

1 ILLINOIS FINANCE AUTHORITY BOARD
2 BOARD OF DIRECTORS REGULAR MEETING
3 March 10th, 2016 at 9:30 a.m.

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7 Report of Proceedings had at the Meeting of the
8 Illinois Finance Authority Board of Directors Regular
9 Meeting on March 10th, 2016, at the hour of 9:30 a.m.,
10 pursuant to notice, at 160 North LaSalle Street, Suite
11 S1000, Chicago, Illinois.

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1 APPEARANCE:
2 ILLINOIS FINANCE AUTHORITY BOARD OF DIRECTORS

3 MR. R. ROBERT FUNDERBURG, Chairman
MR. ERIC ANDERBERG
4 MR. JAMES J. FUENTES
MR. ADAM ISRAELOV
5 MS. ARLENE JURACEK
MR. LERRY KNOX
6 MR. MICHAEL W. GOETZ
MR. LYLE McCOY
7 MR. TERRY O' BRIEN
MR. MORDECAI TESSLER (Added at 9:34)
8 MR. JOHN YONOVER (Via audio conference)
MS. GILA J. BRONNER (Via audio conference)
9 MR. ROGER POOLE (Via audio conference)

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11 ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

12 MR. BRAD FLETCHER, Assistant Vice-President
MR. RICH FRAMPTON, Vice-President
13 MS. MELINDA GILDART, CFO
MS. PAMELA LENANE, Vice-President
14 MS. ELIZABETH WEBER, General Counsel
MS. SIX GRANDA, Controller
15 MS. TAMMY HARTER, Assistant/Healthcare
MR. CHRISTOPHER B. MEISTER, Executive Director
16 MR. PATRICK EVANS, Agricultural Banker (Via audio
conference)
17 MR. MASANARI KATSUMI, Legal extern

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1 CHAIRMAN FUNDERBURG: Okay, it's 9:30. I would
2 like to go ahead and call to order the Board meeting
3 of the Illinois Financial Authority.

4 Mr. Fletcher, will you please take roll?

5 FLETCHER: Certainly. Mr. Anderberg?

6 ANDERBERG: Here.

7 FLETCHER: Mr. Fuentes?

8 FUENTES: Here.
9 FLETCHER: Mr. Goetz?
10 GOETZ: Here.
11 FLETCHER: Mr. Israelov?
12 ISRAELOV: Here.
13 FLETCHER: Ms. Juracek?
14 JURACEK: Here.
15 FLETCHER: Mr. Knox?
16 KNOX: Here.
17 FLETCHER: Mr. McCoy?
18 MCCOY: Here.
19 FLETCHER: Mr. O'Brien?
20 O'BRIEN: Here.
21 FLETCHER: Mr. Chairman?
22 CHAIRMAN FUNDERBURG: Here.
23 FLETCHER: Mr. Chairman, at this time we have a
24 quorum of members physically present in the room.
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1 CHAIRMAN FUNDERBURG: Okay, thank you.
2 FLETCHER: Are there any Board Members on the
3 line?
4 YONOVER: Yonover.
5 BRONNER: Yes, Gila Bronner here.
6 FLETCHER: And can you state your reasons for
7 attending by audio conference, please?
8 BRONNER: I am participating via audio
9 conference due to the fact that I'm out of town for
10 business reasons.
11 MR. YONOVER: I'm requesting to attend the

12 audio conference due to employment.

13 FLETCHER: Are there any other members on the
14 line?

15 POOLE: Roger Poole. I'm requesting to attend
16 the conference due to personal illness.

17 FLETCHER: Thank you. Request a motion.

18 CHAIRMAN FUNDERBURG: Is there a motion, then,
19 to approve said requests, pursuant to the Bylaws and
20 Policies of the Authority?

21 JURACEK: So moved.

22 CHAIRMAN FUNDERBURG: Is there a second?

23 ANDERBERG: Second.

24 CHAIRMAN FUNDERBURG: Discussion? All in
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1 favor, please say aye.

2 (A chorus of ayes.)

3 CHAIRMAN FUNDERBURG: Any opposed?

4 (No response.)

5 CHAIRMAN FUNDERBURG: Okay. Next up is the
6 Approval of the Agenda. Are there any additions or
7 corrections or errors in today's agenda. If not,
8 then, is there a motion to approve the agenda?

9 FUENTES: So moved. I make a motion.

10 CHAIRMAN FUNDERBURG: Mr. Fuentes. Is there a
11 second?

12 McCOY: Second.

13 CHAIRMAN FUNDERBURG: Discussion? All in
14 favor, please say aye.

15 (A chorus of ayes.)

16 CHAIRMAN FUNDERBURG: Any opposed?

17 (No response.)

18 CHAIRMAN FUNDERBURG: As far as Chairman
19 remarks, I have none at this point.

20 Director Meister, comments?

21 MEISTER: Thank you, Chairman Funderburg.
22 Again, I would like to highlight two of the
23 projects, UnityPoint health, which is financing
24 improvements and refunding bonds for Peoria's

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1 Methodist, and Proctor Hospitals, and of course
2 we're always pleased to welcome DePaul University.
3 Thank you very much.

4 CHAIRMAN FUNDERBURG: Okay, thank you.

5 FLETCHER: The Assistant Secretary will note
6 the arrival of Member Tessler.

7 CHAIRMAN FUNDERBURG: Yes, 9:34. Okay. At
8 this point, then, I would like to ask for
9 consideration of the minutes or any additions,
10 corrections or edits to the minutes.

11 If not, then, is there a motion to approve
12 them?

13 GOETZ: So moved.

14 ANDERBERG: Second.

15 CHAIRMAN FUNDERBURG: Moved by Mr. Geotz,
16 seconded by Mr. Anderberg. Any discussion?

17 All in favor, please say aye.

18 (A chorus of ayes.)

19 CHAIRMAN FUNDERBURG: Any opposed?

20 (No response.)

21 CHAIRMAN FUNDERBURG: Okay. Minutes are
22 approved. Thank you. Next up, Agenda Item 6 are
23 the Presentation and Consideration of Financial
24 Reports.

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1 GILDART: Good morning. I'm Melinda Gildart,
2 Chief Financial Officer of the Authority, and this
3 month's financial report for February 2016 is as
4 follows: Fiscal year 2016 unaudited results in the
5 general operating fund. We have total annual
6 revenues of \$3.4 million and at 6 percent above
7 budget. That's due primarily to higher closing fees
8 earlier in the fiscal year.

9 Closing fees year to date are at
10 \$2.4 million, and that's 8 percent higher than
11 budget. Our net investment income stands at \$90,000
12 for the fiscal year, and that's \$35,000 lower than
13 budget.

14 In the month of February, the Authority
15 generated \$155,000 in closing fees. Previously fees
16 from the University of St. Francis for \$60,000,
17 Chicago Shakespeare Theater for \$53,000 and
18 Christian Homes for \$42,000.

19 Investment information for February is not
20 yet available, but in January the Authority booked
21 \$88,000 net investment gain for the month, and
22 that's our highest monthly total net in fiscal year
23 2016.

24 Total annual expenses are at \$2.8 million,

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1 and that's 17 percent lower than budget. Our
2 employee expenses are at 1.2 million, and that's
3 25 percent lower than budget.

4 Total cash transfers out of the general
5 operating fund to the primary government borrowing
6 fund, and that's on behalf of the State of Illinois,
7 is at 2.4 million.

8 In the month of February, the Authority
9 recorded operating expenses of \$374,000, and our
10 monthly budgeted amount is about \$419,000. For
11 February, we have a total monthly net loss of
12 \$127,000, and that's primarily driven by lower
13 closing fees and an uptick in operating expenses.

14 Our total annual net income is \$695,000.
15 The major driver behind that is 17 percent below
16 budget in overall spending, and also we have higher
17 administrative service and application fees.

18 In the general operating fund, again, we
19 have a strong balance sheet. We have a net position
20 of \$53.9 million. I'm sorry, \$53.3 million, with
21 assets of \$53.9 million, and liabilities of just
22 \$600,000.

23 The schedule of debt and other documents
24 are available in your Board package this morning

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1 immediately following the financial reports. Are
2 there any questions?

3 CHAIRMAN FUNDERBURG: Questions? Okay, if no
4 questions, then, is there a motion to accept the
5 financial records?

6 GOETZ: So moved.

7 CHAIRMAN FUNDERBURG: By Mr. Goetz.

8 FUENTES: Second.

9 CHAIRMAN FUNDERBURG: By Mr. Fuentes.

10 Discussion? All in favor, please say aye.

11 (A chorus of ayes.)

12 CHAIRMAN FUNDERBURG: Any opposed?

13 (No response.)

14 CHAIRMAN FUNDERBURG: Okay, next is
15 procurement.

16 GILDART: In February, the Authority renewed 35
17 of the 38 contracts for our master legal firm pool.
18 In addition, we're working to execute a contract for
19 our debt management software application.

20 We're currently awaiting Chief Procurement
21 Officer approval to extend emergency contracts for
22 IT network services, paying agent and loan
23 servicing, board book printing and temporary
24 staffing services.

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1 Our upcoming contract renewals in calendar
2 year 2016 include financial advisory services, State
3 revolving fund trustee services, and investment
4 management services.

5 Lastly, underwriting agreements for the
6 State revolving fund are set to expire in July 2016
7 with no renewals pending.

8 CHAIRMAN FUNDERBURG: Okay. Thank you very
9 much. Next up are Committee reports. Committee
10 Chair Bronner, do you have a report?

11 BRONNER: I have no formal report, other than
12 we accepted the financial statements, and both the
13 Financial and Compliance Audits. We're in the
14 process of staff putting together as well as
15 implementing a correction action plan related to any
16 findings from the Compliance and Financial Audits.

17 CHAIRMAN FUNDERBURG: Thank you very much.
18 Alternative financing did not meet. I would like to
19 note that the Executive Committee did meet in
20 session this morning to further discuss Executive
21 Director compensation and potential bonus.

22 It's a continuation of discussions that
23 began on January 8th of this year, and we will
24 address that a little further later.

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1 Next is tax exempt. Lyle, anything to
2 report?

3 MCCOY: Thank you, Mr. Chairman. The
4 Tax-Exempt Conduit Transaction Committee convened
5 yesterday, at which time staff presented the
6 projects in detail, which are up for consideration
7 by the full Board today.

8 Mr. Evans presented the agricultural
9 projects, and Mr. Frampton presented the -- excuse
10 me, the educational ones. Ms. Lenane presented the
11 healthcare projects, and Mr. Fletcher presented the

12 Local government project.

13 The Committee reviewed and asked questions
14 concerning each of these projects. Discussion items
15 included DePaul University's use of bond proceeds
16 and jobs forecast, as well as the operating and
17 financial history of the obligor related to
18 Westminster Place and Lake Forest Place, LLC, the
19 Presbyterian Homes Obligated Group financing.

20 Finally, the Committee asked questions
21 about the security and structure of the proposed
22 Community Unit School District No. 3 in Saline
23 County transaction, which the credit will be
24 enhanced with bond insurance.

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1 The Committee voted unanimously to
2 recommend approval by the full Board of each of
3 these projects on a Tax-Exempt Conduit -- on the
4 Tax-Exempt Conduit Transactions Committee agenda.

5 CHAIRMAN FUNDERBURG: Okay, thank you very
6 much. Any questions on any of those reports?

7 Okay, if not, the next item on the agenda
8 is I would like to ask for a general consent of the
9 members to consider Items No. 1 through 6 under
10 Project Reports and Resolutions collectively.

11 Is there agreement with that?

12 (A chorus of ayes.)

13 CHAIRMAN FUNDERBURG: Okay. So that being
14 said, let's go right to that. Who is up first?

15 MEISTER: Patrick Evans on the phone.

16 CHAIRMAN FUNDERBURG: Pat? Pat, are you there?

17 EVANS: Can you hear me?
18 CHAIRMAN FUNDERBURG: Yes, Pat.
19 EVANS: Can you hear me?
20 CHAIRMAN FUNDERBURG: Please go ahead and make
21 your two presentations.
22 EVANS: Sure. Today we have two beginner
23 farmer bonds. Both loans have FSA guarantees
24 relating to mean that our portion of the bonds will
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1 be a first mortgage. The first one is Timothy W.
2 Ringger. He'll retain the first mortgage on
3 45 percent of \$617,639 land purchase or debt of
4 \$301,000.

5 FSA will provide a beginning farmer bond
6 for this portion of the debt. These funds will be
7 used to purchase 80 acres of farmland at \$7,720.

8 This will be a 30-year bond with an
9 initial rate of 3.25 adjustable every five years
10 thereafter. The first -- the interest rate will be
11 adjusted at 25 basis below Wall Street prime. The
12 property is located in North Central Stark County.

13 The second borrower is Kyler Loepker.
14 First National Bank of Carlyle will retain a first
15 mortgage loan on 59.8 percent of \$870,000 land
16 purchase, or \$502,000 of debt. IFA will provide
17 beginner farmer bond for this portion. There will
18 be -- the funds will be used to purchase 153.5 acres
19 of farmland for \$5,668 per acre.

20 This will be a 30-year bond with an

21 initial rate of 2.5 adjustable after five years.
22 The interest rate will adjust to the five-year
23 treasury plus 1 percent. The interest rate will
24 have a floor of 2.75 with a ceiling of 8 percent.

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1 There will be a cap on any adjustment period of
2 2 percent. The property is located in Southwest
3 part of Clinton County. Is there any questions?

4 CHAIRMAN FUNDERBURG: Okay, thank you.

5 FRAMPTON: Okay. Next we'll move to Tab 2 in
6 your Board book, DePaul University. As many veteran
7 Members of the IFA Board are aware, DePaul
8 University has been IFA's most frequent borrower in
9 the higher-education sector.

10 DePaul University is requesting approval
11 of a Final Bond Resolution in an amount not to
12 exceed \$85,000,000. I would note that the
13 presently-contemplated issuance amount is now
14 estimated at approximately \$70.4 million.

15 The principal component of this project is
16 going to involve construction of a new School of
17 Music building, which will be described further in a
18 few moments by Mr. Jeff Bethke of DePaul.

19 In terms of the financing structure over
20 the past week, all three rating agencies have
21 assigned their ratings, each rated the Series '16
22 bonds and affirmed ratings on DePaul's existing debt
23 in the single A rating category with stable
24 outlooks.

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1 Specially, Moody's assigned an A2 rating,
2 while S&P and Fitch each rated DePaul at single A.
3 The underlying bonds will be a general obligation of
4 the University.

5 The parameters of the Bond Resolution
6 provide for a maturity of not-to-exceed 40 years,
7 although the expected final maturity date of the
8 bonds is expected at 25 to 30 with bonds for each
9 maturity featuring a fixed-interest rate.

10 In terms of the financials, those are
11 reported beginning on page 8 of the report. DePaul
12 features strong debt service coverage, strong and
13 improving liquidity, as evidenced by days cash, as
14 well as steadily amortizing long-term debt schedules
15 as noted on the balance sheet.

16 Some of the factors that the rating
17 agencies pointed to in their recently released
18 reports are that DePaul has actively managed
19 expenses to match enrollment fluctuations. DePaul's
20 enrollment is reported in the table on page 11. The
21 enrollment trends that have been posted by DePaul
22 have actually been something that is common among
23 many of the private institutions that have been
24 borrowing through the Authority.

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1 DePaul's recent expense control efforts
2 are detailed on page 9, and primarily revolve around

3 the University's early retirement incentive program
4 implemented during 2014.

5 And I would point out that one-time
6 expenses associated with the 2014 early retirement
7 incentive program were the primary driver resulting
8 in the decline and debt service coverage posted in
9 2014. So the variance reported in 2014 is
10 attributable to that factor.

11 Finally, just to comment on employment,
12 DePaul's focus on expense and overhead control,
13 given enrollment trends are really explained, the
14 University's conservative outlook and forecast is
15 reported both in the agenda and in the Board report.
16 They really are linking any future employment to
17 correlate with student enrollment and demand.

18 And with that, I would like to introduce
19 Mr. Jeff Bethke, who is Executive Vice-President of
20 DePaul, who will be making a few remarks about the
21 School of Music project.

22 BETHKE: Thank you, Rich. On behalf of the
23 President, Trustees, faculty staff and students of
24 DePaul University, I want to thank the Board

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1 Chairman and the Authority for considering this
2 project application as the largest Catholic
3 University and one of the ten largest private
4 universities in the United States. DePaul is an
5 economic engine for the City of Chicago and the
6 State of Illinois.

7 80 percent of our graduates stay in

8 Chicago and make their lives in this city and in
9 this state, making DePaul a net importer of talent
10 into the region.

11 We want Chicago and Illinois to thrive,
12 and we're proud of the more than \$200,000,000 we've
13 invested in new capital development in the state in
14 just the past five years.

15 We have ten colleges and schools at
16 DePaul, each distinguished and special in its own
17 way. Our Music School, which is one of our smallest
18 programs in terms of enrollments, is actually one of
19 our most academically preeminent.

20 It is a nationally-ranked music program
21 that features some of the world's finest and most
22 respected conductors, composers, performers and
23 recording artists, including members of the Chicago
24 Sympathy Orchestra, Lyric Opera of Chicago, and

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1 Chicago's most prominent music and Jazz ensembles.

2 The proceeds from the planned bond issue
3 will be used to construct a new 185,000 square-foot
4 music center at Halsted and Fullerton on DePaul's
5 Lincoln Park Campus. The facility will feature
6 teaching studios, rehearsal space, a 500-seat
7 concert hall, two recital halls and a Jazz hall.

8 The project will not only serve as a
9 state-of-the-art educational facility, but as a
10 professional quality performance venue serving the
11 public and enhancing the artistic community in the

12 neighborhood, the city and state.

13 Project construction began in
14 November 2015 and will be completed in April 2018.
15 During that time, the project will support
16 approximately 300 well-paying construction jobs in
17 the State of Illinois.

18 So thank you, Chairman Funderburg, and
19 thank you to the Members of the IFA Board for
20 considering our application.

21 This is an important project for DePaul
22 University, and one that we believe will produce
23 long-lasting benefit for the people of the city and
24 of the state. Thank you.

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1 CHAIRMAN FUNDERBURG: Thank you. Rich,
2 anything further?

3 FRAMPTON: Unless there are any questions, that
4 concludes our remarks.

5 CHAIRMAN FUNDERBURG: Okay. Very good. Thank
6 you.

7 LENANE: Mr. Chairman, Board Members.
8 Westminster Place and Lake Forest Place, LLC,
9 affiliates of Presbyterian Homes Obligated Group, is
10 seeking a final approval for \$135,000,000.

11 They came to the Board meeting in February
12 and received a preliminary approval. The bond
13 proceeds will be used to refund the Series 1996A,
14 2001, 2006 and 2007 variable rate demand bonds.

15 The proceeds will also be used to fund the
16 Town Center renovation at Lake Forest Place Campus,

17 which consists of renovation of the common spaces,
18 the living room and the dining room.

19 MEISTER: Please proceed.

20 LENANE: Thank you. And other routine capital
21 projects for Westminster Place and Lake Forest Place
22 and paying cost of issuance.

23 These renovations and construction will
24 produce 50 construction jobs over the timeframe that

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1 the work is being done. The bonds will be carrying
2 an investment grade rating from Fitch and S&P.

3 Since this has already been to the Board
4 last month, I won't go over the financials again in
5 depth, but they do have strong debt service coverage
6 of 7.02 and days cash on hand of \$1,061.

7 FLETCHER: Days.

8 LENANE: Days, sorry. They are a very strong
9 continuing care retirement community. They've been
10 around for a long time, since 1922. So are there
11 any questions?

12 Turning to the next project, as the
13 Director mentioned, Iowa Health Systems, doing
14 business as UnityPoint Health, is seeking a
15 Preliminary Bond Resolution authorizing the issuance
16 of not to exceed \$53,000,000 in bonds.

17 As you'll remember, UnityPoint Health came
18 to the Authority at the end of last year to refund
19 51-- approximately \$51,000,000 of outstanding bonds
20 for Methodist Memorial Hospital in Peoria. Now they

21 are asking for approval to refund the Proctor
22 Hospital bonds.

23 Proctor is also located in Peoria. They
24 have acquired Proctor, the 2006A bonds, and also

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1 seeking \$17,000,000 for the benefit of the Methodist
2 Medical Center, located at Glen Oak in Peoria, to
3 purchase, renovate and acquire an 81,000 square-foot
4 building, which will include classrooms,
5 laboratories, faculty offices and support space for
6 the College of Nursing.

7 They will also acquire an additional
8 45,000 square feet of warehouse space for the
9 College of Nursing. They are also planning on a
10 \$11,500,000 project for exterior renovation of the
11 Glen Oak and east-west buildings of Methodist
12 Memorial Hospital.

13 These construction, the College of
14 Nursing, the warehouse space, and the renovation of
15 the main hospital buildings will provide 365 jobs in
16 Peoria. Iowa Health System -- UnityPoint Health is
17 an Iowa Health System that includes 12 hospitals, 10
18 in Iowa cities, four hospitals in three Illinois
19 cities, and one hospital in Madison Wisconsin, which
20 they recently acquired.

21 That hospital is Meriter Health Services,
22 which is the teaching hospital of the University of
23 Wisconsin at Madison. They have approximately 860
24 employed physicians full-time equivalents and 420

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1 mid-level full-time equivalents.

2 Morgan Stanley is the underwriter of the
3 bonds. They will issue the tax-exempt, fixed-rate
4 debt. Their current underlying ratings of Iowa
5 Health System is Moody's AA3 and Fitch double A
6 minus.

7 I think if we go back to the financials,
8 you will see that UnityPoint Health System is very
9 strong with debt service coverage of 5.0 and 219
10 days cash on hand. As I said, they will be back for
11 a Final Bond Resolution. At that time their bond
12 ratings will have been affirmed.

13 Any questions?

14 CHAIRMAN FUNDERBURG: Okay.

15 LENANE: Okay.

16 CHAIRMAN FUNDERBURG: Thank you.

17 LENANE: Thank you.

18 FLETCHER: Mr. Chairman, Members of the Board,
19 Tab No. 5 is the proposed Final Bond Resolution for
20 School District No. 3, which is based in Harrisburg
21 out of Saline County.

22 Saline County District No. 3 first
23 received approval from the IFA Board in July 2015.
24 Subsequent to that approval, the two co-managers on

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1 the transaction were replaced with the now single
2 co-manger, which RBC Capital Markets.

8 running this transaction as the senior manager. The
9 District is currently rated single A minus stable by
10 S&P; however, the bonds will carry a rating of
11 double A stable because the bonds will be issued
12 with bond insurance through Assured Guaranty.

13 Bond insurance, as you know, is not
14 something we see quite frequently, but it is
15 available on this transaction.

16 Concerning the report, pages 11 through 15
17 provide some tables with respect to financial
18 information of the school district, which is
19 provided to potential bond investors in the
20 POS/Official Statement.

21 We recommend approval, as does the
22 Tax-Exempt Conduit Committee. At this time I can
23 take any questions.

24 CHAIRMAN FUNDERBURG: Questions?

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1 FLETCHER: Thank you.

2 CHAIRMAN FUNDERBURG: Okay, thank you.

3 GILDART: This Resolution is asking the Board
4 to accept the Fiscal Year 2015 Financial Audit and
5 the FY4 and FY15 Compliance Examination, in addition
6 to the Fiscal Year 2015 Comprehensive Annual
7 Financial Report.

8 Per the Illinois State Auditing Act, the
9 Authority is required to undergo an annual financial
10 audit and a two-year compliance examination. On
11 January 28th, the Office of the Auditor General

12 released the Authority's FY15 Financial Audit.

13 On February 18th of 2016, the OAG released
14 the Authority's two-year compliance examination.

15 The Authority received an unmodified opinion on the
16 financial audit and an unmodified opinion for the
17 compliance examination, with the exclusions of the
18 findings noted in the audit report.

19 In addition, the Authority submitted its
20 FY15 Comprehensive Annual Financial Report for
21 submission to the Government Finance Officers
22 Association in respects to the Certificate of
23 Excellence, which the Authority was awarded for the
24 first time in Fiscal Year 2014.

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1 CHAIRMAN FUNDERBURG: Okay, thank you. Okay,
2 at this point, I would like to ask if there are any
3 follow-up questions on any of the resolutions or
4 other items?

5 If not, then I would like to ask is there
6 a motion to pass and adopt the following project
7 reports and resolutions: Items 1A, 1B, 2, 3, 4, 5
8 and 6?

9 ISRAELOV: So moved.

10 KNOX: Second.

11 CHAIRMAN FUNDERBURG: Okay. Roll call vote,
12 please.

13 FLETCHER: Certainly. On the motion,
14 Mr. Anderberg?

15 ANDERBERG: Yes.

16 FLETCHER: Ms. Bronner on the line?

17 BRONNER: Yes.
18 FLETCHER: Mr. Fuentes?
19 FUENTES: Yes.
20 FLETCHER: Mr. Goetz?
21 GOETZ: Yes.
22 FLETCHER: Mr. Israel ov?
23 ISRAELOV: Yes.
24 FLETCHER: Ms. Juracek?
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1 JURACEK: Yes.
2 FLETCHER: Mr. Knox?
3 KNOX: Yes.
4 FLETCHER: Mr. McCoy?
5 McCOY: Yes.
6 FLETCHER: Mr. O' Bri en?
7 O' BRI EN: Yes.
8 FLETCHER: Mr. Pool e on the line?
9 POOLE: Yes.
10 FLETCHER: Mr. Tessl er?
11 TESSLER: Yes.
12 FLETCHER: Mr. Yonover on the line?
13 YONOVER: Yes.
14 FLETCHER: And Mr. Chair man?
15 CHAI RMAN FUNDERBURG: Yes.
16 FLETCHER: Mr. Chair man, the moti on carries.
17 CHAI RMAN FUNDERBURG: Okay, thank you. Items
18 No. 10 and 11 on the agenda we're going to skip and
19 deci de not to go i nto closed sessi on.
20 I tem No. 12 is Presentati on and

21 Consideration of Item No. 7, which you have in your
22 Board packets. I would like to comment that in
23 regard to Executive Director's compensation,
24 Mr. Meister for 2014-2015 is paid the same base

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1 salary.

2 We are recommending, via consensus of the
3 Executive Committee, an increase of 5.06 percent for
4 2016 retroactive to January 1st. There is the
5 actual resolution that Ms. Weber will address.

6 I do want to point out a few things.
7 First, it's been a pleasure working with Executive
8 Director Meister and want to thank you and
9 appreciate the hard work and good job that you do
10 leading the IFA team on all fronts.

11 And then I also want to point out, too,
12 just for the record, that the IFA employees are not
13 paid via taxpayer dollars. They are paid via
14 revenues that are generated through IFA activities
15 as an enterprise business, if you will.

16 I also want to point out that no IFA
17 employees participate in the State of Illinois
18 pension plan. Okay, Ms. Weber?

19 WEBER: Yes. And just to follow up on the
20 comments of Chairman Funderburg, the report of the
21 Executive Committee that is part of this resolution
22 is in your -- for those here in attendance, it's in
23 your folder right after the jobs report.

24 It's a two-page exhibit to the resolution,

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1 the first dealing with the compensation as described
2 by Chairman Funderburg, and the second dealing with
3 the Proposed Criteria Factors and Goals for
4 Evaluating Future Performance of the Executive
5 Director.

6 For those participating by phone, I did
7 E-mail those two items out to you, so hopefully you
8 have those available as well.

9 Are it any questions on Item 7?

10 CHAIRMAN FUNDERBURG: Okay. There does not
11 appear. Any questions on the phone? No questions.

12 Then I would like to ask is there a motion
13 to pass and adopt the following Resolution: Item
14 No. 7.

15 GOETZ: So moved.

16 FUENTES: So moved.

17 CHAIRMAN FUNDERBURG: It was a tie here. Who
18 wants to? Mr. Goetz I heard first. Mr. Goetz made
19 the motion.

20 ANDERBERG: I'll second.

21 CHAIRMAN FUNDERBURG: Seconded by
22 Mr. Anderberg. Further discussion, comments? Okay,
23 all in favor, please say aye.

24 (A chorus of ayes.)

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1 CHAIRMAN FUNDERBURG: Any opposed?

2 (No response.)

3 CHAIRMAN FUNDERBURG: Okay, the ayes have it.
4 Motion passes. Thank you.

5 Next up under other business, I would like
6 to ask Adam Israelov if you would, please, if you
7 have a few comments for us.

8 ISRAELOV: Sure. Thank you, Chairman
9 Funderburg. My personal and professional life will
10 be taking me outside the state of Illinois. I've
11 accepted a job offer with a law firm in Atlanta.

12 I'm grateful for the support of Governor
13 Rauner and Chairman Funderburg. It has been an
14 honor to work with the other Board Members and the
15 IFA staff to serve the citizens of Illinois. I
16 intend to submit my resignation as a Member of the
17 IFA later this month.

18 CHAIRMAN FUNDERBURG: Thank you. Thank you on
19 behalf of the entire team, the Governor and the
20 administration, and certainly myself and the entire
21 IFA Board and team. We have enjoyed working with
22 you. Thank you for your service. Thank you for
23 your very active participation.

24 You've made all of us better through all
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31

1 of your efforts, your questions and your
2 observations. We really truly appreciate it, and we
3 all wish you the very best in the future.

4 ISRAELOV: Thank you very much.

5 CHAIRMAN FUNDERBURG: Good luck in Atlanta.

6 MEISTER: And, Adam, on behalf of all of the
7 IFA staff, I would like to second Chairman

8 Funderburg's comments and again thank you for your
9 service. It's been a pleasure to work with you.

10 ISRAELOV: Thank you, Chris.

11 CHAIRMAN FUNDERBURG: Okay, best of luck.

12 Okay, next?

13 WEBER: Not nearly as exciting. I just want to
14 bring to the attention of the Members of the
15 Authority some information about economic disclosure
16 filings.

17 Shortly, you'll be receiving in the mail
18 two economic disclosure forms that need to be
19 completed and filed with State entities. Samples of
20 both forms are in your packet today and look like
21 this. These are just samples.

22 You will be receiving from the Secretary
23 of State a Statement of Economic Interests. It's
24 expected that that will be mailed to your home

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32

1 address around March 14th. Do not complete what's
2 in your package here. You should complete the
3 original form that you receive in the mail, and then
4 if you would please send it to me for any necessary
5 review by the Authority and me as the Ethics
6 Officer.

7 And since all forms must be filed no later
8 than May 2nd, I recommend that you send the
9 completed form to me, hopefully in the first week of
10 April.

11 The second form you'll be receiving is a

12 Supplemental Statement of Economic Interest, and
13 that comes from the State of Illinois Executive
14 Ethics Commission, and that form must be filed by
15 May 1st.

16 Note that both forms will be matters of
17 public record, and I will be sending an E-mail to
18 all members after this going over this information.
19 So you don't have to worry about writing down notes.

20 And as always, I remain available to
21 answer any questions about the forms or the process.
22 Yes?

23 JURACEK: Do you want both forms sent to you or
24 just the first one?

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33

1 WEBER: I think the second one can be done
2 electronically, but I will clarify that in the
3 E-mail that I send out. Any other questions?

4 CHAIRMAN FUNDERBURG: I think this is a good
5 point to just reaffirm and thank all of the Board
6 Members, who are volunteers and unpaid and part-time
7 position, for your service to the State and to the
8 IFA.

9 This is important and, you know, please do
10 your best to comply with this. Okay. That's it for
11 other business. So at this point, I would like to
12 ask is there any public comment? I see some
13 familiar --

14 FLETCHER: Excuse the absences of Members.

15 CHAIRMAN FUNDERBURG: Excuse me. Thank you
16 very much, Mr. Fletcher. I would like to ask if

17 there's a motion to excuse the absences of the
18 members unable to participate in person today. Is
19 there such a motion?

20 KNOX: So moved.

21 FUENTES: Second.

22 CHAIRMAN FUNDERBURG: All in favor, please say
23 aye.

24 (A chorus of ayes.)

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34

1 CHAIRMAN FUNDERBURG: Any opposed?

2 (No response.)

3 CHAIRMAN FUNDERBURG: Thank you, Mr. Fletcher.

4 Any other business to come before the Board?

5 (No response.)

6 CHAIRMAN FUNDERBURG: No, okay. Is there a
7 motion to adjourn?

8 GOETZ: So moved.

9 BRONNER: So moved.

10 CHAIRMAN FUNDERBURG: Okay, seconded by
11 Mrs. Bronner. All in favor, please say aye?

12 (A chorus of ayes.)

13 CHAIRMAN FUNDERBURG: Any opposed?

14 (No response.)

15 CHAIRMAN FUNDERBURG: Meeting is adjourned.

16 Thank you all very much.

17 FLETCHER: The time is 10:06 a.m.

18 (WHICH WERE ALL THE PROCEEDINGS HAD at 10:06 a.m.)

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1 STATE OF ILLINOIS)
2 COUNTY OF C O O K) SS:

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PAMELA A. MARZULLO, C. S. R., being first duly sworn,
says that she is a court reporter doing business in the city
of Chicago; that she reported in shorthand the proceedings
had at the Proceedings of said cause; that the foregoing is
a true and correct transcript of her shorthand notes, so
taken as aforesaid, and contains all the proceedings of said
meeting.

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