

# ILLINOIS FINANCE AUTHORITY

January 14, 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. Closed Session Pursuant to, but not limited to, 5 ILCS 120/2(c)(1) of the Illinois Open Meetings Act
- 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)
- XI. Presentation and Consideration of the Project Reports and Resolutions
- XII. Other Business
- XIII. Public Comment
- XIV. Adjournment

**PROJECT REPORTS AND RESOLUTIONS**

**AGRICULTURE PROJECTS**

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
<b>Beginning Farmer Bonds</b>						
<i>Final (One-Time Consideration)</i>						
1	A) Taylor E.G. Kerner	Wade Township (Jasper County)	\$176,970	-	-	PE/LK
	B) Bryce A. Lueke	Crouch Township (Hamilton County)	\$79,375	-	-	PE/LK
	C) Levi Dakota Lueke	Crouch Township (Hamilton County)	\$79,375	-	-	PE/LK
<b>TOTAL AGRICULTURE PROJECTS</b>			<b>\$335,720</b>	-	-	

**BUSINESS AND INDUSTRY PROJECTS**

Tab	Project Name	Location	Amount	*New Jobs (see footnote)	*Const. Jobs (see footnote)	Staff
<b>Freight Transfer Facilities Revenue Bonds</b>						
<i>Final</i>						
2	CenterPoint Joliet Terminal Railroad, LLC	Joliet (Will County)	\$100,000,000	5,400	6,200	RF/BF
<b>TOTAL BUSINESS AND INDUSTRY PROJECTS</b>			<b>\$100,000,000</b>	<b>5,400</b>	<b>6,200</b>	

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

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

**HEALTHCARE PROJECTS**

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
<b>501(c)(3) Revenue Bonds</b>						
<i>Preliminary</i>						
4	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
<b>TOTAL HEALTHCARE PROJECTS</b>			<b>\$39,000,000</b>	-	-	
<b>GRAND TOTAL</b>			<b>\$154,335,720</b>	<b>5,410</b>	<b>6,260</b>	

**PROJECT REPORTS AND RESOLUTIONS**

**RESOLUTIONS**

Tab	Action	Staff
<b>Resolutions</b>		
5	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)	RF/BF
6	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)	RF/BF
7	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	RF/BF
8	Resolution of Intent Requesting an Initial Allocation of Calendar Year 2016 Private Activity Bond Volume Cap	CM
9	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	CM
10	Resolution Regarding Committee Assignments	CM
11	Resolution Clarifying the Scope of the Governance, Personnel, Legislation and Ethics Committee with Respect to the Selection, Evaluation and Compensation of the Executive Director	CM
12	Resolution Clarifying the Scope of the Executive Committee with Respect to the Selection, Evaluation and Compensation of the Executive Director	CM
13	Resolution Regarding the Evaluation, Compensation and Goals of the Executive Director	
*	<p><b><u>Notes Regarding New Jobs and Construction Jobs Over the Anticipated Development/Build-Out Cycle - CenterPoint Joliet Terminal Railroad, LLC:</u></b></p> <p>1. Over 10,400 total new jobs are anticipated over the development cycle of the Project, including: (a) 5,400 permanent industrial park and intermodal facility jobs, (b) 3,100 permanent trucking jobs, and (c) 1,900 indirect and induced jobs.</p> <p>2. 6,200 union construction jobs (200 man hrs./job) are anticipated during the build-out of the overall Project.</p> <p>3. Total Combined Permanent, Induced, and Construction Jobs estimated to be created over the development cycle of the Project: 16,600+.</p> <p><b><u>Current Jobs:</u></b></p> <p>1. Presently, there are 4,325 new permanent jobs at CenterPoint Intermodal Center - Joliet including: (a) 1,575 permanent industrial park and intermodal facility jobs, (b) 1,550 permanent trucking jobs, and (c) 1,200 indirect and induced jobs.</p> <p>2. There are currently 2,500 union construction jobs.</p> <p>3. Total current jobs (FT): 6,825 (up from 220 jobs as presented in November 2010 and 4,175 as presented in September 2012).</p>	

Date: January 14, 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

Subject: Message from the Executive Director

Dear Member of the Authority:

As we look back over calendar year 2015, the Members and the staff have much to be proud of.

The Authority continues to deliver positive economic impact to the people of Illinois far beyond its size (15 volunteer board members; 14 staff; Fiscal Year 2016 budget less than \$5 million).

In 2015, the Authority helped grow the Illinois economy by issuing federally tax-exempt conduit bonds. Conduit bonds, by necessity, must provide material economic benefit to borrowers. This past calendar year, the Authority issued bonds mainly for 501(c)(3) non-profit organizations. The Authority recognizes that there are other qualified conduit borrowers and projects under the federal tax code. The Authority remains committed to these projects and borrowers, including farmers and mid-sized manufacturers. The Authority remains among the top issuers of conduit bonds nationally both in terms of dollar volume and the number of projects financed.

Highlights of the Authority's calendar year 2015 accomplishments follow:

***The Authority Grows the Illinois Economy through Federally Tax-Exempt Conduit Bonds***

- *50 conduit bond projects* closed totaling *\$2.986 billion* (see attached list)
  - Nearly \$1.9 billion in 14 hospital projects
  - Nearly \$775 million in 10 education projects
  - Over \$167 million in 5 cultural and general 501 (c)(3) projects
  - Over \$142 million in 4 senior living projects
  - Over \$4.5 million purchasing nearly 1200 acres on behalf of 16 new farmers
- *\$977 million* in “*new money*” *projects* for 39 projects (generally construction and/or real estate purchase)
- Over *\$2 billion* in bonds *refunded*: 20 borrowers saved substantial sums of money over the life of the bonds; several of these projects also included “*new money*” issuance
- Projects reflecting particular impact or innovation include:
  - New hospital and senior living construction, acquisition, and expansion across Illinois
  - Innovative professional student loan and government finance projects
  - Multiple K-12, higher education, and student housing projects in Northeast Illinois

### ***The Authority uses its Tools to Innovate during Challenging Times***

- During the current budget impasse, the Authority helped by:
  - Providing an Authority loan to ensure payment of State moral obligation-backed bonds of another issuer, thus avoiding an unnecessary State credit downgrade
  - Purchasing, with Authority funds, over \$2.25 million in other State agency receivables to ensure continued provision of essential State government goods and services
- Funded medical school loans to DACA (Deferred Action for Childhood Arrivals) in exchange for service in medically underserved Illinois communities

### ***The Authority Continues to Transform and Improve***

- Welcomed Rob Funderburg as the new Chair along with seven other new board members
- Revitalized the Authority's committee structure
- Completed relocation of primary office to permanent, lower-cost space
- Government Finance Officers Association recognized the Authority for excellence in financial reporting for FY 2014
- The Authority operates on a business model, faces competition, and does not rely on State taxpayer appropriations to support its operations. Importantly, the Authority operated profitably, without taxpayer dollars, in Fiscal Year 2015 and on track to do the same in Fiscal Year 2016

### ***Calendar Year 2016 Begins with Projects with Impact!***

As part of the January 2016 agenda, the Authority is pleased to highlight two projects with particular impact: CenterPoint Joliet Terminal Railroad, LLC ("CenterPoint Project") and Christian Homes, Inc.

CenterPoint adds to financings completed in 2010 and 2012 to finance the acquisition of land and construction of various capital improvements at the CenterPoint Intermodal Center in Joliet, a rail-to-truck and truck-to-rail intermodal facility. This month's agenda features a new \$100 million project to finance additional build-out at the Joliet Intermodal Center, which remains the only intermodal facility financed to date under the U.S. Department of Transportation's Private Activity Bond program (which was created under the 2005 Surface Transportation Act). All other US DOT Private Activity Bond projects issued to date have financed privately-owned toll road, toll bridge, or commuter rail projects. CenterPoint's Joliet Intermodal Center has and will continue to create thousands of construction and permanent jobs over its development cycle.

Using the Authority's statutory multi-state issuance powers, the Christian Homes, Inc. project will save the borrower money over the life of the bonds. Importantly, from a competitive perspective, the 2016 Christian Homes conduit bonds to be issued by the Authority would refinance debt for projects located in Illinois and Indiana.

### ***Welcome New Member Lyle McCoy***

In December 2015, Governor Bruce Rauner appointed Lyle McCoy to the Authority. Until October 2015, Mr. Lyle McCoy served as the Managing Director and Head of Public Finance & Infrastructure at Bank of Montreal and BMO Capital Markets Corp. Mr. McCoy is a 27-year corporate finance industry veteran. We look forward to working with Mr. McCoy.



***Thank you Mayor Barrett Pedersen***

It is with deep appreciation that we say good-bye and thank you to Franklin Park Mayor Barrett Pedersen. Mayor Pedersen brought his local government perspective as well as common sense to his State volunteer public service with the Authority. On behalf of the Authority Members and staff, we thank Mayor Pedersen for his service.

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

Respectfully,

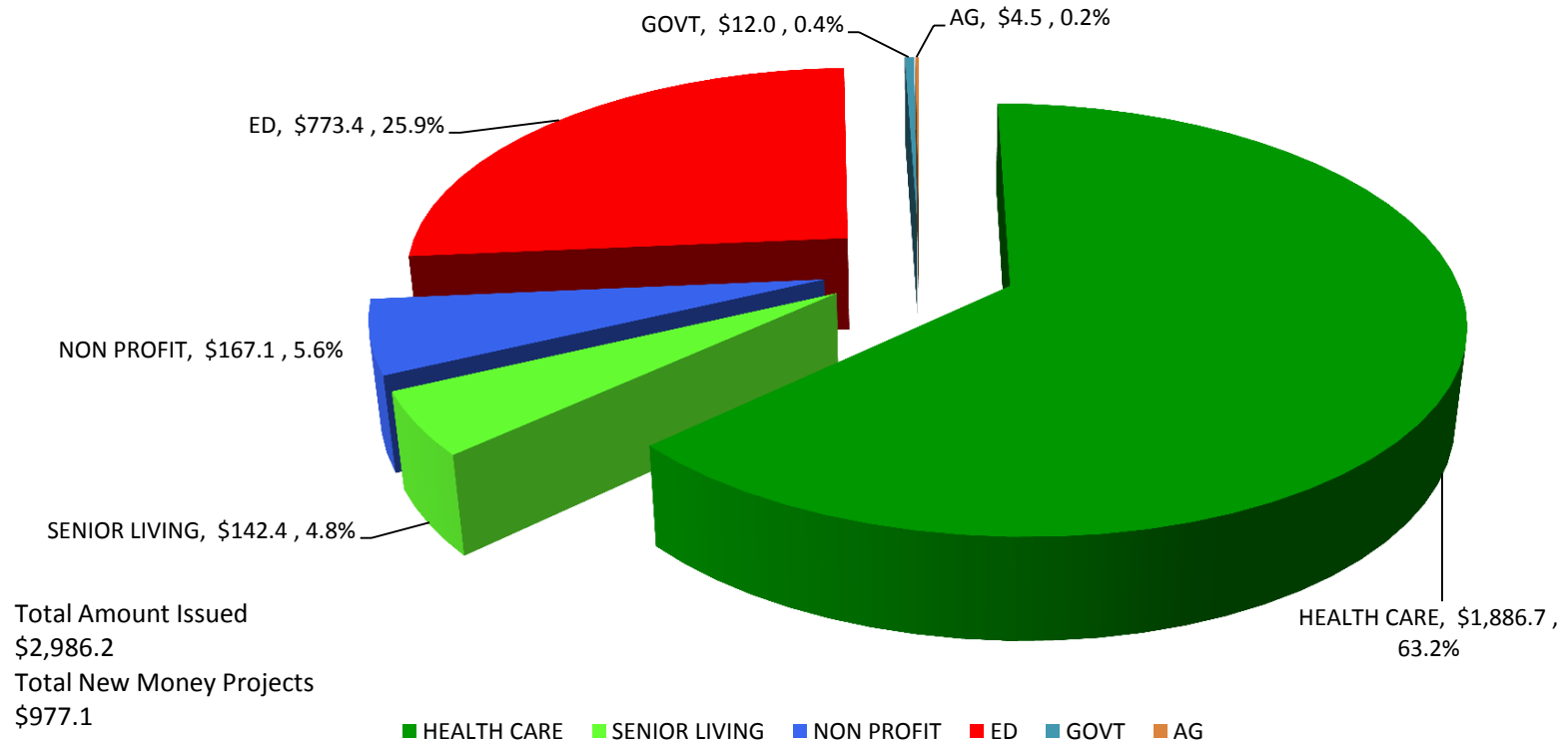
A handwritten signature in black ink, appearing to read "C. Meister", with a long horizontal line extending to the right.

---

Christopher B. Meister  
Executive Director

- Enclosures:
- 1) Conduit Bonds Issued by Section in Millions from January 12, 2015 to December 30, 2015
  - 2) Bonds Issued and Outstanding January 12, 2015 to December 30, 2015

**CONDUIT BONDS ISSUED BY SECTOR  
IN MILLIONS  
FROM JANUARY 12, 2015 TO DECEMBER 30, 2015**





**Bonds Issued and Outstanding  
January 12, 2015 to December 30, 2015**

**Bonds Issued between January 12, 2015 and December 30, 2015**

<u>Bond Issue</u>	<u>Date Issued</u>	<u>Principal Issued</u>	<u>Bonds Refunded</u>
HC Silver Cross Hospital	01/28/2015	17,965,000	17,965,000
HC Rush University Medical Center	02/11/2015	484,380,000	484,380,000
HC KishHealth System	03/02/2015	12,300,000	0
HC The University of Chicago Medical Center	03/12/2015	21,895,000	21,895,000
HC Silver Cross Hospital	04/22/2015	286,435,000	259,725,000
HC Palos Community Hospital	05/14/2015	100,000,000	0
HC Little Company of Mary Hospital	08/18/2015	102,000,000	72,000,000
HC Advocate Health Care	09/25/2015	100,000,000	100,000,000
HC OSF HealthCare System	09/28/2015	368,150,000	216,231,343
HC Palos Community Hospital	10/01/2015	232,015,000	220,145,000
HC Riverside Health Systems	10/14/2015	37,165,000	37,165,000
HC Advocate Health Care	10/22/2015	71,645,000	0
HC Sarah Bush Lincoln Health Center	11/24/2015	30,000,000	0
HC Passavant Hospital	11/30/2015	22,778,000	0
<b>Total HC Bonds Issued as of December 30, 2015</b>		<b><u>\$ 1,886,728,000</u></b>	<b><u>\$ 1,429,506,343</u></b>
Senior Plymouth Place	10/20/2015	56,260,000	56,260,000
Senior Norwegian Lutheran Bethesda Home Association	12/15/2015	7,517,000	0
Senior Lifespace Communities, Inc.	03/25/2015	39,640,000	22,905,520
Senior Villa St. Benedict	09/10/2015	39,030,000	37,210,000
<b>Total Senior Living Bonds Issued as of December 30, 2015</b>		<b><u>\$ 142,447,000</u></b>	<b><u>\$ 116,375,520</u></b>
Non Profit The Joint Commission	08/26/2015	16,000,000	0
Non Profit Lincoln Park Zoo	05/05/2015	15,000,000	0
Non Profit Shedd Aquarium Society	07/24/2015	22,945,000	22,945,000
Non Profit Field Museum of Natural History	07/28/2015	88,500,000	88,500,000
Non Profit Goodman Theatre	09/01/2015	24,680,000	24,680,000
<b>Total Non Profit Bonds Issued as of December 30, 2015</b>		<b><u>\$ 167,125,000</u></b>	<b><u>\$ 136,125,000</u></b>





**Bonds Issued and Outstanding  
January 12, 2015 to December 30, 2015**

**Bonds Issued between January 12, 2015 and December 30, 2015**

ED	Providence St. Mel	09/01/2015	19,040,000	9,800,000
ED	Midwestern University	06/24/2015	15,000,000	0
ED	CHF-Cook, L.L.C. Northeastern University	05/07/2015	39,500,000	0
ED	Noble Network Charter Schools	04/02/2015	19,810,000	19,810,000
ED	The University of Chicago	09/10/2015	415,825,000	224,030,000
ED	Columbia College Chicago	10/15/2015	58,465,000	58,465,000
ED	North Central College	07/09/2015	30,177,000	0
ED	Northwestern University	06/04/2015	128,545,000	0
ED	Nazareth Academy	10/28/2015	25,200,000	10,500,000
ED	Intrinsic Schools-Belmont School Project	12/17/2015	21,855,000	0
	<b>Total ED Bonds Issued as of December 30, 2015</b>		<u><b>\$ 773,417,000</b></u>	<u><b>\$ 322,605,000</b></u>
GOVT	Pace Suburban Bus Service	02/24/2015	12,000,000	0
	<b>Total Govt Bonds Issued as of December 30, 2015</b>		<u><b>\$ 12,000,000</b></u>	<u><b>\$ 0</b></u>
	<b>Grand Total Bonds Issued as of December 30, 2015</b>		<u><b>\$ 2,981,717,000</b></u>	<u><b>\$ 2,004,611,863</b></u>
	<b>Total New Money Projects as of December 30, 2015</b>		<u><b>\$ 977,105,137</b></u>	

**Beginner Farmer Bonds Funded between January 12, 2015 and December 30, 2015**

<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
02/23/2015	2.85	509,600	80.00	Montgomery
02/25/2015	3.50	391,840	60.00	Montgomery
02/25/2015	3.00	236,360	38.00	Livingston
03/30/2015	4.45	441,000	197.00	Mercer
03/30/2015	2.75	504,950	60.00	Crawford
05/08/2015	2.50	190,000	48.00	Jasper and Richland
06/16/2015	3.50	216,000	60.00	Bond
06/24/2015	3.25	224,271	140.00	Lawerence
06/24/2015	3.25	224,271	140.00	Lawerence
06/24/2015	4.00	80,000	55.00	Richland
06/24/2015	3.00	190,000	40.00	Fayette
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
<b>Total Beginner Farmer Bonds Issued</b>		<u><b>\$ 4,504,142</b></u>	<u><b>1,178.24</b></u>	

Date: January 14, 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 December 10, 2015 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 December in the year 2015, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the “**Act**”).

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, December 10, 2015  
10:00 AM

AGENDA:

- I. Call to Order & Roll Call  
(page 3, line 1 through page 4, line 17); (page 7, line 13 through page 11, line 22)
- II. Presentation and Consideration of Item No. 15 of the Project Reports and Resolutions  
(page 4, line 18 through page 7, line 12)
- III. Approval of Agenda  
(page 11, line 23 through page 13, line 13)
- IV. Chairman’s Remarks  
(page 15, line 1 through line 22)
- V. Message from the Executive Director  
(page 15, line 23 through page 16, line 10)
- VI. Consideration of the Minutes  
(page 16, line 11 through line 23)
- VII. Presentation and Consideration of Financial Reports  
(page 16, line 24 through page 22, line 23)



- VIII. Monthly Procurement Report  
*(page 22, line 24 through page 23, line 19)*
- IX. Committee Reports  
*(page 23, line 20 through page 26, line 7)*
- X. 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 26, line 8 through line 12)*
- XI. 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)*
- XII. Presentation and Consideration of Project Reports and Resolutions  
*(page 13, line 14 through page 14, line 24); (page 26, line 13 through page 68, line 12)*
- XIII. Other Business  
*(page 68, line 13 through page 69, line 11)*
- XIV. Public Comment  
*(page 69, line 12 through line 14)*
- XV. Adjournment  
*(page 69, line 15 through page 70, line 4)*

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 December 10, 2015 Regular Meeting of the Board
  - 2. Voting Record of the December 10, 2015 Regular Meeting of the Board

ILLINOIS FINANCE AUTHORITY BOARD  
BOARD OF DIRECTORS REGULAR MEETING  
December 10th, 2015 at 10:20 a.m.

Report of Proceedings had at the Meeting of the  
Illinois Finance Authority Board of Directors Regular  
Meeting on December 10th, 2015, at the hour of 10:00 o'clock  
a.m., pursuant to notice, at 160 North LaSalle Street, Suite  
S1000, Chicago, Illinois.

TRANSCRIPT 12102015 Board Meeting.txt  
R. ROBERT FUNDERBURG, Chairman  
ERIC ANDERBERG  
JAMES J. FUENTES  
ROBERT HORNE  
LARRY KNOX  
BARRETT PEDERSEN  
TERRENCE M. O'BRIEN  
MORDECAI TESSLER  
GILA J. BRONNER  
MICHAEL W. GOETZ  
ADAM ISRAELOV (Added 11:03 a.m.)

PRESENT TELEPHONICALLY:

MS. ARLENE JURACEK  
MR. JOHN B. YONOVER

ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

MR. BRAD FLETCHER, Assistant Vice-President  
MR. RICH FRAMPTON, Vice-President  
MS. PAMELA LENANE, Vice-President  
MS. ELIZABETH WEBER, General Counsel  
MS. SIX GRANDA, Controller  
MR. CHRISTOPHER B. MELSTER, Executive Director  
MS. MELINDA GILDART, CFO  
MR. PATRICK EVANS, Agricultural Banker

MARZULLO REPORTING AGENCY (312) 321-9365

CHAIRMAN FUNDERBURG: Welcome, everyone. I  
would like to go ahead and call to order the Board  
Meeting of the Illinois Finance Authority. Welcome,  
everyone. Thank you for attending.  
I also apologize for starting late. We  
try not to do that, but we are ready to go now. I  
would like to ask at this point, Mr. Fletcher, as

APPEARANCE:  
ILLINOIS FINANCE AUTHORITY BOARD OF DIRECTORS

MARZULLO REPORTING AGENCY (312) 321-9365

8 far as a quorum.  
9 FLETCHER: Certainly. So the time is 10:21  
10 a.m. At this time I will only call the members  
11 physically present in the room for a quorum roll  
12 call.

13 Member Anderberg?

14 ANDERBERG: Here.

15 FLETCHER: Member Bronner?

16 BRONNER: Here.

17 FLETCHER: Member Fuentes?

18 FUENTES: Here.

19 FLETCHER: Member Goetz?

20 GOETZ: Here.

21 FLETCHER: Member Horne?

22 HORNE: Here.

23 FLETCHER: Member Knox?

24 KNOX: Here.

MARZULLO REPORTING AGENCY (312) 321-9365

1 FLETCHER: Member O'Brien?

2 O'BRIEN: Here.

3 FLETCHER: Member Pedersen?

4 PEDERSEN: Here.

5 FLETCHER: Member Tessler?

6 TESSLER: Here.

7 FLETCHER: And Mr. Chairman?

8 CHAIRMAN FUDERBURG: Here.

9 FLETCHER: Mr. Chairman, at this time we have a  
10 quorum of members physically present in the room.

11 CHAIRMAN FUDERBURG: Thank you very much.

TRANSCRIPT 12102015 Board Meeting.txt  
MR. YONOVER: This is Member Yonover. I'm on  
the phone.

14 ISRAELOV: This is Member Adam Israelov on the  
15 phone as well.

16 FLETCHER: Duly noted. Unfortunately, you're  
17 not part of the quorum. You will be momentarily.

18 CHAIRMAN FUDERBURG: Thank you. The next order  
19 of business is presentation and consideration about  
20 item number 15 on the project reports and  
21 resolutions.

22 Ms. Weber, would you please present that?

23 WEBER: Item 15 is to adopt policies and  
24 procedures relating to meeting attendance by

MARZULLO REPORTING AGENCY (312) 321-9365

1 non-physical means. That basically means through  
2 audio conference or video conference, and also  
3 relates to policy for excused absences.

4 Basically, our bylaws and the Open

5 Meetings Act talks about the adoption of rules for  
6 these purposes, and so we're just following those  
7 procedures to adopt these rules.

8 We're following the procedures of the Open  
9 Meetings Act, which allows members to participate by  
10 audio or video conference under the conditions that  
11 are set forth in the Open Meetings Act, which is  
12 personal illness or disability, employment purposes,  
13 or the business of the Authority, or a family or  
14 other emergency, and has procedures for notifying  
15 the Secretary in advance of the reason for the  
16 participation by audio conference, and the procedure

17 for the Board to then accept those people who want  
18 to attend, assuming they meet those purposes, and  
19 also as a provision for excusing absences for those  
20 members who can't participate either in person or by  
21 audio conference.

22 Are there any questions on the policy that  
23 I can answer?

24 CHAIRMAN FUDERBURG: It does not appear so. So  
MARZULLO REPORTING AGENCY (312) 321-9365

6

1 I would like to ask for a motion.

2 ANDERBERG: So moved.

3 PEDERSEN: Second.

4 CHAIRMAN FUDERBURG: Seconded by Mr. Pedersen.  
5 Any further discussion at all?

6 Mr. Fletcher, can we have a voice vote,  
7 please?

8 FLETCHER: All those in favor of resolution  
9 number 15?

10 (A chorus of ayes.)

11 FLETCHER: The ayes have it.

12 CHAIRMAN FUDERBURG: Do you want to do a roll  
13 on that?

14 FLETCHER: Certainly. I'll take the roll on  
15 the motion and a second.

16 Member Anderberg?

17 ANDERBERG: Yes.

18 FLETCHER: Member Bronner?

19 BRONNER: Yes.

20 FLETCHER: Member Fuentes?

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21 TRANSCRIPT 12102015 Board Meeting.txt  
FUENTES: Yes.

22 FLETCHER: Member Goetz?

23 GOETZ: Yes.

24 FLETCHER: Member Horne?

MARZULLO REPORTING AGENCY (312) 321-9365

7

1 HORNE: Yes.

2 FLETCHER: Member Knox?

3 KNOX: Yes.

4 FLETCHER: Member O'Brien?

5 O'BRIEN: Yes.

6 FLETCHER: Member Pedersen?

7 PEDERSEN: Yes.

8 FLETCHER: Member Tessier?

9 TESSLER: Yes.

10 FLETCHER: And Mr. Chairman?

11 CHAIRMAN FUDERBURG: Yes.

12 FLETCHER: Mr. Chairman, the motion carries.

13 CHAIRMAN FUDERBURG: Thank you. All right.

14 Next up is the approval of the agenda. Is there  
15 anything anybody would like to --

16 MEISTER: Hold on. Wait, we need to --

17 FLETCHER: Mr. Chairman, if I may, the time is  
18 currently 10:24 a.m. I would like to call the two

19 attendants, the members participating by audio  
20 conference. We have Member Israelov.

21 ISRAELOV: Yes, here.

22 WEBER: Just state the purpose for which you  
23 are participating by audio conference under those

24 conditions I outlined.

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1 MEISTER: Is it work related, Adam?  
 2 ISRAELOV: No, it's not work related. I am  
 3 unable to attend the meeting in person today.  
 4 BRONNER: Personal.  
 5 WEBER: Under this policy, then, I guess you  
 6 can listen in.

7 MEISTER: Here, he's -- remind Member Israelov  
 8 of the three buckets provided by the Open Meetings  
 9 Act.

10 WEBER: Sure. The three reasons -- just a  
 11 minute. I should have it memorized by now.

12 CHAI RMAN FUDERBURG: Everybody, too, you're  
 13 going to be asked a similar question. So pay  
 14 attention to the three buckets.

15 WEBER: All right. So here is the first one:  
 16 Personal illness or disability, the second is  
 17 employment purposes or business of the Authority,  
 18 and the third is a family or other emergency.

19 So if you could state which of those apply  
 20 to your request.

21 ISRAELOV: It actually fits in neither of those  
 22 buckets.

23 MEISTER: Then, Adam, we're going to ask you to  
 24 please listen in, but we cannot have you as a member  
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1 of the quorum under the Open Meetings Act under the  
 2 policy that we just adopted.

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 4 At the end of the meeting, the Chairman  
 5 will ask the Board to excuse all members who were  
 6 unable to attend either in person or by telephone  
 7 for whatever reason. Any questions?

8 ISRAELOV: No questions. I am able to provide  
 9 my vote at the very end in person. I can make it  
 10 there in the next one hour, if that's okay.

11 MEISTER: We may be done in an hour.

12 MS. BRONNER: Lerry will.

13 CHAI RMAN FUDERBURG: Adam, I just want to just  
 14 interject here, too, a little bit. First, I want to  
 15 recognize that everybody here at this table, except  
 16 for staff, are volunteers at a part-time unpaid job.  
 All right?

17 And, you know, certainly we want to state  
 18 that, recognize it, and let everybody know, that  
 19 it's very much recognized and appreciated. That  
 20 being said, I also want to apologize in advance,  
 21 too, because for a lot of us, some of the  
 22 constraints that exist in operating in a, you know,  
 23 yet a volunteer capacity, but in a governmental or  
 24 quasi-governmental agency, that we are bound to a

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1 number of regulations and other guidelines that we  
 2 need to adhere to.

3 One of our primary goals is always

4 transparency and adherence with constraints and  
 5 regulatory guidelines that we need to operate  
 6 within.

7 We are discovering some of those as we go

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8 along. We also fine tune to make sure we are, you  
9 know, 100-percent compliant. What that means is  
10 sometimes things are popping up here that are a  
11 little different than what we've done, in terms of  
12 business in the past. This is one example.  
13 So I apologize to any of the three of you  
14 who are on the phone who are now kind of blindsided  
15 by complying with three buckets that you weren't  
16 really familiar with not too long ago, and I hope  
17 you please accept that.

18 WEBER: And on a going-forward basis, I'll  
19 provide a form that Board Members can use that will  
20 help to remind you of the buckets and can be used to  
21 send in advance of the meeting.

22 If there's any further questions as to how  
23 to comply with this, I'm always available to answer  
24 those questions.

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1 MEISTER: And to amplify Chairman Funderburg's  
2 point, I think one of the unfortunate results of  
3 some of the constraints imposed by statute is that  
4 oftentimes volunteer or minimally-compensated public  
5 officials, and you're all state public officials in  
6 a volunteer capacity, is that under the rules, and  
7 under the law, you are held to the same standards as  
8 if you were receiving a paycheck.

9 And, you know, while we embrace  
10 transparency and accountability, we also recognize  
11 that it poses certain practical obstacles that we'll

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12 do our very best to address.

13 CHAIRMAN FUDERBURG: That being said --  
14 MEISTER: We have two more Board Members on  
15 telephone.

16 FLETCHER: Member Juracek?

17 JURACEK: Business obligations.

18 FLETCHER: Thank you. And Mr. Yonover?

19 MR. YONOVER: Same, business obligations.

20 FLETCHER: Okay. At this time you've been  
21 added to the roll call for quorum purposes. Thank  
22 you.

23 CHAIRMAN FUDERBURG: Great. Thank you all.

24 Next I would like to ask that we consider item

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12

1 number 13, resolution to elect a Vice-Chair of  
2 Illinois Finance Authority.

3 I can tell you that it's been an honor and  
4 a pleasure to serve as Chair. The Board and Senior  
5 Staff feel that it is entirely appropriate to have a  
6 Vice-Chair of the Illinois Finance Authority, and I  
7 would like to -- we were going to ask if there are  
8 any additions or changes to the agenda. So I was  
9 going to ask for a motion.

10 MEISTER: From any Board Members, are there any  
11 motions? Are there any changes to the agenda?

12 PEDERSEN: I move to adopt the changes that are  
13 proposed.

14 FLETCHER: Of the changes proposed.

15 MEISTER: Yeah. Actually, here, I can just  
16 propose the changes addressing item number 13, the  
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17 resolution for the election of a Vice-Chairman; and  
18 in addition, in a connection with that I would ask  
19 for the Board's consent to withdraw items number 10  
20 and 16 from the presentation in consideration of  
21 project reports and resolutions.

22 WEBER: Just to be clear, on item 13, you're  
23 asking to move that up to the next item on the  
24 agenda?

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1 MEISTER: Yes.  
2 WEBER: Thank you.  
3 PEDERSEN: That was my motion.  
4 MEISTER: I apologize.  
5 CHAIRMAN FUDERBURG: No, that's good. We want  
6 to be clear.  
7 FUENTES: Second.  
8 CHAIRMAN FUDERBURG: We have a motion and  
9 seconded by Mr. Fuentes. All in favor, please say  
10 aye.

11 (A chorus of ayes.)

12 CHAIRMAN FUDERBURG: Any opposed?

13 (No response.)

14 CHAIRMAN FUDERBURG: Now, to item 13. It's  
15 been an honor and a privilege to serve as Chair.

16 Likewise, it is an honor and privilege to nominate  
17 Gila Bronner as Vice-Chair of the Illinois Finance  
18 Authority.

19 I'm not sure if -- we have discussed this  
20 in our Governance and Personnel. Member Anderberg,

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21 anything you would like to add to that?  
22 ANDERBERG: No. We had discussed and voted  
23 unanimously to appoint Gila Bronner as Vice-Chair of  
24 the IFA.

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14

1 FLETCHER: Recommend for approval.  
2 ANDERBERG: To recommend.  
3 CHAIRMAN FUDERBURG: At this point, and upon  
4 the recommendation of the Government or the  
5 Governance and Personnel, et cetera, Committee, we  
6 would like to call that to a vote at this point.  
7 PEDERSEN: Maybe Eric should make the motion to  
8 review.

9 CHAIRMAN FUDERBURG: Would you like to make a  
10 motion?

11 ANDERBERG: I would like to make that motion.

12 CHAIRMAN FUDERBURG: Is there a second?

13 GOETZ: I'll second it.

14 CHAIRMAN FUDERBURG: Any further discussion?

15 How long is Gila's right of recision? Okay. I'm  
16 not sure we got an answer to that, but all in favor,  
17 please say, aye.

18 (A chorus of ayes.)

19 CHAIRMAN FUDERBURG: Any opposed?

20 (No response.)

21 CHAIRMAN FUDERBURG: Thank you and  
22 congratulations.

23 BRONNER: Thank you.

24 FLETCHER: Motion carries.

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1 CHAIRMAN FUDERBURG: Okay. You know, next,  
 2 then, we've taken care of the other administrative  
 3 things that Chris had pointed out. We're at the  
 4 point where it's the Chairman's remarks.  
 5 I don't have anything really to add, other  
 6 than, you know, I think that we continue to make  
 7 progress towards our mission at IFA and continue to  
 8 provide value, you know, outside of our job  
 9 description, if you will.

10 And I again point out it's been a real  
 11 pleasure to work with the staff here, and consummate  
 12 professionals, experts; and as Volunteer Board  
 13 Members, we rely and depend on you a tremendous  
 14 amount.

15 And one of the things I've heard numerous  
 16 times, especially recently, is the caliber of all  
 17 the staff. And, you know, I think that tone is set  
 18 at the top with the Executive Director, and so  
 19 that's really all I have to say is keep it up and  
 20 thank you.

21 Executive Director Meister, do you have  
 22 any remarks?

23 MEISTER: Yes. Briefly, Mr. Chairman, on the  
 24 agenda is the annual nomination of the Executive  
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1 Director, and I'm grateful that Governor Rauner has  
 2 decided to provide Chairman Funderburg and Chairman

3 Anderberg with my name, among two nominations, and  
 4 I'm grateful for the opportunity to work for the  
 5 Board, and work with the Board, and with the staff.  
 6 And, again, I second Chairman Funderburg's  
 7 compliments to the staff. It's been a great  
 8 professional pleasure working with all of you, and  
 9 I'm grateful for the opportunity to work with all of  
 10 you on the Board. So thank you.

11 CHAIRMAN FUDERBURG: Next is consideration of  
 12 the minutes. Are there any additions or  
 13 corrections?

14 If not, is there a motion to accept those  
 15 minutes?

16 BRONNER: So moved.

17 KNOX: Second.

18 CHAIRMAN FUDERBURG: Okay. There's a motion by  
 19 Ms. Bronner and a second by Mr. Knox.

20 All in favor, please say aye.  
 21 (A chorus of ayes.)

22 CHAIRMAN FUDERBURG: Any opposed?  
 23 (No response.)

24 CHAIRMAN FUDERBURG: Next, then, is

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1 presentation and consideration of financial reports.  
 2 Melinda Gildart is not available. She's on a  
 3 professional -- Melinda, are you on the phone?

4 GILDART: Yes, I am.

5 CHAIRMAN FUDERBURG: Well, hello. Is it okay  
 6 if your controller, Six Granda, steps in for you  
 7 here?

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8 GILDART: That's fine.  
 9 CHAIRMAN FUDERBURG: Please.  
 10 MS. GRANDA: Good morning, everyone. My name  
 11 is Six Granda. I am the Controller for the  
 12 Authority, and I will be presenting the financial  
 13 report.  
 14 MR. YONOVER: So this is Member Yonover. Could  
 15 we ask her to move a little closer to the  
 16 microphone, please?  
 17 MEISTER: You bet.  
 18 MS. BRONNER: You can have one. Take it over  
 19 there.  
 20 MS. GRANDA: The Financial Report can be found  
 21 in your folder. There is -- I believe it's the  
 22 clipped section in the folder. If you guys want to  
 23 go ahead and follow.

24 In the month of November, operating  
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1 revenues were \$255,000, which consists of \$163,000  
 2 of closing fees, \$5,000 in application fees, of  
 3 which \$4,000 is from the fire truck and revolving  
 4 loan fund, and about \$838,000 in interest from  
 5 loans.  
 6 Total annual operating revenue are at  
 7 \$2.5 million, or 23.6 percent above budget. This is  
 8 primarily due to a higher-than-expected closing  
 9 fees. Year-to-date closing fees are at \$1.9 million  
 10 or 34.9 percent higher than budget.  
 11 In November, total expenses were \$347,000,

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12 which consist of \$139,000 of employee-related  
 13 expenses, \$150 of professional service fees, and  
 14 \$49,000 in occupancy and general administration.  
 15 Total annual expenses equals to  
 16 \$1.7 million, which is 20 percent over the budget.  
 17 This is due to vacant budget staff positions, delays  
 18 in IT projects and purchases.  
 19 Our total monthly net loss of \$138,000 is  
 20 driven by the lower closing fees and higher realized  
 21 and unrealized investment loss. Our total annual  
 22 net income is \$822,000.  
 23 The major driver of the annual positive  
 24 bottom line continues to be the level of overall  
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19

1 spending at 20 percent below budget, and the  
 2 increased revenue from the closing fees in November  
 3 and -- I'm sorry, in September and October.  
 4 The Authority's general fund continues to  
 5 maintain a strong balance sheet with a total net  
 6 position of \$53.3 million. Total assets in the  
 7 general fund are \$63.9 million because of no cash  
 8 investments and receivables.  
 9 Unrestricted cash and investments totals  
 10 \$28.7 million, which \$5.8 million in investments  
 11 were liquidated in the general fund as of  
 12 November 2015 for the State procurement.  
 13 Notes receivable for the former IRBB local  
 14 government total \$20.2 million. Participation in  
 15 other loans receivable are at \$2.8 million. In the  
 16 primary government fund to the State of Illinois,

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17 accounts receivable totals \$252,000.  
18 Any questions on the financial?  
19 MEISTER: Just to clarify a couple points. In  
20 November, the Board authorized me to liquidate up to  
21 \$12,000,000 of our general revenue funds which have  
22 been invested in short-term investments.

23 We were able to liquidate \$5.8 million of  
24 those without substantial loss. There was a small

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1 \$10,000 loss and maybe another \$60,000 book loss.  
2 MS. GRANDA: Right.  
3 MEISTER: And I asked for that authority for  
4 three purposes: Number one, to make zero interest  
5 loans to local governments that operate 911 services  
6 across the State.

7 While we did have discussions with some  
8 911 operators on Monday, the General Assembly  
9 passed, and the Governor signed, an Appropriation  
10 Bill that took care of that problem. So that  
11 problem is off the table.

12 I had also asked for some of that money to  
13 be used possibly for a debt service reserve fund on  
14 the items that have now been withdrawn, agenda items  
15 16 and 10, and that was -- those were not ripe at  
16 this time, and we're going to continue work.

17 And the third was for the Authority to be  
18 able to purchase State receivables of State Agencies  
19 and be assigned the Statutory Prompt Payment Act,  
20 and we have completed one of those transactions. It

21 is roughly \$250,000 to the janitorial service that  
22 provides services to the Thompson Center.

23 We are looking at other of these. We're  
24 looking at the diligence, and the documentation will  
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1 continue to do that, but I wanted to clarify that  
2 because there were some unusual transactions.

3 While Six did an excellent job of reciting  
4 them, I wanted to highlight them for the Board.

5 CHAIRMAN FUDERBURG: Okay. Thank you.

6 GRANDA: Just one more thing, in regards to our  
7 audit. The field work for the FY14 and FY215  
8 compliance and financial audits have been completed,  
9 and now it's in the report-development stage.

10 There are potential findings that were  
11 issued by the Office of the Auditor General, and the  
12 Authority is currently working to develop some  
13 responses to those findings. Also, the Authority is  
14 also seeking to finalize its FY15 CAFR in the next  
15 few weeks.

16 GOETZ: Are any of the findings material?

17 MS. GRANDA: Currently, we have two GAS  
18 findings and six compliance State findings and five  
19 immaterial.

20 MEISTER: Gila, do you want to speak to the  
21 confidentiality of the process at this point?

22 MS. BRONNER: Yes. Actually the draft audit  
23 findings have been provided to Board Members. They  
24 are preliminary in nature and are exempt through

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1 provisions through the Freedom of Information Act,  
 2 until such time as they are finalized.  
 3 And they will be incorporated. We  
 4 anticipate completion of the final stages of report  
 5 preparation, in conjunction with the Auditor  
 6 General's Office, hopefully over the next two or  
 7 three weeks or so.

8 At which time, we will then, through the  
 9 Audit Committee, we will be meeting. We will be  
 10 reviewing the corrective action plans, and we will  
 11 be sharing that publicly.

12 MS. GRANDA: Thank you.

13 CHAIRMAN FUDERBURG: Thank you. So if there  
 14 are no questions, then, for Six, is there a motion  
 15 then to accept the financial reports?

16 GOETZ: So moved.

17 BRONNER: Second.

18 CHAIRMAN FUDERBURG: Moved by Mr. Goetz.

19 Seconded by Ms. Bronner.

20 All in favor, please say aye.

21 (A chorus of ayes.)

22 CHAIRMAN FUDERBURG: Any opposed?

23 (No response.)

24 CHAIRMAN FUDERBURG: Thank you. Next up is

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1 monthly procurement reports. Chris?

2 MEISTER: Ms. Gildart typically makes this

3 presentation. Again, there is resolution of item 11  
 4 under the presentation and consideration of project  
 5 reports for using the emergency purchase provision  
 6 under the Procurement Code to retain Bond Counsel  
 7 and Authority Issuers Counsel for the transactions  
 8 that have been withdrawn that I mentioned  
 9 previously.

10 In addition, we'll be recommending a  
 11 servicer also in that resolution; and finally, that  
 12 the Authority would have the ability to engage with  
 13 an insurance broker, Mesiraw, under the small  
 14 purchase provisions of the Procurement Act. So  
 15 those items will be addressed later.

16 The monthly procurement report is found in  
 17 your materials. I'll take any questions, or we can  
 18 address them when resolution number 11 comes up on  
 19 the agenda.

20 CHAIRMAN FUDERBURG: I suggest we go ahead and  
 21 move along to Committee reports, item number 9 on  
 22 the agenda. First up is Committee Chair Anderberg.  
 23 Report, please?

24 ANDERBERG: In the Governance Committee, we had

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1 taken care of the appointment of Ms. Gila Bronner as  
 2 Vice-Chair of the IFA, and we also approved the  
 3 appointment of Executive Director Chris Meister for  
 4 another term at the IFA, and compensation will be  
 5 determined in January for Mr. Meister.

6 CHAIRMAN FUDERBURG: Okay. Thank you.

7 ANDERBERG: And that's it.

8 CHAIRMAN FUDERBURG: Any questions for Eric  
 9 Anderberg? Okay. If not, then, Lerry, you're up  
 10 next.  
 11 KNOX: In the Direct Alternative Finance  
 12 Committee Meeting, we undertook consideration of the  
 13 agricultural project regarding specialized livestock  
 14 guarantee for an IFA-backed loan for land purchase  
 15 and improvements for parties downstate.  
 16 We also took under consideration a request  
 17 by State Bank and Northwest Illinois Development  
 18 Alliance for approval for a five-year extension to a  
 19 P3 project regarding the Visitor Center as well.  
 20 CHAIRMAN FUDERBURG: Okay. Any questions at  
 21 all? Thank you very much.

22 BRONNER: The Audit Budget Finance Investment  
 23 and Procurement Committee, otherwise known as Audit  
 24 Plus, also met this morning.

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1 I did want to say we already gave a report  
 2 relative to the completion of PY14 and 15 financial  
 3 and compliance audit, and as well at that meeting we  
 4 also considered the special procurement that  
 5 Executive Director Meister just spoke about, and  
 6 that was our agenda.

7 CHAIRMAN FUDERBURG: Okay, thank you.  
 8 Questions on that?

9 HORNE: The next Committee Meeting was the  
 10 Tax-Exempt Conduit Transaction Committee Meeting.  
 11 We reviewed and considered several different

12 proposals.  
 13 There were four individual agricultural  
 14 projects that were considered and approved. We  
 15 followed on then with applications and approvals for  
 16 Lutheran Bethesda Home Association and Alder  
 17 University; and then followed that with a discussion  
 18 about the Iowa Health System, which was also  
 19 approved.  
 20 And we made consideration on a few  
 21 amendments that related to some prior approvals in  
 22 bond offerings, one relating to Adler, and it was an  
 23 extension or modification on a cap relating to an  
 24 industrial bond.

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1 FLETCHER: Sterling Lumber.  
 2 HORNE: Yes, Sterling Lumber. That's correct.  
 3 If you want, I can give more detail. I don't know.  
 4 So we went over a number of these and approved all  
 5 of them.

6 CHAIRMAN FUDERBURG: Okay. Thank you. Any  
 7 questions at all for any of the Committee reports?  
 8 If not, then we'll move on. Item 10 on  
 9 your agenda it shows a closed session to discuss  
 10 personal matters. I'm going to recommend to this  
 11 group that we skip that part of it. I don't think  
 12 it's necessary at this point.

13 So I would like to go straight into the  
 14 renomination, reappointment of Executive Director  
 15 Chris Meister to a one-year appointment as Executive  
 16 Director of the IFA.

17 I would also like to ask our General  
18 Counsel, Elizabeth Weber, since this is new to some  
19 of us, and this is important, as far as you can  
20 tell, we've done so in compliance with the relevant  
21 regulations, et cetera, in terms of considering  
22 other candidates and so on and so forth?

23 WEBER: That is correct. The Act requires  
24 there be nominations. I will move closer so people

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1 can hear me on the phone. The Act requires that  
2 there be nominations submitted, and there were two  
3 nominations submitted to the Committee, which they  
4 discussed; and they, as I understand the  
5 recommendations to all the members, is to approve  
6 the nomination of Chris Meister.

7 CHAIRMAN FUDERBURG: Thank you. So that being  
8 said, it is absolutely a distinct pleasure to  
9 propose and act on Chris' nomination based on the  
10 recommendation of the Governance and Personnel  
11 Committee.

12 ANDERBERG: Unanimously.

13 CHAIRMAN FUDERBURG: Unanimously to reappoint  
14 Chris to a one-year term, but I think we need to  
15 formalize that here.

16 GOETZ: I'll make a motion.

17 CHAIRMAN FUDERBURG: Okay, by Mr. Goetz.

18 FUENTES: Second.

19 CHAIRMAN FUDERBURG: Seconded by Mr. Fuentes.

20 Any discussion? I don't know if you should be

21 I leaving the room now or not.  
22 I think you should. Actually, yes, would  
23 you mind if you excuse yourself, please, while we  
24 have other comments?

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1 MEISTER: Yes.

2 CHAIRMAN FUDERBURG: We have a motion and a  
3 second to renominate Executive Director Meister.  
4 Any conversation?

5 PEDERSEN: He's done a great job. One of the  
6 things that people enjoy about Chris --

7 ISRAELOV: Hi. This is Adam Israelov.

8 CHAIRMAN FUDERBURG: Okay. Thank you, Adam.

9 PEDERSEN: Whatever. Let Adam go.

10 CHAIRMAN FUDERBURG: Mayor Pedersen is -- I'll  
11 get to you in a second.

12 PEDERSEN: He probably can't hear me. So,

13 Adam, I was saying that Chris has done an

14 outstanding job. One of the skills that Chris has  
15 is he takes a complex subject and makes it easy for  
16 people, such as me, to understand them, and so I've  
17 always enjoyed working with him and the other staff  
18 here.

19 I think that Chris provides great

20 leadership to the staff, and that's why the staff  
21 performs so well.

22 CHAIRMAN FUDERBURG: Thank you.

23 HORNE: Well said.

24 CHAIRMAN FUDERBURG: Yes, well said. Other

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1 comments? Do we have a motion?  
2 GOETZ: I would like to second the Mayor's  
3 comments.  
4 ISRAELOV: Adam Israelov. I would like to make  
5 a comment.  
6 CHAIRMAN FUDERBURG: Please.  
7 ISRAELOV: Yes. So I would just like to note  
8 Chris' experience and his credentials, and also as  
9 one of the newer Board Members, he has done an  
10 excellent job of getting me up to speed, providing a  
11 background on the Board, and the different  
12 initiatives of the Board and thank him for his  
13 efforts and his contribution, and I look forward to  
14 his service in the coming year.  
15 CHAIRMAN FUDERBURG: Great. Thank you.  
16 Agreed. As one of those also newer Board Members, I  
17 concur, especially with the on-boarding aspect of  
18 it, and the staff, too, for sure. Other comments?  
19 If not, then we've got a motion and a  
20 second. All in favor, please say aye.  
21 (A chorus of ayes.)  
22 CHAIRMAN FUDERBURG: Any opposed?  
23 (No response.)  
24 CHAIRMAN FUDERBURG: Mr. Fletcher, is there any  
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1 reason for roll call vote on, or are we good?  
2 WEBER: Why don't we do a roll call vote.  
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FLETCHER: On the motion and second, I will  
call the roll, in terms of approving resolution  
number 14.  
Mr. Anderberg?  
ANDERBERG: Yes.  
FLETCHER: Ms. Bronner?  
BRONNER: Yes.  
CHAIRMAN FUDERBURG: Mr. Fuentes?  
FUENTES: Yes.  
FLETCHER: Mr. Goetz?  
GOETZ: Yes.  
FLETCHER: Mr. Horne?  
HORNE: Yes.  
FLETCHER: Ms. Juracek on the phone?  
JURACEK: Yes.  
FLETCHER: Mr. Knox?  
KNOX: Yes.  
FLETCHER: Mr. O'Brien?  
O'BRIEN: Yes.  
FLETCHER: Mr. Pedersen?  
PEDERSEN: Yes.  
FLETCHER: Mr. Tessler?  
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1 TESSLER: Yes.  
2 FLETCHER: Mr. Yonover on the phone?  
3 YONOVER: Yes.  
4 FLETCHER: And Mr. Chairman?  
5 CHAIRMAN FUDERBURG: Yes.  
6 FLETCHER: Mr. Chairman, the motion carries.  
7 CHAIRMAN FUDERBURG: Great. Thank you very  
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8 much. Okay, good. That's important.  
9 Also, I'll just opine a little bit about  
10 the stability and consistency the IFA staying in  
11 business through transitions, multiple transitions,  
12 you know, since its inception and, you know, this is  
13 certainly one of them.

14 I think to our customers, it's very  
15 important there be that high consistent level of  
16 professionalism and delivery of solutions to  
17 problems, et cetera.

18 And I think that this reappointment just  
19 further bolsters that confidence and that  
20 consistency that our customers of IFA and the  
21 Citizens of the United States -- of the State of  
22 Illinois can expect and hopefully appreciate.

23 So, next then is item number 11, public  
24 recital of the nature and matter considered.

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1 WEBER: No, you can skip that because we didn't  
2 go into closed session.

3 CHAIRMAN FUDERBURG: Oh, okay. Yeah, thank  
4 you. Thank you. Thank you.

5 MELSTER: Go right to the report.

6 CHAIRMAN FUDERBURG: One of the benefits of  
7 skipping that. All right.

8 All right. Then next is the presentation  
9 and consideration of project reports and  
10 resolutions. I would like to ask for general  
11 consent by the Members, if we go ahead and as we

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12 amend it, consider items number 1A, 1B, 1C, 1D, 3,  
13 4, 5, 6, 7, 8, 11, 12 and finally 17.

14 FLETCHER: Right.

15 CHAIRMAN FUDERBURG: Is that agreeable?  
16 Everybody okay with that?

17 (A chorus of ayes.)

18 CHAIRMAN FUDERBURG: Okay, very good. That  
19 being said, why don't we go ahead and dive into it.  
20 Patrick Evans, please?

21 MR. EVANS: We have four beginner farmer bonds.  
22 All four banks are purchasing loans. They are  
23 conduit loans with rates set by the bank. The bank  
24 holds the risk.

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1 Each loan relates to real estate  
2 purchases. There's of the four, Jordan Buangart is  
3 the first one. He's purchasing 86.44 acres. He's  
4 utilizing the FSA program of five-forty-five-fifty,  
5 and the bond will be for \$333,500.

6 The second one is Troy Diericks. He's  
7 purchasing 74.5 acres for \$483,925. This is a  
8 100-percent loan that the bank is taking on by  
9 itself.

10 The third one is Jesse and Ashley Wilson.  
11 They are purchasing 110 acres through the FSA  
12 five-forty-five-fifty program. The Bank of --  
13 People's National Bank in Southern Illinois has  
14 retained the 50 percent, utilizing the FSA bond and  
15 the lower interest rate.

16 The last one is Cory and Emely Schirer.

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17 They are purchasing 44 acres at \$280,000, again  
18 utilizing the FSA five-forty-five-fifty program, and  
19 they have a loan for 50 percent through Heartland,  
20 utilizing the IFA bonds, \$440,000.

21 Any questions?

22 CHAIRMAN FUDERBURG: Okay, thank you.

23 FRAMPTON: Okay. Next, we'll move to tab 3 on  
24 the agenda, which is final bond resolution for

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1 Norwegian Lutheran Bethesda Home Association. The  
2 not-to-exceed amount is \$7,517,000.

3 The Board previously considered and

4 approved this matter for a preliminary bond

5 resolution for a prior resolution in September. The

6 bonds will be direct purchased by MB Financial Bank.

7 The payments will be amortized over 25 years.

8 The initial term will be seven years. The

9 proceeds will be used to construct a 16-bed addition

10 and enable the Association to increase their skilled

11 nursing beds from 46 to 62 at this location.

12 This will enable them to continue

13 expanding their focus on rehabilitation services;

14 and, additionally, through a partnership that's

15 described on page 4 with Alliance Rehabilitation

16 Services, increase the proportion of patients who

17 are private pay.

18 As we noted before back in September, the

19 Association's financials are strong. They've been

20 trending in a positive direction, and we recommend

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21 approval. Any questions?

22 CHAIRMAN FUDERBURG: Thank you.

23 FRAMPTON: Okay, thank you.

24 FLETCHER: Mr. chairman, Members of the Board,

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1 for tab number 4 in your Board book is Adler

2 University. This is a proposed final bond

3 resolution for Adler University, a not-to-exceed

4 amount of \$19.1 million.

5 This transaction received preliminary

6 approval last month at the November Board Meeting.

7 All terms of the transaction do remain the same.

8 Bond documents have been finalized.

9 At this time, you are being asked to

10 approve it accordingly. The proposed business terms

11 again are the same. This is a direct purchase

12 structure with MB Financial Bank.

13 Adler University currently leases its

14 Chicago campus located at One North Dearborn with a

15 mailing address of 17 North Dearborn. Essentially,

16 they are proposing to enter into a tax-exempt

17 mortgage, as opposed to leasing their current space,

18 generating operational savings going forward of at

19 least \$1,000,000 per year.

20 One update to the report, I wanted to

21 bring to your attention from last month, was the

22 forecast Jobs.

23 BRONNER: Yes, I was going to comment on that.

24 FLETCHER: Over the next one to two years, they

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1 have reported to us, at the Chicago campus only,  
 2 they are projecting 19 additional employment  
 3 positions.  
 4 However, this is not a direct result of  
 5 this financing, but rather a natural growth, but we  
 6 did want to provide an estimate as it was requested.  
 7 The Tax-Exempt Conduit Committee recommended  
 8 approval, staff recommended approval, and I can take  
 9 any questions.

10 MEISTER: And, Gila, on --

11 BRONNER: The first one is what?

12 MEISTER: The question of estimated jobs in  
 13 connection with conduit financing obviously came up  
 14 at the November meeting.

15 I've had conversations with Brad and with  
 16 Rich and with Pam, and what I hoped to do is come  
 17 back to the Board, or the relevant Committees, with  
 18 a proposed reporting structure that will  
 19 preemptively address some of the concerns that you  
 20 raised in November.

21 BRONNER: Okay, thank you. And I do want to  
 22 acknowledge, also, on Norwegian Lutheran, that there  
 23 was job data provided there as well. So thank you.

24 FLETCHER: I know with Adler, there is no

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1 construction, additions being made, renovations.

2 CHAIRMAN FUDERBURG: And to that point also,

3 and there are several Board Members at the IFA that  
 4 have expressed specific interest in tracking jobs,  
 5 both construction jobs, permanent jobs, et cetera,  
 6 to the best we're able, given that some of these are  
 7 projections, and we fully intend to do so on a  
 8 cumulative basis throughout the year.

9 We just haven't had a chance to get to  
 10 that yet. Mr. Fletcher, while you have the floor,  
 11 would you like to skip and address the others?

12 FLETCHER: Sure. So I will jump ahead to tab  
 13 number 6, which is a proposed amendment, a  
 14 resolution amending the Series 2010 bond documents  
 15 for Adler University. This transaction is being  
 16 considered separate and apart from the transaction  
 17 we just discussed.

18 In 2010, IFA closed on a bond for  
 19 leasehold improvements for Adler, which now they are  
 20 currently undertaking on a conventional tax-exempt  
 21 mortgage basis. We financed the original leasehold  
 22 improvements. MB Financial Bank has asked us to  
 23 approve changes they have agreed to, which include  
 24 extending the initial rate period on the loan

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1 amortization, as well as lower the interest rate.

2 This is what we consider a technical

3 amendment for the reissuance. Accordingly, we

4 charge no fee. We are simply being asked to agree

5 to changes the bank has already accepted for the

6 borrowing.

7 CHAIRMAN FUDERBURG: Okay.

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8 FLETCHER: So keep going?  
9 CHAIRMAN FUDERBURG: Please.  
10 FLETCHER: Jumping ahead, tab number 8 is a  
11 resolution on behalf of Sterling Lumber Company.  
12 IFA closed on a bond in May of 2014, an industrial  
13 revenue bond for Sterling Lumber Company. This was  
14 issued as a drawdown industrial revenue bond.  
15 This is important to note because  
16 industrial revenue bonds require volume cap, as  
17 opposed to units to local government, or 501(3)(C)s,  
18 who issue bonds on an tax-exempt basis.  
19 As money was advanced, we were likewise  
20 requested to provide the relevant prospective volume  
21 cap for each calendar year. And volume cap, if you  
22 may or may not be aware when provided, expires at  
23 the end of the calendar year.

24 We provided in 2014, \$5.2 million of  
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1 volume cap. However, the bank, First Midwest, only  
2 advanced \$3.1 million volume cap of actual capital  
3 for construction costs.

4 So, collectively, over the years, the  
5 project remains \$10,000,000, but we now need to  
6 advance additional volume cap, because volume cap  
7 was lost in 2014. So to summarize this, we're  
8 providing roughly \$12,000,000 of volume cap for  
9 \$10,000,000 in cost because there was lost cap in  
10 2014.

11 We are trying to appease the borrower

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12 here. We recognize this was the first of its kind

13 for a drawdown structure for an IRB. It was very  
14 complicated. Bond Counsel has likewise reduced  
15 their fees on a number of occasions here.

16 As opposed to charging 77 basis points, we  
17 have reduced our fee in half here to accommodate the  
18 borrower and the bank, so that all funds can be  
19 expended accordingly pursuant to Federal Tax Rules.  
20 I know that is a mouthful, but I can answer any  
21 questions.

22 CHAIRMAN FUDERBURG: Okay. It doesn't look  
23 like any questions. Thank you very much.

24 FLETCHER: Thank you.

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1 MELSTER: Oh, yes, thank you. Certainly,  
2 please.

3 FLETCHER: And I note the attendance of Member  
4 Israelov. The time is currently 11:03 a.m.

5 CHAIRMAN FUDERBURG: Okay, thank you.

6 Ms. Lenane, please.

7 LENAME: I call your attention to item

8 number 5. Item number 5 in our Board book is a  
9 one-time final resolution for Iowa Health System  
10 doing business as Unity Point Health for

11 \$53,000,000. They are refunding the Methodist  
12 Medical Center of Illinois Series 2011 B bonds.

13 This will be a variable rate bank direct  
14 purchase by U.S. Bank. I might call to your

15 attention that Iowa Health System acquired Methodist  
16 Medical Center, but they also operate 12 hospitals

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17 in ten Iowa cities, four hospitals in three Illinois  
18 cities, and one hospital in Madison, Wisconsin, and  
19 they have approximately 860 employed positions  
20 full-time equivalents. So they are fairly large.  
21 Iowa Healthcare has an underlying rating  
22 by Moody's of AA3 and Fitch double A minus. If you  
23 go to the financials on page 6 -- 7. On page 7,  
24 you'll see they have debt service coverage of 6.0

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1 and 243 days cash on hand. So they are a very  
2 strong system.  
3 CHAIRMAN FUDERBURG: Any questions at all?  
4 Okay, thank you very much.  
5 LENANE: Okay. Do you want me to go to my  
6 amendment?  
7 CHAIRMAN FUDERBURG: Sure. Why don't we do  
8 that, since that is a different section. I would  
9 like to call Mr. Frampton, please. We got one more  
10 to do. Thank you, though.

11 LENANE: Okay. I'm here.  
12 FRAMPTON: We are moving to tab number 7, which  
13 is a request by State Bank and Northwest Illinois  
14 Development Alliance to the IFA Board for approval  
15 of a five-year extension of a term participation  
16 loan to the Freeport Stephenson County Visitors  
17 Center.

18 We closed on this loan originally in  
19 December of 2005. Normally, with participation  
20 loans, after the ten-year term, we like to terminate

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21 the relationship and call the loan back in so that  
22 we can reloan funds.

23 This particular transaction is IFA's --  
24 is, and continues to be IFA's first 501(c)(3)  
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1 participation loan. Additionally, this project, as  
2 Lerry had mentioned is an example of a  
3 public/private partnership transaction.  
4 This deal involves the Freeport Stephenson  
5 County Convention and Visitors Bureau, who is the  
6 tenant. Freeport, and other communities in  
7 Stephenson County, agreed to increase their hotel  
8 tax from 3 percent to 5 percent. That 2 percent  
9 increase in the hotel tax is dedicated to service,  
10 first of all, the debt associated on this loan.

11 So if you look at page 6 of the report,  
12 page 6 reports how the dedicated 2-percent hotel tax  
13 revenues have increased over time, and how those  
14 compare to the combined debt payments on the State  
15 Bank and IFA loan, plus the real estate taxes that  
16 are due on the project.

17 In 2014, the dedicated tax revenues  
18 provided 1.74 times coverage. On just the IFA and  
19 State Bank loan, it provided 2.23 times coverage.  
20 So we're very well collateralized. This project  
21 provides a great opportunity for us to replicate  
22 this public/private partnership model going forward.  
23 Additionally, and by keeping it alive, it  
24 keeps it relevant and out there; but in addition to

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1 that, in addition to the marketing benefit, instead  
2 of having these funds revert to our treasury, we'll  
3 be earning a 4-percent return for the next five  
4 years.

5 So it provides a marketing opportunity,  
6 and it's better for our bottom line; and for those  
7 reasons, we recommend approval.

8 BRONNER: It's nice having photos. I think it  
9 really helps. It would be nice if you were able to  
10 incorporate photos for some of the other projects,  
11 as well on a prospective basis, to give us a sense  
12 of scope and magnitude.

13 FLETCHER: Online they are in color.

14 BRONNER: Good.

15 HORNE: Can I ask a really dumb question? Why  
16 is a 501(c)(3) paying real estate taxes?

17 FRAMPTON: The tenant is the a 501(c)(6). The  
18 Convention and Visitors Bureau is paying tax -- they  
19 also have vending machines and other --

20 CHAIRMAN FUDERBURG: Revenue.

21 FRAMPTON: -- revenue generated. You know,  
22 they have a coffee concession, I believe.

23 HORNE: Okay. It just seemed odd.

24 FRAMPTON: Any other questions? Okay, thank  
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1 you.

2 CHAIRMAN FUDERBURG: Thank you. Chris, I

3 believe you're up next.

4 MEISTER: Yes. So I have three items. Item  
5 number 11 is a resolution to approve the emergency  
6 procurements for Bond Counsel Katten, Muchin,  
7 Rosenman and Authority's counsel, Mayer, Brown, LLP,  
8 on the moral obligation bonds issue; and in addition  
9 to that, for any purchases from Authority general  
10 fund.

11 That is also what we are using Mayer,  
12 Brown for, and a servicer that was first authorized  
13 in October. We have gone through as much  
14 competition as practicable and selected MABSCO,  
15 which also does other work for the Authority on  
16 agricultural guarantees and participation loans.

17 And, finally, we're asking for the  
18 approval of a smaller emergency purchase of Mesrow  
19 Financial to assist the Authority with competitive  
20 quotes for health insurance and other employee  
21 benefits for the Authority.

22 I'll take any questions on this one. We  
23 discussed this in a little bit of detail in the  
24 Audit Plus Committee under the leadership of

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1 Chair Bronner.

2 If no questions, I'll move to agenda item  
3 number 12. It is a resolution to join the

4 Infrastructure Council of the Illinois Chamber of  
5 Commerce. There's going to be an annual fee of  
6 about \$5,000. I wanted to bring this to the Board,  
7 and we discussed it in Chair Anderberg's Governance

8 Committee.

9 The Authority, in the past, we paid annual

10 memberships to a wide variety of the associations,

11 the Council of Development Finance Agencies, the

12 National Association of Health Educational

13 Facilities Finance Authorities, and the Illinois

14 Hospital Association. I believe there is also an

15 Agricultural Group.

16 I thought it important for two reasons to

17 bring this to the Board: Number one, I wanted to

18 share in a more full fashion both that we are

19 expending these funds, and to give the opportunity

20 for the Board to learn about the return on

21 investment.

22 Pam Lenane had served previously as

23 president of NAHEFFA. Rich Frampton is a long-time

24 Board Member at CDFA, and also Melinda Gildart is

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1 active in both -- in GFOA, which is one of the

2 reasons why she's absent today.

3 The Infrastructure Council is these

4 bringing professional and business benefits to the

5 Authority on a revenue-base model. The

6 Infrastructure Council of the Chamber is an

7 organization that actually has at least one of our

8 borrowers as a member.

9 And I think potentially this will be a

10 cost-effective method to explore whether we should

11 move into a new business line of public/private

12 partnerships for alternative financing and

13 procurement.

14 We did have a robust discussion in the

15 Governance Committee, and we did have a divided roll

16 call vote. Mr. O'Brien, Member O'Brien, expressed

17 some concerns on this.

18 Again, this is something new. I intend in

19 the future that when we are paying annual

20 memberships, and that staff is devoting themselves

21 to various professional activities within the scope

22 of the Authority, I want to make sure that the Board

23 learns about that in an appropriate manner. So I'll

24 take any questions.

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1 HORNE: I would just say, you know, I was in

2 support of it, and I would say that it probably is

3 just good practice on an annual basis to have a

4 review of each of those organizations and our

5 involvement, and just kind of ask the question on an

6 annual basis, "Are we still getting value from this

7 association with this group?"

8 And, you know, maybe at this Committee of

9 Governance, we can just have that conversation

10 annually. I think it's a great method for our

11 organization to reach out to others, but I think you

12 should always ask and just, you know, have a check

13 policy to confirm. You know, it is always money

14 well spent.

15 CHAIRMAN FUDERBURG: We've all been involved

16 where there are legacy things, and the question

17 eventually gets asked, "Why do we do this?"

18 HORNE: Why do we do this?

19 CHAIRMAN FUDERBURG: And the answer ultimately  
20 becomes, "Because that's what we've always done."

21 HORNE: Right.

22 CHAIRMAN FUDERBURG: I agree with you, I think  
23 that we should measure that.

24 HORNE: Right.

1 GILDART: Hi. This is Melinda Gildart. Just  
2 to give a little bit of background on the process.  
3 None of the memberships are longer than a year.

4 So as each term expires, each one does go  
5 through an approval process, and they are documented  
6 with not just approval for the Executive Director,  
7 but also the Chief Procurement Office, and we retain  
8 those records. So they are available.

9 CHAIRMAN FUDERBURG: And that's great to know,  
10 too. That definitely augments the discussion, but  
11 what I heard Mr. Horne say is that on an annual  
12 basis, let's take a look at the snapshot.

13 GILDART: Yes.

14 CHAIRMAN FUDERBURG: So that although the  
15 staff -- and this is where it does belong. I truly  
16 believe some of these are staff decisions, but I  
17 think we get an idea that we want to see a snapshot  
18 of each and every one at least once a year.

19 HORNE: Yes.

20 CHAIRMAN: Does that makes sense?

21 BRONNER: And similarly, there may be some  
22 additional organizations that you haven't considered  
23 that might be appropriate.

24 HORNE: Exactly.

1 BRONNER: As we expand the nature and scope of  
2 our activities at the Board.

3 MEISTER: Yes.

4 CHAIRMAN FUDERBURG: And the benchmark test is  
5 always going to be how does this involvement further  
6 the mission of the Illinois Finance Authority. Does  
7 that make sense?

8 HORNE: Yes.

9 GOETZ: I just want to make -- Chris, would it  
10 be your intent to move into the leadership structure  
11 of the investment or the Infrastructure Council?  
12 MEISTER: One can hope, but since I'm not a  
13 member yet.

14 GOETZ: I think that ought to be good.

15 MEISTER: Okay.

16 GOETZ: Because, you know, that's where you  
17 have the greatest impact.

18 MEISTER: Exactly.

19 CHAIRMAN FUDERBURG: Great. Thank you.

20 BRONNER: Bring a lot of cards.

21 MEISTER: On this one, I would recommend to the  
22 Board that we take a roll call vote and have a  
23 motion.

24 GOETZ: I'll make a motion.



1 BRONNER: It's part of the overall group.  
 2 FLETCHER: I would like to do 17. That was a  
 3 general consent.  
 4 MEISTER: Oh, yes. I'm sorry. I apologize.  
 5 Maybe we ought to move that, move item 12 to the  
 6 roll call portion.  
 7 WEBER: Out of the consent?  
 8 MEISTER: Out of the consent. I apologize.  
 9 CHAIRMAN FUDERBURG: Okay. We will do that.  
 10 FLETCHER: The last one in consent would be 17,  
 11 audit resolution.  
 12 MEISTER: Item number 17, again we discussed in  
 13 some detail in the Audit Plus Committee. This is a  
 14 resolution authorizing delegation of authority to  
 15 authorized officers, including myself, the CFO, the  
 16 Controller, the General Counsel, and the Chair of  
 17 the Audit Committee to take the actions necessary to  
 18 further complete the fiscal year 2014 and 2015  
 19 compliance audit and the fiscal year 2015 financial  
 20 audit, currently being completed by the State  
 21 Auditor General Special Assistant Auditor, E. C.  
 22 Ortiz.  
 23 This is still in draft form, but in order  
 24 to complete both the audit, execute the  
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1 representation letters, and to complete the Combined  
 2 Annual Financial Report, or CAFR, there are a number  
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 3 of letters that will need to be signed by myself, by  
 4 the Chairman, by the Chair of the Audit Committee,  
 5 and I'll take any questions, or perhaps  
 6 Chair Bronner would like to supplement my comments.  
 7 BRONNER: No. I think you've spoken them  
 8 clearly and concisely.  
 9 CHAIRMAN FUDERBURG: Okay. Any other questions  
 10 for Executive Director Meister? No, okay.  
 11 We'll move on. Next, and I would like to  
 12 ask that the Members adopt the following projects  
 13 and resolutions, I'll read them off: 1A, 1B, 1C,  
 14 1D, 3, 4, 5, 6, 7, 8, 11, and 17, moving 2, 12 and  
 15 14 off of that consent. So is there a motion?  
 16 ANDERBERG: So moved.  
 17 KNOX: Second.  
 18 CHAIR: Who got that? Was that Eric Anderberg  
 19 and second was Lerry Knox?  
 20 FLETCHER: Yes.  
 21 CHAIRMAN FUDERBURG: Second was Lerry Knox.  
 22 All in favor, please say aye.  
 23 (A chorus of ayes.)  
 24 FLETCHER: We should do a roll call for the  
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1 bond deal.  
 2 CHAIRMAN FUDERBURG: Okay.  
 3 FLETCHER: On the motion, I'll call the roll.  
 4 Member Anderberg?  
 5 ANDERBERG: Yes.  
 6 FLETCHER: Ms. Bronner?  
 7 BRONNER: Yes.  
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8 FLETCHER: Mr. Fuentes?  
 9 FUENTES: Yes.  
 10 FLETCHER: Mr. Goetz?  
 11 GOETZ: Yes.  
 12 FLETCHER: Mr. Horne?  
 13 HORNE: Yes.  
 14 FLETCHER: Israelov?  
 15 ISRAELOV: Yes.  
 16 FLETCHER: Ms. Juracek on the phone?  
 17 JURACEK: Yes.  
 18 FLETCHER: Mr. Knox?  
 19 KNOX: Yes.  
 20 FLETCHER: Mr. O'Brien?  
 21 O'BRIEN: What's -- I'm trying to understand,  
 22 what are we voting on? I didn't hear you.  
 23 FLETCHER: The general consent items, not  
 24 including the Infrastructure.

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1 O'BRIEN: Right. I know what you're saying.  
 2 Yes.  
 3 FLETCHER: Member Pedersen?  
 4 PEDERSEN: Yes.  
 5 FLETCHER: Mr. Tessler?  
 6 TESSLER: Yes.  
 7 FLETCHER: Mr. Yonover on the phone?  
 8 YONOVER: Yes.  
 9 FLETCHER: And Mr. Chairman?  
 10 CHAIRMAN FUDERBURG: Yes.  
 11 FLETCHER: Mr. Chairman, the motion carries.

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 13 CHAIRMAN FUDERBURG: Great. Thank you. Next,  
 14 I would like to move to resolution. It's actually  
 15 No. 9. Ms. Lenane, please.  
 16 GOETZ: That is the one I need to step out for?  
 17 MEISTER: Yes.  
 18 CHAIRMAN FUDERBURG: You know what, I need to  
 19 step out for the next one. My stated reason is just  
 20 simply potential for conflict of interest.  
 21 I don't particularly think that there is,  
 22 but we wanted to be extra careful; and so at this  
 23 point, I would like to turn the meeting over to  
 24 Vice-Chair Bronner.  
 GOETZ: And my reason for stepping out is on  
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1 number 9 is my son works for the financial advisor  
 2 to Northwestern Memorial Hospital.  
 3 LENAME: Okay. Item number 9, that will be tab  
 4 9 in your book, is the resolution authorizing  
 5 actions to assist in the affiliation of Northwestern  
 6 Memorial Healthcare and Kish Health System.  
 7 On December 1, 2015, Northwestern Memorial  
 8 Healthcare completed its affiliation with Kish  
 9 Health System located in DeKalb, Illinois.  
 10 Previously, the Illinois Finance Authority had  
 11 issued bonds for Kish system, the 2008 bonds and the  
 12 2015 A and B bonds.  
 13 The A bonds are being paid off, but  
 14 because they are not callable or redeemable at this  
 15 point, they will go into an escrow. The 2015 A and  
 16 B bonds will be receiving a master note from

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17 Northwestern Memorial Healthcare in exchange for  
18 their Kish bonds.

19 As you can imagine, there are a lot of  
20 documents that will have to be signed in connection  
21 with this, and this resolution authorizes the  
22 Executive Director and the General Counsel and the  
23 Assistant Secretaries to execute those documents.

24 This transaction will close on

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1 December 18th.

2 BRONNER: Mr. Fletcher, I believe we need to  
3 have a motion on that.

4 FLETCHER: Yes.

5 FUENTES: I will move.

6 PEDERSEN: Second.

7 BRONNER: Board Member Fuentes moved,

8 Mr. Pedersen seconded.

9 FLETCHER: I will call the roll to the Board  
10 Members currently in the room. Mr. Anderberg?

11 ANDERBERG: Yes.

12 FLETCHER: Ms. Bronner?

13 BRONNER: Yes.

14 FLETCHER: Mr. Fuentes?

15 FUENTES: Yes.

16 FLETCHER: Mr. Horne?

17 HORNE: Yes.

18 FLETCHER: Mr. Israelov?

19 ISRAELOV: Yes.

20 FLETCHER: Ms. Juracek?

JURACEK: Yes.

21 FLETCHER: Mr. Knox?

22 HORNE: He stepped out.

23 FLETCHER: Mr. O'Brien?

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1 O'BRIEN: Yes.

2 FLETCHER: Mr. Pedersen?

3 PEDERSEN: Yes.

4 FLETCHER: Mr. Tessler?

5 TESSLER: Yes.

6 FLETCHER: Mr. Yonover?

7 YONOVER: Yes.

8 FLETCHER: Vice-Chairwoman, motion carries.

9 BRONNER: Thank you. Next item.

10 LENANE: Thank you.

11 BRONNER: Thank you. Mr. Evans for item

12 number 2 for a special licensed livestock guarantee.

13 MR. EVANS: Resource Bank has approached IFA

14 requesting a \$1,000,000 specialized livestock

15 guaranteed loan to finance improvements for Edward

16 and Kimberly King's cattle operation. In the past

17 three years, the Kings have made over \$1.2 million

18 worth of feed lot and grain storage improvements.

19 The loan that they are requesting is an

20 85-percent loan secured by 129 acres of bare

21 farmland. The IFA will have a first mortgage

22 position supported by title search or policy, and

23 this will be a 15-year amortization loan with

24 monthly principal and interest payments.

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1 The Kings have been involved in the  
 2 farming operation for over 30 years. As stated,  
 3 over the past three years, they invested  
 4 \$1.2 million into a cattle operation. The most  
 5 recent investment was a new storage facility and  
 6 feed and grain facility.

7 Through this facility, the Kings hope to  
 8 become a more efficient producer lowering the feed  
 9 cost by using EDGs, which are -- and corn finds,  
 10 which are provided by the local ethanol plant.

11 Page 5 of the writeup summarizes the  
 12 financial information. This entity -- I mean, the  
 13 summary reveals it here, the entity is leveraged.  
 14 However, the entity's ratio falls within IFA's  
 15 guidelines.

16 This entity does have a good working  
 17 capital position of more than a 1,000 -- more than  
 18 \$1,000,000, and the current ratio is 1.35 times.  
 19 The reconciliation of the balance sheet earned net  
 20 worth accrual earnings suggests that there's  
 21 adequate debt service with 1.36 in 2014.

22 Page 7, 8, and 9 summarizes the tax  
 23 returns. The tax returns are such that the borrower  
 24 has managed his cash position each year to service  
 MARZULLO REPORTING AGENCY (312) 321-9365

1 its debt requirements. In 2014, it had, after  
 2 servicing debt, he had \$163,000 for living expenses.  
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3 we're in 2015 now, reflecting adequate funds,  
 4 service debt. After servicing projected debt, he  
 5 should have about \$95,000 for living expenses.  
 6 The loan is going to be collateralized by  
 7 130 acres, 129.54, in which an appraisal was done in  
 8 July of 2014, and the purpose of the analysis is on  
 9 page 13 and 14.

10 It identifies the soil types, and from the  
 11 soil types, because it was a comprehensive  
 12 appraisal, from the soil types I broke it down so  
 13 you see what types of soil and the values on each  
 14 type.

15 I gave two scenarios at the bottom of page  
 16 13 and top of page 14. One is average, what the  
 17 average sale price variable sale price of the soil  
 18 types were, and the other one is the  
 19 lowest-recognized comparable sale.

20 And through utilizing the  
 21 lowest-recognized comparable sales, I came up with a  
 22 value of \$1.495 million versus our exposure of  
 23 \$850,000 creating an IFA exposure to loan value of  
 MARZULLO REPORTING AGENCY (312) 321-9365

1 57 percent for the exposure.  
 2 Our guidelines is to have, you know, a  
 3 one-to-one or better exposure, and for the exposure  
 4 to hit one-to-one, the collateral value would have  
 5 to fall to \$6,625, or a decrease of \$5,000. So  
 6 we're perceived to be well secured in everything.  
 7 Resource Bank will maintain the second  
 Page 50

8 position behind this, behind the guaranteed  
 9 position. Overall, this is a strong collateral  
 10 position, 57 percent. The borrower has over 30  
 11 years of cattle experience. Though the entity is  
 12 leveraged, the borrower still has equity of  
 13 \$3.2 million.  
 14 The proposed restructure will stretch out  
 15 the existing payment improving the repayment  
 16 ability. He has good working capital of  
 17 \$1,000,000 -- more than \$1,000,000. He's  
 18 diversified in the sense that he has cattle and row  
 19 crops.  
 20 Resource Bank has debt behind this, which  
 21 improves -- which, you know, helps our position if  
 22 they decide if there is any adversity to the cattle.  
 23 It is a 15-year amortization and monthly payments.  
 24 Any questions?

MARZULLO REPORTING AGENCY (312) 321-9365

1 ISRAELOV: I have a few questions.  
 2 EVANS: Sure.  
 3 ISRAELOV: Thank you very much for the  
 4 overview. In particular, thank you very much for  
 5 putting what the difference in the interest rate  
 6 would be if the IFA was the guarantor or not serving  
 7 as the guarantor in this situation. There is a  
 8 .72 percent difference. That's shown on page 10.  
 9 So thank you for that.  
 10 So just some initial questions. Could you  
 11 just provide us with a quick overview of the

12 Authority's Agricultural Guarantee Program, and how  
 13 this kind of fulfills that mission?

14 MR. EVANS: Sure. IFA Guarantee Program serves  
 15 the farming community in helping them diversify, add  
 16 value to the farm, farming in Illinois, plus retain  
 17 jobs.

18 You know, there are specialized products  
 19 out there, new innovation here. You know, we try to  
 20 work with the best we can.

21 MEISTER: And the background, Adam, is that  
 22 this is a comparatively old provision of our  
 23 statute. There are at least two Attorneys General  
 24 opinions on record that predate Attorney General

MARZULLO REPORTING AGENCY (312) 321-9365

1 Madigan, but one from Burris and from Ryan, that  
 2 basically tracked the language of this statute and  
 3 basically point out, I'm summarizing, that this is  
 4 just a step below a State general obligation  
 5 commitment because in the event that either -- we've  
 6 got an umbrella fund that is under in locally-held  
 7 funds of the Authority of about \$11,000,000.

8 We have two State treasury  
 9 non-appropriated funds, and if any of those are  
 10 exhausted, and of course the collateral will have to  
 11 be exhausted first, even before the guarantee is  
 12 called upon, and in this case there is plenty of  
 13 liquid easily valued row cropland of high quality,  
 14 that we would be the absolute last.

15 This is a long-standing recognition by the  
 16 General Assembly of this State's agricultural

17 economy, and I will tell you that at the time of  
18 consolidation, our participation in the agricultural  
19 economy was so important, because one of the  
20 agencies that was rolled in was the Farm Development  
21 Authority was that the late sponsor at the time made  
22 it a condition that at any given time, two Members  
23 of the Authority would have either direct  
24 participation or expertise in direct farming.

MARZULLO REPORTING AGENCY (312) 321-9365

1 agricultural financing, or agri business.  
2 Later, the General Assembly memorialized  
3 this in a statute within the last couple of years,  
4 and I think that we're very fortunate today that  
5 with Mr. Anderberg's experience, Mr. Funderburg's  
6 experience, and Mr. Zeller's experience, we actually  
7 exceed the number of -- I'm sorry, and Mayor  
8 Juracek's experience, I think we actually have  
9 exceeded the intention of the original consolidation  
10 bill sponsor and the intent of the General Assembly.  
11 That's the policy rationale.

12 ISRAELOV: Great. Thank you for the summary.  
13 And how does this particular guarantee kind of work  
14 towards those end that he just talked about?

15 MEISTER: Again, the guarantee structure was  
16 created by the General Assembly at a time of high  
17 interest rates and low commodity prices.

18 We're living in sort of an inverse time,  
19 although that may well change, but our primary  
20 partner, and this is really in statute, is really

21 the Community Bank structure across the State,  
22 Alpine Bank being the community bank is I think one  
23 of the reasons why Rob has stepped out of the room.

24 But in this particular case, a bank came  
MARZULLO REPORTING AGENCY (312) 321-9365

1 to us and said, "You have a statutory tool. We  
2 would like to lessen our risk." It is a family  
3 farmer. He is a diverse operation. He employs  
4 people, and that's why we are doing it.

5 ISRAELOV: Great. Thank you very much. And  
6 then just going to the value of the property that's  
7 secured under this loan.

8 So it seems like the different values kind  
9 of range from either \$1.495 million to on the higher  
10 end of \$1.56 million.

11 MR. EVANS: Correct.

12 ISRAELOV: Is that liquidation value, or do you  
13 know what the liquidation value is?

14 MR. EVANS: That is the current market value at  
15 July '14, 2014.

16 ISRAELOV: Did we know the liquidation value?

17 MR. EVANS: The liquidation on farm and varies.  
18 I mean, you know, I always use the scenario like a  
19 Cub fan because --

20 MEISTER: Actually, I think Mr. Anderberg may  
21 have --

22 ANDERBERG: I'll make two comments. I do have  
23 one concern is the July '14 appraisal. I think we  
24 should see more current appraisals on farm and.

MARZULLO REPORTING AGENCY (312) 321-9365

1 Commodity prices are depressed. Farmland value has  
2 come down some, but I would be happy to give \$7,000  
3 an acre to the IFA.

4 The farmland, this is a very well  
5 collateralized deal. We have no problem getting our  
6 funds back. This is an excellent deal.

7 MR. EVANS: A farmer sees farmland as one  
8 opportunity. Either I get one opportunity to buy it  
9 or I have one opportunity to rent it. If I don't  
10 buy it, it's gone. So they're willing to probably  
11 pay a premium on a lot of ground.

12 ISRAELOV: Thank you, Anderberg.

13 ANDERBERG: This is a very good deal.

14 BRONNER: I appreciate that you identify the  
15 strengths and weaknesses, that as well is very  
16 helpful in the presentation.

17 MR. EVANS: Thank you.

18 ANDERBERG: I talked about this before. We  
19 talked about this before about the agricultural deal  
20 with appraisals. Overall, I think we should have  
21 more current appraisals of farmland.

22 HORNE: That's a good point.

23 BRONNER: Any other questions or comments?

24 PEDERSEN: I have a question. Do I get college

MARZULLO REPORTING AGENCY (312) 321-9365

1 credit for the historical lesson that I received  
2 today?

3 TRANSCRIPT 12102015 Board Meeting.txt  
4 MEISTER: Mayor, you get continuing legal  
5 education credit.

6 BRONNER: I believe, Mr. Fletcher, we need a  
7 motion.

8 ANDERBERG: I'll move.

9 HORNE: I'll second.

10 BRONNER: Okay. Member Anderberg moves, and  
11 who seconded?

12 HORNE: I did.

13 BRONNER: Mr. Horne seconded.

14 FLETCHER: On the motion, I'll call the roll.  
15 Mr. Anderberg?

16 ANDERBERG: Yes.

17 FLETCHER: Ms. Bronner?

18 BRONNER: Yes.

19 FLETCHER: Mr. Fuentes?

20 FUENTES: Yes.

21 FLETCHER: Mr. Horne?

22 HORNE: Yes.

23 FLETCHER: Mr. Israelov?

24 ISRAELOV: Yes.

FLETCHER: Ms. Juracek on the phone?

MARZULLO REPORTING AGENCY (312) 321-9365

1 JURACEK: Yes.

2 FLETCHER: Mr. O'Brien?

3 O'BRIEN: Yes.

4 FLETCHER: Mr. Pedersen?

5 PEDERSEN: Yes.

6 FLETCHER: Mr. Tessler?

7 TESSLER: Yes.

TRANSCRIPT 12102015 Board Meeting.txt

8 FLETCHER: Mr. Yonover on the phone?  
 9 YONOVER: Yes.  
 10 FLETCHER: Ms. Vice-Chairman, the motion  
 11 carries.  
 12 BRONNER: Thank you. I believe the Chairman is  
 13 returning to the room.  
 14 CHAIRMAN FUDERBURG: Thank you.  
 15 FLETCHER: And Mr. Goetz.  
 16 BRONNER: And Mr. Goetz. I'm sorry.  
 17 MEISTER: And we've had some of the discussion  
 18 on item 12, the resolution for the Authority to join  
 19 the Infrastructure Council of the Illinois Chamber  
 20 of Commerce.

Any further questions?

22 O'BRIEN: Are we a member of the Chamber of  
 23 Commerce in Illinois?

24 MEISTER: No, we are not.

MARZULLO REPORTING AGENCY (312) 321-9365

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1 CHAIRMAN FUDERBURG: I believe you wanted to  
 2 take a roll vote on this?

3 MEISTER: Yes.

4 GOETZ: I make a motion that we approve it.

5 ANDERBERG: Second.

6 CHAIRMAN FUDERBURG: Okay. And roll vote,  
 7 please, Mr. Fletcher?

8 FLETCHER: On the motion, I'll call the roll.

9 Mr. Anderberg?

10 ANDERBERG: Yes.

11 FLETCHER: Ms. Bronner?

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TRANSCRIPT 12102015 Board Meeting.txt

12 BRONNER: Yes.  
 13 FLETCHER: Mr. Fuentes?  
 14 FUENTES: Yes.  
 15 FLETCHER: Mr. Goetz?  
 16 GOETZ: Yes.  
 17 FLETCHER: Mr. Horne?  
 18 HORNE: Yes.  
 19 FLETCHER: Mr. Israelov?  
 20 ISRAELOV: Yes.  
 21 FLETCHER: MS. Juracek on the phone?  
 22 JURACEK: Yes.  
 23 FLETCHER: Mr. O'Brien?  
 24 O'BRIEN: No.

MARZULLO REPORTING AGENCY (312) 321-9365

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1 FLETCHER: Mr. Pedersen?  
 2 PEDERSEN: Yes.

3 FLETCHER: Mr. Tessler?  
 4 TESSLER: Yes.

5 FLETCHER: Mr. Yonover?  
 6 YONOVER: Yes.

7 FLETCHER: And Mr. Chairman?  
 8 CHAIRMAN FUDERBURG: Yes.

9 FLETCHER: Mr. Chairman, the motion carries.  
 10 CHAIRMAN FUDERBURG: Thank you. Next item,  
 11 item number 14, we've already addressed, so we'll  
 12 move on from there.

13 And I guess that takes us to other

14 business. And so consistent with practices of other  
 15 governmental agencies, et cetera, I would like to  
 16 request a motion from this Board that we excuse

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17 absences of Member Zeller.  
18 We certainly appreciate -- I certainly  
19 appreciate his involvement during my tenure here,  
20 and I will just simply say that the reasons for him  
21 -- some of his absences fall within the three  
22 buckets and leave it at that.

23 So is there such a motion, please?

24 FLETCHER: And Mr. Pooler.

MARZULLO REPORTING AGENCY (312) 321-9365

1 CHAIRMAN FUDERBURG: And Mr. Pooler. Excuse me.

2 Thank you.

3 BRONNER: So moved.

4 CHAIRMAN FUDERBURG: Moved by Ms. Bronner.

5 FUENTES: Second.

6 CHAIRMAN FUDERBURG: Seconded by Mr. Fuentes.

7 Any discussion?

8 All in favor, please say aye.

9 (A chorus of ayes.)

10 CHAIRMAN FUDERBURG: Any opposed?

11 (No response.)

12 CHAIRMAN FUDERBURG: Okay. Public comment?

13 Here is your chance. Okay. Very good.

14 I see and hear no public comments, so  
15 we'll skip that and ask for a motion to adjourn this  
16 meeting. Is there such a motion?

17 PEDERSEN: So moved.

18 FUENTES: Second.

19 CHAIRMAN FUDERBURG: All in favor, please say

20 aye.

21 CHAIRMAN FUDERBURG: Any opposed?

22 (No response.)

23 CHAIRMAN FUDERBURG: Thank you. I'm looking,

24 MARZULLO REPORTING AGENCY (312) 321-9365

1 this took, like, an hour and 20. It seems like  
2 2:20, but we got a lot of done. Thank you all and  
3 see you next month.

4 FLETCHER: The time is 11:38 a.m.

5 (WHICH WERE ALL THE PROCEEDINGS HAD at 11:38 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  
8 a true and correct transcript of her shorthand notes, so  
9 taken as aforesaid, and contains all the proceedings of said  
10 meeting.

11 PAMELA A. MARZULLO  
12 License No. 084-001624  
13  
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15  
16  
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23  
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MARZULLO REPORTING AGENCY (312) 321-9365

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

December 10, 2015

12 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD VOICE VOTE  
 NOVEMBER 12, 2015 MINUTES OF THE REGULAR MEETING  
 OF THE BOARD  
 ADOPTED

December 10, 2015

12 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

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

December 10, 2015

12 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD ROLL CALL  
 RESOLUTION 2015-1210-AG1A  
 BEGINNING FARMER REVENUE BOND – JORDAN BAUMGART  
 FINAL (ONE-TIME CONSIDERATION)  
 PASSED\*

December 10, 2015

13 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
BOARD OF DIRECTORS  
BOARD ROLL CALL  
RESOLUTION 2015-1210-AG1B  
BEGINNING FARMER REVENUE BOND – TROY M. DIERICKS  
FINAL (ONE-TIME CONSIDERATION)  
PASSED\*

December 10, 2015

13 YEAS

0 NAYS

0 PRESENT

Y Anderberg

Y Bronner

Y Fuentes

Y Goetz

Y Horne

Y Israelov (ADDED)

Y Juracek (VIA AUDIO  
CONFERENCE)

Y Knox

Y O'Brien

Y Pedersen

E Poole

Y Tessler

Y Yonover (VIA AUDIO  
CONFERENCE)

E Zeller

Y Mr. Chairman

\* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD ROLL CALL  
 RESOLUTION 2015-1210-AG1C  
 BEGINNING FARMER REVENUE BOND – JESSE W. AND ASHLEY L. WILSON  
 FINAL (ONE-TIME CONSIDERATION)  
 PASSED\*

December 10, 2015

13 YEAS	0 NAYS	0 PRESENT
Y Anderberg	Y Israelov (ADDED)	E Poole
Y Bronner	Y Juracek (VIA AUDIO CONFERENCE)	Y Tessler
Y Fuentes	Y Knox	Y Yonover (VIA AUDIO CONFERENCE)
Y Goetz	Y O'Brien	E Zeller
Y Horne	Y Pedersen	Y Mr. Chairman

\* – Consent Agenda

E – Denotes Excused Absence



ILLINOIS FINANCE AUTHORITY  
BOARD OF DIRECTORS  
BOARD ROLL CALL  
RESOLUTION 2015-1210-AG1D  
BEGINNING FARMER REVENUE BOND – CORY AND EMILY SCHIRER  
FINAL (ONE-TIME CONSIDERATION)  
PASSED\*

December 10, 2015

13 YEAS

0 NAYS

0 PRESENT

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

\* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
BOARD OF DIRECTORS  
BOARD ROLL CALL  
RESOLUTION 2015-1210-AG02  
SPECIALIZED LIVESTOCK GUARANTEE – EDWARD L. KING  
FINAL (ONE-TIME CONSIDERATION)  
PASSED

December 10, 2015

10 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD ROLL CALL  
 RESOLUTION 2015-1210-NP03  
 501(c)(3) REVENUE BOND – NORWEGIAN LUTHERAN BETHESDA HOME  
 ASSOCIATION  
 PASSED\*

December 10, 2015

13 YEAS

0 NAYS

0 PRESENT

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

\* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD ROLL CALL  
 RESOLUTION 2015-1210-NP04  
 501(c)(3) REVENUE BOND – ADLER UNIVERSITY  
 PASSED\*

December 10, 2015

13 YEAS

0 NAYS

0 PRESENT

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

\* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD ROLL CALL  
 RESOLUTION 2015-1210-HC05  
 501(c)(3) REVENUE BOND – IOWA HEALTH SYSTEM D/B/A UNITYPOINT HEALTH  
 SYSTEM  
 PASSED\*

December 10, 2015

13 YEAS

0 NAYS

0 PRESENT

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

\* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
BOARD OF DIRECTORS  
BOARD ROLL CALL  
RESOLUTION 2015-1210-AD06  
RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST  
AMENDMENT TO BOND AND LOAN AGREEMENT RELATING TO THE  
EDUCATIONAL FACILITY REVENUE BOND (ADLER SCHOOL OF PROFESSIONAL  
PSYCHOLOGY, INC. PROJECT) SERIES 2010 OF THE ILLINOIS FINANCE AUTHORITY;  
AND RELATED MATTERS  
ADOPTED\*

December 10, 2015

13 YEAS

0 NAYS

0 PRESENT

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

\* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD ROLL CALL  
 RESOLUTION 2015-1210-AD07  
 REQUEST BY STATE BANK (FREEPORT, ILLINOIS) AND NORTHWEST ILLINOIS  
 DEVELOPMENT ALLIANCE TO ILLINOIS FINANCE AUTHORITY FOR APPROVAL OF  
 A 5-YEAR EXTENSION OF A TERM PARTICIPATION LOAN TO  
 FREEPORT/STEPHENSON COUNTY VISITORS CENTER, NFP TO 12/28/2020  
 ADOPTED\*

December 10, 2015

13 YEAS

0 NAYS

0 PRESENT

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

\* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD ROLL CALL  
 RESOLUTION 2015-1210-AD08  
 RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND  
 AMENDMENT TO BOND AND LOAN AGREEMENT RELATING TO THE INDUSTRIAL  
 DEVELOPMENT REVENUE BOND (STERLING LUMBER COMPANY PROJECT) SERIES  
 2014 OF THE ILLINOIS FINANCE AUTHORITY; AND RELATED MATTERS  
 ADOPTED\*

December 10, 2015

13 YEAS

0 NAYS

0 PRESENT

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

\* – Consent Agenda

E – Denotes Excused Absence



ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD ROLL CALL  
 RESOLUTION 2015-1210-AD09  
 RESOLUTION AUTHORIZING ACTIONS TO ASSIST WITH AFFILIATION OF  
 NORTHWESTERN MEMORIAL HEALTHCARE AND KISHHEALTH SYSTEM  
 ADOPTED

December 10, 2015

10 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
BOARD OF DIRECTORS  
BOARD ROLL CALL  
RESOLUTION 2015-1210-AD10  
WITHDRAWN

ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD ROLL CALL  
 RESOLUTION 2015-1210-AD11  
 RESOLUTION TO APPROVE EMERGENCY PROCUREMENTS FOR BOND COUNSEL  
 (KATTEN MUCHIN ROSENMAN LLP) AND AUTHORITY'S COUNSEL (MAYER  
 BROWN LLP) ON THE MORAL OBLIGATION BOND ISSUE, AND POTENTIALLY, A  
 SERVICER TO BE DETERMINED; AND APPROVAL OF AN EMERGENCY  
 PROCUREMENT FOR AN INSURANCE BROKER  
 ADOPTED\*

December 10, 2015

13 YEAS

0 NAYS

0 PRESENT

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

\* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
BOARD OF DIRECTORS  
BOARD ROLL CALL  
RESOLUTION 2015-1210-AD12  
RESOLUTION TO JOIN THE INFRASTRUCTURE COUNCIL OF THE ILLINOIS  
CHAMBER OF COMMERCE  
ADOPTED

December 10, 2015

11 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
BOARD OF DIRECTORS  
VOICE VOTE  
RESOLUTION 2015-1210-AD13  
RESOLUTION FOR ELECTION OF A VICE-CHAIR OF THE ILLINOIS FINANCE  
AUTHORITY  
ADOPTED

December 10, 2015

12 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD ROLL CALL  
 RESOLUTION 2015-1210-AD14  
 RESOLUTION APPOINTING THE EXECUTIVE DIRECTOR OF THE ILLINOIS FINANCE  
 AUTHORITY FOR ONE-YEAR TERM OF OFFICE  
 ADOPTED

December 10, 2015

12 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
 BOARD OF DIRECTORS  
 BOARD ROLL CALL  
 RESOLUTION 2015-1210-AD15  
 RESOLUTION AUTHORIZING THE ADOPTION OF POLICIES AND PROCEDURES  
 RELATED TO MEETING ATTENDANCE BY NON-PHYSICAL MEANS IN COMPLIANCE  
 WITH THE ILLINOIS OPEN MEETINGS ACT AND EXCUSED ABSENCES  
 ADOPTED

December 10, 2015

10 YEAS	0 NAYS	0 PRESENT
Y Anderberg	NV Israelov (ADDED)	E Poole
Y Bronner	NV Juracek (VIA AUDIO CONFERENCE)	Y Tessler
Y Fuentes	Y Knox	NV Yonover (VIA AUDIO CONFERENCE)
Y Goetz	Y O'Brien	E Zeller
Y Horne	Y Pedersen	Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY  
BOARD OF DIRECTORS  
BOARD ROLL CALL  
RESOLUTION 2015-1210-AD16  
WITHDRAWN



ILLINOIS FINANCE AUTHORITY  
BOARD OF DIRECTORS  
BOARD ROLL CALL  
RESOLUTION 2015-1210-AD17  
RESOLUTION AUTHORIZING DELEGATION OF AUTHORITY TO AUTHORIZED  
OFFICERS TO TAKE ACTIONS TO COMPLETE THE FISCAL YEAR 2014/2015  
COMPLIANCE AUDIT AND THE FISCAL YEAR 2015 FINANCIAL AUDIT  
ADOPTED\*

December 10, 2015

13 YEAS

0 NAYS

0 PRESENT

Y Anderberg

Y Bronner

Y Fuentes

Y Goetz

Y Horne

Y Israelov (ADDED)

Y Juracek (VIA AUDIO  
CONFERENCE)

Y Knox

Y O'Brien

Y Pedersen

E Poole

Y Tessler

Y Yonover (VIA AUDIO  
CONFERENCE)

E Zeller

Y Mr. Chairman

\* – Consent Agenda

E – Denotes Excused Absence

**FINANCIAL ANALYSIS**

January 14, 2016

**V. PRESENTATION AND CONSIDERATION OF THE FINANCIAL REPORTS  
MONTHLY AND ANNUAL SUMMARY AS OF DECEMBER 31, 2015\***

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

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

- a. **Total Annual Revenues** equal \$2.7 million and are \$331 thousand or 14% 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 million, are \$333 thousand or 20% **higher** than budget. Annual fees of \$133 thousand are \$45 thousand lower than the budgeted amount. Administrative service fees are \$68 thousand for the year and 8 times higher than budget. Application fees total \$32 thousand and are more than twice the budgeted amount. Total accrued interest income from the former IRBB local governments and others totaled \$498 thousand. Net investment income stands at \$1 thousand for the fiscal year and \$92 thousand lower than budget.
- b. In **December**, the Authority generated \$115 thousand in closing fees, which is the lowest monthly total so far in FY16. Closing fees were received from: **Intrinsic Schools** for \$74 thousand; **Norwegian Lutheran Hospital** for \$38 thousand; and **Agriculture Related Closings** totaling \$3,400. 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 \$2.1 million, which is \$422 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 \$862 thousand and professional services total \$857 thousand; with each function at 26% and 4% below budget, respectively. An accrual of \$50 thousand was also recorded in the General Fund for legal services. Annual occupancy costs of \$126 thousand and are equal to the budgeted amount. General and administrative costs are \$186 thousand for the year, which is 6% under budget.
- d. In **December**, the Authority recorded operating expenses of \$398 thousand, the second highest total in FY16. Higher monthly expenses are driven by incurred legal and financial advisory expenses on behalf of the State of Illinois procurement. Additional accruals totaling \$120 thousand were recorded for professional services in December. Previous amounts were recorded in November. Total cash transfers out of the General Operating Fund to the new Primary Government Borrowing Fund (set up to track financial activity on behalf of the State of Illinois) are \$2.3 million.
- e. **Total Monthly Net Loss** of -\$152 thousand is driven by lower closing fees, higher realized and unrealized investment losses, and higher operating expenses.
- f. **Total Annual Net Income** is \$664 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.

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

**V. PRESENTATION AND CONSIDERATION OF THE FINANCIAL STATEMENTS**  
**MONTHLY AND ANNUAL SUMMARY AS OF DECEMBER 31, 2015\***

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

The Authority, as of December 31, 2015, is a \$118 million dollar agency which also currently accounts for \$276 million in total activity (including the Other State of Illinois Debt Fund) and maintains compliance for \$23 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 \$53.2 million. The total assets in the General Fund are \$53.9 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total \$26.7 million (with \$5.8 in securities which were liquidated to purchase State of Illinois receivables as of December 2015). Notes receivables from the former IRBB local governments total \$20.2 million, Participation, DACA and other loans receivables are at \$2.8 million and the Primary Government Borrowing Fund (State of Illinois) accounts receivables total \$2.3 million. Restricted cash and investments in the DACA Loan Fund total \$1.3 million. Liabilities, current and non-current, total just \$722 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 invoiced IEPA for its annual management fee of \$150,000 in December and also received affirmed triple AAA ratings on the outstanding CWI bonds from Fitch Ratings. Total assets and liabilities in this fund each total \$158 million. The Authority received a request from IEPA in January 2016 to return an additional \$50.4 million dollars of Locally Held IEPA funds to the custody of the State Treasurer.
- b. The Locally Held Fire Truck and Ambulance Revolving Loan Funds have total year to date receipts of \$198 thousand. New Fire Truck revolving loans, totaling \$5.5 million, have been processed and were mailed to local districts on January 7, 2016. Additional loans are pending the Authority's final administrative review. The Authority has received preliminary Ambulance loan applications from OSFM, with a target disbursement date(s) of late third quarter of FY16. Net position of \$22.3 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 Bond 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 \$54 thousand, of which, \$41 thousand is derived from investment activity. Year to date expenses total \$13 thousand as of December. 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 DECEMBER 31, 2015\***

**5. FY14 AND FY15 FINANCIAL/COMPLIANCE AUDITS and GASB/FASB UPDATES**

- a. Fieldwork for the FY14 and FY15 compliance and financial audits has been completed, and is now in the report development stage. Potential audit findings have been issued by the Office of the Auditor General and the Authority has provided responses. The final audit reports and the Authority's Comprehensive Annual Financial Report are estimated to be released prior to the end of January.
- 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. In addition, the Governmental Accounting Standards Board (GASB) has asked the CFO to serve as a member of a consultative group to advise GASB in its research on "going concern" disclosures for states and local governments.

**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 DECEMBER 31, 2015**  
**(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 (%)
<b>Operating Revenues:</b>																
Closing Fees	177,507	292,080	792,030	447,890	163,066	114,611	-	-	-	-	-	-	1,987,184	1,653,972	333,212	20.1%
Annual Fees	16,990	11,752	14,204	76,691	-	13,754	-	-	-	-	-	-	133,391	178,851	(45,460)	-25.4%
Administrative Service Fees	-	15,000	10,000	-	-	43,429	-	-	-	-	-	-	68,429	7,500	60,929	812.4%
Application Fees	3,000	4,800	6,100	11,100	4,900	2,400	-	-	-	-	-	-	32,300	15,450	16,850	109.1%
Miscellaneous Fees	139	1,213	-	341	-	-	-	-	-	-	-	-	1,693	2,750	(1,057)	-38.4%
Interest Income-Loans	83,318	82,857	82,675	82,712	82,661	84,109	-	-	-	-	-	-	498,332	511,966	(13,634)	-2.7%
Other Revenue	-	973	169	207	206	207	-	-	-	-	-	-	1,762	22,000	(20,238)	-92.0%
<b>Total Operating Revenue:</b>	<b>\$ 280,954</b>	<b>\$ 408,675</b>	<b>\$ 905,178</b>	<b>\$ 618,941</b>	<b>\$ 250,833</b>	<b>\$ 258,510</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,723,091</b>	<b>\$ 2,392,489</b>	<b>\$ 330,602</b>	<b>13.8%</b>
<b>Operating Expenses:</b>																
Employee Related Expense	141,053	142,455	148,939	148,049	140,690	140,655	-	-	-	-	-	-	861,841	1,167,615	(305,774)	-26.2%
Professional Services	106,155	59,247	135,606	191,582	161,386	202,640	-	-	-	-	-	-	856,616	894,038	(37,422)	-4.2%
Occupancy Costs	19,832	23,793	11,217	42,809	13,219	15,474	-	-	-	-	-	-	126,344	125,207	1,137	0.9%
General & Administrative	29,890	28,028	30,407	27,060	34,883	35,370	-	-	-	-	-	-	185,638	198,188	(12,550)	-6.3%
Depreciation and Amortization	6,078	6,120	6,120	3,942	3,942	3,942	-	-	-	-	-	-	30,144	97,984	(67,840)	-69.2%
<b>Total Operating Expense</b>	<b>\$ 303,008</b>	<b>\$ 259,643</b>	<b>\$ 332,289</b>	<b>\$ 413,442</b>	<b>\$ 354,120</b>	<b>\$ 398,081</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,060,583</b>	<b>\$ 2,483,032</b>	<b>\$ (422,449)</b>	<b>-17.0%</b>
<b>Operating Income(Loss)</b>	<b>\$ (22,054)</b>	<b>\$ 149,032</b>	<b>\$ 572,889</b>	<b>\$ 205,499</b>	<b>\$ (103,287)</b>	<b>\$ (139,571)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 662,508</b>	<b>\$ (90,543)</b>	<b>\$ 753,051</b>	<b>831.7%</b>
<b>Nonoperating Revenues (Expenses)</b>																
Miscellaneous Non-Opertg Rev/(Exp)	-	-	-	-	(740)	-	-	-	-	-	-	-	(740)	(250)	(490)	196.0%
Bad Debt Adjustments (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000	(5,000)	-100.0%
Interest and Investment Income	25,941	26,361	26,202	21,742	27,014	19,922	-	-	-	-	-	-	147,182	163,100	(15,918)	-9.8%
Realized Gain (Loss) on Sale of Invest	(473)	(1,332)	(442)	(502)	(9,686)	(9)	-	-	-	-	-	-	(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)	-	-	-	-	-	-	(132,967)	(68,500)	(64,467)	94.1%
<b>Total Nonoperating Rev (Exp)</b>	<b>\$ 12,823</b>	<b>\$ (1,138)</b>	<b>\$ 57,889</b>	<b>\$ (14,512)</b>	<b>\$ (41,586)</b>	<b>\$ (12,445)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,031</b>	<b>\$ 92,850</b>	<b>\$ (91,819)</b>	<b>-98.9%</b>
<b>Net Income (Loss) Before Transfers</b>	<b>\$ (9,231)</b>	<b>\$ 147,894</b>	<b>\$ 630,778</b>	<b>\$ 190,987</b>	<b>\$ (144,873)</b>	<b>\$ (152,016)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 663,539</b>	<b>\$ 2,307</b>	<b>\$ 661,232</b>	<b>28662.0%</b>
<b>Transfers:</b>																
Transfers in from other funds	-	-	-	-	251,683	2,076,383	-	-	-	-	-	-	2,328,066	-	-	0.0%
Transfers out to other funds	-	-	-	-	(251,665)	(2,076,383)	-	-	-	-	-	-	(2,328,048)	-	-	0.0%
<b>Total Transfers In (Out)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Net Income (Loss)</b>	<b>\$ (9,231)</b>	<b>\$ 147,894</b>	<b>\$ 630,778</b>	<b>\$ 190,987</b>	<b>\$ (144,855)</b>	<b>\$ (152,016)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 663,557</b>	<b>\$ 2,307</b>	<b>\$ 661,250</b>	<b>28662.8%</b>



**ILLINOIS FINANCE AUTHORITY**  
 STATEMENT OF REVENUES, EXPENSES AND NET INCOME  
 IFA FUNDS AND AGENCY FUND ACTIVITY  
 FOR FISCAL YEAR 2016 AS OF DECEMBER 31, 2015  
 (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
<b>Operating Revenues:</b>								
Closing Fees	1,987,184	-	-	-	1,987,184	-	1,987,184	-
Annual Fees	133,391	-	-	-	133,391	-	133,391	-
Administrative Service Fees	68,429	-	-	-	68,429	-	68,429	-
Application Fees	32,300	-	-	-	32,300	-	32,300	-
Miscellaneous Fees	1,693	197,866	-	107	199,666	-	199,666	-
Interest Income-Loans	498,332	-	-	18,793	517,125	2,817,238	3,334,363	-
Other Revenue	1,762	-	-	-	1,762	-	1,762	-
<b>Total Operating Revenue:</b>	<b>\$ 2,723,091</b>	<b>\$ 197,866</b>	<b>\$ -</b>	<b>\$ 18,900</b>	<b>\$ 2,939,857</b>	<b>\$ 2,817,238</b>	<b>\$ 5,757,095</b>	<b>\$ -</b>
<b>Operating Expenses:</b>								
Employee Related Expense	861,841	-	-	-	861,841	-	861,841	-
Professional Services	856,616	-	588	4,050	861,254	-	861,254	-
Occupancy Costs	126,344	-	-	-	126,344	-	126,344	-
General & Administrative	185,638	-	-	5	185,643	-	185,643	-
Interest Expense	-	-	-	1,746	1,746	2,819,330	2,821,076	-
Depreciation and Amortization	30,144	-	-	-	30,144	-	30,144	-
<b>Total Operating Expense</b>	<b>\$ 2,060,583</b>	<b>\$ -</b>	<b>\$ 588</b>	<b>\$ 5,801</b>	<b>\$ 2,066,972</b>	<b>\$ 2,819,330</b>	<b>\$ 4,886,302</b>	<b>\$ -</b>
<b>Operating Income(Loss)</b>	<b>\$ 662,508</b>	<b>\$ 197,866</b>	<b>\$ (588)</b>	<b>\$ 13,099</b>	<b>\$ 872,885</b>	<b>\$ (2,092)</b>	<b>\$ 870,793</b>	<b>\$ -</b>
<b>Nonoperating Revenues (Expenses):</b>								
Miscellaneous Non-Opertg Rev/(Exp)	(740)	-	-	-	(740)	-	(740)	-
Interest and Invesment Income	147,182	28,471	17,238	117,898	310,789	2,092	312,881	6
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)	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ 1,771</b>	<b>\$ 25,108</b>	<b>\$ 9,155</b>	<b>\$ 41,019</b>	<b>\$ 77,053</b>	<b>\$ 2,092</b>	<b>\$ 79,145</b>	<b>\$ 6</b>
<b>Net Income (Loss) Before Transfers</b>	<b>\$ 663,539</b>	<b>\$ 222,974</b>	<b>\$ 8,567</b>	<b>\$ 54,118</b>	<b>\$ 949,198</b>	<b>\$ -</b>	<b>\$ 949,198</b>	<b>\$ 6</b>
<b>Transfers:</b>								
Transfers in from other funds	2,328,066	-	-	-	2,328,066	-	2,328,066	-
Transfers out to other funds	(2,328,048)	-	-	(18)	(2,328,066)	-	(2,328,066)	-
<b>Total Transfers In (Out)</b>	<b>\$ 18</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (18)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Income (Loss)</b>	<b>\$ 663,557</b>	<b>\$ 222,974</b>	<b>\$ 8,567</b>	<b>\$ 54,100</b>	<b>\$ 949,198</b>	<b>\$ -</b>	<b>\$ 949,198</b>	<b>\$ 6</b>



**ILLINOIS FINANCE AUTHORITY**  
**STATEMENT OF NET POSITION**  
**IFA FUNDS AND AGENCY FUND ACTIVITY**  
 December 31, 2015  
 (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
<b>Assets and Deferred Outflows:</b>								
<b>Current Assets:</b>								
<b>Unrestricted:</b>								
Cash & cash equivalents	8,491,070	-	-	7,098	8,498,168	-	8,498,168	-
Investments	5,701,742	-	-	724,904	6,426,646	-	6,426,646	-
Accounts receivable, Net	2,499,502	-	-	-	2,499,502	-	2,499,502	-
Loans receivables, Net	1,980,114	-	-	-	1,980,114	-	1,980,114	-
Accrued interest receivable	459,319	-	-	5,317	464,636	-	464,636	-
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	147,837	-	-	-	147,837	-	147,837	-
<b>Total Current Unrestricted Assets</b>	<b>\$ 20,978,912</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,737,319</b>	<b>\$ 24,716,231</b>	<b>\$ -</b>	<b>\$ 24,716,231</b>	<b>\$ -</b>
<b>Restricted:</b>								
Cash & Cash Equivalents	182,525	1,558,789	11,580	3,584,970	5,337,864	62,648,094	67,985,958	25,807
Deposits in transit	-	-	42	-	42	-	42	-
Investments	280,387	400,316	3,915,393	4,461,363	9,057,459	-	9,057,459	-
Accrued interest receivable	2,972	2,402	8,680	37,041	51,095	18,886	69,981	-
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	-	1,374,194	74,320	63,490	1,512,004	-	1,512,004	-
<b>Total Current Restricted Assets</b>	<b>\$ 465,884</b>	<b>\$ 3,335,701</b>	<b>\$ 4,010,015</b>	<b>\$ 8,301,864</b>	<b>\$ 16,113,464</b>	<b>\$ 63,741,022</b>	<b>\$ 79,854,486</b>	<b>\$ 25,807</b>
<b>Total Current Assets</b>	<b>\$ 21,444,796</b>	<b>\$ 3,335,701</b>	<b>\$ 4,010,015</b>	<b>\$ 12,039,183</b>	<b>\$ 40,829,695</b>	<b>\$ 63,741,022</b>	<b>\$ 104,570,717</b>	<b>\$ 25,807</b>
<b>Non-current Assets:</b>								
<b>Unrestricted:</b>								
Investments	12,570,296	-	-	1,154,899	13,725,195	-	13,725,195	-
Loans receivables, Net	770,633	-	-	-	770,633	-	770,633	-
Bonds and notes receivable	18,519,237	-	-	-	18,519,237	-	18,519,237	-
<b>Total Noncurrent Unrestricted Assets</b>	<b>\$ 31,860,166</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,154,899</b>	<b>\$ 33,015,065</b>	<b>\$ -</b>	<b>\$ 33,015,065</b>	<b>\$ -</b>
<b>Restricted:</b>								
Cash & Cash Equivalents	-	-	-	600,000	600,000	-	600,000	-
Investments	559,379	329,116	34,765	6,374,298	7,297,558	3,272,078	10,569,636	-
Funds in the custody of the Treasurer	-	98,561	19	18,042,418	18,140,998	-	18,140,998	-
Loans receivables, Net	-	18,565,258	172,960	1,379,419	20,117,637	-	20,117,637	-
Bonds and notes receivable from primary government	-	-	-	-	-	58,801,572	58,801,572	-
Bonds and notes receivable from State component units	-	-	-	-	-	31,210,822	31,210,822	-
<b>Total Noncurrent Restricted Assets</b>	<b>\$ 559,379</b>	<b>\$ 18,992,935</b>	<b>\$ 207,744</b>	<b>\$ 26,396,135</b>	<b>\$ 46,156,193</b>	<b>\$ 93,284,472</b>	<b>\$ 139,440,665</b>	<b>\$ -</b>
<b>Capital Assets</b>								
Capital Assets	784,479	-	-	-	784,479	-	784,479	-
Accumulated Depreciation	(742,056)	-	-	-	(742,056)	-	(742,056)	-
<b>Total Capital Assets</b>	<b>\$ 42,423</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 42,423</b>	<b>\$ -</b>	<b>\$ 42,423</b>	<b>\$ -</b>
<b>Total Noncurrent Assets</b>	<b>\$ 32,461,968</b>	<b>\$ 18,992,935</b>	<b>\$ 207,744</b>	<b>\$ 27,551,034</b>	<b>\$ 79,213,681</b>	<b>\$ 93,284,472</b>	<b>\$ 172,498,153</b>	<b>\$ -</b>



**ILLINOIS FINANCE AUTHORITY**  
**STATEMENT OF NET POSITION**  
**IFA FUNDS AND AGENCY FUND ACTIVITY**  
 December 31, 2015  
 (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
<b>Total Assets</b>	\$ 53,906,764	\$ 22,328,636	\$ 4,217,759	\$ 39,590,217	\$ 120,043,376	\$ 157,025,494	\$ 277,068,870	\$ 25,807
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>								
Deferred loss on debt refunding	-	-	-	-	-	719,469	719,469	-
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 719,469	\$ 719,469	\$ -
<b>Total Assets &amp; Deferred Inflows of Resources</b>	\$ 53,906,764	\$ 22,328,636	\$ 4,217,759	\$ 39,590,217	\$ 120,043,376	\$ 157,744,963	\$ 277,788,339	\$ 25,807





**ILLINOIS FINANCE AUTHORITY**  
**STATEMENT OF NET POSITION**  
**IFA FUNDS AND AGENCY FUND ACTIVITY**  
 December 31, 2015  
 (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
<b>Liabilities:</b>								
<b>Current Liabilities:</b>								
Payable from unrestricted current assets:								
Accounts payable	36,209	-	-	-	36,209	-	36,209	-
Accrued liabilities	121,270	-	-	-	121,270	-	121,270	-
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	150,000	-	-	-	150,000	-	150,000	25,801
Unearned revenue, net of accumulated amortization	233,016	-	-	-	233,016	-	233,016	-
<b>Total Current Liabilities Payable from Unrestricted Current Assets</b>	<b>\$ 721,513</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,528</b>	<b>\$ 743,041</b>	<b>\$ -</b>	<b>\$ 743,041</b>	<b>\$ 25,801</b>
Payable from restricted current assets:								
Accrued interest payable	-	-	-	258	258	1,486,886	1,487,144	-
Bonds and notes payable from primary government	-	-	-	-	-	10,605,000	10,605,000	-
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	-	-	-	-	-	2,349,877	2,349,877	-
<b>Total Current Liabilities Payable from Restricted Current Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 215,842</b>	<b>\$ 215,842</b>	<b>\$ 15,282,781</b>	<b>\$ 15,498,623</b>	<b>\$ -</b>
<b>Total Current Liabilities</b>	<b>\$ 721,513</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 237,370</b>	<b>\$ 958,883</b>	<b>\$ 15,282,781</b>	<b>\$ 16,241,664</b>	<b>\$ 25,801</b>
<b>Noncurrent Liabilities</b>								
Payable from unrestricted noncurrent assets:								
Noncurrent payables	585	-	-	-	585	-	585	-
<b>Assets</b>	<b>\$ 585</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 585</b>	<b>\$ -</b>	<b>\$ 585</b>	<b>\$ -</b>
Payable from restricted noncurrent assets:								
Bonds and notes payable from primary government	-	-	-	-	-	97,675,000	97,675,000	-
Bonds and notes payable from State component units	-	-	-	-	-	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	-
<b>Total Noncurrent Liabilities Payable from Restricted Noncurrent</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 811,187</b>	<b>\$ 811,187</b>	<b>\$ 142,462,182</b>	<b>\$ 143,273,369</b>	<b>\$ -</b>
<b>Total Noncurrent Liabilities</b>	<b>\$ 585</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 811,187</b>	<b>\$ 811,772</b>	<b>\$ 142,462,182</b>	<b>\$ 143,273,954</b>	<b>\$ -</b>
<b>Total Liabilities</b>	<b>\$ 722,098</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,048,557</b>	<b>\$ 1,770,655</b>	<b>\$ 157,744,963</b>	<b>\$ 159,515,618</b>	<b>\$ 25,801</b>
<b>Net Position:</b>								
Net Investment in Capital Assets	42,423	-	-	-	42,423	-	42,423	-
Restricted	-	22,105,662	4,209,192	33,643,399	59,958,253	-	59,958,253	-
Unrestricted	52,478,686	-	-	4,844,161	57,322,847	-	57,322,847	-
Current Change in Net Position	663,557	222,974	8,567	54,100	949,198	-	949,198	6
<b>Total Net Position</b>	<b>\$ 53,184,666</b>	<b>\$ 22,328,636</b>	<b>\$ 4,217,759</b>	<b>\$ 38,541,660</b>	<b>\$ 118,272,721</b>	<b>\$ -</b>	<b>\$ 118,272,721</b>	<b>\$ 6</b>
<b>Total Liabilities &amp; Net Position</b>	<b>\$ 53,906,764</b>	<b>\$ 22,328,636</b>	<b>\$ 4,217,759</b>	<b>\$ 39,590,217</b>	<b>\$ 120,043,376</b>	<b>\$ 157,744,963</b>	<b>\$ 277,788,339</b>	<b>\$ 25,807</b>

## ILLINOIS FINANCE AUTHORITY QUICK DATA

For the Year As of December 31, 2015

(GENERAL FUND)<sup>1</sup>

FINANCIAL CATEGORIES	MONTHLY COMPARISON		ANNUAL COMPARISON	
	NOV 2015	DEC 2015	FISCAL YTD 2015	FISCAL YTD 2016
<b>PROFITABILITY ANALYSIS<sup>2</sup></b>				
Total Operating Revenues	250,833	258,510	1,958,969	2,723,091
Total Operating Expenses	354,120	398,081	1,743,903	2,060,583
Operating income (loss)	(103,287)	(139,571)	215,066	662,508
Total nonoperating revenues (expenses), net	(41,586)	(12,445)	361,512	1,049
<b>Net Income/(Loss)</b>	<b>(144,873)</b>	<b>(152,016)</b>	<b>576,578</b>	<b>663,557</b>
Operating Profit Margin	-41.2%	-54.0%	11.0%	24.3%
Net Profit Margin	-57.8%	-58.8%	29.4%	24.4%
<b>DEBT RATIOS AND LIQUIDITY ANALYSIS<sup>2</sup></b>				
Total Assets	53,905,651	53,906,764	53,047,001	53,906,764
Total Liabilities	568,969	722,098	570,868	722,098
Total Equity	53,336,682	53,184,666	52,476,133	53,184,666
Debt to Assets	1.1%	1.3%	1.1%	1.3%
Debt to Equity	1%	1%	1%	1%
Net Income	(144,873)	(152,016)	576,578	663,557
Total Assets	53,905,651	53,906,764	53,047,001	53,906,764
Return on Assets (ROA)	-0.27%	-0.28%	1.09%	1.23%
Current Assets			16,552,053	21,444,796
Prepaid Expenses			146,233	147,837
Current Liabilities			548,646	721,513
Net Working Capital			16,003,407	20,723,283
Current Ratio			30.17	29.72
Quick Ratio			29.90	29.52

DEBT AND INVESTMENTS	MONTHLY COMPARISON		ANNUAL COMPARISON	
	NOV 2015	DEC 2015	FISCAL YTD 2015	FISCAL YTD 2016
<b>INVESTMENT SUMMARY AND RETURNS<sup>3</sup></b>				
Total \$ Held-Clear Arc	25,239,786	22,977,653	20,642,706	22,977,653
Additional \$ Deposited	-	-	-	-
Unrealized Gain/(Loss)	(58,838)	(32,501)	(54,607)	(32,501)
Realized Gain/(Loss)	(9,042)	(9)	190	(9)
Accrued Interest Income	60,955	56,507	76,021	56,507
<b>Estimated Annual Income</b>	<b>235,530</b>	<b>234,274</b>	<b>309,750</b>	<b>234,274</b>
Total \$ Held-Ziegler	-	-	-	-
Additional \$ Deposited	-	-	-	-
Unrealized Gain/(Loss)	-	-	-	-
Realized Gain/(Loss)	-	-	-	-
Accrued Interest Income	-	-	-	-
<b>Estimated Annual Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>BOND METRICS</b>				
Conduit Debt Outstanding	24,337,617,194	24,306,554,868	23,748,597,793	24,306,554,868
Bonds Issued	52,778,000	29,372,000	1,376,090,075	1,789,247,000
Bonds Refunded	0	-	1,045,754,195	2,004,611,863
Beginning Farmer Bonds	174,000	230,000	635,550	1,295,850
Total General Moral Obligation Bonds	34,885,000	34,885,000	36,280,000	34,885,000
Total State Component Unit Bonds	111,431,357	111,431,357	135,460,594	111,431,357
<b>LOAN METRICS</b>				
# of Participation & "At Risk" Loans	15	15	17	15
\$ of Outstanding Participation Loans	2,749,778	2,735,906	3,242,985	2,735,906
Net Adj of \$ IFDA Defaults-\$ Bad Debt	-	-	-	0
Principal Reduction	21,919	13,872	134,729	55,255
Accrued Interest Due	6,244	7,791	7,990	7,791
Bad Debt Write-Offs	-	-	-	0
\$ 30+ Days Delinquent	111,337	111,337	111,337	111,337
# of Guaranteed Loans, Debt Restr. etc.	66	65	75	65
\$ of Guaranteed Loans, Debt Restr. etc.	15,396,392	15,297,352	18,124,793	15,297,352
Total \$ Guaranteed (85%)	13,085,079	13,000,896	15,400,841	13,000,896
Pay Certs/Invoices Not Paid	13,748	15,293	3,899	15,293

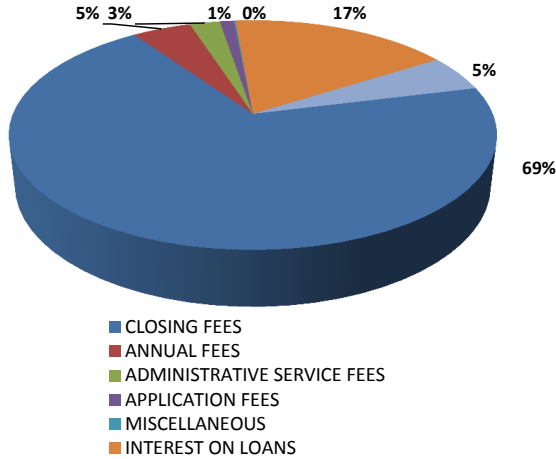
## Notes:

<sup>1</sup>The financial data on this sheet is from the General Fund, the Local Government, DACA and State Procurement Primary Government.<sup>2</sup>Financial Statement Ratios:<sup>a</sup>The operating profit margin is obtained by subtracting the sum of the company's operating expenses from net revenues.<sup>b</sup>The current ratio is a popular financial ratio used to measure the proportion of short term (<1 yr) assets available to cover short term liabilities. The higher the ratio, the better.<sup>c</sup>The quick ratio - aka the acid-test ratio - further refines the current ratio by measuring only the most liquid current assets against current liabilities.<sup>d</sup>The return on assets (ROA) ratio illustrates how efficient management is in utilizing its asset base. Rule of thumb is no less than 5% or 1.5% for banks.<sup>e</sup>This debt to assets ratio compares a company's total debt to its total assets. As a reminder, the majority of IFA's debt is in the Bond Fund. The lower the percentage, the stronger the equity position.<sup>f</sup>This debt to equity ratio compares a company's total debt to its total equity. As a reminder, the majority of IFA's debt is in the Bond Fund. The lower the percentage, the stronger the equity position.<sup>3</sup>The investment data source(s) are the monthly account statements from Amalgamated Bank. General Ledger entries may differ slightly due to timing and previous book values.

**(PRELIMINARY AND UNAUDITED)**

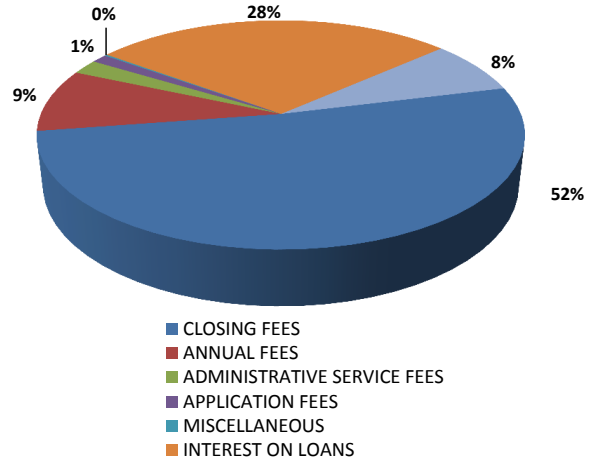
**FY 16 Revenue Distribution Chart**  
For the Six Months  
Ending December 31, 2015

REVENUE DESCRIPTION	\$ AMT
CLOSING FEES	1,987,184
ANNUAL FEES	133,391
ADMINISTRATIVE SERVICE FEES	68,429
APPLICATION FEES	32,300
MISCELLANEOUS	3,455
INTEREST ON LOANS	498,332
INTEREST & INVESTMENT INCOME	147,182
<b>TOTAL REVENUES</b>	<b>2,870,273</b>



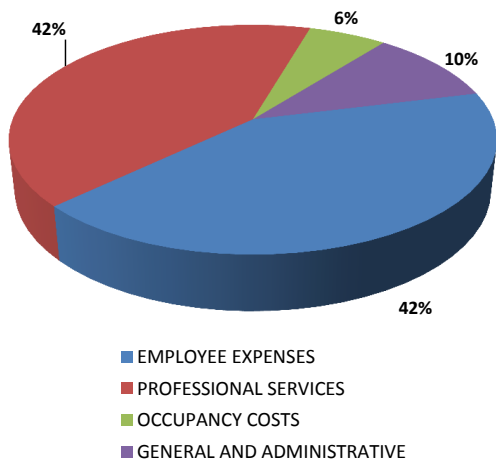
**FY 15 Revenue Distribution Chart**  
For the Six Months  
Ending December 31, 2014

REVENUE DESCRIPTION	\$ AMT
CLOSING FEES	1,092,266
ANNUAL FEES	189,802
ADMINISTRATIVE SERVICE FEES	45,000
APPLICATION FEES	26,028
MISCELLANEOUS	4,137
INTEREST ON LOANS	601,739
INTEREST & INVESTMENT INCOME	162,060
<b>TOTAL REVENUES</b>	<b>2,121,032</b>



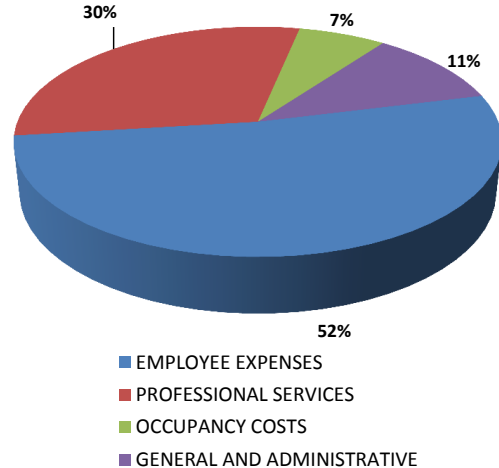
**FY 16 Expense Distribution Chart**  
For the Six Months  
Ending December 31, 2015

EXPENSE DESCRIPTION	\$ AMT
EMPLOYEE EXPENSES	861,841
PROFESSIONAL SERVICES	856,616
OCCUPANCY COSTS	126,344
GENERAL AND ADMINISTRATIVE	215,782
<b>TOTAL EXPENSES</b>	<b>2,060,583</b>



**FY 15 Expense Distribution Chart**  
For the Six Months  
Ending December 31, 2014

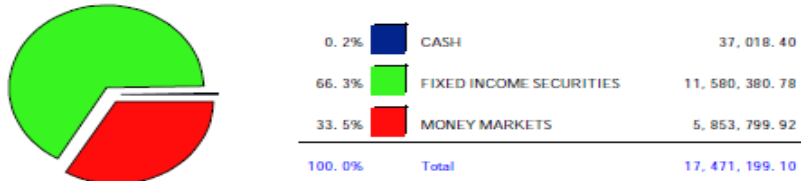
EXPENSE DESCRIPTION	\$ AMT
EMPLOYEE EXPENSES	906,114
PROFESSIONAL SERVICES	526,648
OCCUPANCY COSTS	119,483
GENERAL AND ADMINISTRATIVE	191,655
<b>TOTAL EXPENSES</b>	<b>1,743,900</b>



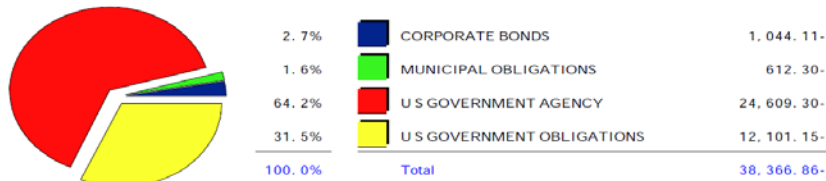
**GENERAL FUND, LOCAL GOVERNMENT FUND AND DACA LOAN FUND  
INVESTMENT BREAKDOWN  
AS OF DECEMBER 31, 2015  
(PRELIMINARY AND UNAUDITED)**

**Clear Arc as of November 30, 2015  
GENERAL FUND**

**Investment Review - Summary Of General Investments**  
Investment Allocation



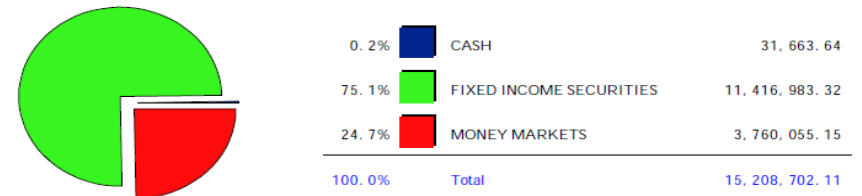
**Schedule Of Market To Market  
Unrealized Gain/loss**  
Unrealized Gains & Losses Allocation



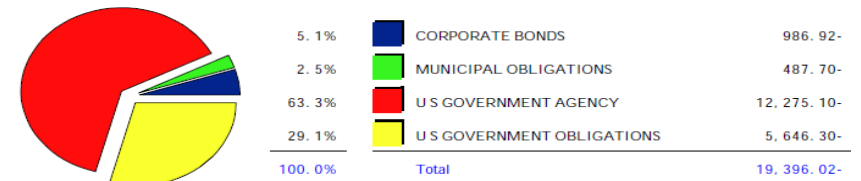
Adj. Beginning Balance	17,506,077
Unrealized Gain/(Loss)	(38,367)
Realized Gain/(Loss)	(9,012)
Disbursements & Misc. Receipts	(3,143)
Net Interest Received (after accruals)	15,644
<b>Ending Balance</b>	<b>\$ 17,471,199</b>

**Clear Arc as of December 31, 2015  
GENERAL FUND**

**Investment Review - Summary Of General Investments**  
Investment Allocation



**Schedule Of Market To Market  
Unrealized Gain/loss**  
Unrealized Gains & Losses Allocation

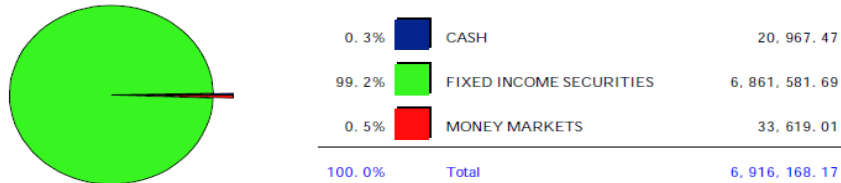


Adj. Beginning Balance	17,471,199
Unrealized Gain/(Loss)	(19,396)
Realized Gain/(Loss)	(1)
Disbursements & Misc. Receipts	(2,254,917)
Net Interest Received (after accruals)	11,818
<b>Ending Balance</b>	<b>\$ 15,208,702</b>

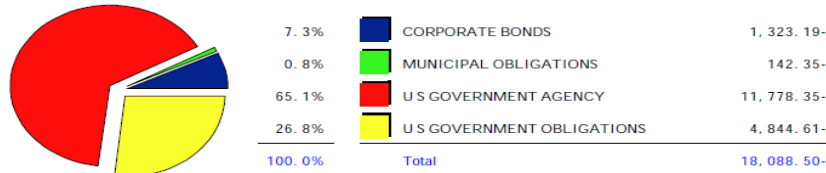
**GENERAL FUND, LOCAL GOVERNMENT FUND AND DACA LOAN FUND  
INVESTMENT BREAKDOWN  
AS OF DECEMBER 31, 2015  
(PRELIMINARY AND UNAUDITED)**

Clear Arc as of November 30, 2015  
**LOCAL GOVERNMENT FUND**

**Investment Review - Summary Of General Investments**  
Investment Allocation



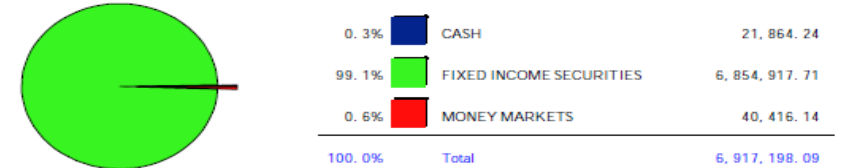
**Schedule Of Market To Market  
Unrealized Gain/loss**  
Unrealized Gains & Losses Allocation



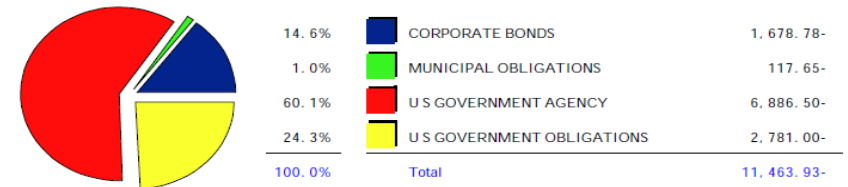
Adj. Beginning Balance	6,927,654
Unrealized Gain/(Loss)	(18,089)
Realized Gain/(Loss)	(30)
Disbursements & Misc. Receipts	(378)
Net Interest Received (after accruals)	7,011
<b>Ending Balance</b>	<b>\$ 6,916,168</b>

Clear Arc as of December 31, 2015  
**LOCAL GOVERNMENT FUND**

**Investment Review - Summary Of General Investments**  
Investment Allocation



**Schedule Of Market To Market  
Unrealized Gain/loss**  
Unrealized Gains & Losses Allocation

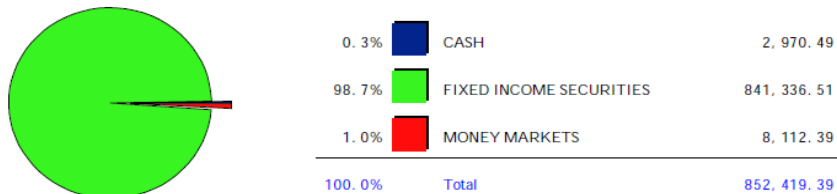


Adj. Beginning Balance	6,916,168
Unrealized Gain/(Loss)	(11,464)
Realized Gain/(Loss)	(8)
Disbursements & Misc. Receipts	0
Net Interest Received (after accruals)	12,502
<b>Ending Balance</b>	<b>\$ 6,917,198</b>

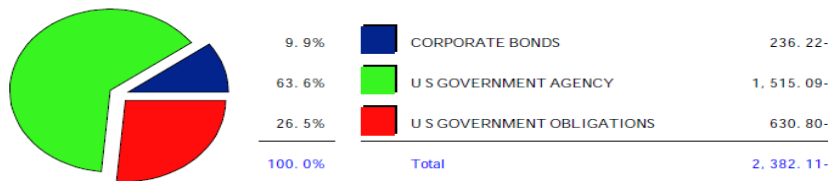
**GENERAL FUND, LOCAL GOVERNMENT FUND AND DACA LOAN FUND  
INVESTMENT BREAKDOWN  
AS OF DECEMBER 31, 2015  
(PRELIMINARY AND UNAUDITED)**

Clear Arc as of November 30, 2015  
**DACA LOAN FUND**

Investment Review - Summary Of General Investments  
Investment Allocation



Schedule Of Market To Market  
Unrealized Gain/loss  
Unrealized Gains & Losses Allocation



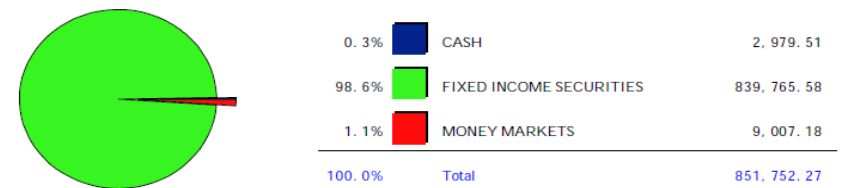
Adj. Beginning Balance	850,866
Unrealized Gain/(Loss)	(2,382)
Realized Gain/(Loss)	0
Disbursements & Misc. Receipts	0
Net Interest Received (after accruals)	3,935
<b>Ending Balance</b>	<b>\$ 852,419</b>

**Total General Fund, Local Government and DACA**

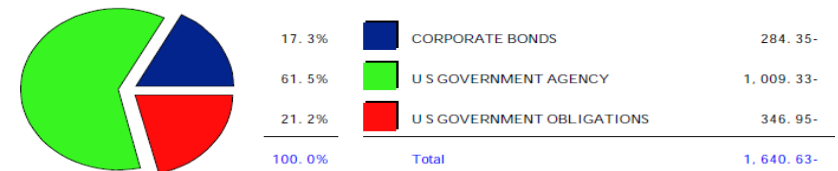
Adj. Beginning Balance	25,284,597
Unrealized Gain/(Loss)	(58,838)
Realized Gain/(Loss)	(9,042)
Disbursements & Misc. Receipts	(3,521)
Net Interest Received (after accruals)	26,590
<b>Ending Balance</b>	<b>\$ 25,239,786</b>

Clear Arc as of December 31, 2015  
**DACA LOAN FUND**

Investment Review - Summary Of General Investments  
Investment Allocation



Schedule Of Market To Market  
Unrealized Gain/loss  
Unrealized Gains & Losses Allocation



Adj. Beginning Balance	852,419
Unrealized Gain/(Loss)	(1,641)
Realized Gain/(Loss)	0
Disbursements & Misc. Receipts	0
Net Interest Received (after accruals)	974
<b>Ending Balance</b>	<b>\$ 851,752</b>

**Total General Fund, Local Government and DACA**

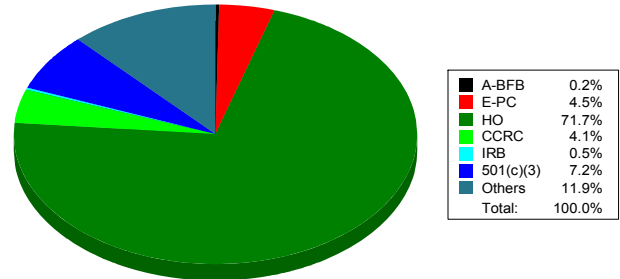
Adj. Beginning Balance	25,239,787
Unrealized Gain/(Loss)	(32,501)
Realized Gain/(Loss)	(9)
Disbursements & Misc. Receipts	(2,254,917)
Net Interest Received (after accruals)	25,293
<b>Ending Balance</b>	<b>\$ 22,977,653</b>

## Bonds Issued - Fiscal Year Comparison for the Period Ending December 31, 2015

### Fiscal Year 2014

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

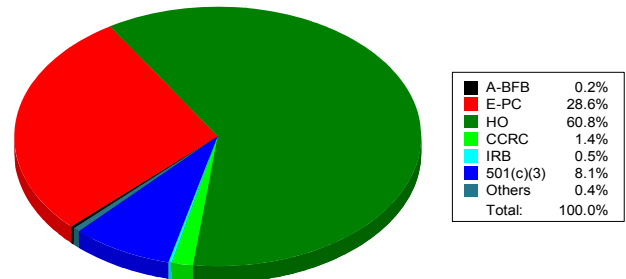
### Bonds Issued in Fiscal Year 2014



### Fiscal Year 2015

#	Market Sector	Principal Issued
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
<b>45</b>		<b>\$ 2,511,314,817</b>

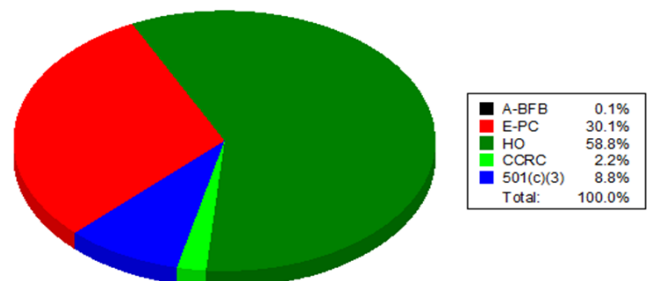
### Bonds Issued in Fiscal Year 2015



### Fiscal Year 2016

#	Market Sector	Principal Issued
5	Agriculture - Beginner Farmer	1,295,850
5	Education	551,522,000
10	Healthcare - Hospital	1,036,013,000
1	Healthcare - CCRC	39,030,000
5	501(c)(3) Not-for-Profit	162,682,000
<b>26</b>		<b>\$1,790,542,850</b>

### Bonds Issued in Fiscal Year 2016





**Bonds Issued and Outstanding  
as of  
December 31, 2015**

Bonds Issued between July 1, 2015 and December 31, 2015

<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	1,295,850	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
HO 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
HO 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
501(c)(3) Norwegian Lutheran Bethesda Home Association	12/15/2015	Variable	7,517,000	0
HO Intrinsic Schools-Belmont School Project	12/17/2015	Fixed at Schedule	21,855,000	0
<b>Total Bonds Issued as of December 30, 2015</b>			<b><u>\$ 1,790,542,850</u></b>	<b><u>\$ 2,004,611,863</u></b>

**Legend:** Fixed Rate Bonds as shown  
 DP-VRB = initial interest rate at the time of issuance on a Direct Purchase Bond  
 VRB = initial interest rate at the time of issuance on a Variable Rate Bond that does not include the cost of the LOC arrangement.  
 Beginner Farmer Bonds interest rates are shown in section below.





Beginner Farmer Bonds Funded between July 1, 2015 and December 31, 2015

<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</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
Total Beginner Farmer Bonds	<u>21.15</u>	<u>1,295,850</u>	<u>260.24</u>	

**ILLINOIS FINANCE AUTHORITY**

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

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

**Section I (a)**

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2015	December 31, 2015		
<b>Illinois Finance Authority "IFA" <sup>[b]</sup></b>				
Agriculture	\$ 48,313,152	\$ 49,609,002		
Education	4,273,041,117	4,667,139,651		
Healthcare	13,533,399,874	14,044,329,091		
Industrial Development [includes Recovery Zone/Midwest Disaster]	695,925,824	717,366,869		
Local Government	294,800,000	315,785,000		
Multifamily/Senior Housing	168,364,435	166,761,737		
501(c)(3) Not-for Profits	1,406,590,039	1,546,477,568		
Exempt Facilities Bonds	249,915,000	199,915,000		
<b>Total IFA Principal Outstanding</b>	<b>\$ 20,670,349,441</b>	<b>\$ 21,707,383,918</b>		
<b>Illinois Development Finance Authority "IDFA" <sup>[b]</sup></b>				
Education	496,388	496,388		
Healthcare	80,200,000	80,200,000		
Industrial Development	113,009,098	219,107,601		
Local Government	358,231,651	273,877,535		
Multifamily/Senior Housing	704,441,769	83,714,117		
501(c)(3) Not-for Profits	118,035,000	658,400,199		
Exempt Facilities Bonds				
<b>Total IDFA Principal Outstanding</b>	<b>\$ 1,374,413,906</b>	<b>\$ 1,315,795,840</b>		
<b>Illinois Rural Bond Bank "IRBB" <sup>[b]</sup></b>				
<b>Total IRBB Principal Outstanding</b>	<b>\$ -</b>	<b>\$ -</b>		
<b>Illinois Health Facilities Authority "IHFA"</b>	<b>\$ 739,875,000</b>	<b>\$ 687,375,000</b>		
<b>Illinois Educational Facilities Authority "IEFA"</b>	<b>\$ 640,921,000</b>	<b>\$ 580,413,000</b>		
<b>Illinois Farm Development Authority "IFDA" <sup>[1]</sup></b>	<b>\$ 15,646,526</b>	<b>\$ 15,587,111</b>		
<b>Total Illinois Finance Authority Debt</b>	<b>\$ 23,441,205,873</b>	<b>\$ 24,306,554,868</b>	<b>\$ 28,150,000,000</b>	<b>\$ 3,843,445,132</b>

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

**Section I (b)**

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2015	December 31, 2015		
<b>General Purpose Moral Obligations</b>				
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		
<b>Total General Moral Obligations</b>	<b>\$ 36,280,000</b>	<b>\$ 34,885,000</b>	<b>\$ 150,000,000</b>	<b>\$ 115,115,000</b>
* All the Local Government bonds were defeased as of August 1, 2014.				
<b>Financially Distressed Cities Moral Obligations</b>				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
Issued through IFA	\$ -	\$ -		
Issued through IDFA	-	-		
<b>Total Financially Distressed Cities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,000,000</b>	<b>\$ 50,000,000</b>
<b>State Component Unit Bonds <sup>[c]</sup></b>				
Issued through IDFA <sup>[1]</sup>	-	-		
Issued through IFA <sup>[1]</sup>	122,656,626	111,431,357		
<b>Total State Component Unit Bonds</b>	<b>\$ 122,656,626</b>	<b>\$ 111,431,357</b>		

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

**Section I (c)**

	Principal Outstanding		Remaining MDAB Volume Cap
	June 30, 2015	December 31, 2015	
<b>Midwestern Disaster Area Bonds [Flood Relief]</b>	<b>\$ 65,257,870</b>	<b>\$ 64,903,220</b>	<b>N/A</b>

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

**Section I (d)**

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

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

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

**ILLINOIS FINANCE AUTHORITY**

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

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

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

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

Section III	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2015	December 31, 2015		
Clean Coal, Coal, Renewable Energy and Energy Efficiency Projects	\$ -	\$ -	\$ 3,000,000,000 <sup>[d]</sup>	\$ 3,000,000,000

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

Section IV	Principal Outstanding		Program Limitations	Remaining Capacity	State Exposure
	June 30, 2015	December 31, 2015			
<b>Agri Debt Guarantees [Restructuring Existing Debt]</b>					
Fund # 994 - Fund Balance \$10,180,288	\$ 8,108,370	\$ 7,375,916	\$ 160,000,000	\$ 152,624,084	\$ 6,267,675
<b>AG Loan Guarantee Program</b>					
Fund # 205 - Fund Balance \$7,862,130	\$ 8,511,765	\$ 7,921,436	\$ 225,000,000 <sup>[e]</sup>	\$ 217,078,564	\$ 6,733,221
Agri Industry Loan Guarantee Program	\$ 4,543,157	\$ 4,183,105			3,555,639
Farm Purchase Guarantee Program	909,887	898,197			763,468
Specialized Livestock Guarantee Program	2,163,574	1,962,595			1,668,206
Young Farmer Loan Guarantee Program	895,146	877,539			745,908
<b>Total State Guarantees</b>	<b>\$ 16,620,134</b>	<b>\$ 15,297,352</b>	<b>\$ 385,000,000</b>	<b>\$ 369,702,648</b>	<b>\$ 13,000,896</b>

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	December 31, 2015	
132	Fire Truck Revolving Loan Program	Fund # 572	\$ 17,052,813	\$ 19,939,452	\$ 2,386,782
8	Ambulance Revolving Loan Program	Fund # 334	\$ 415,920	\$ 247,280	\$ 3,961,798

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	December 31, 2015		
<b>Environmental [Large Business]</b>				
Issued through IFA	\$ 16,495,000	\$ 63,010,000		
Issued through IDFA	118,035,000	118,035,000		
<b>Total Environmental [Large Business]</b>	<b>\$ 134,530,000</b>	<b>\$ 181,045,000</b>	<b>\$ 2,425,000,000</b>	<b>\$ 2,243,955,000</b>
<b>Environmental [Small Business]</b>	\$ -	\$ -	\$ 75,000,000	\$ 75,000,000
<b>Total Environment Bonds Issued under Act</b>	<b>\$ 134,530,000</b>	<b>\$ 181,045,000</b>	<b>\$ 2,500,000,000</b>	<b>\$ 2,318,955,000</b>

**Illinois Finance Authority Funds at Risk**

Section VII	Original Amount	Principal Outstanding	
		June 30, 2015	December 31, 2015
<b>Participation Loans</b>			
Business & Industry	23,020,158	1,107,646	1,074,747
Agriculture	6,079,859	96,159	96,159
<b>Participation Loans exluding Defaults &amp; Allowances</b>	<b>29,100,017</b>	<b>1,203,805</b>	<b>1,170,906</b>
<b>Plus: Legacy IDFA Loans in Default</b>		<b>858,458</b>	<b>843,173</b>
<b>Less: Allowance for Doubtful Accounts</b>		<b>1,002,182</b>	<b>976,359</b>
<b>Total Participation Loans</b>		<b>1,060,081</b>	<b>1,037,720</b>
<b>Local Government Direct Loans</b>	<b>1,289,750</b>	<b>126,000</b>	<b>118,000</b>
<b>Rural Bond Bank Local Government Note Receivable</b>		<b>20,462,037</b>	<b>20,197,037</b>
<b>FmHA Loans</b>	<b>963,250</b>	<b>207,658</b>	<b>192,515</b>
<b>Renewable Energy [RED Fund]</b>	<b>2,000,000</b>	<b>1,302,261</b>	<b>1,254,485</b>
<b>Total Loans Outstanding</b>	<b>34,353,017</b>	<b>23,158,036</b>	<b>22,799,756</b>
<b>IRBB funds were defeased and transferred into a note receivable with the IFA.</b>			

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

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

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

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

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

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

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

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

<sup>[g]</sup> 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.

<sup>[h]</sup> 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]

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



ILLINOIS FINANCE AUTHORITY  
MEMORANDUM

**PRELIMINARY AND UNAUDITED**

**To:** Illinois Finance Authority Board of Directors  
**From:** Melinda M. Gildart, Chief Financial Officer  
**Date:** December 10, 2015 (Activity subsequent to December 10, 2015 will be reported at the February 2016 Board Meeting)  
**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>							
Temporary Finance/Procurement/Compliance Staffing	Accounting Principals, Inc.	2 mos	11/15-01/16	\$ 46,992	\$ 49,894	\$ 49,894	\$ 150,000
Payroll Services and Employee Benefits	ADP TotalSource, Inc.	90 days	11/15-01/16	\$ 74,850	\$ 49,900	\$ 49,900	\$ 233,000
<i>Illinois Procurement Code-CPO Small Purchase Approvals</i>							
Marketing Services	Marj Halpern	6 mos	09/15-03/16	\$ 37,500	\$ 225,000	\$ 225,000	\$ 75,000
Records Management Software-Contract Amendment	Com Microfilm	13 mos	05/15-06/16	\$ 12,000	\$ 6,324	\$ 6,324	\$ 6,324
Mail Archiva Software-Contract Amendment	Marcor Technologies	3	10/15-04/18	\$ 9,900	\$ 4,500	\$ 4,500	\$ 1,500
<i>Illinois Procurement Code-Competitive Bid Contract Renewal</i>							
Energy Efficiency Projects-No Fee to IFA	Ameresco, Inc.	5	11/15-11/20	\$ -	\$ -	\$ -	\$ -

**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	12/15-12/16	\$ 50,000	\$ 50,000	\$ 233,000	\$ 233,000
<i>Illinois Procurement Code-Emergency Contracts</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

**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	3 mos	07/15-09/15	\$ 15,000	\$ 60,000	\$ 60,000	\$ 60,000
Employee Benefits and Payroll Services (Expired 10/31/15)	ADP TotalSource, Inc.	2 mos	09/15-10/15	\$ 49,900	\$ 49,900	\$ 49,900	\$ 233,000

**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	02/16-01/18	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 Jan 2016	2	01/16-12/17	n/a	\$ -	\$ -	\$ -
IT Network Support	Anticipated award Feb 2016	3	03/16-02/19	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 Aug 2016	3	08/16-08/19	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 Feb 2016	1	03/16-02/17	n/a	\$ 110,000	\$ 158,662	\$ 52,887
Financial Deposit Institution/Cash Management	Anticipated award Feb 2016	5	03/16-02/21	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.*

**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
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

**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.

**MONTHLY PROCUREMENT REPORT CONTINUED**  
**December 10, 2015**

<b>SUMMARY OF PROCUREMENT ACTIVITY SINCE MAY 2014</b>									
<b>MONTH</b>	<b>CONTRACTS AWARDED</b>			<b>SOLICITATIONS/PROCUREMENTS INITIATED</b>			<b>CONTRACTS EXECUTED</b>		
	<b>IL PROC CODE</b>	<b>IFA EXEMPTION</b>	<b>TOTAL</b>	<b>IL PROC CODE</b>	<b>IFA EXEMPTION</b>	<b>TOTAL</b>	<b>IL PROC CODE</b>	<b>IFA EXEMPTION</b>	<b>TOTAL</b>
May, 2014	0	2	2	0	0	0	0	1	1
June, 2014	0	2	2	0	0	0	0	2	2
July, 2014	0	2	2	0	0	0	0	7	7
August, 2014	0	2	2	1	1	2	0	2	2
September, 2014	0	0	0	1	1	2	0	0	0
October, 2014	0	0	0	1	1	2	0	0	0
November, 2014	0	0	0	1	1	2	0	0	0
December, 2014	0	0	0	1	1	2	0	0	0
February, 2015	0	1	1	1	0	1	0	0	0
March, 2015	0	1	1	2	0	2	0	0	0
April, 2015	0	2	2	2	0	2	0	0	0
May, 2015	12	1	13	1	1	2	0	0	0
June, 2015	8	1	9	1	2	3	0	0	0
July, 2015	0	0	0	1	2	3	11	2	13
August, 2015	0	0	0	1	1	2	0	0	0
September, 2015	0	0	0	0	1	1	4	0	4
October, 2015	3	0	3	0	1	1	0	0	0
December, 2015	0	0	0	0	1	1	3	0	3
<b>Totals</b>	<b>23</b>	<b>14</b>	<b>37</b>	<b>14</b>	<b>14</b>	<b>28</b>	<b>18</b>	<b>14</b>	<b>32</b>

*\*Above totals do not include including memberships, office supply orders, publications, conferences, or other day to day small purchases, etc.*

# ILLINOIS FINANCE AUTHORITY

## Memorandum

To: IFA Board of Directors  
From: Lorrie Karcher  
Date: January 14, 2016  
Re: Overview Memo for Beginning Farmer Bonds

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- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolution for the attached projects
- **Amount:** Up to \$520,000 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **Total Requested: \$355,720**
- **Calendar Year Summary:** (as of January 14, 2016)
  - Volume Cap: To be determined (The Authority will be submitting a request for \$100 million of 2016 Volume Cap to the Governor’s Office of Management and Budget as described further in Tab 8 of this Board Book. The Authority plans to allocate \$10 million of 2016 Volume Cap to Beginning Farmer Bonds financings.)
  - Volume Cap Committed: To be determined
  - Volume Cap Remaining: To be determined
  - Average Farm Acreage: 49
  - Number of Farms Financed: 3
- **IFA Benefits:**
  - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
  - **New Money Bonds:**
    - IFA conveys tax-exempt, municipal bond status on each financing.
    - Will use dedicated 2016 IFA Volume Cap set-aside for Beginning Farmer Bond transactions
- **IFA Fees:**
  - One-time closing fee will total 1.50% of the bond amount for each project
- **Structure/Ratings:**
  - Bonds to be purchased directly as a nonrated investment held until maturity by the Borrower’s bank (the “Bank”)
  - The Bank will be secured by the Borrower’s assets, as on a commercial loan
  - Interest rates, terms, and collateral are negotiated between the Borrower and the Bank, just as with any commercial loan
  - Workouts are negotiated directly between each Borrower and Bank, just as on any secured commercial loan
- **Bond Counsel: Burke, Burns & Pinelli, Ltd.**  
Stephen F. Welcome, Esq.  
Three First National Plaza, Suite 4300  
Chicago, IL 60602



**A. Project Number:** 30362  
**Borrower(s):** Kerner, Taylor E.G.  
Borrower Benefit: First Time Land Buyer  
Town: Newton, IL  
**IFA Bond Amount:** \$176,970  
Use of Funds: Farmland – 68 acres of farmland  
Purchase Price: \$353,940 / \$5,205 per acre  
% Borrower Equity: 5%  
% USDA Farm Service Agency: 45% (*Subordinate Financing*)  
% IFA: 50%  
Township: Wade  
Counties/Regions: Jasper / Southeastern  
Lender/Bond Purchase: Peoples State Bank of Newton / Brian Bohnhoff  
**Legislative Districts:** Congressional: 5  
State Senate: 55  
State House: 109

Principal shall be paid annually in installments determined pursuant to a thirty (30) year amortization schedule, with the first principal payment date to begin on April 1, 2017. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin on April 1, 2017 with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing.

**B. Project Number:** 30363  
**Borrower(s):** Lueke, Bryce A.  
Borrower Benefit: First Time Land Buyer  
Town: McLeansboro, IL  
**IFA Bond Amount:** \$79,375  
Use of Funds: Farmland – an undivided ½ interest in 40 acres of farmland  
Purchase Price: \$158,750 / \$3,969 per acre  
% Borrower Equity: 5%  
% USDA Farm Service Agency: 45% (*Subordinate Financing*)  
% IFA: 50%  
Township: Crouch  
Counties/Regions: Hamilton / Southern  
Lender/Bond Purchase: Peoples National Bank / Terry Drone  
**Legislative Districts:** Congressional: 15  
State Senate: 59  
State House: 118

Principal shall be paid annually in installments determined pursuant to a thirty (30) year amortization schedule, with the first principal payment date to begin one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin one year from the date of closing with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing.

**C. Project Number:** 30364  
**Borrower(s):** Lueke, Levi Dakota  
Borrower Benefit: First Time Land Buyer  
Town: McLeansboro, IL  
**IFA Bond Amount:** \$79,375  
Use of Funds: Farmland – an undivided ½ interest in 40 acres of farmland  
Purchase Price: \$158,750 / \$3,969 per acre  
% Borrower Equity: 5%  
% USDA Farm Service Agency: 45% (*Subordinate Financing*)  
% IFA: 50%  
Township: Crouch

Counties/Regions:	Hamilton / Southern
Lender/Bond Purchase:	Peoples National Bank / Terry Drone
<b>Legislative Districts:</b>	Congressional: 15
	State Senate: 59
	State House: 118

Principal shall be paid annually in installments determined pursuant to a thirty (30) year amortization schedule, with the first principal payment date to begin one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin one year from the date of closing with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing.

## \$100,000,000 (Not-to-exceed amount – New Money Bonds)

### CenterPoint Joliet Terminal Railroad, LLC

### (CenterPoint Intermodal Center – Joliet Project)

January 14, 2016

<b>REQUEST</b>	<p><b>Purpose:</b> Finance the acquisition of land, and construction and equipping of various capital improvements thereon at CenterPoint Intermodal Center in Joliet, Illinois, a rail-to-truck and truck-to-rail Intermodal facility generally located south and east of the Des Plaines River, east of the Burlington Northern Santa Fe Railway, north of Noel Road, and west of both Illinois 53 and the Union Pacific Railroad, and located within the corporate boundaries of the City of Joliet.</p> <p><b>Project Description:</b> Finances construction, equipment, and bond issuance costs and provides permanent financing for CenterPoint Intermodal Center – Joliet.</p> <p><b>Program:</b> Surface Freight Transfer Facilities Revenue Bonds [Special U.S. Department of Transportation (“US DOT”) Private Activity Bond Program authorized under the 2005 Federal Transportation Act (“SAFETEA-LU”).]</p> <p><b>Volume Cap:</b> <i>No State of Illinois or IFA Private Activity Bond Volume Cap will be required.</i> CenterPoint Properties has applied for and received an allocation from the US DOT to use approximately \$400 million of additional Freight Transfer Facilities Revenue Bonds to develop and build-out qualified freight transfer facilities as allowed by law. CenterPoint has selected IFA to serve as the conduit issuer to issue bonds to finance this project with the US DOT allocation. CenterPoint reserves the right to apply for additional Private Activity Volume Cap up to the Confirming Resolution amount approved by the IFA Board (see Sources &amp; Uses of Funds table below).</p> <p><b>Extraordinary Conditions:</b> None</p>																												
<b>BOARD ACTIONS</b>	<p>Final Bond Resolution requested to issue up to \$100.0 million of New Money Bonds.</p> <p>Voting Records associated with (i) IFA Resolution to Confirm and Restate August 7, 2007 Preliminary Bond Resolution (2015-1008-BI02) approved October 8, 2015, (ii) IFA Final Bond Resolution (2012-0911-BI04) approved September 11, 2012, (iii) IFA Final Bond Resolution (2010-11-04) approved November 10, 2010, and (iv) IFA Preliminary Bond Resolution (07-08-23) approved August 7, 2007 are reported on p. 3 of this report.</p>																												
<b>MATERIAL CHANGES</b>	<p>Material changes to this report from the version presented in October 2015 include the following: (1) Final bond amount determined; and (2) the Borrower is no longer contemplating a Supplemental Indenture that would amend certain terms of the Prior IFA Bonds (Series 2010 and Series 2012).</p>																												
<b>JOBS DATA</b> <i>(SEE P. 4 FOR ADDITIONAL DETAILS: 16,600+ JOBS OVER DEVELOPMENT CYCLE)</i>	<table border="0"> <tr> <td style="text-align: center;">6,825</td> <td>Current FT jobs; comprised of the following</td> <td style="text-align: center;">16,600+</td> <td>Jobs over Project Development Cycle, comprised of:</td> </tr> <tr> <td></td> <td> <ul style="list-style-type: none"> <li>• 2,500 Union Construction Jobs</li> <li>• 1,575 Permanent Industrial Pk./Intermodal Facility Jobs</li> <li>• 1,550 Permanent Trucking Jobs</li> <li>• 1,200 Indirect/Induced Jobs</li> </ul> </td> <td></td> <td> <ul style="list-style-type: none"> <li>• 6,200 Union Construction Jobs</li> <li>• 5,400 Permanent Industrial Park and Intermodal Facility Jobs</li> <li>• 3,100 Permanent Trucking Jobs</li> <li>• 1,900 Indirect/Induced Jobs</li> </ul> </td> </tr> <tr> <td style="text-align: center;">N/A</td> <td>Jobs Retained</td> <td style="text-align: center;">1,250</td> <td>Construction Jobs to Date (i.e., 2,000 man hrs. / job)</td> </tr> </table>	6,825	Current FT jobs; comprised of the following	16,600+	Jobs over Project Development Cycle, comprised of:		<ul style="list-style-type: none"> <li>• 2,500 Union Construction Jobs</li> <li>• 1,575 Permanent Industrial Pk./Intermodal Facility Jobs</li> <li>• 1,550 Permanent Trucking Jobs</li> <li>• 1,200 Indirect/Induced Jobs</li> </ul>		<ul style="list-style-type: none"> <li>• 6,200 Union Construction Jobs</li> <li>• 5,400 Permanent Industrial Park and Intermodal Facility Jobs</li> <li>• 3,100 Permanent Trucking Jobs</li> <li>• 1,900 Indirect/Induced Jobs</li> </ul>	N/A	Jobs Retained	1,250	Construction Jobs to Date (i.e., 2,000 man hrs. / job)																
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N/A	Jobs Retained	1,250	Construction Jobs to Date (i.e., 2,000 man hrs. / job)																										
<b>BORROWER</b>	<ul style="list-style-type: none"> <li>• Type of entity: Special Purpose Entity (LLC) to own and develop the subject project for lease or resale to prospective tenants and/or purchasers as allowed under SAFETEA-LU</li> </ul>																												
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>• Location: Joliet, Illinois (Will County)</li> <li>• When was it established: Borrower was formed in 2007 as a special purpose entity to own and develop the subject intermodal rail/truck facility in Joliet</li> <li>• What does the entity do: Real estate development company</li> <li>• Who does the entity serve: prospective tenants/users of Joliet Intermodal Center</li> <li>• What will new project facilitate: improved transportation and logistics efficiencies via truck and rail (initially via the Union Pacific Railroad and BNSF Railroad).</li> <li>• When was it established: Borrower was formed in 2007 as a special purpose entity to own and develop the subject intermodal rail/truck facility</li> </ul>																												
<b>CREDIT INDICATORS</b>	<ul style="list-style-type: none"> <li>• The Bonds will be privately placed to a syndicate of Banks (i.e., bank direct purchase structure) that finance CenterPoint Properties’ Line of Credit (and CenterPoint’s other credit facilities).</li> </ul>																												
<b>PROPOSED STRUCTURE</b>	<p>The proposed Bonds will be Multi-Modal Bonds that will initially be privately placed by SunTrust Robinson Humphrey to a syndicate of Banks (i.e., bank direct purchases) led by SunTrust Bank. The purchasers (i.e., Banks, which are by definition “Accredited Investors”) will be entirely responsible for structuring and securing their allocated ownership interest in the proposed Bond issue.</p> <p>Interest Rates: preliminary estimated range of 2.00% to 5.00%, depending on maturity  Maturity: up to 40 years</p>																												
<b>SOURCES &amp; USES - ESTIMATED</b>	<table border="0"> <tr> <td><b>Sources:</b></td> <td></td> <td><b>Uses:</b></td> <td></td> </tr> <tr> <td>IFA Series 2010 Bonds:</td> <td style="text-align: right;">\$ 150,000,000</td> <td>Project Costs for Reimbursement:</td> <td style="text-align: right;">\$ 325,000,000</td> </tr> <tr> <td>IFA Series 2012 Bonds:</td> <td style="text-align: right;">75,000,000</td> <td>Future Project Costs</td> <td style="text-align: right;">934,910,000</td> </tr> <tr> <td>IFA Series 2016 Bonds</td> <td style="text-align: right;">100,000,000</td> <td>Costs of Issuance - Series 2010</td> <td style="text-align: right;">815,000</td> </tr> <tr> <td>Future IFA Bonds (per October 2015 Confirming Resolution)</td> <td style="text-align: right;">812,000,000</td> <td>Costs of Issuance - Series 2012</td> <td style="text-align: right;">190,000</td> </tr> <tr> <td>Equity/Match:</td> <td style="text-align: right;"><u>124,105,000</u></td> <td>Costs of Issuance - Series 2016</td> <td style="text-align: right;"><u>190,000</u></td> </tr> <tr> <td><b>Total:</b></td> <td style="text-align: right;"><b>\$ <u>1,261,105,000</u></b></td> <td><b>Total:</b></td> <td style="text-align: right;"><b>\$ <u>1,261,105,000</u></b></td> </tr> </table>	<b>Sources:</b>		<b>Uses:</b>		IFA Series 2010 Bonds:	\$ 150,000,000	Project Costs for Reimbursement:	\$ 325,000,000	IFA Series 2012 Bonds:	75,000,000	Future Project Costs	934,910,000	IFA Series 2016 Bonds	100,000,000	Costs of Issuance - Series 2010	815,000	Future IFA Bonds (per October 2015 Confirming Resolution)	812,000,000	Costs of Issuance - Series 2012	190,000	Equity/Match:	<u>124,105,000</u>	Costs of Issuance - Series 2016	<u>190,000</u>	<b>Total:</b>	<b>\$ <u>1,261,105,000</u></b>	<b>Total:</b>	<b>\$ <u>1,261,105,000</u></b>
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<b>RECOMMENDATION</b>	<p>Credit Review Committee recommends approval.</p>																												

**ILLINOIS FINANCE AUTHORITY  
BOARD SUMMARY  
January 14, 2016**

**Project: CenterPoint Joliet Terminal Railroad, LLC  
(CenterPoint Intermodal Center – Joliet Project)**

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**STATISTICS**

IFA Project:	12321	Amount:	\$100,000,000 (not-to-exceed amount)
Type:	Surface Freight Transfer Facilities Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Joliet	County/ Region:	Will/Northeast

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**BOARD ACTION**

Final Bond Resolution for Series 2016 Bonds  
Conduit Freight Transfer Facilities  
Revenue Bonds (Tax-Exempt)  
No IFA funds at risk

Credit Review Committee recommends approval  
No extraordinary conditions

*Note:* CenterPoint has obtained (i) the requisite Private Activity Bond allocation directly from the US DOT, and (ii) a commitment from US DOT for transportation grant funds under Title 23 (highway improvements for I-55/Arsenal Road interchange and other highway improvements in the general area of the Project) through the Illinois Department of Transportation, thereby satisfying both US DOT requirements to issue tax-exempt bonds for the Project.

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**PURPOSE**

The overall project involves the acquisition of land, construction of rail improvements, and the construction of all or a portion of an estimated 15 million SF to 20 million SF of related warehousing and distribution facilities (up to 1.5 million SF each) and related infrastructure located generally on an approximately 4,000-acre site (including approximately 940 acres for two intermodal rail yards) located west of the Union Pacific mainline (Chicago-Springfield-St. Louis line), north of Noel Road and south and east of the Des Plaines River, within the limits of the City of Joliet in Will County.

Certain portions of these intermodal and logistics park facilities are intended to qualify for federally tax-exempt Freight Transfer Facility Revenue Bonds and Highway Infrastructure Facilities Revenue Bonds under a surface transportation finance initiative approved in late 2005 and implemented in early 2006 by the U.S. Department of Transportation.

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**IFA CONTRIBUTION**

*Although the subject Bonds will be issued on a tax-exempt basis for a for-profit entity, Freight Transfer Facility Revenue Bonds and Highway Infrastructure Facilities Revenue Bonds will not require any State of Illinois or IFA Volume Cap. Instead, authorization requests for Tax-Exempt Freight Transfer Facility Revenue Bonds are allocated directly to each project by the US DOT, subject to an initial \$15 billion national limitation over the life of the program pursuant to 2005's SAFETEA-LU Act. CenterPoint previously obtained a direct allocation which was used to finance the Prior Bonds (\$225 million to date) and of which approximately \$400 million remains available, with such allocation provided by the U.S. Department of Transportation to enable tax-exempt bonds to be issued to finance eligible costs relating to development of the CenterPoint Intermodal Center – Joliet project.*

*CenterPoint has selected IFA to serve as the conduit issuer for its Joliet Intermodal facility project. As conduit issuer, IFA will convey tax-exempt municipal bond status on debt issued (and purchased by CenterPoint's commercial banking syndicate) to permanently finance qualified improvements located at the project site.*

**VOTING RECORD (presented in reverse chronological order)**

IFA Resolution 2015-1008-BI02 approved October 8, 2015 to Confirm and Restate the August 7, 2007 Preliminary Bond Resolution:

- Ayes: 12; Nays: 0; Present: 0; Excused Absences: 3 (Horne; O'Brien; Tessler)

Prior Final Bond Resolutions:

- IFA Resolution No. 2012-0911-BI04 approved September 11, 2012 (authorized (i) issuance of up to \$80.0 million of IFA Bonds in one or more series and (ii) execution of a First Supplemental Trust Indenture for the IFA Series 2010 Bonds): Ayes: 9; Nays: 0; Abstentions: 1 (Gold); Absent: 2 (Fuentes, Leonard); Vacancies: 3
- IFA Resolution No. 2010-11-04 approved November 9, 2010 (authorized the issuance of up to \$200.0 million of Bonds in one or more series): Ayes: 10; Nays: 0; Abstentions: 1 (Gold); Absent: 4 (Bronner, DeNard, Fuentes, Herrin); Vacancies: 0

Preliminary Bond Resolution No. 07-08-23 approved August 7, 2007:

- Ayes: 10; Nays: 0; Abstentions: 0 Absent: 4 (Boyles; Fuentes; Herrin; Rivera); Vacancies: 1

**ESTIMATED SOURCES AND USES OF FUNDS**

Sources:	IFA Ser. 2010 Bonds	\$150,000,000	Uses:	Reimbursement of Prior Costs	\$325,000,000
	IFA Ser. 2012 Bonds	75,000,000		Future Project Costs	934,910,000
	IFA Ser. 2016 Bonds	100,000,000		Issuance Costs – Series 2010	815,000
	Future IFA Bonds	812,000,000		Issuance Costs – Series 2012	190,000
	Equity	<u>124,105,000</u>		Issuance Costs – Series 2016	<u>190,000</u>
	<b>Total</b>	<b><u>\$1,261,105,000</u></b>		<b>Total</b>	<b><u>\$1,261,105,000</u></b>

**Comment:** These amounts represent not-to-exceed amounts for the anticipated multi-year, multi-series issuance of tax-exempt bonds associated with build-out of this project as contemplated by CenterPoint.

Although CenterPoint has 5 years to expend bond proceeds under the US DOT bond program, CenterPoint has determined it is generally most advantageous to issue bonds primarily to reimburse expenditures following completed project build-outs every one to two years (nevertheless, a limited portion of bond proceeds may be allocated to finance subsequent construction).

**Related Title 23 Assistance:** In addition to the improvements described above, federal “Title 23” funds have been used to finance certain bridge improvements in the south and southeast corner of the Project site and various improvements to I-55 (to the west of the Project), in both cases so as to improve access to the Project and accommodate the increased traffic resulting from the Project.

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**JOBS**

<p>Current Employment: 6,825 (Full-Time) comprised of:</p> <ul style="list-style-type: none"> <li>• 2,500 Union Construction Jobs</li> <li>• 1,575 Permanent Industrial and Intermodal Facility Jobs</li> <li>• 1,550 Permanent Trucking Jobs</li> <li>• 1,200 Indirect and Induced Jobs</li> </ul> <p>Jobs Retained: Not applicable</p>	<p>Total Jobs Forecast Over Project Development Cycle: 16,600+ comprised of:</p> <ul style="list-style-type: none"> <li>• 6,200 Union Construction Jobs (through completion)</li> <li>• 5,400 Permanent Industrial and Intermodal Facility Jobs</li> <li>• 3,100 Permanent Trucking Jobs</li> <li>• 1,900 Indirect and Induced Jobs</li> </ul> <p>Construction Jobs to date (<i>supplemental info.</i>) 1,250 Union Construction Jobs to date (based on 2,000 man hrs. / job)</p>
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**Current Jobs - Note:**

CenterPoint currently reports a total of 6,825 new and construction jobs (based on the breakdown reported above). In comparison, CenterPoint reported 220 FT jobs as of November 2010 (at the time of approval of the first Final Bond Resolution), and 4,175 FT jobs as of September 2012 (at the time of approval of the Resolution authorizing issuance of the second tranche of IFA Bonds).

**FINANCING SUMMARY**

CenterPoint intends to issue bonds in multiple series over time (i.e., tranches), as dictated by demand/build-out over the anticipated remaining 5 to 10 year development period. CenterPoint anticipates that each tranche will be financed according to the following proposed terms:

Structure:	Multi-Modal Bonds that will be underwritten (and privately placed in a Bank-held Mode at the time of initial sale) by SunTrust Robinson Humphrey. The Multi-Modal Bonds will initially bear interest in a Bank Rate, in which the Bonds will be purchased by SunTrust Bank, as Agent, in a private placement for a syndicate of financial institutions for an initial anticipated term of 5 years. Bond payments will be amortized over 40 years. The Bonds will be subject to extension and an interest rate reset periodically (or as amended) until maturity while in Bank Purchase Mode, consistent with a bank commercial loan structure.
Bank Security/Collateral:	The purchasing Banks are Accredited Investors and are solely responsible for assuring their financing commitment (i.e., bond purchase) is adequately collateralized.
Credit Ratings:	Not applicable since the Bonds will be purchased directly by the Banks as a direct investment. The LLC is a non-rated entity.
Collateral:	Confidential – to be negotiated and finalized directly with the Banks that purchase participation interests in these Bonds.
Proposed Interest Rate Mode:	Initial 5 year fixed rate with reset and extension provisions every 5 years until the final maturity date.
Estimated Interest Rate:	Could range from 2.00% fixed to 5.00% fixed, depending on maturity (as negotiated with the members of the banking syndicate).
Amortization:	Approximately 40 years (dependent on useful-life calculation)
Final Maturity Date:	Up to 40 years
Anticipated Closing Date:	January 2016 or February 2016

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### PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be issued in one or more Series and used by CenterPoint Joliet Terminal Railroad, LLC (together with any successors, affiliates, and assigns, the “**Borrower**”), for the purpose of providing the Borrower with all or a portion of the funds to (a) finance, refinance or reimburse the Borrower for all or a portion of the costs of the acquisition, construction, equipping, and development of a state-of-the-art intermodal logistics center and inland port for the transfer of freight from truck to rail or rail to truck (including temporary storage facilities directly related to such transfers) on a site of approximately 4,000 acres within the boundaries of the City of Joliet, in Will County, Illinois, located along railroad mainlines of two Class I common carrier railroads owned by two Class I railroads and being developed in conjunction with Title 23, United States Code, funding for (i) the construction and construction engineering of the bridge on Manhattan Road over Jackson Creek and (ii) current and future projects involving State highway reconstruction and capacity work on I-55 to provide adequate roadway infrastructure and direct access support to the west of the Project, together with such other related improvements related thereto (collectively, the “**Project**”), (b) pay certain interest expense in connection with the Project, and (c) pay all or a portion of the costs of issuance of the Bond

Estimated project costs relating to the overall build-out of the CenterPoint Joliet Terminal Railroad, LLC project are as follows:

Land Acquisition:	\$238,000,000
New Construction:	986,910,000
Equipment:	<u>35,000,000</u>
<b>Total</b>	<b><u>\$1,259,910,000</u></b>

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### BUSINESS SUMMARY

Description: **CenterPoint Joliet Terminal Railroad, LLC** (together with any successors, affiliates, and assigns, the “**Borrower**”) is an Illinois Limited Liability Company formed on April 11, 2007 as a special purpose entity to own and develop the subject freight intermodal facility and logistics park in the City of Joliet, Will County.

The sole Member of the Borrower is **CenterPoint Properties Trust (“CPT”)**, a private Maryland Real Estate Investment Trust. CPT is 99% beneficially owned by **CalEast Global Logistics LLC (“CalEast”)**, a leading investor in logistics warehouse and related real estate.

CalEast Global Logistics LLC is owned by the **California Public Employees Retirement System (“CalPERS”)** and **GIP Co-Investor LLC**, an affiliate of GI Partners (see Economic Disclosure Statement on page 9).

Background on  
CenterPoint  
Properties  
Trust:

CPT was originally formed in 1984 as Capital and Regional Properties Corporation. CPT became a publicly traded REIT in 1993 after consolidating with FCLS Investors Group, a Chicago-based industrial development company with 30 years of local development experience.

In March 2006, after over 12 years as a public company, CPT was purchased and taken private by CalEast Global Logistics, LLC. CalEast is a leading investor in logistics warehouse and related real estate and is a joint venture of CalPERS and GI Partners.

CalPERS is the nation’s largest pension fund, with approximately \$289 billion in assets. Established in 2001, GI Partners is a leading private investment firm focused on investments in asset-backed businesses and properties in North America and Western Europe with approximately \$8.4 billion of capital under management. The firm is active in a number of key sectors, including asset-backed IT services, specialty healthcare and education, leisure, commercial real estate, hospitality, retail, and financial services.

CPT’s mission is focused on the development, ownership, and active management of industrial real estate and related rail, road, and port infrastructure.

CPT is the largest owner, manager, and developer of industrial real estate in metropolitan Chicago with 21 branded business parks. Along with its affiliates, CPT owns and manages more than 52 million SF of industrial/warehousing space. CPT has an additional 4,600 acres of land available for future development, of which 3,100 acres in located in the Chicago metropolitan area.

Aside from its intermodal facilities under development in Joliet and Elwood, CPT has an extensive track record of developing successful industrial and warehousing projects in Illinois and SE Wisconsin, including the Ford Chicago Manufacturing Campus (Chicago), International Produce Market (Chicago), O'Hare Express Center and O'Hare Express North (Chicago), California Avenue Business Center (Chicago), McCook Business Center I and II (McCook), BNSF Logistics Park Chicago (Elwood), DuPage National Technology Park (West Chicago), and several other business parks located in Illinois, SE Wisconsin, NW Indiana, Missouri, Georgia, Texas, California and New Jersey.

Chicago's  
Role as a  
Logistics  
Center for the  
Central U.S.:

Intermodal facilities provide for the efficient, direct transfer of goods between ship, rail, or truck. Essentially, intermodal logistics parks are "inland ports" that allow customers to seamlessly ship goods long-haul from the U.S. coasts inland by rail for distribution by truck. Additionally, industrial land adjacent to intermodal facilities allows warehouse/light manufacturing customers to perform bulk breakdown operations, and/or to repackage or assemble products before final delivery by truck to regional warehouses and/or stores.

The Chicago Metropolitan Area has emerged as the largest inland port/freight transfer center in the United States. Currently, the Chicago area supports 1.4 billion SF of industrial property, making the Chicago region one of the largest and most diverse industrial property markets in the U.S.

The Chicago area is also an ideal location for the development of intermodal facilities – it is the only location in the US where all six of the North American Class I railroads intersect. The Class I railroads serving the Chicago area include: (1) Burlington Northern Santa Fe, (2) Canadian National/Soo Line, (3) Canadian Pacific, (4) CSX, (5) Norfolk Southern, and (6) the Union Pacific.

According to CenterPoint, improved productivity/logistics in the Chicago area is important since approximately 60% of freight traveling inland from the coasts either stops in Chicago, or travels through Chicago to other markets. Although it takes only two days for freight to be shipped from the coasts, it can take four days for this rail traffic to move through the City of Chicago.

Development of intermodal facilities around the outer suburbs of Chicago will help reduce rail bottlenecks, reduce truck traffic in the City of Chicago as well as create a more efficient supply chain for goods traveling inland from the coasts.

Development of intermodal facilities in the Chicago metropolitan area will expand the region's effective rail capacity and help maintain the Chicago area's status as the key inland rail hub in the Central U.S.

US DOT  
Freight  
Transfer  
Project  
Allocations:

The U.S. Department of Transportation has sole discretion in determining which surface transportation (i.e., private highways, intermodal facilities, and international bridges) receive a portion of US DOT's national \$15 Billion allocation of bond issuance authority over the life of this pilot programs initiated under the 2005 Transportation Bill (i.e., "SAFETEA-LU"). Additionally, all qualifying projects must receive either Title 23 Highway Funds or Title 49 Railroad Grant Funds from US DOT (through IDOT). The CenterPoint Intermodal Center – Joliet project has been supported by Title 23 Highway Funds that have funded various improvements (including, most notably, reconfiguration of the I-55/Arsenal Rd. interchange located west of the Project Site and construction and related engineering work for the Manhattan Road bridge over Jackson Creek).



Rationale for  
the Joliet  
Intermodal  
Facility:

The CenterPoint Intermodal Center - Joliet Project is an approximately 4,000-acre state-of-the-art intermodal logistics center and inland port. The logistics center creates a closed campus environment by co-locating distribution centers, an intermodal facility, container storage yards, and export facilities all in one campus. This provides significant logistics and supply chain advantages to companies that locate at the campus. At full build out, development within the park will include an 835-acre Class I railroad intermodal facility, 450 acres of onsite container/equipment management and approximately 15 to 20 million square feet of industrial facilities. The project will provide critical transportation capacity for the region and distribution efficiencies for customers, while meeting local community, County and State interests through the creation of approximately 16,600 jobs and millions in new tax revenues.

The subject property site is located approximately:

- 2 miles east of I-55 and the I-55/Arsenal Road interchange;
- 2 miles south of I-80;
- 2 miles west of Illinois Hwy. 53;
- 16 miles west of I-57; and
- Approximately 2 miles north of the CenterPoint Intermodal Center – Elwood.

The CenterPoint Intermodal Center – Joliet has been planned to accommodate goods shipped via both the Union Pacific and BNSF (from the West Coast and Southwest) and, possibly, the Norfolk Southern Railroad from the southeast.

Public benefits of the CenterPoint Intermodal Center – Joliet project include:

1. The Project will help absorb the unmet demand for new Midwestern rail-served warehouse/distribution centers, intermodal, and trans-load facilities due to (a) massive increases in the volume of containerized import shipments (b) the increased importance of efficient logistics in transporting products to final destinations.
2. Tax-Exempt Bond Financing will facilitate a lower cost of occupancy that will attract prospective industrial park tenants to Illinois rather than to Indiana or Missouri.
3. Project-related roadway and interchange improvements to the I-55/Arsenal Road interchange, Arsenal Road (the primary access road serving both CenterPoint's existing Elwood intermodal facility and CenterPoint's Joliet intermodal facility), Illinois Hwy 53, and access from the north from connecting roads to I-80, and other surrounding roads will provide superior truck access to the project(s) and encourage peripheral users to locate nearby.
4. The CenterPoint Intermodal Center – Joliet Project will generate property tax revenue for the City of Joliet, and local taxing jurisdictions, and income tax revenue for the State of Illinois.

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Development

Timetable: Some key benchmarks in CPT's development and financing timetable for Phase I of the CenterPoint Intermodal Center – Joliet project include the following:

Completed/Ongoing Activities:

- 2006: Land acquisition for the project began
- Early 2007 (and ongoing): Initial discussions with US DOT and IDOT regarding Title 23/Title 49 Funding
- January 2007: Engineering work commenced by TranSystems Corporation of Kansas City, MO and Cowhey Gundmundson Leder of Itasca, IL
- **August 2007: Illinois Finance Authority Board of Directors approves a Preliminary Bond Resolution for CenterPoint's Joliet Intermodal Facility (not-to-exceed amount: \$1.34 billion)**
- **September 2007: Submitted application for the US DOT Private Activity Bond Allocation to the Secretary of the U.S. Department of Transportation**
- June 2008: Public water and sewer utility construction commenced
- July 29, 2008: Rezoning to allow for special use as an Intermodal Facility: Agreement made and entered into with City of Joliet
- August 2008: Site topsoil stripping and grading work commenced on Intermodal Facility.
- Fall of 2008: Construction of the Intermodal facility began
- December 30, 2008: Completed annexation agreement with the City of Joliet (Document Number R2008-150216)
- December 2008: Mass Grading and Drainage work completed
- July 2009: USACE Wetland Impact and Fill permits completed
- September 2009: Public water and sewer extensions complete
- **August 2010: Intermodal facility open for business and UPRR operations commence**
- September 2010: UPRR begins first phase of trailer parking expansion project on site
- **October 2010: Completed first building in the park, a 217,000 square foot building for the Stepan Company**
- December 2010: Completed construction of a 12 acre grain transload facility for The De Long Co.
- December 2010: Finalized issuance of \$150 million IFA Series 2010 Bonds to provide permanent financing for the initial phase of completed intermodal/warehousing facilities
- August 2011: Completed an 18 acre container storage facility for Mediterranean Shipping Co.
- November 2011: Completed a 36 acre container storage facility for APL
- November 2011: Completed construction of Home Depot's build to suit, a 657,000 square foot building
- **September 2012: Finalized issuance of \$75 million IFA Series 2012 Bonds to provide permanent financing for the second phase of completed intermodal/warehousing facilities at CenterPoint Intermodal Center - Joliet**
- December 2012: Completed an 8 acre container storage facility for Central States Trucking
- June 2013: Completed construction of phase II of The Home Depot Joliet campus, a 1.6 million square foot building
- March 2014: Completed construction of a 485,000 square foot joint-venture speculative facility, recently leased to International Transload Logistics
- June 2014: Completed construction of a 12.80 acre container yard, partially leased to Bridge Terminal Transport Services
- August 2014: Completed construction of a 400,000 square foot warehouse facility for Neovia Logistics
- September 2014: Started on a 14.4 net acre grain transfer facility for Saturn Agriculture. Expected completion in October 2015
- April 2015: Started construction on a 1.1 million square foot building for Saddle Creek Logistics Services, expected to be complete in early 2016
- May 2015: Started construction on an 8.0 acre trucking facility for California MultiModal. Expected completion fall of 2015.
- August 2015: Started construction on a 1.4 million square foot building for an Undisclosed Food Manufacturer, expected to be complete in early 2017
- **October 2015: Illinois Finance Authority Board of Directors approves a Resolution Confirming and Restating the Preliminary Bond Resolution for CenterPoint's Joliet Intermodal Facility (not-to-exceed amount: \$1.34 billion) approved in August 2007**

**ECONOMIC DISCLOSURE STATEMENT**

**Applicant:** CenterPoint Joliet Terminal Railroad, LLC (Contact: Mr. Rick Mathews, VP, Legal, CenterPoint Properties Trust, 1808 Swift Drive, Oak Brook, IL 60523-1501; (T) 630-586-8126; (F) 630-586-8010; e-mail: RMathews@CenterPoint.com)

**Alternate Contact:** Mr. Michael Kraft, CenterPoint Properties Trust, Chief Financial Officer; 1808 Swift Drive, Oak Brook, IL 60523-1501; (T) 630-586-8102; (F) 630-586-8010; e-mail: MKraft@CenterPoint.com

**Web site:** [www.CenterPoint.com](http://www.CenterPoint.com) (CenterPoint Properties)

**Project name:** CenterPoint Intermodal Center – Joliet

**Location:** 21703 W. Millsdale Road, Joliet, IL 60421-9647

**Organization:** CenterPoint Joliet Terminal Railroad, LLC is an Illinois limited liability company that is 100%-owned by CenterPoint Properties Trust, a Maryland Real Estate Investment Trust.

**Ownership:** CenterPoint Properties Trust is in turn owned by CalEast Global Logistics, LLC, 65 East State Street, Suite 1750, Columbus, OH 43215; (T): 614-460-4444; web site: [www.caleast.com](http://www.caleast.com)

- CalEast Global Logistics LLC is a joint venture between the California Public Employees Retirement System and GI Partners. Additional information on the joint venture members follows below:
  - California Public Employees Retirement System (d/b/a “CalPERS”): 100%  
 400 Q Street, Room 1820  
 Lincoln Plaza East  
 Sacramento, CA 95814  
 Web site: [www.calpers.ca.gov](http://www.calpers.ca.gov)
  - GI Partners  
 2180 Sand Hill Road, Suite 210  
 Menlo Park, CA 94025  
 Web site: [www.gipartners.com](http://www.gipartners.com)

**PROFESSIONAL & FINANCIAL**

<b>General Counsel:</b>	Latham & Watkins LLP	Chicago, IL	Robert Buday
<b>Borrower’s Auditor:</b>	PricewaterhouseCooper LLP	Chicago	
<b>Bond Counsel:</b>	Perkins Coie LLP	Chicago	Bruce Bonjour, Marc Oberdorff, Kurt Neumann
<b>Underwriter:</b> (Privately Placed initially to a banking syndicate)	SunTrust Robinson Humphrey	Atlanta, GA	Hank Harris
<b>Bank:</b>	SunTrust – National Real Estate Banking	Vienna, VA	Greg Horstman
	SunTrust – Commercial Real Estate Syndications	Atlanta, GA	Ricardo Simon
<b>Bond Purchasers through syndication:</b>	Members of CenterPoint’s lending syndicate including the following commercial banks: Bank of America; BB&T; PNC Bank; Regions Bank; SunTrust Bank; US Bank; JPMorgan Chase; and Wells Fargo Bank		
<b>Bank Counsel:</b>	Dentons	Chicago	Steve Davidson
<b>Trustee/Fiscal Agent:</b>	US Bank	Chicago	Margaret Drelicharz

Rating Agencies:	Not applicable since the Bonds will be privately placed with commercial banks (i.e., purchased by Accredited Investors)		
Architectural/Engineering:	TranSystems Corporation	Kansas City, MO	
General Contractors:	Ragnar Benson Construction, LLC FCL Builders, LLC	Park Ridge, IL Itasca, IL	
IFA Counsel:	Kutak Rock LLP	Chicago, IL	Kevin Barney
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck, Phoebe Selden

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**LEGISLATIVE DISTRICTS**

Congressional:	11, 16
State Senate:	43
State House:	86

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## CenterPoint Intermodal Center - Joliet/Elwood

North America's Largest Inland Port



### Current CenterPoint Intermodal Center - Joliet Tenants

- |                                    |                                   |                              |
|------------------------------------|-----------------------------------|------------------------------|
| 15 Stapan Company                  | 23 Mediterranean Shipping Company | 31 ContainerPort Group       |
| 16 The Home Depot                  | 24 Acres Truck Parking            | 32 Adrian Carriers           |
| 17 Undisclosed Food Manufacturer   | 25 Bridge Terminal Transport      | 33 Garbsen Interstate System |
| 18 Neovia Logistics                | 26 IFL                            | 34 Prairie Material          |
| 19 Saddle Creek Logistics Services | 27 Sakum Agriculture              | 35 PACER                     |
| 20 California Multimodal (CMI)     | 28 The DeLong Company             | 36 Gavilon Grain             |
| 21 The DeLong Company              | 29 Central States Trucking        | 37 LaFarge                   |
| 22 APL                             | 30 U.S. Army T.E.M.F.             | 38 Cargill                   |
|                                    |                                   | 39 ARC Terminals             |
|                                    |                                   | 40 Vulcan                    |
- 
- |  |  |
|--|--|
| <span style="display:inline-block; width:15px; height:10px; background-color:darkblue;"></span> Available Land                         | <span style="display:inline-block; width:15px; height:10px; background-color:lightblue;"></span> Existing Distribution Warehouse   |
| <span style="display:inline-block; width:15px; height:10px; background-color:yellow;"></span> Available Container Yard / Transload Use | <span style="display:inline-block; width:15px; height:10px; background-color:red;"></span> Occupied Container Yard / Transload Use |

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

**University of St. Francis**

**January 14, 2016**

<b>REQUEST</b>	<p><b>Purpose:</b> Bond proceeds will provide <b>University of St. Francis</b> (the “<b>Borrower</b>”) with all or a portion of the funds necessary to (i) finance, refinance, or reimburse the Borrower for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities (including, but not limited to its new Science Building project on its Joliet campus), (ii) pay certain working capital expenditures if deemed desirable by the Borrower, (iii) fund a debt service reserve fund if deemed necessary or desirable by the Borrower and (iv) pay certain costs relating to the issuance of the Bonds if deemed necessary or desirable by the Borrower, all as permitted under the Illinois Finance Authority Act (collectively, the “<b>Financing Purposes</b>”).</p> <p><b>Program:</b> Conduit 501(c)(3) Revenue Bond</p> <p><b>Extraordinary Conditions:</b> None.</p>																
<b>BOARD ACTION</b>	Preliminary Bond Resolution																
<b>MATERIAL CHANGES</b>	Not applicable. This is the first time this financing is being presented to the IFA Board of Directors.																
<b>JOB DATA</b>	<table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">350</td> <td style="text-align: center;">Current jobs</td> <td style="text-align: center;">10</td> <td style="text-align: center;">New jobs projected (1-2 years)</td> </tr> <tr> <td style="text-align: center;">N/A</td> <td style="text-align: center;">Retained jobs</td> <td style="text-align: center;">60</td> <td style="text-align: center;">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)														
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>● Location: Joliet / Will County / Northeast</li> <li>● 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.</li> <li>● 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.</li> <li>● 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.</li> </ul>																
<b>CREDIT INDICATORS</b>	<ul style="list-style-type: none"> <li>● The Borrower is a non-rated entity.</li> <li>● 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 “<b>Bond Purchaser</b>”). Each Bond Purchaser will be a secured lender and a direct bond investor.</li> </ul>																
<b>SECURITY</b>	<ul style="list-style-type: none"> <li>● 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.</li> </ul>																
<b>MATURITY/INTEREST RATES</b>	<ul style="list-style-type: none"> <li>● The Bonds will mature no later than 25 years from the issue date.</li> <li>● The Bonds are expected to 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%.</li> </ul>																
<b>SOURCES AND USES</b>	<table style="width: 100%; border: none;"> <tr> <td colspan="2"><b>Sources:</b></td> <td colspan="2"><b>Uses:</b></td> </tr> <tr> <td style="width: 40%;">IFA Bonds</td> <td style="width: 20%; text-align: right;">\$15,000,000</td> <td style="width: 40%;">Project Costs</td> <td style="width: 20%; text-align: right;">\$18,400,000</td> </tr> <tr> <td>Capital Campaign Receipts</td> <td style="text-align: right;"><u>3,700,000</u></td> <td>Costs of Issuance</td> <td style="text-align: right;"><u>300,000</u></td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b><u>\$18,700,000</u></b></td> <td><b>Total</b></td> <td style="text-align: right;"><b><u>\$18,700,000</u></b></td> </tr> </table>	<b>Sources:</b>		<b>Uses:</b>		IFA Bonds	\$15,000,000	Project Costs	\$18,400,000	Capital Campaign Receipts	<u>3,700,000</u>	Costs of Issuance	<u>300,000</u>	<b>Total</b>	<b><u>\$18,700,000</u></b>	<b>Total</b>	<b><u>\$18,700,000</u></b>
<b>Sources:</b>		<b>Uses:</b>															
IFA Bonds	\$15,000,000	Project Costs	\$18,400,000														
Capital Campaign Receipts	<u>3,700,000</u>	Costs of Issuance	<u>300,000</u>														
<b>Total</b>	<b><u>\$18,700,000</u></b>	<b>Total</b>	<b><u>\$18,700,000</u></b>														
<b>RECOMMENDATION</b>	Credit Review Committee recommends approval.																

**ILLINOIS FINANCE AUTHORITY  
 BOARD SUMMARY  
 January 14, 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**

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

**VOTING RECORD**

Not applicable. This is the first time this financing is being presented to the IFA Board of Directors.

**PURPOSE**

Bond proceeds will provide **University of St. Francis** a not for profit corporation (the "**Borrower**") with all or a portion of the funds necessary to (i) finance, refinance, or reimburse the Borrower for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities, (ii) pay certain working capital expenditures if deemed desirable by the Borrower, (iii) fund a debt service reserve fund if deemed necessary or desirable by the Borrower and (iv) pay certain costs relating to the issuance of the Bonds if deemed necessary or desirable by the Borrower, 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 Bonds	\$15,000,000	Uses: Project Costs	\$18,400,000
Capital Campaign Receipts	<u>3,700,000</u>	Cost of Issuance	<u>300,000</u>
<b>Total</b>	<b><u>\$18,700,000</u></b>	<b>Total</b>	<b><u>\$18,700,000</u></b>

**JOBS**

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

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### 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 in an amount of \$7.5 million and PNC Bank, N.A. will direct-purchase the other tranche in an amount of \$7.5 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, 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.

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### PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Bond proceeds will provide **University of St. Francis** a not for profit corporation (the “**Borrower**”) with all or a portion of the funds necessary to (i) finance, refinance, or reimburse the Borrower for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities (including, but not limited to, its proposed Science building project), (ii) pay certain working capital expenditures if deemed desirable by the Borrower, (iii) fund a debt service reserve fund if deemed necessary or desirable by the Borrower and (iv) pay certain costs relating to the issuance of the Bonds if deemed necessary or desirable by the Borrower, 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
<b>Total:</b>	<b><u>\$18,400,000</u></b>



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### 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 1/1/2016 and has made all payments as scheduled.

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### 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](mailto: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.

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**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
PNC Bank Counsel:	Chapman and Cutler LLP	Chicago, IL	Carol Thompson
IFA Counsel:	To be determined		
IFA Financial Advisor:	Sycamore Advisors	Chicago, IL	Melanie Shaker

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**LEGISLATIVE DISTRICTS**

Congressional:	11
State Senate:	43
State House:	86

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January 14, 2016

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

<b>REQUEST</b>	<p><b>Purpose:</b> 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><b>Program:</b> Conduit 501(c)(3) Revenue Bonds</p> <p><b>Extraordinary Conditions:</b> None.</p>																								
<b>BOARD ACTIONS</b>	Preliminary Bond Resolution																								
<b>MATERIAL CHANGES</b>	None. This is the first time this project is being presented to the IFA Board of Directors.																								
<b>JOB DATA</b>	<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																				
Current jobs 2,276	New jobs projected N/A																								
Retained jobs N/A	Construction jobs projected N/A																								
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>• Illinois Locations: Carmi, Decatur, Forsyth, Lincoln, Springfield, Washington</li> <li>• Indiana Locations: Brownstown, Crown Point, Winfield</li> <li>• Christian Homes, Inc. (“<b>Christian Homes</b>”), 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.</li> </ul>																								
<b>CREDIT INDICATORS</b>	<ul style="list-style-type: none"> <li>• The Bonds will be fixed rate bonds sold through a public offering. The Borrower is pursuing a rating from Fitch Ratings, A rating is expected to be delivered at the time of printing the Preliminary Official Statement, during the week of February 1<sup>st</sup>.</li> </ul>																								
<b>SECURITY</b>	<ul style="list-style-type: none"> <li>• 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. The Borrower is expected to receive a Fitch rating during the week of February 1<sup>st</sup>. On June 9, 2015, Fitch Ratings affirmed the Borrower’s “BBB-” rating was affirmed with a Stable outlook on its outstanding bonds issued by the Authority (and local conduit issuers in Indiana, Iowa, and Missouri).</li> </ul>																								
<b>MATURITY</b>	<ul style="list-style-type: none"> <li>• Bonds will mature no later than May 15, 2040.</li> </ul>																								
<b>SOURCES AND USES</b>	<table border="0"> <tr> <td colspan="2"><b>Sources:</b></td> <td colspan="2"><b>Uses:</b></td> </tr> <tr> <td>IFA Series 2016 Bonds</td> <td>\$32,435,000.00</td> <td>Refunding</td> <td>\$17,253,082.72</td> </tr> <tr> <td>Trustee-Held Funds</td> <td>\$1,424,537.50</td> <td>Bank Loan</td> <td>\$13,000,000.00</td> </tr> <tr> <td>Equity</td> <td><u>\$216,675.00</u></td> <td>Debt Service Reserve Fund</td> <td>\$2,952,472.84</td> </tr> <tr> <td></td> <td></td> <td>*Costs of Issuance</td> <td><u>\$870,656.94</u></td> </tr> <tr> <td><b>Total</b></td> <td><b><u>\$34,076,212.50</u></b></td> <td><b>Total</b></td> <td><b><u>\$34,076,212.50</u></b></td> </tr> </table> <p><i>*Preliminary Estimate</i></p>	<b>Sources:</b>		<b>Uses:</b>		IFA Series 2016 Bonds	\$32,435,000.00	Refunding	\$17,253,082.72	Trustee-Held Funds	\$1,424,537.50	Bank Loan	\$13,000,000.00	Equity	<u>\$216,675.00</u>	Debt Service Reserve Fund	\$2,952,472.84			*Costs of Issuance	<u>\$870,656.94</u>	<b>Total</b>	<b><u>\$34,076,212.50</u></b>	<b>Total</b>	<b><u>\$34,076,212.50</u></b>
<b>Sources:</b>		<b>Uses:</b>																							
IFA Series 2016 Bonds	\$32,435,000.00	Refunding	\$17,253,082.72																						
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		*Costs of Issuance	<u>\$870,656.94</u>																						
<b>Total</b>	<b><u>\$34,076,212.50</u></b>	<b>Total</b>	<b><u>\$34,076,212.50</u></b>																						
<b>RECOMMENDATION</b>	Credit Review Committee recommends approval.																								

**ILLINOIS FINANCE AUTHORITY  
 BOARD SUMMARY  
 January 14, 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**

Preliminary 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**

<b>Sources:</b>		<b>Uses:</b>	
IFA Series 2016 Bonds	\$32,435,000.00	Refunding	\$17,253,082.72
Trustee-Held Funds	\$1,424,537.50	Bank Loan	\$13,000,000.00
Equity	<u>\$216,675.00</u>	Debt Service Reserve Fund	\$2,952,472.84
		*Costs of Issuance	<u>\$870,656.94</u>
<b>Total</b>	<b><u>\$34,076,212.50</u></b>	<b>Total</b>	<b><u>\$34,076,212.50</u></b>

*\*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: Fitch Ratings affirmed the “BBB-” rating on bonds issued on behalf of Christian Homes, Inc. (Illinois) with a Stable outlook as of June 9, 2015. Fitch is currently evaluating the Borrower in connection with the proposed financing and the Borrower expects to be notified regarding its rating during the week of February 1<sup>st</sup>. This rating will be reported to the Board when this financing returns for consideration of a Final Bond Resolution.

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:

<b>Obligated Group Communities</b>	<b>Location</b>	<b>Independent Living</b>	<b>Assisted Living</b>	<b>Skilled Nursing</b>	<b>Total</b>
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
		<b>383</b>	<b>261</b>	<b>1474</b>	<b>2118</b>

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**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

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**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	Jim Beck, Phoebe Selden

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**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

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**SERVICE AREA**

<b>Obligated Group Communities</b>	<b>Location</b>
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: Rich Frampton & Brad R. Fletcher

Date: January 14, 2016

Re: 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)  
IFA Series 2006 File Number: E-PS-TE-CD-6055

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### Request:

**Baker Demonstration School, Inc.**, an Illinois not for profit corporation (the “**Borrower**”) and **First Midwest Bank** (the “**Bond Purchaser**”) are requesting approval of a Resolution to authorize execution and delivery of a First Amendment to Bond and Loan Agreement to (i) modify the borrowing spread and reset the interest rate on the Illinois Finance Authority Revenue Bonds (Baker Demonstration School, Inc. Project, Series 2006 (the “**Series 2006 Bonds**”), as approved by the Bond Purchaser. The accompanying Resolution will also authorize execution and delivery, if necessary, of (ii) a revised Bond in substantially the form set forth in the First Amendment to the Bond and Loan Agreement (the “**Amended Bond**”) and (iii) a document setting forth the agreement and certification of the parties thereto relating to certain federal tax matters (the “**Tax Certificate**”).

The original par amount of the Series 2006 Bonds was \$7,000,000 which was purchased in whole by First Midwest Bank (which is the Borrower’s relationship bank). The outstanding principal balance was \$5,945,322.60 as of 12/1/2016.

### Impact:

Approval of this Resolution will not cause the terms of the Series 2006 Bonds 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 which will not be considered a reissuance (according to bond counsel), consistent with historical practice.

### Background:

The Authority issued its Series 2006 Bonds to finance the costs of (i) acquiring the Borrower’s school campus from National-Louis University consisting of approximately 3.8 acres of land located at the southwest corner of Maple Avenue and Sheridan Road in the Village of Wilmette, (ii) demolishing certain buildings, completing site work and completing renovations to Sutherland Hall, its school building, and (iii) paying permissible capitalized interest on the Bonds.

All payments relating to the IFA Series 2006 Bonds are current and have been paid as scheduled.

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### PROFESSIONAL & FINANCIAL

Bond Counsel:	Ice Miller LLP	Chicago, IL	Jim Snyder
Bond Purchaser:	First Midwest Bank	Chicago, IL	Bill Tripp
Bank Counsel:	Ice Miller LLP	Lisle, IL	Laurie Miller
IFA Financial Advisor:	Sycamore Advisors, LLC	Chicago, IL	Melanie Shaker

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IFA RESOLUTION NO. \_\_\_\_\_

**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)**

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

**WHEREAS**, **BAKER DEMONSTRATION SCHOOL, INC.**, an Illinois not for profit corporation (the “Borrower”), has requested that the Authority amend its Illinois Finance Authority Revenue Bonds (Baker Demonstration School, Inc. Project), Series 2006 (the “Bonds”). The Bonds financed the costs of (i) acquiring the Borrower’s school campus from National-Louis University consisting of approximately 3.8 acres of land located at the southwest corner of Maple Avenue and Sheridan Road in the Village of Wilmette, (ii) demolishing certain buildings, completing site work and completing renovations to Sutherland Hall, its school building, and (iii) paying permissible capitalized interest on the Bonds; and

**WHEREAS**, the Bonds were sold to First Midwest Bank (the “Purchaser”) in whole; and

**WHEREAS**, a draft of the following document is hereby presented to the Authority at this meeting and attached to this Resolution (the “Authority Document”):

Bond and Loan Agreement between the Authority, the Borrower and the Purchaser dated as of May 1, 2006 shall be amended by that certain First Amendment to Bond and Loan Agreement, substantially in a form approved by the Authority in similar transactions and on file with the Authority, under which parties agreed to amend the Interest Rate and Amortization Schedule on the Bonds, all as more fully described in the Authority Document.

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

**Section 1. Findings.** Based solely on the representations made by the Borrower, the Authority hereby makes the following findings and determinations with respect to the Borrower, the Bonds to be issued by the Authority and the facilities refinanced with the proceeds of the Bonds:

- (a) The Borrower is an Illinois 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 Borrower has properly filed with the Authority its request for assistance in providing funds to the Borrower which the Borrower will use for the purposes aforesaid;
- (c) The facilities to be refinanced with the proceeds of the Bonds do not include any property used or to be used for sectarian instruction or as a place of religious worship nor any facility which is used or to be used primarily in connection with any part of the program of a school or department of divinity for any religious denomination or the training of ministers, priests, rabbis or other professional persons in the field of religion; and

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

**Section 2. Bonds.** The Bonds shall be amended and secured by and shall have the terms and provisions set forth in the Authority Document (the “Amended Bonds”).

The Amended Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of its Executive Director, or any person authorized by a Resolution of the Authority and attested by the manual or facsimile signature of its Secretary or any Assistant Secretary, and may have the corporate seal of the Authority impressed manually or printed by facsimile thereon.

The Bonds and the interest thereon shall be a limited obligation of the Authority, payable solely out of the revenue and receipts derived by the Authority pursuant thereto as described in the Bond and Loan Agreement, as amended. The Bonds shall not in any respect be a general obligation of the Authority, nor shall they be payable in any manner from funds raised by taxation. No holder of the Bonds has the right to compel the exercise of the taxing power of the State or any political subdivision thereof to pay the Bonds, the interest or premium, if any, thereon. The Bonds do not constitute in any respect an indebtedness of the Authority or a loan of credit thereof within the meaning of any constitutional or statutory provision.

**Section 3. Authority Document.** The Authority does hereby authorize and approve the execution by its Chairman, Vice Chairman, Executive Director, or any person authorized by a Resolution of the Authority (each an “Authorized Officer”) and the delivery and use of the Authority Document. The Authority Document shall be substantially in a form previously approved by the Authority in similar transactions, which form is on file with the Authority, 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 person’s approval and the Authority’s approval of any changes or revisions therein from the form of such Authority Document attached hereto, and to constitute conclusive evidence of such person’s approval and the Authority’s approval of the terms of the Bonds and the purchase thereof.

**Section 4. Authorization and Ratification of Subsequent Acts.** The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents (including without limitation the execution and delivery of a document setting forth the agreement and certification of the parties thereto relating to certain federal tax matters) as may be necessary to carry out and comply with the provisions of these resolutions, the Authority Document, and all of the acts and doings of the Members, officers, agents, and employees of the Authority which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved.

**Section 5. Approval of Acts.** All acts of the officials of the Authority which are in conformity with the purposes and intent of this Resolution and in furtherance of the Amended Bonds, and the same hereby are, in all respects, approved and confirmed.

**Section 6. Severability.** The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of remainder of the sections, phrases and provisions.

**Section 7. Repeal of Conflicting Provisions.** All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

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

# ILLINOIS FINANCE AUTHORITY

## Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: January 14, 2016

Re: 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)  
IFA Series 2010 File Number: I-RZ-TE-CD-8413

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### Request:

**Mayo Properties, LLC**, an Illinois limited liability company (the “**Borrower**”) and **First Midwest Bank** (the “**Bond Purchaser**”) are requesting approval of a Resolution to authorize execution and delivery of an Amendment to Bond and Loan Agreement to (i) modify the borrowing spread, reset the interest rate and extend the weighted average maturity on the Illinois Finance Authority Recovery Zone Facilities Bonds (Mayo Properties, LLC Project), Series 2010 (the “**Series 2010 Bonds**”), as approved by the Bond Purchaser. The accompanying Resolution will also authorize execution and delivery, if necessary, of (ii) a revised Bond in substantially the form set forth in the First Amendment to the Bond and Loan Agreement (the “**Amended Bond**”) and (iii) a document setting forth the agreement and certification of the parties thereto relating to certain federal tax matters (the “**Tax Certificate**”).

The original par amount of the Series 2010 Bonds was \$4,100,000, which was purchased in whole by First Midwest Bank (which is the Borrower’s relationship bank). The outstanding principal balance was approximately \$3,429,102 as of 12/1/2015.

### Impact:

Approval of this Resolution will cause the terms of the Series 2010 Bonds to be modified sufficiently and thus require a new public hearing to be held (as required by Section 147(f) of the Internal Revenue Code of 1986, as amended). IFA’s estimated administrative fee for this transaction will be \$5,000. Additionally, these actions will not require an allocation of the Authority’s 2016 Volume Cap.

### Background:

The Authority issued its Series 2010 Bonds and loaned the proceeds to the Borrower to finance the costs of (i) acquiring and renovating an existing 82-door cross dock truck terminal owned by the Borrower and leased to Moran Transportation Corporation, and (ii) paying certain expenses in connection with the issuance of the Bonds.

All payments relating to the IFA Series 2010 Bonds are current and have been paid as scheduled.

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### PROFESSIONAL & FINANCIAL

Bond Counsel:	Ice Miller LLP	Chicago, IL	Jim Snyder
Bond Purchaser:	First Midwest Bank	Chicago, IL	
Bank Counsel:	Ice Miller LLP	Lisle, IL	Laurie Miller
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck, Phoebe Selden

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IFA RESOLUTION NO. \_\_\_\_\_

**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).**

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

**WHEREAS**, **MAYO PROPERTIES, LLC**, an Illinois limited liability company (the “Borrower”), has requested that the Authority amend its Illinois Finance Authority Recovery Zone Facilities Bonds (Mayo Properties, LLC Project), Series 2010 (the “Bonds”). The Bonds financed the costs of (i) acquiring and renovating an existing 82-door cross dock truck terminal owned by the Borrower and leased to Moran Transportation Corporation, and (ii) paying certain expenses in connection with the issuance of the Bonds; and

**WHEREAS**, the Bonds were sold to First Midwest Bank (the “Purchaser”) in whole; and

**WHEREAS**, a draft of the following document is hereby presented to the Authority at this meeting and attached to this Resolution (the “Authority Document”):

Bond and Loan Agreement between the Authority, the Borrower and the Purchaser dated as of December 1, 2010 shall be amended by that certain First Amendment to Bond and Loan Agreement, substantially in a form approved by the Authority in similar transactions and on file with the Authority, under which parties agreed to amend the Interest Rate and Amortization Schedule on the Bonds, all as more fully described in the Authority Document.

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

**Section 1. Findings.** Based solely on the representations made by the Borrower, the Authority hereby makes the following findings and determinations with respect to the Borrower, the Bonds to be issued by the Authority and the facilities refinanced with the proceeds of the Bonds:

(a) The Borrower is an Illinois limited liability company organized under the laws of the State of Illinois and is qualified to do business in the State of Illinois;

(b) The Borrower has properly filed with the Authority its request for assistance in providing funds to the Borrower which the Borrower will use for the purposes aforesaid;

(c) The facilities to be refinanced with the proceeds of the Bonds do not include any property used or to be used for sectarian instruction or as a place of religious worship nor any facility which is used or to be used primarily in connection with any part of the program of a school or department of divinity for any religious denomination or the training of ministers, priests, rabbis or other professional persons in the field of religion; and

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

**Section 2. Bonds.** The Bonds shall be amended and secured by and shall have the terms and provisions set forth in the Authority Document (the "Amended Bonds").

The Amended Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of its Executive Director and attested by the manual or facsimile signature of its Assistant Secretary, and may have the corporate seal of the Authority impressed manually or printed by facsimile thereon.

The Bonds and the interest thereon shall be a limited obligation of the Authority, payable solely out of the revenue and receipts derived by the Authority pursuant thereto as described in the Bond and Loan Agreement, as amended. The Bonds shall not in any respect be a general obligation of the Authority, nor shall they be payable in any manner from funds raised by taxation. No holder of the Bonds has the right to compel the exercise of the taxing power of the State or any political subdivision thereof to pay the Bonds, the interest or premium, if any, thereon. The Bonds do not constitute in any respect an indebtedness of the Authority or a loan of credit thereof within the meaning of any constitutional or statutory provision.

**Section 3. Authority Document.** The Authority does hereby authorize and approve the execution by its Executive Director, or any person authorized by a Resolution of the Authority (each an "Authorized Officer") and the delivery and use of the Authority Document. The Authority Document shall be substantially in a form previously approved by the Authority in similar transactions, which form is on file with the Authority, 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 person's approval and the Authority's approval of any changes or revisions therein from the form of such Authority Document attached hereto, and to constitute conclusive evidence of such person's approval and the Authority's approval of the terms of the Bonds and the purchase thereof.

**Section 4. Authorization and Ratification of Subsequent Acts.** The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents (including without limitation the execution and delivery of a document setting forth the agreement and certification of the parties thereto relating to certain federal tax matters) as may be necessary to carry out and comply with the provisions of these resolutions, the Authority Document, and all of the acts and doings of the Members, officers, agents, and employees of the Authority which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved.

**Section 5. Approval of Acts.** All acts of the officials of the Authority which are in conformity with the purposes and intent of this Resolution and in furtherance of the Amended Bonds, and the same hereby are, in all respects, approved and confirmed.

**Section 6. Public Hearing Requirement.** The publication on behalf of the Authority of the notices of public hearing relating to the conduct of the public hearing by the Executive Director of the Authority or his designee with respect to the amendment of the Bonds is hereby ratified, approved and confirmed. The officers of the Authority are hereby authorized and directed to submit the amendment to the Bonds for approval by the Governor of the State of Illinois pursuant to Section 1470") of the Internal Revenue Code of 1986, as amended (the "Code").

**Section 7. Severability.** The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of remainder of the sections, phrases and provisions.

**Section 8. Repeal of Conflicting Provisions.** All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

**Section 9. Authority Fee.** The Authority's closing fee will be set at \$5,000, payable at closing.

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

# ILLINOIS FINANCE AUTHORITY

## Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: January 14, 2016

Re: 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  
IFA Series 2009 File Number: I-ID-TE-CD-8127

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### Request:

**Anderson-Shumaker Company**, an Illinois corporation (the “**Borrower**”) and **Associated Bank** (the “**Bond Purchaser**”) are requesting approval of a Resolution to authorize execution and delivery of a First Amendment to Bond and Loan Agreement to ratify the extension of the initial interest rate period through 2/28/2016 which otherwise would have expired on 9/30/2015 on the Illinois Finance Authority Industrial Development Revenue Bond (Anderson-Shumaker Company Project), Series 2009 (the “**Series 2009 Bond**”), as approved by the Bond Purchaser. Furthermore, the First Amendment to the Bond and Loan Agreement will provide the Borrower and Bond Purchaser the flexibility to extend the current interest rate an additional six months, if necessary. The accompanying Resolution will also authorize execution and delivery, if necessary, of any additional documents and instruments as may be necessary to carry out and comply with the provisions of this resolution or the First Amendment to Bond and Loan Agreement.

The original par amount of the Series 2009 Bond was \$10,000,000, which was purchased in whole by Associated Bank (which is the Borrower’s relationship bank).

### Impact:

Approval of this Resolution will not cause the terms of the Series 2009 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 which will not be considered a reissuance (according to bond counsel), consistent with historical practice. Additionally, these actions will not require an allocation of the Authority’s 2016 Volume Cap.

### Background:

The Authority issued its Series 2009 Bond and loaned the proceeds to the Borrower to finance a portion of the costs incurred in connection with the construction and equipping of an approximately 22,870 square foot addition to the Borrower’s manufacturing facility located at 824 South Central Avenue, Chicago, Illinois and related parking improvements, with the facilities used in manufacturing large specialty steel forgings and related products (collectively, the “**Project**”).

All payments relating to the IFA Series 2009 Bond are current and have been paid as scheduled.

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### PROFESSIONAL & FINANCIAL

Borrower’s Counsel:	Pedersen & Houpt	Chicago, IL	Brian Collins
Bond Counsel:	Greenberg Traurig LLP	Chicago, IL	Matt Lewin
Bond Purchaser:	Associated Bank	Naperville, IL	Daniel Maher
Bank Counsel:	Arnstein & Lehr LLP	Chicago, IL	Randall S. Kulat
IFA Financial Advisor:	Sycamore Advisors	Chicago, IL	Melanie Shaker

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**IFA RESOLUTION NO. \_\_\_\_\_**

**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.**

WHEREAS, the Illinois Finance Authority, a political subdivision and a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the “**Authority**”), including, without limitation, the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq., as supplemented and amended (the “**Act**”), has previously issued its \$10,000,000 authorized aggregate principal amount Industrial Development Revenue Bond (Anderson-Shumaker Company Project) Series 2009 (the “**Bond**”); and

WHEREAS, in furtherance of the issuance of the Bond, the Authority entered into a Bond and Loan Agreement dated as of March 1, 2009 (the “**2009 Agreement**”) with Associated Bank, as the owner of the Bond (the “**Purchaser**”), and Anderson-Shumaker Company, an Illinois corporation (the “**Borrower**”), pursuant to which the proceeds of the Bond were lent by the Authority to the Borrower to finance a portion of the costs incurred in connection with the construction of an approximately 22,870 square feet addition to the Borrower’s manufacturing facility located at 824 South Central Avenue, Chicago, Illinois, an approximately 1,190 square foot recessed loading dock and related parking improvements, and the acquisition and installation of manufacturing equipment for use therein, all used for the manufacture of large specialty steel forgings and rolled rings and related products (collectively, the “**Project**”); and

WHEREAS, the Purchaser, the Borrower and the Authority now desire to enter into a First Amendment to Bond and Loan Agreement (the “**First Amendment**”) in order to reflect an extension of the initial interest rate period on the Bond and make certain other changes to the 2009 Agreement; and

WHEREAS, it is necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of the First Amendment.

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

**Section 1.** All of the recitals contained in the preambles to this Resolution are full, true and correct, and are hereby incorporated into this Resolution by this reference.

**Section 2.** Pursuant to the Act, the amendment of the terms of the 2009 Agreement in accordance with the terms of the First Amendment are hereby approved and authorized, and such modifications are in furtherance of the Authority’s public purposes.

**Section 3.** The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by its Chairperson, Vice Chairperson, Executive Director, 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 First Amendment. The Secretary or any Assistant Secretary of the Authority is hereby authorized to attest and to affix the official seal of the Authority to the First

Amendment. The First Amendment shall be substantially in the form 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 First Amendment and to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the terms of the Bond and the purchase thereof.

**Section 4.** The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents including, without limitation, any additional documents and instruments as may be necessary to carry out and comply with the provisions of these resolutions or the First Amendment, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the First Amendment 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 First Amendment.

**Section 5.** All acts of the officers, employees and agents of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, be, and the same hereby are, in all respects, ratified, confirmed and approved.

**Section 6.** The Bond and the interest thereon shall continue to be a limited obligation of the Authority, payable solely from the income and revenues to be derived by the Authority from the Borrower pursuant to the 2009 Agreement, as amended (except such income and revenues as may be derived by the Authority pursuant to the Unassigned Rights as defined in the 2009 Agreement). The Bond and the interest thereon shall never constitute a general obligation or commitment by the Authority to expend any of its funds other than (i) proceeds of the sale of the Bond, (ii) the income and revenues derived by the Authority from the Borrower pursuant to the 2009 Agreement, as amended, and other amounts available under the 2009 Agreement, as amended, and (iii) any money arising out of the investment or reinvestment of said proceeds, income, revenue or receipts.

**Section 7.** 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 Amendatory Resolution.

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

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

# ILLINOIS FINANCE AUTHORITY

## Memorandum

To: IFA Board of Directors

From: Christopher B. Meister, Executive Director

Date: January 14, 2016

Re: Resolution of Intent requesting an Initial Allocation of Calendar Year 2016 Private Activity Bond Volume Cap in the amount of \$100,000,000

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### **Request:**

The accompanying Resolution of Intent is in connection with IFA's annual request for Volume Cap to fund Beginning Farmer Bond and Industrial Revenue Bond Projects during Calendar Year 2016. The Authority's initial Volume Cap allocation request amount pursuant to the accompanying Resolution is \$100,000,000 for Calendar Year 2016.

### **Background:**

The Governor's Office of Management and Budget ("GOMB") requests that the governing board of each State conduit bond issuing authority file a certified Resolution of Intent as a supplemental exhibit to the issuer's annual Volume Cap allocation request letter.

### **Recommendation:**

Staff recommends approval of the accompanying Resolution as presented.

**IFA RESOLUTION NO. 2016-0114-AD08**

**RESOLUTION OF INTENT REQUESTING AN INITIAL  
ALLOCATION OF PRIVATE ACTIVITY VOLUME CAP IN  
THE AMOUNT OF \$100,000,000**

**WHEREAS**, pursuant to Section 801-40 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1, et seq., as amended (the “Act”), the **ILLINOIS FINANCE AUTHORITY** (the “Authority”) is authorized to issue bonds (“Bonds”), including, but not limited to, the issuance of Bonds pursuant to the Illinois Private Activity Bond Allocation Act, 30 ILCS 345 et seq. (the “*Illinois Allocation Act*”); and

**WHEREAS**, the State of Illinois Guidelines and Procedures for the Allocation of Private Activity Bonding Authority require a request for volume cap allocation be accompanied by a Resolution of the Authority; and

**WHEREAS**, the Authority anticipates a strong demand for the proceeds of its Bonds and a consequent need to issue Bonds soon after January 1, 2016:

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

**Section 1. Ratification and Approval.** The Authority hereby ratifies and approves all actions taken by the Executive Director with respect to the initial volume cap allocation of \$100,000,000 in Calendar Year 2016.

**Section 2. Intention to Provide Financing.** The Authority states its intention, subject to compliance with all requirements of law, to issue Bonds pursuant to the Illinois Volume Cap Allocation Act, in addition to the amount of the Existing Allocation, and on terms and conditions acceptable to the Authority.

**Section 3. Authorization to Implement Resolution.** The Executive Director is authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

**Resolution No. 2016-0114-AD09**

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

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

**WHEREAS**, pursuant to the Act, a vigorous growing economy is the basic source of job opportunities and the protection against involuntary unemployment, its economic burdens and the spread of economic stagnation can best be provided by promoting, attracting, stimulating and revitalizing industry, manufacturing and commerce in the State of Illinois (“State”); and

**WHEREAS**, in furtherance thereof, the Authority has been provided with the power to finance various projects , including industrial projects, as defined therein; and

**WHEREAS**, pursuant to 20 ILCS 605/605 *et seq.*, and related provisions, the Illinois Department of Commerce and Economic Opportunity (“DCEO”) is charged with enhancing Illinois’ economic competitiveness by providing technical and financial assistance to businesses, local governments, workers and families; and

**WHEREAS**, DCEO and the Authority have a mutual interest in establishing policies and programming to facilitate economic development opportunities in the State; and

**WHEREAS**, Article 7, Section 10(a) of the 1970 Constitution of Illinois and the Intergovernmental Cooperation Act (5 ILCS 220/1 *et seq.*, as amended) authorize “public agencies” to contract with other “public agencies” to perform any governmental service, activity or undertaking or to combine, transfer, or exercise any powers, functions, privileges, or authority which any of the public agencies entering into the contract is authorized by law to perform, and the DECO and the Authority are “public agencies” as that term is defined and used in the Intergovernmental Cooperation Act; and

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

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

**Section 2. Approval to Enter Into an Intergovernmental Agreement with the Department of Commerce and Economic Opportunity Regarding Increased Program Coordination and Improving Administrative Functions.** The Executive Director or his

designee is authorized to take all actions, reasonable and necessary, to enter into an intergovernmental agreement with the Director of DCEO to increase program coordination and improve administrative functions and to cover other matters related thereto, including, but not limited to, consistency in describing personnel functions and job descriptions as well as information technology support, if necessary.

**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 purpose of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects, ratified, confirmed and approved. All prior and future acts and doing of the officers, agents and employees of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and performance of the Resolution shall be and the same hereby are in all respects approved and confirmed.

**Section 4. Delegation to the Executive Director.** The Authority hereby delegates to the Executive Director, in conjunction with the other officers of the Authority, the power to take or cause to be taken any and all actions, and to execute, acknowledge and deliver any and all such agreements, instruments, certificate and other documents as may be required in connection with approvals set forth in Section 2 of this Resolution above.

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

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

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

Approved and effective this 14th day of January, 2016 by roll call vote as follows:

Yeas:

Nays:

Abstain:

Absent:

Vacancies:

ILLINOIS FINANCE AUTHORITY

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

ATTEST:

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

**Resolution No. 2016-0114-AD10**

**RESOLUTION REGARDING COMMITTEE ASSIGNMENTS**

**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 “Act”); and

**WHEREAS**, pursuant to Resolution No. 2014-0311-AD adopted on July 9, 2015 as amended by Resolution No. 2015-1112-AD10 adopted on November 12, 2015, the Authority authorized the formation of the following committees: (1) Audit, Budget, Finance, Investment and Procurement, (2) Governance, Personnel, Legislation and Ethics, (3) Tax-Exempt Conduit Transactions, (4) Direct and Alternative Financing, and (5) Executive (collectively, the “Committees”); and

**WHEREAS**, pursuant to Resolution No. 2015-1112-AD10 adopted on November 12, 2015, the Authority approved membership for the various Committees; and

**WHEREAS**, in December 2015, Lyle McCoy was appointed by Governor Bruce Rauner as a Member of the Authority to take the position formerly held by Mayor Barrett Pedersen; and

**WHEREAS**, the Authority desires to clarify that Chairman Rob Funderburg shall be an ex officio committee member in a non-voting capacity of the following Committees: (1) Audit, Budget, Finance, Investment and Procurement, (2) Governance, Personnel, Legislation and Ethics, (3) Tax-Exempt Conduit Transactions, and (4) Direct and Alternative Financing; 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. Committee Designations.** The Authority hereby approves Lyle McCoy as a member of the Audit, Budget, Finance, Investment and Procurement Committee, the Tax-Exempt Conduit Transactions Committee, and the Direct and Alternative Financing Committee. Chairman Rob Funderburg shall serve as an ex officio committee member in a non-voting capacity of the following Committees: (1) Audit, Budget, Finance, Investment and Procurement, (2) Governance, Personnel, Legislation and Ethics, (3) Tax-Exempt Conduit Transactions, and (4) Direct and Alternative Financing; and his ex officio membership in such committees shall not be deemed to increase the membership of such committees for quorum purposes.

**Section 3. 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 4. Further Actions.** The Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge and deliver all documents as may in his discretion be deemed necessary or desirable to carry out and comply with the terms and provisions of this Resolution; and all of the acts and doings of the Executive Director of the Authority which are in conformity with the intent and purpose of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects, ratified, confirmed and approved. All prior and future acts and doing of the officers, agents and employees of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and performance of the Resolution shall be and the same hereby are in all respects approved and confirmed.

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

**Section 5. Immediate Effect.** This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Approved and effective this 14th day of January, 2016 by roll call vote as follows:

Yeas:

Nays:

Abstain:

Absent:

Vacancies:

ILLINOIS FINANCE AUTHORITY

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

ATTEST:

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

**Resolution No. 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**

**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 “Act”); and

**WHEREAS**, pursuant to Resolution No. 2014-0311-AD adopted on July 9, 2015, as amended by Resolution No. 2015-1112-AD10 adopted on November 12, 2015, the Authority authorized the formation of the following committees: (1) Audit, Budget, Finance, Investment and Procurement, (2) Governance, Personnel, Legislation and Ethics, (3) Tax-Exempt Conduit Transactions, (4) Direct and Alternative Financing, and (5) Executive Committee; and

**WHEREAS**, the scope of the newly-created Governance, Personnel, Legislation and Ethics Committee (the Committee”) with respect to the selection, evaluation and compensation of the Executive Director needs to be clarified; 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. Clarification of the Scope of the Committee with respect to the Selection, Evaluation, and Compensation of the Executive Director.** The Governance, Personnel, Legislation and Ethics Committee is hereby authorized to review with the Executive Director matters relating to personnel of the Authority other than the Executive Director, including but not limited to compensation and benefit plans and terms of employment, but matters relating to the selection, evaluation and compensation of the Executive Director shall be within the scope of the powers of the Executive Committee.

**Section 3. 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 4. Conflicts.** All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

**Section 5. Immediate Effect.** This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Approved and effective this 14th day of January, 2016 by roll call vote as follows:

Yeas:

Nays:

Abstain:

Absent:

Vacancies:

ILLINOIS FINANCE AUTHORITY

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

ATTEST:

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

**Resolution No. 2016-0114-AD12**

**RESOLUTION CLARIFYING THE SCOPE OF THE EXECUTIVE COMMITTEE WITH RESPECT TO THE SELECTION, EVALUATION AND COMPENSATION OF THE EXECUTIVE DIRECTOR**

**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 “Act”); and

**WHEREAS**, pursuant to Resolution No. 2014-0311-AD adopted on July 9, 2015, as amended by Resolution No. 2015-1112-AD10 adopted on November 12, 2015, the Authority authorized the formation of the following committees: (1) Audit, Budget, Finance, Investment and Procurement, (2) Governance, Personnel, Legislation and Ethics, (3) Tax-Exempt Conduit Transactions, (4) Direct and Alternative Financing, and (5) Executive Committee; and

**WHEREAS**, the Act provides that the Members of the Authority shall appoint an Executive Director from nominations received from the Governor to hold office for a one-year term; and

**WHEREAS**, the Act further provides that the Executive Director shall be the chief administrative and operational officer of the Authority and shall direct and supervise its administrative affairs and general management and perform other duties as may be prescribed from time to time by the Members and shall receive compensation fixed by the Authority; and

**WHEREAS**, the scope of the newly-created Executive Committee with respect to the selection, evaluation and compensation of the Executive Director needs to be clarified; 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. Clarification of the Scope of the Committee with respect to the Selection, Evaluation and Compensation of the Executive Director.** As the Executive Director is the chief administrative and operational officer of the Authority, the Executive Committee is hereby authorized to review and approve matters relating to the selection, evaluation and compensation of the Executive Director and to report recommendations to the Members to the extent the Members are required to approve such matters pursuant to the Act.

**Section 3. 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 4. Conflicts.** All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

**Section 5. Immediate Effect.** This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Approved and effective this 14th day of January, 2016 by roll call vote as follows:

Yeas:

Nays:

Abstain:

Absent:

Vacancies:

ILLINOIS FINANCE AUTHORITY

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

ATTEST:

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

**Item No. 13 has been withdrawn.**

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