

ILLINOIS FINANCE AUTHORITY

February 11, 2016

AGENDA

BOARD MEETING

9:30 a.m.

Michael A. Bilandic Building

160 North LaSalle Street

Suite S-1000

Chicago, Illinois 60601

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

PROJECT REPORTS AND RESOLUTIONS

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

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
501(c)(3) Revenue Bonds <i>Final</i>						
1	University of St. Francis	Joliet (Will County)	\$15,000,000	10	60	RF/BF
TOTAL EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS			\$15,000,000	10	60	

HEALTHCARE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
501(c)(3) Revenue Bonds <i>Final</i>						
2	Christian Homes, Inc.	<u>Illinois Locations:</u> Carmi, Decatur, Forsyth, Lincoln, Springfield, Washington <u>Indiana Locations:</u> Brownstown, Crown Point, Winfield	\$39,000,000	N/A	N/A	PL/TH
501(c)(3) Revenue Bonds <i>Final (One-Time Consideration)</i>						
3	Timothy Place, NFP, d/b/a Park Place Elmhurst, and Christian Healthcare Foundation, NFP (Park Place of Elmhurst Project)	Elmhurst (DuPage County)	\$150,000,000	N/A	N/A	PL
501(c)(3) Revenue Bonds <i>Preliminary</i>						
4	Presbyterian Homes Obligated Group	Evanston (Cook County) and Lake Forest (Lake County)	\$135,000,000	N/A	N/A	PL/TH
5	MercyRockford Health System Corporation	Rockford (Winnebago County)	\$550,000,000	331	1,000	PL/TH
TOTAL HEALTHCARE PROJECTS			\$874,000,000	331	1,000	
GRAND TOTAL			\$889,000,000	341	1,060	

PROJECT REPORTS AND RESOLUTIONS

RESOLUTIONS

Tab	Action	Staff
Resolutions		
6	Resolution Authorizing or Approving the Execution and Delivery of First Supplemental Bond and Loan Agreement and First Amendment to the Additional Covenant Agreement Relating to the Revenue Refunding Bond, Series 2013 (University of St. Francis); and Related Matters	RF/BF
7	Resolution Affirming the Illinois Finance Authority's Continued Authorization to Acquire State Vendor Receivables Pursuant to Assignment Agreements	CM/EW
8	Resolution Authorizing the Executive Director to Renew Existing Contracts with Various Legal Firms	CM/EW
9	Resolution Approving Emergency Contract Extension with ADP TotalSource, Inc./ADP TotalSource MI VII, LLC (Employee Benefits and Payroll Services) and Accounting Principals	CM/EW

Date: February 11, 2016

To: R. Robert Funderburg, Jr., Chairman
Eric Anderberg
Gila J. Bronner
James J. Fuentes
Michael W. Goetz
Robert Horne
Adam Israelov
Mayor Arlene A. Juracek

Lerry Knox
Lyle McCoy
Terrence M. O'Brien
Roger Poole
Mordecai Tessler
John Yonover
Bradley A. Zeller

From: Christopher B. Meister, Executive Director

Subject: Message from the Executive Director

Dear Members of the Authority:

On January 29, the Authority issued its Fiscal Year 2015 Comprehensive Annual Financial Report (“CAFR”), and in doing so, demonstrated its continuing commitment to financial transparency and accountability. See www.il-fa.com/sites/all/themes/ifa/docs/2015_cafr.pdf. Issuing a CAFR affords the Authority the opportunity to tell our story and celebrate our achievements, while complying with all accounting, auditing and financial reporting guidelines. Moreover, the Authority’s CAFR includes additional information which may be helpful to our stakeholders, including the Governor, General Assembly, other elected officials and the citizens of Illinois, in their decision making. The Authority is very proud to have received the Government Finance Officers Association (“GFOA”) Certificate of Achievement Award for Excellence in Financial Reporting, for its very first CAFR in Fiscal Year 2014 and is optimistic that GFOA will again recognize the Authority’s CAFR for Fiscal Year 2015.

On January 28, the Illinois Auditor General, Frank Mautino, released his office’s Fiscal Year 2015 Financial Audit of the Authority. See <http://www.auditor.illinois.gov/Audit-Reports/Compliance-Agency-List/Finance-Auth/FY15-Finance-Auth-Fin-Full.pdf>. In the coming weeks, the Authority anticipates that the Auditor General will release his two-year (Fiscal Year 2014 and Fiscal Year 2015) compliance report of the Authority. Once the compliance audit is released, Audit, Budget, Finance, Investment and Procurement (“Audit Plus”) Committee Chair Gila Bronner will convene a meeting of the Audit Plus Committee to review the Fiscal Year 2015 CAFR as well as the Office of the Auditor General’s Fiscal Year 2015 Financial Audit and two-year compliance audit of the Authority (once published).

The Authority thanks the Office of the Auditor General for its work on the financial and compliance audits.

The February agenda contains a variety of not-for-profit federally tax-exempt bond projects in the higher education, senior living and healthcare sectors with a variety of locations in central and northern Illinois including Will, Lake, DuPage, and Winnebago Counties.



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

Respectfully,

A handwritten signature in black ink, appearing to read "C. Meister", with a long horizontal line extending to the right.

Christopher B. Meister
Executive Director

Date: February 11, 2016

To: R. Robert Funderburg, Jr., Chairman
Eric Anderberg
Gila J. Bronner
James J. Fuentes
Michael W. Goetz
Robert Horne
Adam Israelov
Mayor Arlene A. Juracek

Lerry Knox
Lyle McCoy
Terrence M. O'Brien
Roger Poole
Mordecai Tessler
John Yonover
Bradley A. Zeller

From: Brad R. Fletcher, Assistant Vice President

Subject: Minutes of the January 14, 2016 Regular Meeting of the Board

Dear Member of the Authority:

Please find enclosed the Report of Proceedings prepared by Marzullo Reporting Agency, Inc. (the “**Minutes**”) in connection with the regular meeting of the Board of Directors of the Illinois Finance Authority (the “**Board**”), begun and held at the Michael A. Bilandic Building, 160 North LaSalle Street, Suite S-1000, Chicago, Illinois 60601, on the second Thursday of January in the year 2016, 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**”).

To aid in your review of the Minutes, please reference the following pages and line numbers for corresponding sections of the respective meeting’s agenda:

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS MEETING
Thursday, January 14, 2016
9:30 AM

AGENDA:

- I. Call to Order & Roll Call
(page 3, line 1 through page 5, line 7)
- II. Approval of Agenda
(page 5, line 8 through page 6, line 4)
- III. Chairman’s Remarks
(page 6, line 5 through line 16)
- IV. Message from the Executive Director
(page 5, line 17 through page 8, line 19)
- V. Consideration of the Minutes
(page 8, line 20 through page 9, line 6)
- VI. Presentation and Consideration of Financial Reports
(page 9, line 7 through page 13, line 1)
- VII. Monthly Procurement Report
(page 13, line 2 through page 13, line 19)



- VIII. Committee Reports
(page 13, line 20 through page 17, line 7)
- IX. Closed Session Pursuant to, but not limited to, 5 ILCS 120/2(c)(1), 5 ILCS 120/2(c)(7) and 5 ILCS 120/2(c)(29) of the Illinois Open Meetings Act
(page 17, line 8 through line 18)
- X. Public Recital of the Nature of the Matter Considered and Other Information that will Inform the Public of the Business Conducted in Closed Session Pursuant to 5 ILCS 120/2(e)
(withdrawn)
- XI. Presentation and Consideration of Project Reports and Resolutions
(page 17, line 19 through page 42, line 13)
- XII. Other Business
(page 42, line 14 through page 43, line 5)
- XIII. Public Comment
(page 43, line 6 through line 11)
- XIV. Adjournment
(page 43, line 12 through page 44, line 1)

The Minutes of the regular meeting of the Board are further supplemented by a summary of the respective meeting's voting record prepared by Authority staff (the "**Voting Record**"), which is also enclosed.

Please contact an Assistant Secretary of the Board to report any substantive edits to the enclosures.

Respectfully submitted,

/s/ Brad R. Fletcher
Assistant Vice President

- Enclosures:
- 1. Minutes of the January 14, 2016 Regular Meeting of the Board
 - 2. Voting Record of the January 14, 2016 Regular Meeting of the Board

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3 ILLINOIS FINANCE AUTHORITY BOARD
4 BOARD OF DIRECTORS REGULAR MEETING
5 January 14th, 2016 at 9:30 a.m.
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9 Report of Proceedings had at the Meeting of the
10 Illinois Finance Authority Board of Directors Regular
11 Meeting on January 14th, 2016, at the hour of 9:30 a.m.,
12 pursuant to notice, at 160 North LaSalle Street, Suite
13 S1000, Chicago, Illinois.
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1-14-16A.txt
MR. ROBERT FUNDERBURG
MR. ERIC ANDERBERG
MR. ADAM ISRAELOV
MS. ARLENE JURACEK, (Via Audio Conference)
MR. LERRY KNOX
MR. MORDECAI TESSLER (Added 9:36 a.m.)
MS. GILA J. BRONNER
MR. MICHAEL W. GOETZ, (Via Audio Conference)
MR. ROGER POOLE
MR. BRADLEY A. ZELLER
MR. LYLE MCCOY

ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

MR. BRAD FLETCHER, Assistant Vice-President
MR. RICH FRAMPTON, Vice-President
MS. MELINDA GILDART, CFO
MS. PAMELA LENANE, Vice-President
MS. ELIZABETH WEBER, General Counsel
MS. SIX GRANDA, Controller
MS. TAMMY HARTER, Assistant/Healthcare
MR. CHRISTOPHER B. MEISTER, Executive Director
MR. PATRICK EVANS, Agricultural Banker, (Via Audio Conference)

MARZULLO REPORTING AGENCY (312) 321-9365

1 CHAIRMAN FUNDERBURG: Welcome, everyone. I
2 would like to call to order the Board Meeting for
3 the Illinois Finance Authority. We will go ahead
4 and get started. Mr. Fletcher?
5 FLETCHER: Certainly. The time is 9:31 a.m.
6 I'll call the roll of the members physically present
7 in the room first.

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3 ILLINOIS FINANCE AUTHORITY BOARD
4 BOARD OF DIRECTORS REGULAR MEETING
5 January 14th, 2016 at 9:30 a.m.
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9 Report of Proceedings had at the Meeting of the
10 Illinois Finance Authority Board of Directors Regular
11 Meeting on January 14th, 2016, at the hour of 9:30 a.m.,
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13 S1000, Chicago, Illinois.
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MARZULLO REPORTING AGENCY (312) 321-9365

1 CHAIRMAN FUNDERBURG: Welcome, everyone. I
2 would like to call to order the Board Meeting for
3 the Illinois Finance Authority. We will go ahead
4 and get started. Mr. Fletcher?
5 FLETCHER: Certainly. The time is 9:31 a.m.
6 I'll call the roll of the members physically present
7 in the room first.

8 Mr. Anderberg?
 9 ANDERBERG: Here.
 10 FLETCHER: Ms. Bronner?
 11 BRONNER: Here.
 12 FLETCHER: Mr. Israelov?
 13 ISRAELOV: Here.
 14 FLETCHER: Mr. Knox?
 15 KNOX: Here.
 16 FLETCHER: Mr. McCoy?
 17 MCGOY: Here.
 18 FLETCHER: Mr. Poole?
 19 POOLE: Here.
 20 FLETCHER: Mr. Zeller?
 21 ZELLER: Here.
 22 FLETCHER: Mr. Chairman?
 23 CHAIRMAN FUNDERBURG: Here.
 24 FLETCHER: Mr. Chairman, at this time we have a
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1 quorum of the members physically present in the
 2 room.
 3 CHAIRMAN FUNDERBURG: Okay, thank you. At this
 4 point, I believe we have some members on the
 5 telephone. Would you announce yourselves, please?
 6 GOETZ: This is Mike Goetz.
 7 CHAIRMAN FUNDERBURG: Okay.
 8 EVANS: Patrick Evans.
 9 CHAIRMAN FUNDERBURG: Okay. Anyone else?
 10 JURACEK: Mayor Juracek, and I'm requesting to
 11 attend the audio conference due to employment

12 reasons.
 13 CHAIRMAN FUNDERBURG: Okay. As is Mr. Goetz, I
 14 believe.
 15 GOETZ: Yes.
 16 CHAIRMAN FUNDERBURG: So we would like, then,
 17 to ask for approval for two members of the Board to
 18 attend and participate via teleconference.
 19 POOLE: So moved, Mr. Chairman.
 20 CHAIRMAN FUNDERBURG: Is there a second?
 21 MR. ZELLER: Second.
 22 CHAIRMAN FUNDERBURG: All in favor, please say
 23 aye.
 24 (A chorus of ayes.)
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 1 CHAIRMAN FUNDERBURG: Any opposed?
 2 (No response.)
 3 CHAIRMAN FUNDERBURG: Motion carries. Thank
 4 you all.
 5 FLETCHER: Mr. Chairman, the members attending
 6 by audio conference have been added to the initial
 7 quorum Roll call.
 8 CHAIRMAN FUNDERBURG: Okay. Thank you very
 9 much. Next up item 2, Approval of the Agenda. I
 10 would like to withdraw item number 13, as is stated
 11 in the Executive Committee report.
 12 We're in the process of working on goals
 13 and objectives for the Executive Director. That
 14 process is not complete at this point in time.
 15 So for that reason, I would like to
 16 withdraw item 13 from the agenda. Are there any
 Page 4

17 other additions or any other changes to the agenda?
18 If not, then may I have a motion to
19 approve it as amended?

20 ANDERBERG: So moved.

21 KNOX: Second.

22 CHAIRMAN FUNDERBURG: Okay. All in favor,

23 please say aye.

24 (A chorus of ayes.)

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1 CHAIRMAN FUNDERBURG: Any opposed?

2 (No response.)

3 CHAIRMAN FUNDERBURG: We had two ayes on the

4 phone. Okay, thank you.

5 Then as far as just remarks, I would keep
6 them brief. I would like to welcome a new Board
7 Member, Lyle McCoy. Thank you very much for your
8 service. Welcome to this volunteer Board. I
9 appreciate your willingness to join.

10 Also, I would like to take a moment and
11 just say thank you to Mayor Barrett Pedersen for his
12 years of service to the Illinois Finance Authority.
13 I truly appreciate his efforts and the opportunity
14 and pleasure of working with him over the past
15 several months.

16 So at that point, Executive Director?
17 MEISTER: Thank you, Mr. Chairman. In January,
18 we had the opportunity to look back over our
19 accomplishments over the past 12 months, and I do
20 just want to highlight for the Board, and for the

21 members of the public, some of the accomplishments
22 of this Board, of which all of us can be very proud.
23 Since January of 2015, we closed

24 approximately 50 projects with a dollar face value

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1 of close to \$3,000,000. Now, approximately
2 \$2,000,000 of that was refundings or
3 refundings which, frankly, saved borrowers money
4 on interest and allowed them to invest in other
5 things, employees, capital equipment.

6 But approximately \$977,000,000 was capital
7 new money or capital investment, and that typically
8 results in job creation, job retention, and
9 construction costs.

10 I do just want to point out we had
11 supplemented the Members' packet in the Manila
12 folder with the summary of closings since January of
13 last year; and again, the job creation numbers
14 really reflect this, given the heavy weighting on
15 refundings and refinancing, but there were just over
16 6800 construction jobs that the borrowers estimated
17 that they are financing created and just under 200
18 permanent jobs.

19 Again, these are estimates provided to the
20 Authority by the borrowers. Given the nature of
21 federal tax-exempt conduit financing, that is really
22 the best estimate that I think we can expect because
23 the heart of conduit financing is, frankly, willing
24 borrowers and willing lenders, and the Finance

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1 Authority being a facilitator of that.
 2 We also financed I think close to just
 3 over 1200 acres of farmland purchased across the
 4 state by beginning farmers. So we have a great deal
 5 to be proud of the Authority's contribution to the
 6 Illinois economy.

7 Under Chairman Funderburg's leadership,
 8 and the leadership of the entire Board, we continue
 9 to transform and improve on the value of the
 10 committee structure. There will be a couple of
 11 reports that folks will hear about.
 12 And again, we are in new lower-cost State
 13 space in this meeting. So I'll take any questions.
 14 But thank you for the opportunity.

15 CHAIRMAN FUNDERBURG: That's a great report,
 16 Chris. Thank you very much.
 17 FLETCHER: Mr. Chairman, if I may. The
 18 Assistant Secretary added to the quorum roll call
 19 Member Tessler at 9:36 a.m.

20 CHAIRMAN FUNDERBURG: Thank you. Okay. At
 21 this point, I would like to ask if there are any
 22 additions or corrections to the minutes? No?

23 POOLE: So moved.
 24 CHAIRMAN FUNDERBURG: Is there a second?
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1 BONNER: Second.
 2 CHAIRMAN FUNDERBURG: All in favor, please say

4 (A chorus of ayes.)
 5 CHAIRMAN FUNDERBURG: Any opposed?
 6 (No response.)

7 CHAIRMAN FUNDERBURG: Okay, thank you. Next up
 8 is our presentation of our financial records.
 9 Ms. Gildart.

10 GILDART: Good morning. I'm Melinda Gildart.
 11 I'm the CFO for the Authority, and this month's
 12 financial report will be presented as such.

13 Remember that all results are preliminary
 14 and unaudited. Our FY16 activity, we'll start with
 15 the general operating fund. We have total revenues
 16 of about 2.7 million, and that's about 14 percent
 17 higher than budget.

18 So we are still reaping the benefits of
 19 higher closing fees earlier in this fiscal year.
 20 Our closing fees today are \$2,000,000. So that's
 21 20-percent higher than budget.

22 In December, the Authority generated
 23 \$115,000 in closing fees. That is the lowest
 24 monthly total so far this fiscal year. Our closing
 MARZULLO REPORTING AGENCY (312) 321-9365

1 fees were received from Intrinsic Schools for about
 2 \$74,000, Norwegian Lutheran Hospital for \$38,000,
 3 and we had agriculture closings of \$3400.

4 We also did realize a net investment loss
 5 of \$12,000, and that's due to the liquidation of
 6 general fund investments from the State procurement,
 7 in addition to higher interest rates on short-term
 Page 8

8 securities.

9 We have total annual expenses of

10 \$2.1 million, and that is about 17 percent below

11 budget. Our year-to-date employee expenses are

12 \$862,000, and our professional services are \$867.

13 They are both below budget.

14 In December, we recorded \$398,000 in

15 expenses. That is our second highest total in FY16.

16 And again, that is driven mostly by expenses

17 incurred on behalf of the State of Illinois.

18 We have a total monthly net loss of

19 \$152,000, and that's a combination of lower closing

20 fees and higher expenses and lower investment

21 returns.

22 We have annual net income of \$664,000.

23 That's still way above what we budgeted. Are there

24 any questions so far?

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1 (No response.)

2 GILDART: Okay. For the balance sheet, the

3 Authority has a net position of \$118,000,000, and

4 when we include the activity of the other State of

5 Illinois component units, that is \$276,000,000.

6 In the general fund, we have assets of

7 just under \$54,000,000, and unrestricted cash and

8 investments make up about \$27,000,000 of that.

9 Year-to-date activities for the other

10 funds for the Illinois Environmental Protection

11 Agency, we invoiced the Authority for the \$150,000

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1 year '16.

2 Our financial audit is this close to being

3 done. This close. So we also received the first

4 proof of the CAFR just minutes ago. So we're

5 anticipating the end of the month to get a final

6 public approval from the Auditor General. The

7 reports will be available online, and we'll be able

8 to issue our CAFR.

9 A schedule of debt and a monthly flash

10 report are included in the monthly Board package.

11 Are there any questions on the financials?

12 CHAIRMAN FUNDERBURG: Okay. If there are no

13 questions, then why don't we go ahead straight to

14 the procurement report.

15 FLETCHER: Take a motion.

16 CHAIRMAN FUNDERBURG: Excuse me, yes. Thank

17 you, Mr. Fletcher. Is there a motion then to
18 accept?
19 BONNER: So moved.
20 ZELLER: Second.
21 CHAIRMAN FUNDERBURG: All in favor, please say
22 aye.

23 (A chorus of ayes.)

24 CHAIRMAN FUNDERBURG: Any opposed?
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1 (No response.)
2 CHAIRMAN FUNDERBURG: Now the procurement
3 report. Thank you.
4 GILDART: On the procurement side, the
5 Authority executed emergency contracts for ADP, our
6 employee and benefits payroll services provider. On
7 January 21st of 2016, we will be attending a hearing
8 led by the Chief Procurement Office as we seek to
9 get an extension for that contract.

10 We also executed emergency contracts for
11 accounting principles for temporary staffing for
12 MABSCO, which is our loan servicer, Swift
13 Impressions, which prints our Board books, and also
14 a Catalyst Consulting which provides IT and network
15 support for us, and we're finalizing in the contract
16 for U.S. Bank, which is our local government paying
17 agent.

18 CHAIRMAN FUNDERBURG: Okay. Any questions?

19 (No response.)

20 CHAIRMAN FUNDERBURG: Thank you very much.

21 We'll move on. Then next on the agenda is the
22 committee reports. Audit Plus did not meet, since
23 our last meeting, nor did Direct and Alternative
24 Financing. However, we did have two other committee
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1 meetings at this point.
2 Mr. Anderberg, would you like to make a
3 report?

4 ANDERBERG: Yes. At the Governance Plus
5 Committee Meeting, we discussed and talked about the
6 Executive Director's compensation moving it up to
7 the executive level, and there were two other
8 resolutions that are in the back of the packet that
9 we put through.

10 CHAIRMAN FUNDERBURG: Okay. Thank you. Any
11 questions on that?
12 (No response.)

13 CHAIRMAN FUNDERBURG: Next then for the
14 Executive Committee, to which Mr. Anderberg
15 referred, the Executive Committee did have our
16 meeting, our first meeting. The specific purpose is
17 addressing Executive Director's compensation and
18 benefits.

19 We had a very good meeting. Consensus was
20 that the Executive Director has done an excellent
21 job during his tenure here. Since really we're
22 looking at the period since his prior appointment,
23 and again, I just want to express to everybody the
24 agreement and consensus of the group that the

1 Executive Director has done an outstanding job with
2 the leading the Executive -- or excuse me, leading
3 the Illinois Finance Authority.

4 Furthermore, we spent a considerable
5 amount of time discussing future goals and
6 objectives, and that is referenced in the Executive
7 Committee Report, and that's all I have to report on
8 that at this time.

9 Any questions for either committee report?
10 (No response.)

11 CHAIRMAN FUNDERBURG: Okay. If not, then,
12 Brad?

13 WEBER: We have the Tax-Exempt Report from
14 Chris.

15 CHAIRMAN FUNDERBURG: All right. That's right,
16 in the absence of Mr. Horne.

17 MEISTER: Bob Horne, Chair of the Conduit
18 Tax-Exempt Committee, had a professional engagement
19 this morning. So he asked me to provide an update.

20 As I mentioned, we have reworked the
21 jurisdiction and the scope of the committees, and
22 that is an ongoing process; but back in December, it
23 was the first meeting of the newly-created Conduit
24 Tax-Exempt Committee.

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1 We also have a meeting chaired by
2 Mr. Horne yesterday at 4:00 o'clock, and in a great

3 amount of detail, the conduit projects that you are
4 about to hear from staff on where we discussed in an
5 open session in a great -- in depth and great deal.
6 I do want to highlight a couple of conduit
7 projects of particular impact and importance.

8 Mr. Frampton will be presenting the third tranche of
9 the CenterPoint Intermodal.

10 This, as you will hear from Mr. Frampton,
11 is a project of national impact and national
12 importance, and you will hear why it is hundreds of
13 millions of dollars of capital investments and
14 literally thousands of jobs being generated here in
15 our state by private investment. We are pleased to
16 play an important role in that.

17 And the second, again, goes to the impact
18 under our statutory mission, which is Christian
19 Homes, and we had the opportunity to assist with the
20 upgrading and refinancing of senior living
21 facilities across predominantly downstate Illinois.

22 But also under our statute, we have the
23 ability to finance projects in other states under
24 what is known as multi-state power, as long as there

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1 is a nexus here with the State of Illinois.

2 These -- all of our projects are

3 important, including the beginning farmer bonds,

4 which are comparatively small, but very important to
5 specific borrowers, but we look forward to the

6 continuing work of the Conduit Committee and making
7 the Authority better and more responsible.

8 CHAIRMAN FUNDERBURG: Okay, thank you. Next
 9 then we have on the agenda item number 9 and 10.
 10 Ms. Weber, would you please address that?
 11 WEBER: We had put the closed session on the
 12 agenda, in case Members wanted to discuss in closed
 13 session matters relating to employment matters or
 14 compensation, in light of the withdrawal of item 13.
 15 I suggest we just move on to the next item
 16 on the agenda.

17 CHAIRMAN FUNDERBURG: Okay. Thank you very
 18 much. Everyone is in agreement with that? Okay.
 19 Next, then I would like to ask for general
 20 consent of the Members to consider the project
 21 reports and resolutions collectively, unless someone
 22 would like to address any one or other of them
 23 individually.

24 Okay. I hear no objections, so I would
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1 I like to ask the staff at this point to go ahead with
 2 your reports. I believe we have Patrick Evans on
 3 the phone. So, Patrick, are you ready to give a
 4 report?
 5 EVANS: Yes. Today, Illinois Finance
 6 Authority -- can everybody hear me?
 7 (A chorus of ayes.)
 8 MR. EVANS: The Illinois Financial Authority
 9 had three beginning farmer bonds. The participating
 10 banks will have a first mortgage on the real estate
 11 relating to each of these bonds.

12 The banks are utilizing the Farm Service
 13 Agency beginning Farmer Loan guarantee program.
 14 This program is a program which the borrowers inject
 15 5 percent of the purchase price. The Farm Service
 16 Agency guarantees 45, and the bank retains
 17 50 percent of the debt.

18 Farm services will present the second
 19 mortgage behind Illinois Finance Authority bond.
 20 The first individual is Taylor Kerner. He is
 21 purchasing 68-acre farmland in Jasper County located
 22 in southeastern Illinois. Total purchase price is
 23 \$353,940, or \$5205 per acre.

24 The People's State Bank of Newton will
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1 retain 50 percent or \$176,970 of the total debt
 2 being amortized over 30 years with an interest rate
 3 of 3.256 fixed for 10, adjustable thereafter each 10
 4 years at no more than 3 percent with a floor of
 5 3.25.

6 The next loan, the two following loans are
 7 related entities that are purchasing 40 acres of
 8 ground in Hamilton County in southeast Illinois.
 9 It's Bryce and Levi Lueke.

10 Each individual will have a one-half
 11 interest in 40 acres. Total purchase is \$317,000,
 12 or 79.37 per acre. People's National Bank in
 13 McLeansboro will generate a loan to each borrower
 14 for \$79,375. This represents 50 percent of the
 15 purchase price for each of their half interest in 40
 16 acres.

17 Each loan will be amortized over 30 years
18 with an initial rate of 3.25, adjustable every 3
19 years with a cap or floor of 1 percent per
20 adjustment period. Any questions?
21 (No response.)

22 CHAIRMAN FUNDERBURG: No questions, Patrick.
23 FRAMPTON: Next, we will move on to tab 2,
24 which is a Final Bond Resolution for CenterPoint
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1 Joliet Terminal Railroad, LLC. They are seeking
2 approval of a Final Bond Resolution in an amount not
3 to exceed \$100,000,000.
4 The Board last reviewed this project back
5 in October, in connection with renewing
6 CenterPoint's original August 2007 preliminary bond
7 resolution that was approved in an amount not to
8 exceed \$1,137,000,000.

9 Just to review some of the background
10 relating to the project filled out by this Joliet
11 facility is anticipated to include 835 acres of
12 Class 1 intermodal facilities, 450 acres of on-site
13 container and equipment management facilities, and
14 20,000,000 square feet of related industrial
15 facilities and loading docks with conveyor systems,
16 cranes and other facilities and equipment.

17 The project is generally located
18 approximately two miles east of the I55 Arsenal Road
19 interchange in Joliet.

20 In terms of the finance structure, this is
Page 17

21 a private placement to the members of CenterPoint's
22 banking syndicate, which is led by Suntrust. On
23 page 9 of the report, the third caption from the
24 bottom, the bond purchasers in this syndication are
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†

1 identified for the record.
2 Essentially, what's happening is that a
3 portion of CenterPoint's credit facility will be
4 carved out and reallocated to this tax-exempt bond
5 issue.

6 This represents IFA's third bond issue on
7 behalf of CenterPoint. To date, we issued
8 \$225,000,000. After this financing, we will have
9 issued \$325,000,000. One additional point, in
10 connection with the structure, is that the parent of
11 the borrower, CenterPoint Properties Trust, which is
12 a Maryland real estate investment trust, will be
13 providing a corporate guarantee to the lending
14 syndicate.

15 And with that, I'm going to -- I can open
16 the floor for questions, if any.

17 CHAIRMAN FUNDERBURG: Okay.

18 FRAMPTON: Okay, thank you.

19 CHAIRMAN FUNDERBURG: Thank you.

20 FLETCHER: Mr. Chairman, Members of the Board,
21 Tab No. 3 is a proposed Preliminary Bond Resolution
22 for the University of St. Francis, in a
23 not-to-exceed amount of \$15,000,000. USF is a
24 private Catholic university located in Joliet.

1 It was founded in 1920. They currently
 2 offer over 4500 undergraduate programs, as well as a
 3 myriad of master levels and graduate certificate
 4 programs. The proposed transaction before you would
 5 finance the design and construction of a new science
 6 building on what is currently now a surface parking
 7 lot.

8 The proposed transaction would be a direct
 9 purchase structure from two lenders, one being
 10 Wintrust Financial, and the other being PNC Bank.
 11 So this will be issued in two different tranches,
 12 the exact amounts of which will be respectively
 13 purchased by each lender, we will provide those
 14 details when this comes back for final bond
 15 resolution.

16 The lenders will be secured by a first
 17 assignment of the campaign pledges, as well as a
 18 first security mortgage on the subject science
 19 building real estate.

20 Because the borrower is a non-rated
 21 entity, we've provided a forecast on page 7 in the
 22 confidential section of the report. We anticipate
 23 at this time that they will generate sufficient
 24 operating results to proposed -- to cover the

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1 proposed debt service going forward.
 2 The credit Committee, as well as the

3 Tax-Exempt Committee, recommends approval. I can
 4 take any questions at this time. Thank you.

5 LENAME: Mr. Chairman, Members of the Board.
 6 Christian Homes is seeking a Preliminary Bond
 7 Resolution for Christian Homes, Inc., in the amount
 8 not to exceed \$39,000,000.

9 The bond proceeds will be used by
 10 Christian Homes to refund the Illinois Finance
 11 Authority 2007A revenue bonds. Also, a refund of
 12 all or a portion of the outstanding principal amount
 13 of the City of Crown Point, Indiana, Economic
 14 Development Revenue Bond, and bonds 2007D, refund
 15 the callable portion of the Illinois Finance
 16 Authority Series 2010 revenue bonds, payoff a 2015
 17 bank loan in the amount of \$13,000,000, \$3,00,000 of
 18 which was spent on an Indiana facility, to fund a
 19 debt service reserve and take cost of issuance.

20 As the Director mentioned, this financing
 21 will refund bonds in Illinois and also in Indiana.
 22 Christian Homes is a senior living organization
 23 established in 1962 in Lincoln, Illinois. It is a
 24 multi-group, facility group system, and has a total

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1 of 12 communities, including approximately 1,474
 2 skilled nursing beds, 261 assisted living
 3 apartments, and 383 independent living apartments,
 4 apartment and garden homes, located at senior
 5 communities in Illinois, Indiana, Iowa and Missouri,
 6 but here today we're only dealing with Illinois and
 7 Indiana.

8 And if you go to page 3, at the bottom of
 9 page 3 you see all of the homes and where they are
 10 located, all of the homes that are part of the
 11 obligated group, and the mix of independent living,
 12 assisted living and skilled nursing.
 13 The bonds will be fixed-rate bonds sold
 14 through a public offering by Ziegler. The borrower
 15 is pursuing a rating from Fitch. On June 9, 2015,
 16 Fitch rating affirmed the borrower's triple B minus
 17 rating, with a stable outlook, and they hope to have
 18 that reconfirmed before they print the OS in
 19 February.

20 If we go over to -- well, I have the
 21 Illinois locations that are set forth on the top of
 22 page 2, Carmi, Decatur, Forsyth, Lincoln,
 23 Springfield and Washington. The Indiana locations
 24 are Brownstone, Crown Point and Winfield.

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1 Let's see, if we go to the financials, the
 2 financials are the debt service coverage ratio for
 3 '14 -- audited '14 -- '13 through '15 of 1.73, 1.15,
 4 and 2.21. Day's cash on hand is 121, 132 and 179.
 5 And as I mentioned to the Board Conduit
 6 Committee yesterday, this is very good for nursing
 7 homes, CCRSS. Their debt service ratios and the
 8 day's cash on hand are going to be a lot less than we
 9 see with hospitals, because of the reimbursement
 10 they are receiving and how costly it is to run
 11 skilled nursing and not receiving enough in

12 reimbursement.
 13 That also brought up the question
 14 yesterday of Chairman Horne of the Conduit Committee
 15 asked how far behind the State was in reimbursing
 16 Christian Homes in Illinois for their Medical
 17 reimbursement, and Will Carney, who is the banker
 18 from Ziegler, whose client this is, talked to the
 19 CFO this morning, and she said they are about four
 20 to five months behind.

21 She also mentioned, though, that the word
 22 on the street is that the State is contemplating a
 23 2.9 percent reduction in reimbursement, and it will
 24 be retroactive to July 1st. So they've already been

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1 planning for that and reducing their operations. Is
 2 that what they are reducing?

3 CARNEY: Yes, it's just been trimming expenses.
 4 LENANE: Trimming expenses, yes. So that they
 5 would be prepared for that. This is preliminary.
 6 Christian Homes will be back next month for a final
 7 resolution, and do we have any questions?

8 KNOX: The cost of the issuance, that's
 9 absolute at this time? Do we have an idea what the
 10 final cost of COI would be?

11 LENANE: I think it will be less than this.
 12 It's under 2 percent. Did you have some question?
 13 I will try to get a more solid number by the final
 14 resolution. This is a preliminary estimate, which
 15 is what I said.

CHAI RMAN FUNDERBURG: Thank you.

17 LENAME: You're welcome.
18 FLETCHER: I'll be covering the next three tabs
19 in the Board book. Tab number 5 is a proposed
20 resolution to amend the terms of Baker Demonstration
21 School Series 2006 bond issue.

22 We are undertaking this as a technical
23 amendment. IFA issued its 2006 bond for Baker in
24 connection with the relocation and acquisition of

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1 their campus in Wilmette.
2 First Midwest Bank was the original
3 purchaser of the Series 2006 bonds. At this time
4 the bank and the borrower have agreed to reset the
5 interest rate going forward. You are simply being
6 requested to approve the changes as already approved
7 by the bank.
8 Consistent with historical practice, we
9 take no fee for providing this customer service. I
10 could take any questions.

11 Hearing none, tab number 6 is a proposed
12 resolution to amend the terms of Mayo Properties
13 Series 2010 bond issue. This will be considered a
14 reissuance for tax purposes because Mayo Properties,
15 LLC, and the bank, again First Midwest Bank, have
16 agreed to not only reset the interest rate here, it
17 will also extend the weighted-averaged maturity of
18 the outstanding debt.

19 Because of that, there is additional
20 actions we must take concerning holding a TEFRA

21 hearing in Springfield which is, more or less,
22 perfunctory; but in addition to that, we also have
23 to request certain documents from the Governor's
24 Office of Management and Budget?

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1 So again, this is just us providing
2 customer service on our outstanding debt. Again
3 being asked to approve changes as already approved
4 by the bank concerning the interest rate and
5 extending the weighted-average maturity. Any
6 questions?

7 Next is tab number 7. This will be,
8 again, a technical amendment. This is the proposed
9 resolution to ratify and amend the terms of
10 Anderson-Shumaker Company Series 2009 bond issue.
11 The bank in question here is Associated Bank.

12 We are being asked to ratify changes to
13 the interest rate looking back to October 1st, 2015,
14 as well as going forward. Again, this is just IFA
15 providing customer service to our borrowers and our
16 bankers that we regularly work with.

17 So consistent with historical practice, we
18 accept no fee for this technical amendment.

19 MEISTER: And just to add a little something
20 about Anderson-Shumaker, this is located -- you can
21 see it when you are on the Eisenhower Expressway at
22 the Austin exit.

23 It's on the south side of the Eisenhower,
24 and if anybody ever wants to take a look and see

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1 what an industrial revenue bond looks like, this is
2 what it looks like.

3 It's a mid-sized factory and drop forge.
4 Sometimes when we're talking about bonds, we forget
5 that the financing that we collectively do actually
6 results in bricks and mortar infrastructure.

7 FLETCHER: And that's what we originally
8 financed in 2009, the construction, design and
9 equipping of their manufacturing facility on South
10 Central Avenue. Thank you.

11 CHAIRMAN FUNDERBURG: Thank you. Before you
12 get to number 8, Mr. Frampton, and anybody else
13 wants to add in, during the Executive Director's
14 report, we talked about job generation as a result
15 of Illinois Financing Authority activities
16 throughout the year, and that is certainly part of
17 our mission.

18 One of the items that was not included in
19 the totals that Executive Director Meister spoke
20 about, and again, I want to just state that all of
21 these projects are important towards the mission of
22 the Illinois Finance Authority, whether it be job
23 creation or refinancing the existing debt, which is
24 money for further investment, et cetera, but you

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1 presented one earlier.

2 Perhaps I should have asked you at that

3 point. But CenterPoint, in particular, can you
4 speak to job creation in that; and again, those
5 numbers are not included in the totals previously
6 reported?

7 FRAMPTON: Yes. On CenterPoint, we have posted
8 jobs to date currently at CenterPoint. There are
9 4,325 new permanent jobs, including 1575 at the
10 industrial park and intermodal facility.

11 Additionally, the project has created 1550
12 trucking jobs, as well as creating 1200 in direct
13 and induced jobs. These job numbers have been
14 prepared by CenterPoint for other purposes.

15 They are reporting these very same
16 employment statistics to all the governmental
17 entities from whom they've either received funding
18 or siting approvals like the City of Joliet.

19 CHAIRMAN FUNDERBURG: That's a great summary.
20 Thank you very much. Now why don't we go on to
21 number 8. I believe we have a slight change here.

22 WEBER: Yes. I'll just speak to that quickly.
23 The resolution in your Board's book was replaced by
24 one in your folder, and the only change was in

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1 section one, a slight clarification, basically
2 deleted the words "including but not limited to "his
3 request for" and replace it with "with respect to
4 the."

5 That was the only change or slight

6 modification, but I wanted to bring it to your
7 attention.

8 CHAIRMAN FUNDERBURG: Okay. So when we
 9 consider these in a moment, it will be as amended?
 10 WEBER: As amended, which is in your folder.
 11 CHAIRMAN FUNDERBURG: Okay. All right.
 12 FRAMPTON: Okay. So the resolution as amended
 13 is a resolution of intent that authorizes the
 14 Executive Director to submit a request of
 15 \$100,000,000 to the Governor's Office of Management
 16 and Budget for an allocation of volume cap.
 17 What is volume cap? Volume cap was
 18 created under federal law as a result of the Deficit
 19 Reduction Act of 1984. The whole objective of that
 20 was to put a limit on the drain to the U.S.
 21 Treasury, attributable to municipal bond projects
 22 that were issued on behalf of private tax-paying
 23 entities.

24 So volume cap has been a limiting factor
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1 on what this Authority and its predecessor, the
 2 Development Finance Authority, have been able to
 3 issue over time.
 4 In terms of IFA's business, the types of
 5 bonds that require volume cap include beginning
 6 farmer bonds, industrial revenue bonds, private
 7 water utility bonds, solid waste disposal facility
 8 revenue bonds, mass transit bonds are another
 9 example.
 10 We had looked at a perspective financing
 11 on behalf of the CTA and Cubic Transportation

12 Systems. The other principal user in the State is
 13 the Illinois Housing Development Authority for
 14 single-family and multi-family affordable financing
 15 bonds.
 16 What we intend to do with this allocation
 17 is request an allocation of \$90,000,000 for
 18 tax-exempt industrial revenue bonds and \$10,000,000
 19 for beginning farmer bonds.
 20 And at present, we have three industrial
 21 revenue bond projects that have induced -- have
 22 already been induced, or will be soon, including
 23 Camcraft, Inc., for \$9-and-a-half million, Edlong
 24 Corporation, which the Board considered in the Fall,

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1 and we also have what would be a third-time
 2 borrower, hopefully returning in the next few months
 3 for \$7,000,000 or \$8,000,000.
 4 So we already have 28 -- approximately
 5 27,000,000 or 28,000,000 of projects pending. And
 6 with that, I can take any questions.

7 MEISTER: Just a couple of brief additional
 8 comments. The Board should know that Illinois is
 9 unique in the country under federal law has the
 10 allocation of volume cap go from the U.S. Treasury.
 11 Half of it goes to the State, half of it is divided
 12 among Illinois Home Rule Government or Units across
 13 the state.

14 I think the story there is the former Ways
 15 and Means Chairman Dan Rostenkowski wanted to see
 16 that in Federal Law. Is that correct?

17 FRAMPTON: That's correct. And he made sure
 18 Home Rule Units of Government, and in particular one
 19 large one, the one where we're sited now, had an
 20 allocation so that they would be able to pursue
 21 projects.

22 As a result of all this, the Home Rule
 23 Communities in Illinois have 809 out of the
 24 \$1.285,000 allocation. And the State agencies, at
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34

1 the beginning of the year only have \$238,000,000,
 2 which is actually less than the State of South
 3 Dakota, as a whole.
 4 But thanks to our lobbying efforts through
 5 the Council Development Finance Agencies, we've been
 6 able to raise the per-capita allocation per year
 7 from 50 per capita, which is it was from '87 through
 8 2002, to \$100 per capita now.

9 And as a result, it's not nearly the
 10 constraint it once was on our activities.
 11 MEISTER: Also, could you touch previously on
 12 the volume cap that is being used from the U.S.
 13 Department of Transportation for CenterPoint versus
 14 the volume cap that is the subject of this
 15 resolution?

16 FRAMPTON: The volume cap allocated for
 17 CenterPoint was a set -- it was a set-aside
 18 allocation, a stand-alone allocation created by the
 19 U.S. Congress for the U.S. Department of
 20 Transportation to allocate on a project-by-project

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21 basis.

22 And today, in addition to the CenterPoint
 23 project, we have worked with two other intermodal
 24 facilities in Illinois to gain allocations. And
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¶

35

1 so -- and at one time, out of the 5 billion 5 of
 2 allocations that were pending, IFA projects
 3 represented \$2.2 billion out of \$5 billion total
 4 nationally.

5 So the intermodal transportation segment
 6 is one where we have been a national leader. We're
 7 hopeful that the other two projects, in addition to
 8 CenterPoint Joliet, will reemerge at some point.

9 But this is a segment, just given
 10 Illinois' location in the center of the country,
 11 with six out of the seven Class 1 railroads running
 12 through Illinois or having their terminal locations
 13 here.

14 These projects make a lot of sense. Plus,
 15 the CenterPoint project has a lot of environmental
 16 benefits. For one thing, it means significantly
 17 less rail traffic has to travel through the City of
 18 Chicago.

19 Secondly, it eliminates the need for the
 20 trains to be unloaded in the Chicago area, which
 21 means the truck traffic is 50 miles out in Joliet,
 22 and it facilitates distribution, and it undoubtedly
 23 saves diesel fuel and reduces pollution, and it has
 24 all kinds of other ancillary benefits, in addition

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1 to the 16,000 -- the 14 -- I was right the first
 2 time.
 3 I should have gone with that. 16,600 jobs
 4 forecast over the development cycle of the project,
 5 which is expected to continue at least through 2025.
 6 And I encourage any of you just to do a search on
 7 CenterPoint Joliet or CenterPoint Intermodal Center
 8 Joliet on YouTube and watch the video on the
 9 project.

10 It will give you a much better idea of the
 11 scope of the project and everything that goes on
 12 there. It's a remarkable project and facility.
 13 CHAIRMAN FUNDERBURG: Okay, thank you.
 14 FRAMPTON: You're welcome.
 15 MEISTER: So the next resolution authorizes the
 16 Executive Director to Enter into an
 17 Intergovernmental Agreement with the State
 18 Department of Commerce and Economic Opportunity.

19 We want to do this for a couple of
 20 reasons. Number one, to further coordinate
 21 programming, marketing, education of both IFA
 22 programs and Department of Commerce and Economic
 23 Development job creation and job-retention programs.
 24 Number two, as part of our effort in
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1 continuous improvement, we want to position
 2 ourselves to the extent that we might play a role in
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3 receiving additional State-based financing programs.
 4 As part of that process, I've asked the
 5 Department of Commerce and Economic Opportunity to
 6 allow us to work with a couple people on their staff
 7 to make sure that things like job descriptions and
 8 work charts and things like that match up, are
 9 consistent and coordinate, and I think that that
 10 will be very helpful.

11 One of the things, just to educate the
 12 Board, is that we'll be working with State employees
 13 who receive their healthcare and pension benefits
 14 through the appropriation process.

15 That's one of the reasons why IFA cannot
 16 enter into an intergovernmental relationship
 17 specifically for specific personnel. This will
 18 likely end up being negotiated as a fee for an
 19 exchange of services.
 20 Whatever that fee will be, we'll inform
 21 the Board, and it will likely be cheaper and more
 22 efficient to try and do it this way, rather than
 23 ourselves or through a temporary agency. I'll take
 24 any questions.

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1 CHAIRMAN FUNDERBURG: Okay. No questions.
 2 MEISTER: The next resolution is regarding
 3 committee assignments. As the Board knows, we
 4 reconstituted the committee structure in July. We
 5 made committee assignments in November; and again,
 6 to second Chairman Funderburg's welcome of Lyle
 7 McCoy, and thank Franklin Park Mayor Barrett
 Page 32

8 Pedersen for his service.
 9 In connection with that, we are asking
 10 first to clarify that Chairman Funderburg will serve
 11 on all four substantive committees as an Ex-Officio
 12 Member; and to clearly define that, which means he
 13 is non-voting and is not available for quorum
 14 purposes.

15 But also, number two, as we work with our
 16 Volunteer Board, and the time constraints of each of
 17 our Board Members, Mr. McCoy was pleased to
 18 volunteer for three committee assignments, Conduct,
 19 Direct and Alternative and Audit.

20 Mayor Juracek of Franklin Park --

21 JURACEK: Mount Prospect.

22 MEISTER: I'm sorry. Excuse me. I was
 23 thinking of Mayor Pedersen. Of Mount Prospect is
 24 obviously a mayor, and so we had -- an error was

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1 made. I inadvertently assigned her to three
 2 committees.
 3 And so we are taking one of her committee
 4 assignments, with her consent, and assigning it to
 5 New Member McCoy. I'll take any questions.

6 The next resolution, again, with our
 7 continuing work on clarifying, strengthening the
 8 committee structure, there was a discussion that I
 9 had with Chairman Funderburg and Chairman Anderberg.
 10 One of the innovations that was created in
 11 July is that there is now an Executive Committee of

12 the Authority chaired by Mr. Funderburg and the four
 13 chairs of the substantive committees.

14 And since the position of Executive
 15 Director is the only position that is described in
 16 the statute, including my nomination and appointment
 17 process, which is, as the Board knows, for a
 18 one-year term upon plural nominations from the
 19 Governor to the Chairman.

20 And so we thought that it was wise to
 21 clearly delineate the goals, objectives,
 22 consideration of nominations, compensation, invest
 23 that with the Executive Committee, and move that
 24 from our initial thought that it would be with the

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1 Governance and Personnel Committee.

2 I'll take any questions. Mr. Anderberg,
 3 did I summarize that fairly?

4 ANDERBERG: Perfect.

5 CHAIRMAN FUNDERBURG: Any questions on that?
 6 If not, then I move to item number 12. You can see
 7 that in your Board book.

8 Just building on what Executive Director
 9 Meister just reported, I would like to draw your
 10 attention to Section 2. That is the need of the
 11 resolution here basically stating that the
 12 Governance, Personnel, Legislation and Ethics
 13 Committee is hereby authorized to review with the
 14 Executive Director matters relating to personnel of
 15 the Authority, other than the Executive Director,
 16 including, but not limited, to compensation and

17 benefit plans, in terms of employment, et cetera, et
18 cetera.

19 Then also further, the concept is the
20 Executive Committee -- newly-formed Executive
21 Committee will be responsible for all matters
22 regarding the compensation, et cetera, of the
23 Executive Director. Any questions on that?

24 Next then is item 13, which has been
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1 withdrawn. So at that point, I would like to ask is
2 there a motion to pass and adopt, or is there a
3 motion to pass and adopt the following project
4 reports and resolutions as outlined here in 1A, 1B,
5 1C, and 2 through 12?

6 BONNER: So moved.

7 POOLE: Second.

8 CHAIRMAN FUNDERBURG: Any discussion?

9 Questions? Okay. All in favor, please, say aye.
10 (A chorus of ayes.)

11 FLETCHER: Bond Counsel would prefer we take a
12 roll call on project reports and resolutions.

13 CHAIRMAN FUNDERBURG: Thank you.

14 FLETCHER: So on the motion by Ms. Bronner and
15 seconded by Mr. Poole, I'll call the roll.

16 Mr. Anderberg?

17 ANDERBERG: Yes.

18 FLETCHER: Ms. Bronner?

19 BRONNER: Yes.

20 FLETCHER: Mr. Goetz on the phone?

21 GOETZ: Yes.

22 FLETCHER: Mr. Israelov?

23 ISRAELOV: Ms. Juracek on the phone?

24 JURACEK: Yes.

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1 FLETCHER: Mr. Knox?

2 KNOX: Yes.

3 FLETCHER: Mr. McCoy?

4 MCCOY: Yes.

5 FLETCHER: Mr. Poole?

6 POOLE: Yes.

7 FLETCHER: Mr. Tessler?

8 TESSLER: Yes.

9 FLETCHER: Mr. Zeller?

10 ZELLER: Yes.

11 FLETCHER: And Mr. Chairman?

12 CHAIRMAN FUNDERBURG: Yes.

13 FLETCHER: Mr. Chairman, the motion carries.

14 CHAIRMAN FUNDERBURG: Very good. Thank you.

15 At this point, I would like to ask if there is any
16 other business to come before the Board?

17 If not, then we'll move on at this point.
18 At this point, I would like to ask that we make a

19 motion to excuse the members who are unable to make
20 it for the reasons stated, the valid reasons stated.

21 Is there such a motion?

22 ANDERBERG: So moved.

23 CHAIRMAN FUNDERBURG: Is there a second?

24 MCCOY: Second.

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1 CHAIRMAN FUNDERBURG: All in favor, please say
2 aye.
3 (A chorus of ayes.)
4 CHAIRMAN FUNDERBURG: Any opposed?
5 (No response.)
6 CHAIRMAN FUNDERBURG: Next is public comment.
7 Any public comment from the group? This is your
8 chance. Okay. All right.
9 If not, then I would ask for a motion to
10 adjourn, and also state the next regular scheduled
11 Board meeting is on February 11th 2016.
12 So do we have a motion to adjourn?
13 MCCOY: So moved.
14 CHAIRMAN FUNDERBURG: Mr. McCoy had that. Is
15 there a second?
16 ZELLER: Second.
17 CHAIRMAN FUNDERBURG: Okay, Mr. Zeller. Thank
18 you. All in favor, please say aye.
19 (A chorus of ayes.)
20 CHAIRMAN FUNDERBURG: Any opposed?
21 (No response.)
22 CHAIRMAN FUNDERBURG: Okay. The meeting is
23 adjourned. Thank you all very much.
24 MEISTER: Thank you.
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1 FLETCHER: The time is 10:23 a.m.
2 (WHICH WERE ALL THE PROCEEDINGS HAD AT 10:23 a.m.)
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1 STATE OF ILLINOIS }
2 COUNTY OF COOK } SS:
3
4 PAMELA A. MARZULLO, C.S.R., being first duly sworn,
5 says that she is a court reporter doing business in the city
6 of Chicago; that she reported in shorthand the proceedings
7 had at the Proceedings of said cause; that the foregoing is
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1-14-16A.txt

8 a true and correct transcript of her shorthand notes, so
9 taken as aforesaid, and contains all the proceedings of said
10 hearing.

11 _____
12 PAMELA A. MARZULLO
13 License No. 084-001624

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⊕

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD VOICE VOTE
APPROVAL OF REQUESTS TO PARTICIPATE VIA AUDIO CONFERENCE
ADOPTED

January 14, 2016

8 YEAS

0 NAYS

0 PRESENT

Y Anderberg
Y Bronner
E Fuentes
NV Goetz
E Horne

Y Israelov
NV Juracek
Y Knox
Y McCoy
E O'Brien

Y Poole
NV Tessler
E Yonover
Y Zeller
Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD VOICE VOTE
JANUARY 14, 2016 AGENDA OF THE REGULAR MEETING OF THE BOARD, AS
AMENDED
ADOPTED

January 14, 2016

10 YEAS

0 NAYS

0 PRESENT

Y Anderberg

Y Bronner

E Fuentes

Y Goetz
(VIA AUDIO CONFERENCE)

E Horne

Y Israelov

Y Juracek
(VIA AUDIO CONFERENCE)

Y Knox

Y McCoy

E O'Brien

Y Poole

NV Tessler

E Yonover

Y Zeller

Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD VOICE VOTE
DECEMBER 10, 2015 MINUTES OF THE REGULAR MEETING
OF THE BOARD
ADOPTED

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek (VIA AUDIO CONFERENCE)	Y	Tessler (ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz (VIA AUDIO CONFERENCE)	Y	McCoy	Y	Zeller
E	Horne	E	O'Brien	Y	Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD VOICE VOTE
FINANCIAL REPORTS
ACCEPTED

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg

Y Israelov

Y Poole

Y Bronner

Y Juracek

Y Tessler

(VIA AUDIO CONFERENCE)

(ADDED)

E Fuentes

Y Knox

E Yonover

Y Goetz

Y McCoy

Y Zeller

(VIA AUDIO CONFERENCE)

E Horne

E O'Brien

Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2016-0114-AG1A
BEGINNING FARMER REVENUE BOND – TAYLOR E.G. KERNER
FINAL (ONE-TIME CONSIDERATION)
PASSED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek	Y	Tessler
			(VIA AUDIO CONFERENCE)		(ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz	Y	McCoy	Y	Zeller
	(VIA AUDIO CONFERENCE)				
E	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 BOARD OF DIRECTORS
 BOARD ROLL CALL
 RESOLUTION 2016-0114-AG1B
 BEGINNING FARMER REVENUE BOND – BRYCE A. LUEKE
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek	Y	Tessler
			(VIA AUDIO CONFERENCE)		(ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz	Y	McCoy	Y	Zeller
	(VIA AUDIO CONFERENCE)				
E	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 BOARD OF DIRECTORS
 BOARD ROLL CALL
 RESOLUTION 2016-0114-AG1C
 BEGINNING FARMER REVENUE BOND – LEVI DAKOTA LUEKE
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek	Y	Tessler
			(VIA AUDIO CONFERENCE)		(ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz	Y	McCoy	Y	Zeller
	(VIA AUDIO CONFERENCE)				
E	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2016-0114-BI02
FREIGHT TRANSFER FACILITIES REVENUE BOND – CENTERPOINT JOLIET
TERMINAL RAILROAD, LLC
FINAL
PASSED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg

Y Bronner

E Fuentes

Y Goetz
(VIA AUDIO CONFERENCE)

E Horne

Y Israelov

Y Juracek
(VIA AUDIO CONFERENCE)

Y Knox

Y McCoy

E O'Brien

Y Poole

Y Tessler
(ADDED)

E Yonover

Y Zeller

Y Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 BOARD OF DIRECTORS
 BOARD ROLL CALL
 RESOLUTION 2016-0114-NP03
 501(c)(3) REVENUE BOND – UNIVERSITY OF ST. FRANCIS
 PASSED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg

Y Israelov

Y Poole

Y Bronner

Y Juracek
(VIA AUDIO CONFERENCE)

Y Tessler
(ADDED)

E Fuentes

Y Knox

E Yonover

Y Goetz
(VIA AUDIO CONFERENCE)

Y McCoy

Y Zeller

E Horne

E O'Brien

Y Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2016-0114-HC04
501(c)(3) REVENUE BOND – CHRISTIAN HOMES, INC.
PASSED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek (VIA AUDIO CONFERENCE)	Y	Tessler (ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz (VIA AUDIO CONFERENCE)	Y	McCoy	Y	Zeller
E	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 BOARD OF DIRECTORS
 BOARD ROLL CALL
 RESOLUTION 2016-0114-AD05

RESOLUTION AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE BOND AND LOAN AGREEMENT DATED AS OF MAY 1, 2006 UNDER WHICH THE BONDS WERE ISSUED AND SOLD TO FIRST MIDWEST BANK AND APPROVING THE EXECUTION OF CERTAIN OTHER AGREEMENTS RELATING TO THE ISSUANCE OF THE BONDS; AND RELATED MATTERS (BAKER DEMONSTRATION SCHOOL, INC. PROJECT)
 ADOPTED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek	Y	Tessler
			(VIA AUDIO CONFERENCE)		(ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz	Y	McCoy	Y	Zeller
	(VIA AUDIO CONFERENCE)				
E	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda
 E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 BOARD OF DIRECTORS
 BOARD ROLL CALL
 RESOLUTION 2016-0114-AD06
 RESOLUTION AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF
 AN AMENDMENT TO THE BOND AND LOAN AGREEMENT DATED AS OF
 DECEMBER 1, 2010 UNDER WHICH THE BONDS WERE ISSUED AND SOLD TO FIRST
 MIDWEST BANK AND APPROVING THE EXECUTION OF CERTAIN OTHER
 AGREEMENTS RELATING TO THE ISSUANCE OF THE BONDS; AND RELATED
 MATTERS (MAYO PROPERTIES, LLC PROJECT)
 ADOPTED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek	Y	Tessler
			(VIA AUDIO CONFERENCE)		(ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz	Y	McCoy	Y	Zeller
	(VIA AUDIO CONFERENCE)				
E	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 BOARD OF DIRECTORS
 BOARD ROLL CALL
 RESOLUTION 2016-0114-AD07

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO BOND AND LOAN AGREEMENT RELATING TO THE INDUSTRIAL DEVELOPMENT REVENUE BOND (ANDERSON-SHUMAKER COMPANY PROJECT), SERIES 2009 OF THE ILLINOIS FINANCE AUTHORITY; AND RELATED MATTERS ADOPTED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek (VIA AUDIO CONFERENCE)	Y	Tessler (ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz (VIA AUDIO CONFERENCE)	Y	McCoy	Y	Zeller
E	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2016-0114-AD08
RESOLUTION OF INTENT REQUESTING AN INITIAL ALLOCATION OF CALENDAR
YEAR 2016 PRIVATE ACTIVITY BOND VOLUME CAP
ADOPTED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek (VIA AUDIO CONFERENCE)	Y	Tessler (ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz (VIA AUDIO CONFERENCE)	Y	McCoy	Y	Zeller
E	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2016-0114-AD09

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN
INTERGOVERNMENTAL AGREEMENT WITH THE DEPARTMENT OF COMMERCE &
ECONOMIC OPPORTUNITY REGARDING INCREASED PROGRAM COORDINATION
AND IMPROVING ADMINISTRATIVE FUNCTIONS
ADOPTED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek (VIA AUDIO CONFERENCE)	Y	Tessler (ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz (VIA AUDIO CONFERENCE)	Y	McCoy	Y	Zeller
E	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 BOARD OF DIRECTORS
 BOARD ROLL CALL
 RESOLUTION 2016-0114-AD10
 RESOLUTION REGARDING COMMITTEE ASSIGNMENTS
 ADOPTED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek	Y	Tessler
			(VIA AUDIO CONFERENCE)		(ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz	Y	McCoy	Y	Zeller
	(VIA AUDIO CONFERENCE)				
E	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 BOARD OF DIRECTORS
 BOARD ROLL CALL
 RESOLUTION 2016-0114-AD11
 RESOLUTION CLARIFYING THE SCOPE OF THE GOVERNANCE, PERSONNEL,
 LEGISLATION AND ETHICS COMMITTEE WITH RESPECT TO THE SELECTION,
 EVALUATION AND COMPENSATION OF THE EXECUTIVE DIRECTOR
 ADOPTED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Israelov	Y	Poole
Y	Bronner	Y	Juracek	Y	Tessler
			(VIA AUDIO CONFERENCE)		(ADDED)
E	Fuentes	Y	Knox	E	Yonover
Y	Goetz	Y	McCoy	Y	Zeller
	(VIA AUDIO CONFERENCE)				
E	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2016-0114-AD12
RESOLUTION CLARIFYING THE SCOPE OF THE EXECUTIVE COMMITTEE WITH
RESPECT TO THE SELECTION, EVALUATION AND COMPENSATION OF THE
EXECUTIVE DIRECTOR
ADOPTED*

January 14, 2016

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg

Y Bronner

E Fuentes

Y Goetz
(VIA AUDIO CONFERENCE)

E Horne

Y Israelov

Y Juracek
(VIA AUDIO CONFERENCE)

Y Knox

Y McCoy

E O'Brien

Y Poole

Y Tessler
(ADDED)

E Yonover

Y Zeller

Y Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2016-0114-AD13
WITHDRAWN

FINANCIAL ANALYSIS

February 11, 2016

**V. PRESENTATION AND CONSIDERATION OF THE FINANCIAL REPORTS
MONTHLY AND ANNUAL SUMMARY AS OF JANUARY 31, 2016***

*All information is **preliminary and unaudited**.

FISCAL YEAR 2016-UNAUDITED**1. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME**

- a. **Total Annual Revenues** equal \$3.1 million and are \$328 thousand or 12% higher than budget; due primarily to **higher** than expected closing fees year to date for the fiscal year. Closing fees year to date of \$2.2 million, are \$285 thousand or 14% **higher** than budget. Annual fees of \$194 thousand are \$55 thousand lower than the budgeted amount. Administrative service fees are \$93 thousand for the year and 9 times higher than budget. Application fees total \$34 thousand and are almost twice the budgeted amount. Total accrued interest income from the former IRBB local governments and others totaled \$580 thousand. Net investment income stands at \$1 thousand for the fiscal year and \$92 thousand lower than budget.
- b. In **January**, the Authority generated \$228 thousand in closing fees, the highest monthly total since October, but lower than the monthly budget of \$276 thousand. Closing fees were received from: **UnityPoint Health** for \$106 thousand; **Loyola Academy** for \$34 thousand; **CenterPoint Joliet** for \$80 thousand and **Agriculture Related Closings** totaling \$7,200. Investment information for January was not yet available, but December recorded a net investment loss of \$12 thousand. The lower monthly and annual investment returns are being driven by the liquidation of General Fund investments in relation to the State of Illinois Procurement and higher interest rates on short term U.S. Treasury securities.
- c. **Total Annual Expenses** of \$2.4 million, which is \$506 thousand or 17% lower than budget, are mostly driven by vacant budgeted staff positions and delays in IT projects and purchases. Year to date employee expenses total \$1 million and professional services total \$968 thousand; with each function at 25% and 7% below budget, respectively. Accruals totaling \$200 thousand were recorded in professional services from November thru January on behalf of the State of Illinois Procurement. Annual occupancy costs of \$141 thousand are \$5 thousand lower than the budgeted amount, while general and administrative costs are \$222 thousand for the year, which is 4% under budget.
- d. In **January**, the Authority recorded operating expenses of \$326 thousand, which is lower than the monthly budgeted amount of \$413 thousand. Monthly expenses are currently driven by incurred/accrued legal fees generated on behalf of the State of Illinois procurement. An accrual of \$80 thousand was recorded in the General Fund (Primary Government Borrowing Fund) for legal services related to the program. Total cash transfers out of the General Operating Fund to the Primary Government Borrowing Fund (set up to track financial activity on behalf of the State of Illinois) are \$2.4 million.
- e. **Total Monthly Net Income** of \$44 thousand is driven by somewhat higher closing fees, higher realized and unrealized investment losses, and lower than budgeted operating expenses.
- f. **Total Annual Net Income** is \$734 thousand. The major driver of the annual positive bottom line continues to be the level of overall spending at 17% below budget, in addition to increased revenue from closing fees in the months of September and October.

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

V. PRESENTATION AND CONSIDERATION OF THE FINANCIAL STATEMENTS
MONTHLY AND ANNUAL SUMMARY AS OF JANUARY 31, 2016*

2. ALL FUNDS-ASSETS, LIABILITIES AND NET POSITION

The Authority, as of January 31, 2016, is a \$120 million dollar agency which also currently accounts for \$266 million in total activity (including the Other State of Illinois Debt Fund) and maintains compliance for \$24 billion in outstanding debt.

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

In the General Fund, IFA continues to maintain a strong balance sheet with total net position of \$53.3 million. The total assets in the General Fund are \$53.9 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total \$26.3 million (with \$5.8 million in securities which were liquidated to purchase State of Illinois receivables, as of January 2016). Notes receivables from the former IRBB local governments total \$20.2 million, Participation, DACA and other loans receivables are at \$2.9 million and the Primary Government Borrowing Fund (State of Illinois) accounts receivables total \$2.4 million. Restricted cash and investments in the DACA Loan Fund total \$1.3 million. Liabilities, current and non-current, total just \$612 thousand.

4. YEAR TO DATE ACTIVITY FOR ALL OTHER FUNDS

- a. In accordance with governmental accounting standards, the "Other State of Illinois Debt Fund" is comprised of bond activity for the Illinois Environmental Protection Agency (IEPA), the Illinois Medical District Commission (IMDC) and Northern Illinois University Foundation (NIUF). The majority of the activity in this fund derives from the Clean Water Initiative (CWI) bonds for IEPA. The Authority authorized a cash transfer, at the request of IEPA, in January 2016 to return an additional \$50.4 million dollars of Locally Held IEPA funds to the custody of the State Treasurer. Total assets and liabilities in this fund each total \$146 million.
- b. The Locally Held Fire Truck and Ambulance Revolving Loan Funds have total year to date receipts of \$221 thousand. In FY16, 28 new Fire Truck revolving loans were issued totaling \$7.3 million. Additional loans are pending the Authority's final administrative review. In conjunction with the Office of the State Fire Marshal, 13 new Ambulance loans totaling \$1.7 million will be tentatively disbursed in March/April of 2016. Net position of \$22.4 million for Fire Truck and \$4.2 million for Ambulance, are reported on the Authority's balance sheet.
- c. The Illinois Agricultural Loan Guarantee Fund and the Illinois Farmer Agribusiness Loan Guarantee Fund include restricted assets held by the State Treasurer to make payouts of losses, in relation to the Authority's agricultural loan guarantee program. As of June 30, 2015, the Agricultural Guarantee Fund has expensed an actual payout of \$155 thousand in relation to a previously litigated case and the Agribusiness Fund includes a loss reserve of \$563 thousand for potential loan loss payouts. The \$155 thousand dollar payout was originally made from the Authority's locally held Industrial Project Insurance Fund. An intergovernmental receivable/payable was recorded in FY2016 for this amount, while the Authority seeks resolution of this matter. Restricted net position for these funds totals \$10.2 million and \$7.9 million respectively.
- d. All other nonmajor funds booked combined year to date revenues of \$64 thousand, of which, \$41 thousand is derived from investment activity. Year to date expenses total \$14 thousand as of January. Total Net Position in the remaining nonmajor funds is \$38.5 million.
- e. The Metro East Police District Commission is reported as an agency/fiduciary fund, which has total assets of \$26 thousand in the custody of the Authority. The Illinois Finance Authority NFP Development Fund has a total net position of \$24 thousand.

**V. PRESENTATION AND CONSIDERATION OF THE FINANCIAL STATEMENTS
MONTHLY AND ANNUAL SUMMARY AS OF JANUARY 31, 2016***

5. FY14 AND FY15 FINANCIAL/COMPLIANCE AUDITS AND REGULATORY UPDATES

- a. The Authority's FY15 Financial Audit was issued by the Office of the Auditor General (OAG) on January 28, 2016, the Continuing Disclosure Undertaking (CDU) was filed on EMMA on January 29, 2016 and the application for the FY15 Certificate of Achievement for the Authority's Comprehensive Annual Financial Report (CAFR), has been submitted to the Government Finance Officers Association (GFOA). The FY14 and FY15 Compliance Examination is pending release by the OAG.
- b. Upcoming Governmental Accounting Standards Board (GASB) accounting and financial reporting issues critical to the Authority's financial presentation in FY16/FY17 include changes in investment reporting, fiduciary activities, leases, grants, nonexchange transaction compliance and indirectly, new guidance on tax abatements for local governments. The Financial Accounting Standards Board (FASB) has also (in response to GASB's initiative), submitted a proposal for all private sector entities to also disclose assistance received from governmental entities. GFOA, in addition to numerous state and local government finance organizations, are working with its members to support efforts to preserve the tax exemption on municipal bond interest and federal legislation to have municipal securities classified as High Quality Liquid Assets (HQLA).

6. OTHER SUPPLEMENTARY FINANCIAL INFORMATION

- a. The Schedule of Debt and Monthly Flash Report are being presented as supplementary financial information, immediately following the financial reports in your Board package.



ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
GENERAL OPERATING FUND
FOR FISCAL YEAR 2016 AS OF JANUARY 31, 2016
(PRELIMINARY AND UNAUDITED)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	BUDGET VARIANCE (\$)	BUDGET VARIANCE (%)
Operating Revenues:																
Closing Fees	177,507	292,080	792,030	447,890	163,066	114,611	227,594	-	-	-	-	-	2,214,778	1,929,635	285,143	14.8%
Annual Fees	16,990	11,752	14,204	76,691	-	40,004	34,357	-	-	-	-	-	193,998	208,659	(14,661)	-7.0%
Administrative Service Fees	-	15,000	10,000	-	-	43,429	25,000	-	-	-	-	-	93,429	8,750	84,679	967.8%
Application Fees	3,000	4,800	6,100	11,100	4,900	2,400	1,200	-	-	-	-	-	33,500	18,025	15,475	85.9%
Miscellaneous Fees	139	1,213	-	341	-	-	94	-	-	-	-	-	1,787	3,208	(1,421)	-44.3%
Interest Income-Loans	83,318	82,857	82,675	82,712	82,661	84,109	81,346	-	-	-	-	-	579,678	597,293	(17,615)	-2.9%
Other Revenue	-	973	169	207	206	207	200	-	-	-	-	-	1,962	25,667	(23,705)	-92.4%
Total Operating Revenue:	\$280,954	\$ 408,675	\$905,178	\$618,941	\$ 250,833	\$ 284,760	\$369,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,119,132	\$2,791,237	\$ 327,895	11.7%
Operating Expenses:																
Employee Related Expense	141,053	142,455	148,939	148,049	140,690	140,655	159,303	-	-	-	-	-	1,021,144	1,362,217	(341,073)	-25.0%
Professional Services	106,155	59,247	135,606	191,582	161,386	202,640	111,720	-	-	-	-	-	968,336	1,043,045	(74,709)	-7.2%
Occupancy Costs	19,832	23,793	11,217	42,809	13,219	15,474	14,647	-	-	-	-	-	140,991	146,075	(5,084)	-3.5%
General & Administrative	29,890	28,028	30,407	27,060	34,883	35,370	36,173	-	-	-	-	-	221,811	231,220	(9,409)	-4.1%
Depreciation and Amortization	6,078	6,120	6,120	3,942	3,942	3,942	3,942	-	-	-	-	-	34,086	109,715	(75,629)	-68.9%
Total Operating Expense	\$303,008	\$ 259,643	\$332,289	\$413,442	\$ 354,120	\$ 398,081	\$325,785	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,386,368	\$2,892,272	\$ (505,904)	-17.5%
Operating Income(Loss)	\$ (22,054)	\$ 149,032	\$572,889	\$205,499	\$ (103,287)	\$ (113,321)	\$ 44,006	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 732,764	\$ (101,035)	\$ 833,799	825.3%
Nonoperating Revenues (Expenses)																
Miscellaneous Non-Opertg Rev/(Exp)	-	-	-	-	(740)	-	-	-	-	-	-	-	(740)	(292)	(448)	153.4%
Bad Debt Adjustments (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	5,833	(5,833)	-100.0%
Interest and Investment Income	25,941	26,361	26,202	21,742	27,014	19,922	N/A	-	-	-	-	-	147,182	163,100	(15,918)	-9.8%
Realized Gain (Loss) on Sale of Invest	(473)	(1,332)	(442)	(502)	(9,686)	(9)	N/A	-	-	-	-	-	(12,444)	(6,500)	(5,944)	91.4%
Net Appreciation (Depr) in FV of Invest	(12,645)	(26,167)	32,129	(35,752)	(58,174)	(32,358)	N/A	-	-	-	-	-	(132,967)	(68,500)	(64,467)	94.1%
Total Nonoperating Rev (Exp)	\$ 12,823	\$ (1,138)	\$ 57,889	\$ (14,512)	\$ (41,586)	\$ (12,445)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,031	\$ 93,641	\$ (92,610)	-98.9%
Net Income (Loss) Before Transfers	\$ (9,231)	\$ 147,894	\$630,778	\$190,987	\$ (144,873)	\$ (125,766)	\$ 44,006	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 733,795	\$ (7,394)	\$ 741,189	-10024.2%
Transfers:																
Transfers in from other funds	-	-	-	-	251,683	2,076,383	72,226	-	-	-	-	-	2,400,292	-	-	0.0%
Transfers out to other funds	-	-	-	-	(251,665)	(2,076,383)	(72,226)	-	-	-	-	-	(2,400,274)	-	-	0.0%
Total Transfers In (Out)	\$ -	\$ -	\$ -	\$ -	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18	\$ -	\$ -	0.0%
Net Income (Loss)	\$ (9,231)	\$ 147,894	\$630,778	\$190,987	\$ (144,855)	\$ (125,766)	\$ 44,006	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 733,813	\$ (7,394)	\$ 741,207	-10024.4%

**Investment information is as of December 2015. Data for January 2016 will be provided at the March 2016 board meeting.*



ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
IFA FUNDS AND AGENCY FUND ACTIVITY
FOR FISCAL YEAR 2016 AS OF JANUARY 31, 2016
(PRELIMINARY AND UNAUDITED)

	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS*	TOTAL ALL FUNDS	AGENCY FUNDS
Operating Revenues:								
Closing Fees	2,214,778	-	-	-	2,214,778	-	2,214,778	-
Annual Fees	193,998	-	-	-	193,998	-	193,998	-
Administrative Service Fees	93,429	-	-	-	93,429	-	93,429	-
Application Fees	33,500	-	-	-	33,500	-	33,500	-
Miscellaneous Fees	1,787	221,345	-	107	223,239	-	223,239	-
Interest Income-Loans	579,678	-	-	21,848	601,526	2,635,684	3,237,210	-
Other Revenue	1,962	-	-	-	1,962	-	1,962	-
Total Operating Revenue:	\$ 3,119,132	\$ 221,345	\$ -	\$ 21,955	\$ 3,362,432	\$ 2,635,684	\$ 5,998,116	\$ -
Operating Expenses:								
Employee Related Expense	1,021,144	-	-	-	1,021,144	-	1,021,144	-
Professional Services	968,336	1,318	1,209	6,201	977,064	-	977,064	-
Occupancy Costs	140,991	-	-	-	140,991	-	140,991	-
General & Administrative	221,811	-	-	5	221,816	-	221,816	-
Interest Expense	-	-	-	2,003	2,003	2,638,137	2,640,140	-
Depreciation and Amortization	34,086	-	-	-	34,086	-	34,086	-
Total Operating Expense	\$ 2,386,368	\$ 1,318	\$ 1,209	\$ 8,209	\$ 2,397,104	\$ 2,638,137	\$ 5,035,241	\$ -
Operating Income(Loss)	\$ 732,764	\$ 220,027	\$ (1,209)	\$ 13,746	\$ 965,328	\$ (2,453)	\$ 962,875	\$ -
Nonoperating Revenues (Expenses):								
Miscellaneous non-opertg rev/(exp)	(740)	-	-	-	(740)	-	(740)	-
Interest and investment income*	147,182	28,471	17,238	117,898	310,789	2,453	313,242	9
Realized Gain (Loss) on sale of investment*	(12,444)	614	2,461	(494)	(9,863)	-	(9,863)	-
Net Appreciation (Depr) in fair value of investments*	(132,967)	(3,977)	(10,544)	(76,385)	(223,873)	-	(223,873)	-
Total Nonoperating Revenues (Expenses)	\$ 1,771	\$ 25,108	\$ 9,155	\$ 41,019	\$ 77,053	\$ 2,453	\$ 79,506	\$ 9
Net Income (Loss) Before Transfers	\$ 733,795	\$ 245,135	\$ 7,946	\$ 54,765	\$ 1,041,641	\$ -	\$ 1,041,641	\$ 9
Transfers:								
Transfers in from other funds	2,400,292	-	-	-	2,400,292	-	2,400,292	-
Transfers out to other funds	(2,400,274)	-	-	(18)	(2,400,292)	-	(2,400,292)	-
Total Transfers In (Out)	\$ 18	\$ -	\$ -	\$ (18)	\$ -	\$ -	\$ -	\$ -
Net Income (Loss)	\$ 733,813	\$ 245,135	\$ 7,946	\$ 54,747	\$ 1,041,641	\$ -	\$ 1,041,641	\$ 9

**Investment information is as of December 2015. Data for January 2016 will be provided at the March 2016 board meeting.*



ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND AGENCY FUND ACTIVITY
 January 31, 2016
 (PRELIMINARY AND UNAUDITED)

	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	METRO EAST POLICE DISTRICT COMMISSION
Assets and Deferred Outflows:								
Current Assets:								
Unrestricted:								
Cash & cash equivalents	11,132,043	-	-	39,401	11,171,444	-	11,171,444	-
Investments	4,879,905	-	-	721,521	5,601,426	-	5,601,426	-
Accounts receivable, Net	2,457,381	-	-	-	2,457,381	-	2,457,381	-
Loans receivables, Net	2,157,575	-	-	-	2,157,575	-	2,157,575	-
Accrued interest receivable	487,716	-	-	-	487,716	-	487,716	-
Bonds and notes receivable	1,677,800	-	-	-	1,677,800	-	1,677,800	-
Due from other funds	21,528	-	-	-	21,528	-	21,528	-
Due from other local government agencies	-	-	-	3,000,000	3,000,000	-	3,000,000	-
Prepaid Expenses	122,546	-	-	-	122,546	-	122,546	-
Total Current Unrestricted Assets	\$ 22,936,494	\$ -	\$ -	\$ 3,760,922	\$ 26,697,416	\$ -	\$ 26,697,416	\$ -
Restricted:								
Cash & Cash Equivalents	479,853	499,369	1,008,519	3,833,794	5,821,535	51,652,044	57,473,579	25,921
Deposits in transit	-	-	42	-	42	-	42	-
Investments	235,373	194,602	2,954,978	4,124,349	7,509,302	-	7,509,302	-
Accrued interest receivable	-	-	-	4,591	4,591	18,886	23,477	-
Due from primary government	-	-	-	155,000	155,000	-	155,000	-
Bonds and notes receivable from State component units	-	-	-	-	-	1,074,042	1,074,042	-
Loans receivables, Net	-	1,359,288	74,320	46,731	1,480,339	-	1,480,339	-
Total Current Restricted Assets	\$ 715,226	\$ 2,053,259	\$ 4,037,859	\$ 8,164,465	\$ 14,970,809	\$ 52,744,972	\$ 67,715,781	\$ 25,921
Total Current Assets	\$ 23,651,720	\$ 2,053,259	\$ 4,037,859	\$ 11,925,387	\$ 41,668,225	\$ 52,744,972	\$ 94,413,197	\$ 25,921
Non-current Assets:								
Unrestricted:								
Investments	10,328,176	-	-	1,106,987	11,435,163	-	11,435,163	-
Loans receivables, Net	770,633	-	-	-	770,633	-	770,633	-
Bonds and notes receivable	18,519,237	-	-	-	18,519,237	-	18,519,237	-
Due from other local government agencies	-	-	-	-	-	-	-	-
Total Noncurrent Unrestricted Assets	\$ 29,618,046	\$ -	\$ -	\$ 1,106,987	\$ 30,725,033	\$ -	\$ 30,725,033	\$ -
Restricted:								
Cash & Cash Equivalents	-	-	-	600,000	600,000	-	600,000	-
Investments	559,379	210,220	6,300	6,475,907	7,251,806	3,272,078	10,523,884	-
Funds in the custody of the Treasurer	-	122,060	19	18,048,683	18,170,762	-	18,170,762	-
Loans receivables, Net	-	19,965,258	172,960	1,379,419	21,517,637	-	21,517,637	-
Bonds and notes receivable from primary government	-	-	-	-	-	57,990,687	57,990,687	-
Bonds and notes receivable from State component units	-	-	-	-	-	31,366,177	31,366,177	-
Total Noncurrent Restricted Assets	\$ 559,379	\$ 20,297,538	\$ 179,279	\$ 26,504,009	\$ 47,540,205	\$ 92,628,942	\$ 140,169,147	\$ -
Capital Assets								
Capital Assets	784,479	-	-	-	784,479	-	784,479	-
Accumulated Depreciation	(745,998)	-	-	-	(745,998)	-	(745,998)	-
Total Capital Assets	\$ 38,481	\$ -	\$ -	\$ -	\$ 38,481	\$ -	\$ 38,481	\$ -
Total Noncurrent Assets	\$ 30,215,906	\$ 20,297,538	\$ 179,279	\$ 27,610,996	\$ 78,303,719	\$ 92,628,942	\$ 170,932,661	\$ -



ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND AGENCY FUND ACTIVITY
 January 31, 2016
 (PRELIMINARY AND UNAUDITED)

	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	METRO EAST POLICE DISTRICT COMMISSION
Total Assets	\$ 53,867,626	\$ 22,350,797	\$ 4,217,138	\$ 39,536,383	\$ 119,971,944	\$ 145,373,914	\$ 265,345,858	\$ 25,921
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred loss on debt refunding	-	-	-	-	-	671,983	671,983	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 671,983	\$ 671,983	\$ -
Total Assets & Deferred Inflows of Resources	\$ 53,867,626	\$ 22,350,797	\$ 4,217,138	\$ 39,536,383	\$ 119,971,944	\$ 146,045,897	\$ 266,017,841	\$ 25,921



ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND AGENCY FUND ACTIVITY
 January 31, 2016
 (PRELIMINARY AND UNAUDITED)

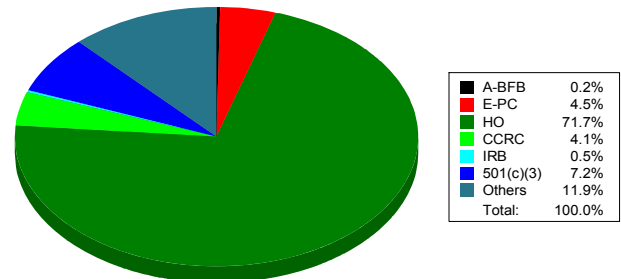
	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	METRO EAST POLICE DISTRICT COMMISSION
Liabilities:								
Current Liabilities:								
Payable from unrestricted current assets:								
Accounts payable	58,271	-	-	-	58,271	-	58,271	-
Accrued liabilities	133,098	-	-	-	133,098	-	133,098	-
Due to employees	101,017	-	-	-	101,017	-	101,017	-
Due to primary government	80,001	-	-	-	80,001	-	80,001	-
Due to other funds	-	-	-	21,528	21,528	-	21,528	-
Other liabilities	50,000	-	-	-	50,000	-	50,000	25,912
Unearned revenue, net of accumulated amortization	189,728	-	-	-	189,728	-	189,728	-
Total Current Liabilities Payable from Unrestricted Current Assets	\$ 612,115	\$ -	\$ -	\$ 21,528	\$ 633,643	\$ -	\$ 633,643	\$ 25,912
Payable from restricted current assets:								
Accrued interest payable	-	-	-	515	515	1,176,113	1,176,628	-
Bonds and notes payable from primary government	-	-	-	-	-	-	-	-
Bonds and notes payable from State component units	-	-	-	-	-	841,018	841,018	-
Current portion of long term debt	-	-	-	60,584	60,584	-	60,584	-
Other liabilities	-	-	-	155,000	155,000	-	155,000	-
Unamortized bond premium	-	-	-	-	-	1,566,584	1,566,584	-
Total Current Liabilities Payable from Restricted Current Assets	\$ -	\$ -	\$ -	\$ 216,099	\$ 216,099	\$ 3,583,715	\$ 3,799,814	\$ -
Total Current Liabilities	\$ 612,115	\$ -	\$ -	\$ 237,627	\$ 849,742	\$ 3,583,715	\$ 4,433,457	\$ 25,912
Noncurrent Liabilities								
Payable from unrestricted noncurrent assets:								
Noncurrent payables	585	-	-	-	585	-	585	-
Assets	\$ 585	\$ -	\$ -	\$ -	\$ 585	\$ -	\$ 585	\$ -
Payable from restricted noncurrent assets:								
Bonds and notes payable from primary government	-	-	-	-	-	97,675,000	97,675,000	-
Bonds and notes payable from State component units	-	-	-	-	-	36,862,465	36,862,465	-
Noncurrent portion of long term debt	-	-	-	248,512	248,512	-	248,512	-
Noncurrent loan reserve	-	-	-	562,675	562,675	-	562,675	-
Unamortized bond premium	-	-	-	-	-	7,924,717	7,924,717	-
Total Noncurrent Liabilities Payable from Restricted Noncurrent	\$ -	\$ -	\$ -	\$ 811,187	\$ 811,187	\$ 142,462,182	\$ 143,273,369	\$ -
Total Noncurrent Liabilities	\$ 585	\$ -	\$ -	\$ 811,187	\$ 811,772	\$ 142,462,182	\$ 143,273,954	\$ -
Total Liabilities	\$ 612,700	\$ -	\$ -	\$ 1,048,814	\$ 1,661,514	\$ 146,045,897	\$ 147,707,411	\$ 25,912
Net Position:								
Net Investment in Capital Assets								
Restricted	38,481	-	-	-	38,481	-	38,481	-
Unrestricted	-	22,105,662	4,209,192	33,588,661	59,903,515	-	59,903,515	-
Current Change in Net Position	52,482,632	-	-	4,844,161	57,326,793	-	57,326,793	-
	733,813	245,135	7,946	54,747	1,041,641	-	1,041,641	9
Total Net Position	\$ 53,254,926	\$ 22,350,797	\$ 4,217,138	\$ 38,487,569	\$ 118,310,430	\$ -	\$ 118,310,430	\$ 9
Total Liabilities & Net Position	\$ 53,867,626	\$ 22,350,797	\$ 4,217,138	\$ 39,536,383	\$ 119,971,944	\$ 146,045,897	\$ 266,017,841	\$ 25,921

Bonds Issued - Fiscal Year Comparison for the Period Ending January 31, 2016

Fiscal Year 2014

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

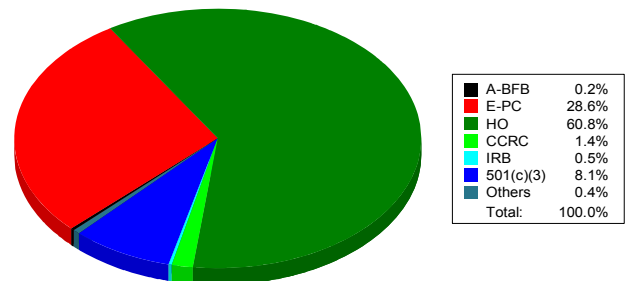
Bonds Issued in Fiscal Year 2014



Fiscal Year 2015

#	Market Sector	Principal Issued
15	Agriculture - Beginner Farmer	4,154,742
4	Education	788,149,000
11	Healthcare - Hospital	1,416,385,000
1	Healthcare - CCRC	39,640,000
2	Industrial Revenue	14,000,000
11	501(c)(3) Not-for-Profit	236,986,075
1	Local Government	12,000,000
45		\$ 2,511,314,817

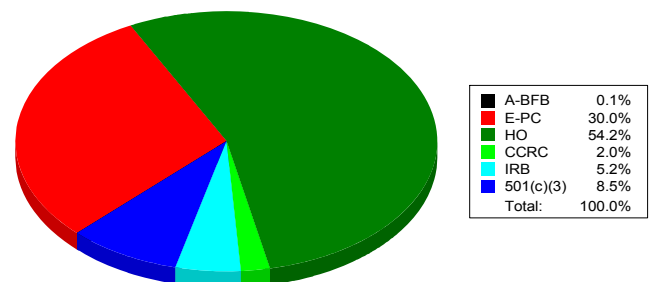
Bonds Issued in Fiscal Year 2015



Fiscal Year 2016

#	Market Sector	Principal Issued
6	Agriculture - Beginner Farmer	1,779,775
6	Education	573,265,000
10	Healthcare - Hospital	1,036,013,000
1	Healthcare - CCRC	39,030,000
1	Industrial Revenue	100,000,000
5	501(c)(3) Not-for-Profit	162,682,000
29		\$1,912,769,775

Bonds Issued in Fiscal Year 2016





**Bonds Issued and Outstanding
as of
January 31, 2016**

Bonds Issued between July 01, 2015 and January 31, 2016

<u>Bond Issue</u>	<u>Date Issued</u>	<u>Initial Interest Rate</u>	<u>Principal Issued</u>	<u>Bonds Refunded</u>
A-BFB Beginning Farmer Bond	07/01/2015	Fixed at Schedule	1,779,775	0
E-PC North Central College	07/09/2015	Variable	30,177,000	0
501(c)(3) Shedd Aquarium Society	07/24/2015	Fixed at Schedule	22,945,000	22,945,000
501(c)(3) Field Museum of Natural History	07/28/2015	Variable	88,500,000	88,500,000
HO Little Company of Mary Hospital	08/18/2015	Variable	102,000,000	72,000,000
501(c)(3) The Joint Commission	08/26/2015	Fixed at Schedule	16,000,000	0
501(c)(3) Providence St. Mel	09/01/2015	Variable	19,040,000	9,800,000
501(c)(3) Goodman Theatre	09/01/2015	Fixed at Schedule	24,680,000	24,680,000
CCRC Villa St. Benedict	09/10/2015	Fixed at Schedule	39,030,000	37,210,000
E-PC The University of Chicago	09/10/2015	Fixed at Schedule	415,825,000	224,030,000
HO Advocate Health Care	09/25/2015	Fixed at Schedule	100,000,000	100,000,000
HO OSF HealthCare System	09/28/2015	Fixed at Schedule	368,150,000	216,231,343
HO Palos Community Hospital	10/01/2015	Variable	232,015,000	220,145,000
HO Riverside Health Systems	10/14/2015	Variable	37,165,000	37,165,000
E-PC Columbia College Chicago	10/15/2015	Fixed at Schedule	58,465,000	58,465,000
CCRC Plymouth Place	10/20/2015	Fixed at Schedule	56,260,000	56,260,000
HO Advocate Health Care	10/22/2015	Fixed at Schedule	71,645,000	0
E-PC Nazareth Academy	10/28/2015	Variable	25,200,000	10,500,000
HO Sarah Bush Lincoln Health Center	11/24/2015	Variable	30,000,000	0
HO Passavant Hospital	11/30/2015	Variable	22,778,000	0
CCRC Norwegian Lutheran Bethesda Home Association	12/16/2015	Variable	7,517,000	582,446
E-PC Intrinsic Schools-Belmont School Project	12/17/2015	Fixed at Schedule	21,855,000	0
E-PC Loyola Academy	01/26/2016	Variable	21,743,000	21,500,000
IRB CenterPoint Joliet Terminal Railroad, LLC	01/28/2016	Variable	100,000,000	0

Total Bonds Issued as of January 31, 2016 \$ 1,912,769,775 \$ 1,200,013,789

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 4.1 of the Public Board Book Final Copy, Page 56



Beginner Farmer Bonds Funded between July 01, 2015 and January 31, 2016

<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acre</u>	<u>County</u>
09/30/2015	5.00	460,000	80.00	Montgomery
10/02/2015	5.00	98,100	39.24	Saline
10/14/2015	5.00	333,750	50.00	Ford
11/09/2015	2.9	174,000	58.00	Wayne
12/11/2015	3.25	230,000	33.00	Whiteside
12/29/2015	3.00	483,925	74.45	Henry
Total Beginner Farmer Bonds Issued		<u>\$ 1,779,775</u>	<u>334.69</u>	

ILLINOIS FINANCE AUTHORITY
Schedule of Debt ^(a)

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

Section I (a)

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2015	January 31, 2016		
Illinois Finance Authority "IFA" ^(b)				
Agriculture	\$ 48,313,152	\$ 50,092,927		
Education	4,273,041,117	4,649,188,616		
Healthcare	13,533,399,874	14,010,045,261		
Industrial Development [includes Recovery Zone/Midwest Disaster]	695,925,824	832,511,597		
Local Government	294,800,000	299,555,000		
Multifamily/Senior Housing	168,364,435	166,679,350		
501(c)(3) Not-for Profits	1,406,590,039	1,551,454,922		
Exempt Facilities Bonds	249,915,000	199,915,000		
Total IFA Principal Outstanding	\$ 20,670,349,441	\$ 21,759,442,673		
Illinois Development Finance Authority "IDFA" ^(b)				
Education	496,388	496,388		
Healthcare	80,200,000	80,200,000		
Industrial Development	113,009,098	213,710,622		
Local Government	358,231,651	224,802,285		
Multifamily/Senior Housing	704,441,769	83,679,117		
501(c)(3) Not-for Profits	118,035,000	630,151,174		
Exempt Facilities Bonds				
Total IDFA Principal Outstanding	\$ 1,374,413,906	\$ 1,233,039,586		
Illinois Rural Bond Bank "IRBB" ^(b)				
Total IRBB Principal Outstanding	\$ -	\$ -		
Illinois Health Facilities Authority "IHFA"	\$ 739,875,000	\$ 642,374,898		
Illinois Educational Facilities Authority "IEFA"	\$ 640,921,000	\$ 572,918,000		
Illinois Farm Development Authority "IFDA" ⁽¹⁾	\$ 15,646,526	\$ 15,587,111		
Total Illinois Finance Authority Debt	\$ 23,441,205,873	\$ 24,223,362,269	\$ 28,150,000,000	\$ 3,926,637,731

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

Section I (b)

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2015	January 31, 2016		
General Purpose Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]				
* Issued through IRBB - Local Government Pools				
* Issued through IFA - Local Government Pools				
Issued through IFA - Illinois Medical District Commission	36,280,000	34,885,000		
Total General Purpose Moral Obligations	\$ 36,280,000	\$ 34,885,000	\$ 150,000,000	\$ 115,115,000
* All the Local Government bonds were defeased as of August 1, 2014.				
Financially Distressed Cities Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
Issued through IFA	\$ -	\$ -		
Issued through IDFA	-	-		
Total Financially Distressed Cities	\$ -	\$ -	\$ 50,000,000	\$ 50,000,000
State Component Unit Bonds ^(c)				
Issued through IDFA ⁽¹⁾	-	-		
Issued through IFA ⁽¹⁾	122,656,626	100,826,357		
Total State Component Unit Bonds	\$ 122,656,626	\$ 100,826,357		

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

Section I (c)

	Principal Outstanding		Remaining MDAB Volume Cap
	June 30, 2015	January 31, 2016	
Midwestern Disaster Area Bonds [Flood Relief]	\$ 65,257,870	\$ 64,786,803	N/A

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

Section I (d)

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

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

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

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

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

Section II	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2015	January 31, 2016		
Illinois Power Agency	\$ -	\$ -	\$ 4,000,000,000	\$ 4,000,000,000

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

Section III	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2015	January 31, 2016		
Clean Coal, Coal, Renewable Energy and Energy Efficiency Projects	\$ -	\$ -	\$ 3,000,000,000 ^[d]	\$ 3,000,000,000

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

Section IV	Principal Outstanding		Program Limitations	Remaining Capacity	State Exposure
	June 30, 2015	January 31, 2016			
Agri Debt Guarantees [Restructuring Existing Debt]					
Fund # 994 - Fund Balance \$10,183,823	\$ 8,108,370	\$ 7,326,594	\$ 160,000,000	\$ 152,673,406	\$ 6,225,751
AG Loan Guarantee Program					
Fund # 205 - Fund Balance \$7,864,860	\$ 8,511,765	\$ 7,760,142	\$ 225,000,000 ^[e]	\$ 217,239,858	\$ 6,596,121
Agri Industry Loan Guarantee Program	\$ 4,543,157	\$ 4,064,342			3,454,691
Farm Purchase Guarantee Program	909,887	898,197			763,468
Specialized Livestock Guarantee Program	2,163,574	1,920,064			1,632,054
Young Farmer Loan Guarantee Program	895,146	877,539			745,908
Total State Guarantees	\$ 16,620,134	\$ 15,086,736	\$ 385,000,000	\$ 369,913,264	\$ 12,821,872

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

Section V		Fund #	Principal Outstanding		Cash and Investment Balance
			June 30, 2015	January 31, 2016	
132	Fire Truck Revolving Loan Program*	Fund # 572	\$ 17,052,813	\$ 21,324,546	\$ 1,025,719
8	Ambulance Revolving Loan Program *	Fund # 334	\$ 415,920	\$ 247,280	\$ 1,008,580

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

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

Section VI	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2015	January 31, 2016		
Environmental [Large Business]				
Issued through IFA	\$ 16,495,000	\$ 63,010,000		
Issued through IDFA	118,035,000	113,710,000		
Total Environmental [Large Business]	\$ 134,530,000	\$ 176,720,000	\$ 2,425,000,000	\$ 2,248,280,000
Environmental [Small Business]	\$ -	\$ -	\$ 75,000,000	\$ 75,000,000
Total Environment Bonds Issued under Act	\$ 134,530,000	\$ 176,720,000	\$ 2,500,000,000	\$ 2,323,280,000

Illinois Finance Authority Funds at Risk

Section VII	Original Amount	Principal Outstanding	
		June 30, 2015	January 31, 2016
Participation Loans			
Business & Industry	23,020,158	1,107,646	1,069,256
Agriculture	6,079,859	96,159	96,159
Participation Loans exluding Defaults & Allowances	29,100,017	1,203,805	1,165,415
Plus: Legacy IDFA Loans in Default		858,458	843,173
Less: Allowance for Doubtful Accounts		1,002,182	976,359
Total Participation Loans		1,060,081	1,032,229
Local Government Direct Loans	1,289,750	126,000	114,000
Rural Bond Bank Local Government Note Receivable		20,462,037	20,197,037
FmHA Loans	963,250	207,658	192,118
Renewable Energy [RED Fund]	2,000,000	1,302,261	1,246,492
Total Loans Outstanding	34,353,017	23,158,036	22,781,876
IRBB funds were defeased and transferred into a note receivable with the IFA.			

Higher Education Loan Act (110 ILCS 945 or "HELA")

Section VIII	Principal Outstanding		Statutory Debt Limitation	Remaining HELA Debt Limitation
	June 30, 2015	January 31, 2016		
Midwestern University Foundation - Student Loan Program Revenue Bonds	\$ 15,000,000	\$ 15,000,000	\$ 200,000,000 ^[d]	\$ 185,000,000

[a] Total subject to change; late month payment data may not be included at issuance of report.
 [b] State Component Unit Bonds included in balance.
 [c] Does not include Unamortized issuance premium as reported in Audited Financials.
 [d] Program Limitation reflects the increase to \$3 billion effective 01/01/2010 under P.A. 96-103.
 [e] Program Limitation reflects the increase from \$75 million to \$225 million effective 01/01/2010 under P.A. 96-103.
 [f] Beginner Farmer Bonds are currently updated annually; new bonds will be added under the Illinois Finance Authority when the bond closes.
 [g] Midwestern Disaster Area Bonds - Illinois Counties eligible for Midwest Disaster Bonds included Adams, Calhoun, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Hancock, Henderson, Jasper, Jersey, Lake, Lawrence, Mercer, Rock Island, Whiteside and Winnebago.
 [h] Recovery Zone Facility Revenue Bonds - Federal government allocated volume cap directly to all 102 Illinois counties and 8 municipalities with population of 100,000 or more. [Public Act 96-1020]
 [i] Includes EPA Clean Water Revolving Fund
 * Preliminary balances that are subject to change.



ILLINOIS FINANCE AUTHORITY
MEMORANDUM

PRELIMINARY AND UNAUDITED

To: Illinois Finance Authority Board of Directors
From: Melinda M. Gildart, Chief Financial Officer
Date: February 11, 2016
Re: Monthly Procurement Report

CONTRACTS EXECUTED

Services Provided	Vendor	Proposed Initial Term (Yrs)	Estimated Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
<i>Illinois Procurement Code-Emergency Contracts</i>							
State of Illinois Procurement for Legal Services	Katten Muchin	90 days	09/15-12/15	\$ 72,150	\$ 39,474	\$ 39,474	\$ 19,737
Temporary Finance/Procurement/Compliance Staffing	Accounting Principals, Inc.	90 days	01/16-04/16	\$ 71,103	\$ 46,992	\$ 46,992	\$ 150,000
Payroll Services and Employee Benefits	ADP TotalSource, Inc.	121 days	01/16-05/16	\$ 99,800	\$ 74,850	\$ 74,850	\$ 233,000
<i>Illinois Procurement Code-CPO Small Purchase Approvals</i>							
Loan Management Services	Mabsco, Inc.	90 days	01/16-03/16	\$ 25,000	\$ 50,000	\$ 50,000	\$ 100,000
Paying Agent/Custodian Services	U.S. Bank National Association	90 days	01/16-03/16	\$ 4,750	\$ 9,500	\$ 9,500	\$ 20,000
Marketing Services	Hill Knowlton	90 days	01/16-03/16	\$ 18,750	\$ 75,000	\$ 75,000	\$ 75,000
IT Network Consulting Services	Catalyst Consulting, Inc.	90 days	01/16-03/16	\$ 15,000	\$ 30,000	\$ 30,000	\$ 60,000
Board Book Printing Services	Swift Impressions, Inc.	90 days	01/16-03/16	\$ 2,500	\$ 6,000	\$ 6,000	\$ 10,000
<i>IFA Exemption for Professional and Artistic, Legal or Financial Services-Small Purchase</i>							
Tax Preparation and IRS Filing Services	Whittaker and Associates	90 days	01/16-04/16	\$ 9,950	\$ 10,000	\$ 10,000	\$ 10,000

CONTRACTS PENDING EXECUTION

Services Provided	Vendor	Proposed Initial Term (Yrs)	Estimated Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
<i>Illinois Procurement Code-Competitive Bids/Proposals</i>							
Debt Management Software Application	Technology Partnership Group, Inc.	3	01/16-12/18	\$ 552,250	N/A	N/A	N/A
<i>Illinois Procurement Code-CPO Small Purchases</i>							
Insurance Brokering Services-Employee Benefits	Mesirow Insurance Services, Inc.	1	02/16-01/17	\$ 50,000	\$ 50,000	\$ 233,000	\$ 233,000



ILLINOIS FINANCE AUTHORITY
MEMORANDUM

PRELIMINARY AND UNAUDITED

To: Illinois Finance Authority Board of Directors
From: Melinda M. Gildart, Chief Financial Officer
Date: February 11, 2016
Re: Monthly Procurement Report

EXPIRED AND EXPIRING CONTRACTS

Services Provided	Vendor	Previous Term (Yrs)	Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
Legislative Services (Expired 9/30/15)	Howard Kenner Government Consulting	90 days	07/15-09/15	\$ 15,000	\$ 60,000	\$ 60,000	\$ 60,000
Employee Benefits and Payroll Services (Expired 01/29/16)	ADP TotalSource, Inc.	90 days	11/15-01/16	\$ 74,500	\$ 49,900	\$ 49,900	\$ 233,000
Temporary Finance/Procurement/Compliance Staffing (Expired 01/22/16)	Accounting Principals, Inc.	60 days	11/15-01/16	\$ 46,992	\$ 49,894	\$ 49,894	\$ 150,000

ACTIVE SOLICITATIONS

Amounts are estimated and unaudited

Services Provided	Vendor	Proposed Initial Term (Yrs)	Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
<i>IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals</i>							
Specialty Accounting/Audit Services	TBD	2	03/16-02/18	n/a	\$ -	\$ -	\$ -

UPCOMING SOLICITATIONS

Amounts are estimated and unaudited

Services Provided	Vendor	Proposed Initial Term (Yrs)	Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
<i>Illinois Procurement Code-Competitive Bids/Proposals</i>							
Legislative Services	See expired/expiring contracts	-	-	n/a	\$ 180,000	\$ 180,000	\$ 60,000
Employee Benefits and Payroll Services	See expired/expiring contracts	-	-	n/a	\$ 233,000	\$ 233,000	\$ 233,000
IT Software Support and Temporary Staffing	Anticipated award Apr 2016	2	04/16-03/18	n/a	\$ -	\$ -	\$ -
IT Network Support	Anticipated award Mar 2016	3	04/16-03/19	n/a	\$ 90,000	\$ 90,000	\$ 30,000
Typesetting and Printing Services	Anticipated award Feb 2016	3	03/16-02/19	n/a	\$ 40,000	\$ 40,000	\$ 40,000
Financial Advisory Services (State Revolving Fund)	Anticipated award Apr 2016	3	05/16-04/19	n/a	\$ -	\$ -	\$ -
Marketing Services	Anticipated award May 2016	3	05/16-04/19	n/a	\$ 300,000	\$ 179,276	\$ 89,638
Insurance Broker	Anticipated award Jun 2016	3	06/16-07/19	n/a	\$ 68,700	\$ 68,700	\$ 22,900
<i>IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals</i>							
Loan Management and Paying Agent/Custodian Services	Anticipated award Apr 2016	3	04/16-03/19	n/a	\$ 110,000	\$ 158,662	\$ 52,887
Financial Deposit Institution/Cash Management	Anticipated award May 2016	5	05/16-04/21	n/a	\$ 105,000	\$ 105,000	\$ 105,000
Investment Advisor and/or Mgmt. Services	Per BOD Direction	2	n/a	n/a	n/a	n/a	n/a

For comparison purposes only. Includes only the initial term, not renewals.



ILLINOIS FINANCE AUTHORITY
MEMORANDUM

PRELIMINARY AND UNAUDITED

To: Illinois Finance Authority Board of Directors
From: Melinda M. Gildart, Chief Financial Officer
Date: February 11, 2016
Re: Monthly Procurement Report

UPCOMING RENEWALS

Services Provided	Vendor	Proposed Renewal Term (Yrs)	Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
<i>IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals</i>							
Legal Services-Master Legal Pool Contract/Approved Counsel	Various - Pool comprised of 38 firms:	1	-	\$ 750,000	\$ 1,500,000	\$ -	\$ 500,000
Legal Services-Master Legal Pool Contract/Approved Counsel	Arnstein & Lehr LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Burke Burns & Pinelli, Ltd.	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Cahill Law Offices	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Chapman and Cutler LLP	1	03/14-03/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Charity & Associates, P.C.	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Del Galdo Law Group	1	03/14-03/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Deutsch, Levy & Engel, Chtd.	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Duane Morris LLP	1	03/14-03/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Foley & Lardner LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Franczek Radelet	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Gonzalez Saggio and Harlan, LLC	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Greenberg Traurig, LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Greene and Letts	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Hardwick Law Firm LLC	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Hart, Southworth & Witsman	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Hinshaw & Culbertson LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Holland & Knight LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Howard & Howard Attorneys PLLC	1	03/14-03/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Ice Miller LLP	1	02/14-06/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Katten Muchin Rosenman LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Kutak Rock LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Laner Muchin, Ltd	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	McGaugh Law Group LLC	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	McGuire Woods LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Miller, Canfield, Paddock and Stone, P.L.C.	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Miller, Hall, & Triggs, LLC	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Peck, Shaffer & Williams LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Pugh, Jones & Johnson, P.C.	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Quarles & Brady LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Quintairos, Prieto, Wood, & Boyer	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Reyes Kurson, LTD.	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Rock Fusco & Connelly, LLC	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Sanchez Daniels & Hoffman LLP	1	02/14-02/16	N/A	N/A	N/A	N/A



ILLINOIS FINANCE AUTHORITY
MEMORANDUM

PRELIMINARY AND UNAUDITED

To: Illinois Finance Authority Board of Directors
From: Melinda M. Gildart, Chief Financial Officer
Date: February 11, 2016
Re: Monthly Procurement Report

Legal Services-Master Legal Pool Contract/Approved Counsel	Schiff Hardin LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Shanahan & Shanahan LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Taft Stettinius & Hollister, LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Thompson Coburn LLP	1	02/14-02/16	N/A	N/A	N/A	N/A
Legal Services-Master Legal Pool Contract/Approved Counsel	Ungaretti & Harris LLP	1	02/14-02/16	N/A	N/A	N/A	N/A

Contracts Not To Be Renewed: At the Direction of the Executive Director

Legal Services-Master Legal Pool Contract/Approved Counsel Deutsch, Levy & Engel, Chtd
 Legal Services-Master Legal Pool Contract/Approved Counsel McGaugh Law Group LLC
 Legal Services-Master Legal Pool Contract/Approved Counsel Howard & Howard Attorneys PLLC

PROPOSED CHANGES TO IFA PROCUREMENT POLICY

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

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

University of St. Francis

February 11, 2016

REQUEST	<p>Purpose: Bond proceeds will provide University of St. Francis (the “Borrower”) with all or a portion of the funds necessary to (i) finance, refinance, or reimburse the University for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities, including the construction and equipping of a new science building (including, without limitation, related landscaping and signage), (ii) pay certain working capital expenditures if deemed desirable by the University, (iii) fund a debt service reserve fund if deemed necessary or desirable by the University, and (iv) pay certain costs relating to the issuance of the Series 2016 Bonds if deemed necessary or desirable by the University, all as permitted under the Illinois Finance Authority Act (collectively, the “Financing Purposes”).</p> <p>Program: Conduit 501(c)(3) Revenue Bonds Extraordinary Conditions: None.</p>																				
BOARD ACTION	<p>Final Bond Resolution Voting Record (January 14, 2016) – Preliminary Bond Resolution – 11 Yeas; 0 Nays; 0 Abstain; 4 Absent (Fuentes, Horne, O’Brien, Yonover); 0 Vacancies.</p>																				
MATERIAL CHANGES	<p>Sources and Uses refined; filing agent engaged.</p>																				
JOB DATA	<table border="0"> <tr> <td style="padding-right: 20px;">350</td> <td style="padding-right: 20px;">Current jobs</td> <td style="padding-right: 20px;">10</td> <td>New jobs projected (1-2 years)</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>60</td> <td>Construction jobs projected (15 months)</td> </tr> </table>	350	Current jobs	10	New jobs projected (1-2 years)	N/A	Retained jobs	60	Construction jobs projected (15 months)												
350	Current jobs	10	New jobs projected (1-2 years)																		
N/A	Retained jobs	60	Construction jobs projected (15 months)																		
DESCRIPTION	<ul style="list-style-type: none"> ● Location: Joliet / Will 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 Congregation of the Third Order of St. Francis of Mary Immaculate in 1920 that is governed by a 31-member Board of Trustees. ● The University offers 45 baccalaureate programs, including 3 adult undergraduate majors, 19 masters-level programs (onsite and online classes), 3 sub-baccalaureate certificate programs, 11 post-baccalaureate certificate programs, 3 post-masters certificate programs and 2 doctoral programs. In fiscal year 2015, the University served 1762 undergraduate and 2000 post-baccalaureate students. ● The planned Science Building project will be located on the main campus of the University on the current site of a surface parking lot. The building will be approximately 35,000 – 40,000 square feet and will include nine teaching laboratories, four student/faculty research laboratories, 11 faculty offices, two student study lounges and a multi-purpose lecture hall. 																				
CREDIT INDICATORS	<ul style="list-style-type: none"> ● The Borrower is a non-rated entity. ● The plan of finance contemplates that the IFA Bonds will be issued in two tranches (i.e., Series 2016A and Series 2016B) and purchased directly by Wintrust Bank and PNC Bank, N.A. (each, a “Bond Purchaser”). Each Bond Purchaser will be a secured lender and a direct bond investor. ● The Series 2016A Bond issued in the amount of \$6.0 million will be purchased by Wintrust Bank and the Series 2016B Bond issued in the amount of \$9.0 million will be purchased by PNC Bank, N.A. 																				
SECURITY	<ul style="list-style-type: none"> ● The Banks (as Bond Purchasers) will be secured by a general corporate obligation, a first mortgage on the Science Building, and an assignment of Science Center campaign pledges. 																				
MATURITY/INTEREST RATES	<ul style="list-style-type: none"> ● The Bonds will mature no later than 25 years from the issue date. ● The Bonds will have an initial term of 5 years with reset provisions thereafter. The initial interest rate will be negotiated by the University and the Banks prior to closing based on prevailing market conditions and is currently estimated at between 2.00% and 3.00%. 																				
SOURCES AND USES	<table border="0"> <thead> <tr> <th colspan="2" style="text-align: left;">Sources:</th> <th colspan="2" style="text-align: left;">Uses:</th> </tr> </thead> <tbody> <tr> <td style="padding-right: 20px;">IFA Series 2016A Bond</td> <td style="padding-right: 20px; text-align: right;">\$6,000,000</td> <td style="padding-right: 20px;">Project Costs</td> <td style="text-align: right;">\$18,400,000</td> </tr> <tr> <td>IFA Series 2016B Bond</td> <td style="text-align: right;">9,000,000</td> <td>Costs of Issuance</td> <td style="text-align: right;"><u>300,000</u></td> </tr> <tr> <td>Capital Campaign Receipts</td> <td style="text-align: right;"><u>3,700,000</u></td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;"><u>\$18,700,000</u></td> <td>Total</td> <td style="text-align: right;"><u>\$18,700,000</u></td> </tr> </tbody> </table>	Sources:		Uses:		IFA Series 2016A Bond	\$6,000,000	Project Costs	\$18,400,000	IFA Series 2016B Bond	9,000,000	Costs of Issuance	<u>300,000</u>	Capital Campaign Receipts	<u>3,700,000</u>			Total	<u>\$18,700,000</u>	Total	<u>\$18,700,000</u>
Sources:		Uses:																			
IFA Series 2016A Bond	\$6,000,000	Project Costs	\$18,400,000																		
IFA Series 2016B Bond	9,000,000	Costs of Issuance	<u>300,000</u>																		
Capital Campaign Receipts	<u>3,700,000</u>																				
Total	<u>\$18,700,000</u>	Total	<u>\$18,700,000</u>																		
RECOMMENDATION	<p>Credit Review Committee recommends approval.</p>																				

**ILLINOIS FINANCE AUTHORITY
 BOARD SUMMARY
 February 11, 2016**

Project: University of St. Francis

STATISTICS

Project Number: 12319	Amount: \$15,000,000 (not-to-exceed amount)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Rich Frampton and Brad R. Fletcher
Locations: Joliet	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

Voting Record (January 14, 2016) – Preliminary Bond Resolution – 11 Yeas; 0 Nays; 0 Abstain; 4 Absent (Fuentes, Horne, O’Brien, Yonover); 0 Vacancies

PURPOSE

Bond proceeds will provide **University of St. Francis** (the “**Borrower**”) with all or a portion of the funds necessary to (i) finance, refinance, or reimburse the University for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities, including the construction and equipping of a new science building (including, without limitation, related landscaping and signage), (ii) pay certain working capital expenditures if deemed desirable by the University, (iii) fund a debt service reserve fund if deemed necessary or desirable by the University, and (iv) pay certain costs relating to the issuance of the Series 2016 Bonds if deemed necessary or desirable by the University, all as permitted under the Illinois Finance Authority Act (collectively, the “**Financing Purposes**”).

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources: IFA Series 2016A Bond	\$6,000,000	Uses: Project Costs	\$18,400,000
IFA Series 2016B Bond	9,000,000	Cost of Issuance	<u>300,000</u>
Capital Campaign Receipts	<u>3,700,000</u>		
Total	<u>\$18,700,000</u>	Total	<u>\$18,700,000</u>

JOBS

Current employment: 350	Projected new jobs: 10 (1-2 years)
Jobs retained: N/A	Construction jobs: 60 (15 months)

FINANCING SUMMARY

- Security:** The Banks (as Bond Purchasers) will be secured by a general corporate obligation, first mortgage on the Science Building, and an assignment of Science Center campaign pledges.
- Structure:** The plan of finance contemplates the direct purchase of tax exempt debt in an amount not-to-exceed \$15.0 million to be issued in two tranches and purchased directly by Wintrust Bank and PNC Bank, N.A. (each, a “**Bond Purchaser**”). Each Bond Purchaser will be a secured lender and a direct bond investor.
- It is contemplated that Wintrust Bank will direct-purchase one tranche (Series 2016A) in an amount of \$6.0 million and PNC Bank, N.A. will direct-purchase the other tranche (Series 2016B) in an amount of \$9.0 million.
- The Series 2016A and Series 2016B Bonds will not be rated.
- Interest Rate:** The Series 2016A and Series 2016B Bonds will be sold at a variable rate or synthetically fixed interest rate to be determined based on prevailing market interest rates. The interest rates on the Bonds will be set for an initial term of 5 years (i.e., 3/1/2021), currently estimated at between 2.00% and 3.00% (with reset provisions thereafter to be determined prior to pre-closing).
- Underlying Debt Rating:** The University is a non-rated entity.
- Maturity:** 2041 (estimated at up to 25 years from issuance date).
- Estimated Closing Date:** February 2016
- Rationale:** During the competitive bid process that the University undertook in December 2015 among banks interested in financing its capital project, the University determined that tax-exempt financing could be completed at a lower interest rate than a taxable loan for the same fixed term. Savings attributable to tax-exempt financing will free-up University cash to be used for other purposes that will enhance the University and the surrounding community.

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will provide **University of St. Francis** (the “**Borrower**”) with all or a portion of the funds necessary to (i) finance, refinance, or reimburse the University for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities, including the construction and equipping of a new science building (including, without limitation, related landscaping and signage), (ii) pay certain working capital expenditures if deemed desirable by the University, (iii) fund a debt service reserve fund if deemed necessary or desirable by the University, and (iv) pay certain costs relating to the issuance of the Series 2016 Bonds if deemed necessary or desirable by the University, all as permitted under the Illinois Finance Authority Act (collectively, the “**Financing Purposes**”).

Estimated Project costs (including certain indebtedness already incurred) consist of the following:

Construction	\$15,000,000
Architectural/Engineering	1,700,000
Fixtures/Equipment	1,400,000
Parking/Landscaping	300,000
Total:	<u>\$18,400,000</u>

BUSINESS SUMMARY

Description: **University of St. Francis** (the “**University**” or the “**Borrower**”) was established in 1920 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 31-member Board of Trustees (see Economic Disclosure Statement on p. 5).

Background: The University of St. Francis was founded in 1920 by the Congregation of the Third Order of St. Francis of Mary Immaculate for the education of its own members. In 1925, under the name Assisi Junior College, the University began accepting women outside the congregation. With the start of the fall term of 1930, a senior college curriculum was formed and a new name, the College of St. Francis, was adopted. In 1971, the college became co-educational, and the first off-campus degree programs were started in the fall of 1972. In 1980, a master’s program in health services administration was offered followed in the early 1990’s by various other graduate offerings. In 1997, the College affiliated with Saint Joseph College of Nursing.

The Board of Trustees of the College of St. Francis elected to move to university status and on January 1, 1998, the institution became the University of St. Francis.

The University of St. Francis has undertaken a series of expansion and modernization projects in recent years. In 2004, the University purchased the vacated Motherhouse from the founding congregation, and has since renovated it into a facility that houses (i) a conference and meeting center (Solutions Resource Center), (ii) administrative offices (i.e., undergraduate admissions), and (iii) the Leach College of Nursing (“LCON”). The LCON provides students with high tech classroom space, skills lab, extensive computer support and a simulation lab for hands-on critical care training. The simulation lab, funded by a federal nursing grant, is outfitted to resemble various units in a hospital (and includes an emergency room, intensive care unit, and labor and delivery rooms).

In Summer 2005, the University renovated Marian Residence Hall (originally constructed in 1967). The building was upgraded with life-safety improvements, new restrooms, upgraded windows, wireless internet, community lounges, computer/study lounges, and new modular furniture in student rooms. The ground floor Abbey features a student commons area, including a TV room and game room.

Presently, the Borrower enrolls 3,150 students with a full-time faculty of 123. The Main Campus of the University of St. Francis is in the Cathedral Areas Preservation District, located near many of Joliet’s most elegant and historic homes. The University’s main campus encompasses 24 acres.

The Authority most recently issued approximately \$24,248,000 of Refunding Bonds for the University in June 2013. The IFA Series 2013 Bonds were used to refinance the University’s outstanding balances relating to its IFA Series 2005 Bonds and IFA Series 2007 Bonds. The University is current on payments relating to the IFA Series 2013 Bonds as of 2/1/2016 and has made all payments as scheduled.

ECONOMIC DISCLOSURE STATEMENT

Applicant: University of St. Francis, 500 Wilcox Street, Joliet, IL 60435
Contact: Elizabeth Laken, Vice President Finance and Administration
(T) 815-740-3372; email: elaken@stfrancis.edu

Website: <http://www.stfrancis.edu/>

Location: 500 Wilcox Street, Joliet (Will County), IL 60435

Project name: IFA 501(c)(3) Revenue Bond (University of St. Francis Project) Series 2016A and Series 2016B

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

Board of
Trustees:

The University of St. Francis Board of Trustees oversees and guides the University in fulfillment of its educational mission and is composed of the following members:

Board of Trustees

<u>Member</u>	<u>Professional Affiliation</u>
Kathleen J. McGowan (Chair)	Catholic Charities, Diocese of Joliet
Chrystel L. Gavlin, J.D. (Vice Chair)	Associate Circuit Court Judge, Will County
Anthony Arellano	(Retired), Joliet District 86
Robert J. Baron	Mahoney, Silverman & Cross, LLC
Mark D. Bass	Farmers Insurance Group
DeWitt Buchanan	Buchanan & Associates
Karen Cialette	RR Donnelley
Michael Dowd	City Beverage
Brian J. Giegerich	Northern Trust
Marisue Grabavoy	TMJ & Facial Pain Treatment Center
Sr. Margaret Guider, OSF, Th.D	Boston College School of Theology and Ministry
Diane F. Habiger	Lincolnshire Properties
Steven Hernandez	BP America Inc.
Arvid C. Johnson, Ph.D.	University of St. Francis
Sr. Dorothy Kinsella, OSF, Ph.D.	Sisters of St. Francis of Mary Immaculate
Rev. James B. Lewis, O.Carm.	University of Notre Dame
Joseph T. Mallof	(Retired), World Kitchen LLC
Karl Maurer	Financial Advisor
Candice Rosen	Candice Rosen Health Counseling
Arthur Scheuber	Marquette University
Paramjit Singh Sidhu	Joliet Oncology-Hematology Associates, Ltd.
Cheryl Stepney	Solution Design Group
Sr. Faith Szambelanczyk, OSF	(Retired), Joliet Catholic Academy
Michael Turk, Jr.	Turk Furniture
Thomas Vana	Kurtz Ambulance Service
Anthony Villa	Insuresoft
Patricia S. Wheeler	Alumna
Phyllis M. Wilson, Ph.D.	Wilson & Associates Educational Consulting Svcs.
Lawrence A. Wyllie, Ed.D.	Lincoln-Way Community High School District 210
Sr. Mary Jo Young, OSF, Ph.D.	Elmhurst College
Sr. Dolores Zemont, OSF	Sisters of St. Francis of Mary Immaculate

Trustees Emeritus

Thomas M. Flavin	Flavin and Associates
Byron O. Lee, Jr.	Nuclear Management and Resources Council
Carolyn Tomecek Murphy	President, Commercial Operations (Retired)

Presidents Emeritus

Michael J. Vinciguerra, Ph.D.
James A. Doppke, Ph.D.
John C. Orr, Ph.D.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Kavanagh Grumley & Gorbald LLC	Joliet, IL	Paul Richards
Auditor:	Sikich LLP	Naperville, IL	
Borrower's Advisor:	Longhouse Capital Advisors	La Grange Park, IL	Michael Boisvert Lindsay Wall Nancy Burke
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	
Banks/ Bond Purchasers:	<u>Series 2016A</u> Wintrust Bank	Chicago, IL	Kandace Lenti Erinn Siegel Klaudia Liszka
	<u>Series 2016B</u> PNC Bank, N.A.	Chicago, IL	Barb Fahnstrom Taylor Relich
Wintrust Bank Counsel:	Dentons US LLP	Chicago, IL	Mary Wilson
Filing Agent:	BNY Mellon	Chicago, IL	Merci Stahl
PNC Bank Counsel:	Chapman and Cutler LLP	Chicago, IL	Carol Thompson
IFA Counsel:	Holland & Knight LLP	Chicago, IL	Barb Adams
IFA Financial Advisor:	Sycamore Advisors	Chicago, IL	Melanie Shaker

LEGISLATIVE DISTRICTS

Congressional:	11
State Senate:	43
State House:	86

February 11, 2016

\$39,000,000
Christian Homes, Inc.

REQUEST	<p>Purpose: Bond proceeds will be used by Christian Homes, Inc. to (i) refund Illinois Finance Authority Series 2007A Revenue Bonds outstanding in the amount of \$2.68 million, (ii) refund all or a portion of the outstanding principal amount of the City of Crown Point, Indiana Economic Development Revenue Refunding Bonds, Series 2007D outstanding in the amount of \$5.95 million, (iii) refund the callable portion of Illinois Finance Authority Series 2010 Revenue Bonds outstanding in the amount of \$8.48 million, (iv) payoff 2015 Bank Loan in the amount of \$13.0 million, \$3.0 million of which was spent on Indiana facilities, (v) fund a debt service reserve, and (vi) pay costs of issuance.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																								
BOARD ACTIONS	<p>Final Bond Resolution Voting Record (January 14, 2016) – Preliminary Bond Resolution – 11 Yeas; 0 Nays; 0 Abstain; 4 Absent; 0 Vacancies.</p>																								
MATERIAL CHANGES	<p>Christian Homes has received a rating of BBB- .</p>																								
JOB DATA	<table border="0"> <tr> <td>Current jobs 2,276</td> <td>New jobs projected N/A</td> </tr> <tr> <td>Retained jobs N/A</td> <td>Construction jobs projected N/A</td> </tr> </table>	Current jobs 2,276	New jobs projected N/A	Retained jobs N/A	Construction jobs projected N/A																				
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Retained jobs N/A	Construction jobs projected N/A																								
DESCRIPTION	<ul style="list-style-type: none"> • Illinois Locations: Carmi, Decatur, Forsyth, Lincoln, Springfield, Washington • Indiana Locations: Brownstown, Crown Point, Winfield • Christian Homes, Inc. (“Christian Homes”), a 501(c)(3) Senior Living organization was established in 1962 in Lincoln, Illinois. Christian Homes Obligated Group is a multi-facility system that has a total of 12 communities including approximately 1474 skilled nursing beds, 261 assisted living apartments, and 383 independent living apartment and garden homes located at senior communities in Illinois, Indiana, Iowa, and Missouri. 																								
CREDIT INDICATORS	<ul style="list-style-type: none"> • The Bonds will be fixed rate bonds sold through a public offering. Fitch Ratings awarded the Bonds a “BBB-” rating with a stable outlook on February 3, 2016. 																								
SECURITY	<ul style="list-style-type: none"> • Gross revenue pledge, mortgage and master notes under a master indenture. Covenants and other legal provisions are expected to be consistent with those in use for similar financings. 																								
MATURITY	<ul style="list-style-type: none"> • Bonds will mature no later than May 15, 2040. 																								
SOURCES AND USES	<table border="0"> <tr> <td colspan="2">Sources:</td> <td colspan="2">Uses:</td> </tr> <tr> <td>IFA Series 2016 Bonds</td> <td>\$32,435,000</td> <td>Refunding</td> <td>\$17,253,083</td> </tr> <tr> <td>Trustee-Held Funds</td> <td>\$1,424,538</td> <td>Bank Loan</td> <td>\$13,000,000</td> </tr> <tr> <td>Equity</td> <td><u>\$216,675</u></td> <td>Debt Service Reserve Fund</td> <td>\$2,952,473</td> </tr> <tr> <td></td> <td></td> <td>*Costs of Issuance</td> <td><u>\$870,657</u></td> </tr> <tr> <td>Total</td> <td><u>\$34,076,213</u></td> <td>Total</td> <td><u>\$34,076,213</u></td> </tr> </table> <p><i>*Preliminary Estimate</i></p>	Sources:		Uses:		IFA Series 2016 Bonds	\$32,435,000	Refunding	\$17,253,083	Trustee-Held Funds	\$1,424,538	Bank Loan	\$13,000,000	Equity	<u>\$216,675</u>	Debt Service Reserve Fund	\$2,952,473			*Costs of Issuance	<u>\$870,657</u>	Total	<u>\$34,076,213</u>	Total	<u>\$34,076,213</u>
Sources:		Uses:																							
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		*Costs of Issuance	<u>\$870,657</u>																						
Total	<u>\$34,076,213</u>	Total	<u>\$34,076,213</u>																						
RECOMMENDATION	<p>Credit Review Committee recommends approval.</p>																								

**ILLINOIS FINANCE AUTHORITY
 BOARD SUMMARY
 February 11, 2016**

Project: Christian Homes, Inc.

STATISTICS

Project Number: 12317	Amount:	\$39,000,000 (not-to-exceed)
Type: 501(c)(3) Revenue Bonds	IFA Staff:	Pam Lenane and Tammy Harter
Illinois Locations: Carmi, Decatur, Forsyth Lincoln, Springfield, Washington	Illinois Counties:	White, Macon, Logan Sangamon, Tazewell
Indiana Locations: Brownstown, Crown Point, Winfield		

Note: These are Christian Homes, Inc. sites that benefit from the subject financing.

BOARD ACTION

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

PURPOSE

The proceeds will be used by Christian Homes to (i) refund Illinois Finance Authority Series 2007A Revenue Bonds outstanding in the amount of \$2.68 million, (ii) refund all or a portion of the outstanding principal amount of the City of Crown Point, Indiana Economic Development Revenue Refunding Bonds, Series 2007D outstanding in the amount of \$5.95 million, (iii) refund the callable portion of Illinois Finance Authority Series 2010 Revenue Bonds outstanding in the amount of \$8.48 million, (iv) payoff 2015 Bank Loan in the amount of \$13.0 million, \$3.0 million of which was spent on Indiana facilities, (v) fund a debt service reserve, and (vi) pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance 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 Series 2016 Bonds	\$32,435,000	Refunding	\$17,253,083
Trustee-Held Funds	\$1,424,538	Bank Loan	\$13,000,000
Equity	<u>\$216,675</u>	Debt Service Reserve Fund	\$2,952,473
		*Costs of Issuance	<u>\$870,6567</u>
Total	<u>\$34,076,213</u>	Total	<u>\$34,076,213</u>

**Preliminary Estimate*

JOBS

Current employment: 2,276	Projected new jobs: N/A
Jobs retained: N/A	Construction jobs: N/A

FINANCING SUMMARY

Credit Enhancement: None

Structure: Fixed rate, tax-exempt serial and term bonds sold through a public offering by Ziegler based on the underlying rating of the Borrower.

Interest Rate: To be determined on the day of pricing.

Interest Rate Modes: Fixed through final maturities.

Underlying Ratings: The Bonds will be fixed rate bonds sold through a public offering. Fitch Ratings awarded the Bonds a “BBB-” rating with a stable outlook on February 3, 2016.

Maturity: No later than May 15, 2040

Estimated Closing Date: March 2015

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

The proceeds will be used by Christian Homes to (i) refund Illinois Finance Authority Series 2007A Revenue Bonds outstanding in the amount of \$2.68 million, (ii) refund all or a portion of the outstanding principal amount of the City of Crown Point, Indiana Economic Development Revenue Refunding Bonds, Series 2007D outstanding in the amount of \$5.95 million, (iii) refund the callable portion of Illinois Finance Authority Series 2010 Revenue Bonds outstanding in the amount of \$8.48 million, (iv) payoff 2015 Bank Loan in the amount of \$13.0 million, \$3.0 million of which was spent on Indiana facilities, (v) fund a debt service reserve, and (vi) pay costs of issuance.

BUSINESS SUMMARY

Background: Description of Business: Christian Homes, Inc. (“**Christian Homes**”), a 501(c)(3) Senior Living organization was established in 1962 in Lincoln, Illinois. Christian Homes Obligated Group (“**Obligated Group**”) is a multi-facility system comprised of 12 communities including approximately 1474 skilled nursing beds, 261 assisted living apartments, and 383 independent living apartment and garden homes located at senior communities in Illinois, Indiana, Iowa, and Missouri. The table below details the unit-mix for each community in the Obligated Group:

Obligated Group Communities	Location	Independent Living	Assisted Living	Skilled Nursing	Total
Washington Christian Village	Washington, IL	9		122	131
The Christian Village	Lincoln, IL	62		112	174
Hickory Point Christian Village	Decatur, IL	50	48	64	162
Fair Havens Christian Home	Decatur, IL	10		154	164
Shawnee Christian Nursing Center	Herrin, IL			159	159
Heartland Christian Village	Neoga, IL	8		71	79
Lewis Memorial Christian Village	Springfield, IL	46	20	171	237
Wabash Christian Retirement Center	Carmi, IL	11		156	167
Crown Point Christian Village	Crown Point, IN	24	50	146	220
Hoosier Christian Village	Brownstown, IN	13		97	110
Risen Son Christian Village	Council Bluffs, IA	90	62	102	254
Spring River Christian Village	Joplin, MO	60	81	120	261
		383	261	1474	2118

ECONOMIC DISCLOSURE STATEMENT

Applicant: Christian Homes, Inc.
 Site Address: 200 N. Postville Dr.
 Lincoln, IL 62656-1978
 Contact: Susan McGhee, Chief Financial Officer; Phone: 314/587-7903
 Website: <https://www.christianhomes.org/>
 Project name: N/A
 Organization: 501(c)(3) Not-for-Profit Corporation
 State: Illinois
 Ownership/Board Members (501(c)(3)):

Name	Age	Position	Tenure on Board
Sewell, Ronald F.	75	Chairman	2008
Filing, Nicholas	68	Vice Chairman	2011
Carter, Billy D.	64	Treasurer	2007
Goodner, Terry	65	Secretary	2002
Crosby, Robert W.	75	Past Chairman	1998
Behrends, Mark	55	Director	1994
Burrell, Timothy (Tim)	48	Director	2014
Clark, Randy	53	Director	2007
Fitzgerald, Donald W.	62	Director	2013
Frasure, James S.	75	Director	2005
Gnuse, Steve	56	Director	2014
Kerin, Tom	70	Director	2014
Lash, Bill W.	78	Director	2001
Lincoln, Patricia	81	Director	2002
Vincent, Debra	57	Director	2014
Williams, Victor S. (Scott)	59	Director	2012
McGhee, Susan M. (<i>Ex-Officio</i>)	50	Assistant Treasurer	2007
Phillippe, Timothy F. (<i>Ex-Officio</i>)	63	President	2001

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Dentons US LLP	Thomas K. Vandiver	St. Louis, MO
Auditor:	CliftonLarsonAllen LLP	Amanda Tinney	St. Louis, MO
Underwriter:	Ziegler	Will Carney	Chicago, IL
Bond Counsel:	Chapman and Cutler LLP	John F. Bibby	Chicago, IL
Underwriter's Counsel:	Thompson Coburn LLP	Sara E. Kotthoff	St. Louis, MO
Bond Trustee:	Wells Fargo Bank, N.A.	Gail Klewin	Chicago, IL
Issuer's Counsel:	Hinshaw & Culbertson LLP	Chicago, IL	Leslie Richards-Yellen
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe Selden

LEGISLATIVE DISTRICTS

Congressional: 12, 13, 15, 18
 State Senate: 44, 48, 50, 51, 55, 59
 State House: 87, 88, 96, 99, 101, 109, 110, 117

SERVICE AREA

Obligated Group Communities	Location
Washington Christian Village	Washington, IL
The Christian Village	Lincoln, IL
Hickory Point Christian Village	Decatur, IL
Fair Havens Christian Home	Decatur, IL
Shawnee Christian Nursing Center	Herrin, IL
Heartland Christian Village	Neoga, IL
Lewis Memorial Christian Village	Springfield, IL
Wabash Christian Retirement Center	Carmi, IL
Crown Point Christian Village	Crown Point, IN
Hoosier Christian Village	Brownstown, IN
Risen Son Christian Village	Council Bluffs, IA
Spring River Christian Village	Joplin, MO

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Pam Lenane

Date: February 11, 2016

Subject: Park Place Elmhurst Series 2016 Restructuring of the Series 2010 IFA Bonds in connection with a Chapter 11 Bankruptcy

- Key terms have been agreed to by Park Place, its sponsor, Provident Life Services, and 74.2% of the Bondholders (representing \$108.4 million in Series 2010 Bonds).
- Seeking one-time final Board Resolution, subject to Bankruptcy Court Order and IFA approval of the Limited Offering Memorandum.
- Park Place of Elmhurst is a CCRC (Continuing Care Retirement Community) consisting of 181 independent living units, 46 assisted living units, 20 memory support units, and 37 nursing care units.
- 85% of the outstanding Series 2010 Bonds will be exchanged for Series 2016A and 2016B bonds. 15% of the outstanding Series 2010 Bonds will be exchanged for the Series 2016C Bonds, which will be subordinate to the Series 2016A and B Bonds. All Series 2016 Bonds will bear interest at rates that are lower than the existing interest rates on the Series 2010 Bonds.
- The Sponsor, Provident Life Services, will be providing \$5 million in cash as a loan subordinate to all the Series 2016 Bonds. Provident Life Services has already provided \$12.7 million to Park Place, the repayment of which has been waived.
- Approximately 22% of the total par amount of the 2010 Bonds (which equates to \$32,147,500) is held by retail investors in approximately 2,000 accounts. Using these figures, the average retail account holds approximately \$16,074.
- Most of the Park Place residents pay an Entrance Fee when they move in. The percentage to be refunded is not refunded until the resident moves out and the unit is resold. These fees are integral to the cash flows.
- Park Place anticipates having a confirmation hearing on the Restructuring Plan on March 29th and effectuating the Bond Exchange in April, 2016
- The success of the Restructuring Plan depends on net occupancy growth in independent living of approximately 1-2 units per month over the next 5 months. Historical net occupancy growth in independent living has averaged 2.3 units in 2015.
- The restructuring plan is based on detailed financial projections prepared by Park Place and its financial advisor. The financial projections use conservative assumptions and result in projected debt service coverage of 1.31x-1.72x and Days Cash on Hand of 150-174 (all ratios pertain to FY 2017 through FY 2020).

\$150,000,000 (Not to Exceed)
Timothy Place, NFP d/b/a Park Place Elmhurst, and Christian Healthcare Foundation, NFP (Park Place of Elmhurst Project)

February 11, 2016

REQUEST

Purpose: This financing (the “Series 2016 Restructuring”) consists of a financial restructuring of existing Series 2010 IFA Bonds in connection with a Chapter 11 bankruptcy filing for Park Place, a Continuing Care Retirement Community (“CCRC”) located in Elmhurst, Illinois. The Borrower for the Series 2016 Restructuring and the Series 2010 Bonds (the subject of the Series 2016 Restructuring) is Timothy Place, NFP d/b/a Park Place Elmhurst (the “**Corporation**”) and Christian Healthcare Foundation, NFP, (collectively with the Corporation, the “**Borrower**”).

The key terms of the Series 2016 Restructuring have been agreed to by the Borrower and the majority Series 2010 Bondholders. **74.2% of the Bondholders (representing \$108.4 million of the Series 2010 Bonds) have approved the 2016 Restructuring.** The Borrower is seeking the IFA’s final resolution in connection with its plan to effectuate the Series 2016 Restructuring as part of the Chapter 11 bankruptcy process. The Series 2016 Restructuring provides a means to reduce the debt and debt service burden on Park Place, and serves to better align debt service and revenues. No new money is being sought in connection with the Series 2016 Restructuring.

Program: Conduit 501(c)(3) Revenue Bonds

Extraordinary Conditions: Request Waiver of Board policy for non-rated bonds

BOARD ACTIONS

One-time final resolution

JOB DATA

149	Current jobs	N/A	New jobs projected
N/A	Retained jobs	N/A	Construction jobs projected

DESCRIPTION

- Location: Elmhurst, Illinois / Cook County / Northeast Region
- Timothy Place, NFP d/b/a Park Place Elmhurst and Christian Healthcare Foundation, NFP are 501(c)(3) organizations formed in 2004.
- Park Place is a CCRC currently consisting of 181 independent living units, 46 assisted living units, 20 memory support units, and 37 nursing care units. Park Place was financed in 2010 through the Issuance of IFA Bonds. The community opened its doors to residents on February 6, 2012.
- Park Place Elmhurst is a subsidiary of Rest Haven Illiana Christian Convalescent Home d/b/a Providence Life Services (PLS), which was founded in 1956 as an Illinois not for profit corporation to furnish healthcare and retirement living facilities for the proper care and treatment of seniors.

CREDIT INDICATORS

- The Series 2016 Bonds will be tax-exempt bonds consisting of the following:
 - **Series 2016A:** \$103,691,500 of fixed rate bonds with principal payments due on May 15, 2021 through May 15, 2055. Par amount is equal to 85% of the currently outstanding Series 2010A, B and C par amounts.
 - **Series 2016B:** \$20,514,750 of fixed rate bonds with a final maturity of May 15, 2020. These bonds are intended to be repaid with Entrance Fees pursuant to the “Distribution Waterfall” described in the Restructuring Term Sheet (also see pages 5-6). Par amount is equal to 85% of the currently outstanding Series 2010D-1 and D-2 par amounts.
 - **Series 2016C (Subordinate):** \$21,918,750 of fixed rate bonds with a final maturity date of May 15, 2055. Principal and interest will only be paid on these bonds to the extent that “Excess Cash” exists as defined in the Distribution Waterfall. The par amount of these bonds is equal to 15% of the currently outstanding par amount of all Series 2010 Bonds.

PLS, the parent to Park Place, will provide \$5.0 million of cash pursuant to a subordinate loan in connection with the Series 2016 Restructuring.

SECURITY	<ul style="list-style-type: none"> • Series 2016A and Series 2016B: First priority lien on all assets of the Corporation. • Series 2016C: Subordinate lien on all assets of the Corporation. 																																																																																												
MATURITY	<ul style="list-style-type: none"> • The Series 2016A, B and C Bonds will mature not later than 5/15/2055, 5/15/2020 and 5/15/2055, respectively. 																																																																																												
SOURCES & USES	<p>As shown below, the Sources & Uses of Funds for the Series 2016 Restructuring involves not only the Series 2016 Bonds but also funds from PLS in the form of a subordinate loan, the remaining balance in the Series 2010A Debt Service Reserve Fund (all other debt service reserve funds have previously been depleted) and funds to be held in the Revenue Fund, Operating Reserve Fund and Entrance Fee Fund.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="4">Sources</td> </tr> <tr> <td style="padding-left: 20px;">Series 2016A Bonds</td> <td style="text-align: right;">103,691,500</td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Series 2016B Bonds</td> <td style="text-align: right;"><u>20,514,750</u></td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Total Senior Debt</td> <td></td> <td style="text-align: right;">124,206,250</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Series 2016C Bonds (subordinate)</td> <td></td> <td style="text-align: right;"><u>21,918,750</u></td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Total Series 2016 Bonds for Exchange</td> <td></td> <td></td> <td style="text-align: right;">146,125,000</td> </tr> <tr> <td style="padding-left: 20px;">Providence Subordinate Loan</td> <td></td> <td></td> <td style="text-align: right;">5,000,000</td> </tr> <tr> <td style="padding-left: 20px;">Revenue Fund</td> <td></td> <td></td> <td style="text-align: right;">2,585,124</td> </tr> <tr> <td style="padding-left: 20px;">Operating Reserve Fund</td> <td></td> <td></td> <td style="text-align: right;">1,000,016</td> </tr> <tr> <td style="padding-left: 20px;">Entrance Fee Fund</td> <td></td> <td></td> <td style="text-align: right;">7,035,194</td> </tr> <tr> <td style="padding-left: 20px;">Series 2010 Debt Service Reserve Fund</td> <td></td> <td></td> <td style="text-align: right;"><u>6,815,316</u></td> </tr> <tr> <td style="padding-left: 20px;">Total Sources</td> <td></td> <td></td> <td style="text-align: right;"><u><u>168,560,650</u></u></td> </tr> <tr> <td colspan="4">Uses</td> </tr> <tr> <td style="padding-left: 20px;">Series 2010A, B and C Redemption</td> <td style="text-align: right;">121,990,000</td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Series 2010D-1, D-2 Redemption</td> <td style="text-align: right;"><u>24,135,000</u></td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Total Series 2010 Redemption</td> <td></td> <td></td> <td style="text-align: right;">146,125,000</td> </tr> <tr> <td style="padding-left: 20px;">Series 2016 Debt Service Reserve Fund</td> <td></td> <td></td> <td style="text-align: right;">8,649,817</td> </tr> <tr> <td style="padding-left: 20px;">Series 2010 Accrued Interest at 4.5 months</td> <td></td> <td></td> <td style="text-align: right;">4,379,840</td> </tr> <tr> <td style="padding-left: 20px;">Operating Reserve Fund</td> <td></td> <td></td> <td style="text-align: right;">5,321,369</td> </tr> <tr> <td style="padding-left: 20px;">Operating Account</td> <td></td> <td></td> <td style="text-align: right;">2,585,124</td> </tr> <tr> <td style="padding-left: 20px;">Entrance Fee Fund</td> <td></td> <td></td> <td style="text-align: right;">-</td> </tr> <tr> <td style="padding-left: 20px;">Costs of Issuance/Restructuring Costs</td> <td></td> <td></td> <td style="text-align: right;"><u>1,499,500</u></td> </tr> <tr> <td style="padding-left: 20px;">Total Uses</td> <td></td> <td></td> <td style="text-align: right;"><u><u>168,560,650</u></u></td> </tr> </table> <p>Note: Further detail regarding the restructuring and other transaction costs is provided on page 10.</p>	Sources				Series 2016A Bonds	103,691,500			Series 2016B Bonds	<u>20,514,750</u>			Total Senior Debt		124,206,250		Series 2016C Bonds (subordinate)		<u>21,918,750</u>		Total Series 2016 Bonds for Exchange			146,125,000	Providence Subordinate Loan			5,000,000	Revenue Fund			2,585,124	Operating Reserve Fund			1,000,016	Entrance Fee Fund			7,035,194	Series 2010 Debt Service Reserve Fund			<u>6,815,316</u>	Total Sources			<u><u>168,560,650</u></u>	Uses				Series 2010A, B and C Redemption	121,990,000			Series 2010D-1, D-2 Redemption	<u>24,135,000</u>			Total Series 2010 Redemption			146,125,000	Series 2016 Debt Service Reserve Fund			8,649,817	Series 2010 Accrued Interest at 4.5 months			4,379,840	Operating Reserve Fund			5,321,369	Operating Account			2,585,124	Entrance Fee Fund			-	Costs of Issuance/Restructuring Costs			<u>1,499,500</u>	Total Uses			<u><u>168,560,650</u></u>
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**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
February 11, 2016**

Project: Park Place of Elmhurst

STATISTICS

Project Number: 12325	Amount: \$150,000,000 (not-to-exceed, restructuring)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Pam Lenane
Location: Elmhurst	County/Region: DuPage/Northeast

BOARD ACTION

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

Extraordinary Condition: Waiver of Board Policy for non-rated bonds

PURPOSE

This financing (the “Series 2016 Restructuring”) consists of a financial restructuring of existing Series 2010 IFA Bonds in connection with a Chapter 11 bankruptcy filing for Park Place, a Continuing Care Retirement Community (“CCRC”) located in Elmhurst, Illinois. The Borrower for the Series 2016 Restructuring and the Series 2010 Bonds (the subject of the Series 2016 Restructuring) is Timothy Place, NFP d/b/a Park Place Elmhurst (the “Corporation”) and Christian Healthcare Foundation, NFP, (collectively the “Borrower”).

The key terms of the Series 2016 Restructuring have been agreed to by the Borrower and the majority Series 2010 Bondholders. **74.2% of the Bondholders (representing \$108.4 million of the Series 2010 Bonds) have approved the 2016 Restructuring.** The Borrower is seeking the IFA’s final resolution in connection with its plan to effectuate the Series 2016 Restructuring as part of the Chapter 11 bankruptcy process. The Series 2016 Restructuring provides a means to reduce the debt and debt service burden on Park Place, and serves to better align debt service and revenues. No new money is being sought in connection with the Series 2016 Restructuring.

The Series 2016 Bonds under the restructuring will have the same par amount as the currently outstanding Series 2010 Bonds, which are the subject of the Series 2016 Restructuring. The Series 2016 Bonds will be used to replace the Series 2010 Bonds via a bond exchange. Other sources of funds available on the effective date of the restructuring will be used to fund: (1) a Series 2016 Debt Service Reserve Fund, (2) accrued interest due on the Series 2010 Bonds, (3) Operating Reserve Fund, (4) Operating Account, and (5) costs of issuance and restructuring costs.

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.

JOBS

Current employment: 149 FTE’s	Projected new jobs: N/A
Jobs retained: N/A	Construction jobs: N/A

FINANCING SUMMARY

Credit Enhancement:	None
Structure:	Fixed rate, tax-exempt term bonds issued via a bond exchange, pursuant to a Restructuring Plan and Chapter 11 bankruptcy filing
Interest Rate:	As negotiated with Series 2010 Bondholders. Series 2016A Bonds: coupon rates of 6.20% to 6.44%. Series 2016B Bonds: coupon rate of 5.625% Series 2016C Bonds (Subordinate): coupon rate of 2.00%
Interest Rate Modes:	Fixed through final maturities
Underlying Ratings:	None
Maturity:	No later than May 15, 2056
Estimated Closing Date:	April 1, 2016

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

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The existing par amount of the Series 2010 Bonds exactly matches the proposed par amount of the Series 2016 Bonds: \$146,125,000. The final result of the Series 2016 Restructuring is that the annual debt service on the Series 2016A Bonds will be approximately \$2.3 million lower than the existing annual debt service on the Series 2010A Bonds, due to reduced coupon rates, reduced par amount, and a longer final maturity date. This reduction in annual debt service is better aligned with Park Place’s current and projected annual revenues.

The Series 2016A Bonds will be structured as long-term bonds with principal amortization from 2021 through 2055, and they will be repaid with the Borrower’s available cash flow. The Series 2016B Bonds are structured to be repaid from future entrance fees and must be repaid in full by May 15, 2020. Finally, the Series 2016C Bonds will be fixed rate bonds, subordinate in position to the Series 2016A and Series 2016B Bonds. The Series 2016C Bonds will be repaid with Excess Cash as defined in the Series 2016 Master Indenture, to the extent that sufficient Excess Cash exists and other conditions are met. The Borrower’s ability to repay the Series 2016C Bonds will be governed by a “Distribution Waterfall” that is described later in this summary. If Excess Cash as defined in the Distribution Waterfall is insufficient to make interest payments on the Series 2016C Bonds, the amount of such unpaid interest shall be paid in the future if Excess Cash flow is sufficient to do so. The accrued and unpaid interest will be increased at a rate of 2.0% annually until repayment.

The mechanics of the “bond exchange” are depicted below.

<u>Outstanding Series 2010 Bonds:</u>		<u>Conversion to 2016A (2):</u>	<u>Conversion to 2016B (3):</u>	<u>Conversion to 2016C (4):</u>	<u>TOTAL Series 2016A,B,C:</u>
Series 2010A	\$109,115,000.00	85% of A, B and C \$103,691,500.00	85% of D-1 and D-2 \$20,514,750.00		
Series 2010B (1)	7,875,000.00				
Series 2010C (1)	5,000,000.00				
Series 2010D-1 (1)	10,275,000.00				
Series 2010D-2 (1)	13,860,000.00				
	<u>\$146,125,000.00</u>			15% of ALL 2010 Bonds \$21,918,750.00	<u>\$146,125,000.00</u>

Notes:

- (1) Series 2010B, C, D-1 and D-2 Bonds were originally structured to be repaid with entrance fees. The current par amounts of these bonds total \$37.01 million.
- (2) Principal on the Series 2016A Bonds will be amortized from 2021-2055.
- (3) The Series 2016B Bonds are structured to be repaid with entrance fees no later than 2020.
- (4) The Series 2016C Bonds are subordinate to Series 2016A&B and will only be repaid if Excess Cash exists under the Distribution Waterfall.

Series 2010 Retail Bondholders:

Per the Series 2010 Bond Trustee, approximately 22% of the total par amount (which equates to \$32,147,500) is held by retail investors in approximately 2,000 accounts. Using these figures, the average retail account holds approximately \$16,074.

General timeline for the Series 2016 Restructuring:

Management of Park Place anticipates the following schedule, which may be adjusted as needed in order to effectuate the restructuring:

- February 16: Solicitation package is mailed to Series 2010 Bondholders
- February 16 – March 16: Voting period regarding solicitation
- March 29, 2016: Confirmation hearing regarding restructuring plan
- April 1, 2016: Effective date of the restructuring plan
- April 2016 (after Effective date): Release of a Limited Offering Memorandum

Resident Refunds:

Most residents who move into Park Place as an independent living resident pay an entrance fee at the time of occupancy. Pursuant to the resident’s contract with Park Place, a refund of the entrance fee may be paid to the resident or his/her estate upon move-out or death. The amount of such refund depends on the contract type originally selected by the resident. The contract types currently available at Park Place include the following refund levels: 0%, 50%, 75%, 90% and 100%. 59% of the current resident population holds a 90% refundable contract. The amount of the initial entrance fee generally ranges from \$300,000 to \$900,000, with a current weighted average on unsold inventory in the range of \$509,000-\$565,000. The amount of monthly service fees to be paid by the resident for each month of occupancy varies depending on the unit type and contract type that is selected.

Pursuant to existing resident contracts, refunds are not paid until the specific unit is re-sold. As a result, Park Place minimizes the risk of not having funds available to pay a refund when it is due. This policy will continue to be in effect in all future resident contracts. In addition, Management and a majority of the Series 2010 Bondholders have agreed to a highly structured mechanism depicting the use of all future entrance fees (known as the “Distribution Waterfall”). The Distribution Waterfall described below shows that the first use of new entrance fees, before any other uses, is the payment of refunds. The key uses of funds and the specific sequence for utilizing entrance fees are depicted below:

Distribution Waterfall (regarding entrance fees received after the Series 2016 Restructuring):

- **Pay any Refunds;**
- Pay all professional fees and expenses incurred in connection with Series 2016 Restructuring;
- Fund the Series 2016 Debt Service Reserve Fund (if shortfalls exist; will be fully funded at closing of the Series 2016 Restructuring);

- Fund the Operating Account to maintain a level equal to 45 Days Cash on Hand (fully funded at Closing of the Series 2016 Restructuring); and
- Fund the Operating Reserve Fund to maintain a level equal to 105 Days Cash on Hand (fully funded at Closing of the Series 2016 Restructuring).

The Distribution Waterfall provides that Park Place will have no more than 150 Days Cash on Hand until after the Series 2016B Bonds are paid in full, which results in a Days Cash on Hand ratio of 150 for Fiscal Years 2016, 2017 and 2019, as shown on page 10.

History of Park Place's Financing:

Since opening in February 2012, the Debtors' financial health has been negatively affected by the real estate market not having rebounded from the 2008 recession so as to enable the Debtors to service the 2010 Bonds. Specifically, following the 2008 recession, large numbers of homeowners were unable to sell their homes without a substantial loss in value. Because individuals interested in residing in a CCRC typically sell their existing homes and use the positive equity value received from the sale to fund the required Resident Fees, the extended decline in the real estate market, combined with a decline in the financial markets, left many individuals without the financial resources to pay the entrance fees for CCRCs such as Park Place. Additionally, as a result of the economic downturn, Park Place's pricing for assisted living were initially too high for the market, which also contributed to Park Place's slow fill. Park Place therefore had to reduce its fees for assisted living. Because of these factors, the Debtors have been unable to achieve their originally forecasted occupancy levels. The lower occupancy rates, have, in turn, caused the Debtors to repay the 2010 Bonds at a slower pace than originally projected.

Occupancy has improved to the following levels (as of February 3, 2016):

- Independent Living census is 158/181 or 87%:
- Assisted Living is 37/46 or 80%:
- Memory Support is 16/20 or 80%;
- Skilled Nursing is 36/37 or 97%; and
- Total occupancy is 247/284 or 87%.

Funds from Sponsor/Parent - Providence Life Services ("PLS") and affiliates:

Providence Life Services, parent to Park Place, will provide \$5.0 million of cash that will be used to fund certain reserves on the effective date of the Series 2016 Restructuring. These funds will be provided in exchange for a note payable from the Borrower. The note payable will be subordinate to all of the Series 2016 Bonds.

In addition to the \$5.0 million subordinate loan described above, PLS and affiliates have provided the following funds to Park Place through January 2016:

- Original Equity contribution	\$1,000,000
- Liquidity Support Agreement	\$6,000,000
- Waiver of earned management and development fees	\$4,629,645
- Operational support (health insurance, marketing)	\$1,099,423
TOTAL (in addition to \$5.0MM sub loan)	<u>\$12,729,068</u>

PLS and affiliates have agreed to waive repayment of all funds listed above. Various other professionals associated with the Park Place project have waived the repayment of certain fees as well.

Management Fees:

Pursuant to a new management agreement, the sponsor will charge a management fee no greater than 3.25% of gross operating revenues. However, only \$30,000 per month shall be paid as an operating expense. Management fees exceeding \$30,000 per month can only be paid from "Excess Cash" as defined in the Master Indenture, similar to the repayment provisions regarding the Series 2016C Bonds.

PLS owns 12 senior living communities located in Illinois and Michigan, with a total of approximately 1,200 units/beds. PLS also provides home health and private duty services for up to 250 clients. In addition, Park Place is affiliated with Providence Management and Development Company Incorporated ("PM&D"), which is a management and development company serving the PLS communities, Park Place and Plymouth Place, an

unaffiliated CCRC in La Grange Park, Illinois. The PLS communities and the operations of PM&D are not obligors on the Park Place debt.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Timothy Place, NFP d/b/a Park Place Elmhurst and Christian Healthcare Foundation, NFP

Site Address: Park Place of Elmhurst
 1050 Euclid Ave.
 Elmhurst, IL 60126

Contact: Mr. Bill DeYoung, CFO. Phone: 708/342-8139

Website: www.parkplaceelmhurst.com

Project name: Park Place of Elmhurst

Organization: 501(c)(3) Not-for-Profit Corporation

State: Illinois

Board Members:

The term of office for each board member is five years, followed by retirement of at least one year. Listed below are the current board members of the PLS Board. The Park Place board members are all members of the PLS board and they are noted below.

Providence Life Services Board of Directors As of 1/27/2016

Name	Term Expiration	Employer/Occupation/Affiliation	Park Place Board Member?
Gary Ellens	2016	City on a Hill Ministries, Zeeland, MI	
Sharon Clousing, <i>Asst. Secretary/Treasurer</i>	2016	Bethel Christian Reformed Church	YES
Hal Brown	2016	First Personal Bank	
Calvin Taming, <i>Vice Chair</i>	2017	SET Environmental	YES
Tim Breems, <i>Chair</i>	2017	Attorney at Ruff, Freud, Breems & Nelson Ltd.	YES
Ken Schoon	2017	Midwest Refrigeration	YES
Justin Kats, <i>Secretary/Treasurer</i>	2018	Faith Church, Dyer, IN	YES
Lucette Bamford	2018	Christ Church of Oak Brook	
Don Van Dyk	2018	Ozinga Brothers	YES
Jean Cavanaugh	2019	Jean Cavanaugh, CPA	
Rich Van Hattem	2019	Faith Church, Dyer, IN	YES
Al Diepstra	2019	Dentist	
Bob Van Staalkuinen	2020	Knollcrest Funeral Home	
Bob Workman	2020	CPA	
Tim Smits	2020	Smits Funeral Home	
Richard Schutt	n/a	CEO of Providence Life Services	

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Timothy G. Lawler, Ltd.	Hinsdale	Tim Lawler
Bankruptcy Counsel:	McDonald Hopkins	Chicago	David Agay
Bond Counsel:	Chapman and Cutler LLP	Chicago	John Bibby
Trustee's Counsel:	Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.	Boston	Daniel Bleck
Trustee's Financial Advisor:	RBC Capital Markets	Philadelphia	Dave Fields
Borrower's Financial Advisor:	North Shores Consulting	Columbus	Tom Brod
IFA Counsel:	Schiff Hardin LLP	Chicago	Bruce Weisenthal
IFA's Financial Advisor:	Sycamore Advisors	Chicago	Melanie Shaker
Auditor:	KPMG was selected as new auditor in January 2016.		

Firms noted below were involved in the Series 2010 Bonds but do not have an official role on the Series 2016 Bonds:

Underwriter(s):	Ziegler	Chicago	Steve Johnson
Underwriters' Counsel:	Katten Muchin Rosenman	Chicago	Janet Hoffman, Esq.
Feasibility Consultant:	CliftonLarsonAllen LLP	Minneapolis	Jeff Vrieze

LEGISLATIVE DISTRICTS

Congressional:	5
State Senate:	24
State House:	47

SERVICE AREA

The primary market area identified for Park Place includes the following zip codes:

- 60126 (Elmhurst)
- 60523 (Oak Brook)
- 60521 (Hinsdale)
- 60527 (Willowbrook)
- 60525 (La Grange)
- 60148 (Lombard)
- 60559 (Westmont)
- 60137 (Glen Ellyn)
- 60558 (Western Springs)
- 60187 (Wheaton)
- 60181 (Villa Park)
- 60514 (Clarendon Hills)
- 60516 (Downers Grove)
- 60515 (Downers Grove)
- 60561 (Darien)

February 11, 2016

\$135,000,000
Presbyterian Homes Obligated Group

REQUEST	<p>Purpose: Bond proceeds, together with other available funds, will be used by Presbyterian Homes Obligated Group to (i) refund Series 1996A, 2001, 2006, and 2007 Variable Rate Demand Bonds, (ii) fund future routine capital expenditure, and (iii) pay costs of issuance. This project represents the sixth financing transaction that the IFA and its predecessor (IDFA) have issued on behalf of the Presbyterian Homes.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																				
BOARD ACTIONS	Preliminary Bond Resolution																				
MATERIAL CHANGES	None. This is the first time this project is being presented to the IFA Board of Directors.																				
JOB DATA	<table border="0"> <tr> <td>Current jobs</td> <td>795</td> <td>New jobs projected</td> <td>N/A</td> </tr> <tr> <td>Retained jobs</td> <td>N/A</td> <td>Construction jobs projected</td> <td>N/A</td> </tr> </table>	Current jobs	795	New jobs projected	N/A	Retained jobs	N/A	Construction jobs projected	N/A												
Current jobs	795	New jobs projected	N/A																		
Retained jobs	N/A	Construction jobs projected	N/A																		
DESCRIPTION	<ul style="list-style-type: none"> • Locations: Evanston, Lake Forest • On December 1, 2015 Presbyterian Homes, a newly formed Illinois not-for-profit corporation formerly named PH Transition NFP (the "Corporation") became the sole member directly or indirectly of six subsidiaries (collectively with the Corporation, the "System") which together provide residential and health care programs for older adults in Illinois. The System is headquartered in Evanston, Illinois, a suburb north of Chicago, and currently serves approximately 1,600 older adults through its five facilities and various programs in the Chicago Metropolitan Area. • Presbyterian Homes traces its history back to 1904 when the Chicago Presbytery created a senior living community—one of the oldest in Illinois. The System has expanded significantly since 1922 to the present day. 																				
CREDIT INDICATORS	<ul style="list-style-type: none"> • The Bonds will be comprised of two series of bonds: 2016A Fixed Rate Bonds sold through a public offering, and 2016B Floating Rate Notes sold through a public offering. The Borrower has applied for ratings from Standard & Poor's ("S&P") and Fitch. Ratings are expected to be awarded at the time of printing the Preliminary Official Statement, 																				
SECURITY	<ul style="list-style-type: none"> • Gross revenue pledge, mortgage and master notes under a master indenture. Covenants and other legal provisions are expected to be consistent with those in use for similar financings. 																				
MATURITY	<ul style="list-style-type: none"> • Bonds will mature no later than 2040 (expected) 																				
SOURCES AND USES	<table border="0"> <tr> <td colspan="2">Sources:</td> <td colspan="2">Uses:</td> </tr> <tr> <td>Series 2016A Bonds</td> <td>\$46,040,000</td> <td>Refunding</td> <td>\$105,615,000</td> </tr> <tr> <td>Series 2016B Bonds</td> <td>\$64,085,000</td> <td>New Money</td> <td>\$8,300,000</td> </tr> <tr> <td>Equity</td> <td><u>\$6,000,000</u></td> <td>Costs of Issuance*</td> <td><u>\$2,210,000</u></td> </tr> <tr> <td>Total</td> <td><u>\$116,125,000</u></td> <td>Total</td> <td><u>\$116,125,000</u></td> </tr> </table> <p>*Estimated</p>	Sources:		Uses:		Series 2016A Bonds	\$46,040,000	Refunding	\$105,615,000	Series 2016B Bonds	\$64,085,000	New Money	\$8,300,000	Equity	<u>\$6,000,000</u>	Costs of Issuance*	<u>\$2,210,000</u>	Total	<u>\$116,125,000</u>	Total	<u>\$116,125,000</u>
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Total	<u>\$116,125,000</u>	Total	<u>\$116,125,000</u>																		
RECOMMENDATION	Credit Review Committee recommends approval.																				

**ILLINOIS FINANCE AUTHORITY
 BOARD SUMMARY
 February 11, 2016**

Project: Presbyterian Homes Obligated Group

STATISTICS

Project Number: 12324	Amount:	\$135,000,000 (not-to-exceed)
Type: 501(c)(3) Revenue Bonds	IFA Staff:	Pam Lenane and Tammy Harter
Locations: Evanston, Lake Forest	County/Region:	Cook County/Northeast, Lake County/Northeast

BOARD ACTION

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

PURPOSE

The proceeds will be used by Presbyterian Homes Obligated Group, together with over available funds to (i) refund Series 1996A, 2001, 2006, and 2007 Variable Rate Demand Bonds, (ii) fund future routine capital expenditures, and (iii) pay costs of issuance. This project represents the sixth financing transaction that the IFA and its predecessor (IDFA) have issued on behalf of the Presbyterian Homes.

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:	
Series 2016A Bonds	\$46,040,000	Refunding	\$105,615,000
Series 2016B Bonds	\$64,085,000	New Money	\$8,300,000
Equity	<u>\$6,000,000</u>	Costs of Issuance*	<u>\$2,210,000</u>
Total	<u>\$116,125,000</u>	Total	<u>\$116,125,000</u>
		*Estimated	

JOBS

Current employment: 795	Projected new jobs:	N/A
Jobs retained: N/A	Construction jobs:	N/A

FINANCING SUMMARY

Credit Enhancement:	None
Structure:	Fixed rate serial and term bonds and a Floating Rate note, both tax exempt and sold through a public offering by Ziegler based on underlying rating of the Borrower.
Interest Rate:	To be determined on the day of pricing.
Interest Rate Modes:	Fixed through final maturities for 2016A, Floating Rate plus a credit spread for 2016B.
Underlying Ratings:	The Borrower has applied to both Fitch and S&P for ratings.
Maturity:	No later than 2040
Estimated Closing Date:	Second calendar quarter of 2016 (estimated). (Note: There is no assurance that any or all of the Prior Bonds will be refunded, or if they are refunded, when such refunding will occur.)

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

The proceeds will be used by Presbyterian Homes Obligated Group, together with over available funds to (i) refund Series 1996A, 2001, 2006, and 2007 Variable Rate Demand Bonds, (ii) fund future routine capital expenditures, and (iii) pay costs of issuance. This project represents the sixth financing transaction that the IFA and its predecessor (IDFA) have issued on behalf of the Presbyterian Homes.

BUSINESS SUMMARY

Background: On December 1, 2015 Presbyterian Homes, a newly formed Illinois not-for-profit corporation formerly named PH Transition NFP (the "Corporation") became the sole member directly or indirectly of six subsidiaries (collectively with the Corporation, the "System") which together provide residential and health care programs for older adults in Illinois. The System is headquartered in Evanston, Illinois, a suburb north of Chicago, and currently serves approximately 1,600 older adults through its five facilities and various programs in the Chicago Metropolitan Area. Presbyterian Homes traces its history back to 1904 when the Chicago Presbytery created a senior living community—one of the oldest in Illinois. The System has expanded significantly since 1922 to the present day.

The Obligated Group locations are listed below.

Main Evanston Campus

- Westminster Place offers 254 units of independent living in large and small townhouses, cottages, or apartments featuring full kitchens and for some units, private patios. It also offers numerous amenities, including activities, parking spaces and garages, private buses to local shopping, walking paths throughout the grounds, flexible meal plans as a dining option, and on-site medical services.
- The Highlands at Westminster Place is an apartment facility designed for older independent adults who require limited daily living assistance. The facility is composed of 91 efficiencies and one- or two-bedroom apartments. The Highlands offers a combination of independent living and sheltered care units. Meals are served in central dining rooms and medical services are provided.
- McGaw Care Center and Foster Pavilion include a 100-bed skilled nursing care, Medicare-approved facility, and a 95-bed unit for older adults with Alzheimer's disease or other cognitive impairments. A number of beds are always kept open and available for the potential needs of the Westminster's own residents. Beds in excess of these requirements are made available to non-residents.
- Kimble Fitness and Therapeutic Center: This facility opened in 1995 and is available to all residents on the main campus in Evanston, as well as the residents at King Home and Ten Twenty Grove. Approximately 50 to 55 residents use this facility on an average day. The Center offers numerous amenities including a large pool and small therapy pool, a Jacuzzi, an exercise room with fitness equipment, water therapy classes, and other activities. The building also has meeting and entertainment facilities.

King Home

The King Home is located in downtown Evanston. This six-story 53-unit apartment facility is designed for men and women 65 years and older. It consists of one-bedroom suites with a private bath and emergency alarm systems. The facility also contains activity and fitness areas. Meals are served in the central dining room. Complete medical care and 24-hour nursing services are provided.

King Home is a member of the Obligated Group, but prior bond proceeds have not been used at King Home, and 2016 Bond Proceeds are not anticipated to be used at King Home.

Lake Forest Place

Lake Forest Place is a CCRC located in Lake Forest, Illinois, approximately 30 miles north of Chicago on a 58-acre site immediately adjacent to Lake Forest Hospital. Lake Forest Place includes 268 independent living units (including both cottages and apartments), 31 assisted living units and 63 Medicare licensed skilled nursing beds. Amenities include a town center, on-site medical care, a fitness center, security, walking trails and underground parking.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Presbyterian Homes Obligated Group
 Site Address: 3200 Grant Street, Evanston, IL 60201 (Westminster Place)
 1555 Oak Ave, Evanston, IL 60201 (*King Home – NOT USING 2016 BOND PROCEEDS*)
 1100 Pembridge Dr, Lake Forest, IL 60045 (Lake Forest Place)

Contact: Todd Swortzel, President & CEO

Website: www.presbyterianhomes.org

Project name: Presbyterian Homes Obligated Group 2016 Refunding

Organization: 501(c)(3) Not-for-Profit Corporation

State: Illinois

Ownership/2015 Board Members (501(c)(3)):

<u>Name</u>	<u>Position</u>	<u>Year Joined</u>	<u>Profession</u>
Leland E. Hutchinson (Lee)	Board Chair	1999	Retired Attorney ; Partner, Winston & Strawn
J. Marshall Peck (Marshall)	Board Treasurer	2008	Real Estate Development; CEO, Interpark
Neele E. Stearns, Jr.	Board Secretary	2004	Real Estate Finance; Partner, LaSalle Investment Management
Rev. Sarah Sarchet Butter	Member	2007	Pastor; Head of Staff, Wilmette Presbyterian Church
Charles Denison (Charlie)	Member	2014	Managing Director for Investment Banking
George T. Drost	Member	2011	Attorney; Partner, Drost Kivlahan McMahon & O'Connor LLC
Monica Heenan	Member	2015	SVP & Chief Ambulatory Officer, Lurie Children's Hospital in Chicago
Gregory W. Hummel (Greg)	Member	2008	Attorney; Partner, Bryan Cave LLP
Dennis R. Marx	Member	2014	Tax and Investment Strategist
Dr. E. Dennis Murphy (Dennis)	Member	2010	Retired Physician
Elizabeth Nichols (Betsy)	Member	2014	Chief Data Scientist
Paula Noble	Member	2015	CFO and Treasurer, Lurie Children's Hospital of Chicago
Harlan F. Stanley	Member	2010	Real Estate Finance; Partner, LaSalle Investment Management
Mark F. Toledo	Member	2009	Investment Manager at Chicago Partners
Jane Western	Member	2014	Risk Management

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Dentons US LLP	Mary Wilson	Chicago, IL
Auditor:	CliftonLarsonAllen LLP	Jim Thomas	Oak Brook, IL
Underwriter:	Ziegler	Steve Johnson	Chicago, IL
Bond Counsel:	Chapman and Cutler LLP	John F. Bibby	Chicago, IL
Underwriter's Counsel:	Gilmore & Bell	Rick Wright	Kansas City, MO
Bond Trustee:	TBD		
Issuer's Counsel:	Burke Burns & Pinelli, Ltd.	Steve Welcome	Chicago, IL
Issuer's Advisor:	Acacia Financial Group, Inc.	Phoebe Selden	Chicago, IL

LEGISLATIVE DISTRICTS

Congressional:	9, 10
State Senate:	9, 29
State House:	17, 58

SERVICE AREA

Evanston, Illinois and Lake Forest, Illinois:



CONDUIT

February 11, 2016

\$550,000,000 MercyRockford Health System Corporation

REQUEST	<p>Purpose: Bond proceeds will be used by MercyRockford Health System Corporation and one or more of its affiliates (the "Borrower") to (i) fund new money projects including the construction of a second campus for Rockford Memorial Hospital ("RMH"), the Riverside Campus, that will include 188 inpatient beds, extensive outpatient services and an Ambulatory Services building and renovations of the Rockford Memorial Hospital, Rockton Avenue Campus, (ii) refinance all or portion of the Rockford Memorial Hospital Obligated Group Series 2008 and Series 2012 debt, the proceeds of which were used to refinance prior debts, (iii) refinance all or a portion of the Mercy Alliance, Inc. Obligated Group ("MAI"), Series 2010A debt, the proceeds which were used to refinance prior debts and fund various projects at certain health facilities located in Wisconsin, (iv) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower, (v) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable by the Borrower, (vi) pay certain working capital expenditures, if deemed necessary or desirable by the Borrower, (vii) pay certain swap or placement termination payments, if deemed necessary or desirable by the borrower and (viii) pay certain expenses incurred in connection with the issuance of the Bonds and the refinancing.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																																
BOARD ACTIONS	Preliminary Bond Resolution																																
MATERIAL CHANGES	None. This is the first time this project is being presented to the IFA Board of Directors.																																
JOB DATA	<table style="width: 100%; border: none;"> <tr> <td style="text-align: left;">5,930 FTE Current jobs</td> <td style="text-align: right;">331 New jobs projected</td> </tr> <tr> <td style="text-align: left;">6,261 Retained jobs</td> <td style="text-align: right;">1,000 to 1,500 Construction jobs projected*</td> </tr> </table> <p>*Projected construction jobs based on discussions with contractors and union officials.</p>	5,930 FTE Current jobs	331 New jobs projected	6,261 Retained jobs	1,000 to 1,500 Construction jobs projected*																												
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DESCRIPTION	<ul style="list-style-type: none"> • Locations: Winnebago County • MercyRockford Health System Corporation is the sole member of Rockford Memorial Hospital. MercyRockford Health System Corporation was created on January 1, 2016 from the merger of Mercy Alliance, Inc. of Janesville, Wisconsin and Rockford Health System of Rockford, Illinois. Mercy Alliance, Inc. included 3 hospitals, the Mercy Hospital and Trauma Center in Janesville Wisconsin, Mercy Harvard Hospital and Mercy Walworth Hospital and Medical Center. Rockford Health System includes Rockford Memorial Hospital and a 50% Joint Venture in Van Matre Rehabilitation Hospital. • The System provides a full continuum of care through its five hospitals with approximately 674 licensed acute beds, 71 licensed long term beds, 533 employed partner physicians at 52 community centers providing both primary and specialty physician services, outpatient centers, free standing emergency room, 2 home health programs, and hospice care throughout 10 counties in southern Wisconsin and northern Illinois. 																																
CREDIT INDICATORS	<ul style="list-style-type: none"> • The Bonds will be public fixed rate debt and may include some public fixed rate put debt or fixed/variable private placement debt. Expected underlying rating of Moody's A3 																																
SECURITY	<ul style="list-style-type: none"> • The obligations of the Members of the Obligated Group (to be determined) are secured by security interest in pledged revenues. In addition, there may be a mortgage lien on the Riverside Campus. 																																
MATURITY	<ul style="list-style-type: none"> • Bonds will mature no later than 2056 																																
SOURCES AND USES	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Sources:</th> <th colspan="2" style="text-align: left;">Uses:</th> </tr> </thead> <tbody> <tr> <td style="width: 40%;">IFA Series 2016 Bonds</td> <td style="width: 20%; text-align: right;">\$484,570,000</td> <td style="width: 40%;">Refunding</td> <td style="width: 20%; text-align: right;">\$98,693,882</td> </tr> <tr> <td>Premium</td> <td style="text-align: right;">\$56,702,146</td> <td>Project Fund</td> <td style="text-align: right;">\$425,002,000</td> </tr> <tr> <td>Trustee-Held Funds</td> <td style="text-align: right;">\$3,234,500</td> <td>Capitalized Interest Fund</td> <td style="text-align: right;">\$52,539,511</td> </tr> <tr> <td></td> <td></td> <td>Cost of Issuance</td> <td style="text-align: right;">\$5,331,253</td> </tr> <tr> <td></td> <td></td> <td>Swap Termination (RHS 2008)</td> <td style="text-align: right;">\$1,850,000</td> </tr> <tr> <td>Equity Contribution</td> <td style="text-align: right;">\$40,000,000</td> <td>Placement Termination (RHS 2012)</td> <td style="text-align: right;">\$1,090,000</td> </tr> <tr> <td>Total</td> <td style="text-align: right;"><u>\$584,506,646</u></td> <td>Total</td> <td style="text-align: right;"><u>\$584,506,646</u></td> </tr> </tbody> </table>	Sources:		Uses:		IFA Series 2016 Bonds	\$484,570,000	Refunding	\$98,693,882	Premium	\$56,702,146	Project Fund	\$425,002,000	Trustee-Held Funds	\$3,234,500	Capitalized Interest Fund	\$52,539,511			Cost of Issuance	\$5,331,253			Swap Termination (RHS 2008)	\$1,850,000	Equity Contribution	\$40,000,000	Placement Termination (RHS 2012)	\$1,090,000	Total	<u>\$584,506,646</u>	Total	<u>\$584,506,646</u>
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Total	<u>\$584,506,646</u>	Total	<u>\$584,506,646</u>																														
RECOMMENDATION	Credit Review Committee recommends approval.																																

**ILLINOIS FINANCE AUTHORITY
 BOARD SUMMARY
 February 11, 2016**

Project: MercyRockford Health System

STATISTICS

Project Number: 12326	Amount:	\$550,000,000 (not-to-exceed)
Type: 501(c)(3) Revenue Bonds	IFA Staff:	Pam Lenane and Tammy Harter
Locations: Rockford	County/Region:	Winnebago County/Northwest

BOARD ACTION

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

PURPOSE

Bond proceeds will be used by MercyRockford Health System Corporation and one or more of its affiliates (the "Borrower") to (i) fund new money projects including the construction of a second campus for Rockford Memorial Hospital, the Riverside Campus, that will include 188 inpatient beds, extensive outpatient services and an Ambulatory Services building and renovations of the Rockford Memorial Hospital, Rockton Avenue Campus, (ii) refinance all or portion of the Rockford Memorial Hospital Obligated Group Series 2008 and Series 2012 debt, the proceeds of which were used to refinance prior debts, (iii) refinance all or a portion of the Mercy Alliance, Inc. Obligated Group Series 2010A debt, the proceeds which were used to refinance prior debts and fund various projects at certain health facilities located in Wisconsin, (iv) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower, (v) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable by the Borrower, (vi) pay certain working capital expenditures, if deemed necessary or desirable by the Borrower, (vii) pay certain swap or placement termination payments, if deemed necessary or desirable by the borrower and (viii) pay certain expenses incurred in connection with the issuance of the Bonds and the refinancing.

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 Series 2016 Bonds	\$484,570,000	Refunding	\$98,693,882
Premium	\$56,702,146	Project Fund	\$425,002,000
Trustee-Held Funds	\$3,234,500	Capitalized Interest Fund	\$52,539,511
		Cost of Issuance	\$5,331,253
		Swap Termination (RHS 2008)	\$1,850,000
Equity	<u>\$40,000,000</u>	Placement Termination (RHS 2012)	<u>\$1,090,000</u>
Total	<u>\$584,506,646</u>	Total	<u>\$584,506,646</u>

JOBS

Current employment: 5,930 FTE
Jobs retained: 6,261

Projected new jobs: 331
*Construction jobs projected: 1,000 to 1,500
*Projected construction jobs based on discussions with contractors and union officials.

FINANCING SUMMARY

Credit Enhancement: The Bonds will be sold based on the underlying rating of MercyRockford Health System Obligated Group

Structure: Fixed rate public debt may include fixed rate put bonds, fixed or variable rate private placement

Interest Rate: To be determined on day of pricing

Interest Rate Modes: Fixed rate and may include a portion of variable rate

Underlying Ratings: Expected underlying rating of Moody's A3

Maturity: No later than 2056

Estimated Closing Date: April 26, 2016

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Bond proceeds will be used by MercyRockford Health System Corporation and one or more of its affiliates (the "Borrower") to (i) fund new money projects including the construction of a second campus for Rockford Memorial Hospital, the Riverside Campus, that will include 188 inpatient beds, extensive outpatient services and an Ambulatory Services building and renovations of the Rockford Memorial Hospital, Rockton Avenue Campus, (ii) refinance all or portion of the Rockford Memorial Hospital Obligated Group Series 2008 and Series 2012 debt, the proceeds of which were used to refinance prior debts, (iii) refinance all or a portion of the Mercy Alliance, Inc. Obligated Group Series 2010A debt, the proceeds which were used to refinance prior debts and fund various projects at certain health facilities located in Wisconsin, (iv) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower, (v) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable by the Borrower, (vi) pay certain working capital expenditures, if deemed necessary or desirable by the Borrower, (vii) pay certain swap or placement termination payments, if deemed necessary or desirable by the borrower and (viii) pay certain expenses incurred in connection with the issuance of the Bonds and the refinancing.

BUSINESS SUMMARY

MercyRockford Health System Corporation is the sole member of Rockford Memorial Hospital. MercyRockford Health System Corporation was created on January 1, 2016 from the merger of Mercy Alliance, Inc. of Janesville, Wisconsin and Rockford Health System of Rockford, Illinois. Mercy Alliance, Inc. included 3 hospitals, the Mercy Hospital and Trauma Center in Janesville Wisconsin, Mercy Harvard Hospital and Mercy Walworth Hospital and Medical Center. Rockford Health System includes Rockford Memorial Hospital and a 50% Joint Venture in Van Matre Rehabilitation Hospital.

The System provides a full continuum of care through its five hospitals with approximately 674 licensed acute beds, 71 licensed long term beds, 533 employed partner physicians at 52 community centers providing both primary and specialty physician services, outpatient centers, free standing emergency room, 2 home health programs, and hospice care throughout 10 counties in southern Wisconsin and northern Illinois.

ECONOMIC DISCLOSURE STATEMENT

Applicant: MercyRockford Health System Corporation

Site Address: MercyRockford Health System Corporation
3401 N Perryville Rd
Suite 303
Rockford, Illinois 61114

Contact: Henry M. Seybold Jr., Senior Vice President, Finance & CFO

Project name: Riverside Campus

Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois

Ownership/2015 Board Members (501(c)(3)):

Rowland J. McClellan, *Chairperson*
Connie M. Vitali, M.D., *Vice Chairperson*
Thomas D. Budd, *Treasurer*
Thomas R. Pool, *Secretary*
Javon R. Bea, *President and Chief Executive Officer*
Jack J. Becherer, Ed.D
Mark L. Goelzer, M.D.
Paul A. Green
Dave L. Syverson

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Hall, Render, Killian, Heath & Lyman	Milwaukee, WI	Pat Walsh
Auditor:	TBD		
Underwriter:	Ziegler	Chicago, IL	John Hanley
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Mike Mitchell
Underwriter's Counsel:	Dinsmore & Shohl LLP	Chicago, IL	Glen Pratt
Bond Trustee:	TBD		
Issuer's Counsel:	TBD		
Issuer's Advisor:	Sycamore Advisors, LLC	Chicago, IL	Melanie Shaker

LEGISLATIVE DISTRICTS

Congressional: 16, 17
State Senate: 34, 35, 36, 45
State House: 67, 68, 69, 70, 71, 89, 90

SERVICE AREA

MercyRockford Health System Corporation has hospital facilities in the following locations in Illinois and Wisconsin: Rockford, IL (Rockford Memorial Hospital), Harvard, IL (Mercy Harvard Hospital), Janesville, WI (Mercy Hospital and Trauma Center) and Walworth, WI (Mercy Walworth Hospital and Medical Center).

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: February 11, 2016

Re: Resolution Authorizing or Approving the Execution and Delivery of First Supplemental Bond and Loan Agreement and First Amendment to the Additional Covenant Agreement Relating to the Revenue Refunding Bond, Series 2013 (University of St. Francis); and Related Matters
IFA Series 2013 File Number: N-NP-TE-CD-8625

Request:

University of St. Francis, an Illinois not for profit corporation (the “**Borrower**” or “**University**”) and **Wintrust Bank f/k/a North Shore Community Bank & Trust Co.** (the “**Bond Purchaser**”) are requesting approval of a Resolution to authorize execution and delivery of (i) a First Supplemental Bond and Loan Agreement, (ii) a revised Bond in substantially the form set forth in the First Supplemental Bond and Loan Agreement and (iii) such other documents and certificates as may be necessary, including, if necessary or desirable, an IRS Form 8038, in connection with the Illinois Finance Authority Revenue Refunding Bond, Series 2013 (University of St. Francis) (the “**Series 2013 Bond**”).

Execution and delivery of the foregoing will provide for (a) the modification of the borrowing spread and resetting of the interest rate on the first business day of the month following the issuance and funding of the Borrower’s contemplated Series 2016A and Series 2016B Bonds, (b) a provision for the addition of a mortgage on certain real and personal property of the University, (c) granting of a security interest by the University to the Bond Purchaser in and to certain of its gross revenues, (d) changes to certain financial covenants and (e) amending certain other conforming and related changes.

The original par amount of the Series 2013 Bond was \$24,248,000 which was purchased in whole by Wintrust Bank. Pursuant to the principal payment schedule agreed to at the closing and funding of the Series 2013 Bond, principal is scheduled to begin amortizing on December 1, 2017.

Impact:

Issuance and funding of the proposed Series 2016 Bonds (being considered separately by the IFA Board of Directors) will likely cause the University’s Expendable Cash and Investments to Debt Ratio to fall below 40%, approximately three months before the University would otherwise report such ratio to Wintrust Bank (Wintrust Bank and PNC Bank, N.A. are the bond purchasers of the Series 2016 Bonds). As a result, the University and Wintrust Bank have agreed to modify the borrowing spread of the Series 2013 Bond provided for in the Additional Covenant Agreement at an earlier date. Execution and delivery of the First Supplemental Bond and Loan Agreement will therefore constitute the Authority’s approval of a First Amendment to the Additional Covenant Agreement between the University and Wintrust Bank in connection with the Series 2013 Bond.

Approval of this Resolution will likewise align certain financial covenants and security of the Borrower’s Series 2013 Bond with the Borrower’s contemplated Series 2016A and 2016B Bonds.

Finally, approval of this Resolution will not cause the terms of the Series 2013 Bond to be modified sufficiently to require a new public hearing to be held (as otherwise required by Section 147(f) of the Internal Revenue Code of 1986, as amended). IFA will not charge an administrative fee for this technical amendment, consistent with historical practice.

Background:

The Authority issued its Series 2013 Bond for the purposes of (i) currently refunding and redeeming all of the outstanding Will County Adjustable Rate Demand Revenue Bonds, University of St. Francis, Series 2005 (the “Series 2005 Bonds”), (ii) currently refunding and redeeming all of the outstanding Will County Tax-Exempt Variable Rate Demand Revenue Bonds (University of St. Francis Project), Series 2007 (the “Series 2007 Bonds”, and together with the Series 2005 Bonds, the “Prior Bonds”), and (iii) paying a portion of the costs of issuing the Bond, all as permitted under the Act (collectively, the “Financing Purposes”).

All payments relating to the IFA Series 2013 Bond are current and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Borrower’s Advisor:	Longhouse Capital Advisors	La Grange Park, IL	Michael Boisvert Lindsay Wall
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Nancy Burke Leslie Cornell
Bond Purchaser:	Wintrust Bank	Chicago, IL	Kandace Lenti
Bank Counsel:	Denton US LLP	Chicago, IL	Mary Wilson
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe Selden

IFA RESOLUTION No. 2016-02-11-NP06

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$15,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF ILLINOIS FINANCE AUTHORITY REVENUE BONDS, SERIES 2016 (UNIVERSITY OF ST. FRANCIS), THE PROCEEDS OF WHICH ARE TO BE LOANED TO THE UNIVERSITY OF ST. FRANCIS; AUTHORIZING THE EXECUTION AND DELIVERY OF BOND AND LOAN AGREEMENTS, 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 “educational facilities” used by “private institutions of higher education” (as such terms are defined in the Act); and

WHEREAS, the University of St. Francis, an Illinois not for profit corporation (the “University”) and a “private institution of higher education” has requested that the Authority issue its Revenue Bond, Series 2016A (University of St. Francis) (the “Series 2016A Bond”) and its Revenue Bond, Series 2016B (University of St. Francis) (the “Series 2016B Bond” and, together with the Series 2016A Bond, the “Series 2016 Bonds”) in an aggregate principal amount not to exceed \$15,000,000, and loan the proceeds from the sale thereof to the University in order to assist the University in

providing a portion of the funds necessary to do any or all of the following: (i) finance, refinance, or reimburse the University for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities, including the construction and equipping of a new science building (including, without limitation, related landscaping and signage), (ii) pay certain working capital expenditures if deemed desirable by the University, (iii) fund a debt service reserve fund if deemed necessary or desirable by the University, and (iv) pay certain costs relating to the issuance of the Series 2016 Bonds if deemed necessary or desirable by the University, all as permitted under the Act (collectively, the “Financing Purposes”); and

WHEREAS, drafts of the following documents have been previously provided to and are on file with the Authority (collectively, the “Authority Documents”):

(a) a Bond and Loan Agreement related to the Series 2016A Bond (the “Series 2016A Bond and Loan Agreement”) among the Authority, the University and Wintrust Bank (the “Series 2016A Purchaser”), pursuant to which the Series 2016A Purchaser will purchase the Series 2016A Bond from the Authority;

(b) a Bond and Loan Agreement related to the Series 2016B Bond (the “Series 2016B Bond and Loan Agreement” and together with the “Series 2016A Bond and Loan Agreement, the “Bond and Loan Agreements”) among the Authority, the University and PNC Bank, National Association (the “Series 2016B Purchaser” and, together with the Series 2016A Purchaser, the “Purchasers”), pursuant to which the Series 2016B Purchaser will purchase the Series 2016B Bond from the Authority;

(c) a Tax Exemption Certificate and Agreement (the “Tax Agreement”) between the Authority and the University;

(d) the Project Escrow Agreement (the “Project Escrow Agreement”) among, the Authority, the University and The Bank of New York Mellon Trust Company, as escrow agent, providing for (i) the establishment of (a) a Costs of Issuance Fund and (b) a Project Fund; (ii) the deposit of the proceeds of each series of the Series 2016 Bonds in (a) the Costs of Issuance Fund and (b) the Project Fund; and (iii) the application thereof in accordance with the related Bond and Loan Agreement and the Project Escrow Agreement; and

(e) the Filing Agent Agreement (the “Filing Agent Agreement”) among the Authority, the University and The Bank of New York Mellon Trust Company, N.A., as filing agent (the “Filing Agent”), pursuant to which the Filing Agent will agree to file a completed Form C-08 for one or both series of the Series 2016 Bonds with the Authority and the Office of Comptroller of the State of Illinois, relating to the payment of principal and/or interest on such series of Series 2016 Bonds in accordance with the terms thereof; and

WHEREAS, each series of the Series 2016 Bonds and the obligation to pay principal, premium, if any, and interest thereon are special, limited obligations of the Authority, payable solely out of the revenues and income derived from the related Bond and Loan Agreement; the Series 2016 Bonds and the obligation to pay interest thereon shall not be deemed to constitute an indebtedness, a general or moral obligation, or a pledge of the full faith and credit of the Authority, the State of Illinois or any political subdivision thereof within the purview of any constitutional limitation or statutory provision or a charge against the general credit or taxing powers, if any, of any of them; and neither the Purchasers nor any future owner of the Series 2016 Bonds shall have the right to compel any exercise of the taxing power, if any, of the Authority, the State of Illinois or any political subdivision thereof to pay any principal or purchase price of, premium, if any, or interest on the Series 2016 Bonds; and

WHEREAS, in connection with the issuance of each series of the Series 2016 Bonds, the University will enter into a separate Additional Covenant Agreement with each of the Purchasers (together, the "Covenant Agreements") containing certain additional covenants to be made by the University for the benefit of the Purchaser; and

WHEREAS, in order to secure the University's obligations (a) to provide funds to pay the principal of, premium, if any, and interest on each series of the Series 2016 Bonds and (b) to make other payment obligations of the University to Wintrust Bank and PNC Bank, National Association, the University is granting to a collateral agent for the benefit of Wintrust Bank and PNC Bank, National Association (x) a first mortgage lien on and security interest in certain of its real and personal property, as more fully described in the Mortgage (as defined in each of the Bond and Loan Agreements) and (y) a security interest in its gross revenues pursuant to a Security Agreement (as defined in each of the Bond and Loan Agreements); and

WHEREAS, pursuant to the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended, a public hearing on the proposed plan of financing of the Financing Purposes, and the issuance of the Series 2016 Bonds was held by the Executive Director of the Authority, or his designee, on February 5, 2016, prior to the approval by the Governor of the State of Illinois of the financing of the Financing Purposes, through the issuance of the Series 2016 Bonds, pursuant to notice published at the direction of the Authority in the State Journal-Register, a newspaper qualified by law to publish legal notices of the State of Illinois, on January 19, 2016 and in the Chicago Tribune, a newspaper of general circulation in Joliet, Illinois, on January 19, 2016; and

WHEREAS, the Authority has caused to be prepared and presented to its members a form of the Bond and Loan Agreement for each series of the Series 2016 Bonds, including a form of the Series 2016 Bond for each series attached thereto, in each case, 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. Findings. That based upon the representations of the University, the Authority hereby makes the following findings and determinations with respect to the University, the Series 2016 Bonds to be issued by the Authority and the facilities to be financed with the proceeds of the Series 2016 Bonds:

(a) The University is a not for profit corporation organized under the laws of the State of Illinois and is qualified to do business in the State of Illinois;

(b) The University is an “private institution of higher education” (as defined in the Act) and owns and operates the University of St. Francis;

(c) The University has properly filed with the Authority its request for assistance in providing funds to the University and the funds will be used for the Financing Purposes, and the facilities financed with the proceeds of the Series 2016 Bonds will be owned and operated by the University and such facilities are included within the term “project” as defined in the Act; and

(d) The Series 2016 Bonds are being issued for a valid purpose under and in accordance with the provisions of the Act.

Section 3. Series 2016 Bonds. That, in order to provide funds to carry out the Financing Purposes, the Authority hereby authorizes and approves the issuance of the Series 2016 Bonds in an aggregate principal amount not to exceed \$15,000,000, and that the Series 2016A Bond is to be designated the “Illinois Finance Authority Revenue Bond, Series 2016A (University of St. Francis)”; and that the Series 2016B Bond is to be designated the “Illinois Finance Authority Revenue Bond, Series 2016B (University of St. Francis)”; that the form of Series 2016 Bond for each series now before the Authority, subject to appropriate insertions and revisions in order to comply with the provisions of the related Bond and Loan Agreement be, and the same hereby is, approved; that the Series 2016 Bonds shall be executed in the name, for and on behalf of the Authority with the manual or facsimile signature of its Executive Director, 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 Executive Director, Chairman, the Vice Chairman or any other officer of the Authority shall cause the Series 2016 Bonds, as so executed and attested, to be delivered to the related Purchaser, as bond registrar under the related Bond and Loan Agreement, for authentication; and that when the Series 2016 Bonds are executed on behalf of the Authority in the manner contemplated by the Bond and Loan Agreements and this Resolution, they shall represent the approved form of the Series 2016 Bonds; *provided* that each series of the Series 2016 Bonds shall bear interest at variable rates established pursuant to the related Bond and Loan Agreement (with an initial variable rate of interest for each series not to exceed 5%), shall be payable over a

term not exceeding forty (40) years from their date of issuance and shall be privately placed with the related Purchaser.

The interest rate on each series of the Series 2016 Bonds may be subject to adjustment to (i) a higher or lower rate per annum under certain conditions, as further described in the related Bond and Loan Agreement, or (ii) a taxable rate after the occurrence of a Determination of Taxability, as defined and further described in the related 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 2016 Bonds. The execution by an Authorized Officer of the Bond and Loan Agreement for each series of Series 2016 Bonds shall constitute such Authorized Officer's approval and the Authority's approval of the final terms and provisions of such Series 2016 Bonds.

The Series 2016 Bonds of each series, including the interest and any redemption premium payable thereon, shall be limited obligations of the Authority, payable solely from the income and revenues to be derived by the Authority pursuant to the related Bond and Loan Agreement (except pursuant to Unassigned Rights (as defined in the related Bond and Loan Agreement)). The obligation of the University to provide the funds for the payment of principal of, premium, if any, and interest on the Series 2016 Bonds is secured by the Mortgage and the Security Agreement to the extent and manner more fully described therein.

The Series 2016 Bonds of each series 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 such Series 2016 Bonds, (ii) the income and revenues derived by the Authority pursuant to the related Bond and Loan Agreement (except pursuant to Unassigned Rights), (iii) other amounts available under the related 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 Agreements. That the Authority is hereby authorized to enter into the Bond and Loan Agreement for each series of the Series 2016 Bonds with the University and the related Purchaser; that the form, terms and provisions of the Bond and Loan Agreements 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 Agreements in the name, for and on behalf of the Authority, and thereupon to cause each Bond and Loan

Agreement to be delivered to the University, such Bond and Loan Agreements (as executed) to provide for the loan of the proceeds from the sale of each series of the Series 2016 Bonds to the University and the use of such proceeds to carry out the Financing Purposes, in the manner and with the effect therein provided; that the Bond and Loan Agreements shall be in substantially the same form now before the Authority or with such changes as any Authorized Officer of the Authority shall approve, the execution thereof to constitute conclusive evidence of such approval of any and all changes or revisions from the form of the Bond and Loan Agreements now before the Authority; that when the Bond and Loan Agreements are executed, attested, sealed and delivered on behalf of the Authority as herein provided, the Bond and Loan Agreements will be binding on the Authority; that from and after the execution and delivery of the Bond and Loan Agreements, 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 Agreements as executed; and that the Bond and Loan Agreements shall constitute, and hereby are made, a part of this Resolution, and copies of the Bond and Loan Agreements 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 University in the form to be approved by bond counsel and 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.

The Tax Agreement may contain, among other things, provisions establishing the status of any interest rate swap agreement (the "Swap Agreement") that may be entered into by the University with respect to either or both series of the Series 2016 Bonds as a "qualified hedge" under the Internal Revenue Code of 1986, as amended (the "Code"), which status shall be solely the responsibility of the University.

Section 6. Project Escrow Agreement. That the Authority is hereby authorized to enter into the Project Escrow Agreement with the University and the Project Escrow Agent; that the form, terms and provisions of the Project Escrow 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 Project Escrow Agreement in the name, for and on behalf of the Authority, and thereupon to cause the Project Escrow Agreement to be delivered to the University; that the Project Escrow Agreement shall be in substantially the same form now before the Authority or

with such changes as any Authorized Officer of the Authority shall approve, the execution thereof to constitute conclusive evidence of such approval of any and all changes or revisions from the form of the Project Escrow Agreement now before the Authority; that when the Project Escrow Agreement is executed, attested, sealed and delivered on behalf of the Authority as herein provided, the Project Escrow Agreement will be binding on the Authority; that from and after the execution and delivery of the Project Escrow Agreement, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary or desirable to carry out and comply with the provisions of the Project Escrow Agreement as executed; and that the Project Escrow Agreement shall constitute, and hereby is made, a part of this Resolution, and a copy of the Project Escrow 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 7. Filing Agent Agreement. That the Authority is hereby authorized to enter into the Filing Agent Agreement with the University and the Filing Agent; that the form, terms and provisions of the Filing Agent 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 Filing Agent Agreement in the name, for and on behalf of the Authority, and thereupon to cause the Filing Agent Agreement to be delivered to the University; that the Filing Agent Agreement shall be in substantially the same form now before the Authority or with such changes as any Authorized Officer of the Authority shall approve, the execution thereof to constitute conclusive evidence of such approval of any and all changes or revisions from the form of the Filing Agent Agreement now before the Authority; that when the Filing Agent Agreement is executed, attested, sealed and delivered on behalf of the Authority as herein provided, the Filing Agent Agreement will be binding on the Authority; that from and after the execution and delivery of the Filing Agent 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 Filing Agent Agreement as executed; and that the Filing Agent Agreement shall constitute, and hereby is made, a part of this Resolution, and a copy of the Filing Agent 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 8. 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 the Swap Agreement as a “qualified hedge” under the Code, (ii) approve the execution and delivery of such other documents, certificates and undertakings of other parties, including, without limitation, the University and the Purchasers, and (iii) take such other actions as may be necessary or required in connection with carrying out and complying with this Resolution and the issuance and sale of the Series 2016 Bonds and/or the execution, delivery and performance of the

Authority Documents, the Covenant Agreements 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 9. Private Placement; Investment Letter; Restrictions on Transfers. That the Authority hereby authorizes the issuance and sale of each series of the Series 2016 Bonds to the related Purchaser on a private placement basis pursuant to the related Bond and Loan Agreement; that the Purchasers shall each deliver an investment letter to the Authority (in the form approved by counsel to the Authority) stating, among other things, that the respective 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 each of the Bond and Loan Agreements shall contain such restrictions, as the counsel to the Authority shall reasonably determine are necessary or advisable, on the transfer of the related Series 2016 Bonds by the related Purchaser or by any accredited investor or qualified institutional buyer to which such Purchaser transfers such Series 2016 Bond.

Section 10. Conditions to Effectiveness. That the approvals granted by the Authority pursuant to this Resolution are subject to the Authority Documents and any other document required to carry out and comply with this Resolution being in full conformance with the requirements of the Authority (including the Authority’s 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 11. Public Hearing. That the Authority hereby acknowledges that a Public Hearing was held on February 5, 2016 and hereby approves the financing of the Financing Purposes, and the plan of financing pursuant to Section 147(f) of the Code and directs that this issue be submitted to the Governor of the State of Illinois for approval as the “applicable elected representative” of the Authority within the meaning of Section 147(f) of the Code.

Section 12. 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 13. 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 14. No Conflict. That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 15. Effective Date. That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

RESOLUTION NO. 2016-0211-AD07

RESOLUTION AFFIRMING THE ILLINOIS FINANCE AUTHORITY'S CONTINUED AUTHORIZATION TO ACQUIRE STATE VENDOR RECEIVABLES PURSUANT TO ASSIGNMENT AGREEMENTS

WHEREAS, the Illinois Finance Authority (the "Authority") is a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the "State"), created by, and existing under, the Illinois Finance Authority Act, 20 ILCS 3501-801-1, *et. seq.*, as amended (the "Act"); and

WHEREAS, the Governor of the State has not approved of certain appropriations passed by the legislature of the State (the "General Assembly") for the fiscal year beginning July 1, 2015, and the State has therefore been operating without certain appropriations for such fiscal year since such date; and

WHEREAS, certain vendors of the State have been performing services without payment, and, due to a lack of appropriated funds, claims for payment from such vendors have been accumulating; and

WHEREAS, the General Assembly determined under the Act, in the interest of promoting the health, safety, morals and general welfare of the people of the State, to make available through the Authority funds for certain projects; and

WHEREAS, the Act further authorizes the Authority to undertake any activity to increase job opportunities and to retain existing jobs in the State as well as any program to aid in stabilizing an economic sector of the State economy; and

WHEREAS, on November 12, 2015, the Members of the Authority adopted Resolution 2015-1112-AD11 (the "Prior Resolution"), which, among other things, (i) authorized the Executive Director to proceed with documentation related to a potential bond issuance, (ii) authorized the Authority to pay all or a portion of certain vendor claims pursuant to the Assignment Agreements (as hereinafter defined) (the "Vendor Project"), and (iii) authorized the Authorized Officers (as defined in the Prior Resolution) to expend not-to-exceed \$12 million from moneys of the Authority to pay for vendor receivables pursuant to Assignment Agreements, fund debt reserves and pay the costs of issuance of the contemplated bonds; and

WHEREAS, the bond issuance contemplated in the Prior Resolution remains in planning stages, and the Members of the Authority now desire to affirm the Authority's continued authorization to enter into the following agreements, forms of which were provided to the Authority and approved in connection with the Prior Resolution (together, the "Assignment Documents") separate from the referenced bond issuance:

- (a) The Assignment Agreements (the "Assignment Agreements") between the Authority and vendors named therein from time to time ("Participating Vendors") in which the Authority has paid or will pay all or a portion of claims of Participating Vendors and has acquired or will acquire the right to payment of such Participating Vendors; and

- (b) the Interagency Agreement among the Authority, the Department of Central Management Services, the Department of Revenue and the Governor's Office of Management and Budget related to the Assignment Agreements;

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

Section 1. Findings. The Authority hereby makes the following findings and determinations:

- (a) The recitals set forth above and the recitals set forth in the Prior Resolution are hereby found to be true and correct and are incorporated into this Resolution as if fully set forth herein; and
- (b) The Vendor Project also constitutes a "municipal bond program project" pursuant to Section 801-10(hh) of the Act; and
- (c) The Assignment Documents are being executed for a valid purpose under and in accordance with the provisions of the Act.

Section 2. Assignment Documents. The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by its Chairperson, Vice Chairperson, Executive Director or General Counsel, or any person duly appointed by the Members to serve in such offices on an interim basis (each an "Authorized Officer"), and the delivery and use, of the Assignment 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 Assignment Document. The Assignment Documents shall be substantially in the forms previously provided to and on file with the Authority and hereby approved, or with such changes therein as shall be 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 any changes or revisions therein from such forms of the Assignment Documents and to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the terms of the Assignment Documents. The Authorized Officers are hereby further authorized to expend not-to-exceed \$12 million (less the amount previously expended by the Authority to date in connection with the Prior Resolution) from moneys of the Authority to pay for the Vendor Project.

Section 3. Authorization and Ratification of Subsequent Acts. The Authorized Officers, agents and employees of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge, accept and deliver all such documents as may in their discretion be deemed necessary or desirable to carry out and comply with the terms and provisions of this Resolution and the instruments hereby approved; and all of the acts and doings of the Authorized Officers 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, authorized, ratified, confirmed and approved. The Authorized Officers are further authorized to liquidate investments as necessary in order to carry out the Vendor Project. All prior and future acts and doings 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 Vendor Project and the operation of the Vendor Project shall be and the same hereby are in all respects approved and confirmed. Unless otherwise provided therein, wherever in the Assignment 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 of the Authority, 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 Indenture.

Section 4. 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 5. Repeal of Conflicting Resolutions; Effective Date. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this Resolution shall take effect and be in full force immediately upon its adoption.

ADOPTED this 11th day of February, 2016 by roll call vote as follows:

Ayes:

Nays:

Abstain:

Absent:

ILLINOIS FINANCE AUTHORITY

By: _____
Executive Director

ATTEST:

Assistant Secretary

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Chris Meister

Date: February 11, 2016

Re: Resolution Authorizing the Executive Director to Renew Existing Contracts with Various Legal Firms

On November 19, 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 law firms with the experience, capability and expertise to provide bond counsel, loan counsel, issuer counsel or other legal services to the Authority.

Pursuant to Resolution No. 2013-1210-AD09 approved by the Members of the Authority on December 10, 2013, the Authority approved legal contracts with various law firms. The contracts were for a two year term with the Authority’s option for a one year extension. Most of the current contracts expire in February 2016.

The Executive Director recommends that the Authority approve one year renewals with the following 35 law firms.

1. Arnstein & Lehr LLP
2. Burke Burns & Pinelli, Ltd.
3. Cahill Law Offices
4. Chapman and Cutler LLP
5. Charity & Associates, P.C.
6. Duane Morris LLP
7. Del Galdo Law Group, LLC
8. Dinsmore & Shohl (formerly Peck, Shaffer & Williams LLP)
9. Foley & Lardner LLP
10. Franczek Radelet P.C.
11. Gonzalez Saggio & Harlan, LLC
12. Greenberg Traurig, LLP
13. Greene and Letts
14. Hardwick Law Firm, LLC
15. Hart, Southworth & Witsman
16. Hinshaw & Culbertson LLP
17. Holland & Knight LLP
18. Ice Miller LLP

19. Katten Muchin Rosenman LLP
20. Kutak Rock LLP
21. Laner Muchin, Ltd.
22. McGuire Woods LLP
23. Miller, Canfield, Paddock and Stone, P.L.C.
24. Miller, Hall & Triggs, LLC
25. Nixon Peabody (formerly Ungaretti & Harris LLP)
26. Pugh Jones & Johnson, P.C.
27. Quarles & Brady LLP
28. Quintairos, Prieto, Wood & Boyer, P.A.
29. Reyes Kurson, Ltd.
30. Rock Fusco & Connelly, LLC
31. Sanchez Daniels & Hoffman LLP
32. Schiff Hardin LLP
33. Shanahan & Shanahan LLP
34. Taft Stettinius & Hollister LLP (formerly Shefsky & Froelich Ltd.)
35. Thompson Coburn LLP

Annual compensation to the firms will depend on the Authority's need, the specific services performed and the firm's rates. The aggregate total for all law firms may not exceed \$750,000 (Maximum Amount). For purposes of procurement, the amount of each contract renewal is estimated to be \$21,428.57, using an equal allotment to each of the 35 law firms, but amounts to each firm may be higher or lower as long as the aggregate amount paid to all firms does not exceed the Maximum Amount. Amounts payable from bond or transaction fees or by third parties, such as conduit borrowers, do not count against the Maximum Amount.

Contracts with three firms (Howard and Howard, McGaugh Law Group, and Deutsch Levy & Engel, Chartered) will not be renewed due to existing conflicts, consolidation with other firms or lack of expertise in public finance.

As this approval is for a one year extension of existing contracts, this matter has not been presented for consideration by the Audit, Budget, Finance, Investment and Procurement Committee.

RESOLUTION NO. 2016-0211-AD08

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR
TO RENEW EXISTING CONTRACTS WITH VARIOUS LEGAL
FIRMS**

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; and

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, and

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

WHEREAS, pursuant to a competitive process, the Authority approved and entered into 35 contracts for legal services for a two year term with the option for the Authority to renew for an additional one year term: and

WHEREAS, the Authority now desires to extend the contracts for a one year term: and

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

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

Section 2. Approval of Legal Services Contracts. The Authority hereby approves the terms of the renewal contracts with the Vendors listed below as Vendors the Authority may utilize for various legal services (“Legal Services Contracts”).

List of Vendors:

1. Arnstein & Lehr LLP
2. Burke Burns & Pinelli, Ltd.
3. Cahill Law Offices
4. Chapman and Cutler LLP
5. Charity & Associates, P.C.
6. Duane Morris LLP
7. Del Galdo Law Group, LLC
8. Dinsmore & Shohl LLP (formerly Peck, Shaffer & Williams LLP)
9. Foley & Lardner LLP
10. Franczek Radelet P.C.
11. Gonzalez Saggio & Harlan, LLC
12. Greenberg Traurig, LLP
13. Greene and Letts
14. Hardwick Law Firm, LLC
15. Hart, Southworth & Witsman
16. Hinshaw & Culbertson LLP
17. Holland & Knight LLP
18. Ice Miller LLP
19. Katten Muchin Rosenman LLP
20. Kutak Rock LLP
21. Laner Muchin, Ltd.
22. McGuire Woods LLP
23. Miller, Canfield, Paddock and Stone, P.L.C.
24. Miller, Hall & Triggs, LLC
25. Nixon Peabody (formerly Ungaretti & Harris LLP)
26. Pugh Jones & Johnson, P.C.
27. Quarles & Brady LLP
28. Quintairos, Prieto, Wood & Boyer, P.A.
29. Reyes Kurson, Ltd.
30. Rock Fusco & Connelly, LLC
31. Sanchez Daniels & Hoffman LLP
32. Schiff Hardin LLP
33. Shanahan & Shanahan LLP
34. Taft Stettinius & Hollister LLP (formerly Shefsky & Froelich Ltd.)
35. Thompson Coburn LLP

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, including but not limited to designating the various categories for which firms are eligible to provide legal services, and to execute, acknowledge and deliver any and all such agreements, instruments, certificates and other documents as may be required in connection with the Legal Services Contracts.

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

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

Approved and effective this 11th day of February, 2016 by roll call vote as follows:

Yeas:

Nays:

Abstain:

Absent:

Vacancies:

ILLINOIS FINANCE AUTHORITY

By _____
Executive Director

ATTEST:

Assistant Secretary

RESOLUTION NO. 2016-0211-AD09

**RESOLUTION APPROVING EMERGENCY CONTRACTS WITH ADP
TOTALSOURCE, INC./ADP TOTALSOURCE MI VII, LLC (EMPLOYEE BENEFITS
AND PAYROLL SERVICES) AND ACCOUNTING PRINCIPALS**

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

WHEREAS, on November 1, 2015, the Authority entered into a contract with TotalSource, Inc./ ADP TotalSource MI VII, LLC (“ADP”) for employee benefits and payroll services under the emergency purchase provisions of the Procurement Code for a 90 day period ending on January 29, 2016 for the amount of \$74,850; and

WHEREAS, on January 21, 2016, the Chief Procurement Officer (“CPO”) held a hearing relating to the need to extend the existing emergency contract and approval was given to extend for a period of not more than 121 days; and

WHEREAS, pursuant to the CPO approval, the Authority entered into a contract with ADP (the “January ADP Contract”) for employee benefits and payroll services through May 31, 2016 for the amount of \$99,800; and

WHEREAS, under the emergency purchase provisions of the Procurement Code, the Authority also entered into a contract with Accounting Principals (the “January Accounting Principals Contract”) for temporary staffing services for a 90 day period beginning January 25, 2016 and ending April 22, 2016 for the amount of \$71,103.36; and

WHEREAS, the January Accounting Principals Contract was necessary to address temporary lack of appropriate staff needed to meet mandatory audit, compliance and regulatory requirements; and

WHEREAS, pending time to resolicit competitive sealed bids or proposals or explore other options, it is important to ensure that continued employee benefits and payroll services and staff are available to keep the Authority in compliance with federal and state law and adequately and properly staffed; and

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

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

Section 2. Approval of Contracts. The execution and delivery of the January ADP Contract and the January Accounting Principals Contract (collectively, the “Contracts”) by the Authority are hereby confirmed, ratified and approved. If additional actions are necessary or

desirable to extend either Contract beyond the current periods, the Executive Director is hereby authorized to take such actions and enter into such agreements as are necessary or desirable to ensure the continuation of the services covered by the Contracts.

Section 3. 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 purposes 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 4. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 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.

Approved and effective this 11th day of February, 2016 by roll call vote as follows:

Yeas:

Nays:

Abstain:

Absent:

Vacancies:

ILLINOIS FINANCE AUTHORITY

By _____
Executive Director

ATTEST:

Assistant Secretary