

# ILLINOIS FINANCE AUTHORITY

May 14, 2015

## AGENDA

### COMMITTEE OF THE WHOLE MEETING

9:30 a.m.

**Michael A. Bilandic Building  
160 North LaSalle Street  
Hearing Room N - 808  
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. Monthly Procurement Report
- VII. Committee Reports
- VIII. Project Reports and Resolutions
- IX. Other Business
- X. Public Comment
- XI. Adjournment

### BOARD MEETING

10:30 a.m.

**Michael A. Bilandic Building  
160 North LaSalle Street  
Hearing Room N - 808  
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	Staff
<b>Beginning Farmer Bonds</b> <i>Final (One-Time Consideration)</i>						
1	A) Amanda J. and Scott R. Doll	Burgess Township (Bond County)	\$216,000	-	-	PE/LK
	B) Brandon Hilmes	Seminary Township (Fayette County)	\$190,000	-	-	PE/LK
	C) Marvis and Angela Primus	Russell Township (Lawrence County)	\$224,271	-	-	PE/LK
	D) Wayne Primus	Russell Township (Lawrence County)	\$224,271	-	-	PE/LK
<b>TOTAL AGRICULTURE PROJECTS</b>			<b>\$854,542</b>	-	-	

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

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
<b>501(c)(3) Revenue Bonds</b> <i>Preliminary</i>						
2	Chicago Shakespeare Theater	Chicago (Cook County)	\$15,400,000	37	85	RF/BF
<b>TOTAL EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS</b>			<b>\$15,400,000</b>	<b>37</b>	<b>85</b>	
<b>GRAND TOTAL</b>			<b>\$16,254,542</b>	<b>37</b>	<b>85</b>	

**RESOLUTIONS**

Tab	Action	Staff
<b>Resolutions</b>		
3	Resolution Providing for the Issuance of Not To Exceed \$22,000,000 Principal Amount Illinois Finance Authority Revenue Refunding Bond, Series 2015 (Loyola Academy Project); Authorizing the Execution and Delivery of a Bond and Loan Agreement, a Tax Exemption Certificate and Agreement and Related Documents; and Approving Related Matters	RF/BF
4	Resolution Approving the Terms of Information Technology Contracts-Debt Management Software Application, IPB#22034654 (Previously Procurement B in Exhibit A to IFA Resolution No. 2015-0414-AD04)	CM
5	Resolution Approving the Terms of Information Technology Contracts-Accounting Software Maintenance and Support, IPB#22035349 (Previously Procurement C in Exhibit A to IFA Resolution No. 2015-0414-AD04)	CM
6	Resolution Approving Changes to the Authority Procurement Policy, Adopted August 13, 2013 and Amended April 10, 2014, to Make "Small Purchase" Definition Consistent with the Procurement Code, Ratifying Certain Past Actions, and Authorizing the Executive Director to Take Certain Actions	CM

May 14, 2015

TO: R. Robert Funderburg, Jr., Chairman  
Gila J. Bronner  
James J. Fuentes  
Norman M. Gold  
Lerry Knox  
Edward H. Leonard, Sr.

Michael W. Goetz, Vice-Chairman  
Terrence M. O'Brien  
Mayor Barrett F. Pedersen  
Roger Poole  
Mordecai Tessler  
Bradley A. Zeller

RE: Message from the Executive Director

Dear Members of the Authority:

### *Change of Meeting Dates*

Going forward, the Authority will be changing its regularly scheduled meetings to the **second Thursday** of each month from the second Tuesday of each month at a meeting room to be determined in the State of Illinois Michael A. Bilandic Building, 160 North LaSalle Street, Chicago. So, please plan for our June meeting to be scheduled on June 11, 2015.

### *May Agenda*

We are pleased to welcome the Chicago Shakespeare Theater, Loyola Academy, and several beginning farmers this month.

Since our April meeting, the Authority has closed transactions for the issuance of Education Revenue Bonds (Illinois Charter Schools Project – Noble Network of Charter Schools), Series 2015, Commercial Paper Revenue Notes (Pooled Financing Program) for The Lincoln Park Zoological Society, and Student Housing Revenue Bonds (CHF-Cook, L.L.C. - Northeastern Illinois University Project), Series 2015A and Series 2015B. Additionally, the Authority issued Revenue Refunding Bonds (Silver Cross Hospital and Medical Centers), Series 2015C in the amount of approximately \$286 million to refund the Silver Cross Series 2009 Bonds, which were used to build a new acute care replacement hospital in New Lenox, Illinois.

I look forward to continuing to work with you in support of jobs and financing capital expansion projects throughout our great state.

Respectfully,



\_\_\_\_\_  
Christopher B. Meister  
Executive Director

Attachments:

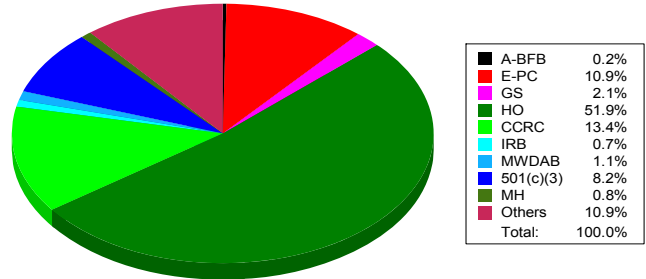
- Attachment 1 – Bonds Issued – Fiscal Year Comparison for the Period Ending April 30, 2015
- Attachment 2 – Bonds Issued and Outstanding as of April 30, 2015
- Attachment 3 – Schedule of Debt as of April 30, 2015

## Bonds Issued - Fiscal Year Comparison for the Period Ending April 30, 2015

### Fiscal Year 2013

#	Market Sector	Principal Issued
14	Agriculture - Beginner Farmer	4,461,655
8	Education	264,865,000
1	Gas Supply	50,000,000
10	Healthcare - Hospital	1,262,625,000
5	Healthcare - CCRC	326,840,068
3	Industrial Revenue	18,112,280
3	Midwest Disaster Area Bonds	25,700,000
11	501(c)(3) Not-for-Profit	198,592,750
1	MultiFamily/Senior Housing	18,630,000
1	Freight Transfer Facilities	75,000,000
2	Local Government	15,025,000
1	Enviromental issued under 20	10,935,000
<b>60</b>		<b>\$ 2,270,786,753</b>

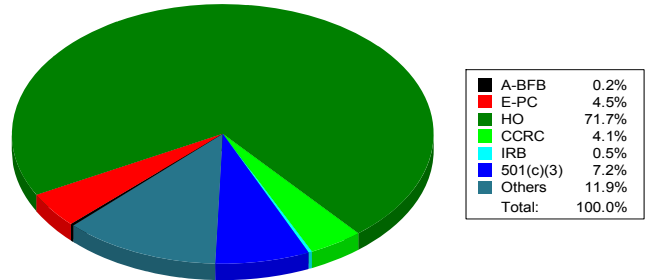
### Bonds Issued in Fiscal Year 2013



### Fiscal Year 2014

#	Market Sector	Principal Issued
21	Agriculture - Beginner Farmer	3,729,751
4	Education	93,895,000
9	Healthcare - Hospital	1,493,795,000
4	Healthcare - CCRC	84,995,000
1	Industrial Revenue	10,000,000
11	501(c)(3) Not-for-Profit	165,617,000
6	Local Government	247,360,000
<b>56</b>		<b>\$ 2,099,391,751</b>

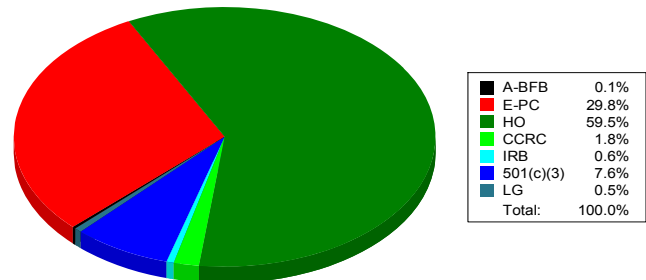
### Bonds Issued in Fiscal Year 2014



### Fiscal Year 2015

#	Market Sector	Principal Issued
9	Agriculture - Beginner Farmer	3,203,600
3	Education	659,604,000
10	Healthcare - Hospital	1,316,385,000
1	Healthcare - CCRC	39,640,000
2	Industrial Revenue	14,000,000
8	501(c)(3) Not-for-Profit	167,486,075
1	Local Government	12,000,000
<b>34</b>		<b>\$ 2,212,318,675</b>

### Bonds Issued in Fiscal Year 2015





**Bonds Issued and Outstanding  
as of  
April 30, 2015**

**Bonds Issued between July 01, 2014 and April 30, 2015**

<u>Bond Issue</u>	<u>Date Issued</u>	<u>Initial Interest Rate</u>	<u>Principal Issued</u>	<u>Bonds Refunded</u>
HO Southern Illinois Healthcare	07/01/2014	Variable	127,215,000	51,235,000
IRB Peddinghaus Corporation	07/11/2014	Variable	4,000,000	0
A-BFB Beginning Farmer Bonds	07/01/2014	Variable	773,050	0
501(c)(3) Freeport Regional Health Care Foundation	07/22/2014	Variable	40,000,000	0
501(c)(3) Lawrence Hall Youth Services	08/13/2014	Variable	12,100,000	0
HO The Carle Foundation	08/08/2014	Variable	26,095,000	26,095,000
E-PC University of Chicago	08/12/2014	Variable	573,645,000	500,000,000
E-PC Dominican University	08/20/2014	Variable	19,800,000	19,800,000
IRB Freedman Seating Company	09/25/2014	Variable	10,000,000	5,068,417
501(c)(3) Rodgers Park Montessori School	09/26/2014	Fixed at Schedule	18,515,000	10,000,000
501(c)(3) Lake Forest College	10/17/2014	Variable	18,275,000	17,870,000
501(c)(3) Search, Inc.	10/31/2014	Variable	10,355,000	9,965,000
E-PC North Central College	12/04/2014	Variable	66,159,000	46,500,000
501(c)(3) Navy Pier, Inc.	12/16/2014	Variable	46,500,000	0
HO Advocate Health Care	12/18/2014	Fixed at Schedule	304,770,000	324,780,000
501(c)(3) Hispanic Housing Development Corporation	12/24/2014	Fixed at Schedule	1,931,075	1,931,075
HO The Reserve of Geneva	12/23/2014	Variable	13,500,000	10,949,700
HO Illinois Valley Community Hospital	12/23/2014	Variable	21,830,000	11,160,000
A-BFB Beginner Farmer Bonds	01/01/2015	Variable	2,430,550	0
HO Silver Cross Hospital	01/28/2015	Variable	17,965,000	17,965,000
HO Rush University Medical Center	02/11/2015	Fixed at Schedule	484,380,000	484,380,000
LG Pace Suburban Bus Service	02/24/2015	Variable	12,000,000	0
HO KishHealth System	03/02/2015	Fixed at Schedule	12,300,000	0
HO The University of Chicago Medical Center	03/12/2015	Fixed at Schedule	21,895,000	21,895,000
CCRC Lifespace Communities, Inc.	03/25/2015	Fixed at Schedule	39,640,000	22,905,520
HO Silver Cross Hospital	04/22/2015	Fixed at Schedule	286,435,000	259,725,000
501(c)(3) Noble Network Charter Schools	04/28/2015	Fixed at Schedule	19,810,000	19,810,000
<b>Total Bonds Issued as of April 30, 2015</b>			<b><u>\$ 2,212,318,675</u></b>	<b><u>\$ 1,862,034,712</u></b>

**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, 2014 and April 30, 2015**

<u>Borrower</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
Gentry Storm	09/19/2014	3.125	485,550	138.61	Shelby
Adam E. Helregel	11/19/2014	4.35	150,000	10.00	Jasper
Rollin Wenger	12/03/2014	3.40	137,500	25.00	Livingston
Thomas Frederick Justison	01/05/2015	2.75	346,800	27.20	Macon
David T. Mulch	02/23/2015	2.85	509,600	80.00	Montgomery
Jacob A. Birch	02/25/2015	3.00	236,360	38.00	Livingston
Mitchell A. Rosenthal	02/25/2015	3.50	391,840	60.00	Montgomery
Michael Tyler Kessler	03/30/2015	2.75	504,950	60.00	Crawford
Jacob Cody Elliott	03/30/2015	4.45	441,000	197.00	Mercer
<b>Total Beginner Farmer Bonds Issued</b>			<b><u>\$ 3,203,600</u></b>	<b><u>635.81</u></b>	

**ILLINOIS FINANCE AUTHORITY**  
Schedule of Debt <sup>[a]</sup>

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

**Section I (a)**

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2014	April 30, 2015		
<b>Illinois Finance Authority "IFA" <sup>[b]</sup></b>				
Agriculture	\$ 48,343,519	\$ 51,547,119		
Education	4,258,096,234	4,292,233,960		
Healthcare	13,448,248,546	13,308,837,496		
Industrial Development [includes Recovery Zone/Midwest Disaster]	699,148,562	714,415,014		
Local Government	357,530,000	332,965,000		
Multifamily/Senior Housing	171,092,016	169,004,827		
501(c)(3) Not-for Profits	1,398,527,100	1,348,231,443		
Exempt Facilities Bonds	299,970,000	249,915,000		
<b>Total IFA Principal Outstanding</b>	<b>\$ 20,680,955,977</b>	<b>\$ 20,467,149,859</b>		
<b>Illinois Development Finance Authority "IDFA" <sup>[b]</sup></b>				
Education	496,388	496,388		
Healthcare	83,400,000	83,400,000		
Industrial Development	324,951,564	292,653,463		
Local Government	315,078,470	306,852,834		
Multifamily/Senior Housing	84,424,117	84,354,117		
501(c)(3) Not-for Profits	744,591,262	725,390,465		
Exempt Facilities Bonds	75,000,000	-		
<b>Total IDFA Principal Outstanding</b>	<b>\$ 1,627,941,801</b>	<b>\$ 1,493,147,267</b>		
<b>Illinois Rural Bond Bank "IRBB" <sup>[b]</sup></b>				
<b>Total IRBB Principal Outstanding</b>	<b>\$ -</b>	<b>\$ -</b>		
<b>Illinois Health Facilities Authority "IHFA"</b>	<b>\$ 807,134,980</b>	<b>\$ 772,840,000</b>		
<b>Illinois Educational Facilities Authority "IEFA"</b>	<b>\$ 703,216,992</b>	<b>\$ 656,705,990</b>		
<b>Illinois Farm Development Authority "IFDA" <sup>[f]</sup></b>	<b>\$ 18,747,389</b>	<b>\$ 18,747,389</b>		
<b>Total Illinois Finance Authority Debt</b>	<b>\$ 23,837,997,139</b>	<b>\$ 23,408,590,505</b>	<b>\$ 28,150,000,000</b>	<b>\$ 4,741,409,495</b>

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

**Section I (b)**

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2014	April 30, 2015		
<b>General Purpose Moral Obligations</b>				
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]				
* Issued through IRBB - Local Government Pools	\$ 10,985,000			
* Issued through IFA - Local Government Pools	21,370,000			
Issued through IFA - Illinois Medical District Commission	37,600,000	36,280,000		
<b>Total General Moral Obligations</b>	<b>\$ 69,955,000</b>	<b>\$ 36,280,000</b>	<b>\$ 150,000,000</b>	<b>\$ 113,720,000</b>

\* All the Local Government bonds were defeased as of August 1, 2014.

**Financially Distressed Cities Moral Obligations**

Illinois Finance Authority Act [20 ILCS 3501/825-60]				
Issued through IFA	\$ -	\$ -		
Issued through IDFA	-	-		
<b>Total Financially Distressed Cities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,000,000</b>	<b>\$ 50,000,000</b>

**State Component Unit Bonds <sup>[c]</sup>**

Issued through IDFA <sup>[i]</sup>	-	-		
Issued through IFA <sup>[j]</sup>	148,237,655	122,769,066		
<b>Total State Component Unit Bonds</b>	<b>\$ 148,237,655</b>	<b>\$ 122,769,066</b>		

Designated exclusive Issuer by the Governor of the State of Illinois to issue Midwestern Disaster Area Bonds in Illinois. This Federal program expired as of December 31, 2012.

**Section I (c)**

	Principal Outstanding		Remaining MDAB Volume Cap
	June 30, 2014	April 30, 2015	
<b>Midwestern Disaster Area Bonds [Flood Relief]</b>	<b>\$ 66,044,684</b>	<b>\$ 65,407,617</b>	<b>N/A</b>

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

**Section I (d)**

	ARRA Act of 2009 Volume Cap Allocated <sup>[h]</sup>	City/Counties Ceded Voluntarily to (by) IFA	Bonds issued as of December 31, 2014	Remaining ARRA Volume Cap for each Program as of December 31, 2014
<b>Recovery Zone Economic Development Bonds**</b>	<b>\$ 666,972,000</b>	<b>\$ 16,940,000</b>	<b>\$ 12,900,000</b>	N/A
<b>Recovery Zone Facilities Bonds**</b>	<b>\$ 1,000,457,000</b>	<b>\$ 204,058,967</b>	<b>\$ 214,849,804</b>	N/A
<b>Qualified Energy Conservation Bonds***</b>	<b>\$ 133,846,000</b>	<b>\$ (17,865,000)</b>	<b>\$ 82,795,000</b>	<b>IFA Cap: \$4,755,783</b> <b>Cities/Counties Cap: \$46,295,717</b>

\*\* Programs expired as of 12/31/2010. There have been no new issues subsequent to the expiration date of these Federal programs.

\*\*\* The IFA manages the QECCB allocation for the entire State of Illinois. All QECCB's to date have been issued by local governments or state universities. The QECCB program currently has no set expiration date under Federal law. *IFA's remaining QECCB allocation of \$4,755,783 has been reserved for use by state universities.*  
IFA Public Board Book Page 6

**ILLINOIS FINANCE AUTHORITY**

Schedule of Debt <sup>[a]</sup>

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

Section II	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2014	April 30, 2015		
Illinois Power Agency	\$ -	\$ -	\$ 4,000,000,000	\$ 4,000,000,000

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

Section III	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2014	April 30, 2015		
Clean Coal, Coal, Renewable Energy and Energy Efficiency Projects	\$ -	\$ -	\$ 3,000,000,000 <sup>[d]</sup>	\$ 3,000,000,000

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

Section IV	Principal Outstanding		Program Limitations	Remaining Capacity	State Exposure
	June 30, 2014	April 30, 2015			
Agri Debt Guarantees [Restructuring Existing Debt] Fund # 994 - Fund Balance \$10,147,387	\$ 9,243,360	\$ 8,820,167	\$ 160,000,000	\$ 151,179,833	\$ 7,491,909
AG Loan Guarantee Program Fund # 205 - Fund Balance \$7,836,720	\$ 9,837,616	\$ 8,516,299	\$ 225,000,000 <sup>[e]</sup>	\$ 216,483,701	\$ 7,238,854
Agri Industry Loan Guarantee Program	\$ 5,108,251	\$ 4,547,691			3,865,538
Farm Purchase Guarantee Program	917,680	909,887			773,404
Specialized Livestock Guarantee Program	2,763,756	2,163,574			1,839,038
Young Farmer Loan Guarantee Program	1,047,929	895,146			760,874
<b>Total State Guarantees</b>	<b>\$ 19,080,977</b>	<b>\$ 17,336,466</b>	<b>\$ 385,000,000</b>	<b>\$ 367,663,534</b>	<b>\$ 14,730,763</b>

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

Section V		Fund #	Principal Outstanding		Appropriation Fiscal Year 2015	Cash and Investment Balance
			June 30, 2014	April 30, 2015		
132	Fire Truck Revolving Loan Program	572	\$ 17,052,813	\$ 15,548,078	\$ 2,383,342	\$ 6,329,991
8	Ambulance Revolving Loan Program	334	\$ 415,920	\$ 321,600	\$ 7,006,800	\$ 3,875,643

Note: Due to deposits in transit, the Fund Balance at the IOC may differ from the IFA General Ledger. In May, 2014 the OSF transferred the Fund Balance to a Locally Held Fund by the IFA.

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

Section VI	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2014	April 30, 2015		
Environmental [Large Business]				
Issued through IFA	\$ 26,315,000	\$ 25,595,000		
Issued through IDFA	177,380,000	153,645,000		
<b>Total Environmental [Large Business]</b>	<b>\$ 203,695,000</b>	<b>\$ 179,240,000</b>	<b>\$ 2,425,000,000</b>	<b>\$ 2,245,760,000</b>
Environmental [Small Business]	\$ -	\$ -	\$ 75,000,000	\$ 75,000,000
<b>Total Environment Bonds Issued under Act</b>	<b>\$ 203,695,000</b>	<b>\$ 179,240,000</b>	<b>\$ 2,500,000,000</b>	<b>\$ 2,320,760,000</b>

**Illinois Finance Authority Funds at Risk**

Section VII	Original Amount	Principal Outstanding	
		June 30, 2014	April 30, 2015
Participation Loans			
Business & Industry	23,020,158	1,616,353	1,118,423
Agriculture	6,079,859	114,269	114,269
<b>Participation Loans excluding Defaults &amp; Allowances</b>	<b>29,100,017</b>	<b>1,730,622</b>	<b>1,232,692</b>
<b>Plus: Legacy IDFA Loans in Default</b>		<b>858,458</b>	<b>843,173</b>
<b>Less: Allowance for Doubtful Accounts</b>		<b>1,002,182</b>	<b>977,042</b>
<b>Total Participation Loans</b>		<b>1,586,898</b>	<b>1,098,823</b>
Local Government Direct Loans	1,289,750	157,689	136,000
Rural Bond Bank Local Government Note Receivable			20,462,037
FmHA Loans	963,250	227,046	208,042
Renewable Energy [RED Fund]	2,000,000	1,396,598	1,318,103
<b>Total Loans Outstanding</b>	<b>34,353,017</b>	<b>3,368,231</b>	<b>23,223,005</b>

IRBB funds were defeased and transferred into a note receivable with the IFA.

<sup>[a]</sup> Total subject to change; late month payment data may not be included at issuance of report.

<sup>[b]</sup> State Component Unit Bonds included in balance.

<sup>[c]</sup> Does not include Unamortized issuance premium as reported in Audited Financials.

<sup>[d]</sup> Program Limitation reflects the increase to \$3 billion effective 01/01/2010 under P.A. 96-103.

<sup>[e]</sup> Program Limitation reflects the increase from \$75 million to \$225 million effective 01/01/2010 under P.A. 96-103.

<sup>[f]</sup> Beginner Farmer Bonds are currently updated annually; new bonds will be added under the Illinois Finance Authority when the bond closes.

<sup>[g]</sup> Midwest Disaster Bonds - Illinois Counties eligible for Midwest Disaster Bonds include Adams, Calhoun, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Hancock, Henderson, Jasper, Jersey, Lake, Lawrence, Mercer, Rock Island, Whiteside and Winnebago.

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

<sup>[i]</sup> Includes EPA Clean Water Revolving Fund



## COMMITTEE MINUTES

**ILLINOIS FINANCE AUTHORITY  
COMMITTEE OF THE WHOLE  
REGULAR MEETING  
TUESDAY, APRIL 14, 2015  
9:53 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 the Michael A. Bilandic Building, 160 North LaSalle Street, Hearing Room N -808, Chicago, Illinois 60601, on the second Tuesday of April in the year 2015, 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”), Michael W. Goetz, Vice Chairperson of the Committee, called the Committee to order and presided over deliberations.

By direction of the Vice Chairperson, a roll call was taken to ascertain the attendance of Members, as follows: 8 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.

Having been absent when the Quorum Roll Call for Attendance was taken, Members Pedersen and Gold were recorded as present at the times of 10:03 a.m. and 10:06 a.m., respectively

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

April 14, 2015

0 YEAS

0 NAYS

10 PRESENT

P Bronner

E Leonard

E Tessler

E Fuentes

P O'Brien

P Zeller

P Goetz

P Parish

P Mr. Chairman

P Gold (ADDED)

P Pedersen (ADDED)

P Knox

P Poole

E – Denotes Excused Absence



## **II. Chairman's Remarks**

Vice Chairperson Goetz welcomed Members of the Committee, Authority staff and all guests present. Vice Chairperson Goetz also introduced Rob Funderburg as the next Chairperson of the Authority. Vice Chairperson Goetz reminded Members of the Committee that the Illinois Senate has not yet acted upon Rob Funderburg's appointment.

## **III. Message from the Executive Director**

Executive Director Meister welcomed Rob Funderburg as the next Chairperson of the Authority. Chairperson Funderburg will be the third Chair of the Authority since its January 2004 creation. Executive Director Meister thanked Governor Rauner for appointing Chairperson Funderburg because he can share his knowledge of banking, community involvement and agriculture with the Authority.

Executive Director Meister announced that Emily Bastedo, Associate Counsel for the Office of Governor Rauner was present at the meeting. Mrs. Bastedo and Edward Murphy, Research Director for the Office of Governor Rauner, worked diligently on the mechanics of appointing Rob Funderburg the day prior which was a recess day of the Illinois Senate. Executive Director Meister expressed his belief that proper paperwork has been filed.

Executive Director Meister thanked Rob Funderburg and all Members of the Committee for their volunteer public service.

## **IV. Consideration of the Minutes**

Vice Chairperson Goetz 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 March 10, 2015.

Executive Director Meister recommended that consideration of the Minutes be postponed until the arrival of Members Pedersen and Gold.

The Members of the Committee agreed.

## **V. Presentation and Consideration of the Financial Statements**

Ms. Gildart presented the following monthly and annual summary as of March 31, 2015:

### **1. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME**

- a. **Annual Operating Revenues** to date totaled \$2.9 million, while annual Net Non-Operating Revenues totaled \$159 thousand. Total annual combined revenues of \$3.1 million are \$234 thousand or 7% below budget; due primarily to lower than expected closing and miscellaneous fees. Closing fees year to date of \$1.7 million, are \$190 thousand or 10% below budget. Included in Interest Income on Loans, the year to date revenue accrued for interest due from the former IRBB local governments totaled \$848 thousand which is in line with the Fiscal Year ("FY") 2015 budget for the local government loans. Annual fees of \$282 thousand are 12% or \$29 thousand higher than budget. Administrative service fees (non-closing fees, typically TEFRA and amendment fees) are also 16% higher than budgeted, totaling \$100 thousand for the year. Annual net investment income of \$149 thousand is more than double the

fiscal year 2014's ending total as of March which is in line with the FY 2015 budget for investment revenue.

- b. **In March**, the Authority generated \$184 thousand in closing fees, which is close to the average monthly total of \$186 thousand. This is below the average monthly budgeted amount for closing fees of \$207,250. Closing fees were received from: *University of Chicago Hospital*, \$74 thousand, *Lifespace*, \$95 thousand, and *Agriculture-related* closings (beginning farmer bonds) of just under \$16 thousand. Administrative service fees of \$25 thousand were booked for *Swedish American Hospital*. March's net investment revenue of \$34 thousand is double the average monthly amount of \$17 thousand.
- c. **Annual Operating Expenses** of \$2.6 million are \$695 thousand or 21% lower than budget, mostly driven by lower employee-related expenses and professional service costs. Year to date, employee expenses total \$1.3 million and are 19% below budget and professional services total \$800 thousand and are 29% below budget. Annual occupancy costs total \$151 thousand and are \$68 thousand or 31% under budget (including the cost of the move). General and administrative costs are \$286 thousand for the year, which is 14% over budget (costs spiking due to deferred back-end costs). Other contributors to lower overall year to date operating costs include the delay in the implementation of the compliance driven debt management software application and reduced staff costs.
- d. **In March**, total professional services of \$83 thousand included payments for legal services (\$13K) compliance and accounting assistance (\$22K), financial advisory fees (\$14K), IT data storage and records management fees (\$11K) and payroll services (\$5K). Salaries are flat from February at \$133 thousand, which is down from \$158 thousand in July 2014, with the departure of three full time employees and two Finance/Legal Fellows in recent months. General and administrative costs of \$41 thousand included charges for records storage and Bond Buyer and Bloomberg subscription services (noted above in Annual Operating Expenses as "deferred back-end costs).
- e. **March** activities resulted in monthly Net Income of \$119 thousand. **On a year to date** basis, IFA currently shows Annual Net Income of \$782 thousand. Major contributors to the positive bottom line include the level of overall spending at 21% below budget, the transfer of the remaining IRBB reserve funds earlier this fiscal year and greater than expected investment returns. Budgeted net income at this point in the fiscal year is just \$28 thousand.

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<sup>1</sup>**Operating Revenues and Expenses** are direct results of our basic business operations. **Non-Operating Revenues and Expenses** are netted against each other and include interest and investment income and expenses, bad debt adjustments, transfers to the State of Illinois and realized/unrealized gains and losses on investments. **Net Income/(Loss)** is our bottom line.

## **2. ALL FUNDS-ASSETS, LIABILITIES AND NET POSITION**

- a. The Authority, as of March 2015, is a \$127 million dollar agency which also accounts for \$300 million in total activity (including the debt of other State of Illinois agencies) and maintains compliance for nearly \$24 billion in outstanding, mainly conduit (not the obligation of either the State or the Authority), debt.

## **3. GENERAL OPERATING FUND-ASSETS, LIABILITIES AND NET POSITION**

- a. In the General Fund, the Authority continues to maintain a strong balance sheet with total net position of \$52.7 million (the main Authority balance sheet outside of program funds and the State Component Parts). The total assets in the General Fund are \$53.2 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total \$29.2 million, notes receivables for the former IRBB local governments total \$20.5 million, other loans receivables are at \$2 million and restricted cash in the DACA Loan Fund totals \$1.3 million. Liabilities, current and non-current, total just \$518 thousand.

## **4. YEAR TO DATE ACTIVITY FOR ALL OTHER FUNDS**

- a. The “Other State of Illinois Debt Fund” (or combined State Component Parts) is comprised of activity related to bonds issued by the Authority on behalf of the Illinois Environmental Protection Agency Clean Water Initiative (State Revolving Fund) (IEPA-SRF 2013), the Illinois Medical District Commission (IMDC 2006) and Northern Illinois University Foundation (NIUF 2006 and 2013). The majority of the activity in this fund is related to IEPA-SRF 2013.
- b. Unique among the State Component Part bond issues, for which the Authority reports only financial transactions, and does not hold funds, the Authority is currently the custodian of \$42 million in connection with IEPA-SRF 2013. At the request of IEPA, the Authority made various transfers, totaling \$140 million (comprised of bond proceeds, repayments of pledged loans and federal cap grants accessed by the bond proceeds), between October 2014 and March 2015, to the State Treasurer. These transferred funds may be reinvested by the Authority in the future on behalf of IEPA.
- c. Authority staff anticipates working with the Board to update the investment policy in order to increase return for 2013 IEPA-SRF funds with appropriate safety and transparency.
- d. In April 2015, the Authority received partial approval from Governor’s Office of Management & Budget through the Office of the State Fire Marshal (OSFM) to move forward with making loans, based on applications originated and approved by the OSFM, from some of the Authority’s locally held Fire Truck Revolving Loan Funds per Public Act 97-901. The extent of this partial approval remains to be determined. The Authority’s locally-held Fire Truck and Ambulance Revolving Loan Funds have total year to date receipts of \$329 thousand (principal only loan repayments). Net investment income from both funds equals \$61 thousand. Monies have been invested since July 2014. The net position of \$30 million for Fire Truck and \$4.2 million for Ambulance is now on the Authority’s balance sheet due to Public Act 97-901. The

Fire Truck Revolving Loan Program was the subject of findings in recent audits as well as the subject of extended discussion during the Authority's March 2015 House Appropriation Hearing. During the coming weeks of the current General Assembly, there may be action to re-direct these funds as part of a larger effort to mitigate the State's financial crisis.

- e. Other Nonmajor Funds booked revenues of \$188 thousand, of which, \$158 thousand is derived from investment activity. Year to date, the nonmajor funds show a net loss of \$117 thousand, driven by the one-time transfer of funds out of the IRBB Reserve Fund (pursuant to the August 2014 redemption and defeasance of the IRBB program) to the General Operating Fund. All other activities for Nonmajor Funds result in positive net income of \$177 thousand as of March. Total Net Position in the Nonmajor Funds is \$39.5 million.
- f. The Agency/Fiduciary Funds for IFA include both the Metro East Police District Commission and the Illinois Finance Authority NFP Development Fund (established in 2013 in connection with the Authority's application for New Markets Tax Credits from the federal government), with combined current assets of \$60 thousand.

#### **5. FY14 AND FY15 COMPLIANCE AUDITS and LEGISLATIVE AUDIT COMMISSION**

- a. The entrance conference for the FY14 and FY15 compliance audits was held March 16, 2015.
- b. The Authority's Legislative Audit Commission (LAC) hearing on the Authority's FY 2013 Compliance Examination and Financial Audit was held March 24, 2015. The LAC unanimously voted to accept the Authority's FY 2013 Audits.
- c. Fieldwork for the FY14 and FY15 compliance audits began March 25, 2015.

Vice Chairperson Goetz requested clarification that the Illinois Finance Authority NFP Development Fund was the Authority's non-profit Community Development Entity. Ms. Gildart confirmed that the non-profit was established in 2013 in connection with the Authority's application for New Markets Tax Credits from the federal government.

Executive Director Meister informed the Committee that Baker Tilly Virchow Krause, LLP submitted an unsuccessful application on behalf of the Authority last year and a second application is now pending this year. They have advised that sometime between May and July 2015 the Authority should have a response to its pending application for New Markets Tax Credits.

#### **VI. Monthly Procurement Report**

Executive Director Meister recommended that discussion of the Monthly Procurement Report be undertaken as part of the Audit Committee report.

However, Executive Director Meister took the opportunity to inform the Committee that while Ms. Lenane has ceased to serve as Acting General Counsel, she remains the Authority's Ethics Officer.

Accordingly, Ms. Money on behalf of Ms. Lenane is collecting Members' Secretary of State ethics disclosure filings (due May 1<sup>st</sup>) and Executive Ethics Commission ethics disclosure filings (due May 1<sup>st</sup>).

Mrs. Bastedo summarized the required filings and answered questions from the Committee.

Ms. Lenane informed the Committee that Members must also complete their ethics training as required by the Executive Ethics Commission by the end of the fiscal year. The Acknowledgement of Participation Members receive upon completion should be sent to Ms. Money.

#### **IV. Consideration of the Minutes (Continued...)**

Noting the arrival of Members Pedersen and Gold, Vice Chairperson Goetz again 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 March 10, 2015.

Member Pedersen moved for the adoption of the Minutes of the regular meeting of the Committee held on March 10, 2015.

Member Poole seconded the motion.

The motion prevailed and the Minutes were adopted.

#### **VII. Committee Reports**

##### ***Audit Committee***

Member Bronner reported that the Audit Committee met and made recommendations earlier on April 14, 2015.

First, Member Bronner reiterated Ms. Gildart's remarks that the entrance conference for the FY14 and FY15 compliance audits was held March 16, 2015. On March 25, 2015, fieldwork for the FY14 and FY15 compliance audits began. Moreover, the Authority's LAC hearing on the Authority's FY 2013 Compliance Examination and Financial Audit was held March 24, 2015. The LAC unanimously voted to accept the Authority's FY 2013 Audits.

Then, Member Bronner reported that the Audit Committee discussed the status of various audits, in addition to discussing in closed session resources to address existing and potential findings. As a result, the Audit Committee recommends approval of Item 4, Resolution Adopting the Procurement Report. The Resolution authorizes Executive Director Meister to proceed with various ongoing procurements.

Executive Director Meister informed the Committee that he alone is presenting Item 4, Resolution Adopting the Procurement Report. Ms. Gildart is not. Also, Executive Director Meister informed the Committee that the last "Whereas clause" from the Resolution has been stricken. As procurements progress and can be publically announced and awarded, Procurements A-U will return to the Board for final consideration.

Executive Director Meister informed the Committee that he anticipates having another meeting of the Audit Committee before the May 14, 2015 regular meeting of the Board.

## VIII. Project Reports and Resolutions

Mr. Frampton presented the following projects:

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

**Item 1:** Item 1 is a request for Student Housing Revenue Bond financing.

CHF Cook, L.L.C. is requesting approval of a Final Bond Resolution in an amount not to exceed **Forty-Five Million Dollars** (\$45,000,000).

CHF-Cook, L.L.C. (hereinafter the “**Borrower**”), a single member limited liability company organized and existing under the laws of the State of Alabama, is seeking to issue bonds in one or more series and in order to (i) finance the cost of the acquisition, construction, furnishing and equipping of an approximately 110-unit, 440-bed apartment style student housing facility (hereinafter the “**Project**”) to be located on the main campus of Northeastern Illinois University (hereinafter the “**University**”) in Chicago, with the Project operated by the Borrower on land leased from the University, (ii) finance the costs of the acquisition and construction of certain connecting utility improvements to be located on land adjacent to the Project and to be owned and operated by the Board of Trustees of the University, and potentially for the following purposes (iii) fund interest on the Bonds for a period requested by the Borrower, (iv) fund a debt service reserve fund for the benefit of the Bonds, (v) finance certain start-up costs and related working capital of the Project, and (vi) pay expenses incurred in connection with the issuance of the Bonds all as permitted under the Illinois Finance Authority Act (and together with the Project, the “**Financing Purposes**”).

**Item 2:** Item 2 is a request for 501(c)(3) Revenue Bond financing.

Northwestern University is requesting approval of a Final Bond Resolution in an amount not to exceed **One Hundred Forty-Five Million Three Hundred Thousand Dollars** (\$145,300,000). This financing is being presented for one-time consideration.

Northwestern University, an Illinois corporation (the “**University**”), desires to (i) finance, refinance and reimburse the University for all or a portion of the costs of the planning, design, acquisition, construction, renovation, improvement and equipping of certain of its “educational facilities” as defined in the Illinois Finance Authority Act and as more fully described in Exhibit A to the Loan Agreement by and between the Authority and the University and also on page 8 of the IFA Board Summary report (the “**Project**”) (ii) finance all or a portion of the interest in the Bonds, and (iii) pay certain costs relating to the issuance of the Bonds, all as permitted under the Act (and collectively, the “**Financing Purposes**”).

Ms. Lenane presented the following projects:

### *Healthcare Projects*

**Item 3:** Item 3 is a request for 501(c)(3) Revenue Bond financing.

Palos Community Hospital is requesting approval of a Final Bond Resolution in an amount not to exceed **One Hundred One Million Dollars** (\$101,000,000). This financing is being presented for one-time consideration.

Palos Community Hospital, an Illinois not for profit corporation (the “**Corporation**”), has requested that the Authority issue not to exceed \$101,000,000 in aggregate principal amount of revenue bonds consisting of one or more series, (hereinafter, the “**Series 2015 Bonds**”), and loan the proceeds thereof to the Corporation, in order to assist the Corporation in providing the funds necessary to do any or all of the following: (i) current refund the \$50,000,000 aggregate principal amount Illinois Finance Authority Revenue Bonds, Series 2010A (the “**Series 2010A Bonds**”); (ii) current refund the \$50,000,000 aggregate principal amount Illinois Finance Authority Revenue Bonds, Series 2010B (the “**Series 2010B Bonds**” and, together with the Series 2010A Bonds, the “**Series 2010 Bonds**”); and (iii) pay certain expenses incurred in connection with the refunding of the Series 2010 Bonds and the issuance of the Series 2015 Bonds, (and, collectively, the “**Financing Purposes**”) all as permitted under the Illinois Finance Authority Act.

Ms. Lenane informed the Committee that The Northern Trust Company is no longer under consideration as one of the direct purchasers of the Series 2015 Bonds.

Member Knox took the opportunity before presentation of the Resolutions to inquire about the “Compliance Watchlist” distributed to Members of the Committee. Ms. Gildart informed the Committee that the watchlist is generated to inform the Committee that the Authority is currently monitoring those parties that are not satisfying their respective required compliance actions needed to be performed pursuant to their involvement in various bond issues.

Executive Director Meister reminded Members of the Committee that these outstanding compliance items are a result of a State-mandated regulatory structure, i.e. Form C-08 for the Office of the Illinois Comptroller. These outstanding compliance items in no way effect the tax-exempt status of the respective bond issues and furthermore are not a reflection of payment defaults.

Executive Director Meister cited the difficulty in resolving previous audit findings in connection with these outstanding compliance items.

Returning to the agenda, Executive Director Meister presented the following resolutions:

### *Resolutions*

**Item 4:** Item 4 is a Resolution Adopting the Procurement Report.

Executive Director Meister stated that he had no further comments other than those he made during the Audit Committee report. Again, as procurements progress and can be publically announced and awarded, Procurements A-H will return to the Board for final consideration.

**Item 5:** Item 5 has been withdrawn.

**Item 6:** Item 6 is a Resolution for Confirmation of Election of a Vice-Chair of the Illinois Finance Authority.

The Members of the Authority desire to confirm the election of Michael W. Goetz as Vice-Chair to ensure, among other reasons, that the Bonds of the Authority are duly executed.

Member Pedersen moved for the adoption of the following resolution: Item 6.

Member O'Brien seconded the motion.

And on that motion, a roll call vote was taken resulting as follows: 9 Yeas; 0 Nays; 0 Answering Present; 1 Abstention (Goetz).

This resolution, having received the votes of a quorum of the Members of the Board, was declared adopted.

**IX. Other Business**

None.

**X. Public Comment**

None.

**XI. Adjournment**

At the time of 10:35 a.m., Member O'Brien moved that the Committee do now adjourn until May 14, 2015, at 9:30 a.m.

Member Parish 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, APRIL 14, 2015  
 10:37 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 the Michael A. Bilandic Building, 160 North LaSalle Street, Hearing Room N - 808, Chicago, Illinois 60601, on the second Tuesday of April in the year 2015, 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”), Michael W. Goetz, Vice Chairperson of the Board, called the Board to order and presided over deliberations.

By direction of the Vice Chairperson, a roll call was taken to ascertain the attendance of Members, as follows:  
 10 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**

April 14, 2015

0 YEAS

0 NAYS

10 PRESENT

P Bronner  
 E Fuentes  
 P Goetz  
 P Gold  
 P Knox

E Leonard  
 P O’Brien  
 P Parish  
 P Pedersen  
 P Poole

E Tessler  
 P Zeller  
 P Mr. Chairman

E – Denotes Excused Absence

## **II. Chairman Remarks**

Vice Chairperson Goetz introduced Rob Funderburg as the next Chairperson of the Authority.

Vice Chairperson Goetz welcomed Members of the Board, Authority staff and all guests present.

Vice Chairperson Goetz, Vice Chairperson from the Committee of the Whole to which all items of this meeting's agenda were referred, action taken earlier on April 14, 2015, reported the same back and that all items were thoroughly reviewed.

## **V. Approval of Project Reports and Resolutions**

### ***Resolutions***

**Item 6:** Item 6 is a Resolution for Confirmation of Election of a Vice-Chair of the Illinois Finance Authority.

The Members of the Authority desire to confirm the election of Michael W. Goetz as Vice-Chair to ensure, among other reasons, that the Bonds of the Authority are duly executed.

Member Pedersen moved for the adoption of the following resolution: Item 6.

Member Poole seconded the motion.

And on that motion, a roll call vote was taken resulting as follows: 9 Yeas; 0 Nays; 0 Answering Present; 1 Abstention (Goetz).

This resolution, having received the votes of a quorum of the Members of the Board, was declared adopted.

## **III. Adoption of the Minutes**

Minutes of the regular meeting of the Board held on March 10, 2015 were taken up for consideration.

Ms. Parish informed the Assistant Secretary of the Board of one scrivener's error, which was corrected thereafter.

Member Knox moved for the adoption of the Minutes.

Member Pedersen seconded the motion.

And on that motion, a roll call vote was taken resulting as follows: 10 Yeas; 0 Nays; 0 Answering Present.

The motion prevailed and the Minutes were adopted.

## **IV. Acceptance of the Financial Statements**

Financial Statements for the Month Ended March 31, 2015 were taken up for consideration.

Member Pedersen moved for the acceptance of the Financial Statements.

Member Parish seconded the motion.

And on that motion, a roll call vote was taken resulting as follows: 10 Yeas; 0 Nays; 0 Answering Present.

The motion prevailed and the Financial Statements were accepted.

## V. Approval of Project Reports and Resolutions

Vice Chairperson Goetz directed Mr. Frampton to present the projects without guests or abstentions to the Board.

Mr. Frampton presented the following projects:

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

**Item 1:** Item 1 is a request for Student Housing Revenue Bond financing.

CHF Cook, L.L.C. is requesting approval of a Final Bond Resolution in an amount not to exceed **Forty-Five Million Dollars** (\$45,000,000).

CHF-Cook, L.L.C. (hereinafter the “**Borrower**”), a single member limited liability company organized and existing under the laws of the State of Alabama, is seeking to issue bonds in one or more series and in order to (i) finance the cost of the acquisition, construction, furnishing and equipping of an approximately 110-unit, 440-bed apartment style student housing facility (hereinafter the “**Project**”) to be located on the main campus of Northeastern Illinois University (hereinafter the “**University**”) in Chicago, with the Project operated by the Borrower on land leased from the University, (ii) finance the costs of the acquisition and construction of certain connecting utility improvements to be located on land adjacent to the Project and to be owned and operated by the Board of Trustees of the University, and potentially for the following purposes (iii) fund interest on the Bonds for a period requested by the Borrower, (iv) fund a debt service reserve fund for the benefit of the Bonds, (v) finance certain start-up costs and related working capital of the Project, and (vi) pay expenses incurred in connection with the issuance of the Bonds all as permitted under the Illinois Finance Authority Act (and together with the Project, the “**Financing Purposes**”).

Mr. Frampton stated that the development and financing team for the Project were selected pursuant to a Request for Proposal regarding the Design, Development & Management of Student Housing undertaken in 2013.

**Item 2:** Item 2 is a request for 501(c)(3) Revenue Bond financing.

Northwestern University is requesting approval of a Final Bond Resolution in an amount not to exceed **One Hundred Forty-Five Million Three Hundred Thousand Dollars** (\$145,300,000). This financing is being presented for one-time consideration.

Northwestern University, an Illinois corporation (the “**University**”), desires to (i) finance, refinance and reimburse the University for all or a portion of the costs of the planning, design, acquisition, construction, renovation, improvement and equipping of certain of its “educational facilities” as defined in the Illinois Finance Authority Act and as more fully described in Exhibit A to the Loan Agreement by and between the Authority and the University and also on

page 8 of the IFA Board Summary report (the “**Project**”) (ii) finance all or a portion of the interest in the Bonds, and (iii) pay certain costs relating to the issuance of the Bonds, all as permitted under the Act (and collectively, the “**Financing Purposes**”).

Mr. Frampton announced that Mr. John H. Peterson, Managing Director at William Blair & Co., LLC and Mr. Mauricio Nares, Associate at Siebert Brandford Shank & Co., L.L.C. were both present on behalf of the Project.

### *Healthcare Projects*

**Item 3:** Item 3 is a request for 501(c)(3) Revenue Bond financing.

Palos Community Hospital is requesting approval of a Final Bond Resolution in an amount not to exceed **One Hundred One Million Dollars** (\$101,000,000). This financing is being presented for one-time consideration.

Palos Community Hospital, an Illinois not for profit corporation (the “**Corporation**”), has requested that the Authority issue not to exceed \$101,000,000 in aggregate principal amount of revenue bonds consisting of one or more series, (hereinafter, the “**Series 2015 Bonds**”), and loan the proceeds thereof to the Corporation, in order to assist the Corporation in providing the funds necessary to do any or all of the following: (i) current refund the \$50,000,000 aggregate principal amount Illinois Finance Authority Revenue Bonds, Series 2010A (the “**Series 2010A Bonds**”); (ii) current refund the \$50,000,000 aggregate principal amount Illinois Finance Authority Revenue Bonds, Series 2010B (the “**Series 2010B Bonds**” and, together with the Series 2010A Bonds, the “**Series 2010 Bonds**”); and (iii) pay certain expenses incurred in connection with the refunding of the Series 2010 Bonds and the issuance of the Series 2015 Bonds, (and, collectively, the “**Financing Purposes**”) all as permitted under the Illinois Finance Authority Act.

Member Pedersen moved for the adoption of the following projects: Items 1, 2 and 3.

Member Parish seconded the motion.

And on that motion, a roll call vote was taken resulting as follows: 10 Yeas; 0 Nays; 0 Answering Present.

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

Vice Chairperson Goetz directed Executive Director Meister to present the resolutions without guests or abstentions to the Board.

Executive Director Meister presented the following resolutions:

### *Resolutions*

**Item 4:** Item 4 is a Resolution Adopting the Procurement Report.

Executive Director Meister informed the Board that the last “Whereas clause” from the Resolution has been stricken. Furthermore, as procurements progress and can be publically announced and awarded, Procurements A-U will return to the Board for final consideration.

**Item 5:** Item 5 has been withdrawn.

Member Bronner moved for the adoption of the following resolution: Item 4.

Member Pedersen seconded the motion.

And on that motion, a roll call vote was taken resulting as follows: 10 Yeas; 0 Nays; 0 Answering Present.

This resolution, having received the votes of a quorum of the Members of the Board, was declared adopted.

**VI. Other Business**

None.

**VII. Public Comment**

None.

**VIII. Adjournment**

Vice Chairperson Goetz thanked Member Parish for her service to the Illinois Finance Authority and recognized her qualities as a voice of conscience for the Board in advance of her resignation effective later at the close of business on April 14, 2015.

Member Parish thanked Vice Chairperson Goetz and Members of the Board, past and present, for making her experience enjoyable. Moreover, Member Parish thanked the staff for their professionalism.

Executive Director Meister thanked Member Parish for her leading role in developing the Illinois Finance Authority's strategic plan.

At the time of 10:51 a.m., Member Zeller moved that the Board do now adjourn until May 14, 2015, at 10:30 a.m.

Member O'Brien seconded the motion.

The motion prevailed.

And the Board stood adjourned.

Minutes published by:

Brad R. Fletcher

Assistant Secretary of the Board

**FINANCIAL ANALYSIS**

May 14, 2015

**V. PRESENTATION AND CONSIDERATION OF THE FINANCIAL STATEMENTS  
MONTHLY AND ANNUAL SUMMARY AS OF APRIL 30, 2015****1. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME**

- a. **Annual Operating Revenues** totaled \$3.3 million, while annual Net Non-Operating Revenues totaled \$163 thousand. Total annual combined revenues of \$3.4 million are \$249 thousand or 7% below budget; due primarily to lower than expected closing and miscellaneous fees. Closing fees year to date of \$1.9 million, are \$185 thousand or 9% below budget. Included in Interest Income on Loans, the year to date revenue accrued for interest due from the former IRBB local governments totaled \$880 thousand. Annual fees of \$313 thousand are 11% or \$31 thousand higher than budget. Administrative service fees are also 26% higher than budgeted, totaling \$121 thousand for the year. Annual net investment income of \$153 thousand is more than double the fiscal year 2014's ending total as of April.
- b. In **April**, the Authority generated \$212 thousand in closing fees, which exceeds the average monthly total of \$186 thousand. Closing fees were received from: *Silver Cross Hospital*, \$145 thousand, *Noble Network Charter Schools*, \$70 thousand, and *Agriculture-related closings* of \$7 thousand. Administrative service fees of \$21 thousand were collectively booked for *Lincoln Park Zoological Society* and *Council for Jewish Elderly*. April's net investment revenue totaled \$4 thousand.
- c. **Annual Operating Expenses** of \$3 million are \$684 thousand or 19% lower than budget, mostly driven by lower employee-related expenses and professional service costs. Year to date, employee expenses total \$1.4 million, professional services total \$1 million and each function is 20% below budget. Annual occupancy costs total \$160 thousand and are \$83 thousand or 34% under budget. General and administrative costs are \$314 thousand for the year, which is 13% over budget. Other contributors to lower overall year to date operating costs include the delay in the implementation of the compliance driven debt management software application and reduced staff costs.
- d. In **April**, total professional services of \$203 thousand included payments for legal services (\$43K), legislative services fees (\$15K) and an accrual for potential rating agency fees (\$113K). Salaries and benefits are down to \$131K, with the reduction of full and part-time employees. General and administrative costs of \$28 thousand include expenses for various insurance policies.
- e. **April** activities resulted in a monthly Net Loss of -\$23 thousand. On a year to date basis, the Authority currently shows Annual Net Income of \$760 thousand. Major contributors to the positive bottom line include the level of overall spending at 19% below budget and the transfer of the remaining IRBB reserve funds earlier this fiscal year of nearly \$300K. Budgeted net income at this point in the fiscal year is just \$31 thousand.

**2. ALL FUNDS-ASSETS, LIABILITIES AND NET POSITION**

The Authority, as of April 2015, is a \$119 million dollar agency which also currently accounts for nearly \$300 million in total activity (including the Other State of Illinois Debt Fund) and maintains compliance for nearly \$24 billion in outstanding debt.

## V. PRESENTATION AND CONSIDERATION OF THE FINANCIAL STATEMENTS MONTHLY AND ANNUAL SUMMARY AS OF APRIL 30, 2015 (CONT'D)

### 3. GENERAL OPERATING FUND-ASSETS, LIABILITIES AND NET POSITION

In the General Fund, IFA continues to maintain a strong balance sheet with total net position of \$52.7 million. The total assets in the General Fund are \$53.2 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total \$29.2 million, notes receivables for the former IRBB local governments total \$20.5 million, other loans receivables are at \$2 million and restricted cash in the DACA Loan Fund totals \$1.3 million. Liabilities, current and non-current, total just \$605 thousand.

### 4. YEAR TO DATE ACTIVITY FOR ALL OTHER FUNDS

- a. In accordance with governmental accounting standards, the "Other State of Illinois Debt Fund" is comprised of bond activity for the Illinois Environmental Protection Agency (IEPA), the Illinois Medical District Commission (IMDC) and Northern Illinois University Foundation (NIUF). The majority of the activity in this fund derives from the Clean Water Initiative for IEPA. At the request of IEPA, since July 2014, funds consisting of bond proceeds, loan repayments and match funds totaling \$257 million were transferred back to the custody of the State Treasurer. These funds may be reinvested by the Authority in the future. Authority staff anticipates working with the Board to update the investment policy, in order to increase all investment returns (in accordance with State of Illinois investments regulations).
- b. The Locally Held Fire Truck and Ambulance Revolving Loan Funds have total year to date receipts of \$362 thousand. Net investment income from both funds equals \$63 thousand. Monies have been invested since July 2014. In April 2015, the Authority returned \$8 million to the Office of the State Fire Marshal (OSFM) that was to be used for new loans per Public Act 97-901. Due to the State's fiscal crisis, these funds were returned at the formal request of OSFM and the Governor's Office of Management and Budget (GOMB). Net position of \$22 million for Fire Truck and \$4.2 million for Ambulance, are now shown on the Authority's books due to recent statutory changes.
- c. Other Nonmajor Funds booked revenues of \$200 thousand, of which, \$166 thousand is derived from investment activity. Year to date, the nonmajor funds show a net loss of \$108 thousand, driven by the transfer of funds out of the IRBB Reserve Fund to the General Operating Fund. All other activities result in positive net income of \$186 thousand as of April. Total Net Position in the Nonmajor Funds is \$39.5 million.
- d. The Agency/Fiduciary Funds for IFA include both the Metro East Police District Commission and the Illinois Finance Authority NFP Development Fund, with combined current assets of \$60 thousand.

### 5. FY14 AND FY15 COMPLIANCE AUDITS and GASB UPDATES

- a. Fieldwork for the FY14 and FY15 compliance audits is ongoing.
- b. Upcoming Governmental Accounting Standards Board (GASB) changes to Authority financial reporting, affect fair value measurements and application for investments, leases and fiduciary activities, with some changes taking effect July 1, 2015. The Authority will continue to monitor these developments to ensure proper implementation of these new standards to Authority financial reporting, as applicable.

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<sup>1</sup>Operating Revenues and Expenses are direct results of our basic business operations. Non-Operating Revenues and Expenses are netted against each other and include interest and investment income and expenses, bad debt adjustments, transfers to the State of Illinois and realized/unrealized gains and losses on investments. Net Income/ (Loss) is our bottom line.



**ILLINOIS FINANCE AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES AND NET INCOME**  
**GENERAL OPERATING FUND**  
**FOR FISCAL YEAR 2015 AS OF APRIL 30, 2015**  
**(PRELIMINARY AND UNAUDITED)**

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	2015 BUDGET VARIANCE (\$)	2015 BUDGET VARIANCE (%)
<b>Operating Revenues:</b>														
Closing Fees	66,825	295,753	138,542	78,500	2,150	510,496	68,431	330,444	184,278	212,164	1,887,583	2,072,500	(184,917)	-8.9%
Annual Fees	10,367	42,720	31,533	34,580	34,230	36,372	28,534	29,221	34,744	30,316	312,617	281,250	31,367	11.2%
Administrative Service Fees	-	10,000	15,000	-	20,000	-	-	10,000	45,000	21,000	121,000	95,833	25,167	26.3%
Application Fees	1,100	14,328	4,300	2,700	2,500	1,100	1,100	5,250	3,400	2,400	38,178	34,171	4,007	11.7%
Miscellaneous Fees	62	-	-	-	-	14	34	-	-	-	110	50,000	(49,890)	-99.8%
Interest Income-Loans	120,406	67,709	102,031	102,123	106,114	103,356	102,006	37,228	82,624	82,576	906,173	966,526	(60,353)	-6.2%
Other Revenue	272	291	-	269	287	2,942	249	-	118	242	4,670	4,000	670	16.8%
<b>Total Operating Revenue:</b>	<b>\$ 199,032</b>	<b>\$ 430,801</b>	<b>\$ 291,406</b>	<b>\$ 218,172</b>	<b>\$ 165,281</b>	<b>\$ 654,280</b>	<b>\$ 200,354</b>	<b>\$ 412,143</b>	<b>\$ 350,164</b>	<b>\$ 348,698</b>	<b>\$ 3,270,331</b>	<b>\$ 3,504,280</b>	<b>\$ (233,949)</b>	<b>-6.7%</b>
<b>Operating Expenses:</b>														
Employee Related Expense	158,165	155,946	152,957	148,571	148,404	142,070	142,279	134,876	133,423	130,895	1,447,586	1,809,229	(361,643)	-20.0%
Professional Services	2,882	179,754	97,492	49,885	84,877	111,758	71,839	119,195	82,810	203,116	1,003,608	1,254,150	(250,542)	-20.0%
Occupancy Costs	26,485	26,590	9,247	40,454	8,583	8,124	10,361	11,540	9,307	9,110	159,801	243,040	(83,239)	-34.2%
General & Administrative	28,707	28,568	26,718	28,656	26,890	28,029	28,210	48,906	40,953	28,012	313,649	278,583	35,066	12.6%
Depreciation and Amortization	3,847	3,847	3,847	3,876	3,876	4,794	4,794	4,794	4,794	4,794	43,263	66,667	(23,404)	-35.1%
<b>Total Operating Expense</b>	<b>\$ 220,086</b>	<b>\$ 394,705</b>	<b>\$ 290,261</b>	<b>\$ 271,442</b>	<b>\$ 272,630</b>	<b>\$ 294,775</b>	<b>\$ 257,483</b>	<b>\$ 319,311</b>	<b>\$ 271,287</b>	<b>\$ 375,927</b>	<b>\$ 2,967,907</b>	<b>\$ 3,651,669</b>	<b>\$ (683,762)</b>	<b>-18.7%</b>
<b>Operating Income(Loss)</b>	<b>\$ (21,054)</b>	<b>\$ 36,096</b>	<b>\$ 1,145</b>	<b>\$ (53,270)</b>	<b>\$ (107,349)</b>	<b>\$ 359,505</b>	<b>\$ (57,129)</b>	<b>\$ 92,832</b>	<b>\$ 78,877</b>	<b>\$ (27,229)</b>	<b>\$ 302,424</b>	<b>\$ (147,389)</b>	<b>\$ 449,813</b>	<b>305.2%</b>
<b>Nonoperating Revenues (Expenses):</b>														
Bad Debt Recoveries and Adjustments	-	-	-	-	-	3,741	-	-	6,114	-	9,855	12,500	(2,645)	-21.2%
Miscellaneous Non-Operating Revenues/(Expenses)	-	-	-	-	-	-	-	-	-	-	-	(1,667)	1,667	-100.0%
Interest and Investment Income	26,997	34,457	19,837	29,932	15,661	35,176	20,838	27,801	29,772	22,041	262,512	417,167	(154,655)	-37.1%
Realized Gain (Loss) on Sale of Investment	-	(445)	(19)	(31)	(5)	190	(364)	(3,452)	(532)	(1,994)	(6,652)	(41,667)	35,015	-84.0%
Net Appreciation (Depr) in Fair Value of Investments	(38,575)	3,960	(17,901)	5,423	3,764	(54,607)	43,741	(37,439)	4,831	(15,690)	(102,493)	(208,333)	105,840	-50.8%
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (11,578)</b>	<b>\$ 37,972</b>	<b>\$ 1,917</b>	<b>\$ 35,324</b>	<b>\$ 19,420</b>	<b>\$ (15,500)</b>	<b>\$ 64,215</b>	<b>\$ (13,090)</b>	<b>\$ 40,185</b>	<b>\$ 4,357</b>	<b>\$ 163,222</b>	<b>\$ 178,000</b>	<b>\$ (14,778)</b>	<b>-8.3%</b>
<b>Net Income (Loss) Before Transfers</b>	<b>\$ (32,632)</b>	<b>\$ 74,068</b>	<b>\$ 3,062</b>	<b>\$ (17,946)</b>	<b>\$ (87,929)</b>	<b>\$ 344,005</b>	<b>\$ 7,086</b>	<b>\$ 79,742</b>	<b>\$ 119,062</b>	<b>\$ (22,872)</b>	<b>\$ 465,646</b>	<b>\$ 30,611</b>	<b>\$ 435,035</b>	<b>1421.2%</b>
<b>Transfers:</b>														
Transfers in from other funds	-	2,263,041	116,837	10	177,108	-	-	-	-	-	2,556,996	-	-	0.0%
Transfers out to other funds	-	(2,263,041)	-	-	-	-	-	-	-	-	(2,263,041)	-	-	0.0%
<b>Total Transfers In (Out)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 116,837</b>	<b>\$ 10</b>	<b>\$ 177,108</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 293,955</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Net Income (Loss)</b>	<b>\$ (32,632)</b>	<b>\$ 74,068</b>	<b>\$ 119,899</b>	<b>\$ (17,936)</b>	<b>\$ 89,179</b>	<b>\$ 344,005</b>	<b>\$ 7,086</b>	<b>\$ 79,742</b>	<b>\$ 119,062</b>	<b>\$ (22,872)</b>	<b>\$ 759,601</b>	<b>\$ 30,611</b>	<b>\$ 728,990</b>	<b>2381.5%</b>





**ILLINOIS FINANCE AUTHORITY**  
 STATEMENT OF REVENUES, EXPENSES AND NET INCOME  
 IFA FUNDS AND AGENCY FUND ACTIVITY  
 FOR FISCAL YEAR 2015 AS OF APRIL 30, 2015  
 (PRELIMINARY AND UNAUDITED)

	GENERAL FUND	FIRE TRUCK REV LOAN FUND	AMBULANCE REV LOAN FUND	NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF ILLINOIS DEBT FUNDS	TOTAL ALL FUNDS	AGENCY FUNDS
<b>Operating Revenues:</b>								
Closing Fees	1,887,583	-	-	-	1,887,583	-	1,887,583	25,000
Annual Fees	312,617	-	-	-	312,617	-	312,617	-
Administrative Service Fees	121,000	-	-	-	121,000	-	121,000	-
Application Fees	38,178	-	-	-	38,178	-	38,178	-
Miscellaneous Fees	110	362,035	-	31	362,176	-	362,176	-
Interest Income-Loans	906,173	-	-	32,538	938,711	3,010,645	3,949,356	-
Other Revenue	4,670	-	-	-	4,670	-	4,670	-
<b>Total Operating Revenue:</b>	<b>\$ 3,270,331</b>	<b>\$ 362,035</b>	<b>\$ -</b>	<b>\$ 32,569</b>	<b>\$ 3,664,935</b>	<b>\$ 3,010,645</b>	<b>\$ 6,675,580</b>	<b>\$ 25,000</b>
<b>Operating Expenses:</b>								
Employee Related Expense	1,447,586	-	-	-	1,447,586	-	1,447,586	-
Professional Services	1,003,608	3,322	2,220	10,109	1,019,259	-	1,019,259	394
Occupancy Costs	159,801	-	-	-	159,801	-	159,801	-
General & Administrative	313,649	-	-	-	313,649	-	313,649	-
Interest Expense	-	-	-	3,436	3,436	3,211,297	3,214,733	-
Depreciation and Amortization	43,263	-	-	-	43,263	-	43,263	-
<b>Total Operating Expense</b>	<b>\$ 2,967,907</b>	<b>\$ 3,322</b>	<b>\$ 2,220</b>	<b>\$ 13,545</b>	<b>\$ 2,986,994</b>	<b>\$ 3,211,297</b>	<b>\$ 6,198,291</b>	<b>\$ 394</b>
<b>Operating Income(Loss)</b>	<b>\$ 302,424</b>	<b>\$ 358,713</b>	<b>\$ (2,220)</b>	<b>\$ 19,024</b>	<b>\$ 677,941</b>	<b>\$ (200,652)</b>	<b>\$ 477,289</b>	<b>\$ 24,606</b>
<b>Nonoperating Revenues (Expenses):</b>								
Bad Debt Recoveries and Adjustments	9,855	-	-	1,117	10,972	-	10,972	-
Transfer of funds and program interest from the State of Illi	-	-	-	-	-	-	-	-
Interest and Investment Income	262,512	66,448	39,983	244,212	613,155	200,652	813,807	-
Realized Gain (Loss) on Sale of Investment	(6,652)	(7,094)	(4,246)	(9,960)	(27,952)	-	(27,952)	-
Net Appreciation (Depr) in fair value of Investments	(102,493)	(19,628)	(12,810)	(68,053)	(202,984)	-	(202,984)	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 163,222</b>	<b>\$ 39,726</b>	<b>\$ 22,927</b>	<b>\$ 167,316</b>	<b>\$ 393,191</b>	<b>\$ 200,652</b>	<b>\$ 593,843</b>	<b>\$ -</b>
<b>Net Income (Loss) Before Transfers</b>	<b>\$ 465,646</b>	<b>\$ 398,439</b>	<b>\$ 20,707</b>	<b>\$ 186,340</b>	<b>\$ 1,071,132</b>	<b>\$ -</b>	<b>\$ 1,071,132</b>	<b>\$ 24,606</b>
<b>Transfers:</b>								
Transfers in from other funds	2,556,996	-	-	-	2,556,996	-	2,556,996	-
Transfers out to other funds	(2,263,041)	-	-	(293,955)	(2,556,996)	-	(2,556,996)	-
<b>Total Transfers In (Out)</b>	<b>\$ 293,955</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (293,955)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Income (Loss)</b>	<b>\$ 759,601</b>	<b>\$ 398,439</b>	<b>\$ 20,707</b>	<b>\$ (107,615)</b>	<b>\$ 1,071,132</b>	<b>\$ -</b>	<b>\$ 1,071,132</b>	<b>\$ 24,606</b>



**ILLINOIS FINANCE AUTHORITY**  
**STATEMENT OF NET POSITION**  
**IFA FUNDS AND AGENCY FUND ACTIVITY**  
 April 30, 2015  
 (PRELIMINARY AND UNAUDITED)

	GENERAL FUND	FIRE TRUCK REV LOAN FUND	AMBULANCE REV LOAN FUND	NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF ILLINOIS DEBT FUNDS	TOTAL ALL FUNDS	AGENCY FUNDS
<b>Assets and Deferred Outflows:</b>								
<b>Current Assets:</b>								
<b>Unrestricted:</b>								
Cash & cash equivalents	5,941,178	-	-	1,070,778	7,011,956	-	7,011,956	-
Investments	6,187,883	-	-	3,264,522	9,452,405	-	9,452,405	-
Accounts receivable, Net	135,933	-	-	-	135,933	-	135,933	-
Loans receivables, Net	38,291	-	-	-	38,291	-	38,291	-
Accrued interest receivable	321,996	-	-	36,340	358,336	-	358,336	-
Bonds and notes receivable	1,942,800	-	-	-	1,942,800	-	1,942,800	-
Due from other funds	91,168	-	-	-	91,168	-	91,168	-
Due from other local government agencies	-	-	-	3,000,000	3,000,000	-	3,000,000	-
Prepaid Expenses	75,776	-	-	-	75,776	-	75,776	-
<b>Total Current Unrestricted Assets</b>	<b>\$ 14,735,025</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,371,640</b>	<b>\$ 22,106,665</b>	<b>\$ -</b>	<b>\$ 22,106,665</b>	<b>\$ -</b>
<b>Restricted:</b>								
Cash & Cash Equivalents	1,280,252	18,270	36,361	2,061,294	3,396,177	61,120,232	64,516,409	60,695
Investments	-	1,490,830	1,224,451	216,404	2,931,685	-	2,931,685	-
Accrued interest receivable	-	18,991	10,442	4,974	34,407	395	34,802	-
Bonds and notes receivable from State component units	-	-	-	-	-	713,629	713,629	-
Loans receivables, Net	-	1,374,194	74,320	16,590	1,465,104	-	1,465,104	-
<b>Total Current Restricted Assets</b>	<b>\$ 1,280,252</b>	<b>\$ 2,902,285</b>	<b>\$ 1,345,574</b>	<b>\$ 2,299,262</b>	<b>\$ 7,827,373</b>	<b>\$ 61,834,256</b>	<b>\$ 69,661,629</b>	<b>\$ 60,695</b>
<b>Total Current Assets</b>	<b>\$ 16,015,277</b>	<b>\$ 2,902,285</b>	<b>\$ 1,345,574</b>	<b>\$ 9,670,902</b>	<b>\$ 29,934,038</b>	<b>\$ 61,834,256</b>	<b>\$ 91,768,294</b>	<b>\$ 60,695</b>
<b>Non-current Assets:</b>								
<b>Unrestricted:</b>								
Investments	17,062,679	-	-	9,228,463	26,291,142	-	26,291,142	-
Accounts receivable, Net	-	-	-	-	-	-	-	-
Loans receivables, Net	1,586,970	-	-	-	1,586,970	-	1,586,970	-
Bonds and notes receivable	18,519,237	-	-	-	18,519,237	-	18,519,237	-
<b>Total Noncurrent Unrestricted Assets</b>	<b>\$ 37,168,886</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,228,463</b>	<b>\$ 46,397,349</b>	<b>\$ -</b>	<b>\$ 46,397,349</b>	<b>\$ -</b>
<b>Restricted:</b>								
Cash & Cash Equivalents	-	-	-	600,000	600,000	-	600,000	-
Investments	-	4,820,891	2,614,789	544,147	7,979,827	3,349,693	11,329,520	-
Funds in the custody of the Treasurer	-	122,234	42	17,984,107	18,106,383	-	18,106,383	-
Loans receivables, Net	-	14,173,884	247,280	1,497,048	15,918,212	-	15,918,212	-
Bonds and notes receivable from primary government	-	-	-	-	-	73,458,173	73,458,173	-
Bonds and notes receivable from State component units	-	-	-	-	-	33,079,259	33,079,259	-
<b>Total Noncurrent Restricted Assets</b>	<b>\$ -</b>	<b>\$ 19,117,009</b>	<b>\$ 2,862,111</b>	<b>\$ 20,625,302</b>	<b>\$ 42,604,422</b>	<b>\$ 109,887,125</b>	<b>\$ 152,491,547</b>	<b>\$ -</b>
<b>Capital Assets</b>								
Capital Assets	793,176	-	-	-	793,176	-	793,176	-
Accumulated Depreciation	(713,542)	-	-	-	(713,542)	-	(713,542)	-
<b>Total Capital Assets</b>	<b>\$ 79,634</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 79,634</b>	<b>\$ -</b>	<b>\$ 79,634</b>	<b>\$ -</b>
<b>Total Noncurrent Assets</b>	<b>\$ 37,248,520</b>	<b>\$ 19,117,009</b>	<b>\$ 2,862,111</b>	<b>\$ 29,853,765</b>	<b>\$ 89,081,405</b>	<b>\$ 109,887,125</b>	<b>\$ 198,968,530</b>	<b>\$ -</b>
<b>Total Assets</b>	<b>\$ 53,263,797</b>	<b>\$ 22,019,294</b>	<b>\$ 4,207,685</b>	<b>\$ 39,524,667</b>	<b>\$ 119,015,443</b>	<b>\$ 171,721,381</b>	<b>\$ 290,736,824</b>	<b>\$ 60,695</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>								
Deferred loss on debt refunding	-	-	-	-	-	883,574	883,574	-
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 883,574</b>	<b>\$ 883,574</b>	<b>\$ -</b>
<b>Total Assets &amp; Deferred Inflows of Resources</b>	<b>\$ 53,263,797</b>	<b>\$ 22,019,294</b>	<b>\$ 4,207,685</b>	<b>\$ 39,524,667</b>	<b>\$ 119,015,443</b>	<b>\$ 172,604,955</b>	<b>\$ 291,620,398</b>	<b>\$ 60,695</b>



**ILLINOIS FINANCE AUTHORITY**  
**STATEMENT OF NET POSITION**  
**IFA FUNDS AND AGENCY FUND ACTIVITY**  
 April 30, 2015  
 (PRELIMINARY AND UNAUDITED)

	GENERAL FUND	FIRE TRUCK REV LOAN FUND	AMBULANCE REV LOAN FUND	NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF ILLINOIS DEBT FUNDS	TOTAL ALL FUNDS	AGENCY FUNDS
<b>Liabilities:</b>								
<b>Current Liabilities:</b>								
Payable from unrestricted current assets:								
Accounts payable	78,261	-	-	3,379	81,640	-	81,640	-
Accrued liabilities	223,020	-	-	-	223,020	-	223,020	-
Due to employees	89,452	-	-	-	89,452	-	89,452	-
Due to primary government	1	-	-	-	1	-	1	-
Due to other funds	73,765	-	-	17,403	91,168	-	91,168	-
Other liabilities	-	-	-	-	-	-	-	60,695
Unearned revenue, net of accumulated amortization	117,929	-	-	-	117,929	-	117,929	-
<b>Total Current Liabilities Payable from Unrestricted Current Assets</b>	<b>\$ 582,428</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,782</b>	<b>\$ 603,210</b>	<b>\$ -</b>	<b>\$ 603,210</b>	<b>\$ 60,695</b>
Payable from restricted current assets:								
Accounts payable	-	589	962	116	1,667	-	1,667	-
Accrued interest payable	-	-	-	1,587	1,587	1,555,668	1,557,255	-
Bonds and notes payable from primary government	-	-	-	-	-	21,475,000	21,475,000	-
Bonds and notes payable from State component units	-	-	-	-	-	2,232,796	2,232,796	-
Unamortized bond premium	-	-	-	-	-	942,335	942,335	-
<b>Total Current Liabilities Payable from Restricted Current Assets</b>	<b>\$ -</b>	<b>\$ 589</b>	<b>\$ 962</b>	<b>\$ 1,703</b>	<b>\$ 3,254</b>	<b>\$ 26,205,799</b>	<b>\$ 26,209,053</b>	<b>\$ -</b>
<b>Total Current Liabilities</b>	<b>\$ 582,428</b>	<b>\$ 589</b>	<b>\$ 962</b>	<b>\$ 22,485</b>	<b>\$ 606,464</b>	<b>\$ 26,205,799</b>	<b>\$ 26,812,263</b>	<b>\$ 60,695</b>
<b>Noncurrent Liabilities</b>								
Payable from unrestricted noncurrent assets:								
Accrued liabilities	22,222	-	-	-	22,222	-	22,222	-
Bonds and notes payable from primary government	-	-	-	-	-	-	-	-
Bonds and notes payable from State component units	-	-	-	-	-	-	-	-
<b>Assets</b>	<b>\$ 22,222</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,222</b>	<b>\$ -</b>	<b>\$ 22,222</b>	<b>\$ -</b>
Payable from restricted noncurrent assets:								
Bonds and notes payable from primary government	-	-	-	-	-	97,675,000	97,675,000	-
Bonds and notes payable from State component units	-	-	-	-	-	37,666,270	37,666,270	-
Noncurrent portion of long term debt	-	-	-	369,080	369,080	-	369,080	-
Unamortized bond premium	-	-	-	-	-	11,057,886	11,057,886	-
<b>Total Noncurrent Liabilities Payable from Restricted Noncurrent</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 369,080</b>	<b>\$ 369,080</b>	<b>\$ 146,399,156</b>	<b>\$ 146,768,236</b>	<b>\$ -</b>
<b>Total Noncurrent Liabilities</b>	<b>\$ 22,222</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 369,080</b>	<b>\$ 391,302</b>	<b>\$ 146,399,156</b>	<b>\$ 146,790,458</b>	<b>\$ -</b>
<b>Total Liabilities</b>	<b>\$ 604,650</b>	<b>\$ 589</b>	<b>\$ 962</b>	<b>\$ 391,565</b>	<b>\$ 997,766</b>	<b>\$ 172,604,955</b>	<b>\$ 173,602,721</b>	<b>\$ 60,695</b>
<b>Net Position:</b>								
Net Investment in Capital Assets	79,634	-	-	-	79,634	-	79,634	-
Restricted	-	21,620,266	4,186,016	22,418,033	48,224,315	-	48,224,315	-
Unrestricted	51,819,912	-	-	16,822,684	68,642,596	-	68,642,596	-
Current Change in Net Position	759,601	398,439	20,707	(107,615)	1,071,132	-	1,071,132	-
<b>Total Net Position</b>	<b>\$ 52,659,147</b>	<b>\$ 22,018,705</b>	<b>\$ 4,206,723</b>	<b>\$ 39,133,102</b>	<b>\$ 118,017,677</b>	<b>\$ -</b>	<b>\$ 118,017,677</b>	<b>\$ -</b>
<b>Total Liabilities &amp; Net Position</b>	<b>\$ 53,263,797</b>	<b>\$ 22,019,294</b>	<b>\$ 4,207,685</b>	<b>\$ 39,524,667</b>	<b>\$ 119,015,443</b>	<b>\$ 172,604,955</b>	<b>\$ 291,620,398</b>	<b>\$ 60,695</b>



**ILLINOIS FINANCE AUTHORITY  
MEMORANDUM**

**To:** Illinois Finance Authority Board of Directors  
**From:** Melinda M. Gildart, Chief Financial Officer/Agency Procurement Officer  
**Date:** May 14, 2015  
**Re:** Monthly Procurement Report

**NEW CONTRACT AWARDS**

Services Provided	Vendor	Proposed Initial Term (Yrs)	Estimated Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
<i>Illinois Procurement Code-Competitive Bids/Proposals</i>							
Debt Management Software Application	Technology Partners Group, Inc.	3	05/15-04/18	\$ 552,250	N/A	N/A	N/A
Accounting Software Maintenance and Support	Ascent Innovations, LLC	3	05/15-04/18	\$ 155,128	\$ 49,500	\$ 49,500	\$ 49,500
Post Warranty Support Care Packs	Hewlett Packard <sup>1</sup>	1	04/15-04/16	\$ 3,380	\$ 3,380	\$ 3,380	\$ 3,380
Email Disaster Recovery and Mailbag Service	Mx Save	1	06/15-06/16	\$ 588	\$ 588	\$ 588	\$ 588
Hardware Rental/Disaster Recovery Testing	ImagIT	1 mos	04/15-05/15	\$ 2,718	\$ 2,718	\$ 2,718	\$ 2,718
Email Software Support	Marcor Technologies, Inc.	3	05/15-04/18	\$ 4,500	\$ 4,500	\$ 1,500	\$ 1,500
Temporary Finance/Procurement/Compliance Staffing	Accounting Principals, Inc.	1	05/15-04/16	\$ 49,500	N/A	N/A	N/A
SIP Trunk Service	AT&T <sup>1</sup>	4 yrs, 3 mos	05/15-04/19	\$ 32,812	N/A	N/A	N/A
Network Router Support	AT&T <sup>1</sup>	14 mos	04/15-06/16	\$ 51	\$ 51	\$ 51	\$ 51
Training Room/Computer Lab Rental	MicroTek	1	05/15-04/16	\$ 9,900	N/A	N/A	N/A
2015 Corporate Sponsorship	Illinois Hospital Association	1	05/15-04/16	\$ 8,000	-	-	-
Web Based Project Management	Kanban Tool	1	05/15-04/16	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
<i>IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals</i>							
Professional and Artistic (CPA Services; GAAP Package)	Anthes, Pruyn and Associates	4	05/15-04/19	\$ 49,600	\$ 12,000	\$ 12,000	\$ 12,000

**ACTIVE SOLICITATIONS**

Services Provided	Vendor	Proposed Initial Term (Yrs)	Start/End	Estimated NTE Value*	Prior Contract NTE Value*	Prior Contract Expense*	Avg Yrly Prior Contract Expense
<i>Illinois Procurement Code-Competitive Bids/Proposals</i>							
Payroll Services	Anticipated award June 2015	3	07/15-06/20	n/a	\$ 233,000	\$ 170,000	\$ 170,000
<i>IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals</i>							
Specialty Accounting/Audit Services	Anticipated award May/June 2015	3	05/15-05/18	n/a	\$ -	\$ -	\$ -



**ILLINOIS FINANCE AUTHORITY  
MEMORANDUM**

**To:** Illinois Finance Authority Board of Directors  
**From:** Melinda M. Gildart, Chief Financial Officer/Agency Procurement Officer  
**Date:** May 14, 2015  
**Re:** Monthly Procurement Report

**UPCOMING SOLICITATIONS**

Services Provided	Vendor	Proposed Initial Term (Yrs)	Start/End	Estimated NTE Value*	Prior Contract NTE Value*	Prior Contract Expense*	Avg Yrly Prior Contract Expense
<i>Illinois Procurement Code-Competitive Bids/Proposals</i>							
Insurance Broker	Anticipated award June 2015*	3	07/15-06/18	n/a	\$ 68,700	\$ 68,700	\$ 22,900
Legislative Services	Anticipated award June 2015*	3	07/15-06/18	n/a	\$ 180,000	\$ 180,000	\$ 60,000
IT Network Support	Anticipated award Sep 2015*	3	10/15-09/18	n/a	\$ 90,000	\$ 90,000	\$ 30,000
Typesetting and Printing Services	Anticipated award Sep 2015*	3	10/15-09/18	n/a	\$ 40,000	\$ 40,000	\$ 40,000
Marketing Services	Anticipated award August 2015*	3	09/15-08/18	n/a	\$ 300,000	\$ 179,276	\$ 89,638
Information Technology Software Support	Anticipated award July 2015	3	08/15-07/18	n/a	\$ -	\$ -	\$ -
<i>IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals</i>							
Investment Advisor and/or Mgmt Services	Per BOD Direction	2	n/a	n/a	n/a	n/a	n/a
Employee Benefit Services	Anticipated award June 2015*	5	07/15-06/20	n/a	\$ 233,000	\$ 170,000	\$ 170,000
Loan Management and Paying Agent/Custodian Services	Anticipated award June 2015*	3	07/15-06/18	n/a	\$ 300,000	\$ 158,662	\$ 52,887
Financial Deposit Institution/Cash Management	Anticipated award August 2015	5	09/15-08/20	n/a	\$ 105,000	\$ 105,000	\$ 105,000

*\*There are no renewals left for any of these contracts or these are new solicitations. For comparison purposes only. Includes only the initial term, not renewals.*

**UPCOMING RENEWALS**

Services Provided	Vendor	Proposed Renewal Term (Yrs)	Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
<i>Illinois Procurement Code-Competitive Bids/Proposals</i>							
Energy Efficiency Projects-No Fee to IFA	Johnson Controls, Inc.*	5	10/15-10/20	\$ -	n/a	n/a	n/a
Energy Efficiency Projects-No Fee to IFA	Hill Mechanical Group*	5	10/15-10/20	\$ -	n/a	n/a	n/a
Energy Efficiency Projects-No Fee to IFA	Utilities Dynamics, Inc.*	5	10/15-10/20	\$ -	n/a	n/a	n/a
Energy Efficiency Projects-No Fee to IFA	Ameresco, Inc.	5	11/15-11/20	\$ -	n/a	n/a	n/a
Energy Efficiency Projects-No Fee to IFA	Honeywell International, Inc.*	5	11/15-11/20	\$ -	n/a	n/a	n/a



**ILLINOIS FINANCE AUTHORITY  
MEMORANDUM**

**To:** Illinois Finance Authority Board of Directors  
**From:** Melinda M. Gildart, Chief Financial Officer/Agency Procurement Officer  
**Date:** May 14, 2015  
**Re:** Monthly Procurement Report

Energy Efficiency Projects-No Fee to IFA	Kenny Construction*	5	11/15-11/20	\$ -	n/a	n/a	n/a
Energy Efficiency Projects-No Fee to IFA	Noresco, LLC*	5	11/15-11/20	\$ -	n/a	n/a	n/a
Insur. Broker: Energy Efficiency Projects-No Fee to IFA	Mesirow Insurance Services, Inc.	5	10/15-10/20	\$ -	n/a	n/a	n/a
Insur. Broker: Energy Efficiency Projects-No Fee to IFA	AON Risk Services Central, Inc.	5	11/15-11/20	\$ -	n/a	n/a	n/a

*\*Per the direction of the Executive Director, these contracts will not be renewed.*

**PROPOSED CHANGES TO IFA PROCUREMENT POLICY**

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Per discussion with the Procurement Policy Board, Chief Procurement Officer, and the Authority, an intergovernmental agreement will be drafted and submitted to the Board for approval to further clarify specific compliance, procedures and responsibilities needed for Authority management to fulfill its obligation under the Illinois Procurement Code and IFA's own Procurement Policy.

<sup>1</sup> *Products and/or services procured under a State of Illinois master contract.*

# ILLINOIS FINANCE AUTHORITY

## Memorandum

To: IFA Board of Directors  
From: Lorrie Karcher  
Date: May 12, 2015  
Re: Overview Memo for Beginning Farmer Bonds

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- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolution for the attached projects
- **Amount:** Up to \$517,700 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **Total Requested: \$854,542**
- **Calendar Year Summary:** (as of May 12, 2015)
  - Volume Cap: \$10,000,000
  - Volume Cap Committed: \$1,785,852
  - Volume Cap Remaining: \$8,214,148
  - Average Farm Acreage: 52
  - Number of Farms Financed: 7
- **IFA Benefits:**
  - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
  - **New Money Bonds:**
    - IFA effectively conveys tax-exempt municipal bond status on a bank mortgage loan
    - Will use dedicated 2015 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 with 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
  - (312) 541-8600

**A. Project Number:** **A-FB-TE-CD-8733**  
**Borrower(s):** **Doll, Amanda J. and Scott R.**  
Borrower Benefit: First Time Land Buyer  
Town: Pocahontas, IL  
**IFA Bond Amount:** **\$216,000**  
Use of Funds: Farmland – 60 acres of farmland & orchard  
Purchase Price: \$432,000 / \$7,200 per acre  
%Borrower Equity 0%  
% USDA Farm Service Agency 50% (*Subordinate Financing*)  
%IFA 50%  
Township: Burgess  
Counties/Regions: Bond / Southwestern  
Lender/Bond Purchase: Bradford National Bank / Robert Tompkins  
**Legislative Districts:** Congressional: 15  
State Senate: 54  
State House: 107

Principal shall be paid semi-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 six months from the date of closing. Accrued interest on the unpaid balance hereof shall be paid semi-annually, with the first interest payment date to begin six months from the date of closing with the sixtieth 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.

**B. Project Number:** **A-FB-TE-CD-8734**  
**Borrower(s):** **Hilmes, Brandon**  
Borrower Benefit: First Time Land Buyer  
Town: Breese, IL  
**IFA Bond Amount:** **\$190,000**  
Use of Funds: Farmland – 40 acres of farmland  
Purchase Price: \$240,000 / \$6,000 per acre  
%Borrower Equity 21%  
% Other 0%  
%IFA 79%  
Township: Seminary  
Counties/Regions: Fayette/Southeastern  
Lender/Bond Purchase: 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 on April 30, 2016. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin on April 30, 2016 with the twentieth and final payment of all outstanding balances due twenty years from the date of the first principal and interest payment. The note will have a 20-year amortization and maturity.



**C. Project Number:** **A-FB-TE-CD-8737**  
**Borrower(s):** **Primus, Marvis & Angela**  
Borrower Benefit: First Time Land Buyer  
Town: Lawrenceville, IL  
**IFA Bond Amount:** **\$224,271**  
Use of Funds: Farmland – 140 acres of farmland - undivided ½ interest  
Purchase Price: \$748,542 / \$5,347 per acre  
% Borrower Equity 30% (*Borrower 15%/Brother 15%*)  
% USDA Farm Service Agency 40% (*Subordinate Financing*)  
% IFA 30%  
Township: Russell  
Counties/Regions: Lawrence/Southeastern  
Lender/Bond Purchase: Peoples State Bank of Newton/Eric Seitzinger  
**Legislative Districts:** Congressional: 15  
State Senate: 55  
State House: 109

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.

**D. Project Number:** **A-FB-TE-CD-8738**  
**Borrower(s):** **Primus, Wayne**  
Borrower Benefit: First Time Land Buyer  
Town: Lawrenceville, IL  
**IFA Bond Amount:** **\$224,271**  
Use of Funds: Farmland – 140 acres of farmland - undivided ½ interest  
Purchase Price: \$748,542 / \$5,347 per acre  
% Borrower Equity 30% (*Borrower 15%/Brother 15%*)  
% USDA Farm Service Agency 40% (*Subordinate Financing*)  
% IFA 30%  
Township: Russell  
Counties/Regions: Lawrence/Southeastern  
Lender/Bond Purchase: Peoples State Bank of Newton/Eric Seitzinger  
**Legislative Districts:** Congressional: 15  
State Senate: 55  
State House: 109

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.

**\$15,400,000 (not-to-exceed)**

**Chicago Shakespeare Theater**

**May 14, 2015**

<b>REQUEST</b>	<p><b>Purpose:</b> Bond proceeds will be loaned to <b>Chicago Shakespeare Theater</b>, an Illinois not for profit corporation (the “<b>Borrower</b>”), for the purpose of providing the Borrower with all or a portion of the funds in connection with the development, design, site renovation, construction and equipping of a third theater on Navy Pier in conjunction with Navy Pier, Inc. (collectively, the “<b>Project</b>”) and to refund the Authority’s \$4,100,000 Revenue Bonds (Chicago Shakespeare Theater Project) Series 2011 (the “<b>Series 2011 Bonds</b>”).</p> <p><b>Program:</b> Conduit 501(c)(3) Revenue Bonds</p> <p><b>Extraordinary Conditions:</b> None.</p>																								
<b>BOARD ACTION</b>	Preliminary Bond Resolution																								
<b>MATERIAL CHANGES</b>	Not applicable. This is the first time this financing is being presented.																								
<b>JOB DATA</b>	<table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">142</td> <td style="text-align: center;">Current jobs</td> <td style="text-align: center;">37 FTE</td> <td style="text-align: center;">New jobs projected</td> </tr> <tr> <td style="text-align: center;">N/A</td> <td style="text-align: center;">Retained jobs</td> <td style="text-align: center;">85 avg. FTE</td> <td style="text-align: center;">Construction jobs projected (3 years)</td> </tr> </table>	142	Current jobs	37 FTE	New jobs projected	N/A	Retained jobs	85 avg. FTE	Construction jobs projected (3 years)																
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N/A	Retained jobs	85 avg. FTE	Construction jobs projected (3 years)																						
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>● Location: Chicago / Cook County / Northeast</li> <li>● Type of entity: Chicago Shakespeare Theater (“CST”) is a 501(c)(3) organization incorporated under Illinois law</li> <li>● CST, a professional theater company located at Navy Pier (1999-present) in Chicago, was founded in 1986 as Chicago Shakespeare Workshop, a name which was changed a year later to the Chicago Shakespeare Repertory and finally in 1999 to Chicago Shakespeare Theater. The Borrower is governed by a 59-member Board of Directors.</li> <li>● CST has grown from the third-largest theater company in Chicago to the third largest in the regional Midwest. CST produces and presents a year-round performing season featuring Shakespeare’s canon and family-oriented productions, musicals, world premieres, and visiting international tours.</li> <li>● The current home of CST consists of two theater spaces (the 500-seat courtyard-style Jentes Family Courtyard Theater and the 200-seat Carl and Marilyn Thoma Theater).</li> <li>● The proposed project aims to expand CST’s presence and capabilities by constructing a third stage on Navy Pier. The development of the new venue will expand CST’s footprint to a contiguous three-theater complex. The design of the new theater is intended to allow seating for between 250 and 900 theater patrons, with considerable flexibility in the staging and audience formats.</li> </ul>																								
<b>CREDIT INDICATORS</b>	<ul style="list-style-type: none"> <li>● The IFA Bonds will be sold on a non-rated, unenhanced basis, and accordingly, will be privately placed by William Blair &amp; Company, L.L.C. (the “<b>Placement Agent</b>”) to a commercial bank. The Borrower is a non-rated entity.</li> <li>● CST will enter into a 90-year lease with Navy Pier, Inc. for the existing Skyline Stage that will be renovated as part of this Project (i.e., 15-year initial lease term with five consecutive 15-year options).</li> </ul>																								
<b>STRUCTURE</b>	<ul style="list-style-type: none"> <li>● Rate: The IFA Bonds will be purchased directly by a commercial bank at a fixed or synthetically fixed interest rate for the terms of the Bonds. Respective initial interest rates will reflect prevailing market conditions prior to closing, estimated at 3.00% to 4.00% (as of 4/30/2015).</li> <li>● Term: Not-to-exceed 10 years</li> </ul>																								
<b>SOURCES AND USES</b> <i>(*PLEASE SEE PP. 2-3 FOR ADDITIONAL INFORMATION)</i>	<table style="width: 100%; border: none;"> <thead> <tr> <th style="text-align: left;"><b>Sources:</b></th> <th style="text-align: right;"></th> <th style="text-align: left;"><b>Uses:</b></th> <th style="text-align: right;"></th> </tr> </thead> <tbody> <tr> <td>IFA Bonds</td> <td style="text-align: right;">\$15,400,000</td> <td>Construction/Equipment</td> <td style="text-align: right;">\$15,400,000</td> </tr> <tr> <td>*Navy Pier, Inc. <i>(please see pp. 2-3 – Sources and Uses)</i></td> <td style="text-align: center;">*</td> <td>Refund Series 2011 Bonds</td> <td style="text-align: right;">4,100,000</td> </tr> <tr> <td>Pledge Campaign</td> <td style="text-align: right;">3,659,980</td> <td>Costs of Issuance</td> <td style="text-align: right;"><u>204,980</u></td> </tr> <tr> <td>Equity</td> <td style="text-align: right;"><u>645,000</u></td> <td></td> <td></td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b><u>\$19,704,980</u></b></td> <td><b>Total</b></td> <td style="text-align: right;"><b><u>\$19,704,980</u></b></td> </tr> </tbody> </table>	<b>Sources:</b>		<b>Uses:</b>		IFA Bonds	\$15,400,000	Construction/Equipment	\$15,400,000	*Navy Pier, Inc. <i>(please see pp. 2-3 – Sources and Uses)</i>	*	Refund Series 2011 Bonds	4,100,000	Pledge Campaign	3,659,980	Costs of Issuance	<u>204,980</u>	Equity	<u>645,000</u>			<b>Total</b>	<b><u>\$19,704,980</u></b>	<b>Total</b>	<b><u>\$19,704,980</u></b>
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<b>Total</b>	<b><u>\$19,704,980</u></b>	<b>Total</b>	<b><u>\$19,704,980</u></b>																						
<b>RECOMMENDATION</b>	Credit Review Committee recommends approval.																								

**ILLINOIS FINANCE AUTHORITY  
 BOARD SUMMARY  
 May 14, 2015**

**Project: Chicago Shakespeare Theater**

**STATISTICS**

Project Number:	N-NP-TE-CD-8726	Amount:	\$15,400,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bond	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 Bond	No IFA funds at risk
Credit Review Committee recommends approval	No extraordinary conditions

**VOTING RECORD**

Not applicable. This is the first time this financing is being presented.

**PURPOSE**

Bond proceeds will be loaned to **Chicago Shakespeare Theater**, an Illinois not for profit corporation (the “**Borrower**”), for the purpose of providing the Borrower with all or a portion of the funds in connection with the development, design, site renovation, construction and equipping of a third theater on Navy Pier in conjunction with Navy Pier, Inc. (collectively, the “**Project**”) and to refund the Authority’s \$4,100,000 Revenue Bonds (Chicago Shakespeare Theater Project) Series 2011 (the “**Series 2011 Bonds**”).

**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 (SUBJECT TO CHANGE)**

Sources:	IFA Bonds	\$15,400,000	Uses:	Construction/Equipment*	\$15,400,000
	*(Note: Navy Pier, Inc. – see below)			(excludes exterior shell financed by Navy Pier, Inc.)	
	Pledge Campaign	3,659,980		Refund Series 2011 Bonds	4,100,000
	Equity	645,000		Cost of Issuance	<u>204,980</u>
	<b>Total</b>	<b><u>\$19,704,980</u></b>		<b>Total</b>	<b><u>\$19,704,980</u></b>

\*Separately, Navy Pier, Inc. has made arrangement to finance and construct the exterior shell of the new theater facility financed with proceeds of IFA’s Draw Down Revenue Bonds, Series 2014B (Navy Pier, Inc. Project) that were purchased directly by Fifth Third Bank in a bond issue that closed on December 16, 2014. Chicago Shakespeare Theater will be solely responsible for financing the interior build-out (leasehold improvements) and for equipping the new theater facility that will be financed with IFA Series 2015 Bond proceeds, as proposed.

Approximately \$15.0 million of Navy Pier, Inc.’s IFA Series 2014B bond proceeds are to be allocated to construction of the theatre shell. Accordingly, total combined all-in investment by Chicago Shakespeare Theatre and Navy Pier, Inc. in the construction and build-out of the new theater facility will total approximately \$30.4 million.

**Informational disclosure on December 9, 2014 Voting Record for Final Bond Resolution in connection with IFA Draw Down Revenue Bonds, Series 2014B (Navy Pier, Inc. Project):**

- Voting Record – Navy Pier, Inc. – Final Bond Resolution – 12/9/2014: 10 Yeas; 1 Nay; 0 Abstain; 4 Absent (Lonstein; Parish; Tessler; and Zeller); 0 Vacant.

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**JOBS**

Current employment:	142	Projected new jobs:	37 FTE
Jobs retained:	N/A	Construction jobs:	85 avg. FTE (36-month construction period)

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**FINANCING SUMMARY**

Structure/  
Credit

Enhancement: The IFA Bond will not be rated or credit-enhanced. The Bond will be privately placed by William Blair & Company, L.L.C. (the “**Placement Agent**”) and is expected to be purchased directly by a commercial bank. The Borrower is a non-rated entity.

Interest Rate: Respective initial interest rates will reflect prevailing market conditions prior to closing, estimated at 3.00% to 4.00% (as of 4/30/2015).

Credit Rating: Ultimately, the Bond is expected to be purchased directly by a commercial bank and purchased without either a rating or credit enhancement. Again, Chicago Shakespeare Theater is a non-rated entity.

Maturity: Not to exceed 10 years

Underlying

Lease: CST will enter into a 90-year lease (consisting of a 15-year initial lease term with five consecutive 15-year extension provisions) with Navy Pier, Inc. The site for the new theater will be the existing Skyline Stage site. Navy Pier, Inc. will be renovating the space that currently occupies the Skyline Stage site into the new theater shell. Chicago Shakespeare Theater will then lease the new theater shell, financing the build-out of the new theater with proceeds of the proposed IFA Series 2015 Revenue Bonds (Chicago Shakespeare Theatre Project).

Estimated

Closing Date: July 2015

Rationale: As typical of cultural institutions, Chicago Shakespeare Theater’s (“**CST’s**”) operating revenues rely upon grants, contributions and other external support to supplement ticket sales and revenues generated from performances. The availability of tax-exempt bond financing will reduce CST’s borrowing costs while providing additional pricing flexibility to prospective commercial lenders. This financing will enable CST to expand its existing operations at the lowest possible interest expense and will help assure that CST will continue to attain its mission to bring Shakespeare to the people of Chicago and to visitors.

The proposed financing project aims to expand CST’s presence and capabilities by constructing a third theater stage at Navy Pier. The development of this new venue will expand CST’s footprint to provide a three-theater complex. The design of the new theater is intended to allow seating for between 250 and 900 theater patrons, and will provide CST additional flexibility in providing for various staging and audience formats.

The IFA Series 2015 Bond will also enable CST to refund its Series 2011 Bonds while smoothing its future scheduled principal payments.

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**PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)**

Bond proceeds will be loaned to **Chicago Shakespeare Theater**, an Illinois not for profit corporation (the “**Borrower**”), for the purpose of providing the Borrower with all or a portion of the funds in connection with the development, design, site renovation, construction and equipping of a third theater on Navy Pier in conjunction with Navy Pier, Inc. (collectively, the “**Project**”) and to refund Illinois Finance Authority \$4,100,000 Revenue Bonds (Chicago Shakespeare Theater Project) Series 2011 (the “**Series 2011 Bonds**”).

Estimated project costs to be financed with IFA Series 2015 Bond proceeds and funds from Navy Pier, Inc. (“**NPI**”) consist of the following:

Core and Shell ( <i>includes \$15MM from NPI</i> )	\$16,400,000
Theater Equipment	6,365,000
Theater Towers	3,500,000
Architectural/Engineering	<u>4,135,000</u>
<b>Total New Project Costs</b>	<b><u>\$30,400,000</u></b>

*Less: Navy Pier, Inc. contribution (a portion of which was funded with IFA Drawn Down Revenue Bonds, Series Series 2014B (Navy Pier, Inc. Project))* (15,000,000)

**Net Construction Costs funded by CST (with IFA Series 2015 Bond):** **\$15,400,000**

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**BUSINESS SUMMARY**

Description: **Chicago Shakespeare Theater** (“**CST**” or the “**Borrower**”) is incorporated under State of Illinois law and was founded in 1986. The Borrower is a 501(c)(3) not-for-profit corporation exempt from federal income taxes under the Internal Revenue Code.

CST is governed by a 59-member Board of Directors (see Economic Disclosure Statement on pp. 6-8).

Background: The Borrower was founded in 1986 as the Chicago Shakespeare Workshop, a name which was changed in 1987 to the Chicago Shakespeare Repertory and, finally, in 1999 to Chicago Shakespeare Theater.

CST performed its first twelve seasons in residency at the Ruth Page Theater in the Gold Coast neighborhood on the north side of Chicago. While CST was critically lauded for its innovative approach to classic Shakespearean works, it was limited by the age and space constraints of the Ruth Page Theater and began looking for new performance space in the late 1990s. In 1997, CST announced its plan to move to a new facility at Navy Pier. CST successfully ran a large-scale capital campaign to finance the facility. Since moving to Navy Pier in 1999, CST has grown from the third-largest theater company in Chicago to the third-largest in the Midwest. CST produces and presents a year-round schedule of performances featuring Shakespeare’s canon and family-oriented productions, musicals, world premieres, and visiting international tours.

Over the past 25 years, CST has built a civic, national, and international reputation as a premiere cultural institution. Today, CST’s year-round producing and presenting season features performances in two intimate theater spaces on Navy Pier. According to Navy Pier, Inc.’s website, Navy Pier is the Midwest’s most visited destination. According to CST management, CST reaches as many as 225,000 audience members every year.

CST's current facilities at Navy Pier consist of two theater spaces that may be configured to accommodate a variety of staging needs and concepts:

1. *The Jentes Family Courtyard Theater* is a 500-seat courtyard-style theater inspired by the theaters in early modern England where Shakespeare's plays were first staged (and evoking the design elements of Shakespeare's Globe in London and the Royal Shakespeare Company's Swan Theater in Stratford-upon-Avon). This theater space features three seating levels that wrap around the thrust stage, creating an intimate, immediate relationship between actors and audience.
2. *The Carl and Marilyn Thoma Theater Upstairs* is a 200-seat theater in which both the stage and seating configuration can be arranged in a variety of ways, suiting the creative choices of the artistic team with almost limitless versatility.

The development, design, financing, site lease, site renovation, construction, equipping and furnishing of a third theater on Chicago's Navy Pier by CST, in conjunction with **Navy Pier, Inc.** ("NPI"), is central to CST's mission and experience because it will allow CST to (i) expand its role as a leading American cultural institution producing world-class theater, (ii) engage the next generation through live performance, and (iii) introduce the leading theater producers and performers of the world to Chicago. The new theater will expand CST's artistic platform and increase the profile and prospective economic impact on Navy Pier.

CST Lease with  
Navy Pier:

CST will enter into a 90-year lease with NPI for the existing Skyline Stage facility that will be renovated as part of this Project. (The lease terms will be composed of an initial 15-year lease term, with up to five consecutive 15-year extension provisions.)

CST Comments  
on existing Skyline  
Stage facility:

The existing Skyline Stage comprises a single seating rake, facing a stagehouse. The venue is currently used throughout the summer months for circus and spectacle events, but is dormant for the rest of the year as the weather conditions are too extreme. According to CST, the concept of the new CST project is simple: to build a new, highly-flexible space for providing theater at the underutilized Skyline Stage facility. In its current form, open to the elements and with a sprawling single rake, Skyline Stage is not suitable for year-round events, nor is it suitable for drama and spoken-word performances in which the proximity of the actors is important.

CST

Improvements:

For this project, CST will be responsible for acquiring and installing the theater equipment, including movable seating towers which will allow alternative seating and capacity configurations of the new theater space.

Background on  
Series 2011

Bonds:

The Illinois Development Finance Authority ("IDFA"), predecessor to IFA, issued its Adjustable Demand Revenue Bonds (Chicago Shakespeare Theater Project), Series 1999 to (i) finance costs of design, construction and equipping of an approximately 75,000 square foot, seven-story theater located on Navy Pier at 800 East Grand Avenue in Chicago, Illinois on property leased from the Metropolitan Pier and Exposition Authority and (ii) pay certain bond issuance costs. (The IDFA Series 1999 Bonds were secured by a Direct Pay Letter of Credit from Bank of America, N.A., as successor to LaSalle National Bank/ABN-AMRO.)

In 2011, at the request of the Chicago Shakespeare Theater, IFA authorized executed of an Amended and Restated Indenture (including a revised form of Bond contained therein) and related documents to enable creation of a new bank purchase mode for the Bonds. Wells Fargo Bank, N.A. purchased the Bonds (renamed IFA Series 2011 Revenue Bonds) in whole under the new bank purchase mode in September 2011, succeeding Bank of America, N.A. as CST's relationship bank.

In August 2014, Chicago Shakespeare Theater received IFA Board approval of a Resolution to authorize execution and delivery of a Supplemental Indenture to enable the initial interest rate period with Wells Fargo Bank, N.A. to be extended by two years (until September 1, 2016). As a result of the proposed refunding, CST expects to refinance the outstanding balance of the IFA Series 2011 Bonds for a new interest rate and term.

All payments relating to the Illinois Finance Authority Revenue Bonds (Chicago Shakespeare Theater Project), Series 2011 are current and have been paid as scheduled. As of 4/30/2015, the IFA Series 2011 Bonds were outstanding in the principal amount of \$4,100,000.

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### ECONOMIC DISCLOSURE STATEMENT

Applicant: Chicago Shakespeare Theater, 800 East Grand Avenue, Chicago (Cook County), IL 60611

Contact: Linda Orellana, Chief Financial Officer  
(T) 312-596-5619; email: [lorrellana@chicagoshakes.com](mailto:lorrellana@chicagoshakes.com)

Website: [www.chicagoshakes.com](http://www.chicagoshakes.com)

Site Location: 800 East Grand Avenue, Chicago (Cook County), IL 60611

Project name: IFA 501(c)(3) Revenue and Revenue Refunding Bond (Reimagine Skyline Stage Project) Series 2015

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

Applicant/  
Tenant  
(CST)  
Board of  
Directors: The Chicago Shakespeare Theater Board of Directors is composed of the following members:

**Sheli Z. Rosenberg, Chair\***

*Of Counsel*

Skadden, Arps, Slate, Meagher & Flom  
LLP

**Brit J. Bartter\***

*Vice Chairman, Investment Bank*

JP Morgan

**Philip L. Engel**

*President (Retired)*

CNA Insurance Companies

**Eric Q. Strickland, Treasurer\***

*Senior Vice President, Manager, US*

*Corporate Group*

Northern Trust

**Thomas L. Brown**

*Vice President and Chief Financial*

*Officer*

RLI Corp

**Jeanne B. Ettelson**

Civic Leader

**Harve A. Ferrill**

*Chairman and CEO (Retired)*

Advance Ross Corporation

**Steven J. Solomon, Deputy Chair\***

*President, Exelon Foundation*

*Vice President, Corporate Relations,*

Exelon

**Allan E. Bulley III**

*President*

Bulley & Andrews, LLC

**Sonja Hammer Fischer**

Civic Leader

**Frank D. Ballantine**

*Partner*

Clark Hill, PLC

**Patrick R. Daley**

*Managing Partner*

Tur Partners, LLC

**Richard J. Franke**

*Chief Executive Officer Emeritus*

Nuveen Investments

**Brian W. Duwe**

*Partner*

Skadden, Arps, Slate, Meagher & Flom

LLP

**Barbara Gaines\***

*Artistic Director*

Chicago Shakespeare Theater

**C. Gary Gerst\***

*President*  
KCI, Inc.

**M. Hill Hammock\***

*Chairman*  
Chicago Deferred Exchange Company

**Patricia Harris**

Global Chief Diversity Officer and Vice  
President, Global Community  
Engagement McDonald's Corporation

**Kathryn J. Hayley**

*Executive Vice President*  
United Healthcare

**Criss Henderson\***

*Executive Director*  
Chicago Shakespeare Theater

**William L. Hood**

*Retired Managing Director, State &  
Community Affairs*  
United Airlines

**Stewart S. Hudnut**

*Consultant*  
Illinois Tool Works, Inc.

**William R. Jentes\***

Civic Leader

**Jack L. Karp**

*Chief Executive Officer*  
Worthington Management, Inc.

**John P. Keller**

*Chairman*  
Keller Group, Inc.

**Richard A. Kent**

*Chairman and CEO*  
Kentco Capital Corporation

**Barbara Malott Kizziah**

*Vice President*  
Malott Family Foundation

**Ted Langan**

*Vice President, Specialty Pharmacy*  
*Sales*  
Catamaran

**Chase Collins Levey**

Author

**Ana Livingston**

Civic Leader

**Renetta McCann**

*Chief Talent Officer*  
Leo Burnett

**Raymond F. McCaskey\***

*Retired CEO*  
Health Care Service Corporation

**Robert G. McLennan**

*Chief Executive Officer*  
Beacon Management Company

**Jess Merten**

*Senior Vice President and CFO*  
Allstate Life Insurance Company

**Dennis Olis**

*Senior Vice President, Operations*  
Allscripts

**Mark S. Ouweleen\***

*Partner*  
Bartlit Beck Herman Palenchar & Scott,  
LLP

**Carleton D. Pearl**

Financial Industry Consultant

**Sheila A. Penrose\***

*Chairman*  
Jones Lang LaSalle

**Judith Pierpont**

Civic Leader

**Paulita A. Pike**

*Partner*  
K&L Gates

**Stephanie Pope**

*Vice President of Financial Planning*  
*and Analysis*  
The Boeing Company

**Richard W. Porter**

*Partner*  
Kirkland & Ellis, LLP

**John Rau**

*President and CEO*  
Miami Corporation

**Nazneen Razi**

*Senior Vice President and Chief*  
*Human Resources Officer*  
Health Care Service Corporation

**Glenn Richter\***

*Chief Operating Officer*  
Chief Administrative Officer  
Nuveen Investments

**Mark E. Rose**

*Chairman and CEO*  
Avison Young, Inc.

**John W. Rowe\***

*Chairman Emeritus*  
Exelon Corporation

**Robert Ryan**

*Vice President of Business*  
*Development*  
eChalk

**Carole Segal**

*Co-Founder*  
Crate & Barrel



**Kathleen Kelly Spear**  
*Senior Vice President, Compliance &  
Integrity and Litigation (Retired)*  
Kraft Foods Global, Inc.

**Sheila G. Talton**  
*President and CEO*  
Gray Matter Analytics

**William J. Tomazin, Jr.**  
*Partner-in-Charge, Audit Chicago  
Metro Business Unit*  
KPMG, LLP

**Harvey J. Struthers, Jr.**  
*Chairman (Retired)*  
JPMorgan Private Bank Midwest

**Marilynn J. Thoma\***  
*Proprietor*  
Van Duzer Vineyards

**Donna Van Eekeren**  
*Executive Chairman*  
Land O'Frost, Inc.

**Eileen Sweeney**  
*Director, Community Relations*  
Tampa Bay Buccaneers

**Gayle R. Tilles**  
*Director & Connoisseur Arts*

**Priscilla A. (Pam) Walter\***  
*Of Counsel*  
Drinker Biddle & Reath

**Ava D. Youngblood**  
*Founder & CEO*  
Youngblood Executive Search

\*denotes Executive Committee Members

- See more at: [http://www.chicagoshakes.com/about\\_us/board\\_of\\_directors#sthash.KHwYbkmp.dpuf](http://www.chicagoshakes.com/about_us/board_of_directors#sthash.KHwYbkmp.dpuf)

Informational:  
Lessor to CST  
(Navy  
Pier, Inc.))  
Board of  
Directors:

**Navy Pier, Inc. ("NPI")** was established for the purpose of managing, operating and redeveloping Navy Pier which is owned by MPEA. Navy Pier, Inc. is governed by a Board of Directors, currently composed of the following 22 members:

**William J. Brodsky**  
**Chairman, NPI Board**  
Chairman  
*CBOE Holdings Inc.*

**Andrea Zopp**  
**Vice-Chairman, NPI Board**  
President & CEO  
*Chicago Urban League*

**Katie McClain**  
**Secretary, NPI Board**  
Senior Manager  
*Invenergy LLC*

**Jack M. Greenberg**  
**Ex-Officio, NPI Board**  
Chairman, MPEA  
*Jack Greenberg Associates*

**James R. Reilly**  
**Ex-Officio, NPI Board**  
CEO  
*MPEA*

**Marilynn K. Gardner**  
**Ex-Officio, NPI Board**  
President & CEO  
*Navy Pier, Inc.*

**Roger J. Kiley, Jr.**  
**Ex-Officio, NPI Board**  
Attorney  
*Roger J. Kiley, Jr. Law*

**Norman Bobins**  
Chairman  
*The PrivateBank*

**Bruce R. Bachmann**  
*Bachmann Associates*

**Devon Bruce**  
Attorney  
*Powers, Rogers & Smith, P.C.*

**Patrick F. Daly**  
*The Daly Group*

**Sarah Garvey**  
Retired Senior Executive  
*The Boeing Company*

**Roberto Herencia**  
President & CEO  
*BXM Holdings, Inc.*

**Donna LaPietra**  
*Kurtis Productions*

**Timothy Mullen**  
*Mullen Foundation*

**Michael O'Rourke**  
President  
*Signature Bank*

**Terry Peterson**  
Chairman  
*Chicago Transit Board*

**Jorge Ramirez**  
President  
*Chicago Federation of Labor*

**John Schmidt**  
Partner  
*Mayer Brown*

Informational:  
 Lessor to NPI/  
 Owner of Navy Pier  
 (MPEA)  
 Board of  
 Directors:

The following individuals lead **Metropolitan Pier and Exposition Authority (“MPEA”)** in its mission to attract trade shows, conventions and public events to Chicago, in an ongoing effort to strengthen the state and city economies. Current Board members include:

**Jack Greenberg**  
 McDonald's Corp. (Retired)  
 Chairman

**Robert G. Reiter, Jr.**  
 Chicago Federation of Labor  
 Vice-Chairman

**Julie Chavez**  
 Bank of America

**Terrance McGann**  
 Whitfield, McGann & Ketterman

**Frank M. Clark, Jr.**  
 ComEd (Retired)

**Ronald E. Powell**  
 Local 881 & United Food and  
 Commercial Workers International Union

**Dan Hynes**  
 Ariel Investments

**Becky Strzechowski**  
 Teamsters Local 700

**Roger J. Kiley, Jr.**  
 Roger J. Kiley Jr. P.C.

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**PROFESSIONAL & FINANCIAL**

Borrower’s Counsel:	Kirkland & Ellis LLP	Chicago, IL	Kathy Lorraine Therese Schumacher
Auditor:	Baker Tilly Virchow Krause LLP	Chicago, IL	
Bond Counsel:	Greenberg Traurig LLP	Chicago, IL	Matt Lewin
Placement Agent:	William Blair & Company, L.L.C.	Chicago, IL	John Peterson
Placement Agent’s Counsel:	Katten Muchin Rosenman LLP	Chicago, IL	Janet Hoffman
Bank/Direct Bond Purchaser:	To be determined		
Bank/Purchaser’s Counsel:	To be determined		
Architect:	Adrian Smith + Gordon Gill Arch.	Chicago, IL	
General Contractor:	McHugh Construction Co.	Chicago, IL	
Real Estate Consultant:	MAC Consulting Services LLC	Chicago, IL	Mary Ann Cronin
IFA Counsel:	Nixon Peabody LLP	Chicago, IL	Julie Seymour
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck

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**LEGISLATIVE DISTRICTS**

Congressional:	7
State Senate:	13
State House:	26

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# ILLINOIS FINANCE AUTHORITY

## Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: May 14, 2015

Re: Resolution Providing for the Issuance of Not To Exceed \$22,000,000 Principal Amount Illinois Finance Authority Revenue Refunding Bond, Series 2015 (Loyola Academy Project); Authorizing the Execution and Delivery of a Bond and Loan Agreement, a Tax Exemption Certificate and Agreement and Related Documents; and Approving Related Matters.  
IFA Series 2007 File Number: E-PS-TE-CD-7093  
IFA Series 2015 File Number: N-NP-TE-CD-8736

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### Request:

**Loyola Academy**, an Illinois not for profit corporation (the “**Corporation**” or “**Borrower**”), and **Wintrust Bank**, a wholly-owned subsidiary of Wintrust Financial Corporation (the “**Bank**” or “**Bond Purchaser**”), are requesting approval of a Resolution to (i) authorize execution and delivery of a Bond and Loan Agreement, a Tax Exemption Certificate and Agreement and related documents and (ii) approve related matters to effectuate the refinancing of the outstanding Illinois Finance Authority (“**IFA**”) Adjustable Rate Demand Revenue Bonds, Series 2007 (Loyola Academy) (the “**Series 2007 Bonds**”) by issuing a Revenue Refunding Bond (Loyola Academy), Series 2015 (the “**Series 2015 Bond**”).

The Series 2007 Bonds are currently secured by a Direct Pay Letter of Credit from JP Morgan Chase Bank, N.A. Wintrust Bank will purchase the Series 2015 Bond in an aggregate principal amount not to exceed \$22,000,000 and loan the proceeds thereof to the Borrower to (i) currently refund in whole the Series 2007 Bonds and (ii) pay costs of issuance of the Series 2015 Bond. The Series 2015 Bond will be held as an investment by Wintrust.

The original par amount of the Series 2007 Bonds was approximately \$21,500,000. The outstanding par amount of the Series 2007 Bonds was approximately \$21,500,000 as of April 30, 2015.

This transaction will be considered a refunding for tax law purposes. Nevertheless, bond counsel has determined that a new public hearing on the project (i.e., a “TEFRA Hearing” as defined under the Internal Revenue Code of 1986, as amended) will not be necessary. IFA’s estimated administrative fee will be \$35,500.

### Background:

The proceeds of the Series 2007 Bonds, together with other available funds, were used by the Corporation to loan to provide funds to finance, refinance or reimburse the Corporation for costs of improvements to facilities owned by the Corporation (or improvements to real estate owned by Loyola Recreational Facility Corp., an Illinois not-for-profit corporation) including (i) the renovation, restoration and equipping of improvements to the Corporation’s academic facilities, (ii) improvements to the athletic facilities located on the Corporation’s Wilmette and Glenview campuses, (iii) construction of a new swimming pool at the Wilmette campus, (iv) acquisition of real estate near the Wilmette campus to provide a parking area and other corporate and educational purposes of the Corporation, (v) the refunding and advance refunding of the Corporation’s Illinois Development Finance Authority (“IDFA”) Series 1993A and Series 1993B Bonds, respectively, (vi) paying credit enhancement costs, and (vii) paying bond issuance costs.

All scheduled debt service payments on the IFA Series 2007 Bonds (and the prior IDFA Series 2003 Bonds) and have been paid as scheduled with no late payments or payment delinquencies.

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**PROFESSIONAL & FINANCIAL**

**IFA Series 2015 Revenue Refunding Bond:**

Bond/Borrower's

Counsel:	Chapman & Cutler LLP	Chicago, IL	Bill Corbin
Borrower's Placement Agent:	William Blair & Company, L.L.C.	Chicago, IL	Aleks Granchalek Mike McIntyre
Bond Purchaser/Bank:	North Shore Community Bank & Trust Co. (Wintrust)	Chicago, IL	Kandace Lenti Jillian Granato
Bank Counsel:	Nixon Peabody LLP (formerly Ungaretti & Harris LLP)	Chicago, IL	Julie Seymour
IFA Counsel:	Thompson Coburn LLP	Chicago, IL	Tom Smith
IFA Financial Advisor:	Sycamore Advisors, LLC	Chicago, IL	Melanie Shaker

**IFA Series 2007 Bonds ("Prior Bonds" - to be refunded):**

Exiting LOC Bank:	JPMorgan Chase Bank, N.A.	Chicago, IL	Michael Coran
Exiting Remark. Agent:	William Blair & Company, L.L.C.	Chicago, IL	
Exiting Trustee:	BNY Mellon Trust Company, N.A.	Chicago, IL	Kathy Cokic

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**RESOLUTION NO. 2015-0514-AD\_**

A RESOLUTION PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$22,000,000 PRINCIPAL AMOUNT ILLINOIS FINANCE AUTHORITY REVENUE REFUNDING BOND, SERIES 2015 (LOYOLA ACADEMY PROJECT); AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND AND LOAN AGREEMENT, A TAX EXEMPTION CERTIFICATE AND AGREEMENT AND RELATED DOCUMENTS; AND APPROVING RELATED MATTERS.

WHEREAS, the Illinois Finance Authority (the "*Authority*"), a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois, including without limitation the Illinois Finance Authority Act, 20 ILCS 3501/801-1 *et seq.* (said Act as from time to time amended, being herein referred to as the "*Act*"), is authorized by the laws of the State of Illinois, including without limitation, the Act, to issue its revenue bonds for the purposes set forth in the Act and to permit the expenditure of the proceeds thereof to finance or refinance the cost of "industrial projects" (as such term is defined in the Act), including the refunding of any outstanding bonds previously issued for such purpose; and

WHEREAS, On July 11, 2007, the Authority issued \$21,500,000 in aggregate principal amount of its Adjustable Rate Demand Revenue Bonds, Series 2007 (Loyola Academy) (the "*Prior Bonds*") to (a) finance, refinance or reimburse Loyola Academy, an Illinois not for profit corporation (the "*Corporation*"), for all or a portion of the costs of the acquisition, construction, renovation, restoration and equipping of improvements to the facilities owned and operated by the Corporation or operated in furtherance of the Corporation's educational purposes including (i) the renovation, restoration and

equipping of improvements to the Corporation's academic facilities, (ii) improvements to the athletic facilities located on the Corporation's Wilmette and Glenview campuses, including but not limited to the acquisition and construction of a new swimming pool at the Wilmette campus, (iii) the acquisition of real estate located in the immediate vicinity of the Wilmette campus to be used for the corporate and educational purposes of the Corporation including, but not limited to, a new parking area at the Wilmette campus and (iv) such other related improvements as may be necessary and desirable for the educational purposes of the Corporation (collectively, the "*Project*"), (b) currently refund the Illinois Development Finance Authority Variable Rate Demand Revenue Bonds (Loyola Academy) Series 1993A, and advance refund the Illinois Development Finance Authority Fixed Rate Revenue Bonds (Loyola Academy) Series 1993B, the proceeds of which were used for the purpose of paying the costs of constructing, renovating, remodeling and equipping educational, administrative and physical education facilities and site improvements for the benefit of the Corporation, (c) pay capitalized interest on the portion of the Prior Bonds issued to pay costs of the Project and (d) pay all or a portion of the costs of issuance of the Bonds, all as permitted by the Act; and

WHEREAS, the Corporation has requested that the Authority issue its Revenue Refunding Bond, Series 2015 (Loyola Academy Project) in a principal amount not to exceed \$22,000,000 (the "*Bond*") and loan the proceeds from the sale thereof to the Corporation pursuant to a Bond and Loan Agreement (the "*Bond and Loan Agreement*") among the Authority, the Corporation and Wintrust Bank (the "*Purchaser*"), pursuant to which the Purchaser will purchase the Bond from the Authority; and

WHEREAS, the Corporation will apply the proceeds from the sale of the Bond and other available funds (the "*Refunding Proceeds*") to the current refunding of all of the Prior Bonds and the payment of certain costs relating to the issuance of the Bond and the refunding of the Prior Bonds, which may include the payment of the costs of terminating certain interest rate exchange agreements related to the Prior Bonds (collectively, the "*Financing Purposes*"); and

WHEREAS, the Bonds and the obligation to pay principal, premium, if any, and interest thereon are special, limited obligations of the Authority, payable solely out of the revenues and income derived from the Bond and Loan Agreement; the Bonds and the obligation to pay interest thereon shall not be deemed to constitute an indebtedness, a general or moral obligation, or a pledge of the full faith and credit of the Authority, the State of Illinois or any political subdivision thereof within the purview of any constitutional limitation or statutory provision or a charge against the general credit or taxing powers, if any, of any of them; and neither the Purchaser nor any future owner of the Bonds shall have the right to compel any exercise of the taxing power, if any, of the Authority, the State of Illinois or any political subdivision thereof to pay any principal or purchase price of, premium, if any, or interest on the Bonds; and

WHEREAS, in connection with the refunding of the Prior Bonds, the Authority, the Corporation and The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, as bond trustee for the Prior Bonds and escrow agent (the "*Escrow Agent*"), may execute an Escrow Deposit Agreement (the "*Escrow Agreement*"), providing for the current

refunding and redemption of the Prior Bonds and allowing for the Escrow Agent to hold the Refunding Proceeds pending payment of the Prior Bonds; and

WHEREAS, in furtherance of the purposes set forth in the Act, the Authority wishes to issue the Bond and loan the proceeds from the sale thereof to the Corporation pursuant to the Bond and Loan Agreement in order to carry out the Financing Purposes; and

WHEREAS, in connection therewith, the Corporation and the Purchaser will execute and deliver an Additional Covenant Agreement (the "*Covenant Agreement*") containing certain additional covenants to be made by the Corporation to the Purchaser; and

WHEREAS, in connection with the issuance of the Bond, it is now necessary and proper to authorize (i) the execution and delivery of the Bond and Loan Agreement, the Escrow Agreement (if necessary) and a Tax Exemption Certificate and Agreement between the Authority and the Corporation (the "*Tax Agreement*" and together with the Bond and Loan Agreement and the Escrow Agreement [if determined to be necessary as provided herein], the "*Authority Documents*"), and (ii) the execution and delivery or approval of the execution and delivery of Other Documents (as hereinafter defined); and

WHEREAS, the Authority has caused to be prepared and presented to its members a form of the Bond and Loan Agreement, including the form of the Bond attached thereto as *Exhibit A*;

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

*Section 1. Recitals.* That the foregoing recitals are incorporated in and made a part of this Resolution by this reference.

*Section 2. Approval of Financing.* That issuance of the Bond and the use of the proceeds from the sale thereof to carry out the Financing Purposes in accordance with the terms of the Bond and Loan Agreement is hereby authorized and approved and is in furtherance of the public purposes set forth in the Act.

*Section 3. Bond.* That, to provide funds to carry out the Financing Purposes, the Authority hereby authorizes and approves the issuance of the Bond in a principal amount not to exceed \$22,000,000, to be designated the "Illinois Finance Authority Revenue Refunding Bond, Series 2015 (Loyola Academy Project)"; that the form of Bond now before the Authority, subject to appropriate insertions and revisions in order to comply with the provisions of the Bond and Loan Agreement be, and the same hereby is, approved; that the Bond shall be executed in the name, for and on behalf of the Authority with the manual or facsimile signature of its Chairperson, Vice Chairperson or Executive Director to be impressed or imprinted thereon the official seal of the Authority or a facsimile thereof and shall be attested with the manual or facsimile signature of its Secretary or any Assistant Secretary; that the Chairperson, Vice Chairperson, Executive Director, or any other officer of the Authority shall cause the Bond, as so

executed and attested, to be delivered to the Purchaser, as bond registrar under the Bond and Loan Agreement, for authentication; and that when the Bond is executed on behalf of the Authority in the manner contemplated by the Bond and Loan Agreement and this Resolution, it shall represent the approved form of the Bond; *provided* that the Bond shall bear interest at a variable rate established pursuant to the Bond and Loan Agreement (with an initial rate of interest not to exceed 7.00%), shall mature not later than October 1, 2037, and shall be privately placed with the Purchaser.

The interest rate on the Bond may be subject to adjustment to (i) a higher or lower rate per annum under certain conditions, as further described in the Bond and Loan Agreement, or (ii) a taxable rate after the occurrence of a Determination of Taxability, as defined and further described in the Bond and Loan Agreement.

The Authority hereby authorizes each of the Chairperson, Vice Chairperson, Executive Director, any Assistant Executive Director of the Authority, or any person duly appointed by the Members of the Authority to serve in such offices on an acting or an interim basis (each, an “*Authorized Officer*”) to make a final determination as to the principal amount, initial interest rate, maturity, uses of proceeds, principal payment and mandatory sinking fund redemption dates and amounts, optional and extraordinary redemption provisions (if any), optional or mandatory tender provisions and the purchase price and uses of the proceeds from the sale of the Bond. The execution by an Authorized Officer of the Bond and Loan Agreement shall constitute such Authorized Officer’s approval and the Authority’s approval of the final terms and provisions of the Bond.

The Bond, including the interest and any redemption premium payable thereon, shall be a limited obligation of the Authority, payable solely from the income and revenues to be derived by the Authority pursuant to the Bond and Loan Agreement (except pursuant to Unassigned Rights (as defined in the Bond and Loan Agreement)). The Bond and the interest thereon shall never constitute a general obligation or commitment by the Authority to expend any of its funds other than (a) the proceeds from the sale of the Bond, (b) the income and revenues derived by the Authority pursuant to the Bond and Loan Agreement (except pursuant to Unassigned Rights), (c) other amounts available under the Bond and Loan Agreement and (d) moneys arising out of the investment or reinvestment of such proceeds, income, revenues or receipts.

*Section 4. Bond and Loan Agreement.* That the Authority is hereby authorized to enter into the Bond and Loan Agreement with the Corporation and the Purchaser; that the form, terms and provisions of the Bond and Loan Agreement be, and they hereby are, in all respects approved; that the Authorized Officers of the Authority be, and each of them hereby is, authorized, empowered and directed to execute, and the Secretary or any Assistant Secretary of the Authority be, and each of them hereby is, authorized, empowered and directed to attest to and to affix the official seal of the Authority to the Bond and Loan Agreement in the name, for and on behalf of the Authority, and thereupon to cause the Bond and Loan Agreement to be delivered to the Corporation, such Bond and Loan Agreement (as executed) to provide for the loan of the proceeds from the sale of the Bond to the Corporation and the use of such proceeds to carry out the Financing Purposes in the manner and with the effect therein provided; that the Bond and Loan Agreement shall be in substantially the same form now before the

Authority or with such changes as any Authorized Officer of the Authority shall approve, the execution thereof to constitute conclusive evidence of such approval of any and all changes or revisions from the form of the Bond and Loan Agreement now before the Authority; that when the Bond and Loan Agreement is executed, attested, sealed and delivered on behalf of the Authority as herein provided, the Bond and Loan Agreement will be binding on the Authority; that from and after the execution and delivery of the Bond and Loan Agreement, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary or desirable to carry out and comply with the provisions of the Bond and Loan Agreement as executed; and that the Bond and Loan Agreement shall constitute, and hereby is made, a part of this Resolution, and a copy of the Bond and Loan Agreement shall be placed in the official records of the Authority and shall be available for public inspection at the office of the Authority.

*Section 5. Tax Agreement.* That the Authority is hereby authorized to enter into the Tax Agreement with the Corporation in the form to be approved by bond counsel and an Authorized Officer, with the approval of the Authority's special counsel, the execution thereof to constitute conclusive evidence of such approval by the Authority; that the Authorized Officers of the Authority be, and each of them hereby is, authorized, empowered and directed to execute and deliver the Tax Agreement as so approved; that when the Tax Agreement is executed and delivered on behalf of the Authority as herein provided, the Tax Agreement will be binding on the Authority; and that from and after the execution and delivery of the Tax Agreement, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary or desirable to carry out and comply with the provisions of the Tax Agreement as executed.

*Section 6. Covenant Agreement.* That the Authority hereby approves the execution and delivery by the parties thereto of the Covenant Agreement in the form to be approved by an Authorized Officer with approval from the Authority's special counsel; and that the execution and delivery of the Authority Documents shall constitute conclusive evidence of the approval of the Authority of the final form thereof.

*Section 7. Escrow Agreement.* That the Authority is hereby authorized to enter into the Escrow Agreement if it is determined by an Authorized Officer and bond counsel that the Escrow Agreement is necessary to effect the refunding and redemption of the Prior Bonds, in the form to be approved by bond counsel and an Authorized Officer, with the approval of the Authority's special counsel; that the Authorized Officers of the Authority be, and each of them hereby is, authorized, empowered and directed to execute and deliver the Escrow Agreement as so approved; that when the Escrow Agreement is executed and delivered on behalf of the Authority as herein provided, the Escrow Agreement will be binding on the Authority; and that from and after the execution and delivery of the Escrow Agreement, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary or desirable to carry out and comply with the provisions of the Escrow Agreement as executed.



*Section 8. Other Documents.* That the Authorized Officers and any other officer of the Authority be, and each of them hereby is, authorized to (a) execute and deliver such documents, certificates and undertakings of the Authority, including but not limited to any documentation necessary to identify an interest rate hedge agreement for federal income tax purposes, (b) approve the execution and delivery of such other documents, certificates and undertakings of other parties, including, without limitation, the Corporation or the Purchaser (the documents described in clauses (a) and (b) of this Section 8 being referred to collectively as the “*Other Documents*”), and (c) take such other actions as may be necessary or required in connection with carrying out and complying with this Resolution and the issuance and sale of the Bond and/or the execution, delivery and performance of the Authority Documents and the Other Documents, all as authorized by this Resolution; and that all of the acts and doings of the Authorized Officers which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and hereby are authorized, ratified, approved and confirmed.

*Section 9. Private Placement; Investment Letter; Restrictions on Transfers.* That the Authority hereby authorizes the issuance and sale of the Bond to the Purchaser on a private placement basis pursuant to the Bond and Loan Agreement; that the Purchaser shall deliver an investment letter to the Authority (in substantially the form attached to the Bond and Loan Agreement as *Exhibit D*, with such revisions as may be approved by the Authority consistent with the Authority’s Bond Program Handbook) stating, among other things, that the Purchaser is either an institutional “accredited investor” within the meaning of Regulation D, Section 501 through 506 or a “qualified institutional buyer” within the meaning of Rule 144A, under the Securities Act of 1933, as amended; and that the Bond and Loan Agreement shall contain such restrictions, as the Authority shall reasonably determine are necessary or advisable, on the transfer of the Bond by the Purchaser or by any accredited investor or qualified institutional buyer to which the Purchaser transfers the Bond.

*Section 10. Conditions to Effectiveness.* That the approvals granted by the Authority pursuant to this Resolution are subject to the Authority Documents and any other document required to carry out and comply with this Resolution being in full conformance with the requirements of the Authority (including the Authority’s current Bond Program Handbook), except as expressly approved by the Executive Director (and, for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis) of the Authority, the satisfaction of such condition to be evidenced by an Authorized Officer’s execution and delivery of such documents.

*Section 11. Other Acts.* That all acts of the officers, employees and agents of the Authority 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 12. Severability.* That 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 13.No Conflict.* That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

# ILLINOIS FINANCE AUTHORITY

## Memorandum

To: Illinois Finance Authority Board of Directors

From: Chris Meister, Executive Director

Date: May 14, 2015

Re: Resolution Approving the Terms of Information Technology Contracts-Debt Management Software Application, IPB#22034654

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Under the guidance of the Chief Procurement Officer-General Services, and the Illinois Procurement Code, the Illinois Finance Authority (the "Authority"), published a Request for Proposal ("RFP") for a comprehensive Debt Management Software Application on October 6, 2014. The RFP was published on the Authority's website and on the Illinois Procurement Bulletin (IPB). A vendor pre-bid conference was held on October 9, 2014 and responses were due on October 22, 2014. This solicitation, IPB #22034654, was a reissue of a previous RFP originally advertised on August 29, 2014, in which all respondents were deemed non-responsive (did not meet required RFP criteria) per the Authority's administrative review.

The goal of the RFP included: procurement of a real-time Debt Management Software Application that will enable the Authority to standardize its data entry, accounting, reporting and compliance practices in one consolidated system. The comprehensive package will provide real-time access to all bond, note, loan and other debt information from all past and present debt issuances including: debt service schedules (broken down to the CUSIP level and specific fund), call structures and redemptions, and other related information such as financing participants, ratings history, etc. The ability to support multiple con-current users and stakeholders across the organization was required, along with automatic generation of debt service schedules, interest accruals, amortization of premiums, discounts, and costs of issuance, Comprehensive Annual Financial Report (CAFR) reporting and the automatic creation of debt-related journal entries. In addition, the RFP contained a mandatory 10% Business Enterprise Program (BEP) goal.

The Authority received responses from the following Offerors:

1. Technology Partners Group, Inc.
2. Non-Responsive Offeror

The evaluation committee consisted of Robert Litchfield, IT Manager, Ximena Granda, Controller and Brad Fletcher, Assistant Board Secretary/Financial Analyst. The State Purchasing Officer overseeing the procurement process was Denise Hudson. The responses were evaluated based on Functional and Non-Functional requirements, Experience and References, Organizational and Financial Stability and System Demonstration and Oral Presentations. As a result of the committee's evaluation of technical and non-technical components, the Authority moved forward with a system demonstration and oral presentation to be held on November 14, 2014. Per the final evaluation scores, the committee concluded that the software presented, would meet the needs of the Authority.

Therefore, it is the recommendation of the Authority, to award a contract for a Debt Management Software Application and related services to Technology Partnership Group, Inc., for an initial term from of three years, with the option of exercising up to two, (1) year renewals.

**RESOLUTION NO. 2015-0514-AD04**

**RESOLUTION APPROVING THE TERMS OF INFORMATION TECHNOLOGY  
CONTRACTS – DEBT MANAGEMENT SOFTWARE APPLICATION (IPB 22034654  
TECHNOLOGY PARTNERSHIP GROUP, INC. formerly Procurement B in Exhibit A of  
IFA Resolution 2015-0414-AD04)**

**WHEREAS**, the Illinois Finance Authority (the “Authority”) has been created by, and exists under, the Illinois Finance Authority Act (20 ILCS 3501/801-1 *et seq.*) (the “Illinois Finance Authority Act”)

**WHEREAS**, on July 15, 2013, by Public Act 098-0090 (the “Act”), the Illinois State General Assembly amended the Illinois Procurement Code (30 ILCS 500/1-1 *et seq.*) (the “Code”) by excluding certain contracts to be entered into by the Authority from the Code; and

**WHEREAS**, on April 14, 2015, the Board of the Authority approved Resolution 2025-0414-AD04, including this procurement, IPB 22034654; (the “Contract”); and

**WHEREAS**, the Authority staff worked with the Office of the Chief Procurement Officer and the Policy Procurement Board (collectively the “Procurement Offices”) to competitively and transparently award the Contract in a manner that provides the best value to the public as provided by the Code and the Act; and

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

**Section 1. Recitals.** The recitals set forth above are hereby found to be true and correct and are incorporated into this Resolution as if fully set forth herein.

**Section 2. Delegation to the Executive Director.** The Authority hereby delegates to the Executive Director of the Authority and ratifies past actions authorized with respect to Resolution 2015-0414-AD04, in conjunction with the other officers of the Authority, the power to take or cause to be taken any and all actions, and to execute, acknowledge, post and deliver any and all such contracts, agreements, instruments, certificate and other documents as may be required in connection with this Resolution, the Act and the Code with respect to this Contract.

**Section 3. Contract Terms.** The terms of the Contract shall be consistent with the standard contract forms and disclosures promulgated by the Procurement Offices. The award shall be posted in a public method authorized by the Procurement Offices, specifically a total of **\$552,250** over three years, to **Technology Partnership Group, Inc. under IBP 22034654**, for Information Technology-Debt Management Software Applications and Support. The Executive Director is authorized to negotiate and approve certain modifications to the standard form contracts promulgated by the Procurement Offices so long as such modifications are, in the opinion of the Executive Director, consistent with the spirit of the Code and the Act and are in a transparent manner that provides the best value for the public.

**Section 5. Renewal Terms.** Renewals will be approved in a manner authorized by the Procurement Offices and the Board of the Authority for up to two, one-year periods. At this time, such renewals are estimated to be approximately \$64,000 per one-year renewal.

**Section 6. Further Actions.** The Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge and deliver all documents as may in his discretion be deemed necessary or desirable to carry out and comply with the terms and provisions of this Resolution; and all of the acts and doings of the Executive Director of the Authority which are in conformity with the intent and purpose of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects, ratified, confirmed and approved. All prior and future acts and doing of the officers, agents and employees of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and performance of the Resolution shall be and the same hereby are in all respects approved and confirmed.

**Section 7. 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 the Resolution.

**Section 8. Conflicts.** That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

**Section 9. Immediate Effect.** That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

# ILLINOIS FINANCE AUTHORITY

## Memorandum

To: Illinois Finance Authority Board of Directors

From: Chris Meister, Executive Director

Date: May 14, 2015

Re: Resolution Approving the Terms of Information Technology Contracts-Accounting Software Maintenance and Support, IPB#22035349

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Under the guidance of the Chief Procurement Officer-General Services, and the Illinois Procurement Code, the Illinois Finance Authority (the "Authority"), published an Invitation for Bids ("IFB") for Accounting Software Maintenance and Support on February 19, 2015. The IFB was published on the Authority's website and on the Illinois Procurement Bulletin (IPB). A vendor pre-bid conference was held on February 27, 2015 and responses were due on March 9, 2015. This solicitation, IPB #22035349, featured services previously procured as a small purchase for the Authority and is in support of its Microsoft Dynamics Great Plains accounting software.

The goal of the IFB included: procurement of accounting software maintenance and support services for the Microsoft Dynamics Great Plains accounting software. Required services included: maintenance and support for its current modules (Financial, Sales, Purchasing, and Fixed Assets) and report writer/generators (Management Reporter and SQL Server Reporting Services (SSRS)). The successful vendor will also provide support for any future modules and functions, additional Microsoft Dynamics functionality i.e. Analytical Accounting and SmartList and non-Microsoft add-ons, SmartList Builder, Smart Connect and Advanced General Ledger. Provide additional user licenses as requested and provide ongoing support for installations, patches and system upgrades, maintain minimal downtime, 24 hour (or less) turnaround times and make recommendations to the agency for efficiency and product and system improvements, etc. The successful bidder will also provide the Authority with renewals for its current Microsoft Business Ready Advantage Plus Plan and Advanced General Ledger support and assurance plans, provide new user licenses and maintenance and support plans for non-Microsoft add-ons SmartList Builder and SmartConnect. The successful bidder must be a Microsoft Certified Gold Partner and this solicitation was limited to participants in the State of Illinois Small Business Set Aside Program (SBSA).

The State Purchasing Officer overseeing the procurement process was Maye Kelsey and the contract award was made on the basis of the lowest responsible bidder.

The Authority received responses from the following bidders:

1. Ascent Innovations, LLC: Total Bid Price (for Initial Term): \$155,128.25
2. S & F Software Solutions, Inc.: Total Bid Price (for Initial Term): \$196,424.20

The Illinois Finance Authority performed the mandatory administrative reviews in regards to IPB#22035349. As a result of our review, it is the recommendation of the Authority to award the contract to Ascent Innovations, LLC for Accounting Software Maintenance and Support, for an initial term of three years, with the option to exercise up to two, (1) year renewals.



**RESOLUTION NO. 2015-0514-AD05**

**RESOLUTION APPROVING THE TERMS OF INFORMATION TECHNOLOGY  
CONTRACTS – ACCOUNTING SOFTWARE AND SUPPORT (IPB 22035349 ASCENT  
INNOVATIONS LLC formerly Procurement C in Exhibit A of IFA Resolution 2015-0414-  
AD04)**

**WHEREAS**, the Illinois Finance Authority (the “Authority”) has been created by, and exists under, the Illinois Finance Authority Act (20 ILCS 3501/801-1 *et seq.*) (the “Illinois Finance Authority Act”)

**WHEREAS**, on July 15, 2013, by Public Act 098-0090 (the “Act”), the Illinois State General Assembly amended the Illinois Procurement Code (30 ILCS 500/1-1 *et seq.*) (the “Code”) by excluding certain contracts to be entered into by the Authority from the Code; and

**WHEREAS**, on April 14, 2015, the Board of the Authority approved Resolution 2025-0414-AD04, including this procurement, IPB 22035349; (the “Contract”); and

**WHEREAS**, the Authority staff has worked cooperatively and collaboratively with the Office of the Chief Procurement Officer and the Policy Procurement Board (collectively the “Procurement Offices”) to competitively and transparently award the Contract in a manner that provides the best value to the public as provided by the Code and the Act; and

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

**Section 1. Recitals.** The recitals set forth above are hereby found to be true and correct and are incorporated into this Resolution as if fully set forth herein.

**Section 2. Delegation to the Executive Director.** The Authority hereby delegates to the Executive Director of the Authority and ratifies past actions authorized with respect to Resolution 2015-0414-AD04, in conjunction with the other officers of the Authority, the power to take or cause to be taken any and all actions, and to execute, acknowledge, post and deliver any and all such contracts, agreements, instruments, certificate and other documents as may be required in connection with this Resolution, the Act and the Code with respect to this Contract.

**Section 3. Contract Terms.** The terms of the Contract shall be consistent with the standard contract forms and disclosures promulgated by the Procurement Offices. The award shall be posted in a public method authorized by the Procurement Offices, specifically a total of **\$156,000** over three years, to **Ascent Innovations LLC** under **IBP 22035349**, for Information Technology-Accounting Software and Support. The Executive Director is authorized to negotiate and approve certain modifications to the standard form contracts promulgated by the Procurement Offices so long as such modifications are, in the opinion of the Executive Director, consistent with the spirit of the Code and the Act and are in a transparent manner that provides the best value for the public.

**Section 5. Renewal Terms.** Renewals will be approved in a manner authorized by the Procurement Offices and the Board of the Authority for up to two, one-year periods. At this time, such renewals are estimated to be approximately \$42,000 per one-year renewal.

**Section 6. Further Actions.** The Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge and deliver all documents as may in his discretion be deemed necessary or desirable to carry out and comply with the terms and provisions of this Resolution; and all of the acts and doings of the Executive Director of the Authority which are in conformity with the intent and purpose of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects, ratified, confirmed and approved. All prior and future acts and doing of the officers, agents and employees of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and performance of the Resolution shall be and the same hereby are in all respects approved and confirmed.

**Section 7. 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 the Resolution.

**Section 8. Conflicts.** That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

**Section 9. Immediate Effect.** That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

**RESOLUTION NO. 2015-0514-AD06**

**RESOLUTION APPROVING CHANGES TO THE AUTHORITY  
PROCUREMENT POLICY, ADOPTED AUGUST 13, 2013 AND AMENDED  
APRIL 10, 2014, TO MAKE “SMALL PURCHASE” DEFINITION CONSISTENT  
WITH THE PROCUREMENT CODE, RATIFYING CERTAIN PAST ACTIONS,  
AND AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE CERTAIN  
ACTIONS**

**WHEREAS**, the Illinois Finance Authority (the “Authority”) has been created by, and exists under, the Illinois Finance Authority Act (20 ILCS 3501/801-1 *et seq.*) (the “Illinois Finance Authority Act”)

**WHEREAS**, on July 15, 2013, by Public Act 098-0090 (the “Act”), the Illinois State General Assembly amended the Illinois Procurement Code (30 ILCS 500/1-1 *et seq.*) (the “Code”) by excluding certain contracts to be entered into by the Authority from the Code; and

**WHEREAS**, pursuant to Section 15 of the Act, contracts for legal, financial, and other professional and artistic services entered into on or before December 31, 2018 by the Authority in which the State of Illinois is not obligated are excluded from the requirements set forth in the Code; and

**WHEREAS**, the Act further provides that such Contracts shall be awarded through a competitive process authorized by the Board of the Authority; and

**WHEREAS**, on August 13, 2013 the Board of the Authority approved a written procurement policy for the procurement of contracts for legal, financial, and other professional and artistic services entered into on or before December 31, 2018 by the Authority in which the State of Illinois is not obligated and the Policy was amended on April 10, 2014 (the “Policy”); and

**WHEREAS**, the Authority staff has worked cooperatively and collaboratively with the Office of the Chief Procurement Officer and the Policy Procurement Board (collectively the “Procurement Offices”) to competitively and transparently award contracts in a manner that provides the best value to the public as provided by the Code and the Act; and

**WHEREAS**, the Act further provides that the Board of the Authority shall approve the terms of such Contracts; and

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

**Section 1. Recitals.** The recitals set forth above are hereby found to be true and correct and are incorporated into this Resolution as if fully set forth herein.

**Section 2. Approval to Change the Procurement Policy regarding “Small Purchase” consistent with the Code and the Act; Ratification of Past Acts Consistent with this Change.** The Executive Director is authorized to change the definition of the amount of “Small Purchase” in the Policy to \$50,000 consistent with the Code as well as to make other changes to the Policy consistent with the Code. Past actions consistent with the Code with respect to the definition of “Small Purchase” by the Executive Director are hereby ratified. The Executive Director will report and present changes to the Procurement Policy to the Board of the Authority.

**Section 3. Appeal to the Procurement Offices to Allow the Authority to fulfill its Statutory Public Mission.** Consistent with sound fiscal stewardship and its business-like funding model, the Authority has recently maintained staffing levels at a historically low level. The Authority expects to finish Fiscal Year 2015 with material income over budget and will thus have the financial resources to hire sufficient staff, particularly in the areas of procurement and compliance. However, during the time period between the present and when procurement and compliance staff is recruited and hired, the Executive Director is authorized to appeal to and to negotiate with the Procurement Offices in order to maintain certain contractual services essential to fulfill the Authority’s statutory mandate and to avoid unnecessary risk to public assets. The Executive Director will report and present such actions taken with the Procurement Offices to the Board of the Authority.

**Section 4. Delegation to the Executive Director.** The Authority hereby delegates to the Executive Director of the Authority, in conjunction with the other officers of the Authority, the power to take or cause to be taken any and all actions, and to execute, acknowledge and deliver any and all such letters, appeals, agreements, instruments, certificate and other documents as may be required in connection with this Resolution.

**Section 5. Further Actions.** The Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge and deliver all documents as may in his discretion be deemed necessary or desirable to carry out and comply with the terms and provisions of this Resolution; and all of the acts and doings of the Executive Director of the Authority which are in conformity with the intent and purpose of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects, ratified, confirmed and approved. All prior and future acts and doing of the officers, agents and employees of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and performance of the Resolution shall be and the same hereby are in all respects approved and confirmed.

**Section 6. 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 the Resolution.

**Section 7. Conflicts.** That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

**Section 8. Immediate Effect.** That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

**Adopted** this 14th day of May, 2015, by vote as follows:

Ayes:

Nays:

Abstain:

Absent:

Vacant:

**ILLINOIS FINANCE AUTHORITY**

By \_\_\_\_\_  
Executive Director

ATTEST:

\_\_\_\_\_  
Assistant Secretary

[SEAL]