ILLINOIS FINANCE AUTHORITY

Tuesday, March 12, 2013

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 and Resolutions
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. Approval of Project Reports and Resolutions
VI. Other Business
VII. Public Comment
VIII. Adjournment

PROJECT REPORTS AND RESOLUTIONS

AGRICULTURE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Beginning Farmer Bonds ***Final*** *(One-Time Consideration)*						
1	a) Richard and Danielle Bergmann	Santa Fe Township (Clinton County)	$95,000	-	-	JS/LK
	b) Cyrus M. Hopper	Whitley Township (Moultrie County)	$273,750	-	-	JS/LK
	c) Brian Pool	Ridgeland Township (Iroquois County)	$240,000	-	-	JS/LK
Agri-Debt Guarantee ***Final*** *(One-Time Consideration)*						
2	Mildred L. Bastert	Camp Point (Adams County)	$500,000	N/A	N/A	JS/LK
TOTAL AGRICULTURE PROJECTS			**$1,108,750**	**-**	**-**	

BUSINESS AND INDUSTRY PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Gas Supply Revenue Bonds ***Final*** *(One-Time Consideration)*						
3	The Peoples Gas Light and Coke Company	Chicago (Cook County)	$50,000,000	N/A	N/A	RF/BF
Solid Waste Disposal Revenue Bonds ***Preliminary***						
4	Kuusakoski USA LLC and its affiliates	Plainfield (Will County)	$17,000,000	25	TBD	RF/BF
TOTAL BUSINESS AND INDUSTRY PROJECTS			**$67,000,000**	**25**	**-**	

LOCAL GOVERNMENT PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Local Government Bonds ***Final*** *(One-Time Consideration)*						
5	City of Elgin	Elgin (Kane County)	$5,025,000	N/A	20	JS
6	Elgin Community College District Number 509	Cook County, DeKalb County, DuPage County, Kane County, and McHenry County	$10,000,000	N/A	40	JS
TOTAL LOCAL GOVERNMENT PROJECTS			**$15,025,000**	**-**	**60**	

PROJECT REPORTS AND RESOLUTIONS

EDUCATIONAL, CULTURAL AND NON-HEALTHCARE 501(c)(3) PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds *Final*						
7	Northern Illinois University Foundation	DeKalb (DeKalb)	$6,600,000	16	282	RF/BF
501(c)(3) Revenue Bonds *Final (One-Time Consideration)*						
8	Countryside Montessori School	Northbrook (Cook County)	$2,500,000	3	25	RF/BF
501(c)(3) Revenue Bonds *Preliminary*						
9	DePaul University	Chicago (Cook County)	$42,000,000	N/A	N/A	RF/BF
10	The University of Chicago	Chicago (Cook County)	$400,000,000	TBD	TBD	RF/BF
TOTAL EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS			**$451,100,000**	**19**	**307**	

HEALTHCARE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds *Final*						
11	Three Crowns Park	Evanston (Cook County)	$4,000,000	16	12	PL/NO
TOTAL HEALTHCARE PROJECTS			**$4,000,000**	**16**	**12**	
GRAND TOTAL			**$538,233,750**	**60**	**379**	

RESOLUTIONS

Tab	Action	FM
Resolutions		
12	Resolution Authorizing the Execution and Delivery of a First Amendment to Bond and Loan Agreement Relating to the Illinois Finance Authority Revenue Bonds (Northern Illinois University Foundation Project) Series 2006; Approving Certain Other Documents; and Authorizing and Approving Certain Related Matters	RF/BF
13	Resolution Authorizing the Issuance of Not-To-Exceed $10,000,000 Aggregate Principal Amount of Adjustable Rate Demand Revenue Bonds (700 Hickory Hills Drive, LLC Project) Series 2013 of the Illinois Finance Authority and Authoriziing the Sale Thereof; Authorizing the Execution and Delivery of a Loan Agreement, an Indenture of Trust, a Tax Exemption Certificate and Agreement and Related Documents in Connection with the Bonds, and Approving the Distribution of Related Documents in Connection with the Bonds; and Related Matters	RF/BF
14	Resolution Authorizing the Illinois Finance Authority to Fund and Administer a Pilot Program to Provide Working Capital Participation Loans to Small and Emerging Contractors to Assist Them in Obtaining Surety Bonding for Public Works Contracts in Illinois	SO/CM

ILLINOIS FINANCE AUTHORITY

180 North Stetson Ave.
Suite 2555
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

March 12, 2013

TO:	William A. Brandt, Jr., Chairman	Michael W. Goetz, Vice-Chairman
	Dr. William Barclay	Terrence M. O'Brien
	Gila J. Bronner	Heather D. Parish
	James J. Fuentes	Mayor Barrett F. Pedersen
	Norman M. Gold	Lerry Knox
	Roger E. Poole	Edward H. Leonard, Sr.
	Mordecai Tessler	Bradley A. Zeller

RE: Message from the Executive Director

Dear Members of the Authority:

Governor's FY14 Budget Address

On March 6, 2013, Governor Pat Quinn presented his Fiscal Year 2014 budget to the Illinois General Assembly. The Governor presented the General Assembly with a difficult budget, but one that is balanced and designed to grow the Illinois' economy, even as our state faces ongoing budgetary pressures due to inaction on pensions. Governor Quinn renewed his call for real and immediate pension reform in Illinois. Today, pension costs consume nineteen percent (19%) of Illinois General Revenue Funds, as opposed to six percent (6%) in 2008. The Illinois Finance Authority strongly supports Governor Quinn's "Balance, Build and Grow" budget, as well as his renewed call for the General Assembly to pass comprehensive pension reform. Seventeen million dollars is added to State's unfunded pension liability each day the General Assembly fails to act. The State's fiscal crisis hampers the Illinois Finance Authority's ability to create and retain jobs by facilitating financing.

March 2013 Projects

This month, we are pleased to present a robust agenda for consideration by the Members of the Authority.

Two Local Government issues will advance key projects for the City Of Elgin and Elgin Community College District Number 509, in amounts not to exceed $5.025 million and $10 million, respectively. The City of Elgin is financing the acquisition and installation of a radio communication system as well as improvements to the water and sewer systems. The Community College District will build and equip a Health Careers Center, a Library and a Regional Public Safety Training Facility. They will also build, equip, alter, renovate and repair academic buildings, install technology as well as other building additions and land improvements.

Also of note, the Countryside Montessori Schools, Inc. project is an excellent illustration of the benefits small borrowers ($2.5 million) derive when utilizing tax-exempt conduit bonds for their capital needs.

Also this month, we anticipate the closing of up to $160 million in bonds for Franciscan Communities, Inc. This issuance falls under our relatively recent statutory authority to finance eligible non-profit projects across state lines. It allows the borrower to refund bonds issued through Cuyahoga County, Ohio and the Indiana Health Facility Financing Authority in order to take advantage of today's relatively low fixed interest rates.

Small Contractor Working Capital Participation Loans

Recognizing the leadership of State Senator Mattie Hunter on this issue and in partnership with the Chicago Community Loan Fund, we are pleased to present this program to provide access to low-cost capital for these businesses in communities across the state. It is our hope that this program will help remove financial barriers to participation by small and emerging contractors in government construction projects in Illinois.

I look forward to continuing to work with you in support of jobs and growth throughout our great state.

Respectfully,

Christopher B. Meister
Executive Director

Attachments:

Attachment 1 - Monthly Bonds Activity Report; Schedule of Debt

Bonds Issued and Outstanding as of February 28, 2013

Bonds Issued Since Inception of Illinois Finance Authority

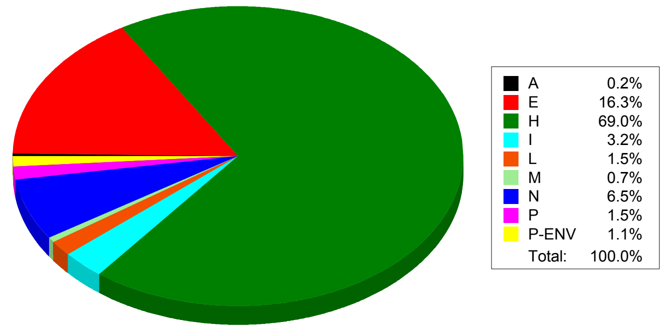
#	Market Sector	Principal Amount ($)
428	Agriculture **	69,471,587
91	Education	4,577,693,100
198	Healthcare *	19,730,786,776
87	Industrial ***	917,516,132
26	Local Government	420,155,000
17	Multifamily/Senior Housing	194,047,900
127	501(c)(3) Not-for Profits	1,897,329,791
11	Exempt Facilities Bonds ***	425,700,000
8	Environmental issued under 20 ILCS 3515/9	326,630,000
993		$ 28,559,330,286

* Includes CCRC's

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

*** Three Peoples Gas bonds moved from Industrial to Exempt Facilities Bonds

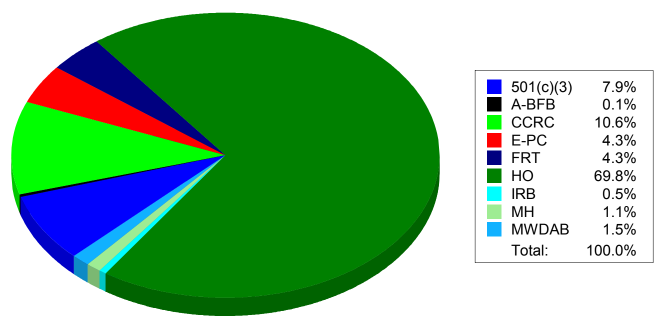
Bonds Issued Since Inception



Current Fiscal Year

#	Market Sector	Principal Issued
9	Agriculture - Beginner Farmer	2,557,005
5	Education	75,460,000
9	Healthcare - Hospital	1,230,625,000
2	Healthcare - CCRC	187,500,068
2	Industrial Revenue	8,112,280
3	Midwest Disaster Area Bonds	25,700,000
1	Freight Transfer Facilities Bonds	75,000,000
7	501(c)(3) Not-for-Profit	139,459,750
1	MultiFamily/Senior Housing	18,630,000
39		$ 1,763,044,103

Bonds Issued - Current Fiscal Year



Bonds Issued between July 01, 2012 and February 28, 2013

Bond Issue		Date Issued	Initial Interest Rate	Principal Issued	Bonds Refunded
A-BFB	Beginner Farmer Bonds, Series 2013A	07/01/2012	Various-See Below	2,557,005	0
501(c)(3)	Carmel Catholic High School, Series 2012	07/10/2012	DP-VRB 1.23%	17,000,000	8,500,000
MH	St. Anthony of Lansing, Series 2012	07/13/2012	6.50%	18,630,000	0
E-PC	Lake Forest College, Series 2012	07/24/2012	4.25% to 5.75%	15,960,000	0
IRB	Freedman Seating Company, Series 2012	09/06/2012	DP-VRB 1.60434%	6,045,000	1,085,000
HO	OSF Healthcare System, Series 2012A	09/26/2012	3.00% to 5.00%	179,845,000	151,408,939
HO	SwedishAmerican Hospital, Series 2012	09/27/2012	4.00% to 5.00%	41,445,000	0
FRT	CenterPoint Joliet Terminal Railroad, Series 2012	09/28/2012	DP-VRB 1.286625%	75,000,000	0
HO	Hospital Sisters Services, Inc., Series 2012A,C,F-I	10/01/2012	DP-VRB 0.8732%	407,835,000	254,980,000
HO	Rosecrance, Inc., Series 2012A&B	10/01/2012	DP-VRB 2.48%	17,360,000	8,200,000
E-PC	Rosalind Franklin University of Medicine & Science, Series 2012	10/02/2012	DP-VRB 1.232%	15,500,000	0
501(c)(3)	Sacred Heart Schools, Series 2012	10/11/2012	DP-VRB 0.91%	20,000,000	20,000,000
MWDAB	ROA Riverside Development, LLC, Series 2012	10/15/2012	DP-VRB 1.87%	10,000,000	0
E-PC	North Park University, Series 2012	10/17/2012	DP-VRB 2.10%	30,000,000	0
501(c)(3)	Art Institute of Chicago, Series 2012A	10/18/2012	3.00% to 5.00%	59,940,000	69,240,000
CCRC	Lutheran Home and Services, Series 2012	10/30/2012	3.00% to 5.75%	98,500,000	23,355,000
IRB	Jonchris, LLC, Series 2012	11/15/2012	DP-VRB 2.20%	2,067,280	2,067,280
HO	Centegra Health System, Series 2012	11/20/2012	4.00% to 5.00%	190,425,000	99,055,000
HO	Advocate Health Care Network, Series 2012	11/29/2012	4.00% to 5.00%	145,620,000	0
MWDAB	Cargill, Incorporated, Series 2012	11/29/2012	VRB 1.55%	11,300,000	0
501(c)(3)	Big Ten Conference, Inc., Series 2012	12/20/2012	DP 2.10%	13,000,000	0
MWDAB	Practice Velocity Holdings, LLC, Series 2012	12/28/2012	DP-VRB LIBOR	4,400,000	0
CCRC	Clare Oaks Project, Series 2012A-C	12/31/2012	7.00%	89,000,068	89,000,068
E-PC	Chicago School of Professional Psychology, Series 2013	01/02/2013	DP-VRB LIBOR	10,000,000	10,000,000
HO	University of Chicago Medical Center, Series 2013A	01/24/2013	DP-VRB LIBOR	75,000,000	0
501(c)(3)	Helping Hand Center, Series 2013	02/01/2013	DP-VRB 3.95%	7,000,000	4,395,000
501(c)(3)	Chicago Academy of Sciences, Series 2013	01/28/2013	Variable	5,519,750	5,480,000
HO	Ingalls Health System, Series 2013	02/06/2013	Fixed at Schedule	61,860,000	40,320,000
E-PC	Catherine Cook School, Series 2013	02/16/2013	Fixed at Constant	4,000,000	5,820,000
HO	Northwestern Memorial Healthcare, Series 2013	02/27/2013	Fixed at Schedule	111,235,000	52,917,058
501(c)(3)	Steppenwolf Theatre Company, Series 2013	02/28/2013	Variable	17,000,000	6,100,000
			Total Bonds Issued as of February 28, 2013	**$ 1,763,044,103**	**$ 851,923,344**

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 Funded between July 01, 2012 and February 28, 2013

Borrower	Date Funded	Initial Interest Rate	Loan Proceeds	Acres	County
Justison, Patricia	07/25/2012	3.75%	209,000	38.00	Macon
Voumard, Scott & Angela	08/08/2012	3.75%	248,700	89.26	Madison
Barth, Brian C.	08/24/2012	3.75%	185,000	97.00	Bond
Dolder, Jonathan	10/02/2012	3.00%	446,650	122.00	LaSalle
Chandler, George	11/01/2012	3.40%	488,600	160.00	Henderson
Ellinger, Dustin & Dee	11/13/2012	3.75%	118,000	33.74	Montgomery
Wilson, Matthew D.	12/07/2012	3.25%	75,000	290.00	Jasper & Richland
Landheer, Arian A.	12/07/2012	3.25%	330,000	34.48	Whiteside
Ruppert, Jordan	12/28/2012	4.00%	456,055	157.00	Perry

Total Beginner Farmer Bonds Issued	**$ 2,557,005**	**1,021.48**

As of January 1, 2012, the amount of private activity volume cap available to the Illinois Finance Authority and allocable to Beginning Farmer Bonds is $15,000,000. In addition, the maximum of any Beginning Farmer Bond is $488,600.

Agricultural Guarantees Funded between July 01, 2012 and February 28, 2013

Agri Industry Guarantee	Date Funded	Initial Interest Rate	Loan Proceeds	State Guarantee
Roanoke Milling Co.	09/27/2012	5.25%	796,906	677,370
		Total Agri Industry Guarantee	**$ 796,906**	**$ 677,370**

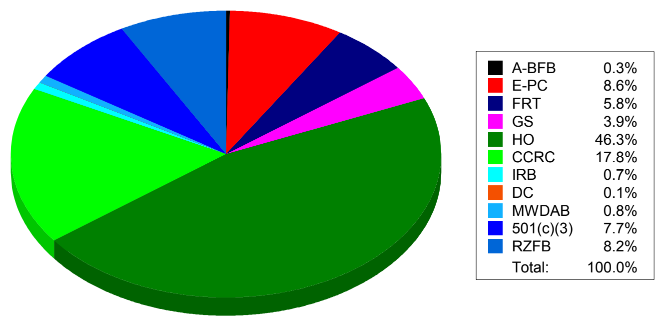
Specialized Livestock	Date Funded	Initial Interest Rate	Loan Proceeds	State Guarantee
Duncan, Brian & Kelly	10/01/2012	3.71%	423,000	359,550
J Double R, LLC	10/19/2012	3.75%	1,000,000	850,000
		Total Specialized Livestock	**$ 1,423,000**	**$ 1,209,550**
		Total Agriculture Guarantees during the Period	**$ 2,219,906**	**$ 1,886,920**

Bonds Issued - Fiscal Year Comparison
for the Period Ending February 28, 2013

Fiscal Year 2011

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,002,064
5	Education	221,290,000
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
1	Freight Transfer Facilities Bonds	150,000,000
85		$ 2,582,589,248

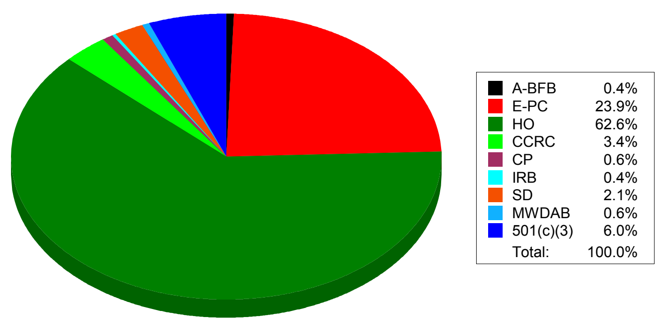
Bonds Issued in Fiscal Year 2011



Fiscal Year 2012

#	Market Sector	Principal Issued
41	Agriculture - Beginner Farmer	8,784,789
3	Education	474,685,000
14	Healthcare - Hospital	1,242,038,200
2	Healthcare - CCRC	66,765,000
1	Healthcare-Community Provider	12,700,000
2	Industrial Revenue	7,295,000
1	Local Government Schools	42,010,000
1	Midwest Disaster Area Bonds	11,066,000
13	501(c)(3) Not-for-Profit	118,256,846
78		$ 1,983,600,835

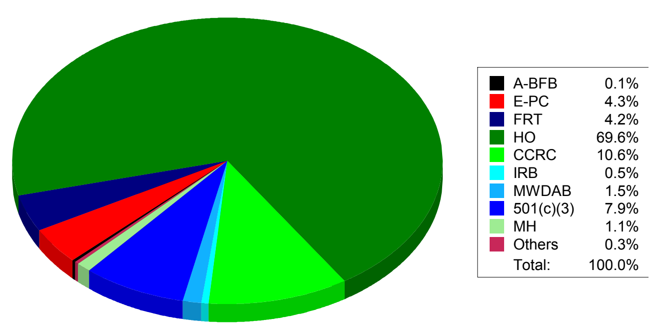
Bonds Issued in Fiscal Year 2012



Fiscal Year 2013

#	Market Sector	Principal Issued
9	Agriculture - Beginner Farmer	2,557,005
5	Education	75,460,000
9	Healthcare - Hospital	1,230,625,000
2	Healthcare - CCRC	187,500,068
2	Industrial Revenue	8,112,280
3	Midwest Disaster Area Bonds	25,700,000
7	501(c)(3) Not-for-Profit	139,459,750
1	MultiFamily/Senior Housing	18,630,000
1	Freight Transfer Facilities Bonds	75,000,000
39		$ 1,763,044,103

Bonds Issued in Fiscal Year 2013

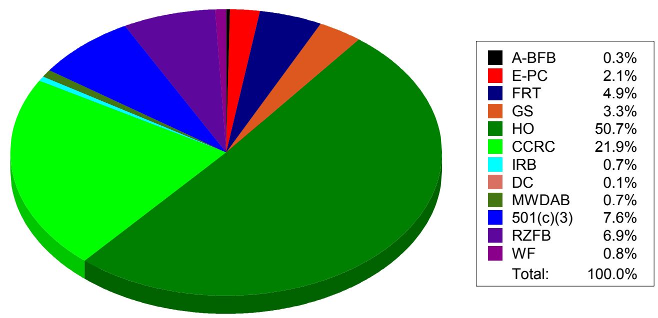


Bonds Issued - Calendar Year Comparison
as of February 28, 2013

Calendar Year 2011

#	Market Sector	Principal Issued
52	Agriculture - Beginner Farmer	7,853,465
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
9	501(c)(3) Not-for-Profit	272,851,846
80		$ 2,030,425,311

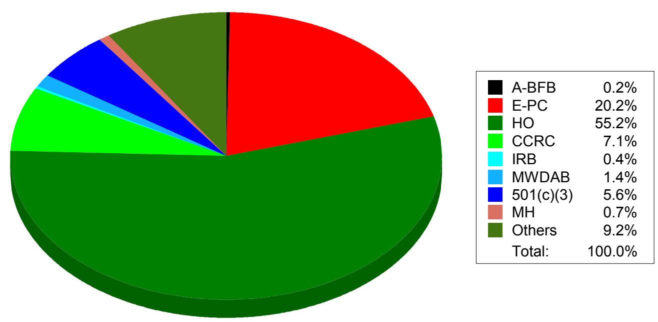
Bonds Issued in Calendar Year2011



Calendar Year 2012

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	5,964,724
6	Education	536,145,000
13	Healthcare - Hospital	1,462,043,200
2	Healthcare - CCRC	187,500,068
3	Industrial Revenue	11,612,280
4	Midwest Disaster Area Bonds	36,766,000
10	501(c)(3) Not-for-Profit	147,180,000
1	MultiFamily/Senior Housing	18,630,000
		242,550,000
83		$ 2,648,391,272

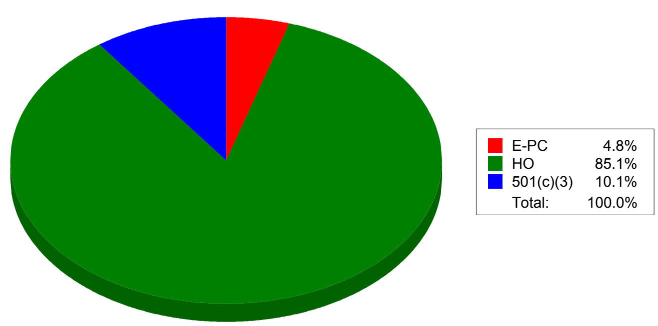
Bonds Issued in Calendar Year 2012



Calendar Year 2013

#	Market Sector	Principal Issued
2	Education	14,000,000
3	Healthcare - Hospital	248,095,000
3	501(c)(3) Not-for-Profit	29,519,750
8		$ 291,614,750

Bonds Issued in Calendar Year 2013



COMMITTEE MINUTES

ILLINOIS FINANCE AUTHORITY
COMMITTEE OF THE WHOLE
REGULAR MEETING
TUESDAY, FEBRUARY 12, 2013
9:37 A.M.

I. Call to Order & Roll Call

At the regular meeting of the Committee of the Whole of the Illinois Finance Authority (the "Committee" or "COW"), begun and held at Two Prudential Plaza, 180 North Stetson Avenue, Suite 2555, Chicago, Illinois 60601, on the second Tuesday of February in the year 2013, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the "Act"), William A. Brandt, Jr., Chairman of the Committee, called the Committee to order and presided over deliberations.

By direction of the Chairman, a roll call was taken to ascertain the attendance of Members, as follows: 7 Present.

On the question of a quorum of Members physically present at the location of this open meeting, the Assistant Secretary of the Board of Directors initially declared the absence of a quorum.

Having been absent when the Quorum Roll Call for Attendance was taken, Member Knox was recorded as present at the time of 9:51 a.m. Thereupon, the Assistant Secretary of the Board of Directors declared that a quorum had been constituted.

ILLINOIS FINANCE AUTHORITY
COMMITTEE OF THE WHOLE
COMMITTEE ROLL CALL
QUORUM ROLL CALL FOR ATTENDANCE

February 12, 2013

0 YEAS		0 NAYS		8 PRESENT	
P	Barclay	P	Knox (ADDED)	P	Poole
E	Bronner	E	Leonard	P	Tessler
E	Fuentes	E	O'Brien	P	Zeller
P	Goetz	E	Parish	P	Mr. Chairman
P	Gold	E	Pedersen		

E – Denotes Excused Absence

II. Chairman's Remarks

Chairman Brandt informed the Committee that he recently attended an event with California Lieutenant Governor Gavin Newsom where he engaged in a conversation with Dylan Ratigan in connection with a Southern California organic farm teaching returning veterans how to use low-cost, hydroponic, organic farming techniques to create good jobs (approximately 30 veterans per farm). Chairman Brandt reported their conversation evolved into discussing the aspects of utilizing the Authority's Beginning Farmer Bond program should hydroponic, organic farming techniques be brought to Illinois. Cognizant of Chicago's inner-city food deserts and the need to find veterans good jobs in Illinois, Chairman Brandt explained that these techniques may have potential to provide many benefits locally without competing against traditional Beginning Farmer Bond financings.

Despite initial skepticism, Chairman Brandt advised the Committee that these farms are performing well as they operate under contracts with companies such as Whole Foods.

Executive Director Meister noted for the Committee that he has reviewed documents concerning this proposal and would be reaching out to Members of the Agriculture Committee, Illinois Department of Veterans' Affairs Director Erica Borggren and Illinois Department of Agriculture Acting Director Bob Flider in the near future.

Chairman Brandt indicated that because these hydroponic farms are very technical, the return on investment for military veterans is very substantial.

Member Zeller and Chairman Brandt engaged in a discussion concerning the acreage of these hydroponic farms and the potential limitations of Beginning Farmer Bonds.

To that extent, Executive Director Meister informed the Committee that options currently being explored include the Authority's Agri-Debt Guarantee program or the Authority's U.S. Department of Agriculture-Rural Development (USDA-RD) business loan program which was previously packaged to assist Gallatin, Saline and Williamson counties in their recovery effort from tornado damage in 2012.

Chairman Brandt stated the U.S. Marine Corps, the U.S. Army and the U.S. Department of Defense are also willing to be financial stakeholders in this endeavor.

Next, Chairman Brandt engaged Member Barclay and the Committee in a discussion concerning potential financial assistance from the Authority for Chicago's commodity brokers and exchanges. Chairman Brandt advised that while unsure how the Authority could play a role in the future, he believes it is in the best interest of the Authority and the State of Illinois to foster economic development locally. More specifically, the Authority needs to develop new sources of revenue as traditional product lines are not as profitable as in years' past.

Finally, Chairman Brandt informed the Members that the Committee will enter closed session at approximately 10:15 a.m. due to matters of litigation.

III. Message from the Executive Director

Executive Director Meister welcomed Members of the Committee, Authority staff and all guests present.

Executive Director Meister echoed Governor Quinn's State of the State address, explaining that the Governor's vision for Illinois cannot be fully realized without immediate action on pension reform. The Authority supports Governor Quinn's call for comprehensive reforms to stabilize the State's pension system. The diminished funding of the pension system is causing negative consequences for the Authority's conduit borrowers – who ultimately pay a basis point "penalty" in the capital markets. In addition, the Authority has taken steps to post documentation on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") website in connection with outstanding bond issues which utilize the moral obligation of the State of Illinois due to recent credit rating downgrades.

Next, Executive Director Meister informed the Committee that he, Vice Chairman Goetz and Member Poole joined Governor Quinn the day prior at the Calumet facility of the Metropolitan Water Reclamation District of Greater Chicago ("MWRD") to award a $250 million low-interest loan to MWRD to move forward with crucial projects to update the region's water infrastructure, clean up area rivers and improve public health.

The Illinois Environmental Protection Agency ("IEPA") and the Authority are expanding the State Revolving Fund from $300 million to $1 billion annually. The initiative is funded with annual federal grants, funds from the American Recovery and Reinvestment Act ("ARRA") and additional principal and interest from loan repayments. No new state tax dollars are used. Needed equity is provided by the existing loan portfolio and future federal capitalization dollars.

Executive Director Meister reported that he and Ms. Lenane also toured the new University of Chicago hospital facility.

Finally, Executive Director Meister informed the Committee that Mrs. Granda has left the Authority and in the interim Mr. Scott Bailey will serve as Chief Financial Officer for a period of three- to four months.

V. Presentation and Consideration of the Financial Statements

Revenue

Mr. Jeffery J. Pruyn of Anthes, Pruyn & Associates, Ltd. explained that Total Revenue for January ended at $368,798 or $22,169 or 6.166% above the Fiscal Year ("FY") 2013 Budget. In January, there were five closings: two in the Business & Industry market sector, two in the Healthcare market sector and one in the Agriculture market sector. These fees totaled $188,524. Furthermore, the Authority received a recovery of bad debt in the amount of $120,383; this is listed under the Revenue/Other Income line item. Year-to-Date Total Revenue for the period ended January 31, 2012 was $3,348,330, an amount that was $27,174 or 0.82% above the FY 2013 budget.

Expenses

Comparing Actual Total Revenues for FY 2013 to Actual Total Revenues for FY 2012, FY 2013 is unfavorable by $94,995 or 2.76% below the Actual Total Revenues for FY 2012. This is primarily due to U.S. Securities & Exchange Commission settlements received in FY 2012. However, administrative and closing fees for FY 2013 are favorable by $993,704 or 62.34% above Actual Total Revenues for FY 2012.

Total Expenses for January ended at $316,134 or $14,234 or 4.71% above the FY 2013 Budget. This is primarily due to higher than expected costs in employee-related expenses. Year-to-Date Total Expenses ended at $2,192,353 or $59,483 or 2.79% above the FY 2013 Budget.

Comparing Actual Total Expenses for FY 2013 to Actual Total Expenses for FY 2012, FY 2013 is up by $95,803 or 4.57% - primarily due to professional services.

Net Income

January ended with a Net Income of $112,785 or $54,876 or 94.76% above the FY 2013 Budget. This is primarily due to the recovery of bad debt and a transfer from the Venture Capital portfolio sale for a final distribution of an investment. In fact, Year-to-Date Net Income is $1,542,751 or $354,465 or 29.83% above the FY13 Budget. This is due to the recovery of bad debt, the transfers received from Venture Capital portfolio sale and the close-out of the Title IX program.

Balance Sheet

IFA's balance sheet remains strong. In January, there were two loan payoffs for a total of $29,093. Total Loan payoffs for FY 2013 are $847,860 (from six loans).

Audit

Concerning audit matters, IFA's Compliance Audit Report for Fiscal Year 2012 is being reviewed by the Office of the Illinois Auditor General. The Authority anticipates the report being released by the end of March 2013.

Chairman Brandt confirmed for the Committee that the Authority is right-on budget and the variance is minimal. Unlike previous years where the Authority received unexpected sources of cash, the Authority is now on-budget due solely to its own efforts. However, the spread between income and expenses remains relatively thin, thus proving the need to diversity product offerings.

IV. Consideration of the Minutes

Chairman Brandt asked if the Members wished to direct the Assistant Secretary of the Board to correct any errors in the Minutes of the regular meeting of the Committee held on January 8, 2013 or any errors in the Minutes of the regular meeting of the Board held on January 8, 2013.

Hearing none, Chairman Brandt declared that the Committee approved the Minutes of regular meeting of the Committee held of January 8, 2013.

VI. Committee Reports

None.

VII. Project Reports and Resolutions

Mr. Senica presented the following project and resolutions via audio conference:

Agriculture Projects

Item 1: Caleb P. Niemann - $240,000

Caleb P. Niemann is requesting approval of a Final Bond Resolution in an amount not to-exceed Two Hundred Forty Thousand Dollars ($240,000) of Beginning Farmer Bonds.

Bond proceeds will be used to finance the acquisition of approximately 40 acres of farmland located in Honey Point Township in Macoupin County.

Resolutions

Item 9: Resolution Approving the Release of Jamie L. Houck from Personal Liability in Connection with Existing Beginning Farmer Bond Loan #2008-03-002

Item 10: Resolution Approving a Restructuring of the Repayment Structure from Monthly to Annual Payments in Connection with Existing Beginning Farmer Bond Loan #2010-09-0001

Chairman Brandt and Member Zeller engaged in a conversation concerning the reasoning for the restructuring of the repayment structure.

Mr. Frampton presented each of the following projects:

Educational, Cultural and Non-Healthcare 501(c)(3) Projects

Item 2: American College of Chest Physicians - $18,000,000

American College of Chest Physicians is requesting approval of a Final Bond Resolution in an amount not-to-exceed Eighteen Million Dollars ($18,000,000) of 501(c)(3) Revenue Bonds.

Bond proceeds will be issued on behalf of the American College of Chest Physicians (hereinafter, the "College") and used, together with certain other funds, to (i) finance, refinance or reimburse itself for all or a portion of the costs of the acquisition, design, development, construction, improvement, furnishing and equipping of certain new educational and training facilities, including, without limitation, one or more simulators, an auditorium, classrooms, administrative offices and various other educational and training facilities, and including site improvements, landscaping and improvements to roads, walkways and parking lots, all at 2595 Patriot Boulevard, Glenview, Illinois (collectively, the "Project"), (ii) finance a portion of the interest on the Bond (as hereinafter defined), (iii) finance certain working capital expenditures related to the Project if deemed necessary or desirable by the College, (iv) fund a debt service reserve fund if deemed necessary or desirable by the College and (v) pay certain costs relating to the issuance of the Bond if deemed necessary or desirable by the College, all as permitted under the Act (collectively, the Project and items (ii) through (v), as presented, represent the "Financing Purposes").

Chairman Brandt, Member Gold and Mr. Frampton engaged in a conversation discussing the current location of the College and noted the location of the College's new facility in Glenview.

Item 3: The Catherine Cook School - $5,000,000

The Catherine Cook School is requesting approval of a Final Bond Resolution in an amount not-to-exceed Five Million Dollars ($5,000,000) of 501(c)(3) Revenue Bonds.

Bond proceeds will be loaned to The Catherine Cook School, an Illinois not-for-profit corporation (hereinafter the "Borrower"), and will be used to provide the Borrower with a portion of the funds to be used to (i) construct and furnish a new 25,000 square foot addition to the Borrower's existing campus facilities, the main address of which is located at 226 West Schiller Street, Chicago, Illinois; the addition is expected to include a new library, eleven new classrooms, two new middle school science rooms, a lower school discovery center, a new rooftop playground, and will include property located on the 1400 block of N. North Park Avenue and a vacated alley located immediately adjacent to the west side of the Borrower's existing facility (collectively, the "Project"); and (ii) pay certain expenses incurred in connection with the issuance of the Bonds, all as permitted by the Act (collectively, the "Financing Purposes").

Item 4: Helping Hand Center and Helping Hand Foundation (on behalf of the Helping Hand Center Project - $7,000,000

Helping Hand Center and Helping Hand Foundation (on behalf of the Helping Hand Center Project) are requesting approval of a Final Bond Resolution in an amount not-to-exceed Seven Million Dollars ($7,000,000) of 501(c)(3) Revenue Bonds. This financing is being presented for one-time consideration.

Bond proceeds will be loaned to Helping Hand Center, an Illinois not-for-profit corporation and the Helping Hand Foundation, an Illinois not-for-profit corporation, (collectively, the "Borrowers"), for the purposes of (i) financing the costs of the acquisition of and improvement to a facility located at 546 6th Avenue, La Grange, Illinois, to be owned by the Borrowers, (ii) reimbursing the Borrowers for the costs of the acquisition of and improvement to the Borrowers' facilities located at 1111 Stone Avenue, La Grange, Illinois and 11260 W. 84th Place, Willow Springs, Illinois, (iii) refinancing existing indebtedness of the Borrowers which financed the costs of the acquisition of and improvement to the Borrowers' facilities located at 928 Plainfield Road, 1404 Plainfield Road, and 9618 W. 58th Street, in Countryside, Illinois, (iv) refinancing or refunding the outstanding amount of Illinois Health Facilities Authority Variable Rate Demand Revenue Bonds, Series 2001 (Helping Hand Rehabilitation Center), in an amount not to exceed $4,400,000 (the "Prior Bonds"), the proceeds of which were used to finance the acquisition of and improvement to the Borrowers' facilities located at multiple locations in Bridgeview, Brookfield, Countryside, La Grange, Lyons, and Summit, Illinois, each in Cook County, Illinois (collectively, the "Project") and identified in the Schedule of Project Locations on pages 3 and 4 of the IFA Board Summary Report, as posted, and (v) paying all or a portion of the costs of issuance for the Bonds.

Ms. Lenane provided Members of the Committee with an updated Resolution in connection with the previous Project (i.e., Item 3) presented by Mr. Frampton, The Catherine Cook School Project. According to Mr. Frampton, the updated Resolution being provided to Members of the Committee by Ms. Lenane was to replace the Resolution the Members of the Committee were previously distributed in error. The corrected Resolution will be the Resolution of record for The Catherine Cook School Project and, thus, will be the Resolution that Members of the Board vote to approve at the regular meeting of the Board.

Members of the Committee acknowledged receipt of the updated Resolution, which accurately reflects the legal name of the Borrower for The Catherine Cook School Project.

Mr. Frampton presented each of the following projects:

Item 5: Steppenwolf Theatre Company - $17,000,000

Steppenwolf Theatre Company is requesting approval of a Final Bond Resolution in an amount not-to-exceed Seventeen Million Dollars ($17,000,000) of 501(c)(3) Revenue Bonds. This financing is being presented for one-time consideration.

Bond proceeds will be loaned to Steppenwolf Theatre Company (hereinafter, the "Borrower") to provide the funds necessary to (a) refund the outstanding $6,100,000 aggregate principal amount of the Illinois Development Finance Authority Revenue Bonds (Steppenwolf Theatre Company Project) Series 1998 initially issued for the purpose of (i) financing the costs of the acquisition, construction and renovation of real property owned and operated by the Borrower located at 758 West North Avenue, Chicago, Illinois, and (ii) financing the costs of the acquisition, construction and renovation of the studio theatre located within the Borrower's Main Theatre Building located at 1650 North Halsted Street, Chicago, Illinois, (b) refinance certain of the Borrower's taxable debt incurred for the purpose of acquiring the real property located at 1700 North Halsted, Chicago, Illinois (the "Development"), (c) refund a taxable loan made to the Borrower incurred for the purpose of financing certain fees and expenditures related to the acquisition of a chiller located at and relating to the Borrower's Main Theatre Building located at 1650 North Halsted Street, Chicago, Illinois, (d) finance costs of acquisition, construction and renovation of the real property owned and operated by the Borrower located at 1700 North Halsted Street, Chicago, Illinois, (e) fund certain reserves pertaining to the Bonds, and (f) pay costs of issuance of the 2013 Bonds.

Item 6: Northern Illinois University Foundation - $10,000,000

Northern Illinois University Foundation is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Ten Million Dollars ($10,000,000) of 501(c)(3) Revenue Bonds.

Bond proceeds would be used by the Northern Illinois University Foundation (hereinafter, the "Foundation") to (i) refund the outstanding amount (not to exceed $2,695,920) of the Authority's Revenue Bonds (Northern Illinois University Foundation Project) Series 2006, which bonds were issued to finance the Yordon Center on Northern Illinois University's campus in DeKalb, Illinois (the "2006 Project"), and (ii) finance the constructing, improving and equipping of the Chessick Practice Center facility at Northern Illinois University (the "Project"), to pay capitalized interest during the construction period, and to pay a portion of the costs of bond issuance. The new Chessick Practice Center will be connected and adjacent to the Yordon Center and located near the corner of Stadium Drive East and Stadium Drive North on Northern Illinois University's campus in DeKalb, Illinois. Upon its completion, the Project will be leased by the Foundation to Northern Illinois University.

Members of the Committee engaged in a conversation regarding the Orange Bowl appearance by the Northern Illinois University Huskies football team.

Ms. O'Brien presented each of the following projects:

Healthcare Projects

Item 7: Plymouth Place, Inc. - $35,000,000

Plymouth Place, Inc. is requesting approval of a Final Bond Resolution in an amount not-to-exceed Thirty Five Million Dollars ($35,000,000) of 501(c)(3) Revenue Bonds.

The proceeds will be used by Plymouth Place, Inc. (hereinafter, the "Borrower") to: (i) pay or reimburse the Borrower for the costs of acquiring, constructing, renovating, remodeling, and equipping certain health care facilities of the Borrower, including necessary and attendant equipment, facilities, site work and utilities thereto; (ii) refund all or a portion of the outstanding principal amount of the Authority's $20,000,000 Variable Rate Demand Revenue Bonds, Series 2005B (The Landing at Plymouth Place Project) (the "Series 2005B Bonds"); (iii) refund all or a portion of the outstanding principal amount of the Authority's $68,500,000 Variable Rate Demand Revenue Bonds, Series 2005C (The Landing at Plymouth Place Project) (the "Series 2005C Bonds" and, together with the Series 2005B Bonds, the "Prior Bonds"); (iv) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds, including but not limited to fees for insurance, credit enhancement or liquidity enhancement for the Bonds if deemed necessary or advisable by the Borrower.

Item 8: Three Crowns Park - $4,000,000

Three Crowns Park is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Four Million Dollars ($4,000,000) of 501(c)(3) Revenue Bonds.

The proceeds will be used by Three Crowns Park (hereinafter, the "Borrower") to: (i) pay or reimburse the Borrower, or a corporate affiliate, for the payment of the costs of acquiring, constructing, renovating, remodeling and equipping the Borrower's continuing care retirement community, including but not limited to the costs of the renovation, remodeling and equipping of the Borrower's existing 48-bed nursing care facility and all necessary attendant facilities, equipment, site work and utilities, all located on the Borrower's existing campus in Evanston, Illinois (the "Project"); (ii) fund a debt service reserve fund for the benefit of the Bonds; (iii) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Borrower; (iv) provide working capital, if deemed necessary or advisable by the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds, including but not limited to fees for credit enhancement or a liquidity facility for the Bonds, if deemed necessary or advisable by the Borrower.

Mr. Frampton presented the following resolution:

Resolutions

Item 11: Resolution Authorizing the Execution and Delivery of a Fifth Supplemental Indenture of Trust in Connection with Illinois Finance Authority Education Revenue Bonds Issued on Behalf of Noble Network of Charter Schools; and Related Matters

VIII. Other Business

Member Poole informed the Members of the Committee that he was happy to report St. Joseph's Hospital of the Hospital Sisters of the Third Order of St. Francis located in Highland, IL was progressing as planned with construction pursuant to the Authority's approval of the project this past August. Member

Poole further requested that Executive Director Meister and Members of the Board participate in a tour of the facility once construction is complete.

Vice Chairman Goetz moved entering into closed session pursuant to, but not limited to, 5 ILCS 120/2(c)(11) of the Illinois Open Meetings Act.

Member Poole seconded the motion.

And on that motion, a vote was taken resulting as follows: 8 Yeas; 0 Nays; 0 Answering Present.

The motion prevailed and the Committee entered into closed session at 10:15 a.m.

By unanimous consent, the Committee exited from closed session at 10:38 a.m.

IX. Public Comment

None.

X. Adjournment

At the time of 10:38 a.m., Member Barclay moved that the Committee do now adjourn until March 12, 2013, at 9:30 a.m.

Member Poole seconded the motion.

The motion prevailed.

And the Committee stood adjourned.

Minutes published by:
Brad R. Fletcher
Assistant Secretary of the Board

BOARD MINUTES

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
TUESDAY, FEBRUARY 12, 2013
10:46 A.M.

I. Call to Order & Roll Call

At the regular meeting of the Board of Directors of the Illinois Finance Authority (the "Board"), begun and held at One Prudential Plaza, 130 East Randolph Avenue, Suite 750, Chicago, Illinois 60601, on the second Tuesday of February in the year 2013, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the "Act"), William A. Brandt, Jr., Chairman of the Board, called the Board to order and presided over deliberations.

By direction of the Chairman, a roll call was taken to ascertain the attendance of Members, as follows: 9 Present.

On the question of a quorum of Members physically present at the location of this open meeting, the Assistant Secretary of the Board declared that a quorum had been constituted.

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
QUORUM ROLL CALL FOR ATTENDANCE

February 12, 2013

0 YEAS		0 NAYS		9 PRESENT	
P	Barclay	P	Knox	P	Poole
E	Bronner	E	Leonard	P	Tessler
P	Fuentes	E	O'Brien	P	Zeller
P	Goetz	E	Parish	P	Mr. Chairman
P	Gold	E	Pedersen		

E – Denotes Excused Absence

II. Chairman's Remarks

Chairman Brandt welcomed Members of the Board, Authority staff and all guests present. Chairman Brandt discussed his commitment to have regular meetings of the Board held at locations other than Chicago, if possible.

Chairman Brandt, Chairman, from the Committee of the Whole to which all items of this meeting's agenda were referred, action taken on February 12, 2013, reported the same back and that all items were thoroughly reviewed.

III. Adoption of the Minutes

Minutes of the regular meeting of the Board held on January 8, 2013 and the Financial Statements for the Month Ended January 31, 2013 were taken up for consideration.

Vice Chairman Goetz moved the adoption of the Minutes and the Financial Statements.

Member Knox seconded the motion.

And on that motion, a vote was taken resulting as follows: 9 Yeas; 0 Nays; 0 Answering Present.

The motion prevailed and the Minutes and Financial Statements were adopted.

IV. Acceptance of the Financial Statements

See Agenda Item III.

V. Approval of Project Reports and Resolutions

Chairman Brandt directed Mr. Frampton to present the projects to the Board.

Mr. Frampton presented each of the following projects:

Agriculture Projects

Item 1: <u>Caleb P. Niemann - $240,000</u>

Caleb P. Niemann is requesting approval of a Final Bond Resolution in an amount not to-exceed Two Hundred Forty Thousand Dollars ($240,000) of Beginning Farmer Bonds.

Bond proceeds will be used to finance the acquisition of approximately 40 acres of farmland located in Honey Point Township in Macoupin County.

Educational, Cultural and Non-Healthcare 501(c)(3) Projects

Item 2: <u>American College of Chest Physicians - $18,000,000</u>

American College of Chest Physicians is requesting approval of a Final Bond Resolution in an amount not-to-exceed Eighteen Million Dollars ($18,000,000) of 501(c)(3) Revenue Bonds.

Bond proceeds will be issued on behalf of the American College of Chest Physicians (hereinafter, the "College") and used, together with certain other funds, to (i) finance, refinance or reimburse itself for all or a portion of the costs of the acquisition, design, development, construction, improvement, furnishing and equipping of certain new educational and training facilities, including, without limitation, one or more simulators, an auditorium, classrooms, administrative offices and various other educational and training facilities, and including site improvements, landscaping and improvements to roads, walkways and parking lots, all at 2595 Patriot Boulevard, Glenview, Illinois (collectively, the "Project"), (ii) finance a portion of the interest on the Bond (as hereinafter defined), (iii) finance certain working capital expenditures related to the Project if deemed necessary or desirable by the College, (iv) fund a debt service reserve fund if deemed necessary or desirable by the College and (v) pay certain costs relating to the issuance of the Bond if deemed necessary or desirable by the College, all as permitted under the Act (collectively, the Project and items (ii) through (v), as presented, represent the "Financing Purposes").

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The Catherine Cook School is requesting approval of a Final Bond Resolution in an amount not-to-exceed Five Million Dollars ($5,000,000) of 501(c)(3) Revenue Bonds.

Bond proceeds will be loaned to The Catherine Cook School, an Illinois not-for-profit corporation (hereinafter the "Borrower"), and will be used to provide the Borrower with a portion of the funds to be used to (i) construct and furnish a new 25,000 square foot addition to the Borrower's existing campus facilities, the main address of which is located at 226 West Schiller Street, Chicago, Illinois; the addition is expected to include a new library, eleven new classrooms, two new middle school science rooms, a lower school discovery center, a new rooftop playground, and will include property located on the 1400 block of N. North Park Avenue and a vacated alley located immediately adjacent to the west side of the Borrower's existing facility (collectively, the "Project"); and (ii) pay certain expenses incurred in connection with the issuance of the Bonds, all as permitted by the Act (collectively, the "Financing Purposes").

Item 4: Helping Hand Center and Helping Hand Foundation (on behalf of the Helping Hand Center Project - $7,000,000

Helping Hand Center and Helping Hand Foundation (on behalf of the Helping Hand Center Project) are requesting approval of a Final Bond Resolution in an amount not-to-exceed Seven Million Dollars ($7,000,000) of 501(c)(3) Revenue Bonds. This financing is being presented for one-time consideration.

Bond proceeds will be loaned to Helping Hand Center, an Illinois not-for-profit corporation and the Helping Hand Foundation, an Illinois not-for-profit corporation, (collectively, the "Borrowers"), for the purposes of (i) financing the costs of the acquisition of and improvement to a facility located at 546 6th Avenue, La Grange, Illinois, to be owned by the Borrowers, (ii) reimbursing the Borrowers for the costs of the acquisition of and improvement to the Borrowers' facilities located at 1111 Stone Avenue, La Grange, Illinois and 11260 W. 84th Place, Willow Springs, Illinois, (iii) refinancing existing indebtedness of the Borrowers which financed the costs of the acquisition of and improvement to the Borrowers' facilities located at 928 Plainfield Road, 1404 Plainfield Road, and 9618 W. 58th Street, in Countryside, Illinois, (iv) refinancing or refunding the outstanding amount of Illinois Health Facilities Authority Variable Rate Demand Revenue Bonds, Series 2001 (Helping Hand Rehabilitation Center), in an amount not to exceed $4,400,000 (the "Prior Bonds"), the proceeds of which were used to finance the acquisition of and improvement to the Borrowers' facilities located at multiple locations in Bridgeview, Brookfield, Countryside, La Grange, Lyons, and Summit, Illinois, each in Cook County, Illinois (collectively, the "Project") and identified in the Schedule of Project Locations on pages 3 and 4 of the IFA Board Summary Report, as posted, and (v) paying all or a portion of the costs of issuance for the Bonds.

Item 6: Northern Illinois University Foundation - $10,000,000

Northern Illinois University Foundation is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Ten Million Dollars ($10,000,000) of 501(c)(3) Revenue Bonds.

Bond proceeds would be used by the Northern Illinois University Foundation (hereinafter, the "Foundation") to (i) refund the outstanding amount (not to exceed $2,695,920) of the Authority's Revenue Bonds (Northern Illinois University Foundation Project) Series 2006, which bonds were issued to finance the Yordon Center on Northern Illinois University's campus in DeKalb, Illinois (the "2006 Project"), and (ii) finance the constructing, improving and equipping of the Chessick Practice Center facility at Northern Illinois University (the "Project"), to pay capitalized interest during the construction period, and to pay a portion of the costs of bond issuance. The new Chessick Practice Center will be connected and adjacent to the Yordon Center and located near the corner of Stadium Drive East and Stadium Drive North on Northern Illinois University's campus in DeKalb, Illinois. Upon its completion, the Project will be leased by the Foundation to Northern Illinois University.

Healthcare Projects

Item 7: Plymouth Place, Inc. - $35,000,000

Plymouth Place, Inc. is requesting approval of a Final Bond Resolution in an amount not-to-exceed Thirty Five Million Dollars ($35,000,000) of 501(c)(3) Revenue Bonds.

The proceeds will be used by Plymouth Place, Inc. (hereinafter, the "Borrower") to: (i) pay or reimburse the Borrower for the costs of acquiring, constructing, renovating, remodeling, and equipping certain health care facilities of the Borrower, including necessary and attendant equipment, facilities, site work and utilities thereto; (ii) refund all or a portion of the outstanding principal amount of the Authority's $20,000,000 Variable Rate Demand Revenue Bonds, Series 2005B (The Landing at Plymouth Place Project) (the "Series 2005B Bonds"); (iii) refund all or a portion of the outstanding principal amount of the Authority's $68,500,000 Variable Rate Demand Revenue Bonds, Series 2005C (The Landing at Plymouth Place Project) (the "Series 2005C Bonds" and, together with the Series 2005B Bonds, the "Prior Bonds"); (iv) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds, including but not limited to fees for insurance, credit enhancement or liquidity enhancement for the Bonds if deemed necessary or advisable by the Borrower.

Item 8: Three Crowns Park - $4,000,000

Three Crowns Park is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Four Million Dollars ($4,000,000) of 501(c)(3) Revenue Bonds.

The proceeds will be used by Three Crowns Park (hereinafter, the "Borrower") to: (i) pay or reimburse the Borrower, or a corporate affiliate, for the payment of the costs of acquiring, constructing, renovating, remodeling and equipping the Borrower's continuing care retirement community, including but not limited to the costs of the renovation, remodeling and equipping of the Borrower's existing 48-bed nursing care facility and all necessary attendant facilities, equipment, site work and utilities, all located on the Borrower's existing campus in Evanston, Illinois (the "Project"); (ii) fund a debt service reserve fund for the benefit of the Bonds; (iii) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Borrower; (iv) provide working capital, if deemed necessary or advisable by the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds, including but not limited to fees for credit enhancement or a liquidity facility for the Bonds, if deemed necessary or advisable by the Borrower.

Chairman Brandt requested leave of the Board to use the last unanimous roll call vote for the adoption of the following projects: Items 1, 2, 3, 4, 6, 7 and 8.

Leave was granted.

These projects, having received the votes of a quorum of the Members of the Board, were declared passed.

Chairman Brandt then directed Mr. Frampton to present the resolutions to the Board.

Mr. Frampton presented the following resolutions:

Resolutions

Item 9: Resolution Approving the Release of Jamie L. Houck from Personal Liability in Connection with Existing Beginning Farmer Bond Loan #2008-03-002

Item 10: Resolution Approving a Restructuring of the Repayment Structure from Monthly to Annual Payments in Connection with Existing Beginning Farmer Bond Loan #2010-09-0001

Item 11: Resolution Authorizing the Execution and Delivery of a Fifth Supplemental Indenture of Trust in Connection with Illinois Finance Authority Education Revenue Bonds Issued on Behalf of Noble Network of Charter Schools; and Related Matters

Chairman Brandt requested leave of the Board to use the last unanimous roll call vote for the adoption of the following resolutions: Items 9, 10 and 11.

Leave was granted.

These resolutions, having received the votes of a quorum of the Members of the Board, were declared adopted.

Chairman Brandt then directed Mr. Frampton to present the projects to the Board which may have guests present.

Mr. Frampton presented the following project:

Educational, Cultural and Non-Healthcare 501(c)(3) Projects

Item 5: Steppenwolf Theatre Company - $17,000,000

Steppenwolf Theatre Company is requesting approval of a Final Bond Resolution in an amount not-to-exceed Seventeen Million Dollars ($17,000,000) of 501(c)(3) Revenue Bonds. This financing is being presented for one-time consideration.

Bond proceeds will be loaned to Steppenwolf Theatre Company (hereinafter, the "Borrower") to provide the funds necessary to (a) refund the outstanding $6,100,000 aggregate principal amount of the Illinois Development Finance Authority Revenue Bonds (Steppenwolf Theatre Company Project) Series 1998 initially issued for the purpose of (i) financing the costs of the acquisition, construction and renovation of real property owned and operated by the Borrower located at 758 West North Avenue, Chicago, Illinois, and (ii) financing the costs of the acquisition, construction and renovation of the studio theatre located within the Borrower's Main Theatre Building located at 1650 North Halsted Street, Chicago, Illinois, (b) refinance certain of the Borrower's taxable debt incurred for the purpose of acquiring the real property located at 1700 North Halsted, Chicago, Illinois (the "Development"), (c) refund a taxable loan made to the Borrower incurred for the purpose of financing certain fees and expenditures related to the acquisition of a chiller located at and relating to the Borrower's Main Theatre Building located at 1650 North Halsted Street, Chicago, Illinois, (d) finance costs of acquisition, construction and renovation of the real property owned and operated by the Borrower located at 1700 North Halsted Street, Chicago, Illinois, (e) fund certain reserves pertaining to the Bonds, and (f) pay costs of issuance of the 2013 Bonds.

Mr. Frampton announced that the Managing Director of Steppenwolf Theatre Company, David Schmitz, was present and ready to speak on behalf of the project.

Mr. Schmitz thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Mr. Schmitz.

Chairman Brandt requested leave of the Board to use the last unanimous roll call vote for the adoption of the following project: Item 5.

Leave was granted.

This project, having received the votes of a quorum of the Members of the Board, was declared passed.

VI. Other Business

None.

VII. Public Comment

None.

VIII. Adjournment

At the time of 11:08 a.m., Vice Chairman Goetz moved that the Board do now adjourn until March 12, 2013, at 10:30 a.m.

Member Tessler seconded the motion.

The motion prevailed.

And the Board stood adjourned.

Minutes published by:
Brad R. Fletcher
Assistant Secretary of the Board

Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
for Period Ending
February 28, 2013

	Actual February 2013	Budget February 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
REVENUE										
INTEREST ON LOANS	15,555	28,474	(12,919)	-45.37%	152,527	196,399	(43,872)	-22.34%	269,742	56.55%
INVESTMENT INTEREST & GAIN(LOSS)	2,735	2,083	652	31.30%	34,656	16,664	17,992	107.97%	25,000	138.62%
ADMINISTRATIONS & APPLICATION FEES	291,164	232,213	58,951	25.39%	2,878,943	2,958,056	(79,113)	-2.67%	3,789,504	75.97%
ANNUAL ISSUANCE & LOAN FEES	29,527	31,172	(1,645)	-5.28%	234,072	255,076	(21,004)	-8.23%	386,222	60.61%
OTHER INCOME	5,115	17,198	(12,083)	-70.26%	392,227	137,584	254,643	185.08%	206,375	190.06%
TOTAL REVENUE	344,095	311,140	32,955	10.59%	3,692,425	3,563,779	128,646	3.61%	4,676,843	78.95%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	142,304	121,130	21,174	17.48%	943,897	981,557	(37,660)	-3.84%	1,462,277	64.55%
BENEFITS	25,067	20,158	4,909	24.35%	168,797	163,264	5,533	3.39%	244,896	68.93%
TEMPORARY HELP	-		-	0.00%		-	-	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	-	500	(500)	-100.00%	595	4,000	(3,405)	-85.13%	6,000	9.92%
TRAVEL & AUTO	831	5,000	(4,169)	-83.38%	29,373	40,000	(10,627)	-26.57%	60,000	48.96%
TOTAL EMPLOYEE RELATED EXPENSES	168,202	146,788	21,414	14.59%	1,142,663	1,188,821	(46,158)	-3.88%	1,773,173	64.44%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	37,500	37,458	42	0.11%	391,419	299,664	91,755	30.62%	449,500	87.08%
LOAN EXPENSE & BANK FEE	8,197	8,750	(553)	-6.32%	64,198	70,000	(5,802)	-8.29%	105,000	61.14%
ACCOUNTING & AUDITING	24,994	24,754	240	0.97%	218,727	198,032	20,695	10.45%	297,000	73.65%
MARKETING GENERAL	-	1,250	(1,250)	-100.00%	2,457	10,000	(7,543)	-75.43%	15,000	16.38%
FINANCIAL ADVISORY	8,333	8,333	-	0.00%	102,608	66,664	35,944	53.92%	100,000	102.61%
CONFERENCE/TRAINING	240	2,500	(2,260)	-90.40%	10,755	20,000	(9,245)	-46.23%	30,000	35.85%
MISC. PROFESSIONAL SERVICES	6,250	6,250	-	0.00%	78,671	50,000	28,671	57.34%	75,000	104.89%
DATA PROCESSING	7,941	5,833	2,108	36.15%	35,847	46,664	(10,817)	-23.18%	70,000	51.21%
TOTAL PROFESSIONAL SERVICES	93,455	95,128	(1,673)	-1.76%	904,681	761,024	143,657	18.88%	1,141,500	79.25%
OCCUPANCY COSTS										
OFFICE RENT	21,632	22,406	(774)	-3.46%	160,763	179,248	(18,485)	-10.31%	268,872	59.79%
EQUIPMENT RENTAL AND PURCHASES	1,039	1,333	(294)	-22.05%	9,375	10,664	(1,289)	-12.08%	16,000	58.60%
TELECOMMUNICATIONS	3,167	2,917	250	8.58%	22,603	23,336	(733)	-3.14%	35,000	64.58%
UTILITIES	862	1,000	(138)	-13.80%	7,499	8,000	(501)	-6.26%	12,000	62.49%
DEPRECIATION	4,063	2,708	1,355	50.05%	32,200	21,664	10,536	48.63%	32,500	99.08%
INSURANCE	504	2,083	(1,579)	-75.82%	14,171	16,664	(2,493)	-14.96%	25,000	56.68%
TOTAL OCCUPANCY COSTS	31,267	32,447	(1,180)	-3.64%	246,612	259,576	(12,964)	-4.99%	389,372	63.34%

Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
for Period Ending
February 28, 2013

	Actual February 2013	Budget February 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	4,488	2,983	1,505	50.44%	26,784	23,864	2,920	12.24%	35,800	74.82%
BOARD MEETING - EXPENSES	2,392	2,917	(525)	-18.00%	19,336	23,336	(4,000)	-17.14%	35,000	55.25%
PRINTING	516	833	(317)	-38.08%	4,342	6,664	(2,322)	-34.84%	10,000	43.42%
POSTAGE & FREIGHT	643	1,250	(607)	-48.54%	10,702	10,000	702	7.02%	15,000	71.34%
MEMBERSHIP, DUES & CONTRIBUTIONS	250	2,000	(1,750)	-87.50%	23,682	26,000	(2,318)	-8.91%	34,000	69.65%
PUBLICATIONS	81	583	(502)	-86.12%	727	4,664	(3,937)	-84.42%	7,000	10.38%
OFFICERS & DIRECTORS INSURANCE	17,969	16,667	1,302	7.81%	132,088	133,336	(1,248)	-0.94%	200,000	66.04%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	26,338	27,233	(895)	-3.29%	217,661	227,864	(10,203)	-4.48%	336,800	64.63%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	.	-	-	-	0.00%	-	0.00%
OTHER										
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL EXPENSES	319,263	301,596	17,667	5.86%	2,511,615	2,437,285	74,330	3.05%	3,640,845	68.98%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	24,832	9,544	15,288	160.19%	1,180,810	1,126,494	54,316	4.82%	1,035,998	113.98%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TRANSFER	-	-	-	0.00%	386,774	-	386,774	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%	-	-
NET INCOME/(LOSS)	24,832	9,544	15,288	160.19%	1,567,584	1,126,494	441,090	39.16%	1,035,998	151.31%

Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
for Period Ending February 28, 2013

	Actual February 2013	Actual February 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance
REVENUE								
INTEREST ON LOANS	15,555	28,936	(13,381)	-46.24%	152,527	311,559	(159,032)	-51.04%
INVESTMENT INTEREST & GAIN(LOSS)	2,735	3,426	(691)	-20.16%	34,656	22,865	11,792	51.57%
ADMINISTRATIONS & APPLICATION FEES	291,164	241,647	49,517	20.49%	2,878,943	1,835,722	1,043,221	56.83%
ANNUAL ISSUANCE & LOAN FEES	29,527	23,235	6,292	27.08%	234,072	315,656	(81,583)	-25.85%
OTHER INCOME	5,115	(3,333)	8,448	-253.45%	392,227	1,251,434	(859,207)	-68.66%
TOTAL REVENUE	344,095	293,911	50,184	17.07%	3,692,425	3,737,235	(44,809)	-1.20%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	142,304	124,263	18,041	14.52%	943,897	1,024,670	(80,772)	-7.88%
BENEFITS	25,067	24,017	1,050	4.37%	168,797	163,217	5,581	3.42%
TEMPORARY HELP	-	-	-	0.00%		778	(778)	0.00%
EDUCATION & DEVELOPMENT	-	-	-	0.00%	595	150	445	296.67%
TRAVEL & AUTO	831	4,224	(3,393)	-80.33%	29,373	30,463	(1,090)	-3.58%
TOTAL EMPLOYEE RELATED EXPENSES	168,202	152,504	15,698	10.29%	1,142,663	1,219,277	(76,615)	-6.28%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	37,500	30,260	7,240	23.93%	391,419	277,885	113,534	40.86%
LOAN EXPENSE & BANK FEE	8,197	8,475	(278)	-3.28%	64,198	139,720	(75,522)	-54.05%
ACCOUNTING & AUDITING	24,994	20,780	4,214	20.28%	218,727	181,595	37,132	20.45%
MARKETING GENERAL	-	66	(66)	-100.00%	2,457	4,777	(2,320)	-48.56%
FINANCIAL ADVISORY	8,333	11,000	(2,667)	-24.25%	102,608	51,185	51,423	100.46%
CONFERENCE/TRAINING	240	5,770	(5,530)	-95.84%	10,755	16,497	(5,742)	-34.81%
MISC. PROFESSIONAL SERVICES	6,250	5,000	1,250	25.00%	78,671	10,013	68,658	685.69%
DATA PROCESSING	7,941	4,289	3,652	85.15%	35,847	27,465	8,382	30.52%
TOTAL PROFESSIONAL SERVICES	93,455	85,640	7,815	9.12%	904,681	709,137	195,544	27.57%
OCCUPANCY COSTS								
OFFICE RENT	21,632	21,308	324	1.52%	160,763	163,627	(2,864)	-1.75%
EQUIPMENT RENTAL AND PURCHASES	1,039	1,047	(8)	-0.75%	9,375	12,303	(2,928)	-23.80%
TELECOMMUNICATIONS	3,167	2,953	214	7.24%	22,603	20,456	2,148	10.50%
UTILITIES	862	1,323	(461)	-34.82%	7,499	8,410	(911)	-10.84%
DEPRECIATION	4,063	4,038	25	0.62%	32,200	28,876	3,323	11.51%
INSURANCE	504	1,945	(1,441)	-74.11%	14,171	15,560	(1,389)	-8.93%
TOTAL OCCUPANCY COSTS	31,267	32,614	(1,347)	-4.13%	246,612	249,233	(2,621)	-1.05%

Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
for Period Ending February 28, 2013

	Actual February 2013	Actual February 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	4,488	3,023	1,465	48.45%	26,784	24,037	2,747	11.43%
BOARD MEETING - EXPENSES	2,392	2,218	174	7.83%	19,336	18,239	1,097	6.01%
PRINTING	516	365	151	41.23%	4,342	4,715	(373)	-7.91%
POSTAGE & FREIGHT	643	527	116	22.12%	10,702	9,321	1,381	14.81%
MEMBERSHIP, DUES & CONTRIBUTIONS	250	655	(405)	-61.83%	23,682	31,516	(7,834)	-24.86%
PUBLICATIONS	81	19	62	327.82%	727	1,237	(510)	-41.26%
OFFICERS & DIRECTORS INSURANCE	17,969	15,343	2,625	17.11%	132,088	122,746	9,342	7.61%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%
TOTAL GENL & ADMIN EXPENSES	26,338	22,150	4,188	18.91%	217,661	211,811	5,850	2.76%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	.	-	-	-	0.00%
OTHER								
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%
TOTAL EXPENSES	319,263	292,909	26,354	9.00%	2,511,615	2,389,458	122,158	5.11%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	24,832	1,002	23,830	2378.52%	1,180,810	1,347,777	(166,967)	-12.39%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%
TRANSFER	-	-	-	0.00%	386,774	177,989	208,785	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%
NET INCOME/(LOSS)	24,832	1,002	23,830	2378.52%	1,567,584	1,525,766	41,818	2.74%

Illinois Finance Authority
General Fund
Unaudited
Balance Sheet
for the Eight Months Ending February 28, 2013

	Actual February 2013	Actual February 2012
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	$ 44,137,082	$ 36,395,460
RECEIVABLES, NET	93,097	133,315
LOAN RECEIVABLE, NET	5,301,497	8,383,059
OTHER RECEIVABLES	33,067	43,788
PREPAID EXPENSES	115,530	89,235
TOTAL CURRENT ASSETS	49,680,273	45,044,857
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	126,133	123,926
DEFERRED ISSUANCE COSTS	217,899	263,519
OTHER ASSETS		
CASH RESTRICTED, INVESTMENTS & RESERVES	875,479	874,664
VENTURE CAPITAL INVESTMENTS	-	-
OTHER	(573)	(14,837)
TOTAL OTHER ASSETS	874,906	859,827
TOTAL ASSETS	$ 50,899,211	$ 46,292,129
LIABILITIES		
CURRENT LIABILITIES	$ 1,308,543	$ 794,604
LONG-TERM LIABILITIES	299,488	387,434
TOTAL LIABILITIES	1,608,031	1,182,038
EQUITY		
CONTRIBUTED CAPITAL	4,111,479	4,111,479
RETAINED EARNINGS	31,640,819	27,501,548
NET INCOME / (LOSS)	1,567,584	1,525,766
RESERVED/RESTRICTED FUND BALANCE	1,732,164	1,732,164
UNRESERVED FUND BALANCE	10,239,134	10,239,134
TOTAL EQUITY	49,291,180	45,110,091
TOTAL LIABILITIES & EQUITY	$ 50,899,211	$ 46,292,129
	-	-

Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
for Period Ending
February 28, 2013

	Actual February 2013	Budget February 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
REVENUE										
INTEREST ON LOANS	153,918	165,021	(11,103)	-6.73%	1,259,373	1,305,879	(46,506)	-3.56%	1,931,461	65.20%
INVESTMENT INTEREST & GAIN(LOSS)	46,878	45,404	1,474	3.25%	565,101	361,732	203,369	56.22%	543,350	104.00%
ADMINISTRATIONS & APPLICATION FEES	291,164	232,213	58,951	25.39%	2,878,943	2,958,056	(79,113)	-2.67%	3,789,504	75.97%
ANNUAL ISSUANCE & LOAN FEES	29,527	31,172	(1,645)	-5.28%	234,072	255,076	(21,004)	-8.23%	386,222	60.61%
OTHER INCOME	32,711	42,198	(9,487)	-22.48%	688,834	337,584	351,250	104.05%	506,375	136.03%
TOTAL REVENUE	554,197	516,008	38,189	7.40%	5,626,323	5,218,327	407,996	7.82%	7,156,912	78.61%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	142,304	121,130	21,174	17.48%	943,897	981,557	(37,660)	-3.84%	1,462,277	64.55%
BENEFITS	25,067	20,158	4,909	24.35%	168,797	163,264	5,533	3.39%	244,896	68.93%
TEMPORARY HELP			-	0.00%	-		-	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	-	500	(500)	-100.00%	595	4,000	(3,405)	-85.13%	6,000	9.92%
TRAVEL & AUTO	831	5,000	(4,169)	-83.37%	29,373	40,000	(10,627)	-26.57%	60,000	48.96%
TOTAL EMPLOYEE RELATED EXPENSES	168,203	146,788	21,415	14.59%	1,142,663	1,188,821	(46,158)	-3.88%	1,773,173	64.44%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	39,583	39,542	41	0.10%	408,083	316,336	91,747	29.00%	474,500	86.00%
LOAN EXPENSE & BANK FEE	169,683	170,236	(553)	-0.32%	1,355,151	1,361,888	(6,737)	-0.49%	2,042,832	66.34%
ACCOUNTING & AUDITING	26,293	26,653	(360)	-1.35%	229,120	213,224	15,896	7.46%	319,791	71.65%
MARKETING GENERAL	-	1,250	(1,250)	-100.00%	2,457	10,000	(7,543)	-75.43%	15,000	16.38%
FINANCIAL ADVISORY	8,333	8,333	-	0.00%	102,608	66,664	35,944	53.92%	100,000	102.61%
CONFERENCE/TRAINING	240	2,500	(2,260)	-90.40%	10,755	20,000	(9,245)	-46.23%	30,000	35.85%
MISC. PROFESSIONAL SERVICES	9,583	9,583	-	0.00%	105,335	76,664	28,671	37.40%	115,000	91.60%
DATA PROCESSING	7,941	5,833	2,108	36.15%	35,847	46,664	(10,817)	-23.18%	70,000	51.21%
TOTAL PROFESSIONAL SERVICES	261,656	263,930	(2,274)	-0.86%	2,249,355	2,111,440	137,915	6.53%	3,167,123	71.02%
OCCUPANCY COSTS										
OFFICE RENT	21,632	22,406	(774)	-3.46%	160,763	179,248	(18,485)	-10.31%	268,872	59.79%
EQUIPMENT RENTAL AND PURCHASES	1,039	1,333	(294)	-22.05%	9,375	10,664	(1,289)	-12.08%	16,000	58.60%
TELECOMMUNICATIONS	3,167	2,917	250	8.58%	22,603	23,336	(733)	-3.14%	35,000	64.58%
UTILITIES	862	1,000	(138)	-13.80%	7,499	8,000	(501)	-6.26%	12,000	62.49%
DEPRECIATION	4,063	2,708	1,355	50.05%	32,200	21,664	10,536	48.63%	32,500	99.08%
INSURANCE	504	2,083	(1,579)	-75.82%	14,171	16,664	(2,493)	-14.96%	25,000	56.68%
TOTAL OCCUPANCY COSTS	31,267	32,447	(1,180)	-3.64%	246,612	259,576	(12,964)	-4.99%	389,372	63.34%

Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
for Period Ending
February 28, 2013

	Actual February 2013	Budget February 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	4,488	2,983	1,505	50.44%	26,784	23,864	2,920	12.24%	35,800	74.82%
BOARD MEETING - EXPENSES	2,392	2,917	(525)	-18.00%	19,336	23,336	(4,000)	-17.14%	35,000	55.25%
PRINTING	516	833	(317)	-38.08%	4,342	6,664	(2,322)	-34.84%	10,000	43.42%
POSTAGE & FREIGHT	643	1,250	(607)	-48.54%	10,702	10,000	702	7.02%	15,000	71.34%
MEMBERSHIP, DUES & CONTRIBUTIONS	250	2,000	(1,750)	-87.50%	23,682	26,000	(2,318)	-8.91%	34,000	69.65%
PUBLICATIONS	81	583	(502)	-86.12%	727	4,664	(3,937)	-84.42%	7,000	10.38%
OFFICERS & DIRECTORS INSURANCE	17,969	16,667	1,302	7.81%	132,088	133,336	(1,248)	-0.94%	200,000	66.04%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	26,338	27,233	(895)	-3.29%	217,661	227,864	(10,203)	-4.48%	336,800	64.63%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	.	-	-	-	0.00%	-	0.00%
OTHER										
INTEREST EXPENSE	406	406	-	0.00%	3,994	3,542	452	12.76%	5,166	77.31%
TOTAL OTHER	406	406	-	0.00%	3,994	3,542	452	12.76%	5,166	0.00%
TOTAL EXPENSES	487,870	470,804	17,066	3.62%	3,860,284	3,791,243	69,041	1.82%	5,671,634	68.06%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	66,327	45,204	21,123	46.73%	1,766,040	1,427,084	338,956	23.75%	1,485,278	118.90%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT		-	-	0.00%		-	-	0.00%	-	0.00%
TRANSFER		-	-	0.00%		-	-	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	841,399	-	841,399	0.00%	-	0.00%
TRANSFER FROM STATE		-	-	0.00%		-	-	0.00%	-	-
NET INCOME/(LOSS)	66,327	45,204	21,123	46.73%	2,607,439	1,427,084	1,180,355	82.71%	1,485,278	175.55%

Illinois Finance Authority
Consolidated Statement of Activities
Comparison
for Period Ending
February 28, 2013

	Actual February 2013	Actual February 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance
REVENUE								
INTEREST ON LOANS	153,918	(254,104)	408,022	-160.57%	1,259,373	1,686,675	(427,301)	-25.33%
INVESTMENT INTEREST & GAIN(LOSS)	46,878	(4,999)	51,877	-1037.74%	565,101	461,870	103,231	22.35%
ADMINISTRATIONS & APPLICATION FEES	291,164	241,647	49,517	20.49%	2,878,943	1,835,722	1,043,221	56.83%
ANNUAL ISSUANCE & LOAN FEES	29,527	23,235	6,292	27.08%	234,072	315,656	(81,583)	-25.85%
OTHER INCOME	32,711	36,652	(3,941)	-10.75%	688,834	1,568,574	(879,740)	-56.09%
TOTAL REVENUE	554,197	42,431	511,766	1206.11%	5,626,323	5,868,497	(242,173)	-4.13%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	142,304	124,263	18,041	14.52%	943,897	1,024,670	(80,772)	-7.88%
BENEFITS	25,067	24,017	1,050	4.37%	168,797	163,217	5,581	3.42%
TEMPORARY HELP		-	-	0.00%	-	778	(778)	0.00%
EDUCATION & DEVELOPMENT	-	-	-	0.00%	595	150	445	296.67%
TRAVEL & AUTO	831	224	607	271.17%	29,373	30,463	(1,090)	-3.58%
TOTAL EMPLOYEE RELATED EXPENSES	168,203	148,504	19,699	13.26%	1,142,663	1,219,277	(76,615)	-6.28%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	39,583	32,343	7,240	22.38%	408,083	294,549	113,534	38.54%
LOAN EXPENSE & BANK FEE	169,683	489,393	(319,710)	-65.33%	1,355,151	1,743,828	(388,676)	-22.29%
ACCOUNTING & AUDITING	26,293	22,329	3,964	17.75%	229,120	193,985	35,136	18.11%
MARKETING GENERAL	-	66	(66)	-100.00%	2,457	4,777	(2,320)	-48.56%
FINANCIAL ADVISORY	8,333	11,000	(2,667)	-24.25%	102,608	51,185	51,423	100.46%
CONFERENCE/TRAINING	240	5,770	(5,530)	-95.84%	10,755	16,497	(5,742)	-34.81%
MISC. PROFESSIONAL SERVICES	9,583	44,333	(34,750)	-78.38%	105,335	72,677	32,658	44.94%
DATA PROCESSING	7,941	4,289	3,652	85.15%	35,847	27,465	8,382	30.52%
TOTAL PROFESSIONAL SERVICES	261,656	609,524	(347,868)	-57.07%	2,249,355	2,404,963	(155,608)	-6.47%
OCCUPANCY COSTS								
OFFICE RENT	21,632	21,308	324	1.52%	160,763	163,627	(2,864)	-1.75%
EQUIPMENT RENTAL AND PURCHASES	1,039	1,047	(8)	-0.75%	9,375	12,303	(2,928)	-23.80%
TELECOMMUNICATIONS	3,167	2,953	214	7.24%	22,603	20,456	2,148	10.50%
UTILITIES	862	1,323	(461)	-34.82%	7,499	8,410	(911)	-10.84%
DEPRECIATION	4,063	4,038	25	0.62%	32,200	28,876	3,323	11.51%
INSURANCE	504	1,945	(1,441)	-74.11%	14,171	15,560	(1,389)	-8.93%
TOTAL OCCUPANCY COSTS	31,267	32,614	(1,347)	-4.13%	246,612	249,233	(2,621)	-1.05%

Illinois Finance Authority
Consolidated Statement of Activities
Comparison
for Period Ending
February 28, 2013

	Actual February 2013	Actual February 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	4,488	3,023	1,465	48.45%	26,784	24,037	2,747	11.43%
BOARD MEETING - EXPENSES	2,392	2,218	174	7.83%	19,336	18,239	1,097	6.01%
PRINTING	516	365	151	41.23%	4,342	4,715	(373)	-7.91%
POSTAGE & FREIGHT	643	527	116	22.12%	10,702	9,321	1,381	14.81%
MEMBERSHIP, DUES & CONTRIBUTIONS	250	655	(405)	-61.83%	23,682	31,516	(7,834)	-24.86%
PUBLICATIONS	81	19	62	327.82%	727	1,237	(510)	-41.26%
OFFICERS & DIRECTORS INSURANCE	17,969	15,343	2,625	17.11%	132,088	122,746	9,342	7.61%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%
TOTAL GENL & ADMIN EXPENSES	26,338	22,150	4,188	18.91%	217,661	211,811	5,850	2.76%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	0.00%	-	-	-	#DIV/0!
OTHER								
INTEREST EXPENSE	406	455	(49)	-10.77%	3,994	3,925	69	1.76%
TOTAL OTHER	406	455	(49)	0.00%	3,994	3,925	69	0.00%
TOTAL EXPENSES	487,870	813,247	(325,377)	-40.01%	3,860,284	4,089,209	(228,925)	-5.60%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	66,327	(770,816)	837,143	-108.60%	1,766,040	1,779,288	(13,248)	-0.74%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT		-	-	0.00%		(140,000)	140,000	0.00%
TRANSFER		8	(8)	0.00%		-	-	0.00%
REVENUE GRANT	-	-	-	0.00%	841,399	-	841,399	0.00%
TRANSFERS FROM STATE		-	-	0.00%		-	-	0.00%
NET INCOME/(LOSS)	66,327	(770,808)	837,135	-108.60%	2,607,439	1,639,288	968,151	59.06%

Illinois Finance Authority
Consolidated
Unaudited
Balance Sheet
for the Eight Months Ending February 28, 2013

	Actual February 2013	Actual February 2012
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	$ 44,137,082	$ 36,395,460
RECEIVABLES, NET	93,097	133,315
LOAN RECEIVABLE, NET	26,294,402	28,377,103
NOTES RECEIVABLE	32,466,437	34,895,113
OTHER RECEIVABLES	1,154,748	482,856
PREPAID EXPENSES	115,530	89,235
TOTAL CURRENT ASSETS	104,261,296	100,373,082
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	126,133	123,926
DEFERRED ISSUANCE COSTS	293,350	356,058
OTHER ASSETS		
CASH RESTRICTED, INVESTMENTS & RESERVES	58,015,099	52,224,136
VENTURE CAPITAL INVESTMENTS	-	1,947,981
OTHER	3,000,000	3,000,000
TOTAL OTHER ASSETS	61,015,099	57,172,117
TOTAL ASSETS	$ 165,695,878	$ 158,025,183
LIABILITIES		
CURRENT LIABILITIES	1,397,042	938,132
BONDS PAYABLE	41,885,000	42,130,000
OTHER LIABILITIES	1,996,838	1,291,079
TOTAL LIABILITIES	45,278,880	44,359,211
EQUITY		
CONTRIBUTED CAPITAL	35,608,692	35,608,692
RETAINED EARNINGS	30,492,093	28,655,681
NET INCOME / (LOSS)	2,607,439	1,639,288
RESERVED/RESTRICTED FUND BALANCE	39,060,603	35,114,140
UNRESERVED FUND BALANCE	12,648,171	12,648,171
TOTAL EQUITY	120,416,998	113,665,972
TOTAL LIABILITIES & EQUITY	$ 165,695,878	$ 158,025,183

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Lorrie Karcher and Jim Senica

Date: March 12, 2013

Re: Overview Memo for Beginning Farmer Bonds

- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolution for the attached projects
- **Amount:** Up to $501,100 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **Total Requested: $608,750**
- **Calendar Year Summary:** (as of March 12, 2013)
  - Volume Cap: $12,000,000
  - Volume Cap Committed: $1,533,050
  - Volume Cap Remaining: $10,466,950
  - Average Farm Acreage: 51
  - Number of Farms Financed: 6
- **IFA Benefits:**
  - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
  - **New Money Bonds:**
    - Convey tax-exempt status
    - Will use dedicated 2013 IFA Volume Cap set-aside for Beginning Farmer Bond transactions
- **IFA Fees**:
  - One-time closing fee will total 1.50% of the bond amount for each project
- **Structure/Ratings:**
  - Bonds to be purchased directly as a nonrated investment held until maturity by the Borrower's bank (the "Bank")
  - The Bank will be secured by the Borrower's assets, as on a commercial loan
  - Interest rates, terms, and collateral are negotiated between the Borrower and the Bank, just as with any commercial loan
  - Workouts are negotiated directly between each Borrower and Bank, just as on any secured commercial loan
- **Bond Counsel:** **Burke, Burns & Pinelli, Ltd.**
  Stephen F. Welcome, Esq.
  Three First National Plaza, Suite 4300
  Chicago, IL 60602

A.

Project Number:	**A-FB-TE-CD-8607**
Borrower(s):	**Bergmann, Richard and Danielle**
Borrower Benefit:	First Time Land Buyer
Town:	Breese, IL
IFA Bond Amount:	**$95,000**
Use of Funds:	Farmland – 20 acres of farmland
Purchase Price:	$190,000 / ($9,500 per ac)
%Borrower Equity	5%
% USDA Farm Service Agency	45% *(Subordinate Financing)*
%IFA	50%
Township:	Santa Fe
Counties/Regions:	Clinton / Southwestern
Lender/Bond Purchaser	Germantown Trust & Savings Bank / Floyd Trame`
Legislative Districts:	Congressional: 15 State Senate: 54 State House: 108

Principal shall be paid annually in installments determined pursuant to a twenty-year amortization schedule calculated at the initial interest rate, 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 twentieth and final payment of all outstanding balances due twenty years from the date of closing. The note will have a 20-year amortization and maturity.

B.

Project Number:	**A-FB-TE-CD-8608**
Borrower(s):	**Hopper, Cyrus M.**
Borrower Benefit:	First Time Land Buyer
Town:	Gays, IL
IFA Bond Amount:	**$273,750**
Use of Funds:	Farmland – 50 acres of farmland
Purchase Price:	$525,000 / ($10,500 per ac)
%Borrower Equity	5%
% USDA Farm Service Agency	43% *(Subordinate Financing)*
%IFA	52%
Township:	Whitley
Counties/Regions:	Moultrie / Southeastern
Lender/Bond Purchaser	First Mid Illinois Bank & Trust / Mark Cox
Legislative Districts:	Congressional: 15 State Senate: 51 State House: 101

Principal shall be paid annually in installments determined pursuant to a thirty-year amortization schedule calculated at the initial interest rate, 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.

C.

Project Number:	**A-FB-TE-CD-8609**
Borrower(s):	**Pool, Brian**
Borrower Benefit:	First Time Land Buyer
Town:	Onarga, IL
IFA Bond Amount:	**$240,000**
Use of Funds:	Farmland – 40 acres of farmland
Purchase Price:	$240,000 / ($6,000 per ac)
%Borrower Equity	0%
%Other	0%

%IFA	100%
Township:	Ridgeland
Counties/Regions:	Iroquois / East Central
Lender/Bond Purchaser	Federated Bank in Onarga / Craig Gocken
Legislative Districts:	Congressional: 16
	State Senate: 53
	State House: 106

Principal shall be paid annually in installments determined pursuant to a twenty-year amortization schedule calculated at the initial interest rate, with the first principal payment date to begin on April 1, 2014. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin on April 1, 2014 with the twentieth and final payment of all outstanding balances due twenty years from the date of closing. The note will have a 20-year amortization and maturity.

IFA ILLINOIS FINANCE AUTHORITY

NON-CONDUIT

$500,000
MILDRED L. BASTERT
AGRI-DEBT GUARANTEE

March 12, 2013

REQUEST	**Purpose:** Provide 85% loan guarantee in favor of First Banker Trust Co., NA to refinance the Borrower's debts. **Project Description:** The proposed loan of $500,000 will refinance an existing First Bankers Trust real estate loan in the amount of $313,182, a First Bankers Working Capital Loan in the amount of $128,000 and a Farm Credit Services Loan of $58,818. **Program Product Type:** Agri-Debt Guarantee **State Treasurer's Funds at Risk: $425,000** **Conditions: 1)** Annual LLC Profit/Loss statements and annual Balance Sheets provided to Lender and IFA. **2)** New appraisal on collateral prior to closing
BOARD ACTIONS	Final Resolution – 85% Loan Guarantee Voting Record: None prior
MATERIAL CHANGES	N/A
JOB DATA	N/A Current jobs N/A New jobs projected N/A Retained jobs N/A Construction jobs projected
BORROWER DESCRIPTION	● Type of entity: Sole Proprietorship ● Location: Camp Point (Adams County) ● What does the entity do: Grain and Cattle Farming ● What will new project facilitate: Refinancing Borrower's debts
PROPOSED STRUCTURE	Originating Bank: First Banker Trust Co. (the "**Bank**") Collateral: Mortgage on 460 acres of agricultural real estate Collateral Position: 1st Maturity: 20 years Interest Rate: Fixed for initial 5 years (See confidential section)

SOURCES AND USES

Sources:		**Uses:**	
IFA Guarantee:	$500,000	Real Estate	$418,614
Subordinated Bank Loan (2nd Mortgage)	105,432	Working Capital	128,000
		Farm Credit Loan	58,818
Total	**$605,432**	**Total**	**$605,432**

RECOMMENDATION	Credit Review Committee recommends approval as presented in this report.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 12, 2013

Project: Mildred L. Bastert

STATISTICS

Project Number:	A-AD-GT-8601	Amount:	$500,000
Type:	Agri-Debt Guarantee	IFA Staff:	*Jim Senica*
County/Region:	Adams/Central	City:	Camp Point

BOARD ACTION

Final Resolution-85% Loan Guarantee
State Treasurer's Reserve Funds at risk: $425,000

Extraordinary conditions: None.
Credit Review Committee recommends approval as presented in this report

VOTING RECORD

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

PURPOSE

Use of proceeds: Refinance the Borrower's existing debts.

IFA PROGRAM AND CONTRIBUTION

The Authority's Agriculture Guarantee Program guarantees up to 85% of a Bank's loans to Illinois farmers and agribusiness owners. The Agri-Debt Guarantee Program is available to assist farmers in refinancing and restructuring their debts. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve capitalized for this program. These guarantees are also full faith and credit obligations of the State of Illinois. IFA's issuance of guarantees helps Borrowers obtain debt financing at reduced rates of interest and improved terms.

VOLUME CAP

N/A

JOBS

Current employment:	N/A	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Guarantee:	$500,000	Uses:	Real Estate	$418,614
	Subordinated Bank Loan	105,432		Working Capital	128,000
				Farm Credit Loan	58,818
	Total	**$605,432**			**$605,432**

FINANCING SUMMARY/STRUCTURE

Security:	1st Real Estate mortgage on 460 acres (and senior to Bank 2nd Mortgage Loan of $105,432)
Structure:	20 year term and amortization.
Interest Mode:	Fixed for initial 5 years
Credit Enhancement:	IFA 85% Guarantee
Personal Guarantees:	N/A
Maturity:	20 years

Estimated Closing Date: March 20, 2013

PROJECT/BUSINESS SUMMARY

Summary: Mildred Bastert (the "Borrower") and her two sons operate a cattle and grain farm near Camp Point in Adams County in Western Illinois. The Basterts grow corn, soybeans and wheat and maintain hay and pastureland for their cattle operation, which entails buying calves and then marketing them as yearlings or feeding them out. Mildred had been using hired workers to run the farm at considerable expense after her husband died, but now operates the farm with her two sons who are not receiving compensation. Both sons are also engaged in their own successful farming operations, having inherited land from an uncle.

Mildred owns 460 acres of land which includes 276 tillable acres planted in corn, soybeans, wheat, hay and pasture. This land had been owned in a partnership between Mildred and her husband and her brother-in-law. Mildred's husband and her brother-in-law had agreed upon a price for buyout in the event either of them died prior to the other. Mildred's husband passed first and Mildred proceeded to purchase the brother-in-law's share of the land at the agreed-upon price until she was challenged by the brother-in-law's sons, who contested the purchase price as being too low. Mildred was forced to pay an additional $200,000 for the land interest which has negatively impacted her cash flow.

Project Rationale: The proposed loan will refinance an existing real estate loan at a lower rate, will amortize the working capital loan over a much longer period and will bring to the Bank a loan previously held by Farm Credit Services. Combining and extending the amortization on the loans will improve Mildred's cash flow.

Timing: The proposed transaction is expected to close within 45 days of approval.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicant: Mildred L. Bastert
Project Location: 2236 East 2125th Place
Camp Point, IL 62320
Collateral Ownership: Mildred L. Bastert

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	N/A		
Accountant:	Arnold, Behrens, Nesbit, Gray PC	Quincy	Robert G. Gray
Originating Bank:	First Bankers Trust Co., NA	Quincy	Marvin Rabe
Bank Counsel:	N/A		
IFA Advisors:	Acacia Financial Group, Inc.	Chicago	Courtney Shea
	Public Financial Management, Inc.	Chicago	Shannon Williams
IFA Counsel:	N/A		

LEGISLATIVE DISTRICTS

Congressional:	18
State Senate:	47
State House:	93

Background: Mildred Bastert had been involved with her husband in farming her entire married life. After her husband's death, Mildred purchased the partial ownership interest in the family farm that had been owned by her brother-in-law (*who had become incapacitated with Alzheimer's disease)* and proceeded to operate the farm with hired workers. This proved too costly, and in 2012, her two sons joined Mildred in the operation and management of the farm on a non-compensated basis. Both sons are successfully engaged in operating their own farms and bring the required skills and knowledge to Mildred's operation.

ILLINOIS FINANCE AUTHORITY

CONDUIT

March 12, 2013 **$50,000,000**
The Peoples Gas Light and Coke Company

REQUEST	**Purpose:** Bond proceeds will be used by **The Peoples Gas Light and Coke Company** ("**Peoples Gas**" or the "**Borrower**") for the purpose of refunding $50,000,000 aggregate principal amount of the Illinois Development Finance Authority, Gas Supply Refunding Revenue Bonds, Series 2003A (the "**Prior Bonds**"), the proceeds of which were issued to refund $50,000,000 aggregate principal amount of the City of Chicago, Illinois, Adjustable-Rate Gas Supply Revenue Bonds, 1985 Series A (the "**Original Bonds**") which were issued for the purpose of defraying the cost of certain gas supply facilities, designed as "facilities for the local furnishing of electric energy or gas" within the meaning of Section 103(b)(4)(E) of the Internal Revenue Code of 1954, as amended (the "**Prior Project**"). **Program:** Exempt Facilities Revenue Bonds (Gas Supply Refunding Revenue Bonds) **Extraordinary Conditions:** None. (Financing will not use State resources. No Volume Cap will be required.)
BOARD ACTIONS	Final Bond Resolution Voting Record: No prior vote – this is the first time this financing has been considered by the IFA Board of Directors.
MATERIAL CHANGES	Not applicable (this is the first time this financing has been presented to the IFA Board of Directors)
JOB DATA	1,265 Current jobs N/A New jobs projected (Refunding) N/A Retained jobs N/A Construction jobs projected
BORROWER DESCRIPTION	● Type of entity: Private Gas Utility ● Location: Service Area: City of Chicago and certain other distribution facilities located in Illinois ● When established: 1855 ● What does the entity do: Private Natural Gas Company serving the general public ● Who does the entity serve: All natural gas users in the City of Chicago irrespective of their contractual gas supplier ● What will new project facilitate: Current Refund 100% of outstanding balance on prior IFA (IDFA) Series 2003A Bonds.
CREDIT INDICATORS	● Rated. Underlying Long-Term Rating of The Peoples Gas Light and Coke Company: A1/A- (Moody's/S&P)
PROPOSED STRUCTURE	Not Enhanced Fixed Rate Bonds: Estimated interest rate range of 3.25% to 3.50% as of 3/5/2013 based on prevailing tax-exempt market rates for Single A rated credits for a 20-year maturity. Maturity: 2/1/2033 (no change in Final Maturity Date from Prior Bonds)
SOURCES AND USES	IFA Bonds: $50,000,000 Refunding Prior Bonds: $50,000,000 Equity: 1,000,000 Costs of Issuance: 1,000,000 **Total $51,000,000 Total $51,000,000**
RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 12, 2013

Project: The Peoples Gas Light and Coke Company

STATISTICS

Project Number:	PU-UR-TE-CD-8311	Amount:	$50,000,000 (not-to-exceed amount)
Type:	Gas Supply Revenue Refunding Bonds (Exempt Facilities Bonds)	IFA Staff:	Rich Frampton and Brad Fletcher
Location:	Chicago	County/ Region:	Cook County/Northeast

BOARD ACTION

Final Bond Resolution (One-Time Consideration)	
Conduit Tax-Exempt Gas Supply Refunding Revenue Bonds	No IFA funds at risk
Credit Review Committee recommends approval	No extraordinary conditions

VOTING RECORD

This is the first time this financing has been presented to the IFA Board for consideration.

PURPOSE

The proposed Bonds will current refund (i.e., refinance) 100% of the outstanding principal balance of IFA (Illinois Development Finance Authority) Series 2003A Gas Supply Revenue Bonds.

IFA PROGRAM AND CONTRIBUTION

The Bonds will be issued as Tax-Exempt Gas Supply Revenue Bonds, a category of Exempt Facilities Bonds under the Internal Revenue Code (within the meaning of Section 103(b)(4)(E) of the Internal Revenue Code of 1954, as amended). These Bonds provide tax-exempt financing for capital improvements for gas supply facilities owned by investor-owned gas utilities that operate in no more than two contiguous counties. (Note: this geographic limitation is specified under the Internal Revenue Code for facilities that provide for the local furnishing of electric energy or gas.) These Bonds will be issued under IFA's general statute, consistent with past practice.

<u>Gas Supply Revenue Bonds finance essential purpose natural gas supply system improvements that improve the quality of life by</u> (1) assuring adequate supply of natural gas delivery to prospective users to facilitate continued economic development, (2) financing access to an improved natural gas supply, and (3) financing ongoing improvements in natural gas delivery safety.

IFA (IDFA) has had a longstanding relationship with The Peoples Gas Light and Coke Company and its North Shore Gas Company affiliate since 1992.

[Aside from the outstanding $50.0 Million Bond Issue that will be refunded with proceeds of the proposed IFA Series 2013A Refunding Bonds, IFA currently has approximately $225.0 Million in outstanding principal amount of bonds for The Peoples Gas Light and Coke Company, comprised of 4 bond issues. All of the North Shore Gas Company bond issues have been redeemed.]

VOLUME CAP

None required. Refunding Bonds do not require any Volume Cap.

ESTIMATED SOURCES AND USES OF FUNDS – PRELIMINARY, SUBJECT TO CHANGE

Sources:	IFA Refunding Bonds	$50,000,000	Uses:	Project Costs	$50,000,000
	Equity	1,000,000		Costs of Issuance	1,000,000
	Total	**$51,000,000**		**Total**	**$51,000,000**

Source of Equity: To the extent the Costs of Issuance exceed the amounts represented above, additional costs of issuance will be paid from available corporate cash resources. As proposed, all costs of issuance will be paid from equity.

JOBS

Current employment:	1,265	Projected new jobs: Not applicable (Refunding Bonds)
Jobs retained:	Not Applicable	Construction jobs: Not applicable (Refunding Bonds)

FINANCING SUMMARY

Security: Bonds will be sold based on the underlying rating of **The Peoples Gas Light and Coke Company** (**"PGL", "Peoples Gas",** or the **"Borrower"**), a wholly owned subsidiary of **Peoples Energy, LLC** ("**PELLC**"), which is in turn a wholly owned subsidiary of **Integrys Energy Group, Inc. ("Integrys"**, or the **"Parent Company"**).

Substantially all of PGL's utility plant is subject to a first mortgage lien:

> As a technical matter, concurrent with delivery of the IFA Series 2013A Refunding Bonds, the Company will execute and deliver to the Bond Trustee, a series of its First Mortgage and Refunding Bonds, which shall be in an aggregate principal amount of $50MM (i.e., in a principal amount equal to the aggregate principal amount). These First Mortgage and Refunding bonds will secure the IFA Series 2013A Bonds (The Peoples Gas Light and Coke Company Project). Payments required to be made pursuant to the IFA Series 2013A Bonds Loan Agreement (including amounts on the associated First Mortgage Bonds) will be sufficient to repay the IFA Series 2013A Bonds.

Additional ownership information on Integrys and Peoples Energy, LLC is described further in this report (see pages 4-6).

Structure: Fixed Rate Bonds to be sold based on the underlying ratings of PGL (see "Ratings" below).

Interest Rate: Bonds will be priced based on market rates in effect at the time of pricing. Estimated market rates ranged Single-A rated municipal bonds with a 20-year maturity ranged between 3.25% and 3.50% as of 3/5/2013 based on applicable market yields as of 3/5/2013.

Maturity: 2/1/2033 (no change in the existing Final Maturity Date on the IFA (IDFA) Series 2003A Bonds)

Estimated Closing Date: April or May 2013 (Note: closing will be contingent upon the proposed Refunding attaining the Company's internal fixed interest rate and NPV savings targets.)

Ratings:	PGL's Senior Secured Debt (i.e., including debt secured by the Company's First Mortgage Bonds), is rated A1/A- long-term by Moody's/S&P).
Rationale:	The purpose of this Refunding will be to refinance the Series 2003A Bonds at a lower fixed interest rate to take advantage of historically favorable market conditions.

PROJECT SUMMARY (FOR IFA FINAL BOND RESOLUTION)

Bond proceeds will be used by **The Peoples Gas Light and Coke Company** ("**Peoples Gas**" or the "**Borrower**") for the purpose of refunding $50,000,000 aggregate principal amount of the Illinois Development Finance Authority, Gas Supply Refunding Revenue Bonds, Series 2003A (the "**Prior Bonds**"), the proceeds of which were issued to refund $50,000,000 aggregate principal amount of the City of Chicago, Illinois, Adjustable-Rate Gas Supply Revenue Bonds, 1985 Series A (the "**Original Bonds**") which were issued for the purpose of defraying the cost of certain gas supply facilities, designed as "facilities for the local furnishing of electric energy or gas" within the meaning of Section 103(b)(4)(E) of the Internal Revenue Code of 1954, as amended (the "**Prior Project**").

BUSINESS SUMMARY

Background: **The Peoples Gas Light and Coke Company** (**"PGL", "Peoples Gas",** or the **"Borrower"**), is a wholly owned subsidiary of **Peoples Energy, LLC** ("**PELLC**"), which is in turn a wholly owned subsidiary of **Integrys Energy Group, Inc. ("Integrys"**, or the **"Parent Company"**).

PELLC is an intermediate holding company of two gas utilities, Peoples Gas (serving the City of Chicago) and North Shore Gas (serving 54 communities in Cook and Lake Counties). *Peoples Gas and North Shore Gas are legally and fiscally distinct operating subsidiaries of PELLC – each Company has its own stand-alone credit rating and each is regulated by the Illinois Commerce Commission. Accordingly, Peoples Gas and North Shore Gas undertake financings on a stand-alone basis; additionally, their debts are not cross-guaranteed, cross-collateralized, or cross-defaulted.*

PGL's core business is to serve as the natural gas distribution company within the City of Chicago while also serving as the legacy natural gas supplier. PGL uses its storage and pipeline system as a natural gas hub, providing wholesale transportation and storage services to its customers located in the City of Chicago. PGL's customer base includes residential users, commercial and industrial users, and transportation accounts (which represent accounts with natural gas users that purchase their natural gas requirements directly from a supplier other than PGL and use PGL's natural gas distribution system for delivery to their premises).

PGL has approximately 818,000 residential, commercial, and industrial customers located in the City of Chicago according to the Company's website: (see www.peoplesgasdelivery.com/company/about.aspx).

Peoples Gas operates under franchise and license agreements granted by the City of Chicago. Peoples Gas holds a perpetual, nonexclusive franchise from the City of Chicago. Additionally, Peoples Gas is subject to the jurisdiction of and regulation by the Illinois Commerce Commission (the "**ICC**"). The ICC has general supervisory and regulatory powers over practically all phases of Peoples Gas' operations, including rates and charges based on cost structure (i.e., the cost of financing).

IFA (and IDFA) refinanced several series of City of Chicago Bonds in 2003 (5 series totaling $277.0 Million), in 2005 (1 series totaling $50.0 Million), and in 2010 (1 series totaling $50.0 Million). Of these amounts, $275.0 Million of principal remains outstanding as of February 1, 2013 (inclusive of the bond issue to be refunded).

Additionally, IFA (IDFA) issued $30.035 Million of Gas Supply Revenue Bonds on behalf of sister company North Shore Gas in 1992 that were current refunded in 1998 (again, North Shore Gas is a stand-alone regulated utility and a stand-alone legal and financial entity). These bonds were redeemed on April 2, 2012.

Payments on all five series of outstanding IFA (IDFA) Bonds issued on behalf of Peoples Gas have been current since the date of issuance.

Background on Parent Companies: Integrys was formed by the merger of WPS Resources Corp. (parent company of Wisconsin Public Service Corporation and several other gas and electric power utilities in Michigan and Minnesota) and Peoples Energy, LLC (and its Peoples Gas and North Shore Gas operating subsidiaries) in February 2007. Effective with the closing of the merger, WPS Resources changed its name to Integrys Energy Group, Inc.

Integrys is a publicly traded company (**NYSE Ticker: "TEG"**) – see Economic Disclosure Statement for additional information (see pp. 5-6 below).

ICC Regulation: PGL operates under franchise and license agreements granted by the City of Chicago.

PGL is subject to the jurisdiction of and regulation by the **Illinois Commerce Commission** ("**ICC**"). The ICC has general supervisory and regulatory powers over practically all phases of the public utility business in Illinois.

The ICC has jurisdiction with respect to rates, service, accounting procedures, acquisitions, financial leverage, and other matters.

An ICC order is needed for the proposed IFA Series 2013A Gas Supply Revenue Refunding Bonds. Peoples Gas submitted an informational statement to the ICC on January 29, 2013 with a request for an order by March 6, 2013. The ICC approval would apply to the proposed Refunding Bonds, taking into account the interest of the ratepayers. (Because the purpose of this refunding is to enable Peoples to fix at a historically low fixed rate, this refunding issue is expected to reduce interest expense based on current market conditions.)

ECONOMIC DISCLOSURE STATEMENT

Applicant/Signatory:	The Peoples Gas Light and Coke Company (Contact: Mr. William J. Guc, Treasurer, Integrys Energy Group, Inc., 130 East Randolph Street, 18th Floor, Chicago, IL 60601; Direct: 920-433-2639; E-mail: wjguc@integrysgroup.com)
Project Contact:	Tchapo Napoe, CFA; Manager Corporate Finance, Integrys Energy Group, Inc., 130 East Randolph Street, 18th Floor, Chicago, IL 60601; Direct: 312-240-3718; E-mail: tnapoe@integrysgroup.com
Web Sites:	Peoples Gas: www.peoplesgasdelivery.com Integrys Energy (Holding Company): www.integrysgroup.com
Project name:	IFA Series 2013A Gas Supply Facilities Revenue Bonds (The Peoples Gas Light and Coke Company Project)
Location:	City of Chicago
Land Owner:	The principal plants and properties of The Peoples Gas Light and Coke Company, other than pipelines, meters, and regulators, are located on property owned in fee simple interest. Substantially all natural gas pipes and pipelines are located under public rights-of-way (i.e., public streets, alleys, and highways), or under property owned by others under leases, easements, or permits.

	The Peoples Gas Light and Coke Company *(Borrower)*	***Peoples Energy, LLC*** *(100% Owner of PGL)*	***Integrys Energy Group, Inc.*** *(Holding company)*
Organization:	Corporation	Corporation	Corporation
State:	Illinois	Delaware	Illinois

Ownership: The Peoples Gas Light and Coke Company is a wholly-owned subsidiary of Peoples Energy, LLC, which is turn a wholly owned subsidiary of Integrys Energy Group, Inc. (a Chicago-based public company: NYSE ticker is "TEG").

As of 9/29/2012, there were three institutional shareholders holding more than 5.0% of Integrys' stock:

- State Street Corporation, One Lincoln Street, Boston, MA 02111.
- The Vanguard Group, Inc., 100 Vanguard Blvd., Malvern, PA 19355.
- Black Rock, Inc., 40 East 52nd Street, New York, NY 10022.

Accordingly, no further disclosure of underlying shareholders is required pursuant to IFA Board Policy.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Foley & Lardner LLP	Milwaukee, WI	Peter D. Fetzer
Auditor:	Deloitte & Touche LLP	Milwaukee, WI	
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Rick Cosgrove, Juliet Huang
Underwriter/Senior Manager:	KeyBanc Capital Markets, Inc.	Chicago, IL/ Indianapolis, IN	Jason Fenwick
Co-Managers:	Cabrera Capital Markets, LLC	Chicago, IL	Robert Aguilar, Santino Bibbo
	Samuel A. Ramirez & Co., Inc.	Chicago, IL	Philip Culpepper
Underwriter's Counsel:	Squire Sanders & Dempsey	New York, NY	Ed Sinick
Bond Trustee:	The Bank of New York Mellon	Chicago, IL	Merci Stahl
First Mortgage Trustee:	US Bank National Association	Chicago, IL	Grace Gorka
Rating Agencies:	Moody's Investors Service	New York, NY	
	Standard & Poor's Rating Service	New York, NY	
Issuer's Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal, Victoria Pool
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

	City of Chicago – All Districts
Congressional:	1-5, 7, 9
State Senate:	1-18, 20, 33, 39
State House:	1-16, 18-23, 25-36, 39-40, 65, 77, 78

ILLINOIS FINANCE AUTHORITY

CONDUIT

March 12, 2013

$17,000,000 (not-to-exceed amount)
Kuusakoski USA LLC and its affiliates

REQUEST	**Purpose:** Bond proceeds will used by Kuusakoski USA LLC and its affiliates (collectively, "**Kuusakoski**", the "**Company**", or the "**Borrower**") to (i) finance, refinance, and reimburse the Borrower for costs associated with the purchase, renovation, and equipping of two buildings totaling approximately 165,000 square feet located on an approximately 12.25 acre site at 13543 South U.S. Highway 30 in Plainfield, Illinois (the "**Project**"), (ii) pay capitalized interest during construction and renovation, if deemed necessary or desirable by the Borrower, and (iii) pay bond issuance costs (collectively with the Project, the "**Financing Purposes**"). The Project will be used as a qualified solid waste facility. **Program:** Solid Waste Disposal Revenue Bonds **Volume Cap required:** This Project is expected to require up to $17MM of prior year Carryforward Volume Cap allocated for Solid Waste Disposal Revenue Bond projects. No IFA Funds at risk. No State Funds at risk. **Extraordinary conditions:** None
BOARD ACTION	Preliminary Bond Resolution
MATERIAL CHANGES	This is the first time this financing has been presented for consideration.
JOB DATA	90 Current jobs; 25 New jobs projected 60 Retained jobs; TBD Construction jobs projected (project engineer will provide after design specs completed)
BORROWER DESCRIPTION	● Type of entity: Solid waste recycling company. ● Location: Plainfield/Will/Northeast ● The new buildings will be used by Kuusakoski USA LLC and its affiliates to expand and relocate the Company's solid waste disposal and recycling operations from leased facilities in Plainfield.
CREDIT INDICATORS	● The Borrower is a wholly-owned subsidiary of **Kuusakoski Group OY** (the "**Parent Company**"), a privately-owned company based in Espoo, Finland. ● Although the Parent Company is a non-rated, private company, the Parent Company's financial statements are posted on its web site for fiscal years ended 12/31/2010 and 12/31/2011 (follow link to 2011 financial statements at: http://www.kuusakoski.com/database/Database). ● The Borrower is negotiating proposals for conduit tax-exempt bond financing with several commercial banks (including banks that are part of the Parent Company's lending syndicate) and is considering both (i) bank direct-purchase structures and (ii) bank Direct-Pay Letter of Credit structures.
STRUCTURE	● Final Maturity: 25 years ● Interest Rate: Will depend on the final structure selected (i.e., anticipated fixed rate reset every 5 to 10 years for a bank direct purchase structure, or 7-day floaters if the Bonds are structured and secured with a Bank Direct Pay LOC).
SOURCES AND USES	See table below
RECOMMENDATION	Credit Review Committee recommends approval.

SOURCES AND USES

Sources:		Uses:	
IFA Bonds	16,850,000	New Project Cost	16,800,000
Equity	180,612	Costs of Issuance	230,612
Total	**$17,030,612**	**Total**	**$17,030,612**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 12, 2013

Project: Kuusakoski USA LLC and its affiliates

STATISTICS

IFA Project:	P-SW-TE-CD-8513	Amount:	$17,000,000
Type:	Solid Waste Disposal Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Plainfield	County/ Region:	Will / Northeast

BOARD ACTION

Preliminary Bond Resolution
Conduit Solid Waste Disposal Revenue Bonds — No IFA funds at risk
Credit Review Committee recommends approval — No extraordinary conditions

VOTING RECORD

None. This is the first time this financing has been presented for consideration.

PURPOSE

To enable Kuusakoski USA LLC, and its affiliates, to expand its Midwest electronics recycling operations in the Chicago metropolitan area by purchasing, renovating, and equipping two vacant buildings located at 13543 South U.S. Highway 30 in Plainfield, Illinois for use as qualified solid waste disposal facilities.

IFA PROGRAM AND CONTRIBUTION

The Authority's Solid Waste Disposal Revenue Bond Program provides tax-exempt financing for qualifying projects that treat, transport, landfill, or otherwise dispose of qualified solid waste as allowed under the Internal Revenue Code (to be issued pursuant to IRS Internal Revenue Bulletin 2011-42, released October 17, 2011).

VOLUME CAP

The Authority's Solid Waste Revenue Bond Program provides low interest rate financing for qualifying solid waste disposal and certain recycling projects. IFA's issuance of Solid Waste Disposal Revenue Bonds will enable the Capital to obtain a lower interest rate on this substantial capital project. It is anticipated that IFA will provide 100% of the Volume Cap allocation required to finance this project through the use of available prior year Carryforward Volume Cap allocated for Solid Waste Disposal Revenue Bond projects.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds (Solid Waste)	$ 16,850,000	**Uses:**	Project Costs	$ 16,800,000
	Equity	180,612		Costs of Issuance	230,612
	Total	**$ 17,030,612**		**Total**	**$ 17,030,612**

JOBS

Current employment:	90 (Illinois)	Projected new jobs:	25
Jobs retained:	60	Construction jobs:	TBD over 9-12 months (estimate forthcoming from AMEC [General Contractor]; will be available at the time this Project returns for consideration of a Final Bond Resolution)

FINANCING SUMMARY

Structure/Credit Enhancement: Conduit Solid Waste Disposal Revenue Bonds that will be purchased directly or secured by a Direct Pay Letter of Credit from a commercial bank to be determined. The Company has requested proposals to enable both structures from several commercial banks (including banks that are part of the Parent Company's lending syndicate).

Interest Rate: Will depend on the final structure selected (i.e., fixed rate reset every 5 to 10 years for a bank direct purchase structure or 7-day floaters if a Bank Direct Pay LOC structure)

Bank Collateral: It is anticipated that the proposed Solid Waste Disposal Revenue Bonds will be integrated as part of the Company's credit facilities. Accordingly, the commercial bank that purchases or credit enhances the proposed Solid Waste Disposal Revenue Bonds will cross-collateralize and cross-default the Company's bond-related obligation with all other credit facilities extended to the Company (or Parent Company).

Maturity: 25 Years (anticipated parameter)

Closing: May 2013

BUSINESS SUMMARY

Description: **Kuusakoski USA LLC and its affiliates** ("**Kuusakoski"**, the "**Company**", or the "**Borrower**") is a Delaware limited liability company established in September 2011 and serves as the operating entity Kuusakoski, Inc. [which in turn is the holding company for the U.S.-based operations of Kuusakoski Group OY (the "**Parent Company**"), a privately-held company based in Espoo, Finland (and incorporated under Finnish law)]. The Parent Company is, ultimately, the 100% owner of Kuusakoski USA LLC.

Background: **Kuusakoski USA LLC** is engaged in the collection and recycling of waste electronics and currently has US-based facilities located in Philadelphia, Detroit, Kansas City, and suburban Chicago (Plainfield). Kuusakoski also leases office space in Romeoville.

Kuusakoski's Chicago operations were established upon acquiring Vintage Tech Recyclers, Inc. ("**Vintage Tech**"), an electronics recycling company headquartered in Romeoville that operated a waste electronics recycling facility in Plainfield.

Vintage Tech was established in 2004 and was founded by Ms. Karrie Gibson. Vintage Tech continues to own portions of business entities that were acquired by Kuusakoski in 2012 and continue to operate as Kuusakoski affiliates. The two principal Kuusakoski business affiliates in which Ms. Karrie Gibson (and her husband, Todd Gibson) continue to hold an ownership interest include: (i) **Vintage Tech, LLC** (which collects material at its permanent sites, collection events, front door pickup, and business contracts and delivers and sorts the materials at the Plainfield facility) and (ii) **VTKK, LLC** (which shreds the materials, separating steel, metals, plastics, and wire).

- Vintage Tech, LLC is majority-owned by Ms. Karrie Gibson and is a certified woman-owned enterprise (with Kuusakoski, Inc. retaining a 40% ownership interest).
- VTKK, LLC is 60% owned by Kuusakoski, Inc. and is 40% owned by Karrie and Todd Gibson.

Note: The Economic Disclosure Statement section of this report (pages 5-6) provides additional details regarding ownership of the various Kuusakoski affiliates, including Vintage Tech, LLC and VTKK, LLC.

Although Vintage Tech's initial focus on was on collecting, refurbishing and selling used computers discarded by local school districts that would have otherwise been landfilled, the scope of Vintage Tech's services later expanded to include recycling Waste Electrical and Electronic Equipment (or "Waste EEE") collected in Illinois and adjacent states. These recycling activities emerged as Vintage Tech's core operation and ultimately led to its joint venture agreement and integration of operations into Kuusakoski in 2012.

According to the Company, in 2012 its current Plainfield facility recycled over 55 million pounds of recycled electronics. Kuusakoski and its affiliates provide electronics recycling services for several major universities (Northern Illinois University; the University of Nebraska) and corporations, including The Disney Corporation, and the NFL's Kansas City Chiefs.

Kuusakoski began operations in the U.S. in late 2009 upon establishing a joint venture enterprise specializing in Waste EEE recycling in Philadelphia.

Parent Company - Background: Kuusakoski Group OY was originally established in 1914 and is a holding company that includes (i) recycling company Kuusakoski Inc. and its subsidiaries (including Kuusakoski USA LLC), and (2) specialized foundry operations (and its subsidiaries). Together the Parent Company and its subsidiaries are worldwide leaders in recycling Waste Electrical and Electronic Equipment and in the supply and refining of metals. The Parent Company and its subsidiaries currently employ over 3,000 people worldwide. The Parent Company remains a family-owned company.

Kuusakoski OY offers recycling services to industrial customers and consumers and undertakes metal processing worldwide. In addition to its 20 facilities in Finland, Kuusakoski OY operates 80 other locations in Russia, Estonia, Latvia, Lithuania, Poland, Sweden, Denmark, United Kingdom, China, Taiwan, and the United States.

Kuusakoski Group OY's 2011 sales (Euros) were €977.7 million (or $1.307 billion based on the average 2001 Euro/US exchange rate).

Additional information on Kuusakoski OY and its subsidiaries is available at www.kuusaskoski.com .

Rationale: The proposed Tax-Exempt Solid Waste Disposal Revenue Bonds will enable Kuusakoski to purchase, renovate, and equip an expansion of its Chicago-area electronics recycling operations. The proposed financing will also enable the Company to retain its existing operations in Plainfield. Tax-Exempt Solid Waste Disposal Revenue Bonds will help the Company finance this capital intensive project at a significantly lower interest rate, thereby reducing overhead expenses and improving feasibility of this expansion.

The proposed financing will enable the Company to remain in Plainfield and will result in the renovation and equipping of two buildings that are currently vacant.

The Company is also considering an alternate location in LaPorte, IN for this project. The availability of Volume Cap necessary to support a proposed Solid Waste Disposal Revenue Bonds is significant given the proposed Bonds will provide the primary financing for this proposed capital expansion project.

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Bond proceeds will used by Kuusakoski USA LLC and its affiliates (collectively, "**Kuusakoski**", the "**Company**", or the "**Borrower**") to (i) finance, refinance, and reimburse the Borrower for costs associated with the purchase, renovation, and equipping of two buildings totaling approximately 165,000 square feet located on an approximately 12.25 acre site at 13543 South U.S. Highway 30 in Plainfield, Illinois (the "**Project**"), (ii) pay capitalized interest during construction and renovation, if deemed necessary or desirable by the Borrower, and (iii) pay bond issuance costs (collectively with the Project, the "**Financing Purposes**"). The Project will be used as a qualified solid waste facility.

Note: The primary building is approximately 160,000 square feet and the second building is a vehicle maintenance facility comprising approximately 5,600 square feet.

Estimated project costs consist of the following:

Land/Building Acquisition	$2,250,000
Rehabilitation	4,700,800
Equipment	9,849,200
Total New Money Project Costs	**$16,800,000**

ECONOMIC DISCLOSURE STATEMENT

Applicant: Kuusakoski USA LLC and its affiliates, c/o Mr. Tim Bowers, Director of Finance and Administration, Kuusakoski USA LLC, 1105 Windham Parkway, Romeoville, IL 60446; Ph. 630-430-4148.

Website: www.kuusakoski.com

Project name: IFA Series 2013 Solid Waste Disposal Revenue Bonds (Kuusakoski USA LLC Project)

Location: 13543 South U.S. Highway 30, Plainfield (Will County), Illinois 60544-100

Ownership Information: Kuusakoski USA LLC is a Delaware limited liability company that is currently 100%-owned by Kuusakoski, Inc., a Delaware corporation. The ultimate owner of Kuusakoski, Inc. is Kuusakoski Group OY of Espoo, Finland. Because Kuusakoski Group OY is a privately-held (i.e., family-owned), foreign-based company, no further ownership disclosure is required, consistent with longstanding IFA project ownership disclosure requirements.

In addition to Kuusakoski US LLC, several affiliates, including Vintage Tech LLC and VTKK, LLC will conduct operations at the Plainfield facility. Ownership of Vintage Tech LLC and VTKK, LLC is allocated as follows:

- Vintage Tech, LLC, a certified woman-owned enterprise:
  - 60% - Managing Member: Vintage Tech Recyclers, Inc., which is, in turn, owned by:
    - Ms. Karrie Gibson, President and
    - Mr. Todd Gibson, Secretary
  - 40% - Member – Kuusakoski, Inc. (US), a Delaware Corporation
- VTKK, LLC:
  - 60% - Managing Member: Kuusakoski, Inc. (US), a Delaware Corporation
  - 40% - Member: Vintage Tech Recyclers, Inc., which is, in turn, owned by:
    - Ms. Karrie Gibson, President and
    - Mr. Todd Gibson, Secretary

Seller Disclosure: The subject Project facilities located at 13543 South U.S. Highway 30, Plainfield, Illinois is currently posted for sale by Jones Lang LaSalle. Contact: Daniel P. McGillicuddy, EVP, Jones Lang LaSalle, 8755 West Higgins Road, Suite 750, Chicago, IL 60631. Additional information regarding the identity of the entity that currently owns the subject property will be disclosed at the time this financing returns for consideration of a Final Bond Resolution.

PROFESSIONAL & FINANCIAL

General Counsel:	Pedersen & Houpt, P.C.	Chicago, IL	
Auditor:	Ernst & Young OY	Helsinki, Finland	
Business Advisor to Borrower:	Duff & Phelps	Chicago, IL	Joe Pilewski
Bond Counsel:	Miller Canfield P.L.C.	Chicago, IL	Paul Durbin
Bank (Direct Purchaser/ or Direct Pay LOC):	TBD – the Borrower is currently negotiating with several banks		
Bank Counsel:	TBD – to be engaged by the Direct Purchase or Direct Pay LOC Bank, as applicable		
Bond Trustee:	applicable only if Bonds structured as credit enhanced 7-day variable rate demand bonds secured by a Direct Pay LOC		
General Contractor:	AMEC	Lisle, IL	
Rating Agency:	TBD (this would only be applicable if Bonds are secured by a Bank Direct Pay LOC)		
IFA Counsel:	Assignment pending		
IFA Financial Advisor:	Public Financial Management, Inc.	Chicago, IL	Shannon Williams

LEGISLATIVE DISTRICTS

Congressional:	14
State Senate:	49
State House:	97

CONDUIT

ILLINOIS FINANCE AUTHORITY

March 12, 2013

$5,025,000
CITY OF ELGIN

REQUEST	**Purpose:** The project will (i) entail the acquisition and installation of a radio communication system and improvements made to the water and sewer systems *and* (ii) pay for certain costs associated with the issuance of the Bonds. **Program Product Type:** Local Government Revenue Bond **IFA/State Funds at Risk:** None
BOARD ACTION	Final Bond Resolution *(One-time consideration)*
MATERIAL CHANGES	None. This is the first time this Project has been presented to the IFA Board of Directors.
JOB DATA	612 Current jobs; N/A New jobs projected 612 Retained jobs; 20 Construction jobs projected
BORROWER DESCRIPTION	● Type of Entity: Illinois municipality ● Location: Elgin, Illinois ● When established: 1854 ● Project Impact: The Project will provide a portion of the funding necessary for the acquisition and installation of a radio communication system and improvements to the City's water and sewer systems. Savings attributable to the lower interest associated with tax exempt financing will be used for providing services to the City's residents.
STRUCTURE	● Underwriter: Edward Jones, St. Louis, MO ● General Obligation Bonds payable from property taxes ● Maturity: Due serially December 15, 2021through 2028 ● Interest Rate: 2.9% (Estimated) ● Underlying Rating: Borrower is applying for a rating from Standard and Poor's and Fitch Ratings with a mid-to-high investment grade rating being anticipated. The Seniormost Taxed Backed rating per Moody's Investor Services is Aa1 on the City's April 14, 2008 refunding bond issue.
SOURCES AND USES	**Sources:** IFA New Money Bonds $5,025,000 — **Total** **$5,025,000** **Uses:** Acquisition & Construction $4,924,500; Costs of Issuance 100,500 — **Total** **$5,025,000** **Note:** The City of Elgin will also be issuing $15,995,000 of Refunding Bonds to refinance a portion of the City's outstanding long-term debt (these Bonds will not be issued through IFA).
RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
MARCH 12, 2013

Project: City of Elgin

STATISTICS

Project Number:	L-LG-TE-CD-8313	Amount:	$5,025,000
Type:	Local Government Bond Program	IFA Staff:	Jim Senica
Location:	Elgin	County/Region:	Kane & Cook/Northeastern

BOARD ACTION

Final Bond Resolution *(One-time consideration)*
Conduit Local Government Revenue Bonds
Credit Review Committee recommends approval

No IFA Funds at risk
No extraordinary conditions

VOTING RECORD

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

PURPOSE

The proceeds of the Bonds will be used to (i) finance the purchase and installation of a radio communication system (ii) improvements to the City's Water and Sewer Systems, and (iii) pay costs of issuance. The City anticipates that savings generated from the interest savings on the tax-exempt issue will be used to fund City services to residents.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Bond Program assists units of local government, including school districts, in financing capital improvement projects. Interest paid on local government and school district bonds issued through IFA is exempt from both federal and state income taxes thereby reducing the borrower's interest expense.

VOLUME CAP

No Volume Cap is required for Local Government Bond financing.

JOBS

Current employment:	301	Projected new jobs:	N/A
Jobs retained:	301	Construction jobs:	10

ESTIMATED SOUCES AND USES OF FUNDS

Sources:	IFA New Money Bonds	$5,025,000	Uses:	Acquisition & Construction	$4,924,500
				Costs of Issuance	100,500
Total		**$5,025,000**	**Total**		**$5,025,000**

FINANCING SUMMARY/STRUCTURE

Loan Term:	Bonds will mature serially, $540,000 in 2021, $1,590,000 in 2022, $465,000 in 2023, $485,000 in 2024, $520,000 in 2025, $550,000 in $2026, $440,000 in 2027, and $455,000 in 2028. The Bonds will be underwritten by Edward Jones, St. Louis, MO (the "Underwriter").
Repayment Schedule:	Interest on the Bonds (computed on a basis of a 360-day year of twelve 30-day months) will be payable semiannually on each June 15 and December 15, commencing June 15, 2014. Principal will be due serially each December 15, commencing December 15, 2021 through 2028.
Payment Source:	**General Obligation Bonds** The Bonds will be issued as General Obligation Bonds payable from *ad valorem* (i.e., property) taxes.
Security:	Repayment of principal and interest will be secured and repaid from the following source: ***By a Direct Levy of ad valorem taxes upon all taxable property located within the City:*** These ad valorem taxes, which are unlimited as to rate or amount, shall be levied at a level sufficient to pay the interest and principal of the Bonds when due. The Bonds will constitute valid and legally binding obligations of the City, and all taxable property in the City is subject to the levy of taxes for such payment of principal and interest.
Expected Rating:	The City has applied to Moody's for a rating. The Underwriter is anticipating a mid-to-high investment grade rating and expects the rating will be assigned by March 15, 2013. The City's current Moody's long-term rating is currently Aa1 (Stable Outlook).
Authority:	The Local Government Securities are being issued pursuant to the Local Government Debt Reform Act of the State of Illinois and all laws amendatory thereof and supplementary thereto and a bond resolution adopted by the City Council of the City of Elgin anticipated by April 1, 2013.
Estimated Closing Date:	April 10, 2013

PROJECT SUMMARY

Bond proceeds will be used to finance the purchase and installation of a radio communication system and improvements to the City's Water and Sewer Systems, and (iii) pay costs of issuance.

BUSINESS SUMMARY

The City of Elgin was incorporated under s a special charter from the State of Illinois in 1854 and is a home rule unit under the 1970 Illinois Constitution. The City operates under the Council-Manager form of government with a Mayor and six City Council members elected at large for four-year staggered terms. The City Council appoints a City Manager and Treasurer, and the mayor appoints a Clerk which is confirmed by Council. All City employees, approximately 612 full-time employees, report to the City Manager. The Fiscal Services Department is responsible for preparing an operating budget subject to approval by the City Council and for the daily operations of the City. The City provides a Police Department of 180 full-time officers and a Fire Department which operates 7 fire stations and has 133 full-time employees of which 82 are certified paramedics.

Located along the Fox River, the City is approximately 38 miles northwest of downtown Chicago and covers an area of approximately 38.8 square miles. Neighboring communities include Sleepy Hollow, West Dundee and East Dundee to the north, Hoffman Estates and Streamwood to the east, Bartlett to the southeast and South Elgin to the south. Immediately west of the City is unincorporated Kane County. The City is located in two counties, with approximately one-fifth of the current equalized assessed valuation located in Cook County and four-fifths located in Kane County. The City's population, as of the 2000 Census, was reported at 94,487, a 23% increase over 1990. A special census in March 2008 reported a population of 104,939 and the 2010 Census population is reported at 108,188. The City's location at the north end of the growing "Fox Valley" region and along the Interstate 90/Northwest Tollway "Golden Corridor" has contributed to substantial residential and commercial/industrial growth in recent years. The Chicago Metropolitan Agency for Planning projects the City's population to exceed 168,000 by the year 2040.

Annexation activity over the past twelve years has been substantial. During the three years beginning in 2000 and ending in 2002, approximately 488 acres were annexed for constructing a combination of business parks and residential subdivisions. A total of 6,962 acres have been annexed in 2003 through 2006. In 2007, the City annexed 623.68 acres. Larger residential annexations include HPI Elgin West Assemblage South Portion (332 acres), Trinity Chase (111.58 acres) and Weseman Property (80.00 acres). In 2008 the City annexed 73.65 acres. Larger annexations include Tall Oaks Unit 4 (5.27 acres), Randall Commons (6.9 acres), HRT Medical Office Property (2.74 acres, Henrikson Property (2.99 acres), and Burnidge property/Eagles Club (55.75 acres). In 2009 the City annexed 55.21 acres. Larger residential annexations include MaKay/Nava Properties (3.61 acres) and Capitani Parcel – Ponds of Stony Creek (50 acres). There were no annexations related to property development in 2010, 2011 or 2012.

Various non-supervisory City employees are members of collective bargaining units. These units have multiyear contracts of varying length. The International Association of Firefighters' contract expired December 31, 2011 and the Policemen's Benevolent and Protective Association Unit 54 contract expires December 31, 2013. The clerical Technical Employees Group Service Employee's International Union contract expired on December 31, 2011. This contract was extended for one year and the City is currently in negotiations. The Public Works Employees Group Service Employees international Union contract expires on December 31, 2014. City officials consider their labor relations with employees to be excellent. Current agreements prohibit strikes and there has been no history of strikes.

The City has traditionally been a center for commerce and industry. A major reason for this strength is diversity of business and access to a large labor shed of nearly 4.1 million in Chicagoland. The City has a well-balanced economy that is not dominated by any single industrial sector. The Illinois Manufacturers Directory lists over 250 small and medium sized manufacturing companies in the City. Most of these companies are located in 20 business parks near transportation infrastructure connectors such as I-90, US 20, and Illinois Routes 19, 25, 31, 58, and 72 with easy access to O'Hare International Airport.

Remarks:

The City's major employers include:

EMPLOYER	PRODUCT/SERVICE	NUMBER OF EMPLOYEES
Elgin School District U-46	Public School District	4,170
Chase	Credit Card Processing	2,500
Sherman Hospital	General Hospital	2,500
Elgin Mental Health Center	State Hospital	1,300
Provena St. Joseph Hospital	General Hospital	1,300
Elgin Riverboat Casino	Gaming	1,200

The City's largest taxpayers include:

Sherman Hospital	Health Care
John B. Sanfilippo & Sons	Nuts
IRC	Wholesale machine Tools
TLF Northwest Business Park VII	Real Property
Willo Arms and Associates	Apartment Complex

Median Household Income:

According to the U.S. Census Bureau, 2007 – 2011 American Community Survey, the City had a median family income of $67,262. This compares to $79,686 for Kane County, $65,842 for Cook County and $69,658 for the State of Illinois.

OWNERSHIP/ECONOMIC DISCLOSURE STATEMENT

Applicant/Borrower:	City of Elgin
Contact:	Sean R. Stegall/City Manager Telephone: (847) 931-5590; e-mail StegallS@cityofelgin.org
Location:	150 Dexter Court Elgin, IL 60120 (Cook County)
Entity:	Illinois Municipality
City Council:	Richard Dunne Anna Moeller John Prigge Robert Gilliam Tish Powell F. John Steffen
Administration:	David J. Kaptain, mayor Sean R. Stegall, City Manager Kimberly A. Dewis, City Clerk Colleen Lavery, Chief Financial Officer William A. Cogley, Corporation Counsel and Chief Development Officer

PROFESSIONAL & FINANCIAL

Auditor :	Sikich LLP, Certified Public Accountants	Naperville, IL	
Bond Counsel:	Chapman and Cutler, LLP	Chicago, IL	Kelly Kost
Bond Underwriter:	Edward Jones	St. Louis, MO	Chris Collier
Underwriter's Counsel:	Chapman and Cutler, LLP	Chicago, IL	Kyle W. Harding
Financial Advisor:	Speer Financial, Inc.	Chicago, IL	Kevin McCanna
Paying Agent:	The Bank of New York Mellon	Chicago, IL	Diane Wuetz
Rating Agencies:	Standard & Poor's	Chicago, IL	Jennifer Boyd
	Fitch Ratings	Chicago, IL	Eric Friedman
Issuer's Counsel:	Holland & Knight	Chicago, IL	Barb Adams
IFA Financial Advisors:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

Congressional:	8
State Senate:	22
State House:	43

CONDUIT

$10,000,000

March 12, 2013 | **Elgin Community College District Number 509**

REQUEST	**Purpose:** Bond proceeds will be used by Elgin Community College District Number 509 (the "**College**", the "**District**", or the "**Borrower**") to (i) build and equip a Health Careers Center, a Library and a Regional Public Safety Training Facility; build, equip, alter, renovate and repair academic buildings; build and equip additions to community college buildings; purchase and improve land for community college purposes; install technology (the "**Project**") and (ii) pay for certain costs associated with the issuance of the Bonds (and together with the Project, the "**Financing Purposes**"). **Program Product Type:** Local Government Revenue Bond **IFA/State Funds at Risk:** None
BOARD ACTIONS	Final Bond Resolution *(One-time consideration)*
MATERIAL CHANGES	None. This is the first time this Project has been presented to the IFA Board of Directors.
JOB DATA	1,209 Current jobs; N/A New jobs projected 1,209 Retained jobs; 40 Construction jobs projected
BORROWER DESCRIPTION	● Type of Entity: Illinois Community College District ● Location: Elgin, Illinois ● When established: 1966 ● Borrower's Mission: To provide public college education for district students ● Project Impact: The Project will provide funding for the acquisition of land needed by the college for expansion as well as construction on college structures located on the campus. Financing on a long-term, tax-exempt basis will enable the College to apply interest savings to their higher education mission.
STRUCTURE	● Underwriter: Edward Jones, St. Louis, MO ● General Obligation Bonds payable from property taxes ● Maturity: Due Serially December 15, 2029, 2030 & 2031 ● Interest Rate: 3.00% (Estimated) ● Underlying Rating: Borrower is applying for a rating from Moody's Investor Services with a mid-to-high investment grade rating being anticipated. The District's Senior Taxed-Backed rating is Aaa (based on its evaluation of the College's February 27, 2012 general obligation refunding bond issue).
SOURCES AND USES	**Sources:** IFA New Money Bonds $10,000,000; **Total** **$10,000,000** **Uses:** Construction/Renovation $9,800,000; Cost of Issuance 200,000; **Total** **$10,000,000**
RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 12, 2013

Project: Elgin Community College District Number 509

STATISTICS

Project Number:	L-LG-TE-CD-8314	Amount:	$10,000,000
Type:	Local Government Bond Program	IFA Staff:	Jim Senica
Location:	Elgin	County/Region:	Kane, Cook, DuPage, McHenry and DeKalb/Northeast

BOARD ACTION

Final Bond Resolution *(One-time consideration)*
Conduit Local Government Revenue Bonds — No IFA Funds at risk
Credit Review Committee recommends approval — No extraordinary conditions

VOTING RECORD

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

PURPOSE

The proceeds of the Bonds will be used to (i) build and equip a Health Careers Center, a Library and a Regional Public Safety Training Facility; build, equip, alter, renovate and repair community college buildings; build and equip additions to community college buildings; purchase and improve land for community college purposes; install technology, and (ii) pay for certain costs associated with the issuance of the Bonds.. The District anticipates that savings generated from the tax-exempt issuance will be used to fund the District's core educational activities.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Bond Program assists units of local government, including school districts, in financing capital improvement projects. Interest paid on local government and school district bonds issued through IFA is exempt from both federal and state income taxes thereby reducing the Borrower's interest expense.

VOLUME CAP

No Volume Cap is required for Local Government Bond financing.

JOBS

Current employment:	1,209	Projected new jobs:	N/A
Jobs retained:	1,209	Construction jobs:	40

ESTIMATED SOUCES AND USES OF FUNDS

Sources:	IFA New Money Bonds	$10,000,000	Uses:	Construction/Renovation	$9,800,000
				Costs of Issuance	200,000
Total		**$10,000,000**	**Total**		**$10,000,000**

FINANCING SUMMARY/STRUCTURE

Loan Term:	Bonds will mature serially, $1,000,000 in 2029, $6,200,000 in 2030 and $2,800,000 in 2031. The Bonds will be underwritten by **Edward Jones**, St. Louis, MO (the "**Underwriter**").
Repayment Schedule:	Interest on the Bonds (computed on a basis of a 360-day year of twelve 30-day months) will be payable semiannually on each June 15 and December 15, commencing June 15, 2014. Principal will be due serially each December 15, commencing December 15, 2029 through 2031.
Payment Source:	**General Obligation Bonds** The Bonds will be issued as General Obligation Bonds payable from *ad valorem* (i.e., property) taxes.
Security:	The Bonds repayment of principal and interest will be secured and repaid from the following source: ***By a Direct Levy of ad valorem taxes upon all taxable property located within the District:*** These ad valorem taxes, which are unlimited as to rate or amount, shall be levied at a level sufficient to pay the interest and principal of the Bonds when due. The Bonds will constitute valid and legally binding obligations of the District, and all taxable property in the District is subject to the levy of taxes for such payment of principal and interest.
Expected Rating:	The District has applied to Moody's for a rating. The Underwriter is anticipating a mid-to-high investment grade rating and expects the rating will be assigned by March 15, 2013.
Authority:	The Local Government Securities are being issued pursuant to section 1E-65 of the School Code of the State, the Local Government Debt Reform Act of the State and a bond resolution by the Elgin Community College Board of Trustees that is anticipated on April 1, 2013, as further supplemented by a notification of sale.
Estimated Closing Date:	April 8, 2013

PROJECT SUMMARY

Bond proceeds will be used to build and equip a Health Careers Center, a Library and a Regional Public Safety Training Facility; renovate and repair community college buildings; purchase and improve land for community college purposes; and install technology in selected college structures.

BUSINESS SUMMARY

The District was originally founded as part of the University of Illinois Agricultural Extension Service. In 1949, the board of Unit School District Number 46 subsequently took over the District's functions. In 1966, an independent Community College District No. 509 was created out of Unit School District Number 46 pursuant to the then new Illinois Community College Act. The District today serves elementary, unit and high school district numbers 46,300,301 and 303 along with portions of 54 and 427.

The District is a two-year public institution of higher learning providing freshmen and sophomore level classes for university transfer in 25 major fields. It also provides 157 degree or certificate programs for career or technical education. It offers programs in areas such as business, health, human and public services, advanced technology and basic adult education programs such as GED and English as a Second Language. Classes are also available on a non-credit basis for personal and professional enrichment. The District periodically establishes special training programs for area industry.

Academic certification and professional recognition of the District for specific programs come for North Central Association of Colleges and Secondary Schools, Illinois Board of Higher Education, Illinois Community College Board, National League for Nursing, Chicago Chefs Association and other organizations.

The District covers a 360 square mile area in Northern Illinois which encompasses parts of five counties and serves 25 incorporated municipalities and substantial unincorporated areas. The District's 2010 service population is estimated at 457,915, but population projections published by the Northeastern Illinois Planning Commission indicate that the District's service population could well exceed 572,000 by the year 2020. Approximately half of the District's land area is rural or undeveloped, and approximately 75% of the District's equalized assessed valuation (EAV) is located in incorporated municipalities.

The District has 13 classroom sites in 8 communities. The main campus is located on 157.5 acres in southwest Elgin. Six buildings were built between 1970 and 1979 on the campus, which also houses the District's main administration offices. The Visual and Performing Arts Building was opened in the fall of 1994 and is also located on the Elgin campus. The Visual and Performing Arts Building is approximately 158,000 square feet and has a graphic design laboratory, an art gallery, a 600-seat theater and stage, specialized areas of classrooms for visual arts, music, drama and speech and administrative offices.

The Fox Valley University & Business Center opened January 1995 on the Elgin campus. The 44,850 square foot center provides space for conferences, seminars, workshops, classes and meetings offered by the College's Business Center, Business & Industry Training Center, Small Business Development Center, Corporate Development office and Life Long Learning Division.

Other facilities include the Fountain Square Campus in downtown Elgin, a 60,000 square foot building formerly used as a department store which was renovated in 1983. Five "community education centers" are located in public schools in Algonquin, Barrington, Hampshire, Streamwood and St. Charles. Additionally, five "tele course sites" are located at public libraries in Algonquin, Bartlett, Elgin, Streamwood and St. Charles.

The governing body of the District is comprised of seven trustees elected at large for staggered six-year terms. A chairperson and Vice Chairperson are selected by the trustees from among the elected members of the Board. A student member is elected each spring in an at-large student election, and by state law has an advisory vote on the Board. The daily administrative and educational functions of the District are the responsibility of the President, who is appointed by the Board of Trustees. Other positions also appointed by the Board include a Treasurer, Secretary and legal counsel.

The District has 1,209 employees, of which 459 are full-time. Non-supervisory employees are members of collective bargaining groups. These include faculty members of the Illinois Federation of Teachers whose contract expires on December 31, 2013. Support employees are members of the Illinois Education Association, which has a three-year contract that expires on June 30, 2014. A small number of building engineers are members of the Illinois Brotherhood of Electrical Workers.

Remarks:

The District's major employers include:

EMPLOYER	PRODUCT/SERVICE	APPROXIMATE NUMBER OF EMPLOYEES
Sears Holding Corp.	Retailer	6,200
Northwest Community Healthcare	Healthcare provider	4,000
AT&T Services, Inc.	Telecommunications	3,000
Zurich North America Commercial	Insurance and Finance	2,500
Northrup Grumman Corp.	Global Security	2,350

The District's largest taxpayers include:

In Retail Fund Algonquin Commons LLC	Real Property
Target	Retail Store
Spring Hill Mall	Commercial Shopping Center
W 2001 VHE LLC	Real property
Bradley Operation limited	Real Property

Median Household Income:

According to the U.S. Census Bureau, 2007 – 2011 American Community Survey, the District had a median household income of $79,686. This compares with $69,658 for the State.

OWNERSHIP/ECONOMIC DISCLOSURE STATEMENT

Applicant/Borrower:	Elgin Community College College District No. 509	
Contact:	Sharon Konny, Vice President of Business and Finance Telephone: (847) 214-7367; E-mail: skonny@elgin.edu	
Location:	1700 Spartan Drive Elgin, Illinois (Kane County)	
Entity:	Community College District	
Board of Trustees:	Dr. Robert McBride	Chairperson
	Dr. Donna Redmer	Vice Chairperson
	John G. Dalton	Trustee
	Robert A. Getz	Trustee
	Dr. Clare M. Ollayos	Trustee
	John Duffy	Trustee
	Eleanor MacKinney	Secretary
	Dustin Good	Student Member
Administration:	Dr. David Sam	President
	Rose DiGerlando	Vice President of Teaching, Learning & Student Development
	Sharon Kenny	Vice President of Business & Finance
	Kathy Stover	Senior Executive Assistant to the President

PROFESSIONAL & FINANCIAL

Accountant:	Sikich Certified Public Accountants	Naperville, IL	
Bond Counsel:	Chapman and Cutler, LLP	Chicago, IL	Kelly K. Kost
Bond Underwriter:	Edward Jones	St. Louis, MO	Chris Collier
Underwriter's Counsel:	Chapman and Cutler, LLP	Chicago, IL	Kyle W. Harding
Financial Advisor	Speer Financial, Inc.	Chicago, IL	Kevin McCanna
Paying Agent:	UMB Bank	St. Louis, MO	Victor Zarrill
Rating Agency:	Moody's Investors Services	Chicago, IL	Mark Lazarus
Issuer's Counsel:	Holland & Knight	Chicago, IL	Barb Adams
IFA Financial Advisors:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

Congressional:	8
State Senate:	22
State House:	43

ILLINOIS FINANCE AUTHORITY

CONDUIT

March 12, 2013

$6,600,000
Northern Illinois University Foundation

REQUEST	**Purpose**: Bond proceeds will be issued on behalf of **Northern Illinois University Foundation** (“**Foundation**” or the “**Borrower**”) and used, together with certain other funds, to (i) finance the costs of the constructing and equipping the Chessick Practice Center Facility at Northern Illinois University (the “**University**”), which facility will be connected to the Yordon Center at the corner of Stadium Drive East and Stadium Drive North on the University’s campus in DeKalb, Illinois (the “**Project**”), (ii) pay capitalized interest during the construction period and (ii) pay a portion of the costs of bond issuance (collectively, the “**Financing Purposes**”). **Program**: Conduit 501(c)(3) Revenue Bond **Extraordinary Conditions**: None.
BOARD ACTION	Final Bond Resolution Preliminary Bond Resolution approved 2/12/2013: Yeas: 9; Nays: 0; Abstentions: 0; Absent: 5 (Bronner, Leonard, O’Brien, Parish, Pedersen); Vacancy: 1
MATERIAL CHANGES	First Merit Bank selected by Borrower as Direct-Purchase Bank.
JOB DATA	N/A Current jobs — 16 New jobs projected (12-24 months) N/A Retained jobs — 282 Construction jobs projected (12 months)
DESCRIPTION	● Location: DeKalb / DeKalb County / Northeast ● Type of entity: Northern Illinois University Foundation is an Illinois nonprofit corporation established in 1949 to secure and manage private support to benefit Northern Illinois University (“**NIU**” or the “**University**”). The Foundation is a 501(c)(3) corporation and is the official fundraising arm of the University. ● The proposed 83,500 square foot Chessick Practice Center facility will be located adjacent to the north side of the Yordon Center on NIU’s campus and will house a full-size, 120-yard artificial surface football practice field with buffer space surrounding the field on all sides. It will stand 65-feet tall in the center and 45-feet tall at the sidelines. Final design features include: a four-lane spring track, batting cages and a retractable center net, allowing multi-sport use throughout the winter months. The indoor practice facility will provide NIU intercollegiate teams in various sports (i) the ability to practice regardless of weather conditions, (ii) year-round access to a fully equipped conditioning facility, and (iii) sufficient room to enable multiple teams to practice simultaneously. According to the Borrower, NIU is the only institution in the Mid-American Conference that does not have an indoor practice facility for its intercollegiate teams.
CREDIT INDICATORS	● The Borrower is a non-rated entity. ● The IFA 501(c)(3) Revenue Bonds (Northern Illinois University Foundation Project), Series 2013 will Bonds will be purchased directly by First Merit Bank (the “**Bank**” or “**Bond Purchaser**”) at an interest rate to be determined. The Bank will be the secured lender and the direct bond investor. ● The Project will be leased by Northern Illinois University – a State university (unit of government).
SECURITY	● The Bank is expected to be secured by a valid, perfected, first-priority leasehold mortgage and security interest in the real property and all fixtures, equipment and other personal property related to or used in connection with the real property of the Borrower located on the main campus of Northern Illinois University, DeKalb, (DeKalb County), Illinois 60115.
MATURITY	● Not-to-exceed 8 Years
INTEREST RATE	● The Bond Purchaser may establish an interest rate ranging between 5 and 8 years. The initial interest rate will be negotiated and established prior to closing and is currently estimated at between 2.50% and 3.50%.

SOURCES AND USES

Sources:		**Uses:**	
IFA Bonds	$6,600,000	Project costs	$12,596,214
Capital Campaign	6,120,422	Capitalized Interest	124,208
		Legal & Professional	199,000
Total	**$12,720,422**	**Total**	**$12,720,422**

RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 12, 2013

Project: Northern Illinois University Foundation

STATISTICS

Project Number:	N-NP-TE-CD-8600	Amount:	$6,600,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bond	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	DeKalb	County/ Region:	DeKalb County/Northeast

BOARD ACTION

Final Bond Resolution
Conduit 501(c)(3) Revenue Bond — No IFA funds at risk
Credit Review Committee recommends approval — No extraordinary conditions

VOTING RECORD

Preliminary Bond Resolution approved 2/12/2013:

Yeas: 9; Nays: 0; Abstentions: 0; Absent: 5 (Bronner, Leonard, O’Brien, Parish, Pedersen); Vacancy: 1:

PURPOSE

Purpose: Bond proceeds will be issued on behalf of **Northern Illinois University Foundation** (“**Foundation**” or the “**Borrower**”) and used, together with certain other funds, to (i) finance the costs of the constructing and equipping the Chessick Practice Center Facility at Northern Illinois University (the “**University**”), which facility will be connected to the Yordon Center at the corner of Stadium Drive East and Stadium Drive North on the University’s campus in DeKalb, Illinois (the “**Project**”), (ii) pay capitalized interest during the construction period and (ii) pay a portion of the costs of bond issuance (collectively, the “**Financing Purposes**”).

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bond financing that 501(c)(3) corporations can use to finance 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 Bond paid to bondholders, thereby reducing the Borrower’s interest expense.

VOLUME CAP

501(c)(3) Bonds do not require Volume Cap.

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		**Uses:**	
IFA Bonds	$6,600,000	Project costs	$12,596,214
Capital Campaign	6,120,422	Capitalized Interest	124,208
		Legal & Professional	199,000
Total	**$12,720,422**	**Total**	**$12,720,422**

JOBS

Current employment:	N/A	Projected new jobs:	16 (12-24 months)
Jobs retained:	N/A	Construction jobs:	282 (12 months)

FINANCING SUMMARY

Structure/ Security:	The Bonds will be purchased directly by First Merit Bank (the "**Bank**" or "**Bond Purchaser**") and held as an investment. The Bank is expected to be secured by a valid, perfected, first-priority leasehold mortgage and security interest in the real property and all fixtures, equipment and other personal property related to or used in connection with the Project.
Interest Rate:	The Bank is expected to establish an initial interest rate of up to 8 years (with reset provisions until the final maturity date). During the remainder of the construction period, interest-only payments will be made; monthly principal and interest payments will begin thereafter. The interest rate will be set at pre-closing based on prevailing market conditions, currently estimated at between 2.50% and 3.50%.
Maturity:	Final maturity date – 8 years from issuance date.
Estimated Closing Date:	March/April 2013
Rationale:	The Chessick Practice Center will enhance the appeal of NIU intercollegiate athletics programs and help the University to recruit premiere student athletes. The increasing national reputation of the NIU has helped the University raise funds for academics and research throughout the institution. The University is the largest employer in DeKalb County. The Chessick Practice Center will be used by the local community, including most notably by the Illinois High School Athletics Association ("IHSA"). The IHSA will host the IHSA State Football Championships at NIU in alternate years beginning in the Fall of 2013. The Chessick Practice Center will host practice sessions for all participating teams. (The University of Illinois will host the championships in even-numbered years.)

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be issued on behalf of **Northern Illinois University Foundation** ("**Foundation**" or the "**Borrower**") and used, together with certain other funds, to (i) finance the costs of the constructing and equipping the Chessick Practice Center Facility at Northern Illinois University (the "**University**"), which facility will be connected to the Yordon Center facility at the corner of Stadium Drive East and Stadium Drive North on the University's campus in DeKalb, Illinois (the "**Project**"), (ii) pay capitalized interest during the construction period and (ii) pay a portion of the costs of bond issuance (collectively, the "**Financing Purposes**").

Upon completion, the Project will be leased by the Borrower to Northern Illinois University.

The estimated Project Costs are comprised of the following items (subject to change):

New Construction	$11,821,839
Architectural & Engineering	774,375
Total	**$12,596,214**

BUSINESS SUMMARY

Description: **Northern Illinois University Foundation** (the "**Foundation**" or the "**Borrower**") is an Illinois nonprofit corporation established in 1949 to secure and manage private support to benefit Northern Illinois University. The Foundation is the official fundraising arm of the University and is incorporated under State of Illinois law. The Borrower is a 501(c)(3) not-for-profit corporation exempt from federal income taxes under the Internal Revenue Code.

The Foundation is governed by a 32-member Board of Directors (see pp. 4-6).

Background: The Foundation is the official fundraising arm of Northern Illinois University and was established in 1949 as an independent nonprofit corporation with an independent board of directors. The Foundation raises and receives gifts, administers funds and manages assets on behalf of the University and its programs. The Foundation also evaluates, plans, and undertakes long-term special fund drives or capital campaigns in addition to its regular ongoing fundraising activities on behalf of the University.

Foundation support for development programs includes database and records management, electronic screening, information/data processing, communications, mass marketing fundraising through direct mail, email and telemarketing, as well as major and planned giving, special giving, gift recording, receipting, and acknowledgement; gift administration; and investment, distribution, and stewardship of donors and funds.

In addition, the Foundation provides support from private sources to conduct donor cultivation and advancement functions that cannot be funded with tax dollars. The Foundation also assists the University by acquiring land for future use of the University under guidelines established by the Illinois Legislature.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Northern Illinois University Foundation, Altgeld Hall 135, DeKalb, IL 60115-2882

Contact: Mr. Jean Godlewski, Controller:
(T) 815-753-0282; email: jmj@niu.edu

Website: http://www.niufoundation.org/

Site Locations: Campus of Northern Illinois University, DeKalb (DeKalb County), IL

Project name: IFA 501(c)(3) Revenue Bonds (Northern Illinois University Foundation Project), Series 2013

Organization: Illinois not-for-profit established as a 501(c)(3) corporation under the Internal Revenue Code

Board of Directors: **NIU Foundation Officers:**

Dennis L. Barsema, Chair
B.S. Management '77

Jaymie F. Simmon, Vice Chair
B.S. Education '70
Owner, Twinbrook Ltd.

Jeffrey A. Eckmann, Treasurer
Retired Group President
Reynolds American, Inc.

Michael P. Malone
President & CEO, NIU Foundation
V.P. University Advancement,
Northern Illinois University

Directors:

Ty Ballou
B.A. '78
President, Public Labels Brands, Inc.

Stacey Barsema
President, Barsema Foundation

Robert T. Boey
Owner, Sycamore Industrial Park

William A. Boston
B.S. Marketing '70, M.B.A. '71
Chairman & CEO, Dynamic Signals, LLC

Brent R. Brodeski
B.S. Finance '88, M.B.A. '91
Managing Director, Savant Capital Management, Inc.

Kenneth C. Chessick M.D., J.D.
J.D. Law '84
Medical Attorney
Chairman, Restaurant.com

Chris Cole
B.S. Accountancy '75
Senior Vice President US Strategy
McDonald's USA, LLC

Carol Y. Crenshaw
B.S. Accountancy '78
Vice President and Chief Financial Officer
Chicago Community Trust

Cynthia Crocker
B.S. Marketing '80
Retired Senior Vice President
Investor Relations and
Corporate Communications
Equity Group

Michael A. Cullen
B.S. Finance '84, B.S. Accountancy '87
President & CEO, The National Bank & Trust of Sycamore

Dean A. DeBiase
B.S. Marketing '80
Chairman, Reboot Partners

Rege S. Eisaman
M.B.A. Finance '91 & CFA
Principal Chief Investment Officer
InterOcean Capital, LLC

John Thomas (Tom) Futrell
M.B.A. '79
Performance Trust Investment Advisors

Montel M. Gayles
B.S. LA&S '83
Partner
Hinshaw & Culbertson

Anthony L. Kambich
B.S. Education ‘59
Deerfield & Riverwoods
Montessori Schools

John Landgraf
B.S. Biological Sciences '74
M.S. Biological Sciences '75
Executive Vice President
of Nutritional Products
Abbott Laboratories

Paula M. LeRoy
B.S. Elementary Education '66
Retired President, Pension Benefit Information, Inc.

Jeffrey T. Liesendahl
B.S. Accountancy '87
CEO, Accertify LLC

PROFESSIONAL & FINANCIAL

Borrower’s Counsel:	Sorling Northrup	Springfield, IL	Steve Bochenek
Auditor:	Mueller & Co., LLP	Elgin, IL	Michael Stephens
Borrower’s Advisor:	Longhouse Capital Advisors	La Grange Park, IL	Lindsay Wall
Bond Counsel:	Chapman & Cutler LLP	Chicago, IL	Andrea Bacon
Bank/Bond Purchaser:	First Merit Bank	Chicago, IL	Dwight Clark, June Courtney
Bank/Bond Purchaser’s Counsel:	Ice Miller, LLP	Lisle, IL	Laurie Miller
Architect:	HKM Architects	Arlington Heights, IL	Mark Hopkins
General Contractor:	Turner Construction Company	Chicago, IL	
IFA Counsel:	Kutak Rock LLP	Chicago, IL	Kevin Barney
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

Congressional:	14
State Senate:	70
State House:	90

ILLINOIS FINANCE AUTHORITY

CONDUIT

March 12, 2013

$2,500,000
Countryside Montessori Schools, Inc.

REQUEST	**Purpose**: Bond proceeds will be loaned to **Countryside Montessori Schools, Inc.** (the "**School**" or "**Borrower**") for the purpose of providing the Borrower with all or a portion of the funds to (i) refinance existing debt, (ii) finance acquisition of additional property at 1965 Pfingsten Road in Northbrook, Illinois, (iii) finance the construction and rehabilitation of additional classrooms to accommodate 7th and 8th grade students within the new building and to finance renovations and improvements at the Borrower's existing campus, the main address of which is located at 1985 Pfingsten Road, Northbrook, Illinois, including, but not limited to connecting the buildings on the Borrower's campus (collectively, the "**Project**"), and (iv) pay certain costs incurred in connection with the issuance of the Bond, all as permitted by the Act (collectively, the "**Financing Purposes**"). **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTION	Final Bond Resolution (*One-Time Consideration*)
MATERIAL CHANGES	None – this is the first time this matter has been presented to the IFA Board of Directors.
JOB DATA	23 Current jobs; 3 New jobs projected (12-24 months) N/A Retained jobs; 25 Construction jobs projected (6 months)
DESCRIPTION	● Location: Northbrook / Cook County / Northeast ● Type of entity: Countryside Montessori School is an Illinois not-for-profit corporation. ● Countryside is a private, independent school for children in preschool through 6th grade which draws students from Chicago's North and Northwest suburbs. ● Countryside Montessori School is one of only 2 Montessori schools in Illinois to receive the highest recognition status for the full Montessori program granted by the Association Montessori Internationale (AMI) which was founded by Maria Montessori in 1929 to protect the integrity of her work.
CREDIT INDICATORS	● The Borrower is a non-rated entity. ● The IFA 501(c)(3) Revenue Bond (Countryside Montessori Schools, Inc. Project), Series 2013 will be purchased directly by Signature Bank, N.A. (the "**Bond Purchaser**"). The Bond Purchaser will be the secured lender and the direct bond investor.
SECURITY	● The Bond Purchaser will be secured by a first-priority mortgage and security interest in the real property and all fixtures, equipment and other personal property related to or used in connection with the real property of the Borrower located at 1985 Pfingsten Road and 1965 Pfingsten Road, all in Northbrook, Illinois.
MATURITY	● Not to exceed 25 years
INTEREST RATE	● The Bond Purchaser will establish a variable interest rate for an initial term of 10 years with a provision to enable the interest rate to be reset every 5 years thereafter until the final maturity date. The initial interest rate will be negotiated and established prior to closing and is currently estimated at between 4.00% and 6.00%.

SOURCES AND USES

Sources:		Uses:	
IFA Bonds	$2,500,000	Project costs	$3,210,000
Equity	802,400	Legal & Professional	92,400
Total	**$3,302,400**	**Total**	**$3,302,400**

RECOMMENDATION Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 12, 2013

Project: **Countryside Montessori Schools, Inc.**

STATISTICS

Project Number:	N-NP-TE-CD-8605	Amount:	$2,500,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Locations:	Northbrook	County/ Region:	Cook County/Northeast

BOARD ACTION

Final Bond Resolution (*One-time Consideration*)
Conduit 501(c)(3) Revenue Bonds — No IFA funds at risk
Credit Review Committee recommends approval — No extraordinary conditions

VOTING RECORD

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

PURPOSE

Bond proceeds will be loaned to **Countryside Montessori Schools, Inc.** (the "**School**" or "**Borrower**") for the purpose of providing the Borrower with all or a portion of the funds to (i) refinance existing debt, (ii) finance acquisition of additional property at 1965 Pfingsten Road in Northbrook, Illinois, (iii) finance the construction and rehabilitation of additional classrooms to accommodate 7th and 8th grade students within the new building and to finance renovations and improvements at the Borrower's existing campus, the main address of which is located at 1985 Pfingsten Road, Northbrook, Illinois, including, but not limited to connecting the buildings on the Borrower's campus (collectively, the "**Project**"), and (iv) pay certain costs incurred in connection with the issuance of the Bond, all as permitted by the Act (collectively, the "**Financing Purposes**").

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bond financing that 501(c)(3) corporations can use to finance 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, thereby reducing the Borrower's interest expense.

VOLUME CAP

501(c)(3) Bonds do not require Volume Cap.

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		**Uses:**	
IFA Bonds	$2,500,000	Project costs	$3,302,400
Equity	802,400	Legal & Professional	92,400
Total	**$3,302,400**	**Total**	**$3,302,400**

JOBS

Current employment:	23	Projected new jobs:	3 (12-24 months)
Jobs retained:	N/A	Construction jobs:	25 (6 months)

FINANCING SUMMARY

Structure/ Security:	The Bond will be purchased directly by Signature Bank, N.A. (the "**Bank**" or "**Bond Purchaser**"), and held as an investment. The Bank will be secured by a valid, perfected, first-priority mortgage and security interest in the real property and all fixtures, equipment and other personal property related to or used in connection with the real property real property of the Borrower located at 1945 Pfingsten Road, 1985 Pfingsten Road and 1965 Pfingsten Road, all in Northbrook, Illinois.
Interest Rate:	The Bond Purchaser will set an initial fixed rate for 10 years (with reset provisions every 5 years thereafter), amortized over 25 years. During the construction period, interest-only payments will be made for the first 6 months; monthly principal and interest payments will begin thereafter. The interest rate will be set at pre-closing based on prevailing market conditions, currently estimated at between 4.00% and 6.00%.
Maturity:	Final maturity date – 25 years from issuance date. Signature Bank's initial interest rate period will be set for an initial term of 10 years (with corresponding reset provisions every 5 years thereafter).
Estimated Closing Date:	March, 2013
Rationale:	The proposed financing will reduce monthly payments that (together with other funds available to the Borrower) will assist in helping Countryside Montessori Schools, Inc. keep its fixed charges (including debt service payments) as low as possible. Furthermore, the Project will allow Countryside to expand into much needed 7th and 8th grade. This will bridge the current gap in the area between elementary school and high school. Additionally, it will provide for a larger campus and room for the school to continue to grow in the future. The school currently owns real property at 1945 Pfingsten Road and 1985 Pfingsten Road, all in Northbrook, Illinois. The purchase of real property at 1965 Pfingsten Road completes the campus.

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be loaned to **Countryside Montessori Schools, Inc.** (the "**School**" or "**Borrower**") for the purpose of providing the Borrower with all or a portion of the funds to (i) refinance existing debt, (ii) finance acquisition of additional property at 1965 Pfingsten Road in Northbrook, Illinois, (iii) finance the construction and rehabilitation of additional classrooms to accommodate 7th and 8th grade students within the new building and to finance renovations and improvements at the Borrower's existing campus, the main address of which is located at 1985 Pfingsten Road, Northbrook, Illinois, including, but not limited to connecting the buildings on the Borrower's campus (collectively, the "**Project**"), and (iv) pay certain costs incurred in connection with the issuance of the Bond, all as permitted by the Act (collectively, the "**Financing Purposes**").

The estimated Project Costs are comprised of the following items (subject to change):

Land/Building Acquisition	$720,000
Rehabilitation	100,000
New Construction	1,900,000
Architectural/Engineering	100,000
Reimburse Prior Costs/Refinance	390,000
Total	**$3,210,000**

BUSINESS SUMMARY

Description: **Countryside Montessori Schools, Inc.** ("**Countryside**" or the "**Borrower**") was established in 1967 and is incorporated under State of Illinois law. The Borrower is a 501(c)(3) not-for-profit corporation exempt from federal income taxes under the Internal Revenue Code.

Countryside is governed by a 7-member Board of Directors (see p. 5).

Background: In 1967, Franklin C. and Annette B. Kulle founded Countryside Montessori School, starting operations in Glenview. Satellite classes were opened in Skokie in 1969 and in Northbrook in 1970. In 1971, they moved the school to its present site. The Elementary Program was added in 1972. A major addition was completed in 1995, and other renovations were completed in 1999. Today, Countryside has an enrollment of approximately 155 students. The school was incorporated in 1971.

Countryside Montessori School is one of only 2 Montessori schools in Illinois to receive the highest recognition status for the full Montessori program granted by the Association Montessori Internationale (AMI) which was founded by Maria Montessori in 1929 to protect the integrity of her work. The classes are multi-age, in keeping with the Montessori practice. The mixed age groups provide for peer teaching, role models and leadership experience; they also enhance the sense of community within the classroom. Since a successful Montessori environment depends so greatly on children having focused periods of time in which to complete tasks and activities, the school makes a priority of maximizing uninterrupted work time.

Above all, the school places the highest importance on serving the needs of the child. Everything in the classroom is designed to meet the developmental needs and interests of the children. There is no ceiling to what children can learn, and they are able to advance through the curriculum as they are ready, without being limited by the progress of their peers.

Countryside's traditional materials have been researched and developed during decades of classroom use. The teachers take great care in preparing the environment so that materials are arranged sequentially, children have comfortable work space and there is freedom of physical movement.

Countryside's annual tuition ranges from $10,900 for toddlers (16 – 36 mos.) to $18,400 for middle school (12 – 14 years). Countryside Montessori School annually provides more than $200,000 in financial assistance. These needs-based awards allow Countryside to increase the diversity of the school community.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Countryside Montessori Schools, Inc.

Contact: Wendy Calise, Head of School, 1985 Pfingsten Road, Northbrook (Cook County), IL 60062
T: (847)498-1105; E: wendy@countrysidemontessori.org

Website: www.countrysidemontessori.org

Site Locations: Current Properties: 1945 Pfingsten Road, Northbrook, IL
1985 Pfingsten Road, Northbrook, IL
Proposed Property: 1965 Pfingsten Road, Northbrook, IL

Project name: IFA 501(c)(3) Revenue Bond (Countryside Montessori Schools, Inc. Project), Series 2013

Organization: Illinois not-for-profit established as a 501(c)(3) corporation under the Internal Revenue Code

Seller Disclosure: The proposed real property being purchased with bond proceeds (1965 Pfingsten Road, Northbrook, IL) is currently owned by the Annette B. Kulle Trust.

The founders of Countryside Montessori Schools, Inc. (and current Board members), Annette B. Kulle and Franklin C. Kulle, serve as co-trustees of the Annette B. Kulle Trust.

Board of Directors:

COUNTRYSIDE MONTESSORI SCHOOLS, INC.
BOARD OF DIRECTORS

Martin Fishman, Chairman

John Kelly, Jr.

Donna Giannis

Peter Olsen

Linda Whitted

Frank Kulle

Annete Kulle

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Kelly, Olson, Michod, DeHaan & Richter, L.L.C.	Chicago, IL	Mark Costa
Auditor:	Mueller & Co., LLP	Elgin, IL	
Borrower's Advisor:	Total Capital Solutions, Inc.	Oak Park, IL	Tony Grant
Bond Counsel:	Peck, Shaffer & Williams, LLP	Chicago, IL	Tom Smith
Bank/Direct Bond Purchaser:	Signature Bank, N.A.	Chicago, IL	Pete Olsen
Bank Counsel:	Much Shelist, P.C.	Chicago, IL	Steve Stender
Architect:	Dobbins Group	Chicago, IL	
IFA Counsel:	Greenberg Traurig LLP	Chicago, IL	Matt Lewin
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

Congressional:	10
State Senate:	29
State House:	57

ILLINOIS FINANCE AUTHORITY

CONDUIT

March 12, 2013	**$42,000,000** **DePaul University**
REQUEST	**Purpose**: The proposed financing will enable **DePaul University** (the "**University**" or the "**Borrower**") to issue one or more series of Revenue Bonds to refund, advance refund, or provide for payment of all or a portion of the outstanding Illinois Finance Authority Revenue Bonds (DePaul University, Series 2004C), the proceeds of which were used to finance certain educational facilities of the University (the "**Financing Purposes**"). **Program**: Conduit 501(c)(3) Revenue Refunding Bonds (Advance Refunding) **Extraordinary Conditions**: None.
BOARD ACTIONS	Preliminary Bond Resolution
MATERIAL CHANGES	None – this is the first time this project has been presented to the IFA Board of Directors.
JOB DATA	2,434 Current jobs — N/A New jobs projected N/A Retained jobs — N/A Construction jobs projected
DESCRIPTION	● Location: Chicago (Cook County/Northeast Region) ● DePaul's original predecessor was founded in 1898 by the Congregation of the Mission and was known as St. Vincent's College. ● The proposed Series 2013 Refunding Bonds will enable DePaul to advance refund all or a portion of its Series 2004C Bonds to generate present value savings.
CREDIT INDICATORS	● DePaul is currently rated "A3"/ "A-"/"A-" long-term by Moody's/S&P/Fitch.
PROPOSED STRUCTURE	• The Bonds will be underwritten by Goldman Sachs (Senior Manager) based on the direct, underlying ratings of DePaul University. • Estimated interest rates range between 2.50% and 3.00% as of 2/25/2013.
SOURCES AND USES (*PRELIMINARY, SUBJECT TO CHANGE)	See below
RECOMMENDATION	Credit Review Committee recommends approval.

Sources and Uses (*Preliminary, subject to change):

Sources:		**Uses:**	
IFA Refunding Bonds	$42,000,000	Refunding Escrow	$42,000,000
Borrower Equity	1,150,000	*Costs of Issuance	1,150,000
Total	**$43,150,000**	**Total**	**$43,150,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 12, 2013

Project: DePaul University

STATISTICS

Project Number:	E-PC-TE-CD-8606	Amount:	Not to exceed $42,000,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton and Brad Fletcher
Location:	Chicago	County/ Region:	Cook County/Northeast

BOARD ACTION

Preliminary Bond Resolution
Conduit 501(c)(3) Revenue Refunding Bonds — No IFA funds at risk
Credit Review Committee recommends approval — No extraordinary conditions

PURPOSE

Bond proceeds will be issued in one or more series and used to refund, advance refund, or provide for payment of all or a portion of the outstanding Illinois Finance Authority Revenue Bonds (DePaul University, Series 2004C), the proceeds of which were used to finance certain educational facilities of the University.

IFA CONTRIBUTION AND PROGRAM

IFA will convey federal Tax-Exempt status on interest paid to investors on the Bonds, thereby resulting in a lower interest rate that will be passed through to the Borrower.

VOTING RECORD

None. This will be the first time this matter will be considered by the IFA Board of Directors.

SOURCES AND USES OF FUND

Sources:	IFA Refunding Bonds	$42,000,000	Uses:	Refunding Escrow	$42,000,000
	Equity	1,150,000		*Costs of Issuance	1,150,000
	Total	**$43,150,000**		**Total**	**$43,150,000**

***Preliminary Estimate, subject to change**

JOBS

Current employment:	2,434	Projected new jobs:	N/A
Jobs retained:	Not applicable	Construction jobs:	N/A

BUSINESS SUMMARY

Background: DePaul University is a 501(c)(3) organization incorporated under Illinois law. DePaul's original predecessor was founded in 1898 by the Congregation of the Mission and was known as St. Vincent's College.

The University is governed by a two-tiered governance committee consisting of (1) The Members of the University, a self-perpetuating body of 14 individuals, representing the Congregation of the Mission (C.M.), the religious community that sponsors the University. The Members are empowered to elect the Board of Trustees, whose responsibility is to direct and manage the affairs of the University and other officers. Currently, there are 44 trustees elected to serve staggered 3-year terms (40 to 45 trustees are required under the University's By-Laws). A list of the University's current Board of Trustees is attached (see page 6).

Description: The University's mission is to provide education in liberal and professional studies. DePaul has evolved into a major urban institution, serving metropolitan Chicago. The University is the largest Catholic university in the nation and among the nation's ten largest private universities. In Fall 2012, the University posted total enrollment of 24,966 students, including 16,498 undergraduate students and 8,468 graduate and professional students.

The University is comprised of five campuses, including two core campuses in Chicago, and three satellite campuses in and near suburban Chicago. DePaul's Lincoln Park and Loop Campuses in Chicago form the core of the University's academic and administrative activities. The Lincoln Park campus is a residential campus located on approximately 34 acres and is located approximately 3 miles north of downtown Chicago. The Lincoln Park campus now consists of more than 45 buildings comprising approximately 2.3 million square feet. The Loop Campus, located in the Chicago Central Business District at the corner of Wabash Avenue and Jackson Blvd., consists of 3 interconnected and 2 adjacent buildings of over 1.3 million SF and provides facilities for the College of Law, Graduate Programs, and undergraduate programs.

DePaul's three satellite campus locations were established and have expanded to satisfy a growing demand for higher education in suburban Chicago. DePaul's three satellite facilities include: (1) The DePaul O'Hare Campus (near Cumberland Ave. [Illinois Hwy. 171] and the Kennedy Expressway [I-90]) in Chicago, Illinois, (2) South Suburban Community College in Oak Forest, Illinois, and (3) Naperville, Illinois (located in a portion of the BP [Amoco] Research Center facility adjacent to I-88).

The University offers 123 undergraduate and over 175 graduate and professional graduate degree programs, including seven programs offered by the College of Law.

During calendar year 2012, key business developments included:

1. Dedicating the Arts and Letters Hall, a new academic building at the Lincoln Park campus featuring 47 classrooms and housing the departments of English and History of Art and Architecture and contains faculty offices and meeting rooms;
2. Dedicating the Richard H. Driehaus College of Business in support of faculty excellence in graduate and undergraduate business programs; and
3. Announcing, in a joint venture with Rosalind Franklin University of Medicine and Science in North Chicago, the establishment of the Alliance for Health Sciences, a unique, wide-ranging alliance to help address the expanding need for health care professionals. The objectives of the Alliance for Health Sciences are to: (1) establish a curricular pathway for DePaul students to graduate professional degree programs at Rosalind Franklin, (2) expand and strengthen academic programs at both schools, (3) foster collaboration between the faculties of the two institutions, and (4) create additional research opportunities for students. DePaul plans to use Rosalind Franklin's fully-equipped North Chicago campus as a second instructional site for its nursing program.

FINANCING SUMMARY

Security/ Ratings:	The Bonds will be sold based on the direct, underlying rating of DePaul University. DePaul is currently rated "A3"/ "A-"/"A-" long-term by Moody's/S&P/Fitch.
Structure:	The Bonds will be underwritten by Goldman Sachs & Company (Senior Manager) and sold on the basis of the University's long-term debt ratings.
Interest Rate:	Estimated all-in interest rates on the two series range between 2.50% and 3.00% as of 2/25/2013.
Maturity:	The IFA Series 2013 Revenue Refunding Bonds are expected to mature in 2024 or 2025. The final maturity date of the IFA Series 2004C Bond is 10/1/2024.
Underlying Ratings:	The Rating Agencies will re-evaluate DePaul in advance of the proposed financing. The final IFA Board Summary Report presented in connection with DePaul's request for a Final Bond Resolution will reflect any changes in ratings (or outlook).
Anticipated Closing Date:	April 2013
Rationale:	Advance refunding to attain present value savings.

PROJECT SUMMARY FROM PRELIMINARY BOND RESOLUTION

The proposed financing will enable **DePaul University** (the "**University**" or the "**Borrower**") to issue one or more series of Revenue Bonds to refund, advance refund, or provide for payment of all or a portion of the outstanding Illinois Finance Authority Revenue Bonds (DePaul University - Series 2004C), the proceeds of which were used to finance certain educational facilities of the University (the "**Financing Purposes**").

ECONOMIC DISCLOSURE STATEMENT

Applicant/ Contacts:	DePaul University, 55 East Jackson Boulevard, Chicago, Illinois 60604-4101; www.depaul.edu (1) Jeffrey J. Bethke, Treasurer, Ph.: 312/362-6715; jbethke@depaul.edu (2) Doug Stanford, Director of Treasury Operations, Ph.: 312/ 362-6714; dstanford@depaul.edu
Project name:	DePaul Commercial Paper Revenue Notes
Locations:	DePaul's Lincoln Park Campus, 2550 N. Sheffield Ave., Chicago, IL 60614-3298 and DePaul's Loop Campus, 55 East Jackson Blvd., Chicago, IL 60604
Organization:	Illinois 501(c)(3) organization
Board Membership:	*For list of Board of Trustees, see page 6.*

PROFESSIONAL AND FINANCIAL

Borrower's Counsel:	Perkins Coie LLP	Chicago, IL	Daniel Coyne
Auditor:	KPMG, LLP	Chicago, IL	
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Jim Luebchow, Nancy Burke
Senior Manager:	Goldman Sachs & Co.	New York, NY	Thornton Lurie
Co-Manager:	Loop Capital Markets, LLC	Chicago, IL	Al Dinwiddle
Underwriter's Counsel:	Michael Best & Friedrich LLP	Chicago, IL	Gregory Tears
Trustee:	Deutsche Bank National Trust Co.	Chicago, IL	George Kubin
Rating Agencies:	Moody's Investors Service	New York, NY	
	Standard & Poor's	Chicago, IL	
	Fitch Ratings	New York, NY	
IFA Counsel:	Burke Burns & Pinelli, Ltd.	Chicago, IL	Steve Welcome
IFA Financial Advisor:	Public Financial Management, Inc.	Chicago, IL	Shannon Williams

LEGISLATIVE DISTRICTS

	Loop Campus	**Lincoln Park Campus**
Congressional:	7	5
State Senate:	3	6
State House:	5	11

DePaul University Board of Trustees

CONDUIT

ILLINOIS FINANCE AUTHORITY

March 13, 2013

$400,000,000 (not-to-exceed amount)
The University of Chicago

REQUEST	**Purpose**: Bond proceeds will be combined with other funds to finance all or a portion of the costs of various educational facilities and used by The University of Chicago (the "**University**" or the "**Borrower**") to (i) finance, refinance, or reimburse the Borrower for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement and expansion of certain of its educational facilities, including, without limitation, the construction and equipping of the William Eckhardt Research Center, the renovation, expansion and equipping of the Borrower's Laboratory Schools, the renovation, construction and equipping of the Borrower's educational facilities located at 5757 S. University Avenue in Chicago, Illinois, the planning, design, construction and equipping of a new residence hall, and the acquisition, construction, renovation, improvement and completion of various other administrative, academic, research, infrastructure and campus projects and the equipping of the foregoing, and including related landscaping, signage and other similar improvements (collectively, the "**New Projects**"), (ii) refund, advance refund or provide for the payment of all or a portion of certain tax-exempt revenue bonds (the "**Prior Bonds**"), the proceeds of which were used, among other things, to finance, refinance or reimburse the Borrower for certain costs relating to the acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities, including, without limitation, the planning, design, construction, renovation and equipping of the Booth School of Business Harper Center, the Gordon Center for Integrative Science, the Donnelly Biological Sciences Learning Center/Knapp Building, the Knapp Center for Biomedical Discovery and other new research and academic buildings, the renovation, expansion and equipping of Biological Sciences Division, the planning, design, construction and equipping of new residence halls, the renovation and equipping of existing residence halls, the renovation of the Searle Chemistry Building, the renovation and expansion of the law school building, the construction and equipping of a library addition, the expansion and renovation of the steam plant, chillers and other infrastructure improvements, the construction, expansion, renovation and equipping of various administrative and academic buildings and residence halls and the completion of a wide range of other campus improvements, (iii) pay certain working capital expenditures if deemed desirable by the Borrower, (iv) fund one or more debt service reserve funds required to be maintained (if any) in accordance with one or more trust indentures between the Authority and one or more trust companies or banks having the powers of a trust company, as trustee, and (v) pay certain costs relating to the issuance of the Bonds, including the costs of bond insurance or other credit or liquidity enhancement, if any, and certain costs incurred in connection with the refunding, advance refunding or provision for payment of all or a portion of the Prior Bonds, all as permitted under the Act (collectively, the "**Financing Purposes**"). **Program**: 501(c)(3) Revenue Bonds and Revenue Refunding Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	Preliminary Bond Resolution
MATERIAL CHANGES	This is the first time this financing has been presented for consideration.
JOB DATA	11,200 Current jobs; TBD New jobs projected N/A Retained jobs; TBD Construction jobs projected
DESCRIPTION	● Project Location: City of Chicago (Cook County) ● Type of entity: The University, a 501(c)(3) organization incorporated under Illinois law, is a private, non-sectarian, co-educational institution of higher learning founded by John D. Rockefeller in 1890 that is governed by a fifty-member Board of Trustees.
CREDIT INDICATORS	● The plan of finance contemplates Bonds to be sold in one or more series. Fixed Rate Bonds will be sold based on the University's underlying long-term debt ratings of Aa1/AA (Moody's/S&P). Any Variable Rate Bonds may be further secured by a liquidity facility. The University's short-term ratings are P-1/A-1 + (Moody's/S&P). ● Morgan Stanley has been engaged by the Borrower as Underwriter/Senior Manager The Co-Senior Manager and Co-Managers, also selected pursuant to the University's procurement policies, are identified on page 6 of this report.
SECURITY	● The Bonds will be a general unsecured corporate obligation of the University and as such will not be secured by a mortgage or security interest on any of the University's assets, properties or funds.
MATURITY	● Bonds will mature no later than 40 years from the issue date. ● Both sizing and interest rate modes to be determined based on evaluation of market conditions by the University and its financing team at pricing. *The amounts represented in this report represent not-to-exceed parameters.*
SOURCES AND USES	see table below
RECOMMENDATION	Credit Review Committee recommends approval.

Sources:		**Uses:**	
IFA New Money Bonds	$200,000,000	New Money Project Fund	$499,040,000
IFA Refunding Bonds	200,000,000	Refunding Bonds	200,000,000
Taxable Financing	300,000,000	Costs of Issuance	960,000
Total	**$700,000,000**	**Total**	**$700,000,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 12, 2013

Project: The University of Chicago

STATISTICS

Project Number:	E-PC-TE-CD-8312	Amount:	$400,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Chicago	County/ Region:	Cook County/Northeast

BOARD ACTION

Preliminary Bond Resolution	
Conduit 501(c)(3) Revenue and Refunding Bonds	No IFA funds at risk
Credit Review Committee recommends approval	No extraordinary conditions

VOTING RECORD

None. This is the first time this financing has been presented for consideration.

PURPOSE

Bond proceeds will be combined with other funds to finance all or a portion of the costs of various educational facilities and used by The University of Chicago (the "**University**" or the "**Borrower**") to (i) finance, refinance, or reimburse the Borrower for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement and expansion of certain of its educational facilities, including, without limitation, the construction and equipping of the William Eckhardt Research Center, the renovation, expansion and equipping of the Borrower's Laboratory Schools, the renovation, construction and equipping of the Borrower's educational facilities located at 5757 S. University Avenue in Chicago, Illinois, the planning, design, construction and equipping of a new residence hall, and the acquisition, construction, renovation, improvement and completion of various other administrative, academic, research, infrastructure and campus projects and the equipping of the foregoing, and including related landscaping, signage and other similar improvements (collectively, the "**New Projects**"), (ii) refund, advance refund or provide for the payment of all or a portion of certain tax-exempt revenue bonds (the "**Prior Bonds**"), the proceeds of which were used, among other things, to finance, refinance or reimburse the Borrower for certain costs relating to the acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities, including, without limitation, the planning, design, construction, renovation and equipping of the Booth School of Business Harper Center, the Gordon Center for Integrative Science, the Donnelly Biological Sciences Learning Center/Knapp Building, the Knapp Center for Biomedical Discovery and other new research and academic buildings, the renovation, expansion and equipping of Biological Sciences Division, the planning, design, construction and equipping of new residence halls, the renovation and equipping of existing residence halls, the renovation of the Searle Chemistry Building, the renovation and expansion of the law school building, the construction and equipping of a library addition, the expansion and renovation of the steam plant, chillers and other infrastructure improvements, the construction, expansion, renovation and equipping of various administrative and academic buildings and residence halls and the completion of a wide range of other campus improvements, (iii) pay certain working capital expenditures if deemed desirable by the Borrower, (iv) fund one or more debt service reserve funds required to be maintained (if any) in accordance with one or more trust indentures between the Authority and one or more trust companies or banks having the powers of a trust company, as trustee, and (v) pay certain costs relating to the issuance of the Bonds, including the costs of bond insurance or other credit or liquidity enhancement, if any, and certain costs incurred in connection with the refunding, advance refunding or provision for payment of all or a portion of the Prior Bonds, all as permitted under the Act (collectively, the "**Financing Purposes**").

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

501(c)(3) Bonds do not require Volume Cap.

ESTIMATED SOURCES AND USES OF FUNDS (SUBJECT TO CHANGE)

Sources:	IFA New Money Bonds	$200,000,000	Uses:	New Money Project Fund	$499,040,000
	IFA Refunding Bonds	200,000,000		Refunding Bonds	200,000,000
	Taxable Bonds	300,000,000		Costs of Issuance	960,000
Total		**$700,000,000**	**Total**		**$700,000,000**

Note: Final Bond Sizing will be based on market conditions at pricing. The amounts represented in this report represent not-to-exceed parameters and the final amount is subject to change.

JOBS

Current employment:	11,200	Projected new jobs:	TBD
Jobs retained:	N/A	Construction jobs:	TBD

Employment estimates will be available at the time this transaction is presented for a Final Bond Resolution.

FINANCING SUMMARY

Security: The Bonds will be a general unsecured corporate obligation of the University and as such will not be secured by a mortgage or security interest on any of the University's assets, properties or funds.

Structure: The plan of finance contemplates the public issuance of an amount not-to-exceed $400 million of tax-exempt debt to be issued in one or more series. Fixed Rate Bonds would be sold based on the University's underlying long-term debt ratings of Aa1/AA (Moody's/S&P). Morgan Stanley has been engaged by the Borrower as Senior Manager. Variable Rate Bonds (to the extent issued) would be sold based on the University's P1/A-1+ (Moody's/S&P) short-term ratings (and likely further backed by a liquidity facility from a financial institution with P1/A-1+ short-term ratings).

Interest Rate: The University and their financing team will determine interest rate modes and the mix of Fixed Rate Bonds and Variable Rate Bonds after evaluating market conditions and prospective transaction sizing in advance of pricing.

Underlying Debt Ratings: The University's underlying ratings are: (1) long-term: Aa1/AA (Moody's/S&P) and (2) short-term: P1/A-1+ (Moody's/S&P).

Maturity: No later than 2053 (40 years from issuance date; maximum parameter) on the IFA Series 2013A New Money Bonds. Maturity to be determined on the IFA Series 2013B Refunding Bonds.

Estimated Closing Date: April or May 2012

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Bond proceeds will be combined with other funds to finance all or a portion of the costs of various educational facilities and used by The University of Chicago (the "**University**" or the "**Borrower**") to (i) finance, refinance, or reimburse the Borrower for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement and expansion of certain of its educational facilities, including, without limitation, the construction and equipping of the William Eckhardt Research Center, the renovation, expansion and equipping of the Borrower's Laboratory Schools, the renovation, construction and equipping of the Borrower's educational facilities located at 5757 S. University Avenue in Chicago, Illinois, the planning, design, construction and equipping of a new residence hall, and the acquisition, construction, renovation, improvement and completion of various other administrative, academic, research, infrastructure and campus projects and the equipping of the foregoing, and including related landscaping, signage and other similar improvements (collectively, the "**New Projects**"), (ii) refund, advance refund or provide for the payment of all or a portion of certain tax-exempt revenue bonds (the "**Prior Bonds**"), the proceeds of which were used, among other things, to finance, refinance or reimburse the Borrower for certain costs relating to the acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities, including, without limitation, the planning, design, construction, renovation and equipping of the Booth School of Business Harper Center, the Gordon Center for Integrative Science, the Donnelly Biological Sciences Learning Center/Knapp Building, the Knapp Center for Biomedical Discovery and other new research and academic buildings, the renovation, expansion and equipping of Biological Sciences Division, the planning, design, construction and equipping of new residence halls, the renovation and equipping of existing residence halls, the renovation of the Searle Chemistry Building, the renovation and expansion of the law school building, the construction and equipping of a library addition, the expansion and renovation of the steam plant, chillers and other infrastructure improvements, the construction, expansion, renovation and equipping of various administrative and academic buildings and residence halls and the completion of a wide range of other campus improvements, (iii) pay certain working capital expenditures if deemed desirable by the Borrower, (iv) fund one or more debt service reserve funds required to be maintained (if any) in accordance with one or more trust indentures between the Authority and one or more trust companies or banks having the powers of a trust company, as trustee, and (v) pay certain costs relating to the issuance of the Bonds, including the costs of bond insurance or other credit or liquidity enhancement, if any, and certain costs incurred in connection with the refunding, advance refunding or provision for payment of all or a portion of the Prior Bonds, all as permitted under the Act (collectively, the "**Financing Purposes**").

BUSINESS SUMMARY

Description: **The University of Chicago** (the "**University**" or the "**Borrower**") is a 501(c)(3) organization incorporated under Illinois law. The University is a private, non-sectarian, co-educational institution of higher learning founded by John D. Rockefeller in 1890 that is governed by a fifty-member Board of Trustees (see pages 5-6 for listing).

Description: The University has emphasized both research and teaching from its inception. It has had a major impact on American higher education -- including devising the four-quarter academic year, developing extension courses and programs in the liberal arts for adults, establishing a general education program for undergraduates, initiating a full-time medical school teaching faculty, and establishing the first executive MBA program. The University has a highly respected education department and the University is a nationally recognized leader in the sciences and social sciences.

At the University, campus and community are interconnected in partnerships that serve both to support the community and to train future policymakers, social workers, artists, and social and political leaders. The University of Chicago Charter School, run by the Center for Urban School Improvement, serves students with four campuses for students in pre-kindergarten through high school. The Mandel Legal Aid Clinic teaches Law School students advocacy skills, professional ethics, and the effect of legal institutions on the poor, while assisting indigent clients.

The University of Chicago's 211-acre Hyde Park Campus is located eight miles south of downtown Chicago. The Hyde Park Campus, designated a botanic garden in 1997, stretches along both sides of the Midway Plaisance, a broad parkway designed by Frederick Law Olmstead for the city's South Park System which was used for the World's Columbian Exposition in 1893. The campus is arranged in a series of quadrangles, with a blend of traditional English Gothic and award-winning modern buildings designed by renowned international architects.

Applications to the College have increased substantially since 2008-2009, which in turn has allowed the University to become more selective. In 2012-2013, the College received 25,268 applications of which 3,340 were selected (compared to 12,377 applications and 3,454 offers of admission in 2008-2009). Indicative of the College's increasing selectivity, the mean SAT/ACT scores were 1495/33 for the 2012-2013 academic year, compared to 1412/31 (SAT/ACT) in the 2008-2009 academic year.

The College's selectivity has increased while undergraduate enrollment has increased from 4,642 students in 2005-2006 to 5,607 in 2012-2103. This growth in the undergraduate student body reflects successful implementation of the University's strategic plan.

ECONOMIC DISCLOSURE STATEMENT

Applicant: The University of Chicago, 5801 S. Ellis Avenue, Chicago, IL 60637
Contact: Lorraine J. Arvin, Associate VP for Finance & Administration and Treasurer
Tel: (773) 702-1940; E-mail:ljarvin@uchicago.edu
Website: www.uchicago.edu

Site Locations (New Projects):

- William Eckhardt Research Center, 5630-5650 S. Ellis Avenue, Chicago, IL 60637
- Laboratory Schools Expansion & Renovation, 1362 E. 59th Street and 5800 S. Stony Island Avenue, Chicago, IL 60637
- 5757 S. University Avenue (Adaptive renovation and equipping of former Chicago Theological Seminary), 5757 S. University, Chicago, IL 60637
- New Residence Hall – Hyde Park Campus
- General Improvements at the Hyde Park Campus: The general campus is bordered by 47th Street on the north; Lake Shore Drive on the east; 61st Street on the south; and Cottage Grove Ave. on the west.
- Refinancings at various campus sites: These sites are identified in the Project Summary section on Page 4 of this report.

Project name: IFA Series 2013A Revenue Bonds and IFA Series 2013B Revenue Refunding Bonds (The University of Chicago Project)

Board Of Trustees:

Sanford J. Grossman	Chairman and CEO, QFS Asset Management, L.P.
King W. Harris	Chairman, Harris Holdings, Inc.
Kenneth M. Jacobs	Chairman and Chief Executive Officer, Lazard LLC
Karen L. Katen	Senior Advisor, Essex Woodlands Health Ventures
Dennis J. Keller	Retired Chairman and CEO, Co-Founder, DeVry Inc.
Steven A. Kersten	President, Water Saver Faucet Company
James M. Kilts, Jr.	Founding Partner, Centerview Partners
Michael J. Klingensmith	Publisher and CEO, Minneapolis Star Tribune
Michael L. Klowden	President and CEO, Milken Institute
Robert W. Lane	Chairman, Deere & Company
Charles Ashby Lewis	Chairman, Lewis-Sebring Family Foundation
John Liew	Co-Founder, AQR Capital Management
Peter W. May	President and Founding Partner, Trian Partners
Joseph Neubauer	Chairman & CEO, ARAMARK Corporation
Emily Nicklin	Partner, Kirkland & Ellis LLP
Harvey B. Plotnick	Former President and CEO, Paradigm Holdings Inc.
Michael P. Polsky	Founder, President, and CEO, Invenergy, LLC
Myrtle S. Potter	Chief Executive Officer, Myrtle Potter and Company LLC
Thomas J. Pritzker	Chairman, Hyatt Hotels Corporation
John W. Rogers, Jr.	Chairman and CEO, Ariel Investments, LLC
Andrew M. Rosenfield	Managing Partner, Guggenheim Partners
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Alvaro J. Saieh	President, CorpGroup Holding
Steve G. Stevanovich	Chairman and President, SGS Group of Companies
Elizabeth M. Thompson	Burr Ridge, IL
Mary A. Tolan	Founder and CEO, Accretive Health
Byron D. Trott	Managing Partner, BDT Capital Partners
Marshall I. Wais, Jr.	Chief Executive Officer, Marwais International LLC
Gregory Westin Wendt	Senior Vice President, Capital Research Company
Paula Wolff	Senior Executive, Metropolis Strategies
Paul G. Yovovich, Vice Chair	President, Lake Capital
Francis T.F. Yuen	Chairman, Ortus Capital Management Ltd.
Robert J. Zimmer	President, The University of Chicago

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal
Auditor:	KPMG LLP	Chicago, IL	David Seid
Borrower Financial Advisor:	Prager & Co., LLC	San Francisco, CA	Susan Fitzgerald
		New York, NY	Mary Jane Darby
Bond Counsel:	Chapman & Cutler, LLP	Chicago, IL	Nancy Burke
Underwriter/Senior Manager:	Morgan Stanley & Co.	Chicago, IL	Bill Mack
Co-Senior Manager:	JPMorgan Securities	Chicago, IL	
Co-Managers:	Loop Capital Markets, LLC	Chicago, IL	
	Cabrera Capital Markets, LLC	Chicago, IL	
	Northern Trust Securities, Inc.	Chicago, IL	
Underwriter's Counsel:	Pugh Jones	Chicago, IL	Lorraine Tyson
Trustee:	Wells Fargo Bank, N.A.	Chicago, IL	Gail Klewin
Architects:	To be identified prior to Final Bond Resolution		
Construction Managers:	To be identified prior to Final Bond Resolution		
IFA Counsel:	Charity & Associates, P.C.	Chicago, IL	Alan M. Bell
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

	Hyde Park Campus
Congressional:	1
State Senate:	13
State House:	25

CONDUIT

ILLINOIS FINANCE AUTHORITY

March 12, 2013

$4,000,000
Three Crowns Park

REQUEST	**Purpose**: Bond proceeds will be used by **Three Crowns Park** (the "**Corporation**" or the "**Borrower**") to: (i) pay or reimburse the Borrower or a corporate affiliate for the payment of the costs of acquiring, constructing, renovating, remodeling and equipping the Borrower's continuing care retirement community, including but not limited to the costs of the renovation, remodeling and equipping of the Corporation's existing 48-bed nursing care facility and all necessary attendant facilities, equipment, site work and utilities, all located on the Borrower's existing campus in Evanston, Illinois (the "**Project**"); (ii) fund a debt service reserve fund for the benefit of the Bonds; (iii) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Borrower; (iv) provide working capital, if deemed necessary or advisable by the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds, including but not limited to fees for credit enhancement or a liquidity facility for the Bonds, if deemed necessary or advisable by the Borrower. **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	Final Bond Resolution Preliminary Bond Resolution approved 2/12/2013: Yeas: 9; Nays: 0; Abstentions: 0; Absent: 5 (Bronner, Leonard, O'Brien, Parish, Pederson); Vacancy: 1
MATERIAL CHANGES	None.
JOB DATA	115 FTEs Current jobs — 16 FTEs New jobs projected N/A Retained jobs — 12 FTEs Construction jobs projected (3 months)
DESCRIPTION	● Location (Evanston/Cook County/Northeast Region) ● Three Crowns Park is a not-for-profit corporation organized by the Swedish community, which owns and operates a continuing care retirement community in Evanston, Illinois. Three Crowns Park offers the full continuum of care through its residential programs and heath care facilities. It is the mission of Three Crowns Park to provide high quality retirement housing and health care options that foster security, dignity, independence, and promote personal growth. ● The Three Crowns Park campus includes 116 independent living units, 37 assisted living units, 17 memory support beds and 35 nursing care beds. Three Crowns Park is licensed for 48 nursing care beds, bond proceeds will fund the completion of a nursing expansion started in 2006 and will include an addition of 14 skilled nursing beds in space that is currently unused.
CREDIT INDICATORS	● The plan of finance contemplates the issuance of fixed rate bonds privately placed with Nuveen Investments.
SECURITY	● Parity debt with current outstanding Series 2006 Bonds. Mortgage and revenue pledge.
MATURITY	● Bonds will mature no later than 2043
SOURCES AND USES	see below
RECOMMENDATION	Credit Review Committee recommends approval.

Sources:		**Uses:**	
IFA Bonds	$3,100,000	Project Costs	$2,812,000
Equity	188,000	Debt Service Reserve	162,750
		Working Capital	63,250
		Costs of Issuance	250,000
Total	**$3,288,000**	**Total**	**$3,288,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
March 12, 2013

Project: Three Crowns Park

STATISTICS

Project Number:	H-SL-TE-CD-8604	Amount:	$4,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
Location:	Evanston	County/ Region:	Cook/Northeast

BOARD ACTION

Final Bond Resolution
Conduit 501(c)(3) Revenue Bonds
Credit Review Committee recommends approval

No IFA funds at risk
No extraordinary conditions

VOTING RECORD

Preliminary Bond Resolution approved 2/12/2013:

Yeas: 9; Nays: 0; Abstentions: 0; Absent: 5 (Bronner, Leonard, O'Brien, Parish, Pederson); Vacancy: 1

PURPOSE

Bond proceeds will be used by **Three Crowns Park** (the "**Corporation**" or the "**Borrower**") to: (i) pay or reimburse the Borrower or a corporate affiliate for the payment of the costs of acquiring, constructing, renovating, remodeling and equipping the Borrower's continuing care retirement community, including but not limited to the costs of the renovation, remodeling and equipping of the Corporation's existing 48-bed nursing care facility and all necessary attendant facilities, equipment, site work and utilities, all located on the Borrower's existing campus in Evanston, Illinois (the "**Project**"); (ii) fund a debt service reserve fund for the benefit of the Bonds; (iii) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the Borrower; (iv) provide working capital, if deemed necessary or advisable by the Authority or the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds, including but not limited to fees for credit enhancement or a liquidity facility for the Bonds, if deemed necessary or advisable by the Authority or the Borrower.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

501(c)(3) Bonds do not require Volume Cap.

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	$3,100,000	Uses:	Project Costs	$2,812,000
	Equity	188,000		Debt Service Reserve	162,750
				Working Capital	63,250
				Costs of Issuance	250,000
	Total	**$3,288,000**	**Total**		**$3,288,000**

JOBS

Current employment:	115 FTEs	Projected new jobs:	16 FTEs
Jobs retained:	N/A	Projected construction jobs:	12 FTEs

FINANCING SUMMARY

Security:	The Bonds will be secured by a Mortgage and revenue pledge. The Series 2013 Bonds will be on parity with the current outstanding Series 2006 Bonds.
Structure:	The current plan of finance anticipates the issuance of fixed rate bonds privately placed with Nuveen Investments.
Interest Rate:	To be determined the day of pricing depending on market conditions.
Interest Mode:	Fixed Rate
Credit Enhancement:	None
Maturity:	No later than 2043
Rating:	None
Estimated Closing Date:	March 27, 2013

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be used to: (i) pay or reimburse the Borrower or a corporate affiliate for the payment of the costs of acquiring, constructing, renovating, remodeling and equipping the Borrower's continuing care retirement community, including but not limited to the costs of the renovation, remodeling and equipping of the Corporation's existing 48-bed nursing care facility and all necessary attendant facilities, equipment, site work and utilities, all located on the Borrower's existing campus in Evanston, Illinois (the "**Project**"); (ii) fund a debt service reserve fund for the benefit of the Bonds; (iii) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the Borrower; (iv) provide working capital, if deemed necessary or advisable by the Authority or the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds, including but not limited to fees for credit enhancement or a liquidity facility for the Bonds, if deemed necessary or advisable by the Authority or the Borrower.

BUSINESS SUMMARY

Three Crowns Park is a not-for-profit corporation organized by the Swedish community, which owns and operates a continuing care retirement community in Evanston, Illinois. Three Crowns Park offers the full continuum of care through its residential programs and heath care facilities. It is the mission of Three Crowns Park to provide high quality retirement housing and health care options that foster security, dignity, independence, and promote personal growth.

The Three Crowns Park campus includes 116 independent living units, 37 assisted living units, 17 memory support beds and 35 nursing care beds, licensed for 48 nursing care beds.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Three Crowns Park
Site Address:	Three Crowns Park 2323 McDaniel Avenue Evanston, IL 60201
Contact:	Susan Morse Executive Director Three Crowns Park and Three Crowns Foundation 2323 McDaniel Avenue, Suite TCP Evanston, IL 60201-2570 224-420-3011 susan@threecrownspark.com
Website:	www.threecrownspark.com
Project name:	Three Crowns Park
Organization:	501(c)(3) Not-for-Profit Corporation
State:	Illinois

Ownership/2012-13 Board Members (501(c)(3)):

Board Member	Occupation
Janet Goelz Hoffman, Chairperson	Attorney, Katten Muchin Rosenman LLP
Samuel B. Stelzer, Vice-Chairperson	Consultant (Retired), State of Illinois, Department of Human Services, Office of Mental Health
Janice Maloney, Treasurer	Principal, Sawgrass Partners LLC
Nancy Flowers, Secretary	Social Work Manager, Rainbow Hospice and Palliative Care
David Johnson, Assistant Treasurer	Vice President and Chief Operating Officer, Lake Star Consulting, Inc.
Susan J. Morse, Assistant Secretary (Ex-Officio)	Executive Director, Three Crowns Park
Richard Hoffman, Immediate Past Chairperson	Attorney (Retired), Querrey & Harrow
James E. Elsass, Director	Associate Vice President for Business and Finance (Retired), Northwestern University
Barbara Schleck, Director	Executive Director (Retired), Cook County Court Watchers, Inc.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Katten Muchin Rosenman LLP	Chicago	Elizabeth Weber
Financial Advisor:	Sawgrass Partners	Palatine	Janie Maloney
Auditor:	Frost Ruttenberg & Rothblatt PC	Chicago	Kim Waite
Bond Counsel:	Jones Day	Chicago	John Bibby
Placement Agent:	Ziegler Capital Markets Group	Chicago	Steve Johnson
Placement Counsel:	Jones Day	Chicago	John Bibby
Bond Purchaser:	Nuveen Investments, Inc.	Chicago	Charles Hatchen
Bond Trustee:	Wells Fargo	Chicago	Gail Klewin
Issuer's Counsel:	Charity & Associates	Chicago	Alan Bell
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago	Courtney Shea

LEGISLATIVE DISTRICTS

Congressional:	9
State Senate:	9
State House:	17

SERVICE AREA

Three Crowns Park has historically drawn its residents from a primary market area located in nine zip codes that extend five miles to the north, four miles to the south, three miles to the west, and two miles to the east of the Community in the City of Evanston. Evanston is the first suburb north of Chicago and is part of Chicago's affluent North Shore region. The zip codes included in the primary market area are 60201, 60202, 60203, 60094, 60091, 60076, 60043, 60672 and 60645.

Admission sources for both the sheltered care/assisted living units and the nursing care beds include family members, physicians, social workers, community outreach programs, local churches and area hospitals. The City of Evanston is served by the following three hospitals: Evanston Hospital, St. Francis Hospital (both located in Evanston), and Skokie Hospital (located in Skokie).

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: March 12, 2013

Re: Resolution authorizing the execution and delivery of a First Amendment to Bond and Loan Agreement relating to the Illinois Finance Authority Revenue Bonds (Northern Illinois University Foundation Project) Series 2006 and a Tax Exemption Certificate and Agreement pertaining to the tax exemption of such Bonds; approving certain other related documents; and authorizing and approving certain related matters
IFA File Number: E-PC-TE-CD-6121

Request:

Northern Illinois University Foundation, an Illinois not-for-profit corporation, (the "**Foundation**" or the "**Borrower**") and **The National Bank & Trust Company of Sycamore** (the "**Bond Purchaser**") are requesting approval of a Resolution to authorize execution and delivery of a First Amendment to Bond and Loan Agreement to (i) effectuate an interest rate reset and (ii) ensure the Borrower's obligations and liabilities rank at least *pari passu* with the Borrower's obligations to First Merit Bank, N.A. and all other present or future unsecured and unsubordinated indebtedness of the Borrower in connection with the Illinois Finance Authority Revenue Bonds (Northern Illinois University Foundation Project), Series 2006 (the "**Bonds**").

The original par amount of the Bonds was approximately $9,206,100. The outstanding par amount of the Bonds was approximately $$2,108,876 as of March 1, 2013.

Approval of this resolution will authorize (i) an interest rate reset on the approximately $2,550,800 in outstanding principal amount of Bonds and (ii) ensure the Bonds rank at least *pari passu* with the Borrower's obligations to First Merit Bank, N.A. and all other present or future unsecured and unsubordinated indebtedness of the Borrower. As the terms of the Bonds will not be significantly modified, bond counsel (Chapman & Cutler LLP) has determined that a new public hearing on the project (i.e., a "**TEFRA Hearing**" as defined under the Internal Revenue Code) will not be necessary. Nevertheless, bond counsel has determined that this transaction will be considered a reissuance for tax law purposes. Consistent with other bank transactions that amended existing documents with the same bank to adjust the interest rate, no administrative service fee will be charged.

Background:

Bond proceeds of the IFA Series 2006 Bonds were used by the Foundation for the purpose of constructing the Academic and Athletic Performance Center (now known as the "Yordon Center") at Northern Illinois University, located at the corner of Stadium Drive East and Stadium Drive South, on the University's campus in DeKalb, Illinois.

All payments relating to the IFA Series 2006 Bond were current as of 3/1/2013 and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Borrower:	Northern Illinois University Foundation	DeKalb, IL	Jean Jagodzinski
Borrower's Counsel:	Sorling Northrup	Springfield, IL	Steve Bochenek
Bond Counsel:	Chapman & Cutler LLP	Chicago, IL	Andrea Bacon Joseph Saverino
Bond Purchaser:	National Bank and Trust, N.A	Sycamore, IL	Karen Kuppler
Bank Counsel:	Ice Miller LLP	Chicago, IL	Jim Snyder
IFA Counsel:	Kutak Rock, LLP	Chicago, IL	Kevin Barney
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

RESOLUTION NO. 2012-0312-AD12

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO BOND AND LOAN AGREEMENT RELATING TO THE ILLINOIS FINANCE AUTHORITY REVENUE BONDS (NORTHERN ILLINOIS UNIVERSITY FOUNDATION PROJECT) SERIES 2006 AND A TAX EXEMPTION CERTIFICATE AND AGREEMENT PERTAINING TO THE TAX EXEMPTION OF SUCH BONDS; APPROVING CERTAIN OTHER RELATED DOCUMENTS; AND AUTHORIZING AND APPROVING CERTAIN RELATED MATTERS.

WHEREAS, the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the *"Issuer"*), including without limitation the Illinois Finance Authority Act, 20 ILCS 3501/801-1 *et seq.*, as supplemented and amended (the *"Act"*), is authorized by the laws of the State of Illinois, including without limitation the Act, to issue its bonds for the purposes set forth in the Act and to permit the expenditure of the proceeds thereof to defray, among other things, the cost of the acquisition and improvement of "industrial projects" as defined in the Act; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond and Loan Agreement dated as of August 1, 2006 (the *"Original Agreement"*) among the Issuer, Northern Illinois University Foundation, an Illinois not-for-profit corporation (the *"Borrower"*) and The National Bank & Trust Company of Sycamore (the *"Purchaser"*), the Issuer issued its Revenue Bonds (Northern Illinois University Foundation Project) Series 2006 (the *"Bonds"*), in an aggregate principal amount of $9,206,100, of which $2,108,875.35 is currently outstanding, to finance the cost of constructing and equipping the Yordon Center at the campus of Northern Illinois University; and

WHEREAS, at the request of the Borrower and the Purchaser, the Issuer has agreed to amend certain provisions of the Original Agreement; and

WHEREAS, Section 9.5 of the Original Agreement provides that the Original Agreement may be amended with the written consent of the parties thereto; and

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ILLINOIS FINANCE AUTHORITY, AS FOLLOWS:

Section 1. The Members of the Issuer hereby find that all of the recitals contained in the preambles to this Resolution are true and correct and do incorporate them into this Resolution by this reference.

Section 2. The First Amendment to Bond and Loan Agreement (the *"First Amendment to Agreement"*) among the Issuer, the Borrower and the Purchaser, in substantially the form presented at this meeting and containing substantially the terms and provisions set forth therein, is hereby authorized, approved and confirmed, and the form, terms and provisions of the First Amendment to Agreement are hereby approved, with such changes and revisions therein as shall be approved by the officers of the Issuer executing and attesting the same, their signatures thereon to constitute conclusive evidence of such approval, and the Chairman, the Vice Chairman or the Executive Director (or any person appointed to such office on an interim basis) of the Issuer are hereby authorized and directed to execute and deliver the First

Amendment to Agreement to the other parties thereto, and the Secretary or Assistant Secretary is hereby authorized to attest the First Amendment to Agreement and affix the official seal of the Issuer thereto.. The First Amendment to Agreement authorizes the amendment of the interest rate on the Bonds to an interest rate to be set forth therein, but not in any event to exceed 2.5% per annum.

Section 3. The Tax Exemption Certificate and Agreement (the *"Tax Agreement"*) among the Issuer and the Borrower, in substantially the form presented at this meeting and containing substantially the terms and provisions set forth therein, is hereby authorized, approved, and confirmed, and the form, terms and provisions of the Tax Agreement are hereby approved with such changes and revisions therein as shall be approved by the officer of the Issuer executing the same, his or her signature thereon to constitute conclusive evidence of such approval, and that the Chairman, the Vice Chairman or the Executive Director (or any person appointed to such office on an interim basis) of the Issuer are hereby authorized and directed to execute and deliver the Tax Agreement to the other parties thereto.

Section 4. As set forth in the First Amendment to Agreement, amended Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of the Chairman and attested by the Secretary or Assistant Secretary and shall have impressed manually or printed by facsimile thereon the official seal of the Issuer. The amended Bonds shall be delivered to The National Bank & Trust Company of Sycamore (the *"Bond Registrar"*) for authentication in exchange for the existing Bonds, which shall be cancelled by the Bond Registrar.

Section 5. The Chairman, the Vice Chairman, the Secretary, the Assistant Secretary and the Executive Director of the Issuer are hereby authorized and directed to execute, attest, seal and deliver any and all documents and certificates, and do any and all things deemed necessary to effect the execution and delivery of the First Amendment to Agreement and the Tax Agreement, including the I.R.S. Form 8038 and related documents, and to carry out the intent and purposes of this Resolution, including the preambles hereto. In the absence of the Chairman, Vice Chairman, the Executive Director, the Secretary or the Assistant Secretary, any other officer or official of the Issuer authorized to do so under Illinois law may execute documents or take such other actions required or contemplated by this Resolution.

Section 6. Chapman and Cutler LLP, Chicago, Illinois, is hereby authorized to act as bond counsel (*"Bond Counsel"*) in connection with the amendment of the Original Agreement.

Section 7. All acts of the officials of the Issuer which are in conformity with the purposes and intent of this Resolution and in furtherance of the amendment of the Original Agreement be, and the same hereby are, in all respects, ratified, approved and confirmed.

Section 8. The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 9. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 10. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: March 12, 2013

Re: Resolution authorizing the issuance of not to exceed $10,000,000 aggregate principal amount of Adjustable Rate Demand Revenue Bonds (700 Hickory Hills Drive, LLC Project) Series 2013 of the Illinois Finance Authority and authorizing the sale thereof; authorizing the execution and delivery of a Loan Agreement, an Indenture of Trust, a Tax Exemption Certificate and Agreement and related documents in connection with the Bonds, and approving the distribution of related documents in connection with the Bonds; and related matters

IFA Series 2007 File Number: I-ID-TE-CD-6215

Request:
700 Hickory Hills Drive, LLC (the "**Borrower**"), a Connecticut limited liability company, and **Wells Fargo Bank, N.A**. (the "**Bank**" or "**Bond Purchaser**") are requesting approval of a Resolution to (i) authorize the execution and delivery of a Loan Agreement, an Indenture of Trust, a Tax Exemption Certificate and Agreement and related documents and (ii) approve related matters to effectuate the addition of a new bank direct-purchase interest rate mode on the outstanding Illinois Finance Authority ("**IFA**") Adjustable Rate Demand Revenue Bonds (700 Hickory Hills Drive, LLC Project) Series 2007 (the "**Series 2007 Bonds**") by reissuing the obligation as not to exceed $10,000,000 aggregate principal amount of Adjustable Rate Demand Revenue Bonds (700 Hickory Hills Drive, LLC Project) Series 2013 (the "**Series 2013 Bonds**").

The Borrower was organized for the purpose of acquiring, refurbishing and further building upon the property located at 700 Hickory Hill Drive, Vernon Hills, Illinois 60601 and then leasing the property to its affiliate Precision Resource, Inc. (the "**Affiliate**") for use as a manufacturing facility. Precision Resource, Inc. is engaged in design manufacturing precision steel parts and components by the use of fineblanking technology (which is a hybrid metal forming process combining the technologies of stamping and cold extrusion). See www.precisionresource.com for additional information.

The Series 2007 Bonds are currently secured by a Direct Pay Letter of Credit from Bank of America, N.A.; the Series 2013 Bonds will be privately placed and initially purchased in whole and held as an investment by the Wells Fargo Bank, N.A. The original par amount of the Series 2007 Bonds was $10,000,000. The outstanding par amount of the Series 2007 Bonds remained $10,000,000 as of March 1, 2013. Under federal tax law, this transaction will be considered a reissuance for tax purposes in order to enable the new bank direct-purchase interest rate mode (as one of several interest rate modes authorized under a Multi-Modal indenture). IFA's estimated administrative fee will be $10,000.

Background:
The proceeds of the Series 2007 Bonds were used by the Borrower to finance, refinance and reimburse itself for, all or a portion of the costs of the Project and pay capitalized interest and certain costs of issuance of the Series 2007 Bonds. The Project is owned by the Company and leased to, and operated by, the Affiliate. The Project consisted of the acquisition, construction, renovation and improvement of the Borrower's manufacturing facilities located at 700 Hickory Hill Drive, Vernon Hills, Illinois.

All payments relating to the IFA Series 2007 Bonds are current and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Borrower Counsel:	Wiggin & Dana	New Haven, CT	Norman Fleming
Bond Counsel:	Chapman & Cutler LLP	Chicago, IL	Andrea Bacon
Bond Purchaser:	Wells Fargo Bank, N.A.	White Plains, NY	Melinda White
Bank Counsel:	Kutak Rock LLP	Atlanta, GA	Paul Smith
Bond Trustee	Wells Fargo Bank, N.A.	Chicago, IL	Mark Rullo
Exiting Trustee:	U.S. Bank, N.A.	Hartford, CT	
IFA Counsel:	Ice Miller LLP	Chicago, IL	Jim Snyder
IFA Financial Advisor:	Public Financial Management, Inc.	Chicago, IL	Shannon Williams

RESOLUTION NO. 2013-0312-AD13

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $10,000,000 AGGREGATE PRINCIPAL AMOUNT OF ADJUSTABLE RATE DEMAND REVENUE BONDS (700 HICKORY HILLS DRIVE, LLC PROJECT) SERIES 2013 OF THE ILLINOIS FINANCE AUTHORITY AND AUTHORIZING THE SALE THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT, AN INDENTURE OF TRUST, A TAX EXEMPTION CERTIFICATE AND AGREEMENT AND RELATED DOCUMENTS IN CONNECTION WITH THE BONDS, AND APPROVING THE DISTRIBUTION OF RELATED DOCUMENTS IN CONNECTION WITH THE BONDS; AND RELATED MATTERS.

WHEREAS, the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the *"Issuer"*), including without limitation the Illinois Finance Authority Act, 20 ILCS 3501/801-1 *et seq*, as supplemented and amended (the *"Act"*), is authorized by the laws of the State of Illinois, including without limitation the Act, to issue its revenue bonds, as defined in the Act, payable solely from revenues and receipts from any revenue producing project and secured by a pledge of said revenues and receipts; and

WHEREAS, the Issuer has determined to issue not to exceed $10,000,000 aggregate principal amount of the Adjustable Rate Demand Revenue Bonds (700 Hickory Hills Drive, LLC Project) Series 2013 (the *"Bonds"*) pursuant to an Indenture of Trust (the *"Indenture"*) between the Issuer and Wells Fargo Bank, National Association, as trustee (the *"Trustee"*), to provide funds to lend to 700 Hickory Hills Drive, LLC (the *"Borrower"*) for the purpose of refunding the outstanding principal amount of the Issuer's Adjustable Rate Demand Revenue Bonds (700 Hickory Hills Drive, LLC Project) Series 2007 (the *"Prior Bonds"*), which were issued for the purpose of financing the acquisition of a parcel of land and an existing building in Vernon Hills, Illinois, the renovation of such building, the addition of up to approximately 77,500 square feet of manufacturing space, for the manufacture of metal automotive parts, the land and building leased to, and operated by, its affiliate, Precision Resource, Inc. (the *"2007 Project"*), and paying costs of issuance of the Prior Bonds; and

WHEREAS, a Loan Agreement (the *"Loan Agreement"*) will be executed by and between the Borrower and the Issuer, whereby the proceeds of the Bonds will be loaned by the Issuer to the Borrower for such purpose and the Borrower will covenant and agree to repay such loan by making or causing to be made payments sufficient to provide for the payment of principal and purchase price of and premium, if any, and interest on the Bonds, as and when the same become due and payable; and

WHEREAS, it is necessary and advisable for the Issuer, the Borrower and the Trustee to enter into a Tax Exemption Certificate and Agreement (the *"Tax Agreement"*) in order to document certain covenants and procedures regarding the exclusion from federal gross income of interest on the Bonds; and

WHEREAS, it is now necessary, desirable and in the best interests of the Issuer to authorize the execution and delivery, or approval, as the case may be, of the Indenture between the Issuer and the Trustee; a Loan Agreement between the Issuer and the Borrower; and a Tax Agreement, dated the date of issuance of the Bonds, by and among the Issuer, the Borrower and the Trustee, all in connection with the issuance of the Bonds; and

WHEREAS, the Bonds will be purchased by Wells Fargo Bank, National Association (the *"Purchaser"*); and

WHEREAS, the Issuer has caused to be prepared and presented to its members the following documents which the Issuer proposes to approve the terms of or enter into:

(i) the Indenture,

(ii) the Loan Agreement,

(iii) the Tax Agreement, and

(iii) the Bond;

WHEREAS, the Indenture, the Loan Agreement and the Tax Agreement are referred to collectively herein as the *"Issuer Agreements."*

NOW THEREFORE, Be It Resolved by the members of the Illinois Finance Authority, as follows:

Section 1. The Issuer is hereby authorized to enter into the Loan Agreement, the Indenture and the Tax Agreement with the other party thereto in substantially the same form now before the Issuer; the form, terms and provisions of each Issuer Agreement be, and they hereby are, in all respects approved; the Chairman, the Vice Chairman, the Executive Director or the Secretary of the Issuer be, and each of them hereby is, authorized, empowered and directed to execute and deliver, and if required, the Secretary or any Assistant Secretary of the Issuer be and each of them hereby is, authorized, empowered and directed to attest and to affix the official seal of the Issuer to, each Issuer Agreement in the name, for and on behalf of the Issuer, and thereupon to cause each Issuer Agreement to be executed, acknowledged and delivered to the other party or parties thereto, in substantially the form now before the Issuer or with such changes therein as the individual or individuals executing such Issuer Agreement on behalf of the Issuer shall approve, his execution thereof to constitute conclusive evidence of such approval of any and all changes or revisions therein from the form of such Issuer Agreement now before the Issuer; when each Issuer Agreement is executed, attested, sealed and delivered on behalf of the Issuer as hereinabove provided, such Issuer Agreement shall be binding on the Issuer; and from and after the execution and delivery of each Issuer Agreement, the officers, employees and agents of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such Issuer Agreement as executed.

Section 2. The form of the Bonds now before the Issuer, subject to appropriate insertions and revisions in order to comply with the provisions of the Indenture (as executed and delivered), is hereby approved; the Bonds shall be executed in the name, for and on behalf of the Issuer with the manual or facsimile signature of its Chairman and attested with the manual or facsimile signature of its Secretary or Assistant Secretary and the seal of the Issuer shall be impressed or imprinted thereon; the Chairman, the Vice Chairman or any other officer of the Issuer shall cause the Bonds, as so executed and attested, to be delivered to the Trustee for authentication; and when the Bonds shall be executed on behalf of the Issuer in the manner contemplated by the Indenture and this Resolution, they shall represent the approved form of the Bonds of the Issuer.

Section 3. The Bonds shall be designated "Illinois Finance Authority Adjustable Rate Demand Revenue Bonds (700 Hickory Hills Drive, LLC Project) Series 2013" or such other designation as shall be set forth in the Indenture. The Bonds shall be in such amount (not to exceed $10,000,000) and in such denominations, bear such date or dates, mature at such date or dates (but no later than 30 years from their date of issuance), bear interest at such rate or rates (not to exceed 25% per annum), be in fully registered form, and be subject to optional and mandatory redemption and optional and mandatory tender, all in accordance with the terms and provisions of the Indenture, and shall have such other terms and provisions as specified in the Indenture to be included therein.

The Issuer consents to the potential appointment by the Borrower, in the future, of a third party to act as Remarketing Agent for the Bonds and to the execution and delivery of a Remarketing Agreement, and further grants to the Borrower the right to designate any successor or replacement entity or entities as Remarketing Agent in accordance with the Indenture and to amend the Remarketing Agreement from time to time while the Bonds are outstanding.

Wells Fargo Bank, National Association is hereby designated as Trustee with respect to the Bonds. The Bonds may be registered to and held by The Depository Trust Company, and the Issuer may make such arrangements with The Depository Trust Company from time to time as needed.

Section 4. The Bonds shall be limited obligations of the Issuer payable solely out of the revenues and receipts derived from the Loan Agreement and funds pledged under the Indenture. No holder of any Bond has the right to compel the exercise of the taxing power, if any, of the Issuer, the State of Illinois or any political subdivision thereof to pay the Bonds, the interest or premium, if any, thereon, and the Bonds shall not constitute an indebtedness or an obligation of the Issuer, the State of Illinois or any political subdivision thereof or a loan of credit thereof within the meaning of any constitutional or statutory provisions. The Issuer does not have the power to levy taxes. It shall be plainly stated on the face of each Bond that it does not constitute an indebtedness or obligation of the Issuer, the State of Illinois or a loan of credit thereof within the meaning of any constitutional or statutory provision, but is payable solely from the revenues of the Issuer pledged therefor under the Indenture.

Section 5. The sale of the Bonds in the aggregate principal amount of not to exceed $10,000,000 to the Purchaser at a purchase price of not less than 100% of the aggregate principal amount thereof is hereby approved.

Section 6. The Chairman, the Vice Chairman, the Executive Director, the Secretary and any Assistant Secretary of the Issuer be, and each of them hereby is, authorized to execute and deliver such documents, certificates, and undertakings of the Issuer and to take such other actions as may be required in connection with the execution, delivery and performance of the Issuer Agreements and any Remarketing Agreement, authorized by this Resolution.

Section 7. All acts of the officers, employees and agents of the Issuer which are in conformity with the purposes and intent of this Resolution be, and the same hereby are, in all respects, ratified, approved and confirmed.

Section 8. The Issuer hereby elects to have the provisions of Section 144(a)(4) of the Internal Revenue Code of 1986, as amended, apply to the Bonds.

Section 9. The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 10. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 11. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Sohair Omar

Date: March 12, 2013

Re: Resolution Authorizing the Illinois Finance Authority to Fund and Administer a Pilot Program to Provide Working Capital Participation Loans to Small and Emerging Contractors to Assist Them in Obtaining Surety Bonding for Public Works Contracts in Illinois

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Request:

Recognizing State Senator Mattie Hunter's sustained leadership on this issue, the Illinois Finance Authority ("IFA" or "the Authority") requests approval of a resolution authorizing IFA to allocate up to five hundred thousand dollars ($500,000) out of the Authority's General Fund and administer a pilot program ("the Program") to provide working capital participation loans to small and emerging contractors performing work pursuant to government construction contracts, including minority-owned, women-owned and disadvantaged business enterprises ("M/W/DBEs, collectively with small and emerging contractors known as "Small Contractors"), to assist them in obtaining surety bonding, a legal guarantee, for public works contracts, as required by the Public Construction Bond Act, 30 ILCS 550/0.01 et seq., as amended, in Illinois.

The Program, as described in the accompanying Resolution, seeks to encourage short-term bank lending to small contractors for the purposes of paying for (i) surety bond premiums, (ii) suppliers, (iii) leasing equipment, (iv) employees and (v) other direct project-related expenses in connection with prime contracts awarded by public agencies. Under the Program, IFA will purchase fifty percent (50%) of the principal amount of each working capital loan with IFA's participation limited to a minimum of twenty five thousand dollars ($25,000) and a maximum of two hundred and fifty thousand dollars ($250,000). Each loan will bear simple interest, commonly used in construction lending, at a rate not to exceed ten percent (10%) for a repayment term not to exceed one (1) year. All small contractors must submit, among other things, proof of completion of or enrollment in a business training and counseling program and receive technical assistance from the supportive services unit of public agencies or a private entity on the project. IFA's participation on each loan will be subject to IFA Board approval, as has been the practice with all participation loans.

Payments on each loan will be derived solely from contract revenues to be paid by public agencies to small contractors under the terms of the public works contract. Contract revenues will be pledged to an escrow account, administered by a funds control agent, commonly used in construction financing, from which debt service payments will be paid first. Neither the public agency nor the small contractor will be required to pledge additional securities or guarantees as collateral. Lenders, including IFA, will be secured solely by a first lien position on the available monies in the escrow account.

Background:

Recognizing State Senator Mattie Hunter's leadership on this issue, IFA developed the Program with wide support from federal agencies (specifically, the United States Department of Housing and Urban Development and the United States Small Business Administration, who collectively launched a national Small Contractor Initiative in 2012) and State and local agencies (specifically, the Illinois Department of Transportation, the Illinois State Toll Highway Authority ("the Tollway"), the Illinois Environmental Protection Agency, the Capital Development Board, the Housing Authority of the County of Cook and the Chicago Housing Authority, all of whom submitted letters of support to IFA for the Program in 2012) to help increase minority participation on government-funded construction projects. Additionally, the Board of Directors of the Chicago Community Loan Fund, the first participating lender in the Program, approved an initial amount of five hundred thousand ($500,000) for the Program.

Government-funded construction projects represent significant business opportunities for small contractors. However, as documented in the 2011 Disadvantaged Businesses Enterprise Disparity Study, commissioned by the Tollway, M/W/DBEs face two major financial barriers: (i) obtaining surety bonding to prequalify for public construction contracts; and (ii) obtaining working capital to prequalify for surety bonding.

Recommendation:

IFA Credit Review Committee recommends approval.

RESOLUTION NO. 2013-0312-AD14

RESOLUTION AUTHORIZING THE ILLINOIS FINANCE AUTHORITY TO FUND AND ADMINISTER A PILOT PROGRAM TO PROVIDE WORKING CAPITAL PARTICIPATION LOANS TO SMALL AND EMERGING CONTRACTORS TO ASSIST THEM IN OBTAINING SURETY BONDING FOR PUBLIC WORKS CONTRACTS IN ILLINOIS

WHEREAS, pursuant to Section 801-30 and 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 make loans and enter into loan agreements to accomplish the purposes of the Act; and

WHEREAS, pursuant to the Business Enterprise for Minorities, Females, and Persons with Disabilities Act, 30 ILCS 575/1-1 et seq., as amended, it is the public policy of the State of Illinois to promote and encourage the continuing economic development of businesses in Illinois owned by minorities, females and persons with disabilities ("M/W/DBEs"); and

WHEREAS, the United States Department of Housing and Urban Development ("U.S. HUD") and the United States Small Business Administration ("U.S. SBA") have launched a Small Contractor Initiative to assist small and emerging contractors in developing management capacities and obtaining surety bonding for public works contracts;

WHEREAS, the 2011 Disadvantaged Business Enterprise Disparity Study, commissioned by the Illinois State Toll Highway Authority, revealed that M/W/DBEs have limited access to business capital and have difficulties obtaining surety bonding for public works contracts in Illinois;

WHEREAS, the Authority supports U.S. HUD's and U.S. SBA's Small Contractor Initiative and has decided to fund and administer a pilot program (the "Program") to fund working capital loans ("Loans") to small and emerging contractors in Illinois, including M/W/DBEs (each a "Small Contractor") to assist them in obtaining surety bonding for contracts ("Public Works Contracts") for "public works" as that term is defined in Section 2 of the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 et. seq., as amended (the "Prevailing Wage Act") from a "public body" as that term is defined in Section 2 of the Prevailing Wage Act;

WHEREAS, certain State of Illinois agencies (including, but not limited to the Illinois Department of Transportation, the Illinois State Toll Highway Authority, the Illinois Environmental Protection Agency and the Capital Development Board) have expressed their support for the Program;

WHEREAS, by this Resolution, the Board of the Authority has determined that it is necessary and in the best interests of the Authority to enter into one or more master participation agreements (each a "Participation Agreement") with the Chicago Community Loan Fund ("CCLF") or other lenders (each a "Lender") under which each Lender will sell, assign and transfer, and the Authority will purchase and accept, subject to the terms and conditions of the applicable Participation Agreement, participations in a Loan or Loans (each a "Participation") to Small Contractors to assist them in obtaining surety bonding for Public Works Contracts;

WHEREAS, under each Participation Agreement, the applicable Lender will evaluate Loan applications submitted by Small Contractors who are submitting bids as prime contractors for Public Works Contracts and forward each Loan application such Lender approves to the Authority for its approval for purchase of a Participation;

WHEREAS, in no case will the amount of any Participation exceed fifty percent (50%) of the principal amount of the Loan, and in no case will the term of any Loan be any longer than one (1) year; unless the

Executive Director of the Authority (the "Executive Director") determines in writing that it is in the best interests of the Authority to waive that limit;

WHEREAS, under each Participation Agreement, the applicable Lender will also service each Loan the Authority purchases a Participation in and remit to the Authority (a) its proportionate share of any amounts such Lender receives from the applicable Small Contractor who received the Loan (the "Borrower") as payments on each Loan and (b) its proportionate share of any other amounts such Lender collects which can be applied as payments on each Loan;

WHEREAS, each Participation will be not less than Twenty Five Thousand Dollars ($25,000) nor more than Two Hundred and Fifty Thousand Dollars ($250,000) for each Loan; unless the Executive Director determines in writing that it is in the best interests of the Authority to waive the Two Hundred and Fifty Thousand Dollars ($250,000) limit;

WHEREAS, each Loan shall bear simple interest at a rate not to exceed ten percent (10%);

WHEREAS, each Participation will be subject to IFA Board approval;

WHEREAS, the total amount of Participations the Authority will purchase under the Program shall not exceed Five Hundred Thousand Dollars ($500,000); unless the Board of the Authority determines that it is in the best interests of the Authority to waive the Five Hundred Thousand Dollars ($500,000) limit;

WHEREAS, disbursements for each Loan will be made only to Small Contractors who are awarded a Public Works Contract as a prime contractor and will be made only through an escrow account controlled by an escrow agent pursuant to the terms of an escrow agreement (the "Escrow Agreement");

WHEREAS, each Escrow Agreement will provide that disbursements for each Loan can only be used by the Borrower to (a) pay for all or a portion of the surety bond premium required under the applicable Public Works Contract; (b) pay suppliers used for the project under the Public Works Contract (the "Project"); (c) pay for leasing equipment for the Project; (d) pay employees used for the Project; (e) pay any required permits for the Project; and (f) pay other direct Project-related expenses.

WHEREAS, each Escrow Agreement will provide that to the extent the applicable Lender and the Authority (collectively, the "Funder") advance funds to the applicable Escrow Account for payment of Project-related expenses pursuant to the Escrow Agreement, and for so long as there remains a balance owed by the Borrower to the Funder under the applicable Loan documents, the applicable surety bond provider agrees to subordinate to the Funder and all of Funder's rights under the applicable Loan documents, any legal or equitable right the applicable surety bond provider has or may have now or in the future to any funds held in the Escrow Account or any proceeds of or current or future right to payment under the Public Works Contract (the "Subordination");

WHEREAS, each Subordination will terminate upon payment in full by the applicable Borrower of all amounts owed to the Funder pursuant to the applicable Loan documents; and

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AUTHORITY AS FOLLOWS:

Section 1. Incorporation of Recitals. The recitals contained in the preambles to this Resolution are hereby incorporated into this Resolution by this reference.

Section 2. Purpose of the Program. The purpose of the Program is to assist Small Contractors in obtaining surety bonding for Public Works Contracts.

Section 3. Participation Agreements. The Authority is authorized to enter into one or more Participation Agreements with CCLF and other Lenders in final forms that meet the requirements set forth in this Resolution. Each Participation Agreement shall contain a provision that it is executed and delivered under authority of this Resolution. Each Loan shall bear simple interest at a rate or rates equal to the rate of simple interest on the Loan as provided in the loan agreement between the Borrower and the Lender (the "Loan Agreement"), but shall not exceed ten percent (10%) and shall be payable on the payment dates as set forth in the applicable Loan Agreement.

Each of (i) the Executive Director or (ii) any other officer or employee of the Authority designated in writing by the Executive Director (any such other officer or employee being referred to as an "Authorized Officer") is hereby authorized to execute and deliver on behalf of the Authority, each Participation Agreement, provided that it meets the requirements of this Resolution.

Section 4. Delegation to the Executive Director and Authorized Officers. The Authority hereby delegates to the Executive Director and each Authorized Officer, the power to take or cause to be taken any and all such actions, and to execute, acknowledge and deliver any and all such agreements, instruments, certificates and other documents as may be required in connection with the funding and administration of the Program.

Section 5. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 6. Inconsistent Provisions. All ordinances, resolutions, motions or orders in conflict with this Resolution are hereby repealed to the extent of such conflict.

Section 7. Effective Date. This Resolution shall be in full force and effect immediately upon its passage and approval.

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