



midwest

MEDICAL CENTER

November 28, 2023

VIA OVERNIGHT MAIL

Ms. Debra Savage, Chairperson
State of Illinois
Health Facilities and Services Review Board
525 West Jefferson St.
Springfield, IL 62761

Re: **ANNUAL PROGRESS REPORT**

Project Number: #22-037
Facility Name: Midwest Medical Center
Facility Address: One Medical Center Drive, Galena, IL
Applicants: Midwest Medical Center, Midwest Medical Foundation
Licensee/Operating: Midwest Medical Center
Project Description: Modernization/Expansion Project
Permit Amount: \$34,750,000
Permit Condition: None
Financial Commitment Date: December 14, 2024
Project Completion Date: April 30, 2025
Annual Progress Report Due Date: December 14, 2023

Dear Ms. Savage:

We are hereby submitting our first annual progress report for Project Number 22-037 referenced above ("Approved Project"). \$7,239,097.76 of the total funds assigned to the Approved Project were expended or committed to be expended by signed contracts or other legal means by November 20, 2023, as detailed in the documents attached to this report.

Note that the projected cost of the Project is now \$400,000 higher than the Permit Amount due to an increase in the interest rate following the Financial Commitment Date. We have separately submitted our request for alteration of the Project to increase the Permit Amount from \$34,750,000 to \$35,150,000.

Please let us know if you have any questions or concerns.

Very truly yours,
MIDWEST MEDICAL CENTER

Tracy Bauer, President/CEO

cc: Mike Constantino via email: mike.constantino@illinois.gov

George Roate via email: george.roate@illinois.gov

Midwest Medical Center
1 Medical Center Drive, Galena, IL 61036
(815) 777-1340

Midwest Health Clinic
1 Medical Center Drive, Galena, IL 61036
117 N. Main Street, Elizabeth, IL 61028
(815) 776-7381 or (815) 858-2238

Midwest Senior Care
219 Summit Street, Galena, IL 61036
(815) 777-7254

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Disbursal Record for:

	Construction Contract	Architectural Services & Design	FF&E	Construction Interest Expense	Cost of Debt Issuance & Prof. Services	Owner's Contingency	TOTALS
Budget	\$29,115,219.00	\$2,074,168.00	\$1,508,325.00	\$1,341,419.00	\$325,000.00	\$385,869.00	\$34,750,000.00
Adjust for Amended CC				\$595,490.00	(\$25,000.00)	(\$170,490.00)	\$ 400,000.00
							\$ -
Adjusted Budget	\$29,115,219.00	\$2,074,168.00	\$1,508,325.00	\$1,936,909.00	\$300,000.00	\$215,379.00	\$35,150,000.00
Pre-Closing							
At Closing		\$1,759,669.35			\$190,952.02	\$198,736.00	\$2,149,357.37
June-23	\$356,523.23				\$32,466.00		\$32,466.00
July-23	\$1,118,689.18			\$24,157.98	\$17,899.50		\$1,160,746.66
August-23	\$520,119.56			\$31,510.41			\$551,629.97
September-23	\$563,755.97			\$31,510.41			\$595,266.38
October-23	\$1,238,726.22			\$31,520.83			\$1,270,247.05
November-23	\$1,091,340.27			\$31,520.83			\$1,122,861.10
December-23							\$0.00
January-24							\$0.00
February-24							\$0.00
March-24							\$0.00
April-24							\$0.00
May-24							\$0.00
June-24							\$0.00
July-24							\$0.00
August-24							\$0.00
September-24							\$0.00
October-24							\$0.00
November-24							\$0.00
December-24							\$0.00
January-25							\$0.00
February-25							\$0.00
March-25							\$0.00
April-25							\$0.00
May-25							\$0.00
June-25							\$0.00
July-25							\$0.00
August-25							\$0.00
September-25							\$0.00
October-25							\$0.00
November-25							\$0.00
TOTAL	\$4,889,154.43	\$1,759,669.35	\$0.00	\$150,220.46	\$241,317.52	\$198,736.00	\$7,239,097.76

Under / (Over) Budget \$24,226,064.57 \$314,498.65 \$1,508,325.00 \$1,786,688.54 \$58,682.48 \$16,643.00 \$27,910,902.24

Disbursal Record for:

MIDWEST MEDICAL CENTER PROJECT FINANCING

Date of Payment to Vendor	Contractor / Vendor	Description of Expense	Draw #	Series B Bonds (Interim Financing) / USDA Direct Loan	Series A Bonds (Term / USDA Guarantee)	Owner's Equity	TOTAL
				\$20,750,000.00	\$5,000,000.00	\$9,000,000.00	\$34,750,000.00
	Additional Cash Equity Deposits			\$0.00	\$0.00	\$400,000.00	\$400,000.00
	Adjusted Financing / Equity Figures			\$20,750,000.00	\$5,000,000.00	\$9,400,000.00	\$35,150,000.00
Pre-Closing	See Owner Equity Paid Items Tab	See Owner Equity Paid Tab				\$2,149,357.37	\$2,149,357.37
6/8/2023	Compeer Financial	Legal Document Prep Fee				\$5,000.00	\$5,000.00
6/8/2023	Compeer Financial	Title Insurance Premiums & Fees				\$22,466.00	\$22,466.00
6/8/2023	U.S. Bank Corporate Trust	Trustee Fees (setup & 1st year)				\$5,000.00	\$5,000.00
6/21/2023	Market & Johnson	Construction Contract Pay App 1	1			\$356,523.23	\$356,523.23
7/1/2023	US Bank / Series A Bondholders	Construction Interest - Series A				\$23,958.33	\$23,958.33
7/1/2023	US Bank / Series B Bondholders	Construction Interest - Series B				\$199.65	\$199.65
7/21/2023	Market & Johnson	Construction Contract Pay App 2	2			\$1,118,689.18	\$1,118,689.18
7/21/2023	Reimb. Midwest Medical Center - Hinshaw&Culb.	Legal Fees - Bond Issuance	2			\$17,899.50	\$17,899.50
8/1/2023	US Bank / Series A Bondholders	Construction Interest - Series A				\$31,250.00	\$31,250.00
8/1/2023	US Bank / Series B Bondholders	Construction Interest - Series B				\$260.41	\$260.41
8/7/2023	Market & Johnson	Construction Contract Pay App 3	3			\$520,119.56	\$520,119.56
9/1/2023	US Bank / Series A Bondholders	Construction Interest - Series A				\$31,250.00	\$31,250.00
9/1/2023	US Bank / Series B Bondholders	Construction Interest - Series B				\$260.41	\$260.41
9/21/2023	Market & Johnson	Construction Contract Pay App 4	4			\$563,755.97	\$563,755.97
10/1/2023	US Bank / Series A Bondholders	Construction Interest - Series A				\$31,250.00	\$31,250.00
10/1/2023	US Bank / Series B Bondholders	Construction Interest - Series B				\$270.83	\$270.83
10/16/2023	Market & Johnson	Construction Contract Pay App 5	5			\$1,238,726.22	\$1,238,726.22
11/1/2023	US Bank / Series A Bondholders	Construction Interest - Series A				\$31,250.00	\$31,250.00
11/1/2023	US Bank / Series B Bondholders	Construction Interest - Series B				\$270.83	\$270.83
11/16/2023	Market & Johnson	Construction Contract Pay App 6	6			\$1,091,340.27	\$1,091,340.27
						\$0.00	\$0.00
Total Disbursements				\$0.00	\$0.00	\$7,239,097.76	\$7,239,097.76
Remaining Funds				\$20,750,000.00	\$5,000,000.00	\$2,160,902.24	\$27,910,902.24