

ILLINOIS FINANCE AUTHORITY

Tuesday, January 10, 2012

AGENDA

COMMITTEE OF THE WHOLE MEETING

9:30 a.m.

**IFA Chicago Office
Two Prudential Plaza
180 North Stetson Avenue, Suite 2555
Chicago, Illinois 60601**

- I. Call to Order & Roll Call
- II. Chairman's Remarks
- III. Message from the Executive Director
- IV. Consideration of the Minutes
- V. Presentation and Consideration of the Financial Statements
- VI. Committee Reports
- VII. Project Reports
- VIII. Other Business
- IX. Public Comment
- X. Adjournment

BOARD MEETING

10:30 a.m.

**Conference Center
One Prudential Plaza
130 East Randolph Street, Suite 750
Chicago, Illinois 60601**

- I. Call to Order & Roll Call
- II. Chairman's Remarks
- III. Adoption of the Minutes
- IV. Acceptance of the Financial Statements
- V. Project Approvals
- VI. Resolutions
- VII. Other Business
- VIII. Public Comment
- IX. Adjournment

AGRICULTURE

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Beginning Farmer Bonds						
<i>Final</i>						
1	A) Teresa L. Thompson	Rozetta Township (Henderson County)	\$180,000	0	0	JS/LK
	B) Paul D. Thompson	Rozetta Township (Henderson County)	\$366,489	0	0	JS/LK
	C) Daniel Parochetti	Hall Township (Bureau County)	\$488,600	0	0	JS/LK
TOTAL AGRICULTURE PROJECTS			\$1,035,089	0	0	

BUSINESS AND INDUSTRY

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Midwestern Disaster Area Revenue Bonds						
<i>Preliminary</i>						
2	City of North Chicago and its assigns (Sheridan Crossing Project)	North Chicago (Lake County)	\$75,000,000	372	252	RF/BF
TOTAL BUSINESS AND INDUSTRY PROJECTS			\$75,000,000	372	252	

HEALTHCARE

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds						
<i>Final</i>						
3	The Children's Memorial Hospital	Chicago (Cook County)	\$65,000,000	200	3,000	PL/NO
TOTAL HEALTHCARE PROJECTS			\$65,000,000	200	3,000	
GRAND TOTAL			\$141,035,089	572	3,252	

RESOLUTIONS

Tab	Project Name	FM
Amendatory Resolutions		
4	Resolution of Intent requesting an Initial Allocation of Private Activity Bond Volume Cap in the amount of \$95,350,000	CM

January 10, 2012

TO: William A. Brandt, Jr., Chairman
Dr. William Barclay
Gila J. Bronner
Jack Durburg
James J. Fuentes
Norman M. Gold
Edward H. Leonard, Sr.

Michael W. Goetz, Vice-Chairman
Terrence M. O'Brien
Heather D. Parish
Mayor Barrett F. Pedersen
Roger E. Poole
Bradley A. Zeller

RE: Message from the Executive Director

Dear Members of the Authority:

Welcome to 2012. You, the volunteer members of the Authority, deserve recognition for your leadership of the Authority, for your guidance over the past year, and for your public service.

Calendar Year 2011 – A Summary

Despite a difficult and uncertain economy, the Authority worked diligently to fulfill its mission to finance capital projects that retain and create jobs and local government financings for essential purpose public facilities and infrastructure projects. In calendar year 2011, the Authority closed 67 federally tax-exempt conduit bond financings that totaled over \$2.0 billion.

Healthcare projects comprised approximately \$1.5 billion of this volume and included 15 projects that financed or re-financed state-of-the-art hospital construction, continuing care retirement community construction and other healthcare financings. The remaining \$490 million of the 2011 volume comprised of 12 projects that financed or re-financed construction of state-of-the-art facilities for higher education institutions, student housing, charter schools, several social service providers and other 501(c)(3) organizations as well as for local governments and manufacturing facilities.

Through our agricultural programs and in conjunction with banks state-wide, the Authority financed the purchase of nearly 2,400 acres of farmland by first-time farmers through the issuance of 40 conduit Beginning Farmer Revenue Bonds totaling over \$7.8 million. The IFA also provided guarantees to support approximately \$1 million in bank loans to Illinois farmers.

Even in the face of systemic economic challenges, the Authority's 2011 volume was comprised of several landmark conduit bond issues including:

- The Authority's first multi-state project (Covenant Retirement Communities);
- Two privatized student housing projects at two public universities (Collegiate Housing Foundation at Northern Illinois University and Illinois State University);
- The first entry by a major national health system into Illinois (Trinity Health's acquisition of Loyola University Medical Center); and
- A major charter school operator in Chicago (UNO Charter School Network).

Consistent with national trends, the Authority's 2011 conduit bond issuances were generally fewer in number, with lower principal amounts (*The Bond Buyer*, "Volume Lowest in 10 Years: Munis Ended 2011 at \$295 billion," Taylor Riggs, January 3, 2012). Clearly, in 2011, IFA's borrowers had to navigate a more challenging environment for credit support than in prior years. Moreover, the Authority's 2011 bond issuance volume (in dollars) in calendar year 2011, consistent with national trends, was the lowest since the Authority's inception in 2004. However, from industry-based reports, it does not appear that the Authority lost significant volume to other issuers.

Calendar Year 2012

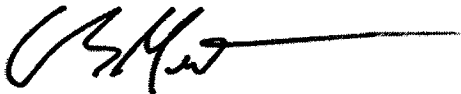
Given the ongoing economic obstacles, calendar year 2012 appears challenging. We look to collaborate with you to expand or maintain the Authority's profile in the following areas:

- Infrastructure and transportation finance by building on the Authority's profile developed in connection with the Governor's Commissions on Broadband and the Elgin-O'Hare Western Access/Bypass, respectively;
- Promoting the use of Midwestern Disaster Area Revenue Bonds – a unique resource available to finance substantial real estate renovation and new construction projects located in 18 Illinois counties that will expire as of December 31, 2012;
- Continuing the Authority's leadership in financing 501(c)(3) hospital and healthcare facility projects; and
- Expanding collaboration with sister State Agencies to develop prospective programs including, but not limited to, the Medicaid Vendor Payment program and the pilot State facilities Energy Efficiency program, which are both under development.

Conclusion

Finally, I thank Governor Quinn as well as all of you, the Members of the Authority, for your continued support. Working together, I know we will continue to strengthen the Authority with a renewed focus on the tools that most effectively retain and create jobs for the people of Illinois.

Respectfully,



Christopher B. Meister
Executive Director

Attachments:

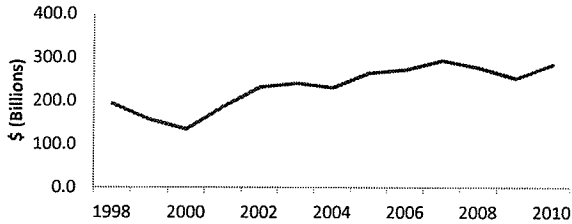
- Attachment 1 – Board of Directors Dashboard
- Attachment 2 – Quarterly Bonds Issued Analyses since Inception
- Attachment 3 – Direct Purchase and Market Securities Report for Calendar Year 2011
- Attachment 4 – Monthly Bonds Issued Analyses; Schedule of Debt

Illinois Finance Authority
Board of Directors "Dashboard"
December 31, 2011

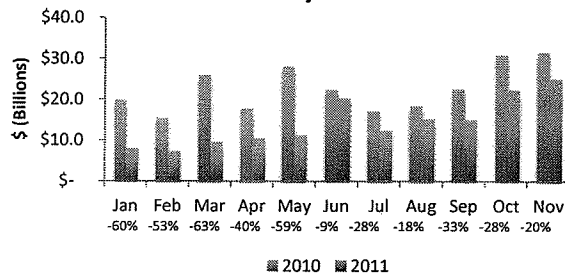
Section 1: National Market Analysis

- Calendar Year 2011 issuances down 36.7% over same period in Calendar Year 2010.
- Some improvement in the volume of Revenue Bonds issued in the second half of 2011.

**National Revenue Bond Issuances
1996 - 2010**



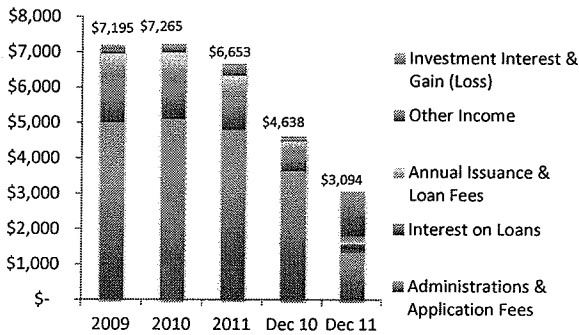
**2010 vs. 2011 Revenue Bond
Issuances by Month**



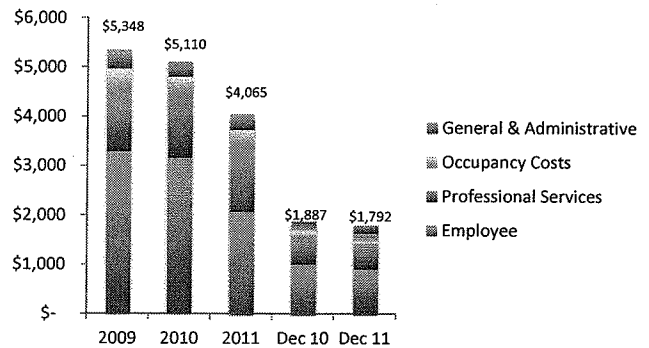
Section 2: IFA Operational Analysis

- Revenues declined 33.4% while expenses declined only 24.14% when comparing the 1st half of Fiscal Year 2011 and 2012.
- Net Income declined 42.66% an improvement over the first quarter due to the receipt of the JPMorgan Settlement. Our Balance Sheet remains strong; with the increase in cash strengthening our reserve for the coming year.
- Return on Equity decline year over year in part due to the increase in Cash on the Balance Sheet.

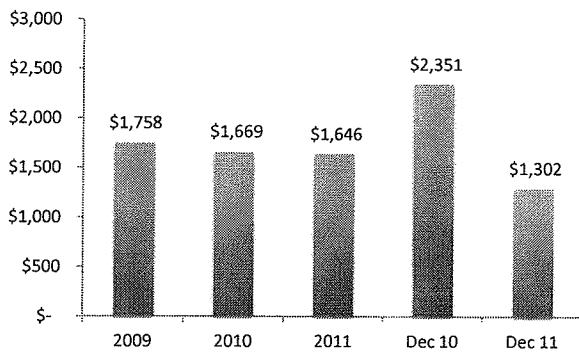
Revenue by Category



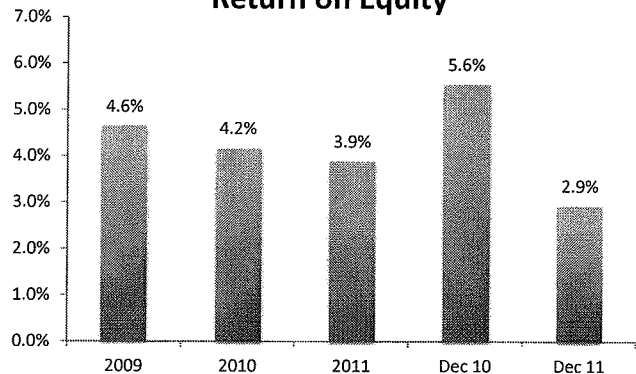
Expense by Category



Net Operating Income



Return on Equity

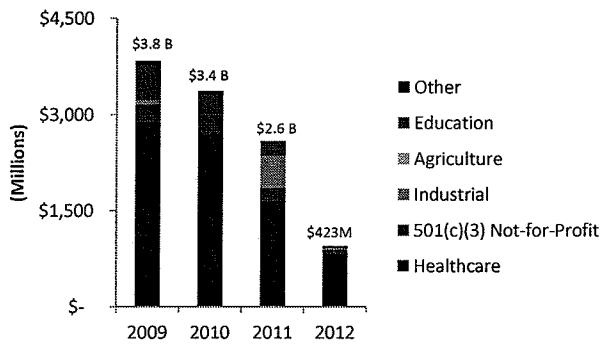


Illinois Finance Authority Board of Directors "Dashboard" December 31, 2011

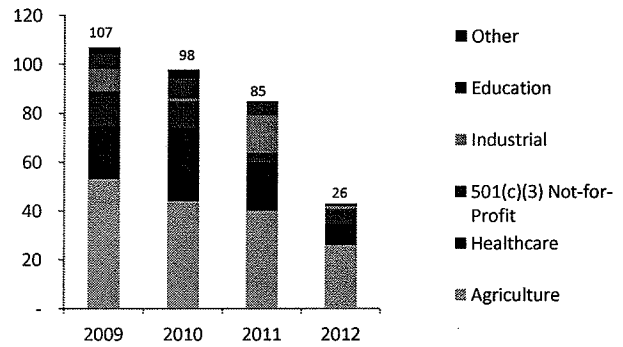
Section 3: Revenue Analysis

- Healthcare continues to drive the largest dollar volume of issuances and total revenue by sector.

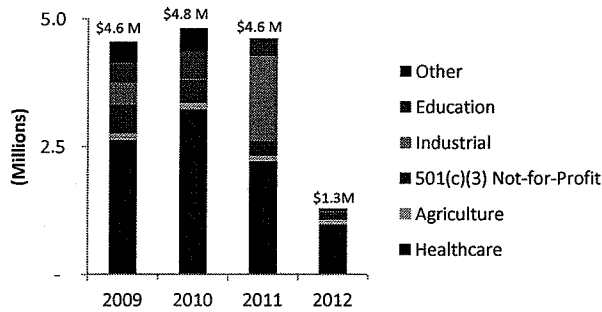
Bond Issuance by Sector



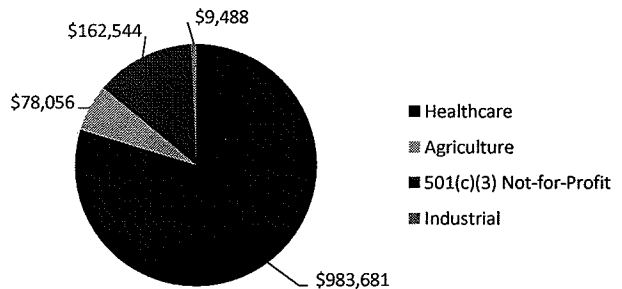
Total Number of Issuances by Sector



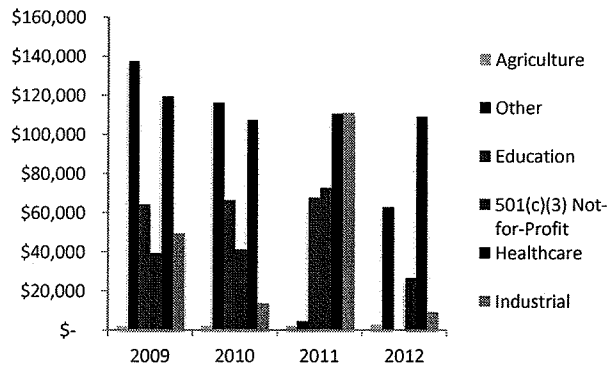
Revenue by Sector



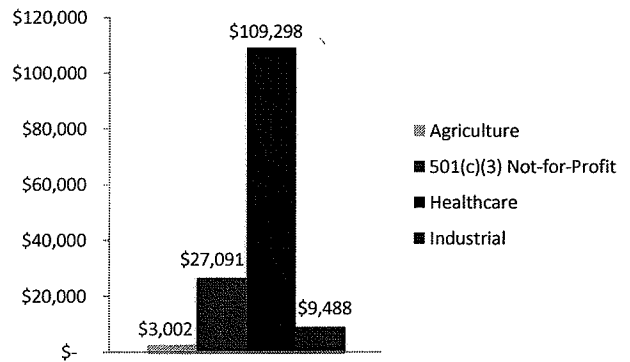
2012 Revenue by Sector



Revenue per Issuance



2012 Revenue per Issuance



Principal Issued by Month *											
Month	Data	Year									
		2004	2005	2006	2007	2008	2009	2010	2011	2012	
January	Sum of Principal	-	138,085,000	98,670,000	13,680,000	122,870,000	723,895,000	252,800,000	-		
	Sum of % of Change			-28.5%	-86.1%	798.2%	489.2%	-65.1%	-100.0%		
February	Sum of Principal	22,950,000	31,714,000	85,235,000	243,775,000	57,235,000	383,520,000	233,982,400	224,050,000		
	Sum of % of Change		38.2%	168.8%	186.0%	-76.5%	570.1%	-39.0%	-4.2%		
March	Sum of Principal	72,920,000	243,620,900	221,200,000	429,933,900	67,400,000	647,005,000	43,610,000	177,225,000		
	Sum of % of Change		234.1%	-9.2%	94.4%	-84.3%	859.9%	-93.3%	306.4%		
April	Sum of Principal	87,500,000	54,890,000	53,160,378	204,725,000	1,217,254,000	504,000,000	277,283,662	-		
	Sum of % of Change		-37.3%	-3.2%	285.1%	494.6%	-58.6%	-45.0%	-100.0%		
May	Sum of Principal	1,112,926,171	374,980,000	67,930,000	239,097,750	1,168,925,000	108,194,732	405,288,433	545,185,000		
	Sum of % of Change		-66.3%	-81.9%	252.0%	388.9%	-90.7%	274.6%	34.5%		
June	Sum of Principal	62,305,000	137,165,000	131,900,914	394,513,530	817,587,000	475,200,000	287,150,000	120,000,000		
	Sum of % of Change		120.2%	-3.8%	199.1%	107.2%	-41.9%	-40.1%	-58.2%		
July	Sum of Principal	109,045,000	370,370,000	183,955,000	149,165,000	56,242,400	382,477,000	284,660,000	-		
	Sum of % of Change		239.6%	-50.3%	-18.9%	-62.3%	580.1%	-25.6%	-100.0%		
August	Sum of Principal	77,395,000	317,680,000	416,886,100	695,600,000	110,315,000	383,766,653	172,185,000	195,053,000		
	Sum of % of Change		310.5%	31.2%	66.9%	-84.1%	247.9%	-55.1%	13.3%		
September	Sum of Principal	195,595,000	199,800,000	34,525,000	65,406,650	186,705,000	-	72,000,000	225,430,000		
	Sum of % of Change		2.1%	-82.7%	89.4%	185.5%	-100.0%	100%	213%		
October	Sum of Principal	17,095,000	78,070,000	303,685,000	747,030,000	112,905,000	185,370,000	302,020,000	296,035,000		
	Sum of % of Change		356.7%	289.0%	146.0%	-84.9%	56.7%	70.8%	-2.0%		
November	Sum of Principal	674,465,000	72,530,000	134,980,000	34,691,195	90,609,000	240,000,000	314,850,000	11,540,000		
	Sum of % of Change		-89.2%	86.1%	-74.3%	161.2%	164.9%	31.2%	-96.3%		
December	Sum of Principal	275,415,000	655,400,000	435,050,000	765,246,784	431,000,000	668,404,820	363,412,184	218,053,846		
	Sum of % of Change		138.0%	-33.6%	75.9%	-43.7%	55.1%	-45.6%	-40.0%		
Total Sum of Principal		2,707,611,171	2,674,304,900	2,167,177,392	3,982,864,809	4,439,047,400	4,701,833,205	3,009,241,679	2,012,571,846	-	

Sum of % of Change reflects the percent of increase/decrease over the same month in the prior year.

* Does not include Beginner Farmer Bonds issued.

Bonds Issued by Quarter - Calendar Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012
1st Quarter	95,870,000	413,419,900	405,105,000	687,388,900	247,505,000	1,754,420,000	530,392,400	401,275,000	0
2nd Quarter	1,262,731,171	567,035,000	252,991,292	838,336,280	3,203,766,000	1,087,394,732	969,722,095	665,185,000	0
3rd Quarter	382,035,000	887,850,000	635,366,100	910,171,650	353,262,400	766,243,653	528,845,000	420,483,000	0
4th Quarter	966,975,000	806,000,000	873,715,000	1,546,967,979	634,514,000	1,093,774,820	980,282,184	525,628,846	0
Total Bonds Issued - Calendar Year	2,707,611,171	2,674,304,900	2,167,177,392	3,982,864,809	4,439,047,400	4,701,833,205	3,009,241,679	2,012,571,846	0
% Change over Prior Calendar Year		-1.2%	-19.0%	83.8%	11.5%	5.9%	-36.0%	-33.1%	-100.0%

Bonds Issued by Quarter - Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012
1st Quarter		382,035,000	887,850,000	635,366,100	910,171,650	353,262,400	766,243,653	528,845,000	420,483,000
2nd Quarter		966,975,000	806,000,000	873,715,000	1,546,967,979	634,514,000	1,093,774,820	980,282,184	525,628,846
3rd Quarter	95,870,000	413,419,900	405,105,000	687,388,900	247,505,000	1,754,420,000	530,392,400	401,275,000	0
4th Quarter	1,262,731,171	567,035,000	252,991,292	838,336,280	3,203,766,000	1,087,394,732	969,722,095	665,185,000	0
Total Bonds Issued - Fiscal Year	1,358,601,171	2,329,464,900	2,351,946,292	3,034,806,280	5,908,410,629	3,829,591,132	3,360,132,968	2,575,587,184	946,111,846
% Change over Prior Fiscal Year		71.5%	1.0%	29.0%	94.7%	-35.2%	-12.3%	-23.3%	-20.5%

Bonds Issued by Quarter - New Money - Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012
1st Quarter		332,815,000	324,575,000	374,952,100	747,011,650	288,012,400	730,989,121	308,265,000	205,958,000
2nd Quarter		648,355,000	693,465,000	448,835,000	979,927,183	541,539,000	713,342,687	887,857,184	201,690,000
3rd Quarter	41,940,000	195,919,900	221,690,000	443,963,900	125,595,000	1,180,645,000	253,995,777	308,290,000	0
4th Quarter	785,756,179	451,565,000	223,076,292	623,144,280	1,000,621,000	622,409,732	587,737,095	597,725,000	0
Total Bonds Issued - Fiscal Year	827,696,179	1,628,654,900	1,462,806,292	1,890,895,280	2,853,154,833	2,632,606,132	2,286,064,680	2,102,137,184	407,648,000
% Change over Prior Fiscal Year		96.8%	-10.2%	29.3%	50.9%	-7.7%	-13.2%	-8.0%	-33.2%

Principal Issued/Bonds Refunded by Month

Month	Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	
January	-	138,085,000	98,670,000	13,680,000	122,870,000	723,895,000	252,800,000	-	-	Principal
	-	25,755,000	13,285,000	-	-	205,350,000	155,775,000	-	-	Refunded
February	22,950,000	31,714,000	85,235,000	243,775,000	57,235,000	383,520,000	233,982,400	224,060,000	-	Principal
	-	-	52,945,000	96,220,000	45,210,000	113,100,000	90,946,623	50,600,000	-	Refunded
March	72,920,000	243,620,900	221,200,000	429,933,900	67,400,000	647,005,000	43,610,000	177,225,000	-	Principal
	53,930,000	191,745,000	117,185,000	147,205,000	62,800,000	255,325,000	29,675,000	42,385,000	-	Refunded
April	87,500,000	54,890,000	53,160,378	204,725,000	1,217,254,000	504,000,000	277,283,662	-	-	Principal
	-	11,540,000	-	62,890,000	1,141,790,000	464,985,000	70,420,000	-	-	Refunded
May	1,112,926,171	374,980,000	67,930,000	239,097,750	1,168,925,000	108,194,732	405,288,433	545,185,000	-	Principal
	451,164,992	93,060,000	29,915,000	99,375,000	456,397,500	-	55,940,000	67,460,000	-	Refunded
June	62,305,000	137,165,000	131,900,914	394,513,530	817,587,000	475,200,000	287,150,000	120,000,000	-	Principal
	28,810,000	10,870,000	-	46,427,000	605,130,000	-	255,625,000	-	-	Refunded
July	109,045,000	370,370,000	183,955,000	149,165,000	56,242,400	382,477,000	284,660,000	-	-	Principal
	-	238,695,000	4,749,000	34,830,000	-	-	211,395,000	-	-	Refunded
August	77,395,000	317,680,000	416,886,100	695,600,000	110,315,000	383,766,653	172,185,000	195,053,000	-	Principal
	43,000,000	239,225,000	255,665,000	123,830,000	65,250,000	35,254,532	9,185,000	192,190,000	-	Refunded
September	195,595,000	199,800,000	34,525,000	65,406,650	186,705,000	-	72,000,000	225,430,000	-	Principal
	6,220,000	92,955,000	-	4,500,000	-	-	-	22,335,000	-	Refunded
October	17,095,000	78,070,000	303,685,000	747,030,000	112,905,000	176,870,000	302,020,000	296,035,000	-	Principal
	-	-	254,960,000	338,880,796	2,400,000	92,425,000	90,325,000	19,680,000	-	Refunded
November	674,465,000	72,530,000	134,980,000	34,691,195	90,609,000	240,000,000	314,850,000	11,540,000	-	Principal
	247,055,000	36,575,000	25,095,000	14,230,000	10,275,000	102,145,000	-	12,740,000	-	Refunded
December	275,415,000	655,400,000	435,050,000	765,246,784	431,000,000	668,404,820	363,412,184	218,053,846	-	Principal
	71,565,000	68,360,000	144,825,000	213,930,000	80,300,000	288,007,133	2,100,000	169,270,000	-	Refunded
Total Sum of Principal	2,707,611,171	2,674,304,900	2,167,177,392	3,982,864,809	4,439,047,400	4,693,333,205	3,009,241,679	2,012,571,846	-	Principal
Total Sum of Refunded	901,744,992	1,008,780,000	898,624,000	1,182,317,796	2,469,552,500	1,556,591,665	971,386,623	576,660,000	-	Refunded
Net Bonds Issued	1,805,866,179	1,665,524,900	1,268,553,392	2,800,547,013	1,969,494,900	3,136,741,540	2,037,855,056	1,435,911,846	-	Issued

Bonds Issued includes the value of the Bonds Refunded.



Bonds Issued Calendar Year 2011

Direct Purchase Bonds

Bond Issue	Closing Date	Principal Amount (\$)	Refunding (\$)	New Money (\$)
Sarah Bush Lincoln Health Center, Series 2011	03/18/2011	45,000,000	23,560,000	21,440,000
Methodist Medical Center of Illinois, Series 2011A	05/12/2011	63,780,000	54,135,000	9,645,000
Carle Foundation, The, Series 2011B	06/16/2011	50,000,000	0	50,000,000
Carle Foundation, The, Series 2011C	06/16/2011	50,000,000	0	50,000,000
Swedish Covenant Hospital, Series 2011	06/28/2011	20,000,000	0	20,000,000
LEARN Charter Schools, Series 2011	08/01/2011	5,693,000	2,830,000	2,863,000
CDH-Delnor Health System, Series 2011A	08/05/2011	63,575,000	127,150,000	0
CDH-Delnor Health System, Series 2011B	08/05/2011	63,575,000	0	63,575,000
Transparent Container Co., Inc., Series 2011	08/09/2011	3,795,000	3,795,000	0
CDH-Delnor Health System, Series 2011C	08/24/2011	58,415,000	58,415,000	0
Chicago Shakespeare Theater, Series 2011	09/09/2011	4,100,000	4,100,000	0
Advocate Health Care Network, Series 2011C	09/21/2011	50,000,000	0	50,000,000
Advocate Health Care Network, Series 2011D	09/21/2011	50,000,000	0	50,000,000
Chestnut Square at the Glenn, Series 2011	09/30/2011	7,600,000	9,195,000	0
Siena on Brendenwood, Series 2011	10/03/2011	4,400,000	4,400,000	0
Trinity Health, Series 2011A	10/20/2011	50,000,000	0	50,000,000
Trinity Health, Series 2011B	10/20/2011	50,000,000	0	50,000,000
Southern Illinois Healthcare Enterprises, Inc., Series 2011	10/27/2011	14,420,000	15,280,000	0
Aurora Central Catholic High School, Series 2011	11/01/2011	11,540,000	12,740,000	0
Northwest Community Hospital, Series 2011	12/01/2011	53,100,000	53,100,000	0
Covenant Retirement Communities, Inc., Series 2011A	12/14/2011	15,830,000	15,915,000	0
Covenant Retirement Communities, Inc., Series 2011B	12/14/2011	43,335,000	0	43,335,000
British Home for Retired Men & Women, Series 2011	12/14/2011	7,778,846	6,080,000	1,698,846
Rush University Medical Center, Series 2011	12/16/2011	56,000,000	56,000,000	0
24 Direct Purchase		\$ 841,936,846	\$446,695,000	\$462,556,846

Bonds issued in the Market

Bond Issue	Closing Date	Principal Amount (\$)	Refunding (\$)	New Money (\$)
DePaul University, Series 2011A	02/02/2011	115,000,000	0	115,000,000
DePaul University, Series 2011B	02/02/2011	49,440,000	50,600,000	0
CHF Normal, LLC-Illinois State University, Series 2011	02/23/2011	59,610,000	0	59,610,000
CHF-DeKalb LLC - Northern Illinois University, Series 2011	03/10/2011	132,225,000	18,825,000	113,400,000
Methodist Medical Center of Illinois, Series 2011B	05/12/2011	51,220,000	0	51,220,000
Carle Foundation, The, Series 2011A	05/19/2011	234,735,000	0	234,735,000
University of Chicago Medical Center, Series 2011A	05/20/2011	46,250,000	0	46,250,000
University of Chicago Medical Center, Series 2011B	05/20/2011	46,250,000	0	46,250,000
University of Chicago Medical Center, Series 2011C	05/20/2011	90,000,000	0	90,000,000
Columbia College Chicago, Series 2011	05/25/2011	12,950,000	13,325,000	0
Advocate Health Care Network, Series 2011A-1	09/21/2011	11,645,000	12,295,000	0
Advocate Health Care Network, Series 2011A-2	09/21/2011	32,085,000	0	32,085,000
Advocate Health Care Network, Series 2011B	09/21/2011	70,000,000	0	70,000,000
Trinity Health, Series 2011-IL	10/20/2011	139,710,000	0	139,710,000
UNO Charter School Network, Series 2011A	10/26/2011	36,775,000	0	36,775,000
UNO Charter School Network, Series 2011B	10/26/2011	730,000	0	730,000
Waterloo Community Unit School District #5, Series 2011	12/21/2011	42,010,000	38,175,000	3,835,000
17 Bond Market		\$ 1,170,635,000	\$133,220,000	\$1,039,600,000
41 Bonds Issued in Calendar Year 2011		\$ 2,012,571,846	\$579,915,000	\$1,502,156,846



Bonds Issued and Outstanding as of December 31, 2011

Bonds Issued Since Inception of Illinois Finance Authority

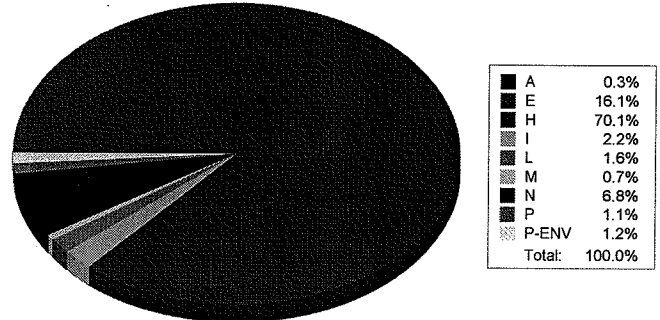
#	Market Sector	Principal Amount (\$)
376	Agriculture **	69,142,019
83	Education	4,027,548,100
177	Healthcare *	17,765,313,508
81	Industrial	938,637,853
26	Local Government	420,155,000
16	Multifamily/Senior Housing	175,417,900
114	501(c)(3) Not-for Profits	1,763,450,041
8	Exempt Facilities Bonds	275,700,000
8	Environmental issued under 20 ILCS 3515/9	326,630,000

\$ 25,761,994,420

* Includes CCRC's

** Number of Agriculture bonds has been adjusted to reflect the actual number of Beginner Farmer Bonds issued.

Bonds Issued Since Inception

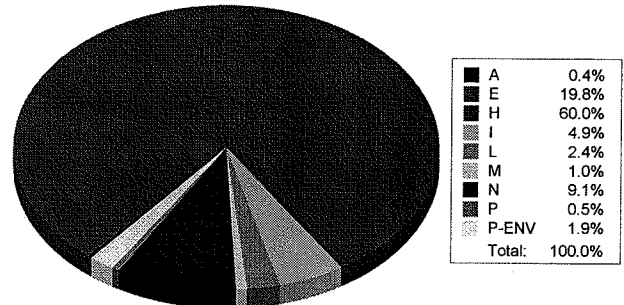


Schedule of Bonds Outstanding by Market Sector Includes IFA and it's Predecessor Authorities

Market Sector	Amount of Original Issue	Principal Outstanding
Agriculture	307,611,725	91,338,219
Education	5,625,425,730	5,052,891,301
Healthcare *	17,946,021,959	15,069,795,836
Industrial	1,530,016,939	1,238,804,356
Local Government	1,074,849,413	592,196,357
Multifamily/Senior Housing	726,835,396	260,114,216
501(c)(3) Not-for Profits	2,860,981,842	2,290,963,187
Exempt Facilities Bonds	130,500,000	130,090,000
Environmental issued under 20 ILCS 3515/9	756,325,000	480,322,308
	<u><u>\$ 30,958,568,003</u></u>	<u><u>\$ 25,206,515,780</u></u>

* Includes CCRC's

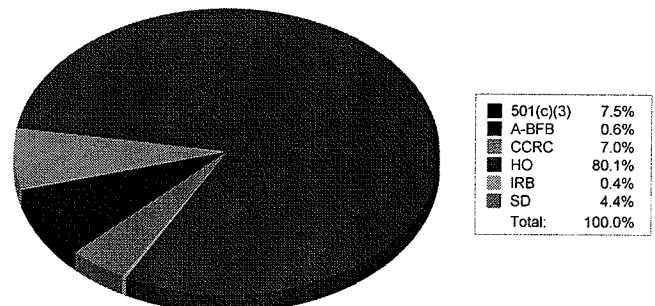
Principal Outstanding by Market Sector



Current Fiscal Year

#	Market Sector	Principal Issued
26	Agriculture - Beginner Farmer	5,356,070
7	Healthcare - Hospital	762,525,000
2	Healthcare - CCRC	66,765,000
1	Industrial Revenue	3,795,000
6	501(c)(3) Not-for-Profit	71,016,846
1	Local Govt-School District	42,010,000
<u>43</u>		<u><u>\$ 951,467,916</u></u>

Bonds Issued - Current Fiscal Year



Bonds Issued between July 01, 2011 and December 31, 2011

<u>Bond Issue</u>	<u>Date Issued</u>	<u>Initial Interest Rate</u>	<u>Principal Issued</u>	<u>Bonds Refunded</u>
A-BFB Beginner Farmer Bonds, Series 2012A	07/01/2011	Various-See Below	5,356,070	0
501(c)(3) Learn Charter Schools, Series 2011	08/01/2011	Variable	5,693,000	2,830,000
HO CDH-Delnor Health System, Series 2011A&B	08/05/2011	Variable	127,150,000	127,150,000
IRB Transparent Container Co., Inc., Series 2011	08/09/2011	DP-VRB	3,795,000	3,795,000
HO CDH-Delnor Health System, Series 2011C	08/24/2011	DP-VRB	58,415,000	58,415,000
501(c)(3) Chicago Shakespeare Theater, Series 2011	09/09/2011	DP-VRB	4,100,000	4,100,000
HO Advocate Health Care Network, Series 2011A-D	09/21/2011	DP-VRB	213,730,000	12,295,000
CCRC Chestnut Square at The Glen, Series 2011	09/30/2011	DP-VRB	7,600,000	9,195,000
501(c)(3) Siena on Brendenwood, Series 2011	10/03/2011	DP-VRB	4,400,000	4,400,000
HO Trinity Health, Series 2011A&B/IL	10/20/2011	2.00% to 5.00%	239,710,000	0
501(c)(3) UNO Charter School Network, Inc., Series 2011A&B	10/26/2011	6.875% to 7.125%	37,505,000	0
HO Southern Illinois Healthcare Enterprise, Series 2011	10/27/2011	1.857% to 2.513%	14,420,000	15,280,000
501(c)(3) Aurora Central High School, Series 2011	11/01/2011	DP-VRB	11,540,000	12,740,000
HO Northwest Community Hospital, Series 2011	12/01/2011	DP-VRB	53,100,000	53,100,000
CCRC Covenant Retirement Communities, Series 2011	12/14/2011	DP-VRB	59,165,000	15,915,000
501(c)(3) British Home for Men and Women, Series 2011	12/14/2011	DP-VRB	7,778,846	6,080,000
HO Rush University Medical Center, Series 2011	12/16/2011	DP-VRB	56,000,000	56,000,000
SD Waterloo CUSD #5, Series 2011	12/21/2011	1.75% to 4.20%	42,010,000	38,175,000
Total Bonds Issued in Fiscal Year 2011			\$ 951,467,916	\$ 419,470,000

Legend: Fixed Rate Bonds as shown

DP-VRB = initial interest rate at the time of issuance on a Direct Purchase Bond

VRB = initial interest rate at the time of issuance on a Variable Rate Bond that does not include the cost of the LOC arrangement.

Beginner Farmer Bonds interest rates are shown in section below.

Beginner Farmer Bonds

<u>Borrower</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
Neff, Jennifer	07/15/2011	3.65%	476,449	48.90	Macoupin
Bennett, Quinn P. & Kristen N.	07/15/2011	4.50%	252,350	75.76	Shelby
Zaagman, Brent	08/11/2011	4.50%	239,828	90.00	Whiteside
Colgan, Andrew J. & Jacqueline L.	08/16/2011	4.00%	125,000	40.00	Stark
Kocher, Doug E. & Lora M.	08/19/2011	4.00%	80,000	38.00	Jasper
Sterrenberg, Casey P.	09/13/2011	4.00%	477,000	96.70	Livingston
Tarasuik, James W. Jr.	09/20/2011	4.00%	67,000	40.00	Bond
Meister, Evan T.	09/20/2011	4.00%	203,940	80.00	Iroquois
Bohnenstiehl, Daren A.	09/27/2011	4.00%	159,000	38.50	Madison
Bohnenstiehl, Joshua A.	09/27/2011	4.00%	159,000	38.50	Madison
Beals, Ronald Lee	09/30/2011	4.00%	47,500	24.00	Jasper
Billups, Nathan W.	10/14/2011	4.50%	146,000	38.00	Putnam
Ohnesorge, Jay W.	10/27/2011	3.75%	27,500	3.50	Effingham
Ettner, Philip P. & Spring M.	10/27/2011	4.35%	264,000	58.00	Boone
Adams, Joseph M.	11/02/2011	4.50%	240,000	80.00	Whiteside
Schaffer, Matthew & Kayla	11/15/2011	3.25%	141,056	37.12	Livingston
Frohning, Mathew A.	12/21/2011	3.75%	255,000	115.00	Clay
Vaughan, James & Anne	12/28/2011	3.95%	143,750	40.00	Wayne
Vaughan, John W. & Grace E.	12/28/2011	3.95%	143,750	40.00	Wayne
Olson, John A.	12/28/2011	3.97%	475,000	155.00	Montgomery
Borkgren, Nicholas	12/28/2011	Prime+	225,720	60.00	Henry
Jordan, Alexander Colby	12/28/2011	4.00%	226,879	79.00	Montgomery
Borkgren, Chad Randall	12/28/2011		107,369	20.00	Henry
Funk, Cory James	12/28/2011	3.75%	196,100	72.00	Lawrence
Janssen, Spencer A.	12/28/2011	3.85%	250,000	75.00	Fayette

Beginner Farmer Bonds

<u>Borrower</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
Jordan, Korey P.	12/28/2011	4.00%	226,879	79.00	Montgomery
Total Beginner Farmer Bonds Issued			\$ 5,356,070	1,561.98	

As of January 1, 2011, the amount of private activity volume cap available to the Illinois Finance Authority and allocable to Beginning Farmer Bonds is \$30,000,000. In addition, the maximum of any Beginning Farmer Bond is \$477,000.

<u>AG Debt Restructuring Guarantee</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>State Guarantee</u>
Bertolino, Adam	08/24/2011	5.95%	380,000	323,000
Nelson, Wayne	09/22/2011		97,000	82,450
Total AG Debt Restructuring Guarantee			\$ 477,000	\$ 405,450
Total Agriculture Guarantees			\$ 477,000	\$ 405,450

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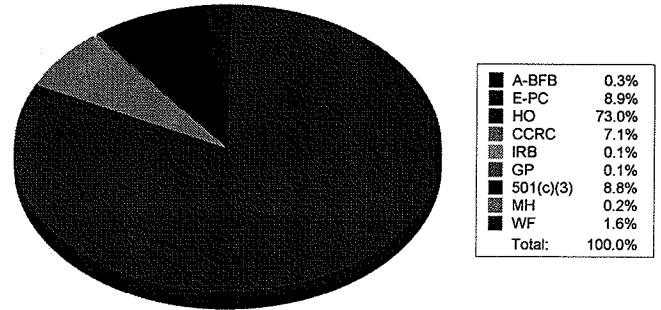


Bonds Issued - Fiscal Year Comparison for the Period Ending December 31, 2011

Fiscal Year 2010

#	Market Sector	Principal Issued
44	Agriculture - Beginner Farmer	8,545,250
8	Education	298,745,000
26	Healthcare - Hospital	2,458,700,628
4	Healthcare - CCRC	240,184,820
1	Industrial Revenue	2,700,000
1	Local Government - Pool	4,460,000
11	501(c)(3) Not-for-Profit	296,142,520
1	MultiFamily/Senior Housing	5,700,000
2	Water Facilities	53,500,000
98		\$ 3,368,678,218

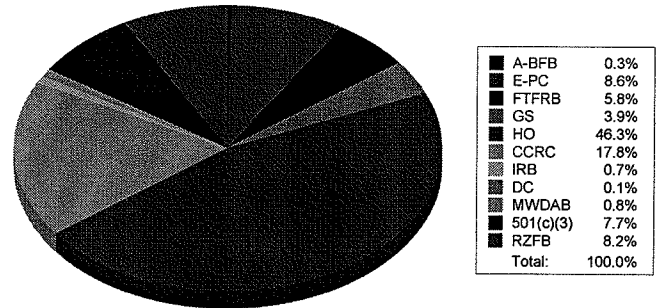
Bonds Issued in Fiscal Year 2010



Fiscal Year 2011

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,002,064
5	Education	221,290,000
1	Freight Transfer Facilities Bonds	150,000,000
2	Gas Supply	100,000,000
15	Healthcare - Hospital	1,195,055,000
5	Healthcare - CCRC	458,705,000
3	Industrial Revenue	17,329,184
1	Financially Distressed Cities	1,985,000
1	Midwest Disaster Area Bonds	20,200,000
4	501(c)(3) Not-for-Profit	199,535,000
8	Recovery Zone Facilities Bonds	211,488,000
85		\$ 2,582,589,248

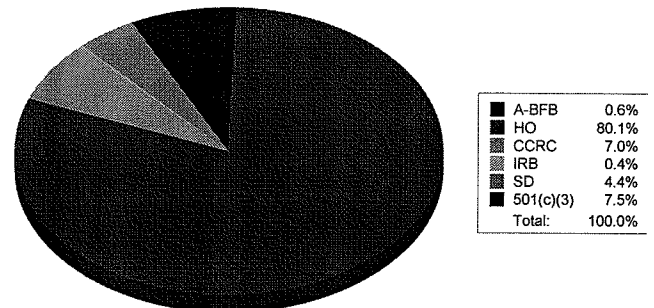
Bonds Issued in Fiscal Year 2011



Fiscal Year 2012

#	Market Sector	Principal Issued
26	Agriculture - Beginner Farmer	5,356,070
7	Healthcare - Hospital	762,525,000
2	Healthcare - CCRC	66,765,000
1	Industrial Revenue	3,795,000
1	Local Government Schools	42,010,000
6	501(c)(3) Not-for-Profit	71,016,846
43		\$ 951,467,916

Bonds Issued in Fiscal Year 2012



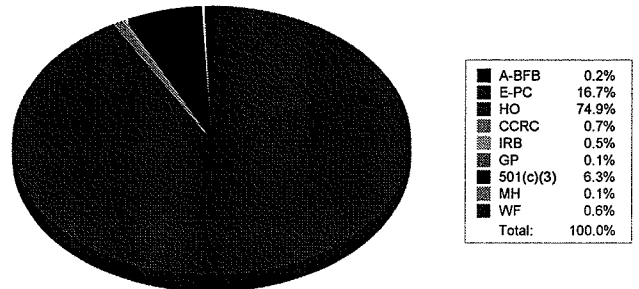


Bonds Issued - Calendar Year Comparison as of December 31, 2011

Calendar Year 2009

#	Market Sector	Principal Issued
38	Agriculture - Beginner Farmer	7,315,408
9	Education	786,245,000
26	Healthcare - Hospital	3,526,456,927
2	Healthcare - CCRC	31,034,820
3	Industrial Revenue	24,000,000
1	Local Government - Pool	4,460,000
11	501(c)(3) Not-for-Profit	295,436,458
1	MultiFamily/Senior Housing	5,700,000
1	Water Facilities	28,500,000
92		\$ 4,709,148,613

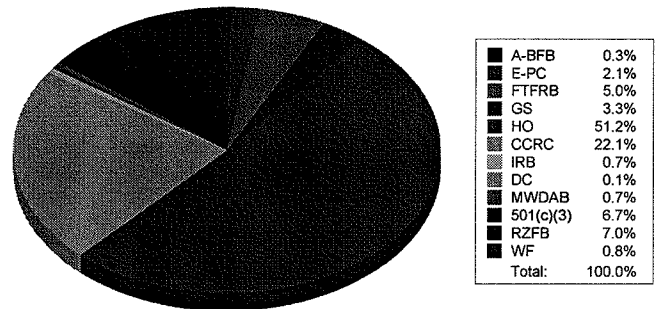
Bonds Issued in Calendar Year 2009



Calendar Year 2010

#	Market Sector	Principal Issued
52	Agriculture - Beginner Farmer	9,374,497
5	Education	64,000,000
1	Freight Transfer Facilities Bonds	150,000,000
2	Gas Supply	100,000,000
20	Healthcare - Hospital	1,545,643,433
7	Healthcare - CCRC	667,855,000
4	Industrial Revenue	20,029,184
1	Financially Distressed Cities	1,985,000
1	Midwest Disaster Area Bonds	20,200,000
8	501(c)(3) Not-for-Profit	203,041,062
8	Recovery Zone Facilities Bonds	211,488,000
1	Water Facilities	25,000,000
110		\$ 3,018,616,176

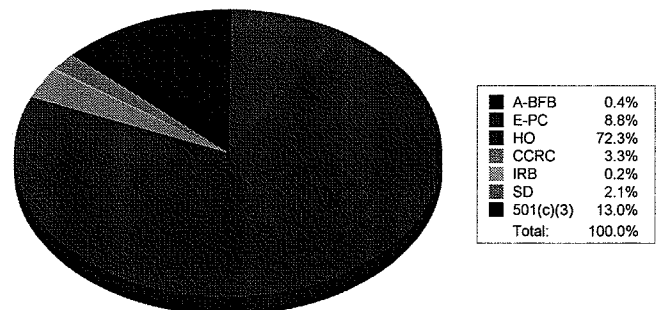
Bonds Issued in Calendar Year 2010



Calendar Year 2011

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,832,465
2	Education	177,390,000
13	Healthcare - Hospital	1,459,760,000
2	Healthcare - CCRC	66,765,000
1	Industrial Revenue	3,795,000
1	Local Government Schools	42,010,000
8	501(c)(3) Not-for-Profit	262,851,846
67		\$ 2,020,404,311

Bonds Issued in Calendar Year 2011



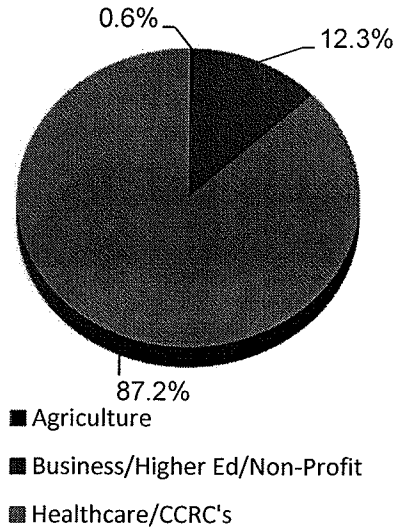


Illinois Finance Authority

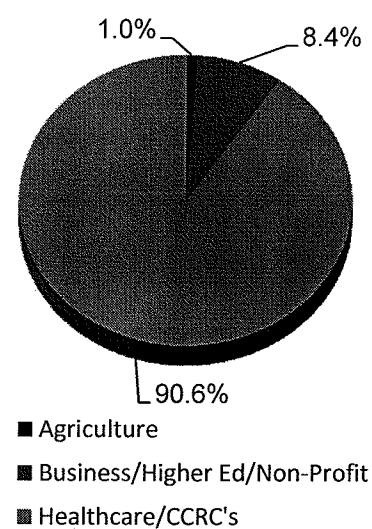
Fiscal Year 2012

Market Sector	Principal Amount (\$)	New Money (\$)	#	Revenue (\$)
Agriculture	\$ 5,356,070.00	\$ 5,356,070.00	26	\$ 78,056.05
Business/Higher Ed/Non-Profit	116,821,846.00	44,701,845.51	8	234,796.74
Healthcare/CCRC's	829,290,000.00	481,940,000.00	9	983,681.25
	\$ 951,467,916.00	\$ 531,997,915.51	43	\$ 1,296,534.04

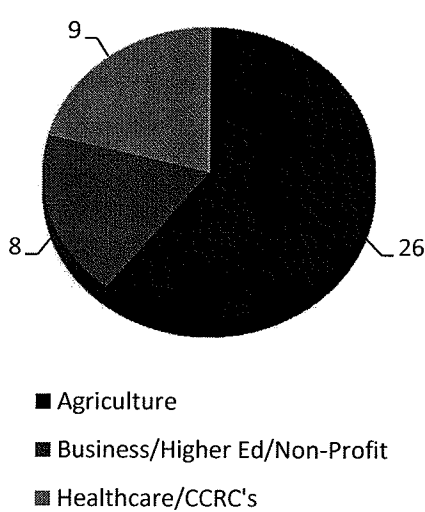
Principal Amount (\$)



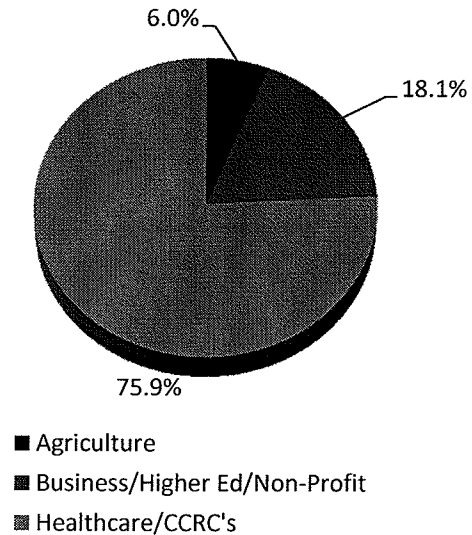
New Money Principal(\$)



of Projects



Revenue (\$)



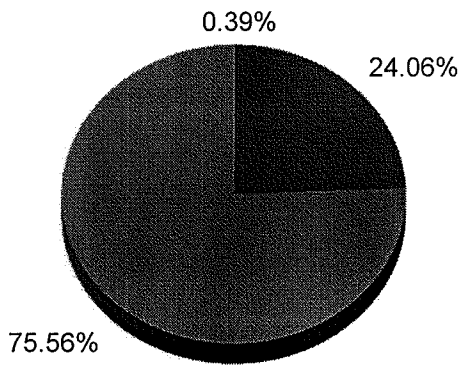


Illinois Finance Authority

Calendar Year 2011

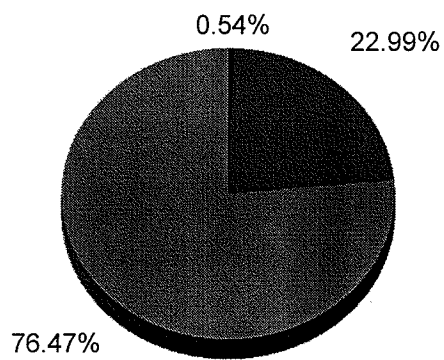
Market Sector	Principal Amount (\$)	New Money (\$)	#	Revenue (\$)
Agriculture	\$ 7,832,465.00	\$ 7,832,465.00	30	\$ 114,486.98
Business/Higher Ed/Non-Profit	486,046,845.51	331,176,845.51	9	613,866.74
Healthcare/CCRC's	1,526,525,000.00	1,101,480,000.00	12	1,380,913.75
	\$ 2,020,404,310.51	\$ 1,440,489,310.51	51	\$ 2,109,267.47

Principal Amount (\$)



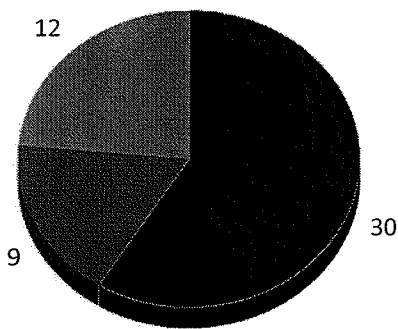
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

New Money Principal(\$)



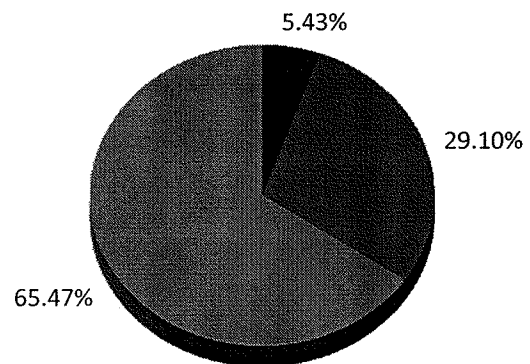
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

of Projects



- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

Revenue (\$)



- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

Conduit debt issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(a)] which does not constitute an indebtedness or an obligation, either general or moral, or a pledge of the full faith or a loan of the Authority, the State of Illinois or any Political Subdivision of the State within the purview of any constitutional or statutory limitation or provisions with special limited obligations of the Authority secured under provisions of the individual Bond Indentures and Loan Agreements with the exception of the bonds identified below in Section I (b) – General Purpose Moral Obligation/State Component Parts -- which are subject to the \$28.15B cap in Section 845-5(a).

Section I (a)

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	December 31, 2011		
Illinois Finance Authority "IFA" ^[b]				
348 Agriculture	\$ 51,236,000	\$ 56,403,000		
88 Education	3,796,724,000	3,743,558,000		
252 Healthcare	12,342,872,000	12,654,138,000		
69 Industrial Development [includes Recovery Zone/Midwest Disaster]	824,762,000	795,997,000		
21 Local Government	246,460,000	280,005,000		
17 Multifamily/Senior Housing	160,222,000	158,882,000		
99 501(c)(3) Not-for Profits	1,268,725,000	1,296,960,000		
5 Exempt Facilities Bonds	130,300,000	130,090,000		
899 Total IFA Principal Outstanding	\$ 18,821,301,000	\$ 19,116,033,000		
Illinois Development Finance Authority "IDFA" ^[b]				
3 Education	20,661,000	19,941,000		
5 Healthcare	209,185,000	209,185,000		
62 Industrial Development	502,364,000	442,808,000		
26 Local Government	322,251,000	291,971,000		
11 Multifamily/Senior Housing	130,521,000	101,232,000		
90 501(c)(3) Not-for Profits	961,395,000	919,458,000		
194 Total IDFA Principal Outstanding	\$ 2,146,377,000	\$ 1,984,595,000		
Illinois Rural Bond Bank "IRBB" ^[b]				
17 Bond Bank Revenue Bonds	20,220,000	20,220,000		
17 Total IRBB Principal Outstanding	\$ 20,220,000	\$ 20,220,000		
85 Illinois Health Facilities Authority "IHFA"	\$ 2,522,273,000	\$ 2,206,473,000		
48 Illinois Educational Facilities Authority "IEFA"	\$ 1,401,337,000	\$ 1,363,937,000		
561 Illinois Farm Development Authority "IFDA" ^[f]	\$ 34,936,000	\$ 34,936,000		
1,804 Total Illinois Finance Authority Debt	\$ 24,946,444,000	\$ 24,726,194,000	\$ 28,150,000,000	\$ 3,423,806,000

 Issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(a)]

Section I (b)

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	December 31, 2011		
General Purpose Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]				
17 Issued through IRBB - Local Government Pools	\$ 20,220,000	\$ 20,220,000		
7 Issued through IFA - Local Government Pools	26,680,000	26,680,000		
2 Issued through IFA - Illinois Medical District Commission	39,640,000	39,120,000		
26 Total General Moral Obligations	\$ 86,540,000	\$ 86,020,000	\$ 150,000,000	\$ 63,980,000
Financially Distressed Cities Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
2 Issued through IFA	\$ 3,825,000	\$ 3,240,000		
1 Issued through IDFA	3,565,000	3,565,000		
3 Total Financially Distressed Cities	\$ 7,390,000	\$ 6,805,000	\$ 50,000,000	\$ 43,195,000
State Component Unit Bonds ^[c]				
17 Issued through IRBB	\$ 20,220,000	\$ 20,220,000		
2 Issued through IDFA ^[j]	82,090,000	75,510,000		
2 Issued through IFA ^[j]	81,367,000	77,252,000		
21 Total State Component Unit Bonds	\$ 183,677,000	\$ 172,982,000		

 Designated exclusive Issuer by the Governor of the State of Illinois to issue Midwest Disaster Area Bonds in Illinois, February 11, 2010.

Section I (c)

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	December 31, 2011		
1 Midwest Disaster Bonds [Flood Relief]	\$ 20,200,000	\$ 30,195,000	\$ 1,515,271,000	\$ 1,485,076,000

 Designated by the Governor of the State of Illinois to manage and coordinate the re-allocation of Federal ARRA Volume Cap and the issuance of Recovery Zone Bonds in the State of Illinois to fully utilize RZBs before December 31, 2010.

Section I (d)

	ARRA Act of 2009 Volume Cap Allocated ^[h]	City/Counties Ceded Voluntarily to IFA	Bonds Issued as of December 31, 2011	Available "Ceded" Volume Cap
- Recovery Zone Economic Development Bonds;	\$ 666,972,000	\$ 16,940,000	\$ 12,900,000	\$ 4,040,000
8 Recovery Zone Facilities Bonds	\$ 1,000,457,000	\$ 292,400,000	\$ 218,497,000	\$ 73,903,000
- Qualified Energy Conservation Bonds	\$ 133,846,000	\$ -	\$ 12,500,000	\$ -

 Issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(b)]

Section II

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	December 31, 2011		
Illinois Power Agency	\$ -	\$ -	\$ 4,000,000,000	\$ 4,000,000,000

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^(a)

Illinois Finance Authority Act [20 ILCS 3501 Section 825-65(f); 825-70 and 825-75] - see also P.A. 96-103 effective 01/01/2010

Section III

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	December 31, 2011		
Clean Coal, Coal ,Renewable Energy and Energy Efficiency Projects	\$ -	\$ -	\$ 3,000,000,000 ^(d)	\$ 3,000,000,000

Issued under the Illinois Finance Authority Act [20 ILCS 3501 Sections 830-25 (see also P.A.96-103); 830-30; 830-35; 830-45 and 830-50]

Section IV

	Principal Outstanding		Program Limitations	Remaining Capacity	State Exposure
	June 30, 2011	December 31, 2011			
Agri Debt Guarantees [Restructuring Existing Debt]	\$ 17,330,000	\$ 16,564,000	\$ 160,000,000	\$ 143,436,000	\$ 14,065,000
88 Fund # 994 - Fund Balance \$ 10,007,768					
AG Loan Guarantee Program	\$ 41,519,000	\$ 17,750,000	\$ 225,000,000 ^(e)	\$ 207,250,000	\$ 15,087,000
43 Fund # 205 - Fund Balance \$ 7,728,892					
11 Agri Industry Loan Guarantee Program	\$ 9,753,000	\$ 9,313,000			7,916,000
0 Renewable Fuels	22,823,000	-			-
2 Farm Purchase Guarantee Program	975,000	969,000			823,000
19 Specialized Livestock Guarantee Program	5,552,000	5,129,000			4,360,000
11 Young Farmer Loan Guarantee Program	2,416,000	2,339,000			1,988,000
131 Total State Guarantees	\$ 58,849,000	\$ 34,314,000	\$ 385,000,000	\$ 350,686,000	\$ 29,152,000

Issued under the Illinois Finance Authority Act [20 ILCS 3501 Sections 825-80 and 825-85]

Section V

		Fund #	Principal Outstanding		Appropriation Fiscal Year 2012	Fund Balance
			June 30, 2011	December 31, 2011		
116	Fire Truck Revolving Loan Program	572	\$ 17,486,608	\$ 16,235,367	\$ 6,003,342	\$ 4,131,560
10	Ambulance Revolving Loan Program	334	\$ 832,213	\$ 671,227	\$ 7,006,800	\$ 161,576

Note: Due to deposits in transit, the Cash Balance at the Illinois Office of the Comptroller may differ from the Illinois Finance Authority's General Ledger.

Issued under the Illinois Environmental Facilities Financing Act [20 ILCS 3515/9]

Section VI

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	December 31, 2011		
Environmental [Large Business]				
6 Issued through IFA	315,148,000	\$ 123,727,000		
19 Issued through IDFA	356,895,000	356,595,000		
25 Total Environmental [Large Business]	\$ 672,043,000	\$ 480,322,000	\$ 2,425,000,000	\$ 1,944,678,000
Environmental [Small Business]				
25 Total Environment Bonds Issued under Act	\$ 672,043,000	\$ 480,322,000	\$ 2,500,000,000	\$ 2,019,678,000

Illinois Finance Authority Funds at Risk

Section VII

#	Participation Loans	Original Amount	Principal Outstanding	
			June 30, 2011	December 31, 2011
34	Business & Industry	23,020,157.95	12,718,990.12	10,034,173.31
11	Agriculture	6,079,859.01	3,308,196.84	2,106,074.44
45	Participation Loans excluding Defaults & Allowances	\$ 29,100,016.96	\$ 16,027,186.96	\$ 12,140,247.75
	Plus: Legacy IDFA Loans in Default		1,139,934.62	910,631.89
	Less: Allowance for Doubtful Accounts		3,957,841.93	3,530,094.15
	Total Participation Loans		\$ 13,209,279.65	\$ 9,520,785.49
1	Illinois Facility Fund	\$ 1,000,000.00	\$ 1,000,000.00	1,000,000.00
4	Local Government Direct Loans	\$ 1,289,750.00	\$ 246,526.74	227,423.96
3	FmHA Loans	\$ 963,250.00	\$ 303,781.68	270,053.82
2	Renewable Energy [RED Fund]	\$ 2,000,000.00	\$ 1,668,554.37	1,624,486.82
55	Total Loans Outstanding	\$ 34,353,016.96	\$ 16,428,142.44	\$ 12,642,750.09

^(a) Total subject to change; late month payment data may not be included at issuance of report.

^(b) State Component Unit Bonds included in balance.

^(c) Does not include Unamortized issuance premium as reported in Audited Financials.

^(d) Program Limitation reflects the increase to \$3 billion effective 01/01/2010 under P.A. 96-103.

^(e) Program Limitation reflects the increase from \$75 million to \$225 million effective 01/01/2010 under P.A. 96-103.

^(f) Beginner Farmer Bonds are currently updated annually; new bonds will be added under the Illinois Finance Authority when the bond closes.

^(g) Midwest Disaster Bonds - Illinois Counties eligible for Midwest Disaster Bonds include Adams, Calhoun, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Hancock, Henderson, Jasper, Jersey, Lake, Lawrence, Mercer, Rock Island, Whiteside and Winnebago.

^(h) Recovery Zone Bonds - Federal government allocated volume cap directly to all 102 Illinois counties and 8 municipalities with population of 100,000 or more. [Public Act 96-1020]

⁽ⁱ⁾ IFA is working with all of the 110 entities to encourage voluntary waivers to ensure that these resources are used to support project financing before the program expires on December 31, 2010.

^(j) Includes EPA Clean Water Revolving Fund

**MINUTES OF THE DECEMBER 13, 2011, MEETING OF THE COMMITTEE OF THE WHOLE OF
THE BOARD OF DIRECTORS OF THE ILLINOIS FINANCE AUTHORITY**

The Board of Directors (the "Board") of the Illinois Finance Authority (the "IFA"), pursuant to notice duly given, held a Committee of the Whole Meeting on December 13, 2011, at 9:30 a.m. in the Chicago Office of the IFA, 180 North Stetson Avenue, Suite 2555, Chicago, Illinois 60601.

IFA Board Members Present:

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Dr. William Barclay
4. James J. Fuentes
5. Norman M. Gold
6. Edward H. Leonard, Sr.
7. Terrence M. O'Brien
8. Heather D. Parish (via teleconference)
9. Mayor Barrett F. Pedersen
10. Roger E. Poole
11. Bradley A. Zeller

IFA Board Members Absent:

1. Gila J. Bronner
2. John E. Durburg

IFA Staff Present:

Christopher B. Meister, Executive Director
Rich Frampton, Vice President
Pamela A. Lenane, Vice President
Ximena Granda, Acting Chief Financial Officer
Norma Sutton, Agency Procurement Officer
James Senica, Senior Financial Analyst (via teleconference)
Brad R. Fletcher, Legal/Financial Analyst
Nora O'Brien, Legal/Financial Analyst
Sohair Omar, Policy/Operations Analyst
Terrell Gholston, Intern

IFA Financial Advisors Present:

Courtney Shea, Acacia Financial Group, Inc.
Fiona A. McCarthy, Acacia Financial Group, Inc.
Bennett J. Johnson, III, Scott Balice Strategies, LLC/ Public Financial Management Group, Inc.

Others Present:

Amalia Rioja, Acting Counsel for the IFA, Office of the Governor

I. Call to Order & Roll Call

The Meeting was called to order at 9:34 a.m. by Chairman Brandt. The Assistant Board Secretary, Mr. Fletcher, called the roll. There being nine Members physically present and one Member available via teleconference, a quorum was present.

Dr. Barclay arrived in person at 9:40 a.m. and was added to the roll call by Mr. Fletcher.

II. Chairman's Remarks

Chairman Brandt expressed concern regarding the Illinois Medical District ("IMD"), which continues to experience financial issues. The State's moral obligation for IMD's bond issue was intended to support a bio-research center, among other medical facilities, but instead debt service is being supported by a Costco, Currency Exchange and other non-medical lessees. Chairman Brandt reiterated the severity of the problem, but informed the other Members the matter is not as serious as the Agricultural Guarantee known as REG, LLC that the IFA supported previously. Chairman Brandt concluded that the Legislative Affairs Committee should discuss this matter with the Office of the Governor and General Assembly.

Chairman Brandt acknowledged the receipt of the Governor's nominations for the position of Executive Director of the IFA.

III. Message from the Executive Director

Director Meister thanked the Members for their support. He thanked the staff who met the IFA's mission over the last year in a professional and diligent manner.

Director Meister announced the resignation of the IFA's General Counsel and Board Secretary on Friday, December 9, 2011. He will discuss a replacement for this position with Chairman Brandt.

Consideration of the Minutes

The Committee of the Whole considered the Minutes.

IV. Presentation and Consideration of the Financial Statements

Ms. Granda reported that in the Month of November there were seven closings – one in healthcare, one in business and industry and five in agriculture – for a total amount of approximately \$156,000 in closing fees. The IFA's Gross Revenue Year-To-Date ("YTD") is \$2.7 million or approximately \$403,000 above the Fiscal Year 2012 ("FY12") budget.

The IFA's Operating Expenses YTD is \$1.5 million or approximately \$180,000 below the FY12 budget. The Month of November resulted in a Net Loss of approximately \$71,000. The YTD Net Income to \$1.2 million or approximately \$590,000 above the FY12 budget. Ms. Granda stated that notwithstanding the decline in revenue as compared to the FY12 budget and prior fiscal years, the IFA's balance sheet remains strong.

Ms. Granda stated that in the Month of November two Loans were paid off for a total amount of approximately \$694,000. The IFA's Total Loan Payoffs YTD is \$2.9 million for 14 loans. From July to November, the total cash collected from closing fees, loans and the JP Morgan settlement is \$5.9 million.

Committee of the Whole Meeting Minutes

December 13, 2011

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The IFA's risk in the State Guarantee programs continues to decrease. Ms. Granda stated that in the Month of November four Loan Guarantees paid off for a total amount of approximately \$181,000. From July to November, the total decrease in risk exposure from State Guarantee programs is \$15.1 million.

Ms. Granda stated that the internal auditors have presented a draft analysis of the IFA Bond and Loan programs. They will begin the financial reporting and internal control review once the program analysis is finalized. The IFA Board will be updated on the progress of the internal audit at each Board Meeting.

Ms. Granda stated that the fieldwork for the Fiscal Year 2011 audit was completed on November 30, 2011. The IFA currently has 15 findings. The final determination of the findings will be communicated to the Board once completed.

Mr. Senica reported on the Pere Marquette Hotel (the "Hotel"). The Hotel ceased operations on Friday, December 2, 2011. The City Manager of Peoria stated in press reports that the IFA and PNC Bank Loan would close in December. According to public reports summarized by Mr. Senica, the IFA's participation loan may be paid off in January 2012.

Director Meister reported that The Clare Oaks declared bankruptcy. Regarding The Clare at Water Tower, the IFA is ensuring that the approximately \$750,000 escrowed is protected. Chairman Brandt stated that more community retirement care borrowers may be in this situation due to low occupancy levels. Ms. Lenane concurred.

V. Committee Reports

Agriculture Committee

Vice Chairman Goetz reported that the Agriculture Committee did not have a quorum at the Agriculture Committee meeting scheduled on December 6, 2011. However, the agricultural proposals on the Agenda were informally discussed.

Energy Committee

Vice Chairman Goetz reported that the Energy Committee met on December 12, 2011. The Energy Committee voted to change the name of the Committee to Infrastructure, Transportation and Energy due to the broader scope of work of the IFA. Chairman Brandt stated that the \$3 billion of moral obligation authority from the State (Public Act 96-103 and Public Act 96-817) may be too much just to use for energy and further suggested that the Legislative Affairs Committee seek to broaden the moral obligation authorization accordingly.

Legislative Affairs Committee

Mr. O'Brien reported that the Legislative Affairs Committee discussed legislative proposals for Calendar Year 2012. Director Meister stated that the IFA is well served in Springfield by Howard Kenner, highlighting his many substantive legislative accomplishments, including but not limited to, multi-state financing and the voluntary pooling of federal stimulus tools, which were directly responsible for the success of the Navistar project. Importantly, Mr. Kenner's legislative accomplishments for the IFA have had direct and material, positive impact on the IFA's revenues and materially reduced outstanding risk to State taxpayers and to the IFA's balance sheet.

Compensation Committee

Mr. O'Brien reported that the Compensation Committee considered the Governor's nominations for the position of the Executive Director. It was decided that Christopher B. Meister is the best choice for this position. The Compensation Committee also considered the compensation of the Executive Director and recommended an upward adjustment.

Healthcare Committee

Ms. Lenane gave an update on Healthcare projects. Ms. Lenane noted that hospitals are not spending cash right now due to healthcare reform and the economic downturn. The IFA staff toured Rush Hospital on December 1, 2011. Ms. Lenane stated that the development of the vendor Medicaid program is moving forward.

VI. Project Reports

Agriculture – Beginning Farmer Bonds

Item No. 1A: Cory James Funk – \$196,100 – 72 acres

Cory James Funk is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$196,100. Bond proceeds will finance the purchase of approximately 72 acres of farmland with buildings located in Lawrence Township in Lawrence County. This project is being presented for one-time consideration.

Item No. 1B: Alexander Colby Jordan – \$226,879– 40 acres

Alexander Colby Jordan is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$226,879. Bond proceeds will finance the purchase of approximately 40 acres of farmland and an undivided ½ interest in 39 acres of farmland located in Bois D'Arc Township in Montgomery County. This project is being presented for one-time consideration.

Item No. 1C: Korey P. Jordan – \$226,879 – 40 acres

Korey P. Jordan is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$226,879. Bond proceeds will finance the purchase of approximately 40 acres of farmland and an undivided ½ interest in 39 acres of farmland located in Bois D'Arc Township in Montgomery County. This project is being presented for one-time consideration.

Item No. 1D: John A. Olson – \$475,000 – 155 acres

John A. Olson is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$475,000. Bond proceeds will finance the purchase of approximately 155 acres of farmland located in Suez Township in Mercer County. This project is being presented for one-time consideration.

Item No. 1E: John W. & Grace E. Vaughan – \$143,750 – 40 acres

John W. & Grace E. Vaughan is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$143,750. Bond proceeds will finance the purchase of approximately 40 acres of farmland located in Leech South Township in Wayne County. This project is being presented for one-time consideration.

Item No. 1F: James A. & Anne E. Vaughan – \$143,750 – 40 acres

James A. & Anne E. Vaughan is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$143,750. Bond proceeds will finance the purchase of approximately 40 acres of farmland located in Leech South Township in Wayne County. This project is being presented for one-time consideration.

Item No. 1G: Spencer A. Janssen – \$250,000 – 75 acres

Spencer A. Janssen is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$250,000. Bond proceeds will refinance an interim loan for approximately 75 acres of farmland located in North Hurricane Township in Fayette County. This project is being presented for one-time consideration.

Item No. 1H: Jared L. & Jodi L. Poole – \$273,750 – 80 acres

Jared L. & Jodi L. Poole is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$273,750. Bond proceeds will finance the purchase of approximately 80 acres of farmland located in Mill Shoals Township in White County. This project is being presented for one-time consideration.

Business and Industry – Industrial Revenue Bonds

Item No. 2: Freedman Building, L.L.C. and Freedman Seating Co., Inc. – \$5,655,000

Freedman Building, L.L.C. and Freedman Seating Co., Inc. are requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$5,655,000. Bond proceeds, together with other available funds, will be used to (i) purchase, renovate, and equip an approximately 170,000 square foot building located on 4501 West Augusta Boulevard, Chicago, Illinois 60651 and (ii) pay costs of issuance.

Business and Industry – Midwestern Disaster Area Revenue Bonds

Item No. 3: Janko Alcion Vernon Hills, LLC and its affiliates, successors, and assigns – \$24,800,000

Janko Alcion Vernon Hills, LLC and its affiliates, successors, and assigns are requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$24,800,000. Bond proceeds, together with other available funds, will be used to (i) purchase and substantially renovate a 4-story, approximately 200,344 square foot office building located on 75 North Fairway Drive in Vernon Hills, Illinois 60061; (ii) pay costs of issuance; and (iii) finance capitalized interest and certain reserves.

Higher Education, Cultural, and Other Non-Healthcare 501 – 501(c)(3) Revenue Bonds

Item No. 4: The University of Chicago – \$480,000,000

The University of Chicago is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$480,000,000. Bond proceeds, together with other available funds, will be used to (i) plan, design, construct, renovate, and equip various projects at the University's Hyde Park Campus and improvements located on 11030 South Langley Avenue and 450 North Cityfront Center, all in Chicago; (ii) refund or advance refund certain debt of the University; (iii) provide working capital; (iv) fund one or more debt service reserve funds; and (v) pay costs of issuance.

Item No. 5: National Hellenic Museum – \$8,000,000

National Hellenic Museum is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$8,000,000. This project is being presented for one-time consideration. Bond proceeds, together with other available funds, will be used to pay, reimburse or refinance certain indebtedness, the proceeds of which were used for the payment of costs of acquisition, construction, and equipping the National Hellenic Museum, a 40,000 square foot museum located on 333 South Halsted Street, Chicago, Illinois 60661.

Healthcare – 501(c)(3) Revenue Bonds

Item No. 6: The Children's Memorial Hospital – \$65,000,000

The Children's Memorial Hospital is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$65,000,000. Bond proceeds, together with other available funds, will be used to (i) reimburse The Children's Memorial Hospital for equity spent on its ongoing replacement hospital project and (ii) pay costs of issuance.

Resolutions

Item No. 7: Resolution to Amend Audit Opinion Language in Loan Agreement relating to Illinois Educational Facilities Authority Series 2000 Variable Rate Demand Revenue Bonds (Columbia College Chicago Project)

Item No. 8: Resolution to Reallocate \$6.0MM of Qualified Energy Conservation Bond Issuance Authority to Southern Illinois University

Item No. 9: Resolution authorizing the execution and delivery of a First Amendment to Bond and Loan Agreement in connection with IFA Series 2009 Educational Facility Revenue Bond (Near North Montessori School Project)

Item No. 10: Confirming IFA Board Resolution (Paul J. Gavin; Andrew J. Gavin; Waterloo Community School District No. 5; Covenant Retirement Communities, Inc.; Rush University Medical Center Obligated Group; Edwin and Cindy Summers; The British Home for Retired Men and Women)

Item No. 11: Resolution appointing the Executive Director of the Illinois Finance Authority for one-year term of office

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Item No. 12: Resolution of Illinois Finance Authority Authorizing the Executive Director to submit a Letter of Interest for the Transportation Infrastructure Finance and Innovation Act (TIFIA) Credit Program on behalf of the Elgin O'Hare - West Bypass Project

Item No. 13: Resolution of Illinois Finance Authority Authorizing the Energy Committee of the Authority to be hereinafter designated and known as the Infrastructure, Transportation and Energy Committee

VII. Other Business

None.

VIII. Public Comment

None.

IX. Adjournment

A motion to adjourn was made by Mr. O'Brien and seconded by Mr. Leonard. The Committee of the Whole Meeting adjourned at 10:33 a.m.

Minutes submitted by:
Brad Fletcher
Assistant Board Secretary

**MINUTES OF THE DECEMBER 13, 2011, MEETING OF THE BOARD OF DIRECTORS OF THE
ILLINOIS FINANCE AUTHORITY**

The Board of Directors (the "Board") of the Illinois Finance Authority ("IFA"), pursuant to notice duly given, held a Board Meeting on December 13, 2011, at 10:30 a.m. in the Conference Center, One Prudential Plaza, 130 East Randolph Avenue, Suite 750, Chicago, Illinois 60601.

IFA Board Members Present:

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Dr. William Barclay
4. James J. Fuentes
5. Norman M. Gold
6. Edward H. Leonard, Sr.
7. Terrence M. O'Brien
8. Heather D. Parish (via teleconference)
9. Mayor Barrett F. Pedersen
10. Roger E. Poole
11. Bradley A. Zeller

IFA Board Members Absent:

1. Gila J. Bronner
2. John E. Durburg

IFA Staff Present:

Christopher B. Meister, Executive Director
Rich Frampton, Vice President
Pamela A. Lenane, Vice President
Brad R. Fletcher, Legal/Financial Analyst
Nora O'Brien, Legal/Financial Analyst
Sohair Omar, Policy/Operations Analyst

IFA Financial Advisors Present:

Courtney Shea, Acacia Financial Group, Inc.
Bennett J. Johnson, III, Scott Balice Strategies, LLC/ Public Financial Management Group, Inc.
Danny Nelson, Scott Balice Strategies, LLC/ Public Financial Management Group, Inc.

Others Present:

Lorraine J. Arvin, The University of Chicago
Alan M. Bell, Charity & Associates, P.C.
Ron Blaustein, The Children's Memorial Hospital
Nancy A. Burke, Chapman and Cutler LLP
Rebecca Cliff, Mesirow Financial Holdings, Inc.
Kimberly M. Copp, Shesky & Froelich
Lynn Crim, Freedman Seating Company, Inc.
Phillip Culpepper, Samuel A. Ramirez & Company, Inc.

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Mary Jane Darby, Prager, Sealy & Company, LLC
Russell Herron, The University of Chicago
Charles L. Jarik, Chapman and Cutler LLP
Christine Linde, Amalgamated Bank
Barry Maram, Shefsky & Froelich
Michael J. Mitchell, Jones Day
Paula Noble, The Children's Memorial Hospital
Amalia Rioja, Acting Counsel for the IFA, Office of the Governor
Michelle Salomon, Bank of America Merrill Lynch
Cory Sandroock, The University of Chicago
Jimmy Shanahan, Shanahan & Shanahan LLP
Jessica Strausbaugh, The Children's Memorial Hospital
Elana Sullivan, Freedman Seating Company, Inc.
Lorraine Tyson, Pugh, Jones & Johnson, P.C.
Christopher Walrath, Chapman and Cutler LLP
Therese L. Wareham, Kaufman, Hall & Associates, Inc.
Lauretta Wild, Loop Capital Markets, LLC

I. Call to Order & Roll Call

Chairman Brandt called the Meeting to order at 10:38 a.m. Chairman Brandt asked the Assistant Board Secretary, Mr. Fletcher, to call the roll. There being ten Members physically present and one Member available via teleconference, a quorum was present.

II. Chairman's Remarks

Chairman Brandt welcomed Members of the Board, IFA staff and all guests present.

III. Adoption of Minutes

Chairman Brandt stated that the Financial Statements for the Month ended November 30, 2011, and Minutes of both the Committee of the Whole Meeting and Minutes of the Board of Directors Meeting each held on November 8, 2011, were reviewed at the Committee of the Whole Meeting earlier in the morning. Chairman Brandt requested a motion to accept the Financial Statements for the Month ended November 30, 2011, and adopt the Minutes of both Meetings on November 8, 2011. Vice Chairman Goetz made the motion and Mr. Poole seconded the motion. A roll call vote was taken and the motion carried unanimously.

IV. Acceptance of Financial Statements

See Agenda Item III.

V. Project Approvals

Chairman Brandt asked Mr. Frampton to present the projects and resolutions for consideration to the Board.

Mr. Frampton presented the following projects and resolutions:

Agriculture – Beginning Farmer Bonds

Item No. 1A: Cory James Funk – \$196,100 – 72 acres

Cory James Funk is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$196,100. Bond proceeds will finance the purchase of approximately 72 acres of farmland with buildings located in Lawrence Township in Lawrence County. This project is being presented for one-time consideration.

Item No. 1B: Alexander Colby Jordan – \$226,879– 40 acres

Alexander Colby Jordan is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$226,879. Bond proceeds will finance the purchase of approximately 40 acres of farmland and an undivided ½ interest in 39 acres of farmland located in Bois D'Arc Township in Montgomery County. This project is being presented for one-time consideration.

Item No. 1C: Korey P. Jordan – \$226,879 – 40 acres

Korey P. Jordan is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$226,879. Bond proceeds will finance the purchase of approximately 40 acres of farmland and an undivided ½ interest in 39 acres of farmland located in Bois D'Arc Township in Montgomery County. This project is being presented for one-time consideration.

Item No. 1D: John A. Olson – \$475,000 – 155 acres

John A. Olson is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$475,000. Bond proceeds will finance the purchase of approximately 155 acres of farmland located in Suez Township in Mercer County. This project is being presented for one-time consideration.

Item No. 1E: John W. & Grace E. Vaughan – \$143,750 – 40 acres

John W. & Grace E. Vaughan is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$143,750. Bond proceeds will finance the purchase of approximately 40 acres of farmland located in Leech South Township in Wayne County. This project is being presented for one-time consideration.

Item No. 1F: James A. & Anne E. Vaughan – \$143,750 – 40 acres

James A. & Anne E. Vaughan is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$143,750. Bond proceeds will finance the purchase of approximately 40 acres of farmland located in Leech South Township in Wayne County. This project is being presented for one-time consideration.

Item No. 1G: Spencer A. Janssen – \$250,000 – 75 acres

Spencer A. Janssen is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$250,000. Bond proceeds will refinance an interim loan for approximately 75 acres of farmland located in North Hurricane Township in Fayette County. This project is being presented for one-time consideration.

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Item No. 1H: Jared L. & Jodi L. Poole – \$273,750 – 80 acres

Jared L. & Jodi L. Poole is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$273,750. Bond proceeds will finance the purchase of approximately 80 acres of farmland located in Mill Shoals Township in White County. This project is being presented for one-time consideration.

No guests attended to represent Item No. 1A-H. Chairman Brandt asked if the Members of the Board had any questions related to these items. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of Item No. 1A-H. Leave was granted unanimously.

Business and Industry – Industrial Revenue Bonds

Item No. 2: Freedman Building, L.L.C. and Freedman Seating Co., Inc. – \$5,655,000

Freedman Building, L.L.C. and Freedman Seating Co., Inc. are requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$5,655,000. Bond proceeds, together with other available funds, will be used to (i) purchase, renovate, and equip an approximately 170,000 square foot building located on 4501 West Augusta Boulevard, Chicago, Illinois 60651 and (ii) pay costs of issuance.

Mr. Frampton welcomed Mr. Crim, Controller of Freedman Seating Co., Inc., and stated that Mr. Freedman, President of Freedman Seating Co., Inc., will give a brief presentation when this project returns to the Board for consideration of a Final Bond Resolution.

Business and Industry – Midwestern Disaster Area Revenue Bonds

Item No. 3: Janko Alcion Vernon Hills, LLC and its affiliates, successors, and assigns – \$24,800,000

Janko Alcion Vernon Hills, LLC and its affiliates, successors, and assigns are requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$24,800,000. Bond proceeds, together with other available funds, will be used to (i) purchase and substantially renovate a 4-story, approximately 200,344 square foot office building located on 75 North Fairway Drive in Vernon Hills, Illinois 60061; (ii) pay costs of issuance; and (iii) finance capitalized interest and certain reserves.

Higher Education, Cultural, and Other Non-Healthcare 501 – 501(c)(3) Revenue Bonds

Item No. 4: The University of Chicago – \$480,000,000

The University of Chicago is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$480,000,000. Bond proceeds, together with other available funds, will be used to (i) plan, design, construct, renovate, and equip various projects at the University's Hyde Park Campus and improvements located on 11030 South Langley Avenue and 450 North Cityfront Center, all in Chicago; (ii) refund or advance refund certain debt of the University; (iii) provide working capital; (iv) fund one or more debt service reserve funds; and (v) pay costs of issuance.

Mr. Frampton welcomed Ms. Arvin and other representatives of the University of Chicago in attendance.

Item No. 5: National Hellenic Museum – \$8,000,000

National Hellenic Museum is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$8,000,000. This project is being presented for one-time consideration. Bond proceeds, together with other available funds, will be used to pay, reimburse or refinance certain indebtedness, the proceeds of which were used for the payment of costs of acquisition, construction, and equipping the National Hellenic Museum, a 40,000 square foot museum located on 333 South Halsted Street, Chicago, Illinois 60661.

Chairman Brandt asked if the Members of the Board had any questions related to Item No. 2-5. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of Item No. 2-5. Leave was granted unanimously.

Resolutions

See Agenda Item VI.

Healthcare – 501(c)(3) Revenue Bonds

Item No. 6: The Children’s Memorial Hospital – \$65,000,000

The Children’s Memorial Hospital is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$65,000,000. Bond proceeds, together with other available funds, will be used to (i) reimburse The Children’s Memorial Hospital for equity spent on its ongoing replacement hospital project and (ii) pay costs of issuance.

Ms. Lenane welcomed Ms. Noble, Chief Financial Officer and Treasurer of The Children’s Memorial Hospital. Ms. Noble thanked the Board and the IFA staff. Chairman Brandt thanked Ms. Noble. Chairman Brandt asked if the Members of the Board had any questions related to Item No. 6. Mr. Fuentes stated that he will abstain due to a related party’s position at The Children’s Memorial Hospital. Chairman Brandt requested a roll call vote in favor of Item No. 6. The action was approved with 10 ayes, 0 nays and 1 abstention (Fuentes).

VI. Resolutions

- Item No. 7: Resolution to Amend Audit Opinion Language in Loan Agreement relating to Illinois Educational Facilities Authority Series 2000 Variable Rate Demand Revenue Bonds (Columbia College Chicago Project)**
- Item No. 8: Resolution to Reallocate \$6.0MM of Qualified Energy Conservation Bond Issuance Authority to Southern Illinois University**
- Item No. 9: Resolution authorizing the execution and delivery of a First Amendment to Bond and Loan Agreement in connection with IFA Series 2009 Educational Facility Revenue Bond (Near North Montessori School Project)**
- Item No. 10: Confirming IFA Board Resolution (Paul J. Gavin; Andrew J. Gavin; Waterloo Community School District No. 5; Covenant Retirement Communities, Inc.; Rush University Medical Center Obligated Group; Edwin and Cindy Summers; The British Home for Retired Men and Women)**

Board Meeting Minutes

December 13, 2011

Page 6

- Item No. 11:** Resolution appointing the Executive Director of the Illinois Finance Authority for one-year term of office
- Item No. 12:** Resolution of Illinois Finance Authority Authorizing the Executive Director to submit a Letter of Interest for the Transportation Infrastructure Finance and Innovation Act (TIFIA) Credit Program on behalf of the Elgin O'Hare - West Bypass Project
- Item No. 13:** Resolution of Illinois Finance Authority Authorizing the Energy Committee of the Authority to be hereinafter designated and known as the Infrastructure, Transportation and Energy Committee

No guests attended to represent Item No. 7-13. Chairman Brandt asked if the Members of the Board had any questions related to these items. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of Item No. 7-13. Leave was granted unanimously.

VII. Other Business

None.

VIII. Public Comment

None.

IX. Adjournment

A motion to adjourn was made by Mr. O'Brien and seconded by Vice Chairman Goetz. The motion passed unanimously.

The Board Meeting adjourned at 10:58 a.m.

Minutes submitted by:
Brad Fletcher
Assistant Board Secretary

**Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
for Period Ending
December 31, 2011**

	Actual December 2011	Budget December 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
REVENUE										
INTEREST ON LOANS	35,587	80,775	(45,188)	-55.94%	249,478	284,938	(35,460)	-12.44%	538,836	46.30%
INVESTMENT INTEREST & GAIN(LOSS)	3,333	2,083	1,250	60.01%	15,723	12,498	3,225	25.80%	25,000	62.89%
ADMINISTRATIONS & APPLICATION FEES	260,548	174,700	85,848	49.14%	1,349,495	1,995,880	(646,385)	-32.39%	4,194,325	32.17%
ANNUAL ISSUANCE & LOAN FEES	38,154	37,198	956	2.57%	226,750	208,905	17,845	8.54%	425,670	53.27%
OTHER INCOME	78,653	13,605	65,048	478.12%	1,252,863	81,630	1,171,233	1434.81%	163,250	767.45%
TOTAL REVENUE	416,275	309,361	(107,914)	-25.90%	6,074,303	2,533,851	5,104,452	18.76%	5,347,081	57.67%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	132,982	145,429	(12,447)	-8.56%	769,042	872,574	(103,532)	-11.87%	1,730,791	44.43%
BENEFITS	18,614	23,060	(4,446)	-19.28%	116,469	133,360	(16,891)	-12.67%	265,728	43.83%
TEMPORARY HELP	282	-	282	0.00%	619	-	619	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	-	833	(833)	-100.00%	150	4,998	(4,848)	-97.00%	10,000	1.50%
TRAVEL & AUTO	2,841	5,833	(2,992)	-51.29%	23,751	34,998	(11,247)	-32.14%	70,000	33.93%
TOTAL EMPLOYEE RELATED EXPENSES	154,719	175,155	(20,436)	-11.67%	910,031	1,045,930	(135,899)	-12.99%	2,076,519	43.82%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	61,557	41,667	19,890	47.74%	217,625	250,002	(32,377)	-12.95%	500,000	43.53%
LOAN EXPENSE & BANK FEE	48,841	9,250	39,591	428.01%	123,023	55,500	67,523	121.66%	111,000	110.83%
ACCOUNTING & AUDITING	30,780	21,962	8,818	40.15%	140,035	131,772	8,263	6.27%	263,536	53.14%
MARKETING GENERAL	65	1,250	(1,185)	-94.80%	1,785	7,500	(5,715)	-76.20%	15,000	11.90%
FINANCIAL ADVISORY	(54,150)	16,667	(70,817)	-424.89%	29,185	100,002	(70,817)	-70.82%	200,000	14.59%
CONFERENCE/TRAINING	50	2,500	(2,450)	-98.00%	9,317	15,000	(5,683)	-37.89%	30,000	31.06%
MISC. PROFESSIONAL SERVICES	(45,822)	9,167	(54,989)	-599.86%	13	55,002	(54,989)	-99.98%	110,000	0.01%
DATA PROCESSING	2,558	4,583	(2,025)	-44.19%	19,585	27,498	(7,913)	-28.78%	55,000	35.61%
TOTAL PROFESSIONAL SERVICES	43,879	107,946	(64,067)	-59.01%	610,538	642,776	(10,109)	-1.56%	2,247,336	42.08%
OCCUPANCY COSTS										
OFFICE RENT	21,603	22,357	(754)	-3.37%	119,947	134,142	(14,195)	-10.58%	268,284	44.71%
EQUIPMENT RENTAL AND PURCHASES	878	1,300	(422)	-32.46%	9,780	7,800	1,980	25.38%	15,600	62.69%
TELECOMMUNICATIONS	3,946	3,500	446	12.74%	14,554	21,000	(6,446)	-30.70%	42,000	34.65%
UTILITIES	869	1,000	(131)	-13.10%	6,393	6,000	393	6.55%	12,000	53.28%
DEPRECIATION	4,075	4,039	36	0.89%	20,867	18,603	2,264	12.17%	52,649	39.63%
INSURANCE	1,945	1,950	(5)	-0.26%	11,670	11,700	(30)	-0.26%	23,400	49.87%
TOTAL OCCUPANCY COSTS	33,316	34,146	(830)	-2.43%	183,211	199,245	(16,034)	-8.05%	413,933	44.26%

**Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
for Period Ending
December 31, 2011**

	Actual December 2011	Budget December 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	3,096	2,900	196	6.76%	15,826	17,400	(1,574)	-9.05%	34,800	45.48%
BOARD MEETING - EXPENSES	2,245	2,666	(421)	-15.79%	13,351	15,996	(2,645)	-16.54%	32,000	41.72%
PRINTING	526	875	(349)	-39.89%	3,917	5,250	(1,333)	-25.39%	10,500	37.30%
POSTAGE & FREIGHT	1,021	1,250	(229)	-18.32%	8,000	7,500	500	6.67%	15,000	53.33%
MEMBERSHIP, DUES & CONTRIBUTIONS	11,563	1,909	9,654	505.71%	23,821	20,545	3,276	15.95%	32,000	74.44%
PUBLICATIONS	412	250	162	64.80%	1,131	1,500	(369)	-24.60%	3,000	37.70%
OFFICERS & DIRECTORS INSURANCE	15,343	15,261	82	0.54%	92,059	91,566	493	0.54%	183,132	50.27%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	34,206	25,111	9,095	36.22%	158,105	159,757	(1,652)	-1.03%	310,432	50.93%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	-	-	-	-	0.00%	-	0.00%
OTHER	-	-	-	-	-	-	-	0.00%	-	0.00%
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL EXPENSES	266,120	341,459	(75,339)	-22.05%	1,701,915	2,047,208	(345,293)	-17.47%	4,065,424	83.86%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	150,155	(33,097)	183,252	-553.68%	1,302,394	536,643	765,751	142.69%	1,261,661	103.23%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TRANSFER	9,571	-	9,571	0.00%	17,989	-	17,989	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
NET INCOME/(LOSS)	159,726	(33,097)	(192,823)	-532.80%	1,620,383	536,643	1,083,740	145.06%	1,261,661	104.59%

**Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
for Period Ending
December 31, 2011**

	Actual December 2011	Actual December 2010	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
REVENUE								
INTEREST ON LOANS	35,587	78,741	(43,154)	-54.80%	249,478	542,566	(293,088)	-54.02%
INVESTMENT INTEREST & GAIN(LOSS)	3,333	4,212	(879)	-20.87%	15,723	30,943	(15,220)	-49.19%
ADMINISTRATIONS & APPLICATION FEES	280,548	1,044,512	(763,964)	-75.06%	1,349,495	3,639,287	(2,289,792)	-62.92%
ANNUAL ISSUANCE & LOAN FEES	38,154	54,585	(16,431)	-30.10%	226,750	314,975	(88,225)	-28.01%
OTHER INCOME	78,653	15,507	63,146	407.21%	1,252,863	118,609	1,134,254	956.30%
TOTAL REVENUE	416,275	1,197,557	(781,282)	-65.24%	3,094,309	4,646,380	(1,552,071)	-33.40%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	132,982	52,646	80,336	152.60%	769,042	882,887	(113,845)	-12.89%
BENEFITS	18,614	10,275	8,339	81.16%	116,469	108,141	8,328	7.70%
TEMPORARY HELP	282	340	(58)	0.00%	619	1,307	(688)	0.00%
EDUCATION & DEVELOPMENT	-	-	-	0.00%	150	3,113	(2,963)	-95.18%
TRAVEL & AUTO	2,841	3,253	(412)	-12.67%	23,751	22,699	1,052	4.63%
TOTAL EMPLOYEE RELATED EXPENSES	154,719	66,514	88,205	132.61%	910,031	1,018,147	(108,116)	-10.62%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	61,557	21,182	40,375	190.61%	217,925	125,925	91,700	72.82%
LOAN EXPENSE & BANK FEE	48,841	10,092	38,749	383.96%	123,023	60,154	62,869	104.51%
ACCOUNTING & AUDITING	30,780	26,418	4,362	16.51%	140,035	165,796	(25,761)	-15.54%
MARKETING GENERAL	65	491	(426)	-86.76%	1,785	12,739	(10,954)	-85.99%
FINANCIAL ADVISORY	(54,150)	(52,416)	(1,734)	3.31%	29,185	66,334	(37,149)	-56.00%
CONFERENCE/TRAINING	50	1,035	(985)	-95.17%	9,317	2,564	6,753	263.38%
MISC. PROFESSIONAL SERVICES	(45,822)	(27,264)	(18,558)	68.07%	13	56,679	(56,666)	-99.98%
DATA PROCESSING	2,558	2,606	(48)	-1.84%	19,585	17,672	1,913	10.83%
TOTAL PROFESSIONAL SERVICES	43,879	(17,856)	61,735	-345.74%	540,568	507,863	32,705	6.44%
OCCUPANCY COSTS								
OFFICE RENT	21,603	11,085	10,518	94.88%	119,947	122,728	(2,781)	-2.27%
EQUIPMENT RENTAL AND PURCHASES	878	1,148	(270)	-23.52%	9,780	10,655	(875)	-8.21%
TELECOMMUNICATIONS	3,946	1,854	2,093	112.95%	14,554	19,843	(5,289)	-26.65%
UTILITIES	869	839	30	3.58%	6,393	5,698	695	12.20%
DEPRECIATION	4,075	2,439	1,636	67.08%	20,867	14,972	5,895	39.37%
INSURANCE	1,945	1,929	16	0.83%	11,670	11,575	95	0.82%
TOTAL OCCUPANCY COSTS	33,316	19,293	14,023	72.68%	183,211	185,471	(2,260)	-1.22%

**Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
for Period Ending
December 31, 2011**

	Actual December 2011	Actual December 2010	Current Month Variance Actual vs. Budget	Current %	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD %
			Variance	Variance				Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	3,096	4,322	(1,226)	-28.37%	15,826	18,480	(2,654)	-14.36%
BOARD MEETING - EXPENSES	2,245	7,792	(5,547)	-71.19%	13,351	20,152	(6,801)	-33.75%
PRINTING	526	3,163	(2,637)	-83.37%	3,917	6,120	(2,203)	-36.00%
POSTAGE & FREIGHT	1,021	1,985	(964)	-48.56%	8,000	8,648	(648)	-7.49%
MEMBERSHIP, DUES & CONTRIBUTIONS	11,563	2,334	9,229	395.42%	23,821	20,530	3,291	16.03%
PUBLICATIONS	412	150	262	174.67%	1,131	1,079	52	4.82%
OFFICERS & DIRECTORS INSURANCE	15,343	15,619	(276)	-1.77%	92,059	100,223	(8,164)	-8.15%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%
TOTAL GENL & ADMIN EXPENSES	34,206	35,365	(1,159)	-3.28%	158,105	175,232	(17,127)	-9.77%
LOAN LOSS PROVISION/BAD DEBT	-	25,000	(25,000)	-	-	475,568	(475,568)	0.00%
OTHER	-	-	-	0.00%	-	-	-	0.00%
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%
TOTAL EXPENSES	266,120	128,316	137,804	107.39%	1,791,915	2,362,281	(570,366)	-24.14%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	150,155	1,069,241	(919,086)	-85.96%	1,302,394	2,284,059	(981,705)	-42.98%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%
TRANSFER	9,571	-	9,571	0.00%	17,989	18,648	(659)	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%
NET INCOME/(LOSS)	159,726	1,069,241	(909,515)	-85.06%	1,320,383	2,302,747	(982,364)	-42.66%

Illinois Finance Authority
General Fund
Unaudited
Balance Sheet
for the Six Months Ending December 31, 2011

	<u>Actual December 2011</u>
ASSETS	
CASH & INVESTMENTS, UNRESTRICTED	\$ 35,115,057
RECEIVABLES, NET	59,374
LOAN RECEIVABLE, NET	9,520,785
OTHER RECEIVABLES	80,628
PREPAID EXPENSES	<u>123,129</u>
 TOTAL CURRENT ASSETS	 44,898,973
 FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	 131,935
 DEFERRED ISSUANCE COSTS	 271,975
OTHER ASSETS	
CASH, INVESTMENTS & RESERVES	874,526
VENTURE CAPITAL INVESTMENTS	-
OTHER	<u>(14,837)</u>
 TOTAL OTHER ASSETS	 859,689
 TOTAL ASSETS	 <u>\$ 46,162,572</u>
 LIABILITIES	
CURRENT LIABILITIES	\$ 858,532
LONG-TERM LIABILITIES	<u>399,332</u>
 TOTAL LIABILITIES	 1,257,864
EQUITY	
CONTRIBUTED CAPITAL	4,111,479
RETAINED EARNINGS	27,501,548
NET INCOME / (LOSS)	1,320,383
RESERVED/RESTRICTED FUND BALANCE	1,732,164
UNRESERVED FUND BALANCE	<u>10,239,134</u>
 TOTAL EQUITY	 44,904,708
 TOTAL LIABILITIES & EQUITY	 <u>\$ 46,162,572</u>

**Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
for Period Ending
December 31, 2011**

	Actual December 2011	Budget December 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
REVENUE										
INTEREST ON LOANS	188,820	238,482	(49,662)	-20.82%	1,162,205	1,205,003	(42,798)	-3.55%	2,377,527	48.88%
INVESTMENT INTEREST & GAIN(LOSS)	53,445	50,693	2,752	5.43%	302,329	304,158	(1,829)	-0.60%	608,320	49.70%
ADMINISTRATIONS & APPLICATION FEES	260,548	174,700	85,848	49.14%	1,349,495	1,995,860	(646,365)	-32.39%	4,194,325	32.17%
ANNUAL ISSUANCE & LOAN FEES	38,154	37,198	956	2.57%	226,750	208,905	17,845	8.54%	425,670	53.27%
OTHER INCOME	104,525	38,605	65,920	170.76%	1,434,117	231,630	1,202,487	519.14%	463,250	309.58%
TOTAL REVENUE	645,482	539,678	105,814	19.61%	4,474,896	3,945,576	529,320	13.42%	8,069,092	55.46%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	132,982	145,429	(12,447)	-8.56%	769,042	872,574	(103,532)	-11.87%	1,730,791	44.43%
BENEFITS	18,614	23,060	(4,446)	-19.28%	116,469	133,360	(16,891)	-12.67%	265,728	43.83%
TEMPORARY HELP	282	-	282	0.00%	619	-	619	0.00%	-	1.50%
EDUCATION & DEVELOPMENT	-	833	(833)	-100.00%	150	4,998	(4,848)	-97.00%	10,000	33.93%
TRAVEL & AUTO	2,841	5,833	(2,992)	-51.29%	23,751	34,998	(11,247)	-32.14%	70,000	43.82%
TOTAL EMPLOYEE RELATED EXPENSES	154,719	175,155	(20,436)	-11.67%	910,031	1,045,930	(135,899)	-12.99%	2,076,519	43.82%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	63,640	43,750	19,890	45.46%	230,123	262,500	(32,377)	-12.33%	525,000	48.81%
LOAN EXPENSE & BANK FEE	202,049	162,458	39,591	24.37%	1,100,318	974,748	125,570	12.88%	2,254,446	49.78%
ACCOUNTING & AUDITING	32,329	24,344	7,985	32.80%	145,409	146,064	(655)	-0.45%	292,120	11.90%
MARKETING GENERAL	65	1,250	(1,185)	-94.80%	1,785	7,500	(5,715)	-76.20%	15,000	14.59%
FINANCIAL ADVISORY	(54,150)	16,667	(70,817)	-424.89%	29,185	100,002	(70,817)	-70.82%	200,000	31.06%
CONFERENCE/TRAINING	50	2,500	(2,450)	-98.00%	9,317	15,000	(5,683)	-37.89%	30,000	13.34%
MISC. PROFESSIONAL SERVICES	(42,489)	12,500	(54,989)	-439.91%	20,011	75,000	(54,989)	-73.32%	150,000	35.61%
DATA PROCESSING	2,558	4,583	(2,025)	-44.19%	19,585	27,498	(7,913)	-28.76%	55,000	44.18%
TOTAL PROFESSIONAL SERVICES	204,052	268,052	(64,000)	-23.88%	1,555,733	1,608,312	(52,579)	-3.27%	3,521,566	44.18%
OCCUPANCY COSTS										
OFFICE RENT	21,603	22,357	(754)	-3.37%	119,947	134,142	(14,195)	-10.58%	268,284	62.69%
EQUIPMENT RENTAL AND PURCHASES	878	1,300	(422)	-32.46%	9,780	7,800	1,980	25.38%	15,600	34.65%
TELECOMMUNICATIONS	3,846	3,500	446	12.74%	14,555	21,000	(6,445)	-30.69%	42,000	53.28%
UTILITIES	869	1,000	(131)	-13.10%	6,393	6,000	393	6.55%	12,000	39.63%
DEPRECIATION	4,075	4,039	36	0.89%	20,867	18,603	2,264	12.17%	52,649	49.87%
INSURANCE	1,945	1,950	(5)	-0.26%	11,670	11,700	(30)	-0.26%	23,400	44.26%
TOTAL OCCUPANCY COSTS	33,316	34,146	(830)	-2.43%	183,212	199,245	(16,033)	-8.05%	413,933	44.26%

**Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
for Period Ending
December 31, 2011**

	Actual December 2011	Budget December 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	3,096	2,900	196	6.76%	15,826	17,400	(1,574)	-9.05%	34,800	45.48%
BOARD MEETING - EXPENSES	2,245	2,666	(421)	-15.79%	13,351	15,996	(2,645)	-16.54%	32,000	41.72%
PRINTING	526	875	(349)	-39.89%	3,917	5,250	(1,333)	-25.39%	10,500	37.30%
POSTAGE & FREIGHT	1,021	1,250	(229)	-18.32%	8,000	7,500	500	6.67%	15,000	53.33%
MEMBERSHIP, DUES & CONTRIBUTIONS	11,563	1,909	9,654	505.71%	23,821	20,545	3,276	15.95%	32,000	74.44%
PUBLICATIONS	412	250	162	64.80%	1,131	1,500	(369)	-24.60%	3,000	37.70%
OFFICERS & DIRECTORS INSURANCE	15,343	15,261	82	0.54%	92,059	91,566	493	0.54%	183,132	50.27%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	34,206	25,111	9,095	36.22%	158,105	159,757	(1,652)	-1.03%	310,432	50.93%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	-	-	-	-	0.00%	-	0.00%
OTHER										
INTEREST EXPENSE	503	503	-	0.00%	3,016	3,018	(2)	-0.07%	5,748	52.47%
TOTAL OTHER	503	503	-	0.00%	3,016	3,018	(2)	-0.07%	5,748	0.00%
TOTAL EXPENSES	426,796	502,967	(76,171)	-15.14%	2,810,097	3,016,262	(206,165)	-6.84%	6,328,198	44.41%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	218,696	36,711	181,985	495.72%	1,664,799	929,314	735,485	79.14%	1,740,894	95.63%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TRANSFER	-	-	-	0.00%	(3,169)	-	(3,169)	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%	-	-
NET INCOME/(LOSS)	218,696	36,711	181,985	495.72%	1,661,630	929,314	732,316	78.80%	1,740,894	95.45%

**Illinois Finance Authority
Consolidated Statement of Activities
Comparison
for Period Ending
December 31, 2011**

	Actual December 2011	Actual December 2010	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
REVENUE								
INTEREST ON LOANS	188,820	598,812	(409,992)	-68.47%	1,162,205	1,617,707	(455,502)	-28.16%
INVESTMENT INTEREST & GAIN(LOSS)	53,445	123,438	(69,993)	-56.70%	302,329	405,562	(103,233)	-25.45%
ADMINISTRATIONS & APPLICATION FEES	260,548	1,044,512	(783,964)	-75.06%	1,349,495	3,639,287	(2,289,792)	-62.92%
ANNUAL ISSUANCE & LOAN FEES	38,154	54,585	(16,431)	-30.10%	226,750	314,975	(88,225)	-28.01%
OTHER INCOME	104,525	52,921	51,604	97.51%	1,434,117	255,659	1,178,458	460.95%
TOTAL REVENUE	645,492	1,874,268	(1,228,776)	-65.56%	4,474,896	6,233,190	(1,758,294)	-28.21%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	132,982	52,646	80,336	152.60%	769,042	882,887	(113,845)	-12.89%
BENEFITS	18,614	10,275	8,339	81.16%	116,469	108,141	8,328	7.70%
TEMPORARY HELP	282	340	(58)	0.00%	619	1,307	(688)	0.00%
EDUCATION & DEVELOPMENT	-	-	-	0.00%	150	3,113	(2,963)	-95.18%
TRAVEL & AUTO	2,841	3,252	(411)	-12.64%	23,751	22,699	1,052	4.63%
TOTAL EMPLOYEE RELATED EXPENSES	154,719	66,513	88,206	132.61%	910,031	1,018,147	(108,116)	-10.62%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	63,640	23,265	40,375	173.54%	230,123	138,423	91,700	66.25%
LOAN EXPENSE & BANK FEE	202,049	(645)	202,694	-31425.43%	1,100,318	1,279,753	(179,435)	-14.02%
ACCOUNTING & AUDITING	32,329	28,264	4,065	14.38%	145,409	176,871	(31,462)	-17.79%
MARKETING GENERAL	65	491	(426)	-86.76%	1,785	12,739	(10,954)	-85.99%
FINANCIAL ADVISORY	(54,150)	(52,416)	(1,734)	3.31%	29,185	66,334	(37,149)	-56.00%
CONFERENCE/TRAINING	50	1,035	(985)	-95.17%	9,317	2,564	6,753	263.38%
MISC. PROFESSIONAL SERVICES	(42,489)	(23,931)	(18,558)	77.55%	20,011	76,677	(56,666)	-73.90%
DATA PROCESSING	2,558	2,606	(48)	-1.84%	19,585	17,672	1,913	10.83%
TOTAL PROFESSIONAL SERVICES	204,052	(21,331)	225,383	-1056.60%	1,555,733	1,771,033	(215,300)	-12.16%
OCCUPANCY COSTS								
OFFICE RENT	21,603	11,085	10,518	94.88%	119,947	122,728	(2,781)	-2.27%
EQUIPMENT RENTAL AND PURCHASES	878	1,148	(270)	-23.52%	9,780	10,655	(875)	-8.21%
TELECOMMUNICATIONS	3,946	1,854	2,092	112.84%	14,555	19,843	(5,288)	-26.65%
UTILITIES	869	839	30	3.58%	6,393	5,698	695	12.20%
DEPRECIATION	4,075	2,439	1,636	67.08%	20,867	14,972	5,895	39.37%
INSURANCE	1,945	1,929	16	0.83%	11,670	11,575	95	0.82%
TOTAL OCCUPANCY COSTS	33,316	19,294	14,022	72.68%	183,212	185,471	(2,259)	-1.22%

**Illinois Finance Authority
Consolidated Statement of Activities
Comparison
for Period Ending
December 31, 2011**

	Actual December 2011	Actual December 2010	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	3,096	4,322	(1,226)	-28.37%	15,826	18,480	(2,654)	-14.36%
BOARD MEETING - EXPENSES	2,245	7,792	(5,547)	-71.19%	13,351	20,152	(6,801)	-33.75%
PRINTING	526	3,163	(2,637)	-83.37%	3,917	6,120	(2,203)	-36.00%
POSTAGE & FREIGHT	1,021	1,985	(964)	-48.56%	8,000	8,648	(648)	-7.49%
MEMBERSHIP, DUES & CONTRIBUTIONS	11,563	2,334	9,229	395.42%	23,821	20,530	3,291	16.03%
PUBLICATIONS	412	150	262	174.67%	1,131	1,079	52	4.82%
OFFICERS & DIRECTORS INSURANCE	15,343	15,619	(276)	-1.77%	92,059	100,223	(8,164)	-8.15%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%
TOTAL GENL & ADMIN EXPENSES	34,206	35,365	(1,159)	-3.28%	158,105	175,232	(17,127)	-9.77%
LOAN LOSS PROVISION/BAD DEBT	-	25,000	(25,000)	-	-	470,983	(470,983)	0.00%
OTHER								
INTEREST EXPENSE	503	550	(47)	-8.55%	3,016	3,301	(285)	-8.63%
TOTAL OTHER	503	550	(47)	0.00%	3,016	3,301	(285)	0.00%
TOTAL EXPENSES	425,796	125,391	301,405	240.37%	2,810,097	3,624,167	(814,070)	-22.46%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	218,696	1,748,877	(1,530,181)	-87.50%	1,664,799	2,609,023	(944,224)	-36.19%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%
TRANSFER	-	(3,302,000)	3,302,000	0.00%	(3,169)	(3,302,000)	3,298,831	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%
NET INCOME/(LOSS)	218,696	(1,553,123)	1,771,819	-114.08%	1,661,630	(692,977)	2,354,607	-339.78%

**Illinois Finance Authority
Consolidated
Unaudited
Balance Sheet
for the Six Months Ending December 31, 2011**

	Actual December 2010	Actual December 2011
	<u>2010</u>	<u>2011</u>
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	\$ 40,189,640	\$ 48,634,581
RECEIVABLES, NET	66,454	59,374
LOAN RECEIVABLE, NET	37,941,828	29,533,139
NOTES RECEIVABLE	43,029,874	38,663,637
OTHER RECEIVABLES	1,172,080	1,068,808
PREPAID EXPENSES	<u>122,414</u>	<u>123,129</u>
 TOTAL CURRENT ASSETS	 122,522,290	 118,082,668
 FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	 59,667	 131,935
 DEFERRED ISSUANCE COSTS	 439,901	 373,078
OTHER ASSETS		
CASH, INVESTMENTS & RESERVES	40,519,705	39,485,705
VENTURE CAPITAL INVESTMENTS	2,512,917	2,247,981
OTHER	<u>3,000,000</u>	<u>3,000,000</u>
 TOTAL OTHER ASSETS	 46,032,622	 44,733,686
 TOTAL ASSETS	 <u>\$ 169,054,480</u>	 <u>\$ 163,321,367</u>
 LIABILITIES		
CURRENT LIABILITIES	1,713,843	997,321
BONDS PAYABLE	53,715,000	46,840,000
OTHER LIABILITIES	<u>2,039,391</u>	<u>1,795,732</u>
 TOTAL LIABILITIES	 57,468,234	 49,633,053
EQUITY		
CONTRIBUTED CAPITAL	35,608,692	35,608,692
RETAINED EARNINGS	26,144,175	28,655,681
NET INCOME / (LOSS)	(692,977)	1,661,630
RESERVED/RESTRICTED FUND BALANCE	37,878,185	35,114,140
UNRESERVED FUND BALANCE	<u>12,648,171</u>	<u>12,648,171</u>
 TOTAL EQUITY	 111,586,246	 113,688,314
 TOTAL LIABILITIES & EQUITY	 <u>\$ 169,054,480</u>	 <u>\$ 163,321,367</u>

A.

Project Number: A-FB-TE-CD-8526
Borrower(s): Thompson, Teresa L.
Borrower Benefit: First Time Land Buyer
Town: Little York, IL
IFA Bond Amount: \$180,000
Use of Funds: Farmland – refinance an interim loan for 60 acres of farmland
Purchase Price: \$360,000
%Borrower Equity: 5%
%USDA Farm Service Agency: 45% (*Subordinate Financing*)
%IFA: 50%
Township: Rozetta
County/Region: Henderson / West Central
Lender/Bond Purchaser: Midwest Bank of Western Illinois / Brad Ray
Legislative Districts: Congressional: 17th, Bobby Schilling
State Senate: 47th, John Sullivan
State House: 94th, Norine Hammond

Principal shall be paid annually in installments determined pursuant to a Thirty-year (30-year) amortization schedule, with the first principal payment date to begin one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin one year from the date of closing with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing. The note will have a 30-year amortization and maturity.

Thompson, Teresa L.: Note shall bear simple interest at the expressed rate. The expressed rate shall be 3.90% fixed for the first five years and adjust every five years thereafter equal to Wall Street Journal Prime with a floor of 3.90%. IFA Fee: \$2,700

B.

Project Number: A-FB-TE-CD-8527
Borrower(s): Thompson, Paul D.
Borrower Benefit: First Time Land Buyer
Town: Edwards, IL
IFA Bond Amount: \$366,489
Use of Funds: Farmland – refinance an interim loan for 104 acres of farmland
Purchase Price: \$622,620
%Borrower Equity: 5%
%USDA Farm Service Agency: 36% (*Subordinate Financing*)
%IFA: 59%
Township: Rozetta
County/Region: Henderson / West Central
Lender/Bond Purchaser: Midwest Bank of Western Illinois / Brad Ray
Legislative Districts: Congressional: 18th, Aaron Schock
State Senate: 37th, Darin LaHood
State House: 73rd, David Leitch

Principal shall be paid annually in installments determined pursuant to a Thirty-year (30-year) amortization schedule, with the first principal payment date to begin one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin one year from the date of closing with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing. The note will have a 30-year amortization and maturity.

Thompson, Paul D.: Note shall bear simple interest at the expressed rate. The expressed rate shall be 3.90% fixed for the first five years and adjust every five years thereafter equal to Wall Street Journal Prime with a floor of 3.90%. IFA Fee: \$5,497

C.

Project Number:	A-FB-TE-CD-8528
Borrower(s):	Parochetti, Daniel
Borrower Benefit:	First Time Land Buyer
Town:	Ladd, IL
IFA Bond Amount:	\$488,600
Use of Funds:	Farmland – refinance an interim loan for an undivided ½ interest in 119 acres of farmland
Purchase Price:	\$1,022,140
%Borrower Equity	5%
%Other Bank Financing	47% (<i>Subordinate Financing</i>)
%IFA	48%
Township:	Hall
County/Region:	Bureau / Northwest
Lender/Bond Purchaser	Spring Valley City Bank / Greg Colmone
Legislative Districts:	Congressional: 11 th , Adam Kinzinger State Senate: 38 th , Sue Rezin State House: 76 th , Frank Mautino

Principal shall be paid annually in installments determined pursuant to a Twenty-five year (25-year) amortization schedule, with the first principal payment date to begin on February 12, 2013. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin on February 12, 2013 with the twenty fifth and final payment of all outstanding balances due twenty-five years from the date of closing.

Parochetti, Daniel: Note shall bear simple interest at the expressed rate. The expressed rate shall be 4.0% fixed for the first five years and adjust every five years thereafter to 0.75% above prime rate per the Wall Street Journal. IFA Fee: \$7,329



January 10, 2012

\$75,000,000 (not-to-exceed amount)
City of North Chicago and its assigns (Sheridan Crossing Project)

REQUEST	<p>Purpose: Bond proceeds, to be issued in one or more series, will be combined with other funds and used by the City of North Chicago and its assigns (the “City” or the “Applicant”) to finance development of a mixed use project comprising the costs of acquiring land, site improvements, and constructing (i) a hotel property comprising approximately 200 rooms; (ii) two or more retail, restaurant, and/or office building facilities comprising 80,000 or more square feet; (iii) a new, approximately 124,500 square foot sports facility with an indoor field house, hard court facilities, and restaurant facilities. Additionally, Bond proceeds may be used to (iv) pay costs of issuance, if deemed necessary or desirable by the Applicant; (v) finance capitalized interest, if deemed necessary or desirable by the Applicant; and, (vi) capitalize certain reserves, if deemed necessary or desirable by the Applicant (collectively, the “Project”). The Project is located on an approximately 40-acre site at the northwest corner of Sheridan Road and Martin Luther King Jr. Drive in North Chicago. Upon full build-out, the development is anticipated to include approximately 300,000 square feet of building construction and site improvements.</p> <p>Program: Midwestern Disaster Area Revenue Bonds</p> <p>Volume Cap Required: This Project will not use any of the Illinois Finance Authority’s (“IFA’s”) standard 2012 Private Activity Bond Volume Cap for Industrial Development Revenue Bonds. Rather, this Project will be financed as a Midwestern Disaster Area Revenue Bond (“MDAB”) issue and will use up to \$75.0 million of an approximately \$1.515 billion MDAB allocation to IFA for projects located in 18 MDAB-eligible counties across Illinois.</p> <p>Condition: Bonds must be sold in minimum denominations of \$100,000 (i.e., to accredited investors). No IFA Funds at risk. No State Funds at risk.</p>																								
BOARD ACTION	Preliminary Bond Resolution																								
MATERIAL CHANGES	Not applicable. This is the first time this project has been presented to the IFA Board of Directors.																								
JOBS DATA	<table border="0"> <tr> <td style="padding-right: 20px;">0</td> <td>Current jobs</td> <td style="padding-left: 100px;">372</td> <td>New jobs projected (after 2 years)</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>252</td> <td>Construction jobs projected (2 years)</td> </tr> </table>	0	Current jobs	372	New jobs projected (after 2 years)	N/A	Retained jobs	252	Construction jobs projected (2 years)																
0	Current jobs	372	New jobs projected (after 2 years)																						
N/A	Retained jobs	252	Construction jobs projected (2 years)																						
BORROWER DESCRIPTION	<ul style="list-style-type: none"> • Type of entity: This Project will initially be developed and owned by the City of North Chicago or affiliates. All or a portion of the ownership of the Project may be sold by the City to unrelated third parties. • Location: North Chicago/Lake/Northeast 																								
CREDIT INDICATORS	<ul style="list-style-type: none"> • The City intends to issue MDABs in one or more series through IFA. The City does not intend to issue General Obligation, Alternate Revenue, or Moral Obligation Bonds to facilitate sale of the Bonds. • Each series of Bonds will be non-rated and, as anticipated, would be sold as a private placement to one or more accredited investors by InCapital, LLC. 																								
STRUCTURE	<ul style="list-style-type: none"> • Although the Trust Indenture will allow for the Bonds to be structured as Multi-Modal Bonds, initially the Bonds will be sold in Private Placement Mode by InCapital, LLC to accredited investors. IFA will require Bonds to be sold in minimum denominations of \$100,000. • Term: Not-to-exceed 30 years • Rate: The initial Private Placement Mode rate will be set based on market conditions at the time of pricing. 																								
SOURCES AND USES	<table border="0"> <tr> <td colspan="2">Sources:</td> <td colspan="2">Uses:</td> </tr> <tr> <td>IFA Bonds</td> <td style="text-align: right;">\$72,000,000</td> <td>Project Cost</td> <td style="text-align: right;">\$94,385,000</td> </tr> <tr> <td>New Markets</td> <td></td> <td>Costs of Issuance</td> <td style="text-align: right;"><u>1,315,000</u></td> </tr> <tr> <td>Tax Credits</td> <td style="text-align: right;">7,700,000</td> <td></td> <td></td> </tr> <tr> <td>Equity – City and Private</td> <td style="text-align: right;"><u>19,000,000</u></td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$95,700,000</td> <td>Total</td> <td style="text-align: right;">\$95,700,000</td> </tr> </table>	Sources:		Uses:		IFA Bonds	\$72,000,000	Project Cost	\$94,385,000	New Markets		Costs of Issuance	<u>1,315,000</u>	Tax Credits	7,700,000			Equity – City and Private	<u>19,000,000</u>			Total	\$95,700,000	Total	\$95,700,000
Sources:		Uses:																							
IFA Bonds	\$72,000,000	Project Cost	\$94,385,000																						
New Markets		Costs of Issuance	<u>1,315,000</u>																						
Tax Credits	7,700,000																								
Equity – City and Private	<u>19,000,000</u>																								
Total	\$95,700,000	Total	\$95,700,000																						
RECOMMENDATION	Credit Review Committee recommends approval (subject to minimum \$100,000 Bond denominations).																								

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
January 10, 2012**

Project: City of North Chicago and its assigns (Sheridan Crossing Project)

STATISTICS

IFA Project:	I-MDAB-TE-CD-8525	Amount:	\$75,000,000 (not-to-exceed amount)
Type:	Midwestern Disaster Area Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	North Chicago	County/ Region:	Lake / Northeast

BOARD ACTION

Preliminary Bond Resolution
Midwestern Disaster Area Revenue Bonds
No IFA funds at risk
Credit committee recommends approval subject to Bonds being sold in minimum denominations of \$100,000 (i.e., to accredited investors).

VOTING RECORD

None. This is the first time this matter has been presented to the IFA Board of Directors.

PURPOSE

Bond proceeds, to be issued in one or more series, will be combined with other funds, and used by the **City of North Chicago and its assigns** (the "City" or the "Applicant") to finance development of a mixed use project comprising the costs of acquiring land, site improvements, and constructing (i) a hotel property comprising approximately 200 rooms; (ii) two or more retail, restaurant, and/or office building facilities comprising 80,000 or more square feet; and (iii) a new, approximately 124,500 square foot sports facility with an indoor field house, hard court facilities, and restaurant facilities. Additionally, Bond proceeds may be used to (iv) pay costs of issuance, if deemed necessary or desirable by the Applicant; (v) finance capitalized interest, if deemed necessary or desirable by the Applicant; and, (vi) capitalize certain reserves, if deemed necessary or desirable by the Applicant (collectively, the "Project"). The Project is located on an approximately 40-acre site at the northwest corner of Sheridan Road and Martin Luther King Jr. Drive in North Chicago.

As proposed, upon full build-out, the development is expected to include approximately 300,000 square feet of building construction and site improvements that will include hotel, retail, restaurant, grocery, office/banking/insurance, sports facilities and related infrastructure.

IFA PROGRAM AND CONTRIBUTION

Midwestern Disaster Area Revenue Bonds ("MDABs") are a federal program that enables tax-exempt bonds to be issued to finance certain types of privately-owned projects that will generate jobs and economic development activity in 18 federally designated counties in Illinois that suffered damage in mid-2008 from floods and other storm-related damage. MDABs are a provision of the federal Heartland Disaster Tax Relief Act of 2008 (Public Law 100-344; 122 Stat. 3918) (the "Act") that enables issuance of tax-exempt bonds for certain privately-owned projects located in certain designated counties throughout the Midwest until 12/31/2012.

As of 12/31/2011, approximately \$30.2 million of MDABs have been issued, and projects totaling \$87.5 million have been induced by the Authority.

Accordingly, after reserving \$75.0 million of MDAB allocation for the subject Project, there will be approximately \$1.323 billion of unencumbered MDAB allocation available for use through 12/31/2012.

VOLUME CAP

This financing will require Volume Cap allocation under the Midwestern Disaster Area Revenue Bond program provided for under the Act. Illinois Governor Pat Quinn designated the IFA as the Issuer (and Allocating Entity) of MDABs for industrial and commercial projects.

The State is authorized with approximately \$1.515 billion in bonding authority for issuance of MDABs until 12/31/2012.

Volume Cap Required: This project will not use any of IFA's 2012 Private Activity Bond Volume Cap allocated for Industrial Revenue Bonds or Exempt Facilities Revenue Bond financings.

Because this Project will be financed as a Midwestern Disaster Area Revenue Bond issue, this Project will require up to \$75.0 million of Illinois' Midwestern Disaster Area Revenue Bond allocation.

SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Bonds	\$ 72,000,000	Project Costs	\$ 94,385,000
New Markets Tax Credits	7,700,000	Issuance Costs	1,315,000
City Equity	16,000,000		
Total	\$ 95,700,000	Total	\$ 95,700,000

JOBS

Current employment:	0	Projected new jobs:	252 (after 2 years)
Jobs retained:	N/A	Construction jobs:	372 (2 years)

FINANCING SUMMARY

Structure/
Credit

Enhancement: The City of North Chicago (or its assigns) will be issuing unenhanced, non-rated Revenue Bonds to finance development of the Sheridan Crossing Project. Bonds may be issued in one or more series through IFA.

The City anticipates that the Bonds will be secured by a mortgage, security agreements, an assignment of all improvements on the financed properties (as applicable), and an assignment of all rents and leases (including all income and revenues) on the subject properties (as applicable). (The City will not be issuing General Obligation, Alternate Revenue, or Moral Obligation Bonds to credit enhance any MDABs issued to finance development of the Sheridan Crossing Project.)

Although the Trust Indenture may permit the sale of Multi-Modal Bonds, the Bonds are expected to be sold initially in Private Placement Mode by InCapital, LLC on a non-rated basis. Accordingly, IFA would require Bonds to be sold in minimum denominations of \$100,000 to accredited investors (and subject to delivery of an Investor Letter at initial sale).

Proposed
Subordinate

Debt: Additional subordinate financing generated through the sale of New Markets Tax Credits is also a component of the preliminary financing plan.

Interest Rate: The Bonds are expected to be sold initially in Private Placement Mode at a fixed rate to be determined at pricing.

Credit Rating: The Bonds are expected to be sold on a non-rated, unenhanced basis and, accordingly, would be privately placed to one or more accredited investors.

Final Maturity
Date: 30 years (preliminary; subject to change)
Anticipated
Closing Date: 4th Quarter 2012

BUSINESS SUMMARY

Description: The **City of North Chicago, Illinois** (the “City”), was incorporated as an Illinois municipality in 1909 and operates under the “Strong Mayor Form of Municipal Government” under the Illinois Municipal Code (65 ILCS 5/6). The current mayor, the Honorable Leon Rockingham, Jr., began his first term in May 2005.

The City will be the initial owner of the Project. The City may ultimately sell ownership interest in all or a portion of the Project at any future time.

The City’s current roster of council members and Mayor are listed in the Economic Disclosure Statement portion of this report on p. 7.

Background on
the City:

The City of North Chicago was settled in the late 1800’s. Today, the City provides police and fire protection, building and inspection services, library services, and public works. The City owns and operates a municipal water supply plant and transmission lines to 4,117 customers and maintains 57 miles of roads. The City employs 190 people.

The City developed a heavy industrial economic base during the early 20th century with employers that included American Motors, Outboard Marine, Goodyear, Ocean Spray, and Abbott Laboratories. Further growth resulted from expansion of the Veterans Administration Hospital, annexation of the Naval Station Great Lakes, and relocation of the Chicago Medical School (now the Rosalind Franklin University of Medicine and Science) to North Chicago. North Chicago’s population grew from 5,839 in 1920 to a peak of 47,275 in 1970.

As many of the City’s industrial facilities closed during the 1970’s, jobs dwindled and the population declined by 18% during the 1970’s, and subsequently declining to 32,594 by 2010.

As typical of many municipalities with industrial-based economies, as the City’s population declined, the City’s per capita income lagged nearby communities. According to the City, of the municipalities in the six-county Chicago metropolitan area at the end of 2000, North Chicago ranked 253rd out of 261 communities in per capita income.

Background on
Naval Station
Great Lakes:

Naval Station Great Lakes (“Naval Station” or “Great Lakes”) opened in July, 1911 and is currently the U.S. Navy’s largest training facility. Naval Station Great Lakes hosts the Navy’s only Recruit Training Command (or “boot camp”) following closure of basic training facilities located in San Diego and Orlando, FL in the mid-2000’s. Each year approximately 37,000 men and women complete the requirements to become Navy Sailors at Great Lakes.

According to Naval Station Great Lakes, more than 25,000 military and civilian personnel work, train, and live at Great Lakes.

Great Lakes is also home to the Navy’s technical training schools for surface warfare excellence at Training Support Center Great Lakes.

Great Lakes is a key driver of visits and tourism revenue to the City. Approximately 1,000 recruits graduate from basic training and technical training for each of fifty weeks per year. The City believes these graduations provide an opportunity for the City to attract additional tourism business. Because each recruit may invite up to four guests to graduation, Great Lakes hosts up to 4,000 guests for graduations 50 weekends annually, which represents an opportunity for the City of North Chicago to capture hotel and casual dining options at new facilities located close to the Naval Station.

North Chicago's
Redevelopment
of Project Site:

Because much of the City's territory is comprised of federal land and other tax-exempt property (e.g., Rosalind Franklin University), the tax burden on North Chicago residents is among the highest in Illinois.

Additionally, the Sheridan Crossing Project is to be located on a former Brownfield site.

The City has been assembling and preparing the former Fansteel, Inc. site for redevelopment since 2005. To date, the City has invested approximately \$16.0MM in the Project site including:

1. \$6.0MM for the purchase and assembly of the property;
2. \$2.7MM for demolition of the industrial and commercial structures;
3. \$3.5MM for upgrades to adjacent transportation related facilities;
4. \$1.1MM for environmental remediation;
5. \$250,000 for storm water retention improvements; and
6. \$2.45MM for supporting project-related infrastructure improvements.

The Project is located in the Illinois Department of Commerce and Economic Opportunity's Waukegan/North Chicago Enterprise Zone.

Master
Developer for
City:

The City of North Chicago has engaged **Weston Solutions, Inc.** ("Weston") as the Master Developer of the property. Weston was established in 1957 and is an employee-owned company with 60 offices worldwide and over 1,800 employees. According to the Company's website, Weston posts gross revenues of over \$500.0MM annually. Weston has been employee-owned since 2003. Weston is headquartered in West Chester, PA.

Weston's operations comprise five primary business units including:

- Environmental (remediation; military munitions response; emergency response; water resources; emission testing; and health/safety/compliance);
- Sustainable Solutions for Development and Operations (green development; sustainable infrastructure; GreenGrid® Roofs; ecosystem restoration; sustainable facilities operation; climate change/greenhouse gas management; natural resource management);
- Property Redevelopment on Impaired Properties (site evaluation and planning; environmental liability transfer; brownfield acquisition and redevelopment, and related financial solutions - including equity investments);
- Energy Solutions (energy consulting; energy efficiency; renewable energy production); and,
- Design/Build Construction (buildings and facilities; security; water/wastewater; civil construction; fuel systems).

Examples of prior Weston redevelopment projects include: (1) Fort Sam Houston (San Antonio, Texas) – redevelopment of a historic but contaminated U.S. Army hospital and conversion to office space and (2) pre-development environmental site remediation at the former Mar Island Naval Base (Vallejo, California).

For additional information, please see: www.westonsolutions.com.

Overview of
the Sheridan
Crossing
Plan:

Sheridan Crossing is a proposed mixed-use development located at the northwest corner of Sheridan Road and Martin Luther King Jr. Drive in North Chicago.

As proposed, the development will consist of approximately 40 acres immediately adjacent to Naval Station Great Lakes. Upon full build-out, the development is expected to include approximately 300,000 SF of structural improvements, including office, hotel, retail, restaurant, banking, educational, grocery, and an indoor sports facility, as well as the necessary supporting infrastructure. The estimated total build-out cost for the Project is over \$95.0 million.

Weston Solutions, Inc. has been engaged by the City of North Chicago as the Master Developer of the property and anticipates commencing the Planned Unit Development process in early 2012 to fully entitle the Project site.

Upon completion of entitlements and design, construction on the infrastructure to support the development will begin in fall 2012.

Pursuant to its contract with the City, Weston has commissioned several studies for the project, including a Hospitality Market Study and a Retail Market Study. According to Weston, these market studies support the notion that North Chicago has substantial under-capacity for lodging, casual dining, grocery, and general retail. As an additional driver of activity, the proposed development would also include an indoor sports facility including a field house (for soccer, lacrosse, softball, and baseball) and hard court facilities (for basketball and volleyball). It is envisioned that these sports facilities would serve as a regional center for amateur tournaments, thereby generating additional traffic to the Project.

Although an Inducement Resolution is being requested for the entire Sheridan Crossing Project at an amount not-to-exceed \$75.0MM, Weston and the City believe it is likely that each component project is likely to be financed on a stand-alone basis.

Rationale:

The proposed Sheridan Crossing Project would culminate the City's efforts to remediate and redevelop a brownfield site (formerly Fansteel, Inc.), return the property to the property tax roll, and create a nexus of development that would leverage the site's proximity to Naval Station Great Lakes. Specifically, the proposed Sheridan Crossing Project would provide a hotel facility (mid-to-upper scale) and casual restaurants – facilities that are not currently available within North Chicago. The proposed facilities would generate additional hotel/motel tax and sales tax revenues. Additionally, the development is anticipated to include a new retail grocery and drug store that would enhance access to basic retail services for all residents of North Chicago.

The Applicant is seeking approval of an Inducement Resolution now in order to enable reimbursement of capital expenditures going forward (as well as certain prior expenditures as allowed under the Internal Revenue Code).

The City and the financing team will initiate drafting legal documents as Bond purchasers are identified for the Project (or individual components thereof). The Applicant has engaged InCapital, LLC to privately place the subject Bonds.

Weston anticipates completing the site plan, and financing and installing necessary pre-development entitlements, within nine to twelve months. Weston's current plans anticipate obtaining financing commitments for all or portions of the Sheridan Crossing Project in late 2012.

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Bond proceeds, to be issued in one or more series, will be combined with other funds and used by the **City of North Chicago and its assigns** (the "City" or the "Applicant") to finance development of a mixed use project (currently known as "**Sheridan Crossing**") located at the northwest corner of Sheridan Road and Martin Luther King Jr. Drive in the City of North Chicago (Lake County), Illinois (the "Site") comprising the costs of acquiring land, site improvements, and constructing (i) a hotel property comprising approximately 200 rooms to be owned and operated by the Applicant, located at the Site; (ii) two or more retail, restaurant, and/or office building facilities comprising 80,000 or more square feet to be owned and operated by the Applicant, located at the Site; and (iii) a new, approximately 124,500 square foot sports facility with an indoor field house, hard court facilities, and restaurant/retail facilities to be owned and operated by the Applicant, and located at the Site. Additionally, Bond proceeds may be used to (iv) paying bond issuance costs; (v) financing capitalized interest; and, (vi) capitalize certain reserves, if deemed necessary or desirable by the Applicant (collectively, the "**Project**").

The Site comprises approximately 40-acres of land and is located at the northwest corner of Sheridan Road and Martin Luther King Jr. Drive in the City of North Chicago.

Preliminary Estimated Project Development Costs: The following budget reflects preliminary estimates of full build-out costs for the Sheridan Crossing Project. These cost estimates will be updated and conform to results of feasibility studies that will be prepared in connection with the Preliminary Private Placement Memorandum (or Memoranda, as appropriate) for each series of Bonds when this financing returns for consideration of a Final Bond Resolution.

Land Acquisition/Preparation	\$19,000,000
New Construction	68,906,000
Architectural & Engineering	5,653,000
Legal & Professional (excludes IFA Bonds)	<u>826,000</u>
Total New Money Project Costs	<u>\$94,385,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant/
Initial Owner: The City of North Chicago and its assigns, c/o Mayor Leon Rockingham, Jr., City of North Chicago, 1850 Lewis Avenue, North Chicago, IL 60064; (T) 847-596-8600

Project name: Sheridan Crossing Project

Location: NW Corner of Sheridan Road and Martin Luther King Jr. Drive, North Chicago (Lake County), IL 60064

Ownership
Information: The City of North Chicago (an incorporated municipality under Illinois law) will be the initial owner. The City may ultimately form one or more special purpose entities and sell all or a portion of its ownership interest in these entities to private parties (to be determined and identified, as applicable) at any time.

Mayor and
City Council: Mayor:

- The Honorable Leon Rockingham, Mayor

Aldermen:

- Ernest Fisher
- Bonny Mayfield
- Valerie DeVost
- Bobby Allen
- Torrence Abrams, Sr.
- Bob Runnels, Sr.
- Charles January

Seller

Disclosure: The subject property is currently owned by the City of North Chicago.

PROFESSIONAL & FINANCIAL

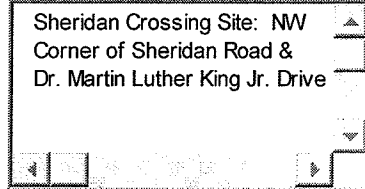
General Counsel to

City:	Smith & LaLuzerne, Ltd.	Waukegan, IL	
Auditor to City:	Miller Cooper & Co., Ltd.	Chicago, IL	
Bond Counsel:	Greenberg Traurig, LLP	Chicago, IL	Matt Lewin
Co-Bond Counsel:	Miller Canfield, LLP	Chicago, IL	Paul Durbin
Placement Agent:	InCapital, LLC	Chicago, IL	Bill Carney
Counsel to Placement Agent:	To be determined by InCapital, LLC		
Credit Enhancer/ Guarantor:	Not applicable		
Bond Trustee:	To be determined		
Architect:	To be determined		
General Contractor and Master Developer for the City of N. Chicago:	Weston Solutions, Inc.	Chicago, IL Vernon Hills, IL	
IFA Counsel:	Requested		
IFA Financial Advisor:	Scott Balice Strategies LLC	Chicago, IL	Bennett Johnson, Shannon Williams

LEGISLATIVE DISTRICTS

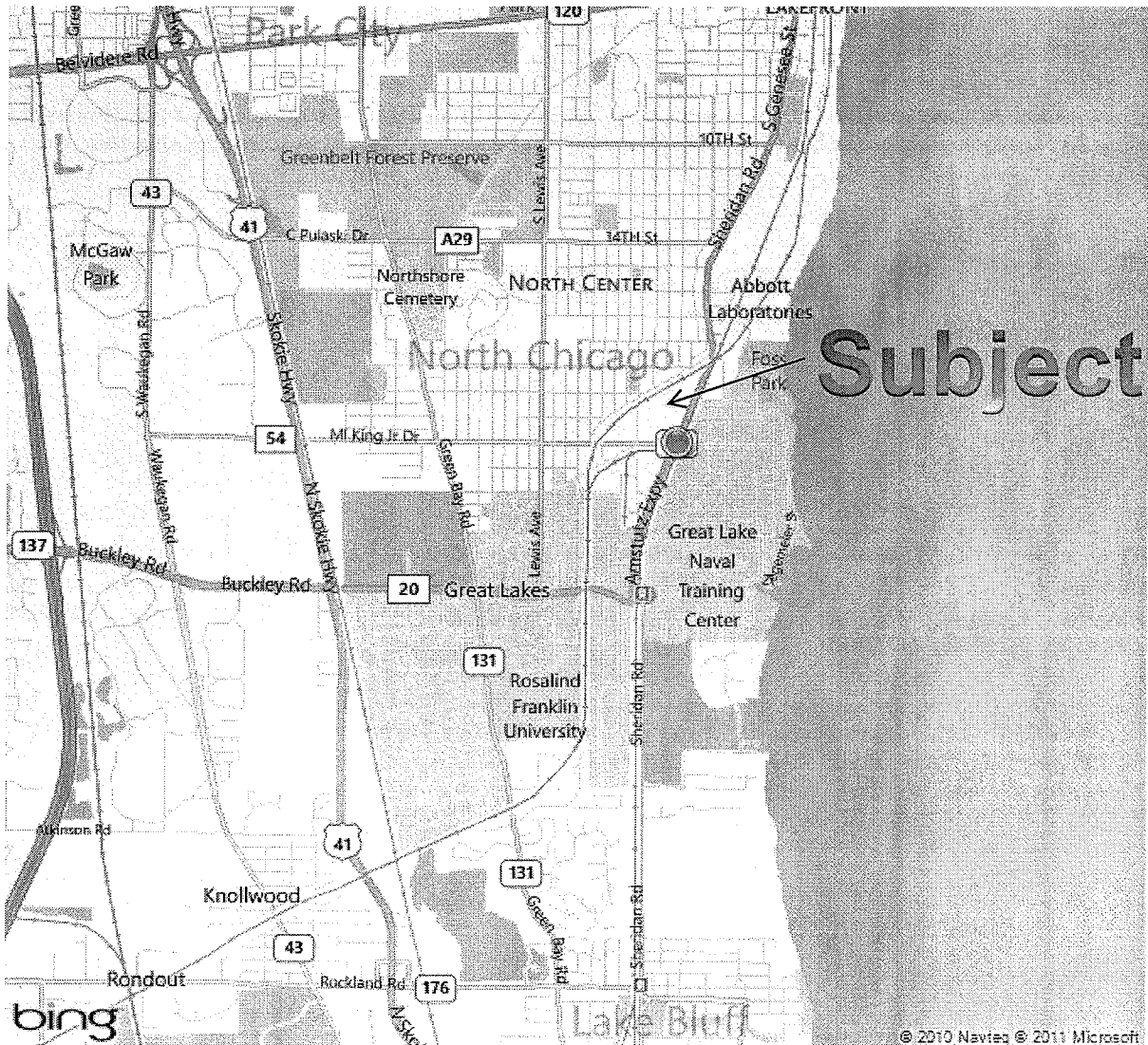
Congressional:	10	Robert Dold
State Senate:	30	Terry Link
State House:	60	Rita Mayfield

NW Corner of Sheridan Rd & Dr. Martin Luther King Dr., North Chicago, IL 60064



Subject

Sheridan Crossing Site: NW Corner of Sheridan Road and Dr. Martin Luther King Jr. Drive.



Subject

January 10, 2012

\$65,000,000

The Children's Memorial Hospital

REQUEST	<p>Purpose: Bond proceeds will be used to (i) reimburse The Children's Memorial Hospital ("CMH", "Children's Memorial", the "Hospital", or the "Borrower") for equity spent on the ongoing replacement hospital project (The Ann and Robert H. Lurie Children's Hospital of Chicago) expected to open on June 9, 2012 and (ii) pay costs of issuance.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																
BOARD ACTIONS	<p>Final Bond Resolution Preliminary Bond Resolution approved 12/13/2011: Ayes: 10 Nays: 0 Abstentions: 1 (Fuentes) Absent: 2 (Bronner, Durburg) Vacancies: 2</p>																
MATERIAL CHANGES	<p>The Children's Memorial hospital has chosen JPMorgan Chase Bank, N.A. to be the direct purchaser of the Bonds.</p>																
JOB DATA	<table border="0"> <tr> <td>4,500</td> <td>Current jobs</td> <td>200</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>3,000</td> <td>Construction jobs projected</td> </tr> </table>	4,500	Current jobs	200	New jobs projected	N/A	Retained jobs	3,000	Construction jobs projected								
4,500	Current jobs	200	New jobs projected														
N/A	Retained jobs	3,000	Construction jobs projected														
DESCRIPTION	<ul style="list-style-type: none"> • Location: Cook County/Northeast • The Children's Memorial Hospital is an Illinois not for profit corporation and a tax-exempt organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), which serves the health and well-being of children through leadership roles in pediatric health care delivery, teaching, research, and advocacy. • Children's Memorial is unique in the community and the State of Illinois as it is the only freestanding pediatric hospital in the State and its tertiary services includes a Level I trauma center and Level III neonatal nursery which serves as a regional referral center for the State of Illinois' Perinatal Network. In addition, for more than 60 years, Children's Memorial has served as the pediatric training site for Northwestern University's Feinberg School of Medicine, training residents, medical students and fellows who will comprise the next generation of health care providers. The Hospital has 270 licensed beds, with a full range of inpatient and outpatient care and related ancillary services. 																
SECURITY	<ul style="list-style-type: none"> • Gross receipts pledge; on a parity with the outstanding Series 2008A, B, C & D Bonds 																
CREDIT INDICATORS	<ul style="list-style-type: none"> • Underlying ratings of "A-"/"AA-" from S&P and Fitch, respectively 																
STRUCTURE	<ul style="list-style-type: none"> • The Bonds will be purchased directly by JPMorgan Chase Bank, N.A. (the "Bank"). 																
SOURCES AND USES	<table border="0"> <tr> <td colspan="2">Sources:</td> <td colspan="2">Uses:</td> </tr> <tr> <td>IFA Bonds</td> <td style="text-align: right;"><u>\$65,000,000</u></td> <td>CMH Reimbursement of Project Costs</td> <td style="text-align: right;">\$64,350,000</td> </tr> <tr> <td></td> <td></td> <td>Costs of Issuance</td> <td style="text-align: right;"><u>\$650,000</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$65,000,000</td> <td>Total</td> <td style="text-align: right;">\$65,000,000</td> </tr> </table>	Sources:		Uses:		IFA Bonds	<u>\$65,000,000</u>	CMH Reimbursement of Project Costs	\$64,350,000			Costs of Issuance	<u>\$650,000</u>	Total	\$65,000,000	Total	\$65,000,000
Sources:		Uses:															
IFA Bonds	<u>\$65,000,000</u>	CMH Reimbursement of Project Costs	\$64,350,000														
		Costs of Issuance	<u>\$650,000</u>														
Total	\$65,000,000	Total	\$65,000,000														
RECOMMENDATION	<p>Credit Committee recommends approval.</p>																

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
January 10, 2011**

Project: The Children's Memorial Hospital

STATISTICS

Project Number: H-HO-TE-CD-8522	Amount: \$65,000,000 (Not-to-Exceed)
Type: 501(c)(3) Bonds	IFA Staff: Pam Lenane and Nora O'Brien
County/Region: Cook/Northeast	City: Chicago, IL

BOARD ACTION

Final Bond Resolution	No IFA Funds at Risk
Conduit 501(c)(3) Bonds	No Extraordinary Conditions
Credit Committee Recommends Approval	

VOTING RECORD

Preliminary Bond Resolution approved 12/13/2011:
Ayes: 10 Nays: 0 Abstentions: 1 (Fuentes) Absent: 2 (Bronner, Durburg) Vacancies: 2

PURPOSE

Bond proceeds will be used to (i) reimburse Children's Memorial Hospital ("CMH") for equity spent on the ongoing replacement hospital project (The Ann and Robert H. Lurie Children's Hospital of Chicago) and (ii) pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance and refinance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense.

VOLUME CAP

501(c)(3) bond issues do not require Volume Cap.

JOBS

Current employment: 4,500	New jobs projected: 200
	Construction jobs projected: 3,000

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Bonds	<u>\$65,000,000</u>	CMH Reimbursement of Project Costs	\$64,350,000
		Costs of Issuance	<u>650,000</u>
Total	\$65,000,000	Total	\$65,000,000

FINANCING SUMMARY

Security:	Gross receipts pledge; on a parity with the outstanding 2008A, B, C & D Bonds
Structure:	The Bonds will be purchased directly by JPMorgan Chase Bank, N.A. (the " Bank ").
Interest Rate:	To be determined based on current market conditions. CMH believes the Series 2012 Bonds will be floating rate based on a percentage of a market index (i.e., LIBOR or SIFMA) plus a negotiated credit spread put
Interest Mode:	The plan of finance contemplates both fixed and variable rate interest modes
Credit Enhancement:	None
Maturity:	Not to exceed 40 years
Rating:	The bonds will not carry a rating. Children's Memorial Hospital has underlying ratings of: "A-" / "AA-" from S&P and Fitch, respectively
Estimated Closing Date:	February 29, 2012

PROJECT SUMMARY

In April, 2008, the Hospital broke ground on the Ann & Robert H. Lurie Children's Hospital of Chicago, which is expected to open in June 2012. Children's Memorial issued \$380 million of debt in May of 2008 primarily to support the project. Bond proceeds will be used to reimburse Children's Memorial Hospital ("CMH") for equity spent on the ongoing replacement hospital project and to pay costs of issuance. The remaining funding sources consist of philanthropy and hospital equity.

BUSINESS SUMMARY

The Children's Memorial Hospital ("**Children's Memorial**") is an Illinois not for profit corporation and a tax-exempt organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**"), which serves the health and well-being of children through leadership roles in pediatric health care delivery, teaching, research, and advocacy. **The Children's Memorial Medical Center**, an Illinois not for profit corporation and a tax-exempt organization described under Section 501(c)(3) of the Code, is the sole corporate member of Children's Memorial and a holding company for affiliated not-for-profit and tax-exempt entities and does not have any active operations.

Children's Memorial has 270 licensed beds, with a full range of inpatient and outpatient care and related ancillary services. It is unique in the community and the State of Illinois as it is the only freestanding pediatric hospital in the State and its tertiary services includes a Level I trauma center and Level III neonatal nursery which serves as a regional referral center for the State of Illinois' Perinatal Network. In addition, for more than 60 years, Children's Memorial has served as the pediatric training site for Northwestern University's Feinberg School of Medicine, training residents, medical students and fellows who will comprise the next generation of health care providers.

Children's Memorial is the largest provider of Medicaid healthcare services to Illinois children. In fiscal year 2010, Children's Memorial provided about 75 percent more outpatient, inpatient and physician Medicaid services than the next highest Illinois hospital. Medicaid represented over 54% of all the inpatient-stay days in fiscal year 2010.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Children's Memorial Hospital
707 West Fullerton
Chicago, IL 60614

Project Location: Ann and Robert H. Lurie Children's Hospital of Chicago
225 East Chicago Avenue
Chicago, IL 60611

Borrower: Children's Memorial Hospital

Board of Directors: See below

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	SNR Denton US LLP	Chicago	Mary Wilson/ Lauren Mack
Accountant:	PricewaterhouseCoopers	Chicago	Robert Valletta
Financial Advisor:	Kaufman Hall	Chicago	Therese Wareham/ Glenn Wagner
Bond Counsel:	Jones Day	Chicago	Mike Mitchell/ Valerie Roberts
Bank (Direct Purchaser):	JP Morgan Chase Bank, N.A.	Chicago	Tim Ruby
Bank Counsel:	Foley & Larder	Chicago	Laura Bilas
IFA Counsel:	Reyes & Kurson	Chicago	Ray McGaugh
IFA Financial Advisor:	Scott Balice Strategies, LLC	Chicago	Bennett Johnson/ Shannon Williams

LEGISLATIVE DISTRICTS

Current Address	Replacement Address
Congressional: 5 Danny K. Davis	Congressional: 7 Mike Quigley
State Senate: 6 John J. Cullerton	State Senate: 13 Kwame Raoul
State House: 11 Ann M. Williams	State House: 26 Kimberly du Buclet

SERVICE AREA

In FY 2010, Children's Memorial, through over 465,000 patient encounters, served children from all over the State of Illinois and beyond to access the more than 25 specialties offered by the Hospital. While Children's Memorial serves patients from all over Illinois and from every state and 36 countries, the primary community served by the hospital is children from the Chicago Metropolitan area, with the primary service area defined as being the City of Chicago and Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will counties in Illinois. Over 50% of inpatients to the hospital live within 10 miles of the hospital and more than 66% of outpatients reside within 10 miles.

**THE CHILDREN'S MEMORIAL MEDICAL CENTER/THE CHILDREN'S MEMORIAL HOSPITAL
BOARD OF DIRECTORS
OFFICERS AND COMMITTEES
2011-2012**

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John O. Doerge Jr.
Charles W. Douglas
Diana S. Ferguson

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W. Bruce Johnson
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Michael W. Ferro Jr.
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Fred L. "Pete" Krehbiel
Mitchell J. Manassa
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Roxanne Martino
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Peter C. Roberts
Derry Shoemaker
Stephen A. Smith
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Daniel J. Hennessy, Vice Chair
John F. Manley, Vice Chair
Robert S. Murley, Vice Chair
Patrick Magoon,
President & CEO
Donna S. Wetzler, Corporate
Secretary
Paula M. Noble, Treasurer

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President, Founders' Board
James Donaldson, MD
Chairman, Medical Imaging
Thomas P. Green, MD
Chair, Dept. of Medicine
Mary J.C. Hendrix, PhD
President & Director of
Research
Daniel T.W. Lum, MD
VP, Medical/Dental Staff
Patrick M. Magoon
President & CEO
*Eric G. Neilson, MD
Dean, NUFSM
Edward S. Ogata, MD
Chief Medical Officer

Seth Prostic
Chairman, MRIC
Marleta Reynolds, MD
Surgeon in Chief
*H. William Schnaper, MD
Vice Chair, Dept. of Pediatrics
NUFSM
Edward Traisman, MD
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Staff

*Northwestern University
Feinberg School of Medicine

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H. Blair White
Peter S. Willmott
David P. Yeager

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Christopher B. Meister

Date: January 10, 2012

Re: Resolution of Intent requesting an Initial Allocation of Private Activity Bond Volume Cap in the amount of \$95,350,000

Request:

The accompanying Resolution of Intent is in connection with IFA's annual request for Volume Cap to fund Beginning Farmer Bond and Industrial Revenue Bond Projects during Calendar Year 2012. The Authority's initial Volume Cap allocation request amount pursuant to the accompanying Resolution is \$95,350,000 for Calendar Year 2012.

Background:

Effective with Calendar Year 2012 Volume Cap requests, the Governor's Office of Management and Budget ("GOMB") has requested that the Board of Directors of each State bond issuing authority file a certified Resolution of Intent to augment the issuer's annual Volume Cap allocation request letter.

Recommendation:

Staff recommends approval of the accompanying Resolution as presented.

IFA RESOLUTION NO. 2012-0110-AD04

**RESOLUTION OF INTENT REQUESTING AN INITIAL
ALLOCATION OF PRIVATE ACTIVITY VOLUME CAP IN
THE AMOUNT OF \$95,350,000**

WHEREAS, pursuant to Section 801-40 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1, et seq., as amended (the "*Act*"), the **ILLINOIS FINANCE AUTHORITY** (the "*Authority*") is authorized to issue bonds ("*Bonds*"), including, but not limited to, the issuance of Bonds pursuant to the Illinois Private Activity Bond Allocation Act, 30 ILCS 345 et seq. (the "*Illinois Allocation Act*"); and

WHEREAS, the Authority has previously received authority from the Governor's Office to issue Bonds (the "*Existing Allocation*"); and

WHEREAS, the State of Illinois Guidelines and Procedures for the Allocation of Private Activity Bonding Authority require a request for volume cap allocation be accompanied by a Resolution of the Authority; and

WHEREAS, on December 31, 2011, the Executive Director of the Authority requested volume cap allocation for calendar year 2012; and

WHEREAS, the Authority anticipates a strong demand for the proceeds of its Bonds and a consequent need to issue Bonds soon after January 1, 2012:

NOW, THEREFORE, BE IT RESOLVED by the Members of the Illinois Finance Authority as follows:

Section 1. Ratification and Approval. The Authority hereby ratifies and approves all actions taken by the Executive Director, including, but not limited to his request for an initial volume cap allocation of \$95,350,000 on December 31, 2011.

Section 2. Intention to Provide Financing. The Authority states its intention, subject to compliance with all requirements of law, to issue Bonds pursuant to the Illinois Allocation Act, in addition to the amount of the Existing Allocation, and on terms and conditions acceptable to the Authority.

Section 3. Authorization to Implement Resolution. The Executive Director is authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

