ILLINOIS FINANCE AUTHORITY

Tuesday, October 8, 2013

AGENDA

COMMITTEE OF THE WHOLE MEETING

9:30 a.m.
Conference Center
One Prudential Plaza
130 East Randolph Street, Suite 750
Chicago, Illinois 60601

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

BOARD MEETING

10:30 a.m.
Conference Center
One Prudential Plaza
130 East Randolph Street, Suite 750
Chicago, Illinois 60601

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

PROJECT REPORTS AND RESOLUTIONS

BUSINESS AND INDUSTRY PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Industrial Revenue Bonds ***Preliminary***						
1	Sterling Lumber Company and SLC - Phoenix, LLC	Harvey (Cook County)	$10,000,000	50	30	RF/BF
TOTAL BUSINESS AND INDUSTRY PROJECTS			**$10,000,000**	**50**	**30**	

PUBLIC INFRASTRUCTURE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
State of Illinois Clean Water Initiative Revolving Fund Revenue Bonds ***Final*** *(One-Time Consideration)*						
2	State of Illinois Clean Water Initiative Revolving Fund Revenue Bonds, Series 2013	Statewide	$175,000,000			RF/BF
TOTAL PUBLIC INFRASTRUCTURE PROJECTS			**$175,000,000**			

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

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds ***Final***						
3	Columbia College Chicago	Chicago (Cook County)	$9,000,000	N/A	N/A	RF/BF
501(c)(3) Revenue Bonds ***Final*** *(One-Time Consideration)*						
4	Benedictine University and Founders Woods, Ltd.	Lisle (DuPage County)	$70,000,000	3	61	RF/BF
TOTAL EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS			**$79,000,000**	**3**	**61**	

PROJECT REPORTS AND RESOLUTIONS

HEALTHCARE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
501(c)(3) Revenue Bonds *Final*						
5	Washington and Jane Smith Community – Orland Park, d/b/a Smith Crossing	Orland Park (Will County)	$45,000,000	46	83	PL/NO
501(c)(3) Revenue Bonds ***Final*** *(One-Time Consideration)*						
6	Westminster Village, Inc.	Bloomington (McLean County)	$7,000,000	0	15	PL/NO
	TOTAL HEALTHCARE PROJECTS		**$52,000,000**	**46**	**98**	
	GRAND TOTAL		**$316,000,000**	**99**	**189**	

RESOLUTIONS

Tab	Action	Staff
Resolutions		
7	Resolution Providing for the Issuance of Not-To-Exceed $15,000,000 Principal Amount Illinois Finance Authority Revenue Refunding Bond, Series 2013 (Elim Christian Services 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
8	Resolution Authorizing the Issuance of Not-To-Exceed $140,000,000 in Aggregate Principal Amount of Illinois Finance Authority Taxable Revenue Bonds, Series 2013 (Elmhurst Memorial Healthcare), the Proceeds of Which are to be Loaned to Elmhurst Memorial Healthcare	PL/NO
9	Resolution Authorizing Actions to Assist with Proposed Master Trust Indenture Obligation Substitution for Proctor Hospital	PL/NO
10	Resolution Approving the Terms of Various Contracts	DA
11	Resolution Approving the Terms of Trustee/Custodian Services	DA

ILLINOIS FINANCE AUTHORITY

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October 8, 2013

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

RE: Message from the Executive Director

Dear Members of the Authority:

This month, we are pleased to present the first financing under Governor Quinn's Clean Water Initiative for the Board's consideration. Under this program, the Authority will renew and modernize its longstanding partnership with the Illinois Environmental Protection Agency to dramatically increase the availability of lowest possible cost financing to Illinois local governments for state-of-the-art drinking water and sewer projects. Over time, this important public infrastructure finance program will do three things:

- Save local taxpayers' money;
- Create an estimated 28,000 jobs – both permanent jobs and unionized construction jobs; and
- Ensure access to clean, safe drinking water to the citizens of Illinois. In a global economy with increasingly constrained natural resources, virtually unlimited access to clean, safe, fresh water is a major economic competitive advantage for our State.

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

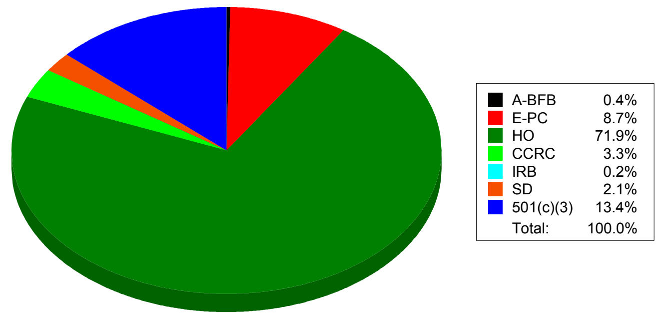
Attachment: Monthly Bond Issuance Report

Bonds Issued - Calendar Year Comparison
as of September 30, 2013

Calendar Year 2011

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,853,465
2	Education	177,390,000
13	Healthcare - Hospital	1,459,760,000
2	Healthcare - CCRC	66,765,000
1	Industrial Revenue	3,795,000
1	Local Government Schools	42,010,000
9	501(c)(3) Not-for-Profit	272,851,846
68		$ 2,030,425,311

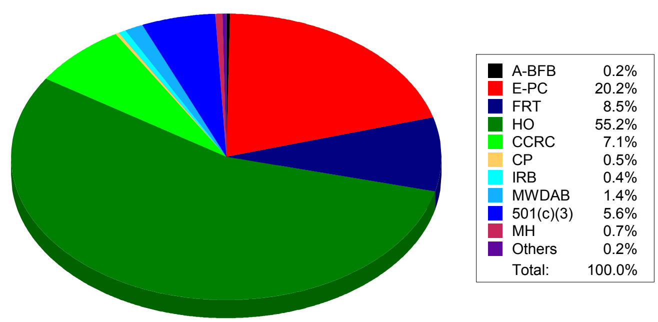
Bonds Issued in Calendar Year 2011



Calendar Year 2012

#	Market Sector	Principal Issued
24	Agriculture - Beginner Farmer	5,964,724
6	Education	536,145,000
13	Healthcare - Hospital	1,462,043,200
2	Healthcare - CCRC	187,500,068
3	Industrial Revenue	11,612,280
4	Midwest Disaster Area Bonds	36,766,000
10	501(c)(3) Not-for-Profit	147,180,000
1	MultiFamily/Senior Housing	18,630,000
1	Healthcare - Community Provider	12,700,000
1	Freight Transfer Facilities Bonds	75,000,000
65		$ 2,493,541,272

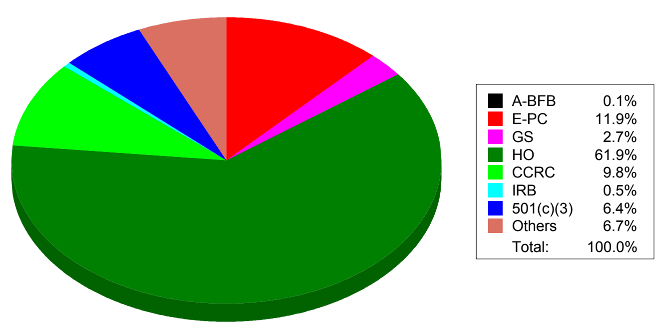
Bonds Issued in Calendar Year 2012



Calendar Year 2013

#	Market Sector	Principal Issued
8	Agriculture - Beginner Farmer	2,344,650
6	Education	220,405,000
1	Gas Supply	50,000,000
7	Healthcare - Hospital	1,141,865,000
4	Healthcare - CCRC	180,005,000
1	Industrial Revenue	10,000,000
9	501(c)(3) Not-for-Profit	118,402,750
7	Local Government	122,890,000
43		$ 1,845,912,400

Bonds Issued in Calendar Year 2013

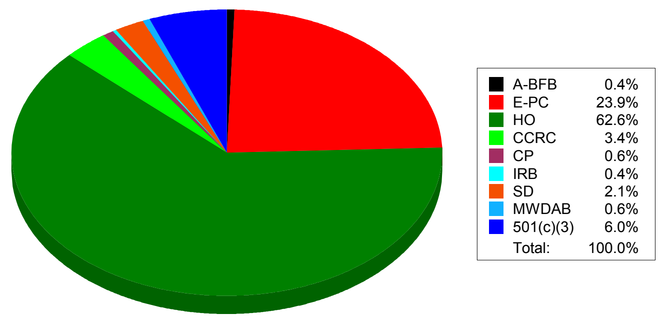


Bonds Issued - Fiscal Year Comparison
for the Period Ending September 30, 2013

Fiscal Year 2012

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

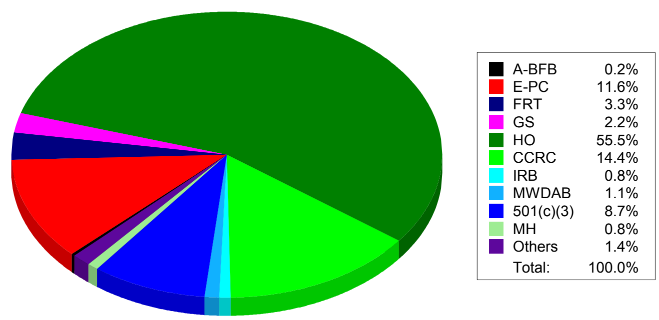
Bonds Issued in Fiscal Year 2012



Fiscal Year 2013

#	Market Sector	Principal Issued
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 Bonds	75,000,000
2	Local Government	15,025,000
1	Environmental issued under 20 ILCS 3515/9	10,935,000
60		$ 2,270,786,753

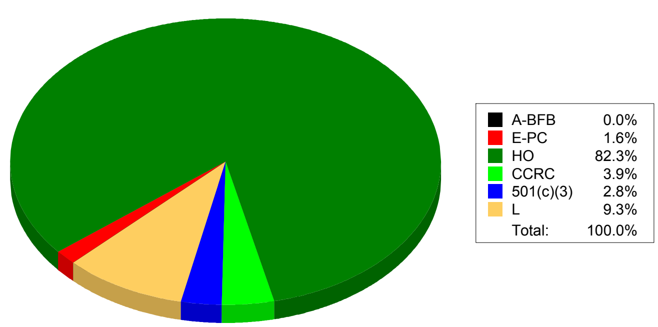
Bonds Issued in Fiscal Year 2013



Fiscal Year 2014

#	Market Sector	Principal Issued
1	Agriculture - Beginner Farmer	440,000
1	Education	17,000,000
3	Healthcare - Hospital	861,770,000
1	Healthcare - CCRC	40,665,000
2	501(c)(3) Not-for-Profit	29,750,000
4	Local Government	96,930,000
12		$1,046,555,000

Bonds Issued in Fiscal Year 2014



Bonds Issued between July 01, 2013 and September 30, 2013

Bond Issue		Date Issued	Initial Interest Rate	Principal Issued	Bonds Refunded
E-PC	Concordia University	07/01/2013	Variable	17,000,000	17,000,000
L	Township High School District Number 113, Series 2013A	07/01/2013	Fixed at Schedule	41,530,000	0
HO	Rehabilitation Institute of Chicago	07/01/2013	Fixed at Schedule	398,000,000	90,000,000
A-BFB	Beginner Farmer Bonds	07/01/2013	various	440,000	0
501(c)(3)	Lake Forest Country Day School	08/01/2013	Variable	23,000,000	23,000,000
HO	Advocate Health Care Network	08/01/2013	Fixed at Schedule	96,905,000	0
CCRC	Illinois College of Optometry	08/01/2013	Variable	40,665,000	40,152,503
L	Township High School District Number 113, Series 2013 B	08/21/2013	Fixed at Schedule	8,470,000	0
L	East Richland C.U.S.D. #1	08/29/2013	Fixed at Schedule	20,140,000	20,280,291
501(c)(3)	YMCA of Rock River Valley	09/01/2013	Variable	6,750,000	0
HO	Presence Health Network	09/15/2013	Variable	366,865,000	366,865,000
L	Community College District No. 532	09/27/2013	Fixed at Schedule	26,790,000	0
	Total Bonds Issued as of September 30, 2013			**$ 1,046,555,000**	**$ 557,297,793**

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, 2013 and September 30, 2013

Borrower	Date Funded	Initial Interest Rate	Loan Proceeds	Acres	County
Scrivner, Wade David Hugh	07/10/2013	3.80%	440,000	164.63	Jefferson
Total Beginner Farmer Bonds Issued			**$ 440,000**	**164.63**	

ref: T:\Bond Reports\Bond Issued Reports\Bonds Issued by Fiscal Year-Board Book-Activity Report.rpt

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Financial Analysis

As of September 30, 2013

The Illinois Finance Authority (IFA) ended the first quarter of Fiscal Year 2014 with a $246,545 Operating Net Income. IFA's Total Operating Revenue for the quarter is $1,071,134.

Revenue

Total Revenue for September 2013 is $425,782; which is $64,952 or 18.0% better than budget. The key driver for September revenues was Annual Loan Fees; reflecting both the receipt and accrual of outstanding fees due to the Authority.

The Authority closed three (3) transactions in September resulting in Administration and Closing Fee of $315,501. [See Page 1, Financial Statements].

Compared to prior year, Total Revenue is lower in September 2013 by $432,092 or 50.4% due to higher transaction volume and revenues during the same period in 2012.

Expenses

Total Expenses for September 2013 is $292,080; which is 13.7% or $46,363 favorable to budget. The primary drivers for September's better than budget performance are lower employee and professional services costs; reflecting IFA's continuing efforts to control expenses. [See Page 1, Financial Statements].

On a prior year basis, Total Expenses is lower compared to September 2012 by $44,559 or 13.2%. For the quarter, Total Expenses is down by $81,121 or 9.0%.

Net Income

Net Income for September 2013 is $133,702; which is $111,315 better than budget. For the quarter, Net Income is $246,545 or $179,384 better than budget.

Other Highlights

On September 3, 2013, the Authority executed a loan Agreement with Joliet Arsenal Development Authority (JADA) in the amount of $175,000 as part of JADA's grant agreement with the Illinois Department of Commerce and Economic Opportunity (DCEO). The IFA Board authorized the loan in July 2013. Following DCEO's release of the grant funds to JADA, this loan was paid off using the Comptroller's intercept on September 11, 2013.

On September 17, 2013, the Authority filed a competitive application for New Market Tax Credits through its Community Development Entity (Illinois Finance Authority Development Fund NFP) with the United States Department of Treasury, Community Development Financial Institutions Fund (CDFI). As discussed in prior Board meetings, New Market Tax Credits would provide the Authority with more flexible capital structures to better support economic development and job creation activities across the State. A decision by CDFI is expected in early 2014.

On September 26, 2013, Morton Community Bank requested the Authority's concurrence to restructure its loan to Roanoke Milling Co due to continuing deterioration in the borrower's business environment. The Authority's guarantee was approved by the Board on June 5, 2012 and currently has an outstanding loan balance of $747,964. As part of the Authority's due diligence, staff contacted Lender to request additional information and to ensure that the Authority's interest and collateral position are protected as Lender works with the borrower on this issue. At this time, staff is continuing to monitor the loan and will make appropriate recommendations to the Board as more information becomes available.

As of September 30, 2013, St. Clair County Circuit Court has deposited funds into a special Authority bank account for the benefit of Metro East Police District Commission (Commission) consistent with the Intergovernmental Agreement between the Authority and the Commission dated June 13, 2013. The Authority has informed St. Clair County States Attorney of the deposit to enable submission and payment of any outstanding invoices.

Finally, Audit Committee Chair Gila Bronner, Director Meister and staff met with Dan Nugent and the Auditor General's Special Auditor, E. C Ortiz & Co. to review the status of the Authority's 2013 Fiscal Year audit. Overall, the Authority is cooperating fully with the audit team and continues to work to be responsive to all of the Auditor General's requests with respect to the audit.

Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
For the Period Ending September 30, 2013

	Actual September 2013	Budget September 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2014	Budget YTD FY 2014	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2014	% of Budget Expended
REVENUE										
INTEREST ON LOANS	11,444	13,429	(1,985)	-14.8%	37,593	40,287	(2,694)	-6.7%	161,148	23.3%
INVESTMENT INTEREST & GAIN(LOSS)	1,192	16,667	(15,475)	-92.8%	3,869	50,001	(46,132)	-92.3%	200,000	1.9%
ADMINISTRATIONS & APPLICATION FEES	315,501	319,305	(3,804)	-1.2%	895,045	957,915	(62,870)	-6.6%	3,638,400	24.6%
ANNUAL ISSUANCE & LOAN FEES	82,401	6,129	76,272	1244.4%	114,860	18,387	96,473	524.7%	73,545	156.2%
OTHER INCOME	15,244	5,300	9,944	187.6%	19,767	15,900	3,867	24.3%	63,601	31.1%
TOTAL REVENUE	425,782	360,830	64,952	18.0%	1,071,134	1,082,490	(11,356)	-1.0%	4,136,694	25.9%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	126,983	142,581	(15,598)	-10.9%	392,164	427,743	(35,579)	-8.3%	1,710,974	22.9%
BENEFITS	16,029	22,711	(6,682)	-29.4%	51,798	68,133	(16,335)	-24.0%	272,537	19.0%
EDUCATION & DEVELOPMENT	0	500	(500)	-100.0%	4,002	1,500	2,502	166.8%	6,000	66.7%
TRAVEL & AUTO	3,262	4,583	(1,321)	-28.8%	9,443	13,749	(4,306)	-31.3%	55,000	17.2%
TOTAL EMPLOYEE RELATED EXPENSES	146,274	170,375	(24,101)	-14.1%	457,407	511,125	(53,718)	-10.5%	2,044,511	22.4%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	24,144	41,667	(17,523)	-42.1%	55,109	125,001	(69,892)	-55.9%	500,000	11.0%
LOAN EXPENSE & BANK FEE	7,495	8,334	(839)	-10.1%	22,994	25,002	(2,008)	-8.0%	100,000	23.0%
ACCOUNTING & AUDITING	23,610	25,834	(2,224)	-8.6%	62,193	77,502	(15,309)	-19.8%	310,000	20.1%
MARKETING GENERAL	77	833	(756)	-90.8%	1,127	2,499	(1,372)	-54.9%	10,000	11.3%
FINANCIAL ADVISORY	27,740	8,333	19,407	232.9%	34,890	24,999	9,891	39.6%	100,000	34.9%
CONFERENCE/TRAINING	1,065	2,083	(1,018)	-48.9%	2,385	6,249	(3,864)	-61.8%	25,000	9.5%
MISC. PROFESSIONAL SERVICES	1,753	6,667	(4,914)	-73.7%	5,959	20,001	(14,042)	-70.2%	80,000	7.4%
DATA PROCESSING	3,796	14,167	(10,371)	-73.2%	15,732	42,501	(26,769)	-63.0%	170,000	9.3%
TOTAL PROFESSIONAL SERVICES	89,680	107,918	(18,238)	-16.9%	200,389	323,754	(123,365)	-38.1%	1,295,000	15.5%
OCCUPANCY COSTS										
OFFICE RENT	21,401	21,667	(266)	-1.2%	63,707	65,001	(1,294)	-2.0%	260,000	24.5%
EQUIPMENT RENTAL AND PURCHASES	1,028	1,250	(222)	-17.8%	2,512	3,750	(1,238)	-33.0%	15,000	16.7%
TELECOMMUNICATIONS	2,715	2,917	(202)	-6.9%	8,176	8,751	(575)	-6.6%	35,000	23.4%
UTILITIES	503	1,000	(497)	-49.7%	2,117	3,000	(883)	-29.4%	12,000	17.6%
DEPRECIATION	3,737	3,792	(55)	-1.5%	11,212	11,376	(164)	-1.4%	45,500	24.6%
INSURANCE	505	2,083	(1,578)	-75.8%	1,514	6,249	(4,735)	-75.8%	25,000	6.1%
TOTAL OCCUPANCY COSTS	29,889	32,709	(2,820)	-8.6%	89,238	98,127	(8,889)	-9.1%	392,500	22.7%

Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
For the Period Ending September 30, 2013

	Actual September 2013	Budget September 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2014	Budget YTD FY 2014	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2014	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	2,574	2,983	(409)	-13.7%	7,269	8,949	(1,680)	-18.8%	35,800	20.3%
BOARD MEETING - EXPENSES	2,257	2,500	(243)	-9.7%	5,448	7,500	(2,052)	-27.4%	30,000	18.2%
PRINTING	445	667	(222)	-33.3%	1,320	2,001	(681)	-34.0%	8,000	16.5%
POSTAGE & FREIGHT	995	1,250	(255)	-20.4%	2,691	3,750	(1,059)	-28.2%	15,000	17.9%
MEMBERSHIP, DUES & CONTRIBUTIONS	0	2,500	(2,500)	-100.0%	3,281	7,500	(4,219)	-56.3%	30,000	10.9%
PUBLICATIONS	54	208	(154)	-74.0%	54	624	(570)	-91.3%	2,500	2.2%
OFFICERS & DIRECTORS INSURANCE	19,912	17,333	2,579	14.9%	57,492	51,999	5,493	10.6%	208,000	27.6%
TOTAL GENL & ADMIN EXPENSES	26,237	27,441	(1,204)	-4.4%	77,555	82,323	(4,768)	-5.8%	329,300	23.6%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
OTHER										
INTEREST EXPENSE	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
TOTAL OTHER	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
TOTAL EXPENSES	292,080	338,443	(46,363)	-13.7%	824,589	1,015,329	(190,740)	-18.8%	4,061,311	20.3%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	133,702	22,387	111,315	497.2%	246,545	67,161	179,384	267.1%	75,383	327.1%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
TRANSFER	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
REVENUE GRANT	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
APPROPRIATIONS FROM STATE	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
NET INCOME/(LOSS)	133,702	22,387	111,315	497.2%	246,545	67,161	179,384	267.1%	75,383	327.1%

Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
For the Period Ending September 30, 2013

	Actual September 2013	Actual September 2012	Current Month Variance Actual vs. Actual	Current % Variance	Actual YTD FY 2014	Actual YTD FY 2013	Year to Date Variance Actual vs. Actual	YTD % Variance
REVENUE								
INTEREST ON LOANS	11,444	19,938	(8,494)	-42.6%	37,593	63,164	(25,571)	-40.5%
INVESTMENT INTEREST & GAIN(LOSS)	1,192	5,450	(4,258)	-78.1%	3,869	12,752	(8,883)	-69.7%
ADMINISTRATIONS & APPLICATION FEES	315,501	720,833	(405,332)	-56.2%	895,045	1,225,269	(330,224)	-27.0%
ANNUAL ISSUANCE & LOAN FEES	82,401	30,507	51,894	170.1%	114,860	88,021	26,839	30.5%
OTHER INCOME	15,244	81,146	(65,902)	-81.2%	19,767	229,619	(209,852)	-91.4%
TOTAL REVENUE	425,782	857,874	(432,092)	-50.4%	1,071,134	1,618,825	(547,691)	-33.8%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	126,983	109,490	17,493	16.0%	392,164	335,065	57,099	17.0%
BENEFITS	16,029	19,651	(3,622)	-18.4%	51,798	59,331	(7,533)	-12.7%
EDUCATION & DEVELOPMENT	0	-	-	0.0%	4,002	150	3,852	2568.0%
TRAVEL & AUTO	3,262	4,244	(982)	-23.1%	9,443	10,217	(774)	-7.6%
TOTAL EMPLOYEE RELATED EXPENSES	146,274	133,385	12,889	9.7%	457,407	404,763	52,644	13.0%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	24,144	37,909	(13,765)	-36.3%	55,109	113,603	(58,494)	-51.5%
LOAN EXPENSE & BANK FEE	7,495	7,477	18	0.2%	22,994	25,408	(2,414)	-9.5%
ACCOUNTING & AUDITING	23,610	27,906	(4,296)	-15.4%	62,193	82,949	(20,756)	-25.0%
MARKETING GENERAL	77	162	(85)	-52.5%	1,127	2,107	(980)	-46.5%
FINANCIAL ADVISORY	27,740	8,333	19,407	232.9%	34,890	24,999	9,891	39.6%
CONFERENCE/TRAINING	1,065	2,070	(1,005)	-48.6%	2,385	5,595	(3,210)	-57.4%
MISC. PROFESSIONAL SERVICES	1,753	17,850	(16,097)	-90.2%	5,959	30,350	(24,391)	-80.4%
DATA PROCESSING	3,796	44,805	(41,009)	-91.5%	15,732	50,196	(34,464)	-68.7%
TOTAL PROFESSIONAL SERVICES	89,680	146,512	(56,832)	-38.8%	200,389	335,207	(134,818)	-40.2%
OCCUPANCY COSTS								
OFFICE RENT	21,401	21,688	(287)	-1.3%	63,707	64,169	(462)	-0.7%
EQUIPMENT RENTAL AND PURCHASES	1,028	1,650	(622)	-37.7%	2,512	3,638	(1,126)	-31.0%
TELECOMMUNICATIONS	2,715	2,934	(219)	-7.5%	8,176	7,014	1,162	16.6%
UTILITIES	503	997	(494)	-49.5%	2,117	2,841	(724)	-25.5%
DEPRECIATION	3,737	3,621	116	3.2%	11,212	10,935	277	2.5%
INSURANCE	505	1,951	(1,446)	-74.1%	1,514	5,851	(4,337)	-74.1%
TOTAL OCCUPANCY COSTS	29,889	32,841	(2,952)	-9.0%	89,238	94,448	(5,210)	-5.5%

Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
For the Period Ending September 30, 2013

	Actual September 2013	Actual September 2012	Current Month Variance Actual vs. Actual	Current % Variance	Actual YTD FY 2014	Actual YTD FY 2013	Year to Date Variance Actual vs. Actual	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	2,574	3,014	(440)	-14.6%	7,269	7,868	(599)	-7.6%
BOARD MEETING - EXPENSES	2,257	2,572	(315)	-12.2%	5,448	6,825	(1,377)	-20.2%
PRINTING	445	538	(93)	-17.3%	1,320	1,630	(310)	-19.0%
POSTAGE & FREIGHT	995	1,032	(37)	-3.6%	2,691	4,678	(1,987)	-42.5%
MEMBERSHIP, DUES & CONTRIBUTIONS	0	-	-	0.0%	3,281	1,877	1,404	74.8%
PUBLICATIONS	54	203	(149)	-73.4%	54	222	(168)	-75.7%
OFFICERS & DIRECTORS INSURANCE	19,912	16,542	3,370	20.4%	57,492	48,192	9,300	19.3%
TOTAL GENL & ADMIN EXPENSES	26,237	23,901	2,336	9.8%	77,555	71,292	6,263	8.8%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	0.0%	-	-	-	0.0%
OTHER								
INTEREST EXPENSE	-	-	-	0.0%	-	-	-	0.0%
TOTAL OTHER	-	-	-	0.0%	-	-	-	0.0%
TOTAL EXPENSES	292,080	336,639	(44,559)	-13.2%	824,589	905,710	(81,121)	-9.0%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	133,702	521,235	(387,533)	-74.3%	246,545	713,115	(466,570)	-65.4%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.0%	-	-	-	0.0%
TRANSFER	-	-	-	0.0%	-	317,153	(317,153)	-100.0%
REVENUE GRANT	-	-	-	0.0%	-	-	-	0.0%
APPROPRIATIONS FROM STATE	-	-	-	0.0%	-	-	-	0.0%
NET INCOME/(LOSS)	133,702	521,235	(387,533)	-74.3%	246,545	1,030,268	(783,723)	-76.1%

Illinois Finance Authority
General Fund
Balance Sheet [unaudited]
For the Month Ended September 30, 2013

	September 2013	September 2012
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	$ 45,299,141	$ 41,460,701
RECEIVABLES, NET	144,393	564,767
LOAN RECEIVABLE, NET	3,891,534	6,213,249
OTHER RECEIVABLES	21,551	58,337
PREPAID EXPENSES	223,236	209,647
TOTAL CURRENT ASSETS	49,579,855	48,506,701
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	105,410	97,397
DEFERRED ISSUANCE COSTS	200,453	235,841
OTHER ASSETS		
CASH RESTRICTED, INVESTMENTS & RESERVES	875,616	875,154
OTHER	(18,303)	7,669
TOTAL OTHER ASSETS	857,313	882,823
TOTAL ASSETS	$ 50,743,031	$ 49,722,762
LIABILITIES		
CURRENT LIABILITIES	$ 891,422	$ 620,606
LONG-TERM LIABILITIES	293,295	348,292
TOTAL LIABILITIES	1,184,717	968,898
EQUITY		
CONTRIBUTED CAPITAL	4,111,479	4,111,479
RETAINED EARNINGS	33,228,893	31,640,819
NET INCOME / (LOSS)	246,645	1,030,268
RESERVED/RESTRICTED FUND BALANCE	1,732,164	1,732,164
UNRESERVED FUND BALANCE	10,239,134	10,239,134
TOTAL EQUITY	49,558,314	48,753,864
TOTAL LIABILITIES & EQUITY	$ 50,743,031	$ 49,722,762

Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
For the Period Ending September 30, 2013

	Actual September 2013	Budget September 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2014	Budget YTD FY 2014	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2014	% of Budget Expended
REVENUE										
INTEREST ON LOANS	139,422	139,603	(181)	-0.1%	421,638	423,629	(1,991)	-0.5%	1,695,369	24.9%
INVESTMENT INTEREST & GAIN(LOSS)	47,145	62,277	(15,132)	-24.3%	136,400	186,831	(50,431)	-27.0%	747,320	18.3%
ADMINISTRATIONS & APPLICATION FEES	315,501	319,305	(3,804)	-1.2%	895,044	957,915	(62,871)	-6.6%	3,638,400	24.6%
ANNUAL ISSUANCE & LOAN FEES	82,401	6,129	76,272	1244.4%	114,860	18,387	96,473	524.7%	73,545	156.2%
OTHER INCOME	65,534	42,050	23,484	55.8%	128,782	126,150	2,632	2.1%	504,595	25.5%
TOTAL REVENUE	650,003	569,364	80,639	14.2%	1,696,725	1,712,912	(16,188)	-0.9%	6,659,229	25.5%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	126,983	142,581	(15,598)	-10.9%	392,164	427,743	(35,579)	-8.3%	1,710,974	22.9%
BENEFITS	16,029	22,711	(6,682)	-29.4%	51,798	68,133	(16,335)	-24.0%	272,537	19.0%
EDUCATION & DEVELOPMENT	-	500	(500)	-100.0%	4,002	1,500	2,502	166.8%	6,000	66.7%
TRAVEL & AUTO	3,262	4,583	(1,321)	-28.8%	9,443	13,749	(4,306)	-31.3%	55,000	17.2%
TOTAL EMPLOYEE RELATED EXPENSES	146,274	170,375	(24,101)	-14.1%	457,406	511,125	(53,719)	-10.5%	2,044,511	22.4%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	26,227	43,750	(17,523)	-40.1%	61,358	131,250	(69,892)	-53.3%	524,996	11.7%
LOAN EXPENSE & BANK FEE	157,495	158,334	(839)	-0.5%	472,994	475,002	(2,008)	-0.4%	1,900,000	24.9%
ACCOUNTING & AUDITING	23,610	27,324	(3,714)	-13.6%	62,193	81,972	(19,779)	-24.1%	327,880	19.0%
MARKETING GENERAL	77	833	(756)	-90.8%	1,127	2,499	(1,372)	-54.9%	10,000	11.3%
FINANCIAL ADVISORY	27,740	8,333	19,407	232.9%	34,890	24,999	9,891	39.6%	100,000	34.9%
CONFERENCE/TRAINING	1,065	2,083	(1,018)	-48.9%	2,385	6,249	(3,864)	-61.8%	25,000	9.5%
MISC. PROFESSIONAL SERVICES	5,003	9,917	(4,914)	-49.6%	15,709	29,751	(14,042)	-47.2%	119,000	13.2%
DATA PROCESSING	3,796	14,167	(10,371)	-73.2%	15,732	42,501	(26,769)	-63.0%	170,000	9.3%
TOTAL PROFESSIONAL SERVICES	245,013	264,741	(19,728)	-7.5%	666,388	794,223	(127,835)	-16.1%	3,176,876	21.0%
OCCUPANCY COSTS										
OFFICE RENT	21,401	21,667	(266)	-1.2%	63,707	65,001	(1,294)	-2.0%	260,000	24.5%
EQUIPMENT RENTAL AND PURCHASES	1,028	1,250	(222)	-17.8%	2,512	3,750	(1,238)	-33.0%	15,000	16.7%
TELECOMMUNICATIONS	2,715	2,917	(202)	-6.9%	8,176	8,751	(575)	-6.6%	35,000	23.4%
UTILITIES	503	1,000	(497)	-49.7%	2,117	3,000	(883)	-29.4%	12,000	17.6%
DEPRECIATION	3,737	3,792	(55)	-1.5%	11,212	11,376	(164)	-1.4%	45,500	24.6%
INSURANCE	505	2,083	(1,578)	-75.8%	1,514	6,249	(4,735)	-75.8%	25,000	6.1%
TOTAL OCCUPANCY COSTS	29,889	32,709	(2,820)	-8.6%	89,237	98,127	(8,890)	-9.1%	392,500	22.7%

Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
For the Period Ending September 30, 2013

	Actual September 2013	Budget September 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2014	Budget YTD FY 2014	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2014	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	2,574	2,983	(409)	-13.7%	7,269	8,949	(1,680)	-18.8%	35,800	20.3%
BOARD MEETING - EXPENSES	2,257	2,500	(243)	-9.7%	5,448	7,500	(2,052)	-27.4%	30,000	18.2%
PRINTING	445	667	(222)	-33.3%	1,320	2,001	(681)	-34.0%	8,000	16.5%
POSTAGE & FREIGHT	995	1,250	(255)	-20.4%	2,691	3,750	(1,059)	-28.2%	15,000	17.9%
MEMBERSHIP, DUES & CONTRIBUTIONS	-	2,500	(2,500)	-100.0%	3,281	7,500	(4,219)	-56.3%	30,000	10.9%
PUBLICATIONS	54	208	(154)	-74.0%	54	624	(570)	-91.3%	2,500	2.2%
OFFICERS & DIRECTORS INSURANCE	19,912	17,333	2,579	14.9%	57,493	51,999	5,494	10.6%	208,000	27.6%
TOTAL GENL & ADMIN EXPENSES	26,237	27,441	(1,204)	-4.4%	77,555	82,323	(4,768)	-5.8%	329,300	23.6%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
OTHER										
INTEREST EXPENSE	406	406	0	0.0%	1,218	1,218	0	0.0%	4,561	26.7%
TOTAL OTHER	406	406	0	0.0%	1,218	1,218	0	0.0%	4,561	26.7%
TOTAL EXPENSES	447,819	495,672	(47,853)	-9.7%	1,291,805	1,487,016	(195,211)	-13.1%	5,947,748	21.7%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	202,184	73,692	128,492	174.4%	404,920	225,896	179,024	79.3%	711,481	56.9%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
TRANSFER	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
REVENUE GRANT	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
TRANSFER FROM STATE	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
NET INCOME/(LOSS)	202,184	73,692	128,492	174.4%	404,920	225,896	179,024	79.3%	711,481	56.9%

Illinois Finance Authority
Consolidated Statement of Activities
Actual to Actual Comparison
For the Period Ending September 30, 2013

	Actual September 2013	Actual September 2012	Current Month Variance Actual vs. Actual	Current % Variance	Actual YTD FY 2014	Actual YTD FY 2013	Year to Date Variance Actual vs. Actual	YTD % Variance
REVENUE								
INTEREST ON LOANS	139,422	(105,911)	245,333	-231.6%	421,638	447,095	(25,457)	-5.7%
INVESTMENT INTEREST & GAIN(LOSS)	47,145	(5,640)	52,785	-935.9%	136,400	260,379	(123,979)	-47.6%
ADMINISTRATIONS & APPLICATION FEES	315,501	720,833	(405,332)	-56.2%	895,044	1,225,269	(330,225)	-27.0%
ANNUAL ISSUANCE & LOAN FEES	82,401	30,507	51,894	170.1%	114,860	88,021	26,839	30.5%
OTHER INCOME	35,590	104,297	(68,707)	-65.9%	128,782	323,841	(195,059)	-60.2%
TOTAL REVENUE	620,059	744,086	(124,027)	-16.7%	1,696,725	2,344,605	(647,880)	-27.6%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	126,983	109,490	17,493	16.0%	392,164	335,065	57,099	17.0%
BENEFITS	16,029	19,651	(3,622)	-18.4%	51,798	59,331	(7,533)	-12.7%
EDUCATION & DEVELOPMENT	-	-	-	0.0%	4,002	150	3,852	2567.7%
TRAVEL & AUTO	3,262	4,243	(981)	-23.1%	9,443	10,217	(774)	-7.6%
TOTAL EMPLOYEE RELATED EXPENSES	146,274	133,384	12,890	9.7%	457,406	404,763	52,643	13.0%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	26,227	39,992	(13,765)	-34.4%	61,358	119,852	(58,494)	-48.8%
LOAN EXPENSE & BANK FEE	157,495	(193,756)	351,251	-181.3%	472,994	509,958	(36,964)	-7.2%
ACCOUNTING & AUDITING	23,610	29,206	(5,596)	-19.2%	62,193	86,846	(24,653)	-28.4%
MARKETING GENERAL	77	162	(85)	-52.5%	1,127	2,107	(980)	-46.5%
FINANCIAL ADVISORY	27,740	8,333	19,407	232.9%	34,890	24,999	9,891	39.6%
CONFERENCE/TRAINING	1,065	2,070	(1,005)	-48.6%	2,385	5,595	(3,210)	-57.4%
MISC. PROFESSIONAL SERVICES	5,003	21,183	(16,180)	-76.4%	15,709	40,349	(24,640)	-61.1%
DATA PROCESSING	3,796	44,805	(41,009)	-91.5%	15,732	50,196	(34,464)	-68.7%
TOTAL PROFESSIONAL SERVICES	245,013	(48,005)	293,018	-610.4%	666,388	839,902	(173,514)	-20.7%
OCCUPANCY COSTS								
OFFICE RENT	21,401	21,688	(287)	-1.3%	63,707	64,169	(462)	-0.7%
EQUIPMENT RENTAL AND PURCHASES	1,028	1,650	(622)	-37.7%	2,512	3,638	(1,126)	-31.0%
TELECOMMUNICATIONS	2,715	2,934	(219)	-7.5%	8,176	7,014	1,162	16.6%
UTILITIES	503	997	(494)	-49.5%	2,117	2,841	(724)	-25.5%
DEPRECIATION	3,737	3,621	116	3.2%	11,212	10,935	277	2.5%
INSURANCE	505	1,951	(1,446)	-74.1%	1,514	5,851	(4,337)	-74.1%
TOTAL OCCUPANCY COSTS	29,889	32,841	(2,952)	-9.0%	89,237	94,448	(5,211)	-5.5%

Illinois Finance Authority
Consolidated Statement of Activities
Actual to Actual Comparison
For the Period Ending September 30, 2013

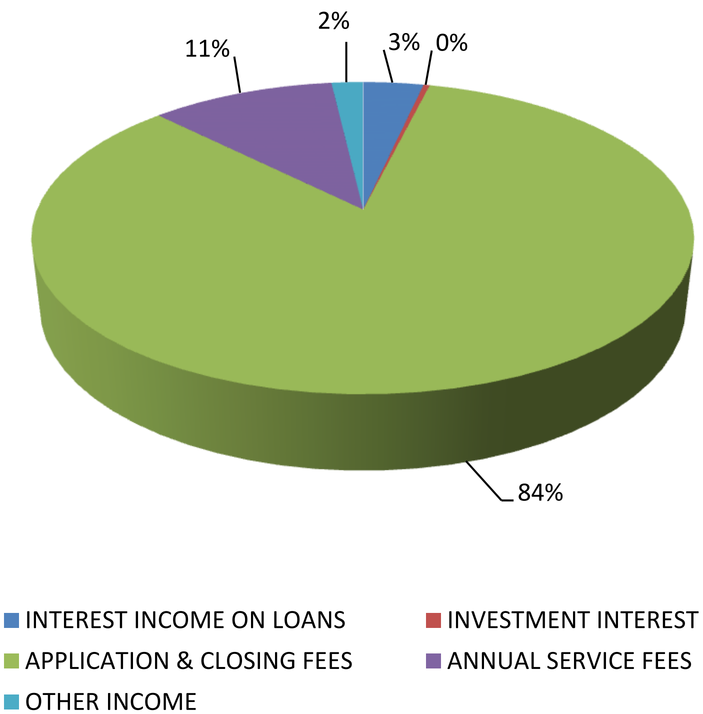
	Actual September 2013	Actual September 2012	Current Month Variance Actual vs. Actual	Current % Variance	Actual YTD FY 2014	Actual YTD FY 2013	Year to Date Variance Actual vs. Actual	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	2,574	3,014	(757)	-25.1%	7,269	7,867	(598)	-7.6%
BOARD MEETING - EXPENSES	2,257	2,572	(2,127)	-82.7%	5,448	6,825	(1,377)	-20.2%
PRINTING	445	538	457	84.9%	1,320	1,630	(310)	-19.0%
POSTAGE & FREIGHT	995	1,032	(1,032)	-100.0%	2,691	4,678	(1,987)	-42.5%
MEMBERSHIP, DUES & CONTRIBUTIONS	-	-	54	0.0%	3,281	1,877	1,404	74.8%
PUBLICATIONS	54	203	19,709	9708.9%	54	222	(168)	-75.7%
OFFICERS & DIRECTORS INSURANCE	19,912	16,542	26,237	158.6%	57,493	48,192	9,301	19.3%
MISCELLANEOUS								
	26,237	23,901	2,336	9.8%	77,555	71,291	6,264	8.8%
TOTAL GENL & ADMIN EXPENSES								
	-	-	-	0.0%	-	-	-	0.0%
LOAN LOSS PROVISION/BAD DEBT								
OTHER	406	455	(49)	-10.8%	1,218	1,364	(146)	-10.7%
INTEREST EXPENSE								
	406	455	(49)	-10.8%	1,218	1,364	(146)	-10.7%
TOTAL OTHER								
	447,819	142,576	305,243	214.1%	1,291,804	1,411,768	(119,964)	-8.5%
TOTAL EXPENSES								
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	172,240	601,510	(429,270)	-71.4%	404,920	932,837	(527,917)	-56.6%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.0%	-	-	-	0.0%
TRANSFER	-	-	-	0.0%	-	-	-	0.0%
REVENUE GRANT	-	-	-	0.0%	-	841,399	(841,399)	-100.0%
TRANSFERS FROM STATE	-	-	-	0.0%	-	-	-	0.0%
NET INCOME/(LOSS)	172,240	601,510	(429,270)	-71.4%	404,920	1,774,236	(1,369,316)	-77.2%

Illinois Finance Authority
Consolidated [Unaudited]
Balance Sheet
For the Three Months Ending September 30, 2013

	September 2013	September 2012
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	$ 45,299,141	$ 41,460,701
RECEIVABLES, NET	144,393	564,767
LOAN RECEIVABLE, NET	53,667,259	62,547,538
OTHER RECEIVABLES	1,240,841	427,554
PREPAID EXPENSES	223,236	209,647
TOTAL CURRENT ASSETS	100,574,870	105,210,207
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	105,410	97,397
DEFERRED ISSUANCE COSTS	268,109	315,190
OTHER ASSETS		
CASH RESTRICTED, INVESTMENTS & RESERVES	57,509,230	54,825,711
OTHER	3,000,000	3,000,000
TOTAL OTHER ASSETS	60,509,230	57,825,711
TOTAL ASSETS	$ 161,457,619	$ 163,448,505
LIABILITIES		
CURRENT LIABILITIES	$ 1,019,523	$ 740,472
LONG TERM LIABILITIES	39,309,201	43,124,239
TOTAL LIABILITIES	40,328,724	43,864,711
EQUITY		
CONTRIBUTED CAPITAL	35,608,692	35,608,692
RETAINED EARNINGS	32,781,496	30,492,093
NET INCOME / (LOSS)	404,920	1,774,236
RESERVED/RESTRICTED FUND BALANCE	39,685,617	39,060,603
UNRESERVED FUND BALANCE	12,648,171	12,648,171
TOTAL EQUITY	121,128,895	119,583,794
TOTAL LIABILITIES & EQUITY	$ 161,457,619	$ 163,448,505

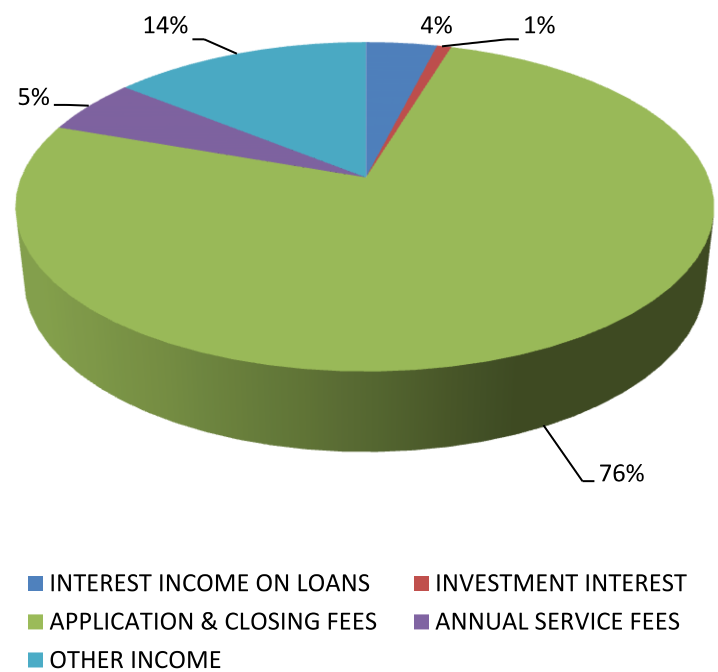
Revenue Distribution Chart
For the Three Months
Ending September 30, 2013

REVENUE DESCRIPTION	
Fiscal Year 2013	***REVENUE $***
INTEREST INCOME ON LOANS	37,593
INVESTMENT INTEREST	3,869
APPLICATION & CLOSING FEES	895,045
ANNUAL SERVICE FEES	114,860
OTHER INCOME	19,767
TOTAL	**1,071,134**



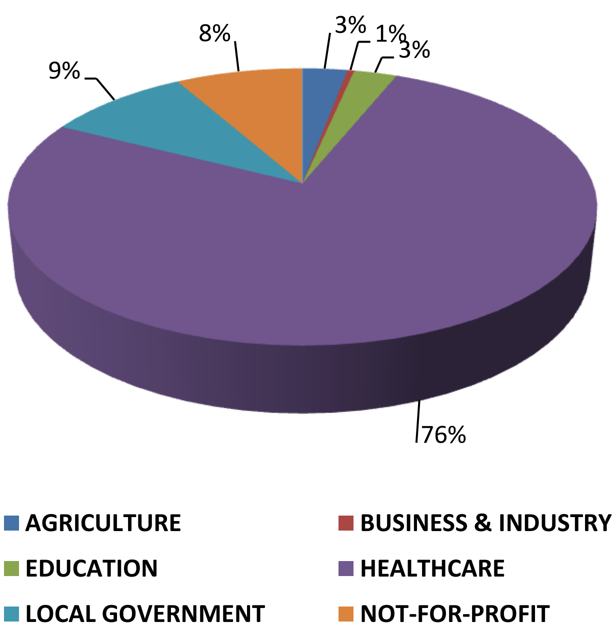
Revenue Distribution Chart
For the Three Months
Ending September 30, 2012

REVENUE DESCRIPTION	
Fiscal Year 2012	***REVENUE $***
INTEREST INCOME ON LOANS	63,164
INVESTMENT INTEREST	12,752
APPLICATION & CLOSING FEES	1,225,269
ANNUAL SERVICE FEES	88,021
OTHER INCOME	229,619
TOTAL	**1,618,825**



Breakdown of Fee Revenues by Sector Chart
For the Three Months
Ending September 30, 2013

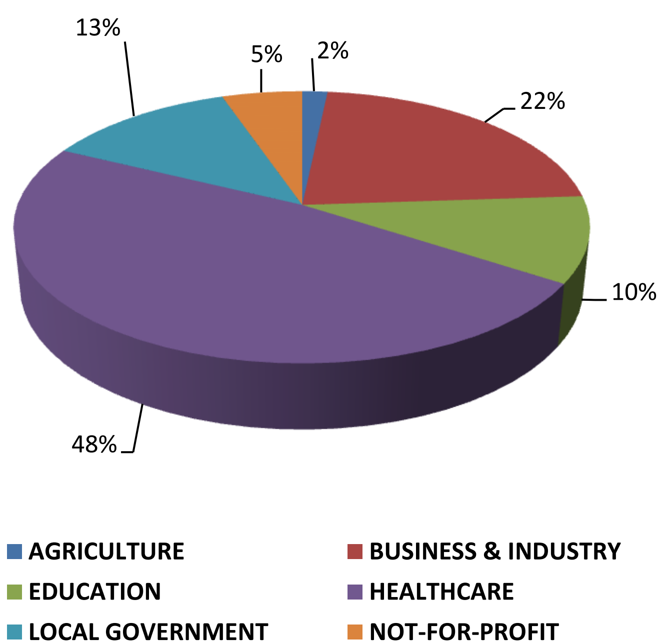
REVENUE BY SECTOR	
Fiscal Year 2014	***REVENUE $***
AGRICULTURE	26,107
BUSINESS & INDUSTRY	3,955
EDUCATION	25,000
HEALTHCARE	685,665
LOCAL GOVERNMENT	83,600
NOT-FOR-PROFIT	73,750
TOTAL	898,077



Fees Per Revenue Chart	895,045
Difference (Cash v. Accrual)	3,032

Breakdown of Fee Revenues by Sector Chart
For the Three Months
Ending September 30, 2012

REVENUE BY SECTOR	
Fiscal Year 2013	***REVENUE $***
AGRICULTURE	20,319
BUSINESS & INDUSTRY	272,541
EDUCATION	124,920
HEALTHCARE	588,368
LOCAL GOVERNMENT	153,000
NOT-FOR-PROFIT	64,500
TOTAL	1,223,648



Fees Per Revenue Chart	1,225,269
Difference (Cash v. Accrual)	(1,621)

COMMITTEE MINUTES

ILLINOIS FINANCE AUTHORITY
COMMITTEE OF THE WHOLE
REGULAR MEETING
TUESDAY, SEPTEMBER 10, 2013
9:33 A.M.

I. Call to Order & Roll Call

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

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

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

Having been absent when the Quorum Roll Call for Attendance was taken, Chairman Brandt and Member Lonstein were recorded as present at the time of 9:51 a.m. and 10:07 a.m., respectively.

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

September 10, 2013

0 YEAS 0 NAYS 11 PRESENT

P	Barclay	P	Knox (VIA AUDIO CONFERENCE)	E	Pedersen
E	Bronner	E	Leonard	P	Poole
P	Fuentes	P	Lonstein (ADDED)	E	Tessler
P	Goetz	P	O'Brien	P	Zeller
P	Gold	P	Parish	P	Mr. Chairman (ADDED)

E – Denotes Excused Absence

II. Chairman's Remarks

Vice Chairman Goetz informed Members of the Committee, Authority staff and all guests present that Chairman Brandt would be arriving within the next thirty minutes for today's meetings.

III. Message from the Executive Director

Executive Director Meister informed Members of the Committee that they will be considering a $375 million Final Bond Resolution on behalf of Presence Health Network. Presence is the product of the 2011 consolidation of two Illinois Catholic health systems, Provena Health and Resurrection Health Care. Presence Health is the largest Catholic health system in our state and operates 12 acute care hospitals, many of which are urban safety-net healthcare providers, along with 27 senior care facilities. The proposed refunding will result in a lower cost of capital for Presence.

Executive Director Meister also stated the Mr. Anosike will be presenting to the Members a resolution for approval of an accounting services contract and legal counsel contract in connection with the Authority's New Markets Tax Credits ("NMTC") application. Submission of the application is due to the United States Department of Treasury, Community Development Financial Institutions Fund by September 18, 2013.

Next, Executive Director Meister reported that on September 6, on behalf of the Members, he joined Governor Quinn at 52nd and Aberdeen on Chicago's Southside to announce $25 million in lowest cost financing through the Authority's partnership with the Illinois Environmental Protection Agency ("IEPA") and the City of Chicago. This project will finance the replacement of century-old water pipes on dozens of miles of City streets through the Governor's Clean Water Initiative (also known as the EPA State Revolving Fund or SRF). Until Governor Quinn took office, the City of Chicago had never participated in this important and cost-saving State-City-Federal program. The Authority, along with its partner IEPA, led by Director Lisa Bonnett, is proud to help Governor Quinn and Mayor Emmanuel finance these water projects at the lowest possible cost to Chicago's hardworking taxpayers. With this announcement, a total of $40 million in City of Chicago water projects have now been financed through the Clean Water Initiative. The Authority plans to close on its first Clean Water Initiative/SRF financing in almost a decade later this calendar year.

Next, Executive Director Meister reported that on August 13,Governor Quinn signed House Bill 2748 (Representatives Harms-Brown-Schmitz-Bost-Reis; Senators Barickman-Althoff) into law as Public Act 98-0344. This bill (House 115-0; Senate 50-0) memorializes the intent of the late Senator Vince Demuzio and former Representative Gary Hannig, the sponsors of Senate Bill 1075 (P.A. 93-205) which created the Authority in 2004. The sponsors intended that at any point in time at least two Members of the Authority have expertise in agribusiness or production agriculture. Since its creation, the Authority has complied with this intent by always having two active Illinois farmers among its Members. For the majority of the Authority's existence, these two farmers have been Edward H. Leonard, Sr. of Macon County and Bradley A. Zeller of Morgan County. In addition to their volunteer public service to the Authority, Members Leonard and Zeller now help fulfill a statutory mandate. The Authority will continue to work with Members Leonard and Zeller, and the other Members, to ensure that low-cost financing tools are broadly available to Illinois farmers.

Finally, Executive Director Meister introduced Ms. Granda as the Authority's new Controller; Ms. Granda previously served as the Authority's Assistant Chief Financial Officer. This will strengthen the Authority's accounting, treasury, procurement and audit functions.

IV. Consideration of the Minutes

Vice Chairman 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 August 13, 2013 or any errors in the Minutes of the regular meeting of the Board held on August 13, 2013.

Member Poole moved for the adoption of the Minutes of the regular meeting of the Committee held on August 13, 2013.

Member Fuentes seconded the motion.

The motion prevailed and the Minutes were adopted.

V. Presentation and Consideration of the Financial Statements

Mr. Anosike explained that the IFA ended the month of August 2013 with a $28,941 Operating Net Income. On a Fiscal Year basis, IFA's Operating Net Income of $112,944 is 152% better than budget.

Revenue

Total Revenue for August 2013 is $319,453; which is $41,377 or 11.5% negative to budget. Significant revenues drivers for the month were Investment Interest and Administration & Application Fees which were below budget by $15,329 and $35,053 respectively.

The Authority closed 5 transactions in August 2013 supporting Agriculture (1), Healthcare (2) and Local Government (2) activities across the State of Illinois; resulting in Administration and Closing Fee of $284,252.

For the Year, Total Revenues is $645,453 compared to a budget of $721,660; with the same factors impacting revenue performance over both financial periods. Compared to August 2012 Actual, Total Revenue is up by $39,978 or 14.3% but down for the year due to bad debt recoveries in 2012.

Expenses

Total Expenses for August 2013 is $290,512; which is 14.2% or $47,931 favorable to budget for the month. The primary drivers for August's better than budget expense performance were lower employee-related and professional services costs; reflecting delayed staffing, as well as lower legal and consulting expenses.

For the Year, Total Expenses are lower than budget by 21.3% or $144,377. All expense categories contributed to the positive expense performance. Compared to August 2012, Total Expenses is up slightly for the month but is $36,562 below 2012 YTD Actual.

Net Income

Net Income for August 2013 is $6,554 better than budget of $22,387. For the year, Net Income is $68,170 better than budget. Compared to same period last year, Net Income is lower for the month and year periods due to bad debt recovery and Venture Capital transfer-in in 2012.

VI. Committee Reports

Healthcare Committee

Member Poole reported that the Healthcare Committee reviewed the Presence Health Network project.

Ms. Lenane later reported that the Healthcare Committee also reviewed a resolution on behalf of OSF Healthcare System.

Agriculture Committee

Members Zeller and Member Poole reported that the Agriculture Committee reviewed a Beginning Farmer Bond financing for Joshua R. Haile.

VII. Project Reports and Resolutions

Mr. Frampton presented the following projects:

Agriculture Projects

Item 1: Item 1 is a request for Beginning Farmer Revenue Bond financing.

Joshua R. Haile is requesting approval of a Final Bond Resolution in an amount not-to-exceed One Hundred Ninety-Five Thousand Dollars ($195,000). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 123 acres of farmland located in Moores Prairie Township in Jefferson County.

Members Barclay and Zeller inquired about the grade of land throughout Jefferson County.

Local Government Projects

Item 2: Item 2 is a request for Local Government Revenue Bond financing.

Community College District No. 532 is requesting approval of a Final Bond Resolution authorizing the issuance of Illinois Finance Authority Local Government Program Revenue Bonds in an amount not-to-exceed Twenty-Eight Million Three Hundred Ten Thousand Dollars ($28,310,000). This project is being presented for one-time consideration.

Proceeds of the Illinois Finance Authority Local Government Program Revenue Bonds, Series 2013B (Community College District No. 532 Project), will be used for the purpose of purchasing certain general obligation alternate bonds (the “Local Government Securities”) from Community College District No. 532, County of Lake, State of Illinois (hereinafter, the “District”). The District will use the proceeds of the Local Government Securities to (i) finance the cost of altering, renovating, repairing and equipping the Grayslake Campus buildings (the “Project”) and (ii) pay certain costs associated with the issuance of the Bonds and the Local Government Securities (and together with the Project, the “Financing Purposes”).

Vice Chairman Goetz and Mr. Frampton engaged in a conversation about the security pledged on the Series 2013B Bonds and the Local Government Securities.

More specifically, the Series 2013B Bonds are payable, together with the Local Government Securities, from (a) student capital assessment fees, taxes, grants, state aid, interest earnings and other revenues received by the District and available to be expended for the improvement, maintenance, repair and benefit of community college and administrative buildings and property (the "Pledged Revenues") and (b) from ad valorem taxes levied against all of the taxable property in the District without limitation as to rate or amount (the "Pledged Taxes" and together with the Pledged Revenues, the "Pledged Moneys").

Executive Director Meister informed the Members of the benefits of the Authority's Local Government Revenue Bond program.

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

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

Noble Network of Charter Schools is requesting approval of a Final Bond Resolution in an amount not-to-exceed Twenty-Three Million Dollars ($23,000,000).

Noble Network of Charter Schools, an Illinois not for profit corporation (hereinafter, the "Borrower"), proposes that the Authority issue its not to exceed $23,000,000 aggregate principal amount Education Revenue Bonds (Illinois Charter Schools Project- Noble Network of Charter Schools) Series 2013 (hereinafter, the "Series 2013 Bonds") in order to pay or reimburse the Borrower for costs of acquisition, construction, and equipping of the Hansberry College Prep charter school of the Borrower located at 8732- 8748 South Aberdeen Street, Chicago, Illinois and 8725 South May Street, Chicago, Illinois, and to pay or reimburse the Borrower for costs of miscellaneous capital improvements and equipment at certain other charter school campuses of the Borrower, as listed below (collectively, the "Project"):

1. Golder College Prep at 1440-1460 West Superior Street, Chicago, Illinois;
2. Rowe-Clark Math and Science Academy at 3645 West Chicago Avenue, Chicago, Illinois;
3. Rauner College Prep at 1337 West Ohio Street, Chicago, Illinois;
4. Pritzker College Prep at 4131 West Cortland Street, Chicago, Illinois; and
5. Noble Street College Prep at 1010-1014 North Noble Street, Chicago, Illinois.

Proceeds of the Series 2013 Bonds may also be used to pay certain working capital expenses of the Borrower related to the foregoing, capitalized interest and costs of issuance of the Series 2013 Bonds and other related purposes (the "Financing Purposes").

Mr. Frampton clarified that the Noble Network of Charter Schools Final Bond Resolution which will be adopted at the meeting of the Board of Directors, and which was provided to Members in their additional items folder, contemplates the potential financing of working capital, capitalized interest and costs of issuance with bond proceeds. This was not known when the Board Book summary report was printed.

Item 4: Item 4 is a request for 501(c)(3) Revenue Bond financing.

YMCA of Rock River Valley is requesting approval of a Final Bond Resolution in an amount not-to-exceed Seven Million Dollars ($7,000,000). This financing is being presented for one-time consideration

Bond proceeds will be used by YMCA of Rock River Valley, an Illinois not-for-profit corporation (hereinafter, the "Borrower"), to refinance (through the repayment of an interim taxable loan) the payment of the costs of (i) constructing, acquiring, renovating, remodeling, improving, furnishing and equipping of certain facilities, including a 60,000 square foot health and recreational facility, owned and operated by the Borrower located at 8451 Orth Road, Loves Park, Illinois, and other facilities owned and operated by the Borrower located at 200 Y Boulevard, Rockford, Illinois (collectively, the "Project"), (ii) the payment of costs of issuance of the Bond, and (iii) if deemed necessary or desirable, working capital expenditures related to the Project (the "Financing Purposes").

Ms. O'Brien presented the following project:

Healthcare Projects

Item 5: Item 5 is a request for 501(c)(3) Revenue Bond financing.

Presence Health Network is requesting approval of a Final Bond Resolution in an amount not-to-exceed Three Hundred Seventy-Five Million Dollars ($375,000,000).

Bond proceeds will be used by Presence Health Network ("Presence" or the "Borrower") to (i) refund all or a portion of the $125,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2005B (Resurrection Health Care) (the "Series 2005B Bonds"); (ii) refund all or a portion of the $125,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2005C (Resurrection Health Care) (the "Series 2005C Bonds"); (iii) refund all or a portion of the $50,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009B (Provena Health) (the "Series 2009B Bonds"); (iv) refund all or a portion of the $41,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009C (Provena Health) (the "Series 2009C Bonds"); (v) refund all or a portion of the $25,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009D (Provena Health) (the "Series 2009D Bonds"); (vi) refund all or a portion of the $31,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010C (Provena Health) (the "Series 2010C Bonds"); (vii) refund all or a portion of the $41,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010D (Provena Health) (the "Series 2010D Bonds" and together with the Series 2005B Bonds, the Series 2005C Bonds, the Series 2009B Bonds, the Series 2009C Bonds, the Series 2009D Bonds, the Series 2010C Bonds and the Series 2010D Bonds, the "Prior Bonds "); (viiI) pay certain costs and expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds, all as permitted by the Illinois Finance Authority Act (collectively, the "Financing Purposes").

Ms. Lenane presented the following resolutions:

Resolutions

Item 6: Item 6 is a Resolution Authorizing and Approving Certain Amendments Relating to Various Outstanding Series of Bonds Issued on Behalf of OSF Healthcare System and Authorizing and Approving Certain Related Matters

Chairman Brandt and Ms. Lenane engaged in a conversation about how OSF Healthcare System will be replacing certain liquidity facilities with letters of credit and changing its remarketing agents for certain series of bonds.

Item 7: Item 7 is a Resolution Authorizing Actions to Assist with the Proposed Affiliation of Northwestern Memorial HealthCare and Northwestern Medical Faculty Foundation

Chairman Brandt and Ms. Lenane engaged in a conversation about the future financing needs of the healthcare industry in Illinois.

Mr. Anosike presented the following resolution:

Resolutions

Item 8: Item 8 is a Resolution Approving the Terms of Various Contracts.

Mr. Anosike clarified that Authority staff recommends approval of the terms of the contract with Ginsberg Jacobs LLC ("Ginsberg") to assist the Authority with the (i) formation of an Illinois not-for-profit corporation that would serve as the CDE, (ii) preparation of the Articles of Incorporation and Bylaws for the new CDE entity and (3) preparation and filing of the Community Development Entity ("CDE") application with the Community Development Financial Institutions Fund (the "Ginsberg Contract"). Furthermore, Authority staff recommends approval of the terms of the contract with Baker Tilly Virchow Krause, LLP ("Baker Tilly") for preparing, drafting, completing and filing the application for an allocation of New Markets Tax Credits and all related and required attachments and submittals with the United States Department of Treasury, Community Development Financial Institutions Fund (the "Baker Tilly Contract").

Executive Director Meister reiterated that submission of the application is due to the United States Department of Treasury, Community Development Financial Institutions Fund by September 18, 2013. Furthermore, Executive Director Meister reported the steps taken thus far and next steps which are needed to be taken in order to successfully receive a New Markets Tax Credit allocation.

Chairman Brandt, Vice Chairman Goetz and Executive Director Meister explained how NMTCs generally provide equity to projects in low income census tracts (or projects benefiting low income individuals) equal to roughly 25% of the total allocation.

Member Barclay inquired as to the amount of allocation the Authority's CDE would be applying for. Mr. Anosike informed the Members that each CDE is capped at receiving $125 million in NMTCs for its qualified equity investments. As a result, it is important to show viable projects to receive an allocation of NMTCs.

Chairman Brandt and Vice Chairman Goetz explained the complexity in identifying borrowers suitable for utilization of NMTCs.

VIII. Other Business

None.

IX. Public Comment

None.

X. Adjournment

At the time of 10:11 a.m., Member Fuentes moved that the Committee do now adjourn until October 8, 2013, at 9:30 a.m.

Member Barclay 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, SEPTEMBER 10, 2013
10:30 A.M.

I. Call to Order & Roll Call

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

By direction of the Chairman, a roll call will be 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 has been constituted.

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

September 10, 2013

0 YEAS 0 NAYS 10 PRESENT

P	Barclay	E	Knox	E	Pedersen
E	Bronner	E	Leonard	P	Poole
P	Fuentes	P	Lonstein	E	Tessler
P	Goetz	P	O'Brien	P	Zeller
P	Gold	P	Parish	P	Mr. Chairman

E – Denotes Excused Absence

II. Chairman's Remarks

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

Chairman Brandt, Chairman, from the Committee of the Whole to which all items of this meeting's agenda were referred, action taken earlier on September 10, 2013, reported the same back and that all items were thoroughly reviewed.

III. Adoption of the Minutes

Minutes of the regular meeting of the Board held on August 13, 2013 and the Financial Statements for the Month Ended August 31, 2013 were taken up for consideration.

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

Member O'Brien seconded the motion.

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

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

IV. Acceptance of the Financial Statements

See Agenda Item III.

V. Approval of Project Reports and Resolutions

Chairman Brandt directed Mr. Frampton to present the resolution with an expected guest to the Board.

Mr. Frampton presented the following resolution:

Resolutions

Item 6: Item 6 is a Resolution Authorizing and Approving Certain Amendments Relating to Various Outstanding Series of Bonds Issued on Behalf of OSF Healthcare System and Authorizing and Approving Certain Related Matters

Chairman Brandt announced that Ms. Anne M. Donahoe, Financial Advisor on behalf of the OSF Healthcare System, was present and ready to speak on behalf of the project.

Ms. Donahoe thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Ms. Donahoe.

Chairman Brandt moved for the adoption of the following project: Item 6.

Member O'Brien seconded the motion.

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

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

Chairman Brandt directed Mr. Frampton to present the projects and resolutions without guests or abstentions to the Board.

Agriculture Projects

Item 1: Item 1 is a request for Beginning Farmer Revenue Bond financing.

Joshua R. Haile is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **One Hundred Ninety-Five Thousand Dollars** ($195,000). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 123 acres of farmland located in Moores Prairie Township in Jefferson County.

Local Government Projects

Item 2: Item 2 is a request for Local Government Revenue Bond financing.

Community College District No. 532 is requesting approval of a **Final** Bond Resolution authorizing the issuance of Illinois Finance Authority Local Government Program Revenue Bonds in an amount not-to-exceed **Twenty-Eight Million Three Hundred Ten Thousand Dollars** ($28,310,000). This project is being presented for one-time consideration.

Proceeds of the Illinois Finance Authority Local Government Program Revenue Bonds, Series 2013B (Community College District No. 532 Project), will be used for the purpose of purchasing certain general obligation alternate bonds (the "**Local Government Securities**") from **Community College District No. 532, County of Lake, State of Illinois (**hereinafter, the "**District**"). The District will use the proceeds of the Local Government Securities to (i) finance the cost of altering, renovating, repairing and equipping the Grayslake Campus buildings (the "**Project**") and (ii) pay certain costs associated with the issuance of the Bonds and the Local Government Securities (and together with the Project, the "**Financing Purposes**").

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

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

Noble Network of Charter Schools is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Twenty-Three Million Dollars** ($23,000,000).

Noble Network of Charter Schools, an Illinois not for profit corporation (hereinafter, the "**Borrower**"), proposes that the Authority issue its not to exceed $23,000,000 aggregate principal amount Education Revenue Bonds (Illinois Charter Schools Project-Noble Network of Charter Schools) Series 2013 (hereinafter, the "**Series 2013 Bonds**") in order to pay or reimburse the Borrower for costs of acquisition, construction, and equipping of the Hansberry College Prep charter school of the Borrower located at 8732-8748 South Aberdeen Street, Chicago, Illinois and 8725 South May Street, Chicago, Illinois, and to pay or reimburse the Borrower for costs of miscellaneous capital improvements and equipment at certain other charter school campuses of the Borrower, as listed below (collectively, the "**Project**"):

1. Golder College Prep at 1440-1460 West Superior Street, Chicago, Illinois;

2. Rowe-Clark Math and Science Academy at 3645 West Chicago Avenue, Chicago, Illinois;

3. Rauner College Prep at 1337 West Ohio Street, Chicago, Illinois;

4. Pritzker College Prep at 4131 West Cortland Street, Chicago, Illinois; and

5. Noble Street College Prep at 1010-1014 North Noble Street, Chicago, Illinois.

Proceeds of the Series 2013 Bonds may also be used to pay certain working capital expenses of the Borrower related to the foregoing, capitalized interest and costs of issuance of the Series 2013 Bonds and other related purposes (the "**Financing Purposes**").

Item 4: Item 4 is a request for 501(c)(3) Revenue Bond financing.

YMCA of Rock River Valley is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Seven Million Dollars** ($7,000,000). This financing is being presented for one-time consideration

Bond proceeds will be used by **YMCA of Rock River Valley,** an Illinois not-for-profit corporation (hereinafter, the "**Borrower**"), to refinance (through the repayment of an interim taxable loan) the payment of the costs of (i) constructing, acquiring, renovating, remodeling, improving, furnishing and equipping of certain facilities, including a 60,000 square foot health and recreational facility, owned and operated by the Borrower located at 8451 Orth Road, Loves Park, Illinois, and other facilities owned and operated by the Borrower located at 200 Y Boulevard, Rockford, Illinois (collectively, the "**Project**"), (ii) the payment of costs of issuance of the Bond, and (iii) if deemed necessary or desirable, working capital expenditures related to the Project (the "**Financing Purposes**").

Resolutions

Item 7: Item 7 is a Resolution Authorizing Actions to Assist with Proposed Master Trust Indenture Obligation Substitution for The Methodist Medical Center of Illinois.

Item 8: Item 8 is a Resolution Approving the Terms of Various Contracts.

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

Leave was granted.

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

Chairman Brandt directed Mr. Frampton to present the project with an expected guest to the Board.

Healthcare Projects

Item 5: Item 5 is a request for 501(c)(3) Revenue Bond financing.

Presence Health Network is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Three Hundred Seventy-Five Million Dollars** ($375,000,000).

Bond proceeds will be used by **Presence Health Network** ("**Presence**" or the "**Borrower**") to (i) refund all or a portion of the $125,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2005B (Resurrection Health Care) (the "**Series 2005B Bonds**"); (ii) refund all or a portion of the $125,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2005C (Resurrection Health Care) (the "**Series 2005C Bonds**"); (iii) refund all or a portion of the $50,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009B (Provena Health) (the "**Series 2009B Bonds**"); (iv) refund all or a portion of the $41,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009C (Provena Health) (the "**Series 2009C Bonds**"); (v) refund all or a portion of the $25,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009D (Provena Health) (the "**Series 2009D Bonds**"); (vi) refund all or a portion of the $31,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010C (Provena Health) (the "**Series 2010C Bonds**"); (vii) refund all or a portion of the $41,000,000 original aggregate principal amount Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010D (Provena Health) (the "**Series 2010D Bonds**" and together with the Series 2005B Bonds, the Series 2005C Bonds, the Series 2009B Bonds, the Series 2009C Bonds, the Series 2009D Bonds, the Series 2010C Bonds and the Series 2010D Bonds, the "**Prior Bonds** "); (viiI) pay certain costs and expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds, all as permitted by the Illinois Finance Authority Act (collectively, the "**Financing Purposes**").

Chairman Brandt announced that Mr. Patrick Quinn, Assistant Treasurer of Presence Health Network, was present and ready to speak on behalf of the project.

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

Chairman Brandt recognized and thanked Mr. Quinn.

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

Leave was granted.

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

VI. Other Business

None.

VII. Public Comment

None.

VIII. Adjournment

Chairman Brandt reminded Members of the Board, Authority staff and all guests present that the regular meeting of the Board in November will be held on November 24, 2013.

At the time of 10:43 a.m., Member O'Brien moved that the Board do now adjourn until October 8, 2013, at 10:30 a.m.

Member Parish seconded the motion.

The motion prevailed.

And the Board stood adjourned.

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

CONDUIT

ILLINOIS FINANCE AUTHORITY

$10,000,000 (not-to-exceed amount)

October 8, 2013 **Sterling Lumber Company and SLC – Phoenix, LLC**

REQUEST	**Purpose:** Bond proceeds will be used by **Sterling Lumber Company**, an Illinois corporation, and its affiliate **SLC-Phoenix, LLC**, an Illinois limited liability company (collectively, the "**Borrower**"), to (i) finance or refinance the acquisition of approximately 60 acres of land and the purchase and substantial renovation, and equipping of an approximately 514,000 SF manufacturing facility located thereon at 323 E. 151st Street, Harvey (Cook County), Illinois 60426. Additionally, bond proceeds may also be used to pay bond issuance costs. It is anticipated that SLC – Phoenix, LLC, will own the subject real estate for lease to Sterling Lumber Company. Additionally, the Company is likely to be the direct obligor on the equipment financed with bond proceeds. **Program:** Industrial Revenue Bonds **Volume Cap required:** This Project is expected to require approximately $10.0MM of IFA 2013 (or 2014) Volume Cap. No IFA Funds at risk. No State Funds at risk.
BOARD ACTION	Preliminary Bond Resolution
MATERIAL CHANGES	Not applicable. This is the first time this project has been presented to the IFA Board of Directors.
JOB DATA	112 Current job — 50 New jobs projected N/A Retained jobs — 10-30 (9 months) Construction jobs projected
BORROWER DESCRIPTION	● Type of entity: Wood manufacturer ● Location: Harvey / Cook County / Northeast ● The new building will be used by Sterling Lumber Company and SLC – Phoenix, LLC to establish a new centralized wood manufacturing facility to serve operations throughout the Midwest region.
CREDIT INDICATORS	● Bonds will be purchased directly by First Midwest Bank, N.A. as a direct investment. First Midwest will be the secured lender and direct bond investor. Additional information specifying the anticipated collateral and security to the Bank is described in the Financing Summary of page 3.
STRUCTURE	● Term: 25 amortization on real estate; 10 years on equipment (anticipated) ● Rate: The Bond will be purchased directly by First Midwest Bank, N.A. as a direct investment and is expected to bear an interest rate that will be reset every 5 years until maturity. The initial interest rate is currently estimated at between 3.00% and 4.00%.

SOURCES AND USES

IFA Bonds	$10,000,000	Project Cost:	$10,800,000
Equity	1,000,000	Costs of Issuance	200,000
Total	**$11,000,000**	**Total**	**$11,000,000**

RECOMMENDATION Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
October 8, 2013

Project: Sterling Lumber Company and SLC – Phoenix, LLC

STATISTICS

IFA Project:	I-ID-TE-CD-8645	Amount:	$10,000,000
Type:	Industrial Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Harvey	County/ Region:	Cook / Northeast

BOARD ACTION

Preliminary Bond Resolution
Conduit Industrial Revenue Bonds — No IFA funds at risk
Credit committee recommends approval — No extraordinary conditions

VOTING RECORD

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

PURPOSE

Bond proceeds will be used by **Sterling Lumber Company**, an Illinois corporation, and its affiliate **SLC-Phoenix, LLC**, an Illinois limited liability company (collectively, the "**Borrower**"), to (i) finance or refinance the acquisition of approximately 60 acres of land and the purchase and substantial renovation, and equipping of an approximately 514,000 SF manufacturing facility located thereon at 323 E. 151st Street, Harvey (Cook County), Illinois 60426. Additionally, bond proceeds may also be used to pay bond issuance costs.

Approval of the accompanying Preliminary Bond Resolution will enable Sterling Lumber Company (and its affiliates, successors, or assigns) to finance new capital expenditures and to also reimburse any capital expenditures incurred related to the proposed project within 60 days prior to the date of approval, as allowed under the Internal Revenue Code.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides tax-exempt financing for qualifying manufacturing projects.

VOLUME CAP

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying manufacturing projects. IFA's issuance of Industrial Revenue Bonds will enable the Borrowers to obtain a lower interest rate on this capital project. It is anticipated that IFA will provide 100% of the Volume Cap allocation required to finance the New Money portion of this project (i.e., $10.0MM).

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds (IRB)	$ 10,000,000	**Uses:**	Project Costs	$ 10,800,000
	Equity	1,000,000		Costs of Issuance	200,000
	Total	**$ 11,000,000**		**Total**	**$ 11,000,000**

JOBS

Current employment:	112	Projected new jobs:	50
Jobs retained:	N/A	Construction jobs:	10-30 (9 months)

FINANCING SUMMARY

Structure/Credit Enhancement: Conduit Industrial Revenue Bonds that will be purchased directly by First Midwest Bank, N.A. as the Direct Investor/Lender.

Interest Rate: The Bonds will be purchased directly by First Midwest Bank, N.A. as a direct investment and are expected to bear an interest rate that will be reset 5 years until maturity. The initial interest rate is currently estimated at between 3.00% and 4.00%.

Bank Collateral: As presently contemplated, First Midwest Bank, N.A. would be secured by a first mortgage on the subject property, a corporate guarantee by Sterling Lumber Company and a collateral assignment of Rents and Leases on the real estate portion of the Bond issue. Additionally, the Bank would be secured by a first lien on the financed equipment. It is anticipated that obligations of Sterling Lumber, SLC – Phoenix, LLC, and any other affiliated entities will be cross-collateralized and cross-defaulted.

Maturity: Anticipated maximum of 25 Years on real estate assets; 10 years maximum on equipment.

Anticipated Closing: November or December 2013

BUSINESS SUMMARY

Description: **SLC-Phoenix, LLC** (the "**Lessor**") is a special purpose real estate holding entity established by the owners of **Sterling Lumber Company** (the "**Operating Company**" or "**Tenant**", and together with the Lessor, the "**Borrower**"). Sterling Lumber Company was established in 1949 and incorporated under Illinois law as an S corporation in 1990.

Owners of 7.5% or more of SLC-Phoenix, LLC and Sterling Lumber Company are identified in the Economic Disclosure Statement section of this report (see pp. 4-5).

Background: In 1949, Gerhard Sterling formed a scrap metal business in Northern Illinois. By 1970, the company had evolved into a successful supplier of hardwood lumber serving steel processors (e.g., crates for coil and slit steel) and heavy highway construction sectors (e.g., wooden planking to transport heavy construction equipment across unpaved land).

In 2004, the Company began producing crane mats to serve the wind energy sector, a growth segment. Sterling quickly gained a reputation for outstanding customer service, prompt delivery, and superior hardwood quality. The Company's sales increased more than 10-fold from 1992 to 2012. According to the Company, this sales increase was particularly attributable to its quality production of crane mats and access mats. Sterling presently employs 170 workers at facilities located in Blue Island, Illinois, Indiana and Missouri.

Products to be produced at the new facility include crane mats, access mats, pipeline skids, blocking lumber, dunnage, crates, coil spacers, bridge shielding, pallets and more.

Sterling Lumber's website has additional information regarding the Company's various products and applications (please see: http://www.sterlinglumber.com/?vm=r)..

The Project site is located in the DCEO-designated Harvey/Phoenix/Hazel Crest Enterprise Zone and includes vacant land that would enable future expansion of the facility.

Rationale: The proposed project will enable Sterling Lumber to retain and expand its primary facility in Illinois. The Company has reached full production capacity at its current facility in Blue Island. The new facility in Harvey will provide significant space for Sterling Lumber to expand operations in the future. Upon relocation, the expanded facility will enable Sterling Lumber to increase production capacity and improve operating efficiencies.

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Bond proceeds will be used by **Sterling Lumber Company**, an Illinois corporation, and its affiliate **SLC-Phoenix, LLC**, an Illinois limited liability company (collectively, the "**Borrower**"), to (i) finance or refinance the acquisition of approximately 60 acres of land and the purchase and substantial renovation, and equipping of an approximately 514,000 SF manufacturing facility located thereon at 323 E. 151st Street, Harvey (Cook County), Illinois 60426. Additionally, bond proceeds may also be used to pay bond issuance costs.

Estimated project costs consist of the following:

Land/Building Acquisition	$2,150,000
Building Renovation/Rehabilitation	2,250,000
New Equipment	5,500,000
Architectural/Engineering	250,000
Legal & Professional	650,000
Total New Money Project Costs	**$10,800,000**

ECONOMIC DISCLOSURE STATEMENT

Applicant: Sterling Lumber Company/SLC – Phoenix, LLC, c/o Mr. Christian Sterling, Vice President, 3415 West 127th Street, Blue Island, IL 60406

Financial Advisor to Borrower: Mr. Anthony R. ("Tony") Grant, Managing Director, Total Capital Solutions, Inc., 28 Iowa Street, Oak Park, IL 60302; Ph.: 708-660-0494; Email: tgrant@totalcapitalsolutionsinc.com

Project name: IFA Industrial Revenue Bonds (Sterling Lumber Company Project), Series 2013
Location: 323 E. 151st Street, Harvey (Cook County), Illinois 60426
Ownership Information: All anticipated LLC Managers [i.e., Managing Partners] or individuals holding *a 7.5% or greater ownership [i.e., Membership] interest* (i.e., IFA private company disclosure threshold) for the Borrower and its affiliate include:

(i) SLC-Phoenix, LLC, an Illinois Limited Liability Company (and the proposed Owner/Lessor of the subject real estate):

- John Sterling: 20%
- Christian Sterling, Manager 20%
- Carson Sterling, Manager 20%
- Cooper Sterling, Manager 20%
- Carter Sterling, Manager 20%

(ii) Sterling Lumber Company, a corporation incorporated under State of Illinois law (the Tenant and Operating Company):

- John Sterling, CEO: 20%
- Christian Sterling, VP 20%
- Carson Sterling, VP 20%
- Cooper Sterling, VP 20%
- Carter Sterling, VP 20%

PROFESSIONAL & FINANCIAL

Borrower Counsel:	Much Shelist, P.C.	Chicago, IL	Scott David
Outside Accountant:	Mulcahy, Pauritsch, Salvador & Co.	Orland Park, IL	
Financial Advisor to Borrower:	Total Capital Solutions, Inc.	Oak Park, IL	Tony Grant
Bank (Direct Purchaser/ Lender):	First Midwest Bank, N.A.	Palos Heights, IL	Guy Weir
Bond Counsel:	Greenberg Traurig, LLP	Chicago, IL	Matt Lewin
Bank Counsel:	To be determined		
Bond Trustee:	Not applicable (bank direct purchase)		
General Contractor:	Harbour Contractors, Inc.	Plainfield, IL	
Rating Agency:	Not applicable (bank direct purchase)		
IFA Counsel:	Requested		
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck

LEGISLATIVE DISTRICTS

Congressional:	2
State Senate:	15
State House:	30

ILLINOIS FINANCE AUTHORITY

Illinois Environmental Protection Agency

$175,000,000 (Not-to-exceed amount)

October 8, 2013 **State of Illinois Clean Water Initiative Revolving Fund Revenue Bonds, Series 2013**

REQUEST	**Purpose:** Proceeds of the Bonds will be used to (i) fund loans made by the Illinois Environmental Protection Agency ("IEPA") to units of local government in the State of Illinois to finance eligible wastewater treatment and sanitary sewerage facilities and drinking water facilities pursuant to the funding of the State Match (as detailed herein) required under the IEPA's Water Pollution Control ("Clean Water") Loan Program and Public Water Supply ("Drinking Water") Loan Program for Federal fiscal years 2011, 2012, and 2013; (ii) current refund outstanding Illinois Development Finance Authority Series 2002 Bonds; and, (iii) advance refund outstanding Illinois Finance Authority Series 2004 Bonds, and (iv) to pay costs of issuance. **Program**: IFA State of Illinois Clean Water Initiative Revolving Fund Revenue Bonds **Volume Cap:** *None required (all underlying project borrowers will be Illinois units of local government)* **Extraordinary Conditions:** None
BOARD ACTION	Authorizing Resolution (i.e., Final Bond Resolution) *One-time consideration.* The accompanying Authorizing Resolution will also authorize execution of a Memorandum of Agreement ("MOA") that specifies IFA and IEPA's respective roles including, but not limited to, originating and managing the loan program (IEPA), reporting on the performance of the SRF loan portfolio (IEPA) to external parties, issuance of the Bonds (IFA), and specifying collaboration and roles to enable IFA to comply with material event and other required reporting in connection with a Continuing Disclosure Undertaking ("CDU").
MATERIAL CHANGES	None. This is the first time this matter has been presented to the IFA Board of Directors. No prior voting record.
DESCRIPTION	● **Project Locations:** Statewide ● IFA is issuing the State of Illinois Revolving Fund Revenue Bonds, Series 2013, on behalf of the Illinois Environmental Protection Agency. ● The subject IFA Bonds will be structured to enable IEPA to leverage existing State Revolving Fund Program assets, thereby enabling additional loan financing to Illinois local governments (e.g., municipalities and public sanitary districts) to finance capital improvements designed to improve both drinking water and wastewater quality to assure compliance with USEPA requirements. ● A portion of the Series 2013 Bonds proceeds will be used to fund a State match required to obtain USEPA funds. Based on the proposed $58.5 million to fund the State match, the USEPA will be anticipated to provide $292.629 million in anticipated aggregate Federal Receipts. As a result, the combined funds totaling $351.129 million will be available to be loaned by IEPA to various local government capital projects throughout Illinois designed to improve drinking water and wastewater quality (and, prospectively, other projects authorized by the USEPA). ● IEPA currently lends funds to municipalities according to administrative rules that set the interest rate currently at a rate equal to 50% of the Bond Buyer's 20-Bond Index for the preceding year (and 1.995% for the period 10/1/2013 – 9/30/2014).
CREDIT INDICATORS	● A portion of IEPA's $2.38 billion loan portfolio will be pledged to secure the Bonds. The SRF Program's Financial Advisor (Public Financial Management, Inc. or "PFM") will prepare a default tolerance analysis that will determine specific underlying IEPA state revolving fund loans to be pledged in order for the IFA Series 2013 Bonds to be rated AAA/AAA by S&P/Fitch. (In general, payments from the pledged loans will be used to credit enhance the Series 2013 Bonds (to potentially service debt payments associated with the Series 2013 Bonds). ● The IDFA Series 2002 and IFA Series 2004 State Revolving Fund Bonds were rated Triple A by the applicable rating agencies.
PROPOSED STRUCTURE	● Bonds to be sold and rated as a structured financing, secured solely on the basis of the pledged loans (or assigned loans) by IEPA under the Master Trust Indenture and applicable Supplemental Indentures. The Bonds will not be a direct, indirect, moral, or contingent obligation of IFA, IEPA, or the State of Illinois. **Bond Interest Rates:** Serial Bonds to be priced based market conditions and the SRF Program's anticipated Triple-A ratings **Maturity:** up to 20 years **Note:** IEPA's deeply subsidized loan interest rate (i.e., 1.955% for the year ending 9/30/2014) offers SRF Program Borrowers a significantly better interest rate than available from any other source, thereby helping assure a timely drawdown of the New Money bond proceeds. The IEPA's below-market SRF Program has resulted in loans to several investment grade rated units of local government throughout its 25 year history (i.e., since 1988 for its Clean Water SRF Program and since 1996 for its Drinking Water SRF Program).
RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
October 8, 2013

STATISTICS

IFA Project:	LG-PI-TE-CD-8593	Amount:	$175,000,000 (not-to-exceed amount)
Type:	State Revolving Fund Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Locations:	Statewide	County/ Region:	All counties in Illinois

BOARD ACTION

Authorizing Resolution (Final Bond Resolution)
Bond proceeds will leverage the existing Illinois Environmental Protection Agency ("IEPA") loan portfolio and used by IEPA to refund outstanding bonds, and to fund a State Program Match that will enable IEPA to receive Federal Receipts from the United States Environmental Protection Agency ("USEPA") to fund new loans under its Clean Water and Drinking Water Revolving Fund Loan Programs.
No extraordinary conditions

ESTIMATED SOURCES AND USES (AS OF 9/30/2013 - SUBJECT TO CHANGE)

Sources:			**Uses:**	
IFA State Revolving Fund Revenue Bonds - Series 2013	$ 143,925,000		*Deposits to:*	
			Clean Water State Match Loan Account	$ 38,217,000
Net Original Issue Premium	$ 16,754,480		Drinking Water State Match Loan Account	$ 20,308,800
Termination Payment Received from Investment Agreements - Series 2004 Bonds	$ 2,842,000		Transfer to Trustee and Escrow Agent for Prior Bonds (Series 2002 & Series 2004 Bonds)	$ 103,721,686
			*Costs of Issuance:	$ 1,273,994
Total	**$ 163,521,480**		**Total**	**$ 163,521,480**

*** Cost of Issuance estimates are preliminary as of 9/30/2013, and subject to change.**

Notes: The current outstanding principal amount of the Illinois Development Finance Authority Series 2002 Bonds is $41,850,000 while the current outstanding balance of the Illinois Finance Authority Series 2004 Bonds is $57,270,000.

The combined Clean Water State Match and Drinking Water Match for fiscal years 2011, 2012, and 2013 (and to be funded with bond proceeds) totals approximately $58.5 million.

This combined bond funded State Match of approximately $58.5 million will result in Federal Receipts from the USEPA for the Clean Water Program and Drinking Water Program under separate Capitalization Grant Agreements (the "Capitalization Agreements) in the anticipated aggregate amount of $292.629 million. The combined State Match Funds and associated Federal Receipts will be deposited in IEPA accounts and enable IEPA to fund new loans under its Clean Water and Drinking Water Loan Programs.

FINANCING SUMMARY – IFA SERIES 2013 BONDS

Structure:	Bonds to be underwritten by Bank of America Merrill Lynch Securities and sold based on the expected AAA/AAA (S&P/Fitch) ratings resulting from the program security described below.

Bondholder Security: The Bonds will be secured by the following (subject to exceptions that will be detailed in the Official Statement for the Series 2013 State Revolving Fund Revenue Bonds):

1. All Local Obligations and Pledged Agreements (i.e., IEPA loans to local governments) which may be, from time to time (assigned by IEPA) to the Master (Bond) Trustee or held by the Master Trustee under the terms of the Master Trust Agreement.
2. All moneys, securities and earnings thereon in all funds, sub-funds, accounts and sub-accounts established under the Master Trust Agreement and the First Supplemental Master Trust Agreement.
   - Exceptions: moneys deposited in the Rebate Fund and moneys deposited with or paid to the Master Trustee for the redemption of Bonds and any other exceptions specified in the Master Trust Agreement.
3. Any and all other moneys and securities furnished from time to time to the Master Trustee under terms of the Master Trust Agreement.

The Bonds and the interest thereon do not constitute an indebtedness or an obligation, general or moral, or a pledge of the faith or a loan of credit of the Authority, IEPA, the State, or any political subdivision thereof, within the purview of any constitutional limitation or provision. Only revenues (i.e., from IEPA local government loans) pledged pursuant to the Master Trust Agreement may be used to pay principal and interest on the Bonds.

Credit Ratings:	The anticipated long-term credit rating on the subject Bonds is AAA/AAA (S&P/Fitch) based on discussions with the financing team.
Estimated Interest Rate:	Fixed interest rate to be determined based on market conditions at pricing based on the anticipated AAA/AAA (S&P/Fitch) rating.
Amortization:	Serial Bonds with various maturities
Final Maturity Date:	10 years (Anticipated: 7/1/2023)
Anticipated Closing Date:	November 2013

COMMENTS ON TERMS OF IEPA'S LOANS TO LOCAL GOVERNMENT BORROWERS (ORIGINATED FROM IFA SERIES 2013 BOND PROCEEDS):

Origination Requirements of IFA Series SRF 2013 Bond Proceeds under federal law (due to undesignated pool structure):

The IFA State Revolving Fund Revenues Bonds are being issued to enable IEPA to originate loans to (an undesignated) pool of local government borrowers (i.e., as a "pooled financing").

As a pooled financing, the Series 2013 Bonds will be subject to the federal Tax Increase Prevention and Reconciliation Act ("TIPRA") of 2005, which imposes additional requirements and conditions in order for the interest on the Series 2013 Bonds to be and to remain exempt from federal income taxation.

TIPRA specifies that unless certain minimum percentages of the Bond proceeds are originated (i.e., by IEPA) as loans for eligible projects within certain prescribed time periods (i.e., there are minimum origination requirements after years 1 and 3 detailed below), the IFA Series 2013 Bonds would be subject to mandatory redemption.

In particular, TIPRA requires:

1. The issuer (i.e., IFA based on reliance on a loan demand assessment provided by the IEPA) reasonably expects (a) within the one-year period beginning on the date of issue that at least 30 percent of the net proceeds of the issue will be originated as loans by IEPA, and (b) within the three-year period beginning on the date of issue, that at least 95% of the net proceeds will be originated as loans by IEPA.
2. The issuer (i.e., IFA) shall redeem outstanding bonds to the extent required if the spend-down requirements under TIPRA are not attained.

IEPA Deeply Subsidizes the Interest Rate to Underlying Borrowers to Minimize Risk of Redemption due to a violation of TIPRA:

IEPA subsidizes the interest rate provided to each underlying borrower to an amount equal to 50% of the Bond Buyer 20-Bond Index (the current simple interest rate of 1.995% will be in effect from 10/1/2013 through 9/30/2014). IEPA's procedures for determining this subsidized rate (which is reset annually on October 1st) are established pursuant to administrative rules (i.e., Title 35 Part 65 for the Clean Water Program and Title 35 Part 662 for the Drinking Water Program).

Prior to TIPRA, the IDFA Series 2002 and IFA Series 2004 State Revolving Fund Revenue Bonds were subject to existing IRS spend-down requirements given the undesignated pooled financing structure. Significantly, the drawdown of both Prior Bond issues would have satisfied the TIPRA origination requirements now in effect.

The deep, below-market interest rate offered by IEPA under the SRF Loan Programs:

- helps drive SRF Loan Program demand, thereby helping assure compliance with the applicable TIPRA spend-down requirements for the bond proceeds (as noted in the preceding section), and
- has been sufficient to induce several investment grade local government borrowers to participate in the SRF Loan

Programs (examples include: Chicago, DeKalb, Evanston, Hanover Park, Libertyville, Mattoon, Skokie, Springfield, St. Charles, Sterling, and Wilmette).

PROJECT DESCRIPTION – SUMMARY OF PLAN OF FINANCE AND AUTHORIZING RESOLUTION

The proceeds of the Bonds shall be used to (i) fund loans made by IEPA to units of local government to finance eligible (a) wastewater treatment and sanitary sewerage facilities and (b) drinking water facilities pursuant to the funding of the State Match for 2011, 2012, and 2013; (ii) refund on a current basis the Illinois Finance Authority State of Illinois Revolving Fund Revenue Bonds, Series 2002 (Master Trust) outstanding in the principal amount of approximately $41,850,000 (the "Series 2002 Bonds"), at a redemption price of 100%, together with accrued interest, (iii) advance refund the Illinois Finance Authority State of Illinois Revolving Fund Revenue Bonds, Series 2004 (Master Trust) outstanding in the principal amount of approximately $27,270,000 (the "Series 2004 Bonds") on September 1, 2014 at a redemption price of 102%, together with accrued interest and (iv) pay for costs associated with the issuance of the Bonds.

The Authorizing Resolution will also authorize the execution of (i) the Memorandum of Agreement between the Authority and IEPA dated November 1, 2013 and related transaction documents including, (ii) the Master Trust Agreement, (iii) the First Supplemental Master Trust Agreement, (iv) the Bond Purchase Agreement, (v) the Preliminary Official Statement, (vi) the Continuing Disclosure Undertaking, and (vii) the Bonds.

The Series 2002 Bonds and the Series 2004 Bonds are referred herein as the "Prior Bonds." The Bond proceeds used to reimburse a portion of prior loan disbursements and fund new loans shall be further apportioned as (i) a State Match Clean Water Portion; and (ii) a State Match Drinking Water Portion (as noted in the Sources and Uses of Funds table on page 2 of this report).

The State Match Portion of the Bond proceeds along with other available funds will meet the state match requirement of approximately $58.5 million for the 2011, 2012 and 2013 which will enable Federal Receipts to be received for the Clean Water Program and Drinking Water Program under Capitalization Grant Agreements (the "Capitalization Agreements") in the anticipated aggregate amount of $292.629 million.

The funds necessary to advance refund the Series 2004 Bonds will be derived from a portion of the proceeds of the Bonds. These funds will be deposited with the trustee for the Series 2004 Bonds, as escrow agent, in a separate escrow fund for the Series 2004 Bonds. Such funds will be used to purchase direct obligations of the United States of America (the "Escrow Securities"). The Escrow Securities will mature at the times and in amounts so that, together with a related initial cash deposit, sufficient moneys will be available to pay, when due, principal and interest on the Series 2004 Bonds when due and the redemption price of 102% of the principal amount thereof, plus interest to and including September 1, 2014. Neither the maturing principal of the Escrow Securities nor the interest income thereon will be available to pay any of the Bonds.

This Summary of the Plan of Finance is summarized and preliminary. The final, comprehensive version of the Plan of Finance will be contained in the Official Statement for these Bonds when posted.

BACKGROUND INFORMATION ON IEPA'S STATE REVOLVING FUND ("SRF") PROGRAMS

Federal Statutory Framework:

1. *For Clean Water (i.e., sewage and wastewater treatment):* The federal Clean Water Act provides for the establishment of state revolving fund programs, the funds of which are to be used to provide financial assistance to various entities in connection with the construction of systems for the storage, treatment, recycling, and reclamation of sewage and certain other qualified water pollution control projects.

2. *For Safe Drinking Water (i.e., drinking water supply):* The federal Safe Drinking Water Act Amendments of 1996 amended existing Safe Drinking Water Act requirements to provide for the establishment of state revolving fund loan programs, the funds of which are used to provide financial assistance to various community water systems in connection with the construction of qualified drinking water projects.

Each state created a separate state revolving loan fund to receive federal capitalization grants and receipts (from USEPA), and for each, states are required to provide state matching funds equal to at least twenty percent (20%) of each federal (USEPA) capitalization grant or receipt under the Clean Water Act and Drinking Water Act.

IEPA entered into separate Capitalization Grants Agreements with the USEPA to administer the Clean Water State Revolving Fund ("CWSRF") and Drinking Water State Revolving Fund ("DWSRF").

The federal Clean Water Act and Drinking Water Act currently authorize the federal government (through USEPA) to continue to provide annual capitalization funding (subject to the minimum required state matching requirement) for both Clean Water State Revolving Funds ("CWSRF") and Drinking Water State Revolving Funds ("DWSRF").

Although USEPA annual capitalization grant funding for both state revolving fund programs have a long history (since 1988 for Clean Water projects and 1996 for Drinking Water projects), there can be no assurance that these programs will continue to be funded at current levels.

USEPA has Encouraged States to Undertake Bond Issues to Leverage Existing Grant Funded Assets: Since the late 1990's, the USEPA has encouraged states to further leverage existing CWSRF and DWSRF program assets by using existing cash flows from each state's respective loan portfolios (and principal and interest payments thereon, to the extent permitted by USEPA) to securitize bond issues, the proceeds of which would be used by the states (e.g., through state-level EPA's) to originate additional loans to local governments under the SRF Loan Program..

These leveraged bond issues enable state-level EPAs to increase loan volume dedicated to Clean Water and Drinking Water projects, thereby enabling funding beyond levels funded directly by USEPA through its annual capitalization funding (and required State Matching Funds) for the Clean Water and Drinking Water Programs.

Consistent with this policy objective, the Illinois EPA successfully completed Leveraged State Revolving Bond issues through the Illinois Development Finance Authority in 2002 ($150.0 million) and through IFA in 2004 ($130.0 million) (collectively, the "Prior Bonds"). Proceeds of the Prior Bonds enabled IEPA to originate additional loans (by pledging payments from a portion of its existing loan portfolio to secure payments on the Prior Bonds).

IEPA's Management of the Clean Water & Drinking Water SRF Programs: Pursuant to authority granted in the federal Clean Water Act, the State of Illinois (through the Illinois Environmental Protection Agency) created the Clean Water Program in 1988 to implement the provisions of Title VI of the Clean Water Act. Similarly, the State of Illinois created the Drinking Water Program in 1996 to implement the Safe Drinking Water Act Amendments of 1996.

Under both the Clean Water and Drinking Water Programs, IEPA has utilized both federal capitalization receipts and the required twenty percent (20%) state match for the purpose of making low interest loans for Clean Water and Drinking Water projects to: units of local government to finance the construction of wastewater treatment and sanitary sewerage facility projects (CWSRF Projects) and drinking water supply projects (DWSRF Projects), respectively.

IEPA annually prepares an Intended Use Plan to USEPA, which is presented in public hearings. These Intended Use Plans identify projects eligible for assistance under the Clean Water Program (i.e., wastewater treatment projects) and the Drinking Water Program (i.e., drinking water projects).

IEPA SRF Loan Programs – Loan Originations to Date:	IEPA has closed and funded 708 Clean Water Program Loans to Clean Water participants totaling approximately \$3.60 billion since inception in 1988 to June 30, 2013, of which approximately \$1.85 billion are outstanding. No payment defaults have occurred with respect to any of the Clean Water State Revolving Fund Loans. IEPA has closed and funded 444 Drinking Water Program Loans to Drinking Water participants totaling approximately \$900 million since inception in 1996, of which approximately \$537 million are outstanding. No payment defaults have occurred with respect to any of the Drinking Water Program State Revolving Fund Loans. These loans have been financed through a combination of federal capitalization receipts, State matching funds, and from the proceeds of the Prior Bonds (i.e., \$150 million IDFA Series 2002 Bonds and \$130 million IFA Series 2004 Bonds). Collectively the Clean Water Program State Revolving Fund Loan and Drinking Water Program State Revolving Fund Loans have been referred to as the "Illinois Clean Water Initiative" for marketing purposes.
IEPA is Responsible for Originating, Reviewing Applications, Closing, Servicing, and Reporting on all Loans:	IEPA is responsible for the overall technical and financial management of the SRF Programs, including ongoing financial reporting on the underlying Loan Program Portfolios to the USEPA, and other external parties, review and approval of planning documents, plans and specifications, legal authority, dedicated sources of revenue, fund management, and disbursement requests.
Memorandum of Agreement between IEPA and IFA:	The Authorizing Resolution will also authorize the Executive Director of the Authority to execute a Memorandum of Agreement dated as of November 1, 2013 (the "MOA") with the IEPA that specifies the duties and obligations of the parties with respect to the issuance of the Series 2013 Bonds and any other series of Bonds issued in connection with the SRF Programs. Pursuant to the MOA, IEPA will continue to administer, structure, and monitor the SRF Programs. IEPA will have primary responsibility for filing financial reports as required by USEPA, and for providing external financial reports on its loan portfolio as required by the underlying bond documents and to help ensure prompt and comprehensive reporting to assure compliance with continuing disclosure requirements on the Bonds and for maintenance of ratings on the Bonds. IEPA's responsibilities will include (but not be limited to) promptly notifying the Authority to request any changes in pledged loans, promptly notifying the Authority regarding any underlying Borrower that exceeds the 20% loan concentration threshold requiring EMMA filings under the Continuing Disclosure Undertaking, advising IFA regarding the origination of loans from Bond Proceeds relating to TIPRA spend-down requirements, and for any other consent or notice specified under the Master Trust Agreement, or any related documents necessary to comply with regulatory requirements in effect. Effective with execution of this new Memorandum of Agreement, the Authority will assume certain responsibilities for the first time (including, for example, procurement of certain professionals and advisors and continuing disclosure on the Bonds based on reports and filings provided by IEPA) and other information required under the Continuing Disclosure Undertaking. The Authority, as Issuer, will continue to undertake such actions as necessary to facilitate issuance of Bonds on behalf of IEPA (as with the prior bond issues in 2002 and 2004).

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ECONOMIC DISCLOSURE STATEMENT

Initial Beneficiary of Bond Proceeds – IEPA's SRF Programs:	Illinois Environmental Protection Agency, 1021 North Grand Avenue East, P.O. Box 19276, Springfield, IL 62794-9276; Phone: (217) 782-3397
Web site for IEPA's Bureau Of Water and Loan Programs:	www.epa.state.il.us (Illinois EPA) and http://www.epa.state.il.us/water/financial-assistance/clean-water-initiative/index.html.com (IEPA Bureau of Water – Clean Water Initiative))
Project name:	IFA State Revolving Fund Revenue Bonds, Series 2013
Underlying Borrowers/ Locations:	IEPA will use the New Money Bond Proceeds (i.e., associated with the 2011-2013 State Match) to originate new loans to finance local government sewerage and drinking water systems located statewide.

PROFESSIONAL & FINANCIAL

Illinois EPA:	Lisa Bonnett, Director	Springfield, IL	
Bond Counsel:	Katten Muchin Rosenman LLP	Chicago, IL	Lew Greenbaum Renee Friedman
Financial Advisor (for SRF Revenue Bond Program):	Public Financial Management, Inc.	Chicago, IL Minneapolis, MN	Tom Morsch Jessica Cameron
Senior Manager:	Bank of America Merrill Lynch Securities	New York, NY Chicago, IL	Thomas Liu Phil Rooney
Co-Managers:	Loop Capital Markets, LLC Samuel A. Ramirez & Co., Inc.	Chicago, IL Chicago, IL	
Co-Underwriter's Counsel:	Foley & Lardner LLP Pugh Jones Johnson & Quandt	Chicago, IL Chicago, IL	Heidi Jeffery Lorraine Tyson
Trustee/Fiscal Agent:	To be determined subject to Agenda Item/Resolution #11		
Rating Agencies:	Standard & Poor's Fitch Ratings	Chicago, IL Chicago, IL	
Bond Printer:	Image Master	Chicago, IL	Jill Scheibelhut.
Verification Agent:	Causey Demgen & Moore, Inc.	Denver, CO	Doug Carlile
IFA Counsel:	Mayer Brown LLP	Chicago, IL	David Narefsky

LEGISLATIVE DISTRICTS

Available to local governments for wastewater treatment and drinking water projects statewide.

DISCLAIMER:

All information provided in this report is preliminary based on information available as of 10/8/2013 and subject to change.

All information regarding the proposed IFA Series 2013 State of Illinois Clean Water Initiative Revenue Bonds as contained herein will be superseded by information posted in the Preliminary Official Statement and Final Official Statement, respectively, immediately upon dissemination.

RESOLUTION 2013-1008-PI02

RESOLUTION AUTHORIZING THE ISSUANCE OF AN AMOUNT NOT TO EXCEED $175,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF STATE OF ILLINOIS CLEAN WATER INITIATIVE REVOLVING FUND REVENUE BONDS, SERIES 2013, OF THE ILLINOIS FINANCE AUTHORITY; AUTHORIZING THE SALE THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS; APPROVING THE DESIGNATION OF A MASTER TRUSTEE; APPROVING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT; AND RELATED MATTERS.

WHEREAS, the Illinois Finance Authority, a political subdivision and a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the "*Authority*"), including without limitation, the Illinois Finance Authority Act, 20 ILCS 3501/801-1 *et seq*., (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, among other things, the costs of "public purpose projects," as defined in the Act, "industrial projects," as defined in the Act, and to finance the costs of "environmental facilities," as defined in the Act; and

WHEREAS, the Water Quality Act of 1987, 33 U.S.C., Section 1381 *et seq*., as supplemented and amended (the "*Federal Clean Water Act*"), and the Safe Drinking Water Act, 42 U.S.C. Section 300f *et seq*., as supplemented and amended (the "*Federal Drinking Water Act*"), authorize the Administrator of the United States Environmental Protection Agency (the "*EPA*") to make capitalization grants to states for deposit in state revolving funds to provide assistance for constructing publicly owned wastewater treatment facilities and publicly and privately owned drinking water treatment facilities and for certain other eligible purposes; and

WHEREAS, pursuant to Title IV of the Environmental Protection Act, 415 ILCS 5/19.1 *et seq*., as supplemented and amended, there has been established a "Water Pollution Control Loan Program," and a Public Water Supply Loan Program (collectively, the "*SRF Program*"); and

WHEREAS, pursuant to the Federal Clean Water Act, the Illinois Environmental Protection Agency ("*IEPA*") has established a clean water state revolving fund in the State as part of its Water Pollution Control Loan Program (the "*Clean Water Program*") and, pursuant to the Federal Drinking Water Act, has established a safe drinking water state revolving fund in the State as part of its Public Water Supply Loan Program (the "*Drinking Water Program*"); and

WHEREAS, the Departments of Veteran Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, Public Act 105-65, as supplemented and amended, authorizes each state to cross-collateralize the assets of such state revolving funds established under the Federal Clean Water Act and the Federal Drinking Water Act as security for bond issues to enhance the lending capacity of one or both state revolving funds; and

WHEREAS, IEPA has made loans from the revolving funds as part of the Clean Water Program and as part of the Drinking Water Program, which loans are currently outstanding; and

WHEREAS, on January 1, 2004, pursuant to the Act, the Authority replaced and assumed the responsibilities and obligations of several existing authorities, including without limitation the Illinois Development Finance Authority (the "*IDFA*"); and

WHEREAS, at the request of the IEPA, IDFA issued its State of Illinois Revolving Fund Revenue Bonds, Series 2002 (Master Trust) (the "*Series 2002 Bonds*"); and

WHEREAS, the Series 2002 Bonds were issued in the aggregate principal amount $150,000,000 pursuant to a Master Trust Agreement dated May 1, 2002 (the "*Prior Master Trust Agreement*") by and between the Authority and Amalgamated Bank of Chicago, as Trustee (the "*Prior Master Trustee*"), and a Bond Indenture dated as of May 1, 2002 (the "*2002 Indenture*") by and between the Authority and the Prior Master Trustee, for the purpose of making loans to units of local government in the State of Illinois in connection with the Clean Water Program and the Drinking Water Program; and

WHEREAS, the Authority issued its State of Illinois Revolving Fund Revenue Bonds, Series 2004 (Master Trust) (the "*Series 2004 Bonds*"; and

WHEREAS, the Series 2004 Bonds were issued in the aggregate principal amount of $130,000,000 pursuant to the Prior Master Trust Agreement, and by a Bond Indenture dated as of May 1, 2004, by and between the Authority and the Prior Master Trustee, for the purpose of making loans to units of local government in the State of Illinois in connection with the Clean Water Program and the Drinking Water Program; and

WHEREAS, $41,850,000 principal amount of the Series 2002 Bonds and $57,270,000 principal amount of the Series 2004 Bonds are currently outstanding (herein collectively called the "Prior Bonds"; and

WHEREAS, the Authority desires to (i) refund the Prior Bonds in order to realize debt service savings and be bound by less onerous covenants than under the Prior Master Trust Agreement and (ii) provide additional funds to be used for loans for the SRF Program to fund a portion of the State Match required under the Clean Water Program and the Drinking Water Program for Federal fiscal years 2011, 2012 and 2013 (the "*Project*"); and

WHEREAS, the Authority has determined that it is necessary and desirable to issue its revenue bonds to refund the Prior Bonds, finance and refinance the Project which constitutes "public purpose project" under the Act in connection with the SRF Program, and to pay costs of issuance; and

WHEREAS, in furtherance of the purposes set forth in the Act, the Authority wishes to provide for the refunding of the Prior Bonds and the financing of the Project by the sale and issuance of its revenue bonds, and by authorizing such actions as might be required to implement such stated intention; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Authority is now prepared to issue and sell its State of Illinois Clean Water Initiative Revolving Fund Revenue Bonds, Series 2013, in an aggregate principal amount not to exceed $175,000,000 (the "*Bonds*") in order to refund the Prior Bonds and finance the Project, such Bonds to be secured by the Master Trust Agreement dated as of November 1, 2013 (the "*Master Trust Agreement*"), between the Authority and a trustee to be appointed pursuant to Resolution No. 2013-1008-AD11, as Master Trustee (the "*Master Trustee*"); and

WHEREAS, the Bonds, are payable solely from the Pledged Agreements (as hereinafter defined) and all moneys, securities and earnings in all funds and accounts established under the Master Trust Agreement; except as set forth in the Master Trust Agreement, and

WHEREAS, it is now necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of a Master Trust Agreement and the First Supplemental Master Trust Agreement (the "*First Supplement*") dated as of November 1, 2013, between the Authority and the Master Trustee, and

WHEREAS, it is also now necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of a Memorandum of Agreement dated as of November 1, 2013 (the "*Memorandum of Agreement*") by and between the Authority and the IEPA; and

WHEREAS, it is now necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of a Bond Purchase Agreement (the "*Purchase Contract*"*)* with respect to the sale of and delivery of the Bonds, by and among the Authority, the IEPA and Merrill Lynch, Pierce, Fenner & Smith Incorporated, on behalf of itself and those other underwriters set forth on the cover of the hereinafter defined Preliminary Official Statement (collectively, the "*Underwriters*"); and

WHEREAS, it is now necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of a Tax Exemption Certificate and Agreement dated the date of issuance of the Bonds, by and among the Authority, the IEPA and the Trustee (the "*Tax Exemption Agreement*") and an Escrow Deposit Agreement dated as of November 1, 2013, between the Authority and the Prior Master Trustee (the "*Escrow Agreement*"); and

WHEREAS, it is now necessary, desirable and in the best interests of the Authority to approve the distribution of a Preliminary Official Statement (the "*Preliminary Official Statement*") and an official statement (the "*Official Statement*") in connection with the issuance of the Bonds; and

WHEREAS, it is now necessary, desirable and in the best interest of the Authority to authorize the execution and delivery of a Continuing Disclosure Undertaking dated the date of issuance of the Bonds, by the Authority (the "*Undertaking*") in order to meet its continuing disclosure obligations to the Underwriters under Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934; and

WHEREAS, the Authority has caused to be prepared and presented to its Members the following documents which the Members of the Authority propose to approve the terms of or enter into:

(i) the Master Trust Agreement,

(ii) the First Supplement,

(iii) the Purchase Contract,

(iv) the Memorandum of Agreement,

(v) the Preliminary Official Statement,

(vi) the Undertaking, and

(vii) the Bonds;

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

That the Authority hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct, and does incorporate them into this Resolution by this reference; that the Project constitutes a "public purpose project" under the Act; and that the Authority hereby finds that the refunding of the Prior Bonds and the financing of the Project through the issuance of the Bonds will accomplish valid public purposes set forth and in accordance with the Act.

That the Authority is hereby authorized to enter into the Master Trust Agreement, the First Supplement, the Memorandum of Agreement and the Undertaking (the "*Authority Documents*") in substantially the same forms now before the Authority; that the forms, terms and provisions of the Authority Documents be, and they hereby are, in all respects approved; that the Chairman, the Vice Chairman or the Executive Director of the Authority be, and each of them hereby is, authorized, empowered and directed to execute and deliver, and the

Secretary or any Assistant Secretary of the Authority be and each of them hereby is, authorized, empowered and directed to attest and to affix the official seal of the Authority to, the Authority Documents (as applicable) in the name, for and on behalf of the Authority, and thereupon to cause the Authority Documents to be executed, acknowledged and delivered in substantially the forms now before the Authority or with such changes therein as the individual executing each Authority Document on behalf of the Authority shall approve, his or her execution thereof to constitute conclusive evidence of such approval of any and all changes or revisions therein from the forms of Authority Documents now before the Members of the Authority; that when the Authority Documents are executed, attested, sealed and delivered on behalf of the Authority as hereinabove provided, such Authority Documents shall be binding on the Authority; that from and after the execution and delivery of the Authority Documents, 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 to carry out and comply with the provisions of the Authority Documents as executed; and a copy of the Authority Documents shall be placed in the official records of the Authority, and shall be available for public inspection at the office of the Authority.

That the designation of the Master Trustee shall be in accordance with Resolution No. 2013-1008-AD11.

That the form of the Bonds now before the Authority, be, and the same hereby is approved; that the Bonds shall be executed in the name, for and on behalf of the Authority with the manual or facsimile signature of its Chairman or Vice Chairman and attested with the manual or facsimile signature of its Secretary or Assistant Secretary and the seal of the Authority or a facsimile thereof shall be affixed, impressed, imprinted or otherwise reproduced thereon and any officer of the Authority shall cause the Bonds, as so executed and attested, to be delivered to the Master Trustee for authentication; and that when the Bonds shall be executed on behalf of the Authority in the manner contemplated by the Master Trust Agreement and First Supplement and this Resolution, they shall represent the approved forms of Bonds of the Authority; *provide*d that the Bonds shall mature in such amount or amounts payable on such date or dates not later than July, 1, 2023, and shall bear interest at such rate or rates (not to exceed seven percent (7%) per annum), payable on such date or dates as provided in the First Supplement, and subject to redemption as provided in the Master Trust Agreement and First Supplement; *provided further*, that the Authority deems it proper to delegate to the Chairman, the Vice Chairman or the Executive Director of the Authority, as the case may be, the power to approve any and all changes to the Master Trust Agreement and First Supplement, the Purchase Contract, the Memorandum of Agreement, the Bonds, the Preliminary Official Statement and the Official Statement as he shall, on behalf of the Authority, determine, subject to the preceding proviso.

That the sale of the Bonds in an aggregate principal amount not to exceed $175,000,000 to the Underwriters at a purchase price of not less than 99.2% of the aggregate principal amount thereof (exclusive of original issue discount and premium) and accrued interest, if any, to the date of delivery, is hereby approved and confirmed; that the Authority is hereby authorized to enter into the Purchase Contract in substantially the same form as presented to the Members of the Authority; that the form, terms and provisions of the Purchase Contract be, and they hereby are, in all respects approved; that the Chairman, the Vice Chairman or the Executive Director of the Authority be, and each of them hereby is, authorized, empowered and directed to execute and deliver the Purchase Contract, such Purchase Contract to provide for the issuance and sale of the Bonds of the Authority in the aggregate principal amount set forth above, in substantially the same form as presented to the Members of the Authority or with such changes therein as the individual executing the Purchase Contract on behalf of the Authority shall approve, his or her execution thereof to constitute conclusive evidence of such approval of any and all changes and revisions therein from the form of Purchase Contract before the Members of the Authority; that when the Purchase Contract is executed and delivered on behalf of the Authority as hereinabove provided, such Purchase Contract shall be binding upon the Authority; that from and after the execution and delivery of the Purchase Contract, 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 to carry out and comply with the provisions of the Purchase Contract as executed; and a copy of the Purchase Contract shall be placed in the official records of the Authority, and shall be available for public inspection at the office of the Authority.

That the distribution of the Preliminary Official Statement and the Official Statement by the Underwriters, is hereby approved, such Preliminary Official Statement and Official Statement to be in substantially the same form as the Preliminary Official Statement now before the Authority, or with such changes thereto as shall be approved by the Chairman, the Vice Chairman or the Executive Director of the Authority. That the Chairman or Executive Director are, and each of them hereby is, authorized to execute the Official Statement.

That the Chairman, the Vice Chairman, the Executive Director, the Treasurer, the Secretary and any Assistant Secretary of the Authority be, and each of them hereby is, authorized to execute and deliver such other documents, certificates, and undertakings of the Authority, including without limitation a Tax Exemption Agreement and an Escrow Agreement with respect to the refunding of the Prior Bonds and to take such other actions, including the subscription for and purchasing of State and Local Government Securities, as may be required in connection with the execution, delivery and performance of the Master Trust Agreement, the First Supplement, the Undertaking, the Purchase Contract, the Escrow Agreement and the Memorandum of Agreement and the distribution of the Preliminary Official Statement and the Official Statement, authorized by this Resolution.

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.

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.

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

That this Resolution shall be in full force and effect immediately upon its adoption, as by law provided.

ILLINOIS FINANCE AUTHORITY

CONDUIT

October 8, 2013	**$9,000,000** **Columbia College Chicago**
REQUEST	**Purpose**: Bond proceeds will be used by **Columbia College Chicago** ("**Columbia**", the "**College**", or the "**Borrower**") to (i) currently refund all of the outstanding Illinois Educational Facilities Authority Revenue Bonds, Columbia College Chicago, Series 2003 (the "**Series 2003 Bonds**") maturing on December 1 of each of the years 2014 through 2018 and a portion of the Series 2003 Bonds maturing on December 1, 2023 (collectively, the "Refunded Series 2003 Bonds"), and (iii) pay certain costs relating to the issuance of the Series 2013 Bonds, all as permitted under the Act (collectively, the "**Financing Purposes**"). **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None
BOARD ACTIONS	Final Bond Resolution Preliminary Bond Resolution approved 8/13/2013 Yeas: 13; Nays: 0; Abstentions: 0; Absent 2 (Barclay, Gold); Vacancy: 0
MATERIAL CHANGES	Bank direct-purchase structure determined for plan of finance (including selection of BMO Harris Bank, N.A. as Bond Purchaser); terms and conditions finalized; specific maturities to be refunded have been chosen, resulting in lower par amount.
JOB DATA	3,628 Current jobs; N/A New jobs projected (Refunding) N/A Retained jobs; N/A Construction jobs projected (Refunding)
DESCRIPTION	● Location: Chicago (Cook County/Northeast Region) ● Columbia College Chicago was originally established in 1890 as a college of education and became fully accredited as a four-year, undergraduate, liberal arts school in 1974. ● Columbia College Chicago offers more than 120 academic majors and programs and is the largest and most diverse private, nonprofit arts and media college in the nation with over 10,000 undergraduate students. ● Columbia's student body represents all 50 states and 41 foreign nations.
CREDIT INDICATORS	● The IFA Refunding Revenue Bond (Columbia College Chicago), Series 2013 will be purchased directly by BMO Harris Bank, N.A. (the "Bank" or "Bond Purchaser"). The Bank will be the secured lender and the direct bond investor. ● Columbia College Chicago is currently rated BBB+ (S&P; affirmed 9/20/2012).
STRUCTURE	● The Borrower has engaged John S. Vincent and Co. LLC to help the Borrower refund specific maturities of the IFA Series 2003 Bonds subject to optional redemption (2014-2018 maturities) and refund a portion of the IFA Series 2003 Bonds subject to mandatory sinking fund redemption (otherwise maturing in 2023). ● The anticipated final maturity date of the Refunding Revenue Bond will be in 7 years (i.e., 2020).
INTEREST RATE	● BMO Harris Bank, N.A. will establish a fixed interest rate for a term of 7 years. The interest rate will be negotiated and established prior to closing and is currently estimated between 1.25% and 2.25%.
SOURCES AND USES	see below
RECOMMENDATION	Credit Review Committee recommends approval.

SOURCES AND USES

Sources:		**Uses:**	
IFA Refunding Bond	$8,850,000	Refunding Escrow	$8,735,000
Borrower Equity	40,000	Costs of Issuance	155,000
Total	**$8,890,000**	**Total**	**$8,890,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
October 8, 2013

Project: Columbia College Chicago

STATISTICS

Project Number:	E-PC-TE-CD-8636	Amount:	$9,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton & Brad R. Fletcher
Location:	Chicago	County/ Region:	Cook County/Northeast

BOARD ACTION

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

VOTING RECORD

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

PURPOSE

Bond proceeds will be used by **Columbia College Chicago** ("**Columbia**", the "**College**", or the "**Borrower**") to (i) currently refund all of the outstanding Illinois Educational Facilities Authority Revenue Bonds, Columbia College Chicago, Series 2003 (the "**Series 2003 Bonds**") maturing on December 1 of each of the years 2014 through 2018 and a portion of the Series 2003 Bonds maturing on December 1, 2023 (collectively, the "Refunded Series 2003 Bonds"), and (iii) pay certain costs relating to the issuance of the Series 2013 Bonds, all as permitted under the Act (collectively, the "**Financing Purposes**").

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal 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.

SOURCES AND USES OF FUNDS

Sources:	IFA Refunding Bonds	$8,850,000	Uses:	Refunding Escrow	$8,735,000
	Equity	40,000		Costs of Issuance	155,000
	Total	**$8,890,000**		**Total**	**$8,890,000**

JOBS

Current employment:	3,628	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

FINANCING SUMMARY

Bondholder's Security:	The Refunding Revenue Bond will be purchased directly by BMO Harris Bank, N.A. (the "Bank" as the Direct Purchaser/Secured Lender) as a direct investment. The Bond will be a general obligation of Columbia College Chicago. As customary on bank direct purchase transactions, the Bank will be secured by a mortgage (i.e., real estate) and will cross-collateralize and cross-default the Bond with all other Borrower obligations due to the Bank.
Underlying Ratings:	Not applicable. The Bond will be purchased directly by BMO Harris Bank, N.A. and will not be rated.
Structure/ Interest Rate:	BMO Harris Bank, N.A. will establish a fixed interest rate for a term of 7 years. The interest rate will be negotiated and established prior to closing and is currently estimated between 1.25% and 2.25%.
Maturity:	The anticipated final maturity date will be in 7 years (i.e., 2020).
Anticipated Closing Date:	October/November 2013
Rationale:	The proposed Refunding Bond will enable Columbia College Chicago to current refund a portion of its existing IFA Series 2003 Bonds and realize net present value savings.

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be used by **Columbia College Chicago** ("**Columbia**", the "**College**", or the "**Borrower**") to (i) currently refund all of the outstanding Illinois Educational Facilities Authority Revenue Bonds, Columbia College Chicago, Series 2003 (the "**Series 2003 Bonds**") maturing on December 1 of each of the years 2014 through 2018 and a portion of the Series 2003 Bonds maturing on December 1, 2023 (collectively, the "Refunded Series 2003 Bonds"), and (iii) pay certain costs relating to the issuance of the Series 2013 Bonds, all as permitted under the Act (collectively, the "**Financing Purposes**").

BUSINESS SUMMARY

Background:	**Columbia College Chicago** (also, "**Columbia**" or the "**Borrower**") is incorporated under Illinois law and is a 501(c)(3) not-for-profit corporation exempt from federal income taxes under the Internal Revenue Code.
Description:	Columbia College Chicago is private, not for profit, independent, fully accredited, unaffiliated undergraduate and graduate college located in downtown Chicago. Columbia was originally established in 1890 as a college of education and became fully accredited as a four-year, undergraduate, liberal arts school in 1974. Columbia offers educational opportunities in the performing, visual, communications, and writing arts at both the graduate and undergraduate levels, and is home to the one of the largest film schools in the world. Its primary location in the South Loop area of Chicago provides easy access to the Art Institute of Chicago, Adler Planetarium and Astronomy Museum, Field Museum, Chicago Symphony Orchestra and other notable cultural and educational institutions. Founded in 1890 as the Columbia School of Oratory, Columbia has grown to become the fifth largest private higher education institution in Illinois. Columbia College's enrollment of over 10,000 undergraduate students and approximately 400 graduate students is drawn primarily from the city of Chicago and its suburbs, but also attracts students from across the United States and from 41 foreign nations. Approximately one-third of Columbia's student body is African American, Latino, Asian, Native American, Pacific Islander, or multi-racial, making Columbia's

student body among the most diverse of any private arts college. The student body is evenly divided between men and women.

Columbia College offers more than 120 academic majors and programs and is the largest private arts and media college in the nation. Columbia's operations are located at 27 properties comprising more than 1.3 million SF that the Borrower owns and leases in Chicago's South Loop. Columbia College has been located in the South Loop since 1975. Columbia College Chicago is currently the largest landowner in the South Loop.

Due to Chicago's role as a key media center, Columbia College has developed a strong internship and part-time job placement program for its students and has developed relationships with nine independent film festivals, 200 theatre groups and venues, 35 radio stations, and 25 magazines and newspapers. These employment opportunities have been critical in attracting students to Columbia. The faculty consists of more than 1,300 practicing artists, scholars, and professionals.

According to management, Columbia College's annual tuition of $22,390 for academic 2012-2013 is less than the national average for private colleges in the U.S.

As a result of Columbia's strategic initiatives over the last 15 years, enrollment has increased from approximately 7,300 in 1993 to over 10,000 for the Fall 2013 term. Columbia believes this growth has resulted from its focus on (i) small class size (to facilitate close interaction with a faculty of working professionals), (ii) abundant internship opportunities with major employers in the Chicago area, and (iii) outstanding physical facilities.

Columbia College has been accredited at the undergraduate and graduate levels by the North Central Association of Colleges and Schools since 1974. Columbia College Chicago is also accredited as a teacher training institution by the Illinois State Board of Education.

Columbia College currently has five IFA/IEFA bond issues outstanding. The total balance outstanding as of 8/31/2012 (and reported to EMMA in the College's most recent filing on the MSRB's website as of 2/21/2013) was approximately $97,270,000 and included four series of Fixed Rate Bonds and one series of Variable Rate Bonds (IEFA Series 2000 - $17,100,000 outstanding) secured by a Direct Pay Letter of Credit (BMO Harris Bank, N.A.).

All bond payments on Columbia College's existing IFA or IEFA debt obligations were current as of 8/1/2013.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Columbia College Chicago
Contact:	Kevin Doherty, Interim Vice President Business Affairs/CFO, Columbia College Chicago, 624 S. Michigan Ave., Room 700, Chicago, IL 60605-1996; Ph. (312) 369-7162; E-mail: kdoherty@colum.edu
Web Site:	www.colum.edu
Project Name:	Columbia College Chicago, Series 2013 Refunding Revenue Bonds
Location:	Refundings relating to projects at Columbia's Chicago campus originally financed with IEFA Series 2003 Bonds
Organization:	Illinois 501(c)(3) organization
Board of Trustees:	*For list of Board of Trustees, see page 6*
Current Land Owners:	Columbia College Chicago owns the subject project sites involved in this refinancing.

PROFESSIONAL AND FINANCIAL

Borrower's Counsel:	Dentons	Chicago, IL	Mary Wilson
Borrower's Financial Advisor:	John S. Vincent and Co. LLC	Chicago, IL	John Vincent James McNulty
Auditor:	KPMG, LLP	Chicago, IL	
Bond Counsel:	Chapman and Cutler, LLP	Chicago, IL	Chris Walrath
Bond Purchaser:	BMO Harris Bank, N.A.	Chicago, IL	Joe Derezinski
Bank Counsel:	Chapman and Cutler, LLP	Chicago, IL	Carol Thompson
Trustee (Series 2003 Bonds):	US Bank, N.A.	Chicago, IL	
Rating Agencies:	Not applicable – the subject Bonds will be bank purchased without a rating		
IFA Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck

LEGISLATIVE DISTRICTS

Congressional:	7
State Senate:	3
State House:	5

Columbia College Chicago – Members of the Board of Trustees:

CONDUIT

ILLINOIS FINANCE AUTHORITY

$70,000,000 (not-to-exceed)

October 8, 2013 **Benedictine University and Founders Woods, Ltd.**

REQUEST	**Purpose**: Bond proceeds, together with certain other funds, will be used by **Benedictine University** (the "**University**") and the University's **Founders Woods, Ltd.**, a special purpose affiliate of the University that owns a student housing facility with debt outstanding that will be financed with IFA Series 2013 Bond proceeds ("**Founders**", and together with the University, the "**Borrowers**") to (i) finance the costs of the construction of a new academic building on the Borrowers' main campus located at 5700 College Road, Lisle, Illinois, (ii) refund the following bonds: (a) County of DuPage, Illinois, Variable Rate Demand Revenue Bonds (Benedictine University Building Project) Series 1999 (the "**1999 Bonds**"), (b) Illinois Educational Facilities Authority Variable Rate Demand Revenue Bonds, Founders Woods, Ltd. – Benedictine University Project, Series 2000 (the "**2000 Bonds**"), (c) Illinois Finance Authority Variable Rate Demand Revenue Bonds (Benedictine University Project), Series 2006 (the "**2006 Bonds**"), and (d) County of DuPage, Illinois (Benedictine University Project) – Series 2010A (the "**2010 Bonds**" and together with the 1999 Bonds, the 2000 Bonds and the 2006 Bonds, collectively the "**Refunded Bonds**"), (iii) fund a debt service reserve fund, if deemed necessary or advisable, and (iv) finance all or a portion of the costs of issuing the Bonds (collectively, the "**Financing Purposes**"). **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTION	Final Bond Resolution *(One-time consideration)*
MATERIAL CHANGES	Not applicable. This is the first time this financing is being presented.
JOB DATA	565 (FTE) Current jobs; 3-5 New jobs projected N/A Retained jobs; 61 Construction jobs projected (18 months)
DESCRIPTION	● Location: Lisle / DuPage County / Northeast ● Type of entity: The University, a 501(c)(3) organization incorporated under Illinois law, is a private, Catholic, co-educational institution of higher learning founded by the Benedictine monks of St. Procopius Abbey in 1887 that is governed by a Board of Trustees and Advisory Board (see pp. 5-7). ● In addition to refunding all or a portion of the University's Series 1999, Series 2000, Series 2006 and Series 2010 Bonds, the Project comprises the development of a new academic building located on the University's campus, in Lisle, Illinois. (Again, the IFA Series 2013 Bonds will refund Bonds originally issued by DuPage County in 1999 and 2010.)
CREDIT INDICATORS	● The plan of finance contemplates Bonds to be sold in (i) one or more series of Fixed Rate Bonds (IFA Series 2013A Bonds) that would be sold based on the University's underlying long-term debt ratings of BBB (S&P) assigned as of 6/27/2013 (please see page 3: "Underlying Debt Rating" for additional information), and (ii) one series of Multi-Modal Bonds (IFA Series 2013B Bonds) that will initially be sold in Bank Purchase Mode for an initial interest rate period of 7 years by RBS Citizens, N.A. (Charter One Bank) and First Midwest Bank, N.A. (collectively, the "Purchasers"; the Purchasers will be the direct lenders/investors on the Series 2013B Bonds). ● George K. Baum & Company has been engaged by the Borrower as Underwriter for the Series 2013A Bonds.
SECURITY	● The Bonds will be a general unsecured corporate obligation of the University and its Founders Woods, Ltd. affiliate and as such will not be secured by a mortgage or security interest on any of the University's assets, properties or funds.
MATURITY/INTEREST RATES	● The Bonds will mature no later than 35 years from the issue date. ● The Series 2013A Bonds will be sold in one or more fixed interest rates to be determined at pricing. The bank direct purchased Series 2013B Bonds will bear an interest rate for an initial reset period of 7 years that will be determined prior to pre-closing.
SOURCES AND USES	See table below
RECOMMENDATION	Credit Review Committee recommends approval.

SOURCES AND USES

Sources:		Uses:	
IFA New Money Bonds	$23,500,000	New Academic Building	$40,000,000
IFA Refunding Bonds	36,500,000	Refunding	36,500,000
Equity	20,000,000	Debt Service Reserve Fund	3,000,000
		Costs of Issuance	500,000
Total	**$80,000,000**	**Total**	**$80,000,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
October 8, 2013

Project: Benedictine University and Founders Woods, Ltd.

STATISTICS

Project Number:	E-PC-TE-CD-8634	Amount:	$70,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Locations:	Lisle	County/ Region:	DuPage County/Northeast

BOARD ACTION

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

VOTING RECORD

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

PURPOSE

Bond proceeds, together with certain other funds, will be used by **Benedictine University** (the "**University**") and the University's **Founders Woods, Ltd.**, a special purpose affiliate of the University that owns a student housing facility with debt outstanding that will be financed with IFA Series 2013 Bond proceeds ("**Founders**", and together with the University, the "**Borrowers**") to (i) finance the costs of the construction of a new academic building on the Borrowers' main campus located at 5700 College Road, Lisle, Illinois, (ii) refund the following bonds: (a) County of DuPage, Illinois, Variable Rate Demand Revenue Bonds (Benedictine University Building Project) Series 1999 (the "**1999 Bonds**"), (b) Illinois Educational Facilities Authority Variable Rate Demand Revenue Bonds, Founders Woods, Ltd. – Benedictine University Project, Series 2000 (the "**2000 Bonds**"), (c) Illinois Finance Authority Variable Rate Demand Revenue Bonds (Benedictine University Project), Series 2006 (the "**2006 Bonds**"), and (d) County of DuPage, Illinois (Benedictine University Project) – Series 2010A (the "**2010 Bonds**" and together with the 1999 Bonds, the 2000 Bonds and the 2006 Bonds, collectively the "**Refunded Bonds**"), (iii) fund a debt service reserve fund, if deemed necessary or advisable, and (iv) finance all or a portion of the costs of issuing the Bonds (collectively, the "**Financing Purposes**").

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

ESTIMATED SOURCES AND USES OF FUNDS – SUBJECT TO CHANGE

Sources:	IFA New Money Bonds	$23,500,000	Uses:	New Money Project	$40,000,000
	IFA Refunding Bonds	36,500,000		Refunding Escrow	36,500,000
	Equity	20,000,000		Debt Service Reserve Fund	3,000,000
				Costs of Issuance	500,000
	Total	**$80,000,000**		**Total**	**$80,000,000**

The Borrowers contemplate two series of Bonds, each sized at approximately $30.0 million. Please refer to the Financing Summary section below for more information regarding the structure of the IFA Series 2013A Bonds (to be sold based on the University's underlying BBB (S&P) debt rating and the IFA Series 2013B Bonds (Multi-Modal) that will, initially, be purchased directly by RBS Citizens, N.A. and First Midwest Bank, N.A.

JOBS

Current employment:	565 FTE (540-FT; 74 PT)	Projected new jobs:	3-5
Jobs retained:	N/A	Construction jobs:	45-75 (18 months)

FINANCING SUMMARY

Security: The Bonds will be a general unsecured corporate obligation of the University and its Founders Woods, Ltd. affiliate (i.e., the Borrowers). Accordingly, no portion of the Borrowers' buildings or other property will be mortgaged or pledged as security for its obligations under the Series 2013 Bonds (or related agreements).

Structure: The plan of finance contemplates the public issuance of an amount not-to-exceed $70 million of tax-exempt debt to be issued in one or more series (although the combined anticipated issuance amount is approximately $60.0 million as described further below).

The Fixed Rate Series 2013 A Bonds will be sold in the market based on the University's underlying long-term debt ratings of BBB (S&P). George K. Baum & Company has been engaged by the Borrower as the Underwriter. The current estimated par amount for the Series 2013A Bonds is approximately $30.0 million. (It is presently contemplated that all of the New Money Bonds and a portion of the Refunding Bonds will be financed with proceeds of the Series 2013A Bonds.)

The Series 2013B Bonds will be Multi-Modal bonds that will be issued initially in Bank Purchase Mode (and purchased directly by RBS Citizens, N.A. and First Midwest Bank, N.A.). The documents will allow these bonds to convert to a Bank Letter of Credit secured structure (with interest in either a Weekly Mode or Flexible Mode [with interest reset for a specified period of less than 12 months) at specified intervals at the Borrowers' option. While the Bonds are in Bank Purchase Mode, the Purchasers will treat the purchase of the Bonds as a tax-exempt commercial loan to the Borrowers. The current estimated par amount for the Series 2013B Bonds is also approximately $30.0 million. (It is presently contemplated that the Series 2013B will be strictly a Refunding issue – with proceeds refunding whatever is not refinanced with proceeds of the Series 2013A Bonds.)

The Series 2013B Bonds will not be rated while in Bank Purchase Mode.

Interest Rate: The Series 2013A Bonds will be sold in one or more fixed interest rates to be determined at pricing.

The interest rates on the bank purchased Series 2013B Bonds will be set for an initial term of 7 years (with provisions to enable the reset or remarketing determined prior to pre-closing).

Underlying Debt Rating: Standard & Poor's assigned a rating of "BBB" as of June 27, 2013. *S&P Ratings Services has not reviewed the rating since that date, and a current assessment could be different.*

Again, the Series 2013B Bonds will not be rated (while in Bank Purchase Mode).

Maturity: 35 Years (maximum parameter; anticipated final maturity date is 30 years after the date of issuance)

Estimated Closing Date: October/November 2013

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

The proceeds of the Bonds will be loaned to **Benedictine University**, an Illinois not for profit corporation ("**Benedictine**") and Founders Woods, Ltd., an Illinois not for profit corporation ("**Founders**", and together with Benedictine, collectively, the "**Borrowers**" and individually, a "**Borrower**"), and will be issued in one or more series with proceeds used to finance all or a portion of the costs related to (i) construction of a new academic building on the Borrowers' main campus located at 5700 College Road, Lisle, Illinois, (ii) refunding the following bonds: (a) County of DuPage, Illinois, Variable Rate Demand Revenue Bonds (Benedictine University Building Project) Series 1999 (the "**1999 Bonds**"), which 1999 Bonds financed the construction and equipping of a science building and library facility and certain other capital improvements to property at the Borrowers' main campus located at the address above, (b) Illinois Finance Authority (successor to Illinois Educational Facilities Authority) Variable Rate Demand Revenue Bonds, Founders Woods, Ltd. – Benedictine University Project, Series 2000 (the "**2000 Bonds**"), which 2000 Bonds financed, refinanced or reimbursed all or a portion of the costs of the acquisition, construction, renovation, improvement and equipping of new student housing facility at the Borrowers' main campus located at the address above, fund a debt service reserve fund for the benefit of the 2000 Bonds, pay certain of the fees incurred in connection with the credit enhancement of the 2000 Bonds and pay certain costs relating to the issuance of the 2000 Bonds, (c) Illinois Finance Authority Variable Rate Demand Revenue Bonds (Benedictine University Project), Series 2006 (the "**2006 Bonds**"), which 2006 Bonds financed and refinanced all or a portion of the costs of improvements to athletic facilities and certain other capital improvements located at the Borrowers' main campus at the address above, and (d) County of DuPage, Illinois, Educational Facility Revenue Bonds (Benedictine University Project) Recovery Zone –Series 2010A (the "**2010 Bonds**" and together with the 1999 Bonds, the 2000 Bonds and the 2006 Bonds, collectively the "**Refunded Bonds**"), which 2010 Bonds financed all or a portion of one or more of certain projects consisting of various capital improvements including the costs of substantial renovation of the Rice Athletic Center (including, without limitation, renovations to the Welcome Center, the Fitness Center, the Legends Center and Hall of Fame and the coaches and conference area), the acquisition of furniture and equipment for use therein, certain related site development expenditures and related capital expenditures on campus, located at the Borrowers' main campus at the address above, including capitalized interest, credit facility fees, and payment of certain costs of issuance with respect to the 2010 Bonds, (iii) capitalize a debt service reserve fund, if deemed necessary or desirable, and (iv) finance all or a portion of the costs of issuing the Bonds.

The total estimated development cost for the new academic building is approximately $40.0 million. An estimated $20.0 million to $23.5 million of development costs relating to the new building will be financed with Bond proceeds.

BUSINESS SUMMARY

Description: **Benedictine University** (the "**University**" or the "**Borrower**") was established in 1887 and is incorporated under State of Illinois law. The Borrower is a 501(c)(3) not-for-profit corporation exempt from federal income taxes under the Internal Revenue Code. The University is governed by a Board of Trustees (that is comprised of 30 trustees and 2 ex officio trustees currently - see Economic Disclosure Statement on pages 6-7).

The University is affiliated with **Founders Woods, Ltd.** ("**Founders**"), an Illinois not-for-profit corporation established to acquire and own a student housing facility that was developed and constructed with all or a portion of the proceeds of an IEFA Series 2000 bond issue on University land. The University has entered into a long-term land lease with Founders at an annual rent of $1, and has guaranteed payment of the IEFA Series 2000 Bond issue. A portion of the IFA Series 2013 Bonds are expected to be used to refund the outstanding IEFA Bonds issued on behalf of Founders. Certain members of the University's Board or Staff serve on Founders' Board.

Effective June 1, 2005, the University took over management of the Founders-owned housing facility as part of Benedictine's campus housing program. The University collects rents directly from the students and remits the rent to Founders Woods Ltd. Founders is governed by a 3-member Board of Directors (see Economic Disclosure Statement on page 7).

Background: Benedictine University dedicates itself to the education of undergraduate and graduate students from diverse ethnic, racial, and religious backgrounds. The University specializes in undergraduate liberal arts and graduate professional education guided by its Roman Catholic tradition and Benedictine heritage. The University relocated from Chicago to its present 108-acre main campus in Lisle in 1901. The campus is located approximately 25 miles west of the Chicago Loop.

The University has locations in Lisle (main campus), Naperville, IL, Springfield, IL, and Mesa, AZ as well as online and satellite campus offerings. The University's student body at its Lisle and Springfield campuses is primarily drawn from the Midwest. The University's Mesa, AZ campus opened in August 2013 with 100 students.

The University established an affiliation agreement with Springfield College in June 2010. Under this affiliation agreement, the University pays rent to the College for providing classroom and office space for the University's programs. The use of the Springfield College property is required to be consistent with the mission and identity of Springfield College as a not-for-profit Catholic institution of higher education. This affiliation agreement established the University's Springfield, Illinois campus (which is now known as Benedictine University at Springfield.

Benedictine University offers 54 undergraduate majors through its College of Science, College of Liberal Arts, College of Business and College of Education and Health Services. Newer offerings include undergraduate programs in Business Analytics, Clinical Life Science, Exercise and Sports Studies, Music Education and Theology. Adult programs are offered through the Moser College of Adult and Professional Studies. Master's degrees are offered in Accountancy, Business Administration, Clinical Exercise Physiology, Clinical Psychology, Education, Leadership, Management Information Systems, Management and Organizational Behavior, Nursing, Nutrition and Wellness, Public Health, and Science Content and Process.

The University also offers Ph.D. programs in Organization Development and Values-Driven Leadership, a D.B.A. program in Values-Driven Leadership, and an Ed.D. program in Higher Education and Organizational Change.

As of 9/26/2013, Benedictine's Lisle campus had approximately 4,361 FTE (Full Time Equivalent) students (3,303 undergraduate and 1,058 graduate students). The student body represents all 50 states and 17 foreign countries. The University has approximately 166 full-time faculty, 6 part-time faculty, and 448 part-time adjunct faculty (i.e., 620 total faculty).

Benedictine established its Mesa, AZ campus after being approached by the City of Mesa to respond to a "Request for Information" for the purpose of seeking an established university to bring higher education to the City of Mesa. Market research by Mesa's Office of Economic Development concluded that there was an underserved population of traditional and adult students desiring an established liberal arts institution that was faith-based. In January 2012, Benedictine University was named the lead higher education institution for the City of Mesa. Benedictine is the only Catholic university in the State of Arizona. Benedictine currently leases its classroom space in Mesa.

In 2012, The Chronicle of Higher Education ranked Benedictine as the No. 1 fastest-growing campus in the country among private nonprofit research universities from 2000 to 2010. *Forbes* magazine named Benedictine among the top 20 percent of America's colleges for 2011. *StateUniversity.com* ranks Benedictine University as the 34th safest campus in the United States – and the safest four-year school in Illinois. Benedictine University's Master of Business Administration (M.B.A.) program is listed by *Crain's Chicago Business* as the fourth largest in the Chicago area in 2011.

Accreditations: Benedictine University is accredited by the Higher Learning Commission and is a member of the North Central Association; the Illinois State Board of Education, Teacher Certification Section; the Commission on Accreditation for Dietetics Education of the American Dietetic Association; the Commission on Collegiate Nursing Education and is approved by the Illinois Board of Higher Education. Benedictine University is approved by the American Chemical Society to award ACS certified B.S. degrees in chemistry and biochemistry.

The undergraduate Didactic Program in Dietetics (DPD) and graduate Dietetic Internship program are accredited by the Commission on Accreditation for Dietetics Education of the American Dietetic Association.

ECONOMIC DISCLOSURE STATEMENT

Applicants:	Benedictine University and Founders Woods, Ltd., c/o Benedictine University, 5700 College Road, Lisle, IL 60532
Contact:	Allen Gozum, Vice President of Finance, Benedictine University (and Treasurer for Founders Woods, Ltd.); (T): 630-829-6418; E-mail: agozum@ben.edu
Website:	http://www.ben.edu/
Location:	5700 College Road, Lisle (DuPage County), IL 60532
Project name:	IFA 501(c)(3) Revenue Bonds (Benedictine University Project) Series 2013
Organizations:	Both Benedictine and Founders are Illinois not-for-profit corporations. Each is considered a 501(c)(3) corporation.
Board of Directors:	Governance for both (i) Benedictine University and (ii) Founders Woods, Ltd. is described below:

The Benedictine University Board of Directors and Advisory Board provide guidance and oversee fulfillment of the University's educational mission and is comprised of the following members:

Benedictine University Board of Trustees:

Trustee	Year Elected	Year Term Expires	Principal Business Affiliation
Abbot Hugh Anderson, O.S.B.	1985	2015	American Cassinese Congregation, President
James H. Beatty	1991	2015	Merrill Lynch, Former Vice President; Retired
Michael J. Birck	1988	2015	Women's Health Care, Former Head Nurse; Retired
Mack C. Gaston	1997	2015	US Navy, Former Rear Admiral; Retired
Paul R. Gauvreau	1997	2015	Pittway Corporation, Former Financial VP and CFO; Retired
Daniel L. Goodwin	1991	2015	The Inland Real Estate Group of Companies Inc., CEO
Carolyn Graham	2009	2015	Diocese of Springfield, Bishop's Special Panel on Priestly Misconduct
Br. Charles Hilava, O.S.B.	1994	2015	Benet Academy, Former Assistant Principal; Retired
Robert E. King	2006	2015	Rasmussen College Inc., Chairman
Arthur S. Littlefield	2006	2015	Financial Strategies and Solutions Group, Founder and Managing Director
Loenard S. Piazza, M.D.	2006	2015	Naperville Ear, Nose, and Throat Associates, President
Roberto Ramirez	2006	2015	Tidy International Inc., Founder
Peter J. Wrenn	2000	2015	Hudson Screw Machine Products Company, President
Maureen Beal	2003	2016	Northwestern University, Associate
Paul J. Lehman	1986	2016	Macom Corporation, President
Daniel F. Rigby	2001	2016	Human Resource Management Systems LLC, Founder and President
Michael S. Siurek	2007	2016	ROC Inc., President
Charles A. Thurston	2001	2016	Nicor Gas, Former VP of Regulatory and Governmental Affairs; Retired
Norman Beles	2011	2017	Central DuPage Health System, Executive Vice President
John P. Calamos	2002	2017	Calamos Investment Management, Chairman and CEO
Claudia J. Colalillo	2008	2017	Nicor Inc., Senior VP of Corporate Communications and HR
Katherine A. Donofrio	2003	2017	Integrys Business Support LLC, Former Senior VP; Retired
Greg Elliot	2011	2017	Navistar Inc., Senior Vice President for HR and Administration
Willis M. Gillet	1991	2017	First DuPage Bank, Chairman of the Board; Retired
Judith Ann Heble, O.S.B.	1995	2017	Conference of American Benedictine Prioresses, President
James L. Melsa	2008	2017	College of Engineering at Iowa State University, Dean Emeritus
Tasneem A. Osmani	2008	2017	Northern Trust Company, Vice President and Project Manager
Daniel M. Romano	2003	2017	Romano Brothers, Executive Vice President
Rosemary Macko Wisnosky	1993	2017	Wizdom Systems, President
Rev. Edward J. Kucera O.S.B.			

Ex Officio

Abbot Austin G. Murphy, O.S.B.	St. Procopius Abbey, Abbot
William J. Carroll	Benedictine University, President

Officers of the Board
Willis M. Gillet
Chair
Daniel L. Goodwin
Vice-Chair
Allan Gozum
Treasurer
Abbot Hugh Anderson, O.S.B.
Secretary

The Founder Woods, Ltd. Board of Directors owns an on-campus student housing facility located at Benedictine's Lisle campus (which has been managed by the University since 2005):

Founders Woods, Ltd. – Board of Directors (2013-2014)

Willis Gillett, President

Dr. William J. Carroll, Secretary

Daniel L. Goodwin, Treasurer

PROFESSIONAL & FINANCIAL

Borrowers' Counsel:	Cahill Law Office	Chicago, IL	Kevin Cahill
Auditor:	Wolf & Company LLP	Oakbrook Terrace, IL	
Bond Counsel:	Ice Miller LLP	Chicago, IL	James Snyder

Series 2013A Bonds - $30.0 million (comprised of New Money and Refunding Bonds):

Underwriter:	George K. Baum & Company	Pittsburgh, PA	Jason Appelt
Underwriter's Counsel:	Ballard Spahr Andrews & Ingersoll	Philadelphia, PA	Barbara Beckman
Trustee:	US Bank, N.A.	Chicago, IL	Grace Gorka

Series 2013B Bonds - $30.0 million (Refunding Bonds only):

Banks/Purchasers:	RBS Citizens, N.A. (Charter One)	Chicago, IL	
	First Midwest Bank, N.A.	Itasca, IL	
Bank Counsel:	Dentons	Chicago, IL	Mary Wilson
IFA Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck

LEGISLATIVE DISTRICTS

Congressional:	6
State Senate:	21
State House:	42

ILLINOIS FINANCE AUTHORITY

CONDUIT

October 8, 2013

$45,000,000
Washington and Jane Smith Community – Orland Park, d/b/a Smith Crossing

REQUEST	**Purpose**: The proceeds will be used by **Washington and Jane Smith Community – Orland Park, d/b/a Smith Crossing** (the "**Corporation**" or the "**Borrower**") to (i) refund Illinois Health Facilities Authority ("**IHFA**") Series 2003A and Series 2003B-2 Bonds, (ii) repay Smith Crossing's construction loan, the proceeds of which were used to fund an expansion project including, but not limited to the construction of 30 new assisted living units, the conversion of 16 existing memory support assisted living units to memory support skilled nursing units and the construction of 76 new independent living units, (iii) fund a debt service reserve fund and (iv) pay for a portion of the costs of issuance. **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	Final Bond Resolution Preliminary Bond Resolution approved 6/11/2013 Yeas: 9; Nays: 0; Abstentions: 0; Absent 5 (Barclay, Leonard, Parish, Poole, Zeller); Vacancy:1
MATERIAL CHANGES	This project was first presented to the Board on June 11, 2013 as a fixed rate public offering. The Borrower has since received a joint proposal from two banks to finance the project and thus decided to enter into a private placement with the banks.
JOB DATA	189 Current jobs; 46 New jobs 189 Retained jobs; 83 Construction jobs
DESCRIPTION	● Location (Orland Park/Will County/Northeast Region) ● Smith Crossing is located in Orland Park, a suburb approximately 15 miles southwest of Chicago, and operates a continuing care retirement community consisting of 173 independent living units, 46 traditional assisted living units, 16 memory care assisted living units, and 46 skilled nursing beds.
SECURITY	● The Bonds will be secured by a revenue pledge and a mortgage
CREDIT INDICATORS	● The plan of finance contemplates the issuance of non-rated bonds purchased directly by FirstMerit Bank and First Midwest Bank
MATURITY	● Bonds will mature no later than 2039

SOURCES AND USES

Sources:		Uses:	
IFA Bonds	$40,000,000	Refunding of Series 2003A&B-2 Bonds	$22,848,807
Transfers from Series 2003 A&B-2 Debt Service Reserve Funds	2,412,655	Repayment of Construction Loan	19,962,415
Transfers from Series 2003 A&B-2 Principal and Interest Funds	1,983,275	Deposit to Pay Smith Senior Living Advance to Smith Crossing	944,708
		Costs of Issuance	640,000
Total	**$44,395,930**	**Total**	**$44,395,930**

RECOMMENDATION Credit Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
October 8, 2013

Project: Washington and Jane Smith Community – Orland Park, d/b/a Smith Crossing

STATISTICS

Project Number:	H-SL-TE-CD-8630	Amount:	$45,000,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
Location:	Orland Park	County/ Region:	Will County/Northeast

BOARD ACTION

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

VOTING RECORD

Preliminary Bond Resolution approved 6/11/2013
Yeas: 9; Nays: 0; Abstentions: 0; Absent 5 (Barclay, Leonard, Parish, Poole, Zeller); Vacancy: 1

PURPOSE

The proceeds will be used by **Washington and Jane Smith Community – Orland Park, d/b/a Smith Crossing** (the "**Corporation**" or the "**Borrower**") to (i) refund Illinois Health Facilities Authority ("**IHFA**") Series 2003A and Series 2003B-2 Bonds, (ii) repay Smith Crossing's construction loan, the proceeds of which were used to fund an expansion project including, but not limited to the construction of 30 new assisted living units, the conversion of 16 existing memory support assisted living units to memory support skilled nursing units and the construction of 76 new independent living units, (iii) fund a debt service reserve fund and (iv) pay for a portion of the costs of issuance.

Proceeds from the construction loan were used to fund an expansion project which consisted of the construction of 30 new assisted living units, the conversion of 16 of the existing memory support assisted living units to memory support skilled nursing units, and the construction of 76 new independent living apartments.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Bonds	$40,000,000	Refunding of Series 2003A&B-2 IHFA Bonds	$22,848,807
Transfers from Series 2003 A&B-2 DSRFs	2,412,655	Repayment of Construction Loan	19,962,415
Transfers from Series 2003 A&B-2 P&I Funds	1,983,275	Deposit to pay Smith Senior Living Advance to Smith Crossing	944,708
		Costs of Issuance	640,000
Total	**$44,395,930**	**Total**	**$44,395,930**

JOBS

Current employment:	189	New jobs:	46
Jobs retained:	189	Construction jobs:	83

FINANCING SUMMARY

Credit Enhancement:	None
Structure:	The plan of finance contemplates the issuance of non-rated bonds purchased directly by two banks.
Interest Rate:	To be determined on the day of pricing
Interest Rate Modes:	Floating to Fixed Rate Derivative Swap
Underlying Ratings:	None
Maturity:	No later than 2039
Estimated Closing Date:	October 31, 2013

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

The proceeds will be used by **Washington and Jane Smith Community – Orland Park, d/b/a/ Smith Crossing** (the "**Corporation**" or the "**Borrower**") to (i) pay or reimburse the Borrower for, or refinance certain indebtedness the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain "projects" (as such term is defined in the Act) for the Borrower's senior living community located in Orland Park, Illinois; (ii) refund all or a portion of the $20,110,000 Illinois Health Facilities Authority Revenue Bonds, Series 2003A (Smith Crossing Project) (the "***Series 2003A Bonds***"); (iii) refund all or a portion of the $4,250,000 Illinois Health Facilities Authority Revenue Bonds, Series 2003B-2 (Smith Crossing Project) Extendable Rate Adjustable Securities (EXTRAS[SM]) (the "***Series 2003B-2 Bonds***" and, together with the Series 2003A Bonds, the "***Prior Bonds***"); (iv) refinance all or a portion of a construction loan, the proceeds of which were used by the Borrower for the payment of the costs of the acquisition, construction, renovation, remodeling and equipping of approximately 76 independent living units and 30 assisted living units, the conversion of approximately 16 assisted living units to skilled nursing units and the renovation, remodeling and equipping of certain other portions of the Borrower's existing campus, all located in Orland Park, Illinois (the "Construction Loan"); (v) provide working capital to the Borrower, if deemed necessary or advisable by the Authority or the Borrower; (vi) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the Borrower; (vii) fund a debt service reserve fund, if deemed necessary or advisable by the Authority or the Borrower; and (viii) pay certain expenses incurred in connection with the issuance of the Bonds, the refunding of the Prior Bonds and the refinancing of the Construction Loan, all as permitted by the Act (collectively, the "***Financing Purposes***").

BUSINESS SUMMARY

Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing, is an Illinois not-for-profit corporation. Smith Crossing is located in Orland Park, a suburb approximately 15 miles southwest of Chicago, and operates a continuing care retirement community consisting of 173 independent living units, 46 traditional assisted living units, 16 memory care assisted living units, and 46 skilled nursing beds.

Smith Crossing's related corporate parent and operating organizations ("Affiliates") include Washington and Jane Smith Home d/b/a Smith Senior Living, Washington and Jane Smith Community – Beverly d/b/a Smith Village, and Smith Cares LLC. Smith Senior Living is the sole member of Smith Cares, which provides nursing services to residents of Smith Village and Smith Crossing.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Smith Crossing
Site Address:	Smith Crossing 10501 Emilie Lane Orland Park, IL 60467
Contact:	Raymond Marneris Chief Financial Officer Smith Senior Living 2320 W. 113th Place, Suite 1330 Chicago, IL 606043 773-474-7350 rmarneris@smithseniorliving.org
Website:	www.smithcrossing.org
Project name:	Smith Crossing
Organization:	501(c)(3) Not-for-Profit Corporation
State:	Illinois

Board Members (501(c)(3)):
Andrew Anello, President
Thomas Chomicz, Vice Chair
Robert Berghoff
George Petraitis
Anne Schaible
Kay Thurn

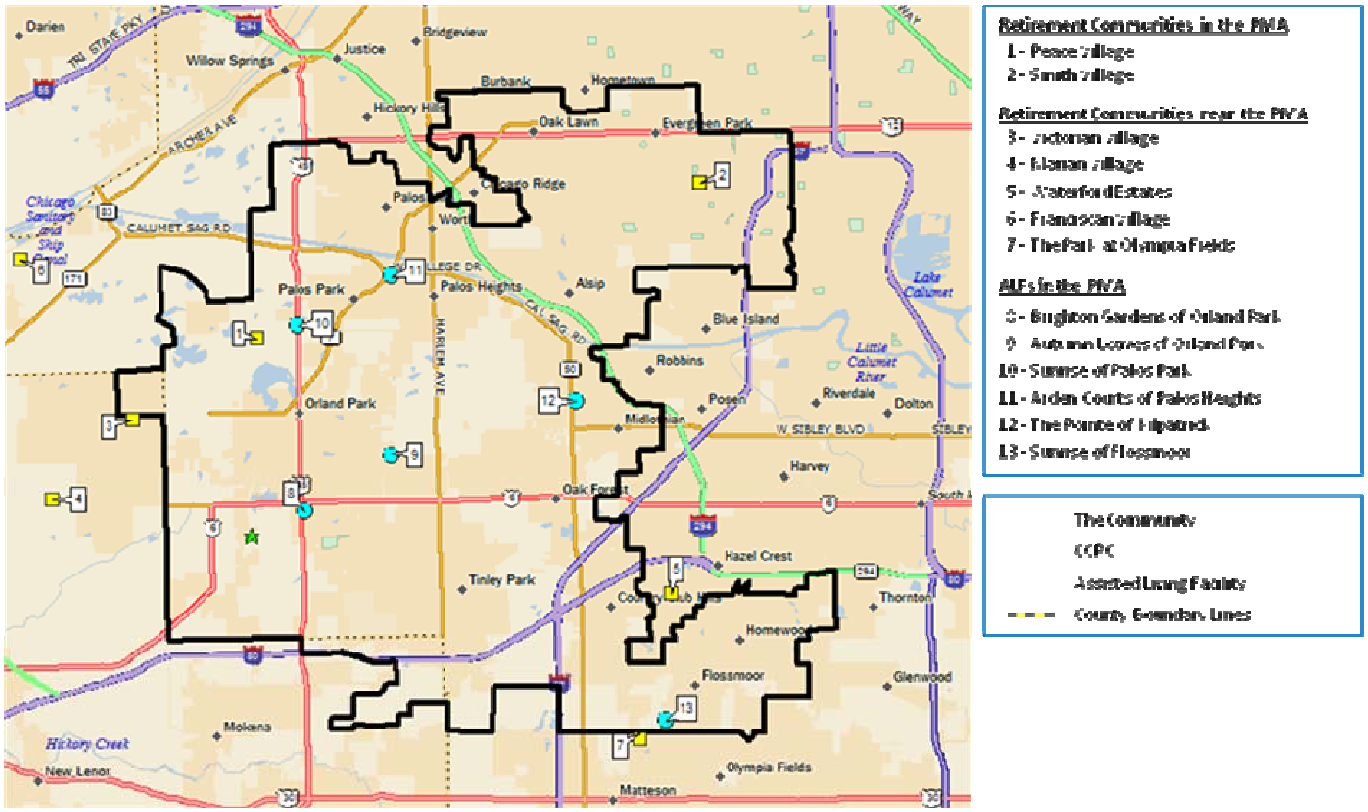
PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Quarles & Brady	Chicago	Maggie Utterbeck
Bond Counsel	Jones Day	Chicago	John Bibby
Auditor:	CliftonLarsonAllen LLP	Chicago	Jim Thomas
Financial Advisor:	Starshak Winzenburg	Chicago	Joe Starshak
Banks:	FirstMerit Bank	Chicago	Tim Fossa
	First Midwest Bank	Chicago	Mike Taylor
Bank Counsel:	Foley & Lardner LLP	Chicago	Ed Hammond
Bond Trustee:	Wells Fargo	Chicago	Sara Bergthold
IFA Counsel:	Schiff Hardin LLP	Chicago	Bruce Weisenthal
IFA's Financial Advisor:	Acacia Financial Group	Chicago	Jim Beck

LEGISLATIVE DISTRICTS

Congressional: 1
State Senate: 19
State House: 37

SERVICE AREA



CONDUIT

$7,000,000
Westminster Village, Inc.

October 8, 2013

REQUEST	**Purpose**: Bond proceeds will be used by **Westminster Village, Inc. (**the **"Corporation"** or the "**Borrower")** to (i) pay or reimburse the costs of acquiring, constructing, renovating, remodeling and equipping the Corporation's existing facilities located at 2025 East Lincoln Street in Bloomington, Illinois (collectively, the "**Project**"), and (ii) pay certain costs related to the issuance of the Bonds, all as permitted by the Act (collectively, the "**Financing Purposes**"). **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	Final Bond Resolution (*one-time consideration*)
MATERIAL CHANGES	None. This is the first time this project has been presented to the IFA Board of Directors.
JOB DATA	140 Current jobs (FTEs) — 0 New jobs projected N/A Retained job — 15 Construction jobs projected (FTEs – 9 mo) Employed by Contractor
DESCRIPTION	● Locations: Bloomington/ McLean County/Central Illinois ● Westminster Village, Inc. is a not-for-profit corporation which owns and operates a continuing care retirement community in Bloomington, Illinois. Westminster Village Inc. offers the full continuum of care through its residential programs and health care facilities. It is the mission of Westminster Village, Inc. to meet the comfort, respect and service needs of our residents. ● The Westminster Village campus includes 22 townhouses, 181 independent living apartments, 49 assisted living apartments and 78 skilled care beds. Bond proceeds will be used to supply consistent effective and efficient HVAC and energy improvements for these areas.
SECURITY	● The Bonds will be secured by a mortgage and revenue pledge
STRUCTURE	● The plan of finance contemplates the issuance of indexed/putable bonds directly purchased by Clayton Holdings, LLC, a wholly owned subsidiary of Commerce Bank.
SOURCES AND USES	See table below
RECOMMENDATION	Credit Review Committee recommends approval.

SOURCES AND USES

Sources:		**Uses:**	
IFA Bonds	$7,000,000	Project Costs	$6,889,000
		Costs of Issuance	111,000
Total	**$7,000,000**	**Total**	**$7,000,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
October 8, 2013

Project: Westminster Village, Inc.

STATISTICS

Project Number:	H-SL-TE-CD-8649	Amount:	$7,000,000(Not-to-Exceed)
Type:	501(c)(3) Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
City:	Bloomington	County/Region:	McLean/Central

BOARD ACTION

Final Bond Resolution (*one-time consideration*)
Conduit 501(c)(3) Bonds
Credit Review Committee recommends approval

No IFA Funds at Risk
No Extraordinary Conditions

VOTING RECORD

This is the first time this project is being presented to the IFA Board of Directors.

PURPOSE

Bond proceeds will be used by **Westminster Village, Inc.** (the **"Corporation"** or the "**Borrower")** to: pay or reimburse the Borrower for the payment of the costs of acquiring, constructing, renovating and equipping the Borrower's continuing care retirement community, including but not limited to the cost of HVAC and Energy Upgrades. The infrastructure project includes but is not limited to converting the existing HVAC system to GeoThermal, construction of geothermal well field, adding automated control of HVAC, converting ventilation hoods for energy conservation, lighting changes internal and external to increase efficiency and effectiveness, and addition of water heaters to be fed by geothermal system all located on the Borrower's existing campus in Bloomington, Illinois.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

JOBS

Current employment: 140 FTEs

Projected new jobs: 0
Construction jobs: 15 (FTEs – 9mo and employed by contractor)

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		**Uses:**	
IFA Bonds	$7,000,000	Project Costs	$6,764,921
		Cost of Issuance	111,000
Total	**$7,000,000**	**Total**	**$7,000,000**

FINANCING SUMMARY

Security:	The Bonds will be secured by a mortgage and revenue pledge.
Structure:	The current plan of finance anticipates the issuance of bonds purchased directly by Clayton Holdings, LLC, a wholly owned subsidiary of Commerce Bank
Interest Rate:	To be determined the day of pricing depending upon market conditions
Interest Mode:	Indexed Rate fixed for 10 years (the 10-year Swap Index at time of closing plus the Applicable Spread, adjusting every 10 years to the then-current 10-year Swap Index plus the Applicable Spread).
Credit Enhancement:	None
Maturity:	2033
Rating:	None
Estimated Closing Date:	October, 2013

PROJECT SUMMARY

Bond proceeds will be used by **Westminster Village, Inc. (**the **"Corporation"** or the "**Borrower")** to (i) pay or reimburse the costs of acquiring, constructing, renovating, remodeling and equipping the Corporation's existing facilities located at 2025 East Lincoln Street in Bloomington, Illinois (collectively, the "**Project**"), and (ii) pay certain costs related to the issuance of the Bonds, all as permitted by the Act (collectively, the "**Financing Purposes**").

BUSINESS SUMMARY

Westminster Village, Inc. is a not-for-profit corporation which owns and operates a continuing care retirement community in Bloomington, Illinois. Westminster Village Inc. offers the full continuum of care through its residential programs and health care facilities. It is the mission of Westminster Village, Inc. to meet the comfort, respect and service needs of our residents.

The Westminster Village campus includes 22 townhouses, 181 independent living apartments, 49 assisted living apartments and 78 skilled care beds. Bond proceeds will be used to supply consistent effective and efficient HVAC and energy improvements for these areas.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Westminster Village, Inc.
Location:	2025 E. Lincoln St Bloomington, IL 61704
Contact:	Barbara Nathan Executive Director Westminster Village Inc. 2025 E. Lincoln St. Bloomington IL 61704 309-663-6474 bnathan@westminstervillageinc.com
Website:	www.westminstervillageinc.com
Project name:	Westminster Village, Inc.
Organization:	501(c)(3) Not-for-Profit Corporation
State:	Illinois
Board of Directors:	

Member	Occupation
Lora Wey, President	Development Professional, IL State U
Jay Reece, Vice- President	Attorney, Mueller & Reece, LLC
Jim Larson, Treasurer	
Jim Broach, Secretary	Administrative Service Leader, (Retired) State Farm Insurance
Janella Cooley, Immed. Past President	Community Leader/Volunteer
Fred Drake, Director	President, Heartland Bank and Trust Co.
John Gordon, Director	Investments (Retired) State Farm Insurance
Roger Hunt, Director	President, (Retired) Advocate Bromenn
Susan Hurliman, Director	Teacher (Retired) Bloomington District 87
Steve Lehmann, Director	Principle, Pinnacle Actuaries
John McIntyre, Director	Teacher (Retired) Central Catholic High School, Member McLean County Board
Mary Schmidt, Director	Vice President, Human Resources, State Farm Insurance
Dr. Pat Wilson, Director	Education Administration, (Retired) U of Illinois

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Miller, Hall & Triggs	Peoria, IL	Richard M. Joseph
Bond Counsel:	Gilmore & Bell	St Louis, MO	Sean Flynn
Bank:	Commerce Bank	Columbia, MO	Michael Hartmann
Bank Counsel:	Stinson Morrison Hecker LLP	Kansas City	Don Kirkpatrick
Bond Purchaser:	Clayton Holdings		
IFA Financial Advisor:	Public Financial Management, Inc.	Chicago, IL	Shannon Williams
Issuer's Counsel:	Peck Shaffer	Chicago	Tom Smith

LEGISLATIVE DISTRICTS

Congressional:	18
State Senate:	44
State House:	88

SERVICE AREA

Westminster Village Inc. has historically drawn its residents from a primary market area of Bloomington Normal located in McLean County Illinois (78%). Residents relocating from McLean County account for 82% of the residents. Seven percent come from the counties surrounding McLean County, 6% from elsewhere in the State of Illinois and 5% from out of state.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: October 8, 2013

Re: Resolution Providing for the Issuance of Not-To-Exceed $15,000,000 Principal Amount Illinois Finance Authority Revenue Refunding Bond, Series 2013 (Elim Christian Services); 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: N-NP-TE-CD-7155
IFA Series 2013 File Number: N-NP-TE-CD-8647

Request:
Elim Christian Services (the "**Borrower**"), an Illinois not for profit corporation, and **Fifth Third Bank**, a wholly owned bank subsidiary of Fifth Third Bancorp, an Ohio corporation whose principal office is located in Cincinnati, Ohio (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 all of the outstanding Illinois Finance Authority ("**IFA**") Adjustable Rate Demand Revenue Bonds, Series 2007 (Elim Christian Services) (the "**Series 2007 Bonds**") by issuing a Bond in an amount not to exceed $15,000,000 in aggregate principal amount (the "**Series 2013 Bond**").

The Series 2007 Bonds are currently secured by a Direct Pay Letter of Credit from JPMorgan Chase Bank, N.A.; the Series 2013 Bond will be directly purchased by Fifth Third Bank, which is a wholly owned subsidiary of Fifth Third Bancorp.

The original par amount of the Series 2007 Bonds was approximately $15,000,000. The outstanding par amount of the Series 2007 Bonds was $14,400,000 as of October 1, 2013. This transaction will be considered a refunding for tax purposes. IFA's estimated administrative fee will be $20,000.

Background:
The proceeds of the Series 2007 Bonds, together with other available funds of the Borrower, were used for the construction, improvement, renovation and equipping of the Borrower's facilities in Palos Heights, Illinois, including improvements to the Autism Comprehensive Education Center, the Main School and, the Adult Services Building. In addition, at the Borrower's campus in Orland Park, Illinois, the Borrower acquired an existing building and substantially renovated the same to provide adult services.

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

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Fox, Swibel, Levin & Carroll LLP	Chicago, IL	Dale Tauke, Ryan Schultz
Bond Counsel:	Chapman & Cutler LLP	Chicago, IL	Chris Walrath
Bond Purchaser/Bank:	Fifth Third Bank	Chicago, IL	Lucy Czyz
Bank/Purchaser's Counsel:	Chapman & Cutler LLP	Chicago, IL	Carol Thompson
Exiting LOC Bank:	JPMorgan Chase Bank, N.A.	New York, NY	
Exiting Remarketing Agent:	J.P. Morgan Securities, LLC	New York, NY	
Exiting Trustee:	The Bank of New York Mellon Trust Company, N.A.	Chicago, IL	Merci Stahl
IFA Counsel:	Ice Miller LLP	Chicago, IL	Jim Snyder, Steven Washington
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck

RESOLUTION NO. 2013-1008-AD__

A RESOLUTION PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED $15,000,000 PRINCIPAL AMOUNT ILLINOIS FINANCE AUTHORITY REVENUE REFUNDING BOND, SERIES 2013 (ELIM CHRISTIAN SERVICES); 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, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the "Authority"), including without limitation the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. (as supplemented and amended, the "Act"), is authorized by the laws of the State of Illinois, including without limitation, the Act, to issue its revenue bonds 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, the Authority has heretofore issued its Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Series 2007 (Elim Christian Services Project) (the "Series 2007 Bonds") in the original aggregate principal amount of $15,000,000, $14,400,000 of which remain outstanding; and

WHEREAS, the proceeds from the sale of the Series 2007 Bonds were used to (a) finance, refinance or reimburse Elim Christian Services, an Illinois not for profit corporation (the "Corporation"), for all or a portion of the costs of the acquisition, construction, improvement, renovation and/or equipping of its Palos Heights, Illinois, campus, including the Autism Comprehensive Education Center, Main School and Adult Services Building as well as its Orland Park facilities, including the Adult Services Building, (b) refinance a bank line of credit utilized to finance the various capital improvements referred to above, (c) pay capitalized interest on the Series 2007 Bonds, and (d) pay all or a portion of the costs of issuance of the Series 2007 Bonds, including but not limited to fees for credit enhancement for the Series 2007 Bonds, all as permitted by the Act; and

WHEREAS, the Corporation has requested that the Authority issue its Revenue Refunding Bond, Series 2013 (Elim Christian Services) in a principal amount not to exceed $15,000,000 (the "Series 2013 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 Fifth Third Bank (the "Purchaser"), pursuant to which the Purchaser will purchase the Series 2013 Bond from the Authority; and

WHEREAS, the Corporation will apply the proceeds from the sale of the Series 2013 Bond to (a) the refunding and redemption of the Series 2007 Bonds (the "Series 2007 Refunding") and (b) pay all or a portion of the costs of issuance of the Series 2013 Bond; and

WHEREAS, in furtherance of the purposes set forth in the Act, the Authority wishes to issue the Series 2013 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 Series 2007 Refunding and to pay all or a portion of the costs of issuance of the Series 2013 Bond; and

WHEREAS, the Series 2013 Bond 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 Series 2013 Bond 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 Series 2013 Bond 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 Series 2013 Bond; and

WHEREAS, in connection therewith, the Corporation and the Purchaser will execute and deliver a Continuing 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 Series 2013 Bond, it is now necessary and proper to authorize the execution and delivery of the Bond and Loan Agreement and a Tax Exemption Certificate and Agreement (the "Tax Agreement" and, collectively with the Bond and Loan Agreement, the "Authority Documents") between the Authority and the Corporation; 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 Series 2013 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 Series 2013 Bond and the use of the proceeds from the sale thereof to carry out the Series 2007 Refunding and to pay all or a portion of the costs of issuance of the Series 2013 Bond 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. *Series 2013 Bond*. That, in order to provide funds to carry out the Series 2007 Refunding and to pay all or a portion of the costs of issuance of the Series 2013 Bond, the Authority hereby authorizes and approves the issuance of the Series 2013 Bond in a principal amount not to exceed $15,000,000, to be designated the "Illinois Finance Authority Revenue Refunding Bond, Series 2013 (Elim Christian Services)"; that the form of Series 2013 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 Series 2013 Bond shall be executed in the name, for and on behalf of the Authority with the manual or facsimile signature of its Chairman or Vice Chairman (and for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis) and attested with the manual or facsimile signature of its Secretary or any Assistant Secretary and the seal of the Authority shall be impressed or imprinted thereon; that the Chairman, the Vice Chairman or any other officer of the Authority shall cause the Series 2013 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 Series 2013 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 Series 2013 Bond; *provided* that the Series 2013 Bond shall initially bear interest at a fixed interest rate established pursuant to the Bond and Loan Agreement (with an initial fixed rate of interest for the initial interest rate period commencing on the date of issuance of the Bond of not to exceed 5%, subject to adjustment as provided for in the Bond and Loan Agreement), shall be payable over a term not exceeding forty (40) years from its date of issuance and shall be privately placed with the Purchaser.

The interest rate on the Series 2013 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 Chairman, Vice Chairman or 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 (each, an "Authorized Officer") to make a final determination as to the principal amount, initial interest rate, maturity, uses of proceeds, mandatory sinking fund redemption dates and amounts (if any), 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 Series 2013 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 Series 2013 Bond.

The Series 2013 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 Series 2013 Bond and the interest thereon shall never constitute a general obligation or commitment by the Authority to expend any of its funds other than (i) the proceeds from the sale of the Series 2013 Bond, (ii) the income and revenues derived by the Authority pursuant to the Bond and Loan Agreement (except pursuant to Unassigned Rights), (iii) other amounts available under the Bond and Loan Agreement and (iv) 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 Series 2013 Bond to the Corporation and the use of such proceeds to carry out the Series 2007 Refunding and to pay all or a portion of the costs of issuance of the Series 2013 Bond, in the manner and with the effect therein provided; that the Bond and Loan Agreement shall be in substantially the same form previously provided to and on file with the Authority and hereby approved, or with such changes therein 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 such form of the Bond and Loan Agreement; 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; by counsel for the Corporation and by counsel to 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 the counsel to the Authority; and that the execution and delivery of the Bond and Loan Agreement shall constitute conclusive evidence of the approval of the counsel to the Authority and the approval of the Authority of the final form thereof.

Section 7. Other Documents. That the Authorized Officers and any other officer of the Authority be, and each of them hereby is, authorized to (i) 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, (ii) approve the execution and delivery of such other documents, certificates and undertakings of other parties, including, without limitation, the Corporation and the Purchaser, and (iii) take such other actions as may be necessary or required in connection with carrying out and complying with this Resolution, the issuance and sale of the Series 2013 Bond and the Series 2007 Refunding and/or the execution, delivery and performance of the Authority Documents, the Covenant Agreement and such other documents, certificates and undertakings, 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 8. Private Placement; Investment Letter; Restrictions on Transfers. That the Authority hereby authorizes the issuance and sale of the Series 2013 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 the form approved by counsel to the Authority) stating, among other things, that the Purchaser is either an "accredited investor" within the meaning of Regulation D, 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 counsel to the Authority shall reasonably determine are necessary or advisable, on the transfer of the Series 2013 Bond by the Purchaser or by any accredited investor or qualified institutional buyer to which the Purchaser transfers the Series 2013 Bond.

Section 9. *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 Bond Program Handbook), except as expressly approved by counsel to the Authority or 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 10. *Public Hearing.* That the Authority is not required to hold a Public Hearing since the Bond will satisfy the exception set forth in Section 147(f)(2)(D) of the Code.

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.

Section 14. *Effective Date*. That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

APPROVED this 8th day of October, 2013.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Pam Lenane & Nora O'Brien

Date: October 8, 2013

Re: Resolution Authorizing the Issuance of Not-To-Exceed $140,000,000 in Aggregate Principal Amount of Illinois Finance Authority Taxable Revenue Bonds, Series 2013 (Elmhurst Memorial Healthcare), the Proceeds of Which are to be Loaned to Elmhurst Memorial Healthcare

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Elmhurst Memorial Healthcare ("**EMH**") and **Elmhurst Memorial Hospital** (the "**Hospital**") are requesting the approval of a resolution authorizing the issuance of Illinois Finance Authority Taxable Revenue Bonds, Series 2013 (**Elmhurst Memorial Healthcare**) to effectuate the refunding of all of the outstanding Illinois Health Facilities Authority ("**IHFA**") Revenue Refunding Bonds, Series 2002 Bonds (Elmhurst Memorial Healthcare) (the "**Series 2002 Bonds**") by issuing two series of taxable revenue bonds in an amount not to exceed $140,000,000 in aggregate principal amount (the "**Series 2013 Bonds**").

The Series 2013 Bonds will be issued as taxable bonds because the Series 2002 Bonds financed or refinanced the Hospital's Berteau campus facility. In 2011, the Hospital relocated to its new facility and therefore the assets originally financed with the proceeds of the Series 2002 Bonds no longer have a useful life and are not eligible for tax exempt financing. The Series 2013 Bonds will be marketed by Bank of America Merrill Lynch ("Merrill"). EMH is requesting the issuance of Illinois Finance Authority Taxable Bonds because Merrill's trading desk has indicated that EMH will realize a five (5) to ten (10) basis point interest savings by issuing through the Authority.

The original par amount of the Series 2002 Bonds was approximately $141,540,000. IFA's estimated administrative fee will be $46,000.

PROFESSIONAL & FINANCIAL

Borrower Counsel:	Tim Lawler	Hinsdale, IL	Tim Lawler
Bond Counsel:	Jones Day	Chicago, IL	Mike Mitchell
Underwriter:	Bank of America Merrill Lynch	Chicago, IL	Jeff Sarbach
Underwriter's Counsel:	Dentons	Chicago, IL	Mary Wilson
Bond Trustee:	TBD	Chicago, IL	
IFA Financial Advisor:	The PFM Group	Chicago, IL	Shannon Williams

RESOLUTION 2013-1008-AD09

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $140,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF ILLINOIS FINANCE AUTHORITY TAXABLE REVENUE BONDS, SERIES 2013 (ELMHURST MEMORIAL HEALTHCARE), THE PROCEEDS OF WHICH ARE TO BE LOANED TO ELMHURST MEMORIAL HEALTHCARE.

WHEREAS, the **ILLINOIS FINANCE AUTHORITY** (the "*Authority*") has been created by the Illinois Finance Authority Act, 20 ILCS 3501-801-1, et. seq., as amended (the "*Act*"); and

WHEREAS, **ELMHURST MEMORIAL HEALTHCARE** ("*EMH*") and **ELMHURST MEMORIAL HOSPITAL** (the "*Hospital*"), each an Illinois not for profit corporation, have requested that the Authority issue not to exceed $140,000,000 (excluding original issue discount or premium, if any) in aggregate principal amount of taxable revenue bonds consisting of (i) one or more series of Taxable Revenue Refunding Bonds, Series 2013A (Elmhurst Memorial Healthcare) bearing interest at fixed rates (the "*Fixed Rate Bonds*") and (ii) one or more series of Taxable Variable Rate Revenue Refunding Bonds, Series 2013B (Elmhurst Memorial Healthcare) bearing interest at variable rates (the "*Variable Rate Bonds*" and, together with the Fixed Rate Bonds, the "*Series 2013 Bonds*") and to loan the proceeds thereof to EMH in order to assist EMH in providing the funds necessary to do any or all of the following: (i) refinance all or a portion of the $141,540,000 original aggregate principal amount Illinois Health Facilities Authority Revenue Refunding Bonds, Series 2002 (Elmhurst Memorial Healthcare) (the "*Series 2002 Bonds*"); (ii) fund a debt service reserve fund, if deemed necessary or advisable by the Authority or EMH; and (iii) pay certain expenses incurred in connection with the issuance of the Series 2013 Bonds and the refinancing of the Series 2002 Bonds, all as permitted by the Act (collectively, the "*Financing Purposes*"); and

WHEREAS, in connection with the issuance of the Series 2013 Bonds, the following documents will be executed and delivered by the Authority (collectively, the "*Authority Documents*"):

(a) a Bond Trust Indenture (the "*Fixed Rate Bond Indenture*") between the Authority and ____________, as bond trustee, providing for the issuance thereunder of the Fixed Rate Bonds and setting forth the terms and provisions applicable to the Fixed Rate Bonds, including securing the Fixed Rate Bonds by an assignment thereunder of the Authority's right, title and interest in and to the Fixed Rate Obligation (as hereinafter defined) and certain of the Authority's rights in and to the related Fixed Rate Loan Agreement (as hereinafter defined);

(b) a Bond Trust Indenture (the "*Variable Rate Bond Indenture*" and, together with the Fixed Rate Bond Indenture, the "*Bond Indentures*") between the Authority and ___________, as bond trustee, providing for the issuance thereunder of the Variable Rate Bonds and setting forth the terms and provisions applicable to the Variable Rate Bonds, including securing the Variable Rate Bonds by an assignment thereunder of the Authority's right, title and interest in and to the Variable Rate Obligation (as hereinafter defined) and certain of the Authority's rights in and to the Variable Rate Loan Agreement (as hereinafter defined);

(c) a Loan Agreement (the "*Fixed Rate Loan Agreement*") between the Authority and EMH, under which the Authority will loan the proceeds of the Fixed Rate Bonds to EMH, all as more fully described in the Fixed Rate Loan Agreement;

(d) a Loan Agreement (the "*Variable Rate Loan Agreement*" and, together with the Fixed Rate Loan Agreement, the "*Loan Agreements*") between the Authority and EMH, under which the Authority will loan the proceeds of the Variable Rate Bonds to EMH, all as more fully described in the Variable Rate Loan Agreement;

(e) a a Bond Purchase Agreement (the "*Fixed Rate Purchase Contract*") among the Authority, EMH, as Obligated Group Agent, and Merrill Lynch, Pierce, Fenner & Smith, Incorporated (the "*Purchaser*"), as purchaser of the Fixed Rate Bonds, providing for the sale by the Authority and the purchase by the Purchaser of the Fixed Rate Bonds;

(f) a Bond Purchase Agreement (the "*Variable Rate Purchase Contract*") among the Authority, EMH, as Obligated Group Agent, and the Purchaser, as purchaser of the Variable Rate Bonds, providing for the sale by the Authority and the purchase by the Purchaser of the Variable Rate Bonds; and

(g) a supplemental trust indenture, if deemed necessary, providing for the redemption of the Series 2002 Bonds; and

WHEREAS, in connection with the issuance of the Series 2013 Bonds, the following additional documents will be executed and delivered by parties other than the Authority (collectively, the "*Additional Transaction Documents*"):

(a) a Supplemental Master Trust Indenture supplementing the Amended and Restated Master Trust Indenture dated as of May 15, 2008 (the "*Master Indenture*"), each among EMH, the Hospital and Elmhurst Memorial Home Care and Wells Fargo Bank, N.A., as master trustee (the "*Master Trustee*"), providing for, among other things, the issuance thereunder of the Series 2013 Obligations (as hereinafter defined);

(b) a Direct Note Obligation, Series 2013A of EMH (the "*Fixed Rate Obligation*"), which will be pledged as security for the Fixed Rate Bonds, in a principal amount equal to the aggregate principal amount of the Fixed Rate Bonds and with prepayment, maturity and interest rate provisions similar to the Fixed Rate Bonds; and

(c) a Direct Note Obligation, Series 2013B of EMH (the "*Variable Rate Obligation*" and, together with the Fixed Rate Obligation, the "*Series 2013 Obligations*"), which will be pledged as security for the Variable Rate Bonds, in a principal amount equal to the aggregate principal amount of the Variable Rate Bonds and with prepayment, maturity and interest rate provisions similar to the Variable Rate Bonds;

(d) an Offering Memorandum (the "*Fixed Rate Offering Memorandum*"), substantially in the form of the draft Preliminary Offering Memorandum (the "*Fixed Rate Preliminary Offering Memorandum*") previously provided to and on file with the Authority, relating to the offering of the Fixed Rate Bonds;

(e) an Offering Memorandum (the "*Variable Rate Offering Memorandum*"), substantially in the form of the draft Fixed Rate Preliminary Offering Memorandum previously provided to and on file with the Authority, but with such changes as are required to describe the Variable Rate Bonds, relating to the offering of the Variable Rate Bonds; and

(f) a Remarketing Agreement between EMH, as Obligated Group Agent, and Merrill Lynch, Pierce, Fenner & Smith, Incorporated, as remarketing agent, providing for the remarketing of optionally or mandatorily tendered Variable Rate Bonds;

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

Section 1. Findings. Based upon the representations of EMH, the Authority hereby makes the following findings and determinations with respect to EMH, the Series 2013 Bonds to be issued by the Authority and the facilities refinanced with the proceeds of the Series 2013 Bonds:

(a) EMH and the Hospital are each a not for profit corporation organized and existing under the laws of the State of Illinois and is qualified to do business in the State of Illinois;

(b) EMH and the Hospital are each a "*participating health institution*" (as defined in the Act) and the Hospital owns and operates a hospital in Elmhurst, Illinois;

(c) EMH has properly filed with the Authority its request for assistance in providing funds to EMH and the funds will be used for the Financing Purposes;

(d) The facilities to be financed or refinanced with the proceeds of the Series 2002 Bonds did not include any institution, place or building used or to be used primarily for sectarian instruction or study or as a place for devotional activities or religious worship;

(e) The indebtedness to be refinanced with the proceeds of the Series 2013 Bonds was issued for purposes which constitute valid purposes under the Act, the proceeds of such refinanced indebtedness made available to the Hospital were expended to pay, or refinance indebtedness the proceeds of which were expended to pay, a portion of the "*cost*" of a "*project*" (each as defined in the Act) owned or operated by the Hospital, such refinancing is in the public interest, alleviates a financial hardship for EMH and the Hospital, and is permitted and authorized under the Act; and

(f) The Series 2013 Bonds are being issued for a valid purpose under and in accordance with the provisions of the Act.

Section 2. Series 2013 Bonds. In order to obtain the funds to loan to EMH to be used for the purposes aforesaid, the Authority hereby authorizes the issuance of the Series 2013 Bonds. The Series 2013 Bonds shall be issued under and secured by and shall have the terms and provisions set forth in the respective Bond Indenture in an aggregate principal amount not exceeding $140,000,000, excluding original issue discount or premium, if any. The Series 2013 Bonds may be issued in several series, of which any such series may be issued in two or more subseries, with such additional series or subseries designated in such manner as approved by the Authorized Officer, which approval shall be evidenced by such officer's execution and delivery of the Bond Indentures.

The Fixed Rate Bonds shall mature not later than 40 years from the date of their issuance, may be subject to serial maturities or mandatory bond sinking fund redemption as provided in the Fixed Rate Bond Indenture and shall bear interest at stated rates not exceeding [7.0%] per annum. The Fixed Rate Bonds shall be subject to optional and extraordinary redemption and be payable all as set forth in the Fixed Rate Bond Indenture.

The Variable Rate Bonds shall mature not later than 40 years from the date of their issuance, and shall have maturities or mandatory bond sinking fund redemption as provided in the Variable Rate Bond Indenture. The Variable Rate Bonds shall bear interest at rates established under the Variable Rate Bond Indenture with initial rates not exceeding [4.0%] per annum and a maximum interest rate not exceeding 25.0% per annum, and shall be subject to purchase and tender and to optional, extraordinary and mandatory bond sinking fund redemption and be payable all as provided in the Variable Rate Bond Indenture.

The Series 2013 Bonds shall be issued only as fully registered bonds without coupons. The Series 2013 Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of its Chairman or its Vice Chairman and attested by the manual or facsimile signature of its Secretary or any Assistant Secretary, or any person duly appointed by the Members of the Authority to serve in such office on an interim basis, and may have the corporate seal of the Authority impressed manually or printed by facsimile thereon.

The Fixed Rate Bonds shall be issued and sold by the Authority and purchased by the Purchaser at a purchase price of not less than 98% of the principal amount of such Fixed Rate Bonds, excluding any original issue discount or premium, plus accrued interest, if any. The Purchaser shall receive total underwriting or placement compensation with respect to the sale of the Fixed Rate Bonds, including underwriting discount or placement fee, not in excess of 2% of the principal amount of such Fixed Rate Bonds, excluding original issue discount or premium, if any, in connection with the sale of the Fixed Rate Bonds.

The Variable Rate Bonds shall be issued and sold by the Authority and purchased by the Purchaser at a purchase price of not less than 100% of the principal amount of such Variable Rate Bonds.

The Series 2013 Bonds and the interest thereon shall be limited obligations of the Authority, payable solely from the income and revenues to be derived by the Authority pursuant to the Loan Agreements (except such income and revenues as may be derived by the Authority pursuant to the Unassigned Rights (as defined in the Bond Indentures)). The Series 2013 Bonds and the interest thereon shall never constitute a general obligation or commitment by the Authority to expend any of its funds other than (i) proceeds of the sale of the related series of Series 2013 Bonds, (ii) the income and revenues derived by the Authority pursuant to the related Loan Agreement and the related Series 2013 Obligation and other amounts available under the Bond Indentures and (iii) any money arising out of the investment or reinvestment of said proceeds, income, revenue or receipts.

The Authority hereby delegates to the Chairman or the Executive Director of the Authority or any other Authorized Officer, the power and duty to make final determinations as to the Series 2002 Bonds to be refinanced, the principal amount, number of series or subseries of Series 2013 Bonds and any names or other designations therefor (including whether each series of Series 2013 Bonds should be issued pursuant to a separate set of documents), dated date, maturities, purchase price, any mandatory sinking fund redemption dates and amounts, optional and extraordinary redemption provisions, the purchasers of the Series 2013 Bonds, the interest rates of each series of the Series 2013 Bonds, and to approve the forms of any of the Authority Documents, all within the parameters set forth herein.

Section 3. Authority Documents. The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by its Chairman, Vice Chairman, Executive Director, General Counsel, or any Assistant Executive Director, or any person duly appointed by the Members of the Authority to serve in such office on an interim basis (each an "*Authorized Officer*"), and the delivery and use, of the Authority Documents. The Secretary or any Assistant Secretary of the Authority is hereby authorized to attest and to affix the official seal of the Authority to any Authority Document. The Authority Documents shall be in the forms approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of such person's approval and the Authority's approval of the terms of the Series 2013 Bonds and the purchase thereof.

Section 4. Additional Transaction Documents. The Authority does hereby approve the execution and delivery of the Additional Transaction Documents. The Additional Transaction Documents shall be in the forms approved by the Authorized Officer executing the Bond Indentures, with such execution to constitute conclusive evidence of such person's approval and the Authority's approval of the final forms of the Additional Transaction Documents.

Section 5. Distribution of the Fixed Rate Preliminary Offering Memorandum and Offering Memorandums. The Authority does hereby approve the distribution of the Fixed Rate Preliminary Offering Memorandum and the Fixed Rate Offering Memorandum by the Purchaser in connection with the offering and sale of the Fixed Rate Bonds. The Fixed Rate Offering Memorandum shall be substantially in the form of the draft Fixed Rate Preliminary Offering Memorandum provided to and on file with the Authority and hereby approved, or with such changes therein as shall be approved by the Authorized Officer executing the Fixed Rate Bond Indenture, with such execution to constitute conclusive evidence of such person's approval and the Authority's approval of the final form of the Fixed Rate Offering Memorandum.

The Authority does hereby approve the distribution of a preliminary offering memorandum, if any, related to the Variable Rate Bonds, and the Variable Rate Offering Memorandum by the Purchaser in connection with the offering and sale of the Variable Rate Bonds. The Variable Rate Offering Memorandum shall be substantially in the form of the draft Fixed Rate Preliminary Offering Memorandum provided to and on file with the Authority and hereby approved, but with such changes as are required to describe the Variable Rate Bonds, and such additional changes as shall be approved by the Authorized Officer executing the Variable Rate Bond Indenture, with such execution to constitute conclusive evidence of such person's approval and the Authority's approval of the final form of the Variable Rate Offering Memorandum.

Section 6. Authorization and Ratification of Subsequent Acts. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents (including without limitation the execution and delivery of one or more supplemental bond indentures, escrow agreements, supplemental indenture or other agreement providing for the payment of the Series 2002 Bonds and any additional documents that may be necessary to provide for one or more additional series of Series 2013 Bonds and the acceptance of any continuing disclosure agreement of EMH (and any affiliates listed therein) pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934, as amended) as may be necessary to carry out and comply with the provisions of these resolutions, the Authority Documents and the Additional Transaction Documents, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the Authority Documents or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by an Authorized Officer, or in the event of the unavailability, inability or refusal of an Authorized Officer, any two Members of the Authority, each of whom is hereby authorized, empowered, and delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the Bond Indentures.

Section 7. Severability. 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 8. Conflicts. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 9. Effectiveness. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Pam Lenane & Nora O'Brien

Date: October 8, 2013

Re: Resolution Authorizing Actions to Assist with Proposed Master Trust Indenture Obligation Substitution for Proctor Hospital

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On September 9, 2013, **Methodist Health Services Corporation** ("**MHSC**"), the corporate member of The **Methodist Medical Center of Illinois** ("**MMCI**"), and **Proctor Health Care Incorporation** ("**PHCI**"), the corporate member of **Proctor Hospital** ("**Proctor**"), finalized an affiliation agreement (the "**Affiliation Agreement**"). The closing for the affiliation is currently scheduled for early November but is conditioned on the parties receiving a certificate of exemption from the Illinois Health Facilities and Services Review Board at its November meeting. Under the terms of the Affiliation Agreement, MHSC will become the sole corporate member of Proctor and has agreed to assume or otherwise ensure the satisfaction of the liabilities and obligates of PHCI, Proctor and their affiliates. In addition, Iowa Health System d/b/a **UnityPoint Health** ("**UPH**"), the sole corporate member of MHSC, has guaranteed the full, prompt and complete performance by MHSC under the Affiliation Agreement.

The Authority has previously issued two series of revenue bonds for Proctor that are still outstanding: the Illinois Finance Authority Revenue Refunding Bonds, Series 2006A (Proctor Hospital) (the "**Series 2006A Bonds**") and the Illinois Finance Authority Revenue Bonds, Series 2010 (Proctor Hospital) (the "**Series 2010 Bonds**"). These revenue bonds are secured by notes that have been issued pursuant to the Proctor Master Trust Indenture to secure the payment of the revenue bonds. UPH, MHSC and Proctor would like to provide for Proctor and PHCI becoming members of the UPH Obligated Group by exchanging the Proctor Master Trust Indenture obligations with obligations issued by the UPH Obligated Group under its Master Trust Indenture. In order to complete the substitution, there may be amendments to the bond documents for the Series 2006A Bonds and the Series 2010 Bonds. The substitution related to the Series 2006A Bonds will be done pursuant to provisions already included in the bond documents. The substitution related to the Series 2010 Bonds will require the consent of Regions Bank, which is the sole owner of the Series 2010 Bond.

UPH, MHSC and Proctor have requested that the Illinois Finance Authority be prepared to provide any necessary consents or approvals to the Proctor obligation substitutions that may be required under the bond documents for the Series 2006A Bonds and the Series 2010 Bonds. The proposed resolution will delegate to the Executive Director and the acting General Counsel the authority to make the determination of what actions may be required by the Illinois Finance Authority to approve and document, if necessary, (1) the addition of Proctor and PHCI to the UPH Obligated Group and (2) the substitution of Master Trust Indenture notes issued by the UPH Obligated Group for any obligation currently securing the Series 2006A Bonds and the Series 2010 Bonds.

IFA RESOLUTION NO. 2013-1008-AD

WHEREAS, the Illinois Finance Authority (the "*Authority*") has been created by, and exists under, the Illinois Finance Authority Act (the "*Act*"); and

WHEREAS, the Authority has previously issued its revenue bonds (the "*Bonds*") for the benefit of Proctor Hospital ("*Proctor*"), an Illinois not for profit corporation; and

WHEREAS, Proctor and its parent, Proctor Health Care Incorporated ("*PHCI*") have entered into an Affiliation Agreement with Methodist Health Services Corporation (*MHSC*") and Iowa Health System d/b/a UnityPoint Health ("*UPH*") on September 9, 2013; and

WHEREAS, UPH and Proctor are each, together with certain of their respective affiliates, members of separate obligated groups (the "*UPH Obligated Group*" and the *"Proctor Obligated Group"*, respectively) created under separate master trust indentures for the purpose of financing certain of the costs of the health care facilities of their respective Obligated Groups; and

WHEREAS, in furtherance of the affiliation, UPH, MHSC, PHCI and Proctor have determined that it is desirable to combine the credits of the UPH Obligated Group and the Proctor Obligated Group, including, but not limited to, the exchange of obligations that have been delivered by the Proctor Obligated Group as security for any of the Bonds with substitute obligations issued by the UPH Obligated Group and Proctor and PHCI joining the UPH Obligated Group (the "*MTI Obligation Exchange*"); and

WHEREAS, Proctor has requested that, if required by any of the documents related to the Bonds (the "*Bond Documents*"), the Authority execute such supplements or amendments to the Bond Documents or provide any necessary consents or approvals as may be necessary to complete the MTI Obligation Exchange;

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

Section 1. Bond Document Amendments. The Authority does hereby authorize and approve the execution by its Chairman, Vice Chairman or Executive Director (each an "*Authorized Officer*") and the delivery and use of such supplements and amendments to the Bond Documents as may be required by the Bond Documents (as determined by the Executive Director and the acting General Counsel) to complete the MTI Obligation Exchange. The amendments and supplements shall be substantially in the forms approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the forms of such supplements and amendments to the Bond Documents.

Section 2. Exchange of Obligations. The Authority hereby approves the MTI Obligation Exchange.

Section 3. Authorization and Ratification of Subsequent Acts. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of these resolutions and the MTI Obligation Exchange, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the Bond Documents or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by the Executive Director or the Treasurer of the Authority, or in the event of the unavailability, inability or refusal of the Executive Director and the Treasurer to act, any two Members of the Authority, each of whom is hereby authorized, empowered, delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the applicable Authority Document.

Section 4. **Separability.** 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 5. **Conflicts.** All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 6. **Immediate Effect.** This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Dennis Anosike, Chief Financial Officer/Agency Procurement Officer

Date: October 8, 2013

Re: Resolution Approving the Terms of Various Contracts

Investment Management Services

On August 20, 2013 the Illinois Finance Authority (the "**Authority**" or "**IFA**") published a Request for Proposal ("**RFP**") on the Authority's website and on the Illinois Procurement Bulletin requesting proposals from qualified financial institutions and investment managers with the experience, capability and expertise in providing investment management and reporting services. The Authority's goal is to maximize portfolio returns while preserving principal and ensuring liquidity as prescribed under the Illinois Public Fund Investment Act (30 ILCS 235) and the Authority's Investment Policy Statement.

The Authority currently has approximately $63 million of agency and fiduciary assets which has generated minimal returns due to their investment in various short-term securities including the State of Illinois Treasurer's Fund. As part of the State of Illinois Clean Water Initiative, the Authority may also have to provide investment management support to the Illinois Environmental Protection Agency's State Revolving Loan Fund program. It is anticipated that external asset management expertise would help maximize portfolio returns, as well as principal preservation.

Responses to the RFP were due on September 3, 2013; with the Authority receiving responses from the following firms:

1. Amalgamated Bank of Chicago
2. Chandler Asset Management
3. Columbia Capital Management, LLC
4. Dana Investment Advisors, Inc.
5. Earnest Partners, LLC
6. Fifth Third Asset Management, Inc.
7. Galliard Capital Management, Inc.
8. Garcia Hamilton & Associates, L.P.
9. HGK Asset Management, Inc.
10. HighMark Capital Management, Inc.
11. LM Capital Group, LLC
12. Metropolitan West Asset Management, LLC

13. PFM Asset Management, LLC
14. Ramirez Asset Management, Inc.
15. Stoneridge Investment Partners, LLC
16. Strategic Fixed Income, LLC
17. The Hartford Financial Services Group, Inc.
18. Ziegler Lotsoff Capital Management, LLC

Stoneridge Investment Partners was disqualified due to late response submission. An Evaluation Committee made up of Sohair Omar (Deputy Director), Dennis Anosike (Chief Financial Officer/Agency Procurement Officer) and Nora O'Brien (Associate General Counsel) evaluated the 17 responses that were submitted on time based on qualifications, experience and responsiveness. On September 19, 2013, the six highest scoring firms: Chandler Asset Management, Dana Investment Advisors, Inc., Fifth Third Asset Management, Inc., LM Capital Group, LLC, PFM Asset Management, LLC and Ziegler Lotsoff Capital Management, LLC were invited for oral presentations focused on team qualification, reporting and price.

Following the oral presentations, the Evaluation Committee ranked the firms in order and recommends Ziegler Lotsoff Capital Management, LLC and Fifth Third Asset Management as the two most qualified firms. The final ranking of the firms are as follows:

1. Ziegler Lotsoff Capital Management, LLC
2. Fifth Third Asset Management, Inc.
3. Dana Investment Advisors, Inc.
4. Chandler Asset Management
5. PFM Asset Management, LLC
6. LM Capital Group, LLC

Ziegler Lotsoff Capital Management, LLC has proposed an asset management fee of 0.10 basis points for all assets under management. Fifth Third Asset Management, Inc. has proposed an asset management fee of 0.07 basis points for the first $25,000,000 and 0.05 basis points for all assets under management over $25,000,000.

RESOLUTION NO. 2013-1008-AD10

RESOLUTION APPROVING THE TERMS OF VARIOUS CONTRACTS

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 (the "Contracts") 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;

WHEREAS, on August 13, 2013 the Board of the Authority approved a written procurement policy (the "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.

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

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 of Investment Management Services Contract. The Authority hereby approves the terms of the contract with Ziegler Lotsoff Capital Management, LLC ("Ziegler") to structure and manage a pooled fixed income investment portfolio consistent with the Public Fund Investment Act (30 ILCS 235) and the Authority's Investment Policy Statement (the "Ziegler Contract").

Section 3. Approval of Investment Management Services Contract. The Authority hereby approves the terms of the contract with Fifth Third Asset Management, Inc. ("Fifth Third") to structure and manage a pooled fixed income investment portfolio consistent with the Public Fund Investment Act (30 ILCS 235) and the Authority's Investment Policy Statement (the "Fifth Third Contract").

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 agreements, instruments, certificate and other documents as may be required in connection with the Ziegler Contract and the Fifth Third Contract.

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.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Dennis Anosike, Chief Financial Officer/Agency Procurement Officer

Date: October 8, 2013

Re: Resolution Approving the Emergency Trustee/Custodian Services Procurement

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On October 7, 2013 the Illinois Finance Authority (the "**Authority**" or "**IFA**") published a Request for Proposal ("**RFP**") on the Authority's website and on the Illinois Procurement Bulletin requesting proposals from qualified financial institutions with the experience, capability and expertise in providing Trustee/Custody services.

The State Revolving Fund (SRF) loan program requires a Trustee to enforce the terms of the Bond Indenture, trust administration including registration, transfer, payment of bonds and trust accounting services for the Clean Water Program. In addition to such customary trust functions, the Illinois Environmental Protection Agency (IEPA) also needs the Bond Trustee to perform additional functions necessary for the administration of the SRF program. Specifically, unpledged loans under the current and 2014 SRF Bonds which the Authority and IEPA are currently structuring would require the Trustee to perform the services of a receiving agent which shall include, but are not limited to receipt and management of IEPA's unpledged loan repayments, disbursement of unpledged funds, investment of unpledged funds if necessary, maintenance of financial transaction records and responding to requests from and providing reporting to the Authority/IEPA. These services are ancillary to the basic bond trust responsibilities; and therefore fall outside the Master Trust Agreement. However, it is highly recommended that these additional services be provided by the Bond Trustee in order to ensure efficiency and coordinated reporting for the SRF program.

In addition, the Authority currently has approximately $63 million of both agency and fiduciary funds invested with the State of Illinois Treasurer's Fund and other short-term securities. In recent years, these assets have generated minimal returns due to the portfolio's concentration in ultra liquid investment. In order to maximize portfolio returns, the Authority plans to utilize external asset managers with the expertise to deploy assets across a larger investment spectrum consistent with the State Public Funds Investment Act and Authority's Investment Policy. These external asset managers would require a trustee or custodian to hold the assets for safekeeping on behalf of the Authority.

Responses to the RFP are due to the Authority on October 15, 2013. Following review and ranking of all timely responses that are submitted to the Authority by an Evaluation Committee consisting of Authority staff, the Executive Director will appoint one or more Trustees/Custodians for the SRF program and to hold other assets under the control or management of the Authority

RESOLUTION NO. 2013-1008-AD11

RESOLUTION APPROVING THE TERMS OF TRUSTEE/CUSTODIAN SERVICES

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 (the "Contracts") 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;

WHEREAS, on August 13, 2013 the Board of the Authority approved a written procurement policy (the "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.

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

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 of Trustee/Custodian Services Contract. The Authority hereby approves the terms of a Trustee/Custodian Services Contract to act as, and to perform the services of trustee, bond registrar and paying agent in full compliance with all applicable federal and state laws, regulations and applicable Bond Indentures; to perform the services of receiving agent to receive, manage, disburse, invest and report pledged and unpledged loans; to hold as necessary Authority and fiduciary assets and other duties as assigned. (the "Trustee/Custodian Services Contract").

Section 3. 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 agreements, instruments, certificate and other documents as may be required in connection with the Trustee/Custodian Services Contract.

Section 4. 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 5. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of the Resolution.

Section 6. Conflicts. That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 7. Immediate Effect. That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.