement funding to start the project due to the uncertainty of any construction funds available to finish the project. A 2013 construction application was recently denied by IDOT, and now the Commission must determine the feasibility of doing the engineering project. The City of East St. Louis has taken the matter under review and will decide whether the City has funds to complete the project themselves.

MID-AMERICA MEDICAL DISTRICT COMMISSION
SERVICE EFFORTS AND ACCOMPLISHMENTS
(NOT EXAMINED)

For the Two Years Ended June 30, 2014

The Commission served 13 community entities as follows:

- Comprehensive Behavioral Health Center
- Winsor Health Center and Urgicare
- East St. Louis Higher Education Center
- Illinois Department of Human Services – Division of Transitional Services
- Illinois Department of Children and Family Services
- Illinois Department of Veterans’ Affairs
- Southern Illinois Healthcare Foundation (various locations in East St. Louis, Belleville, and O’Fallon)
- St. Elizabeth Hospital
- St. Elizabeth Hospital Urgicare
- Memorial Hospital
- Southwestern Illinois College
- Lindenwood University
- Illinois Worknet Center

The Commission completed 3 projects during the period as follows:

- Baseline Infrastructure Analysis of the Medical District
- Southern Illinois Healthcare Foundation opened an Urgent Care Center in East St. Louis
- Development of the Commission’s website

The Commission applied for the following grants during the engagement period:

- 2012 Illinois Department of Transportation Enhancement grant. The Commission received an award letter of \$112,600 for Phase I engineering of a streetscape project in East St. Louis. The Commission will not receive grant funds until an agreement is entered into with the Illinois Department of Transportation - District #8.
- 2013 Illinois Department of Transportation Enhancement grant. The Commission’s application was not approved for funds.