

ILLINOIS FINANCE AUTHORITY

December 10, 2015

AGENDA

BOARD MEETING

10:00 a.m.

Michael A. Bilandic Building

160 North LaSalle Street

Suite S-1000

Chicago, Illinois 60601

- I. Call to Order & Roll Call
- II. Presentation and Consideration of Item No. 15 of the Project Reports and Resolutions
- III. Approval of Agenda
- IV. Chairman's Remarks
- V. Message from the Executive Director
- VI. Consideration of the Minutes
- VII. Presentation and Consideration of Financial Reports
- VIII. Monthly Procurement Report
- IX. Committee Reports
- 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
- 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)
- XII. Presentation and Consideration of the Project Reports and Resolutions
- XIII. Other Business
- XIV. Public Comment
- XV. Adjournment

PROJECT REPORTS AND RESOLUTIONS

AGRICULTURE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
Beginning Farmer Bonds <i>Final (One-Time Consideration)</i>						
1	A) Jordan Baumgart	Gray Township (White County)	\$333,500	-	-	PE/LK
	B) Troy M. Diericks	Atkinson Township (Henry County)	\$483,925	-	-	PE/LK
	C) Jesse W. and Ashley L. Wilson	Indian Creek Township (White County)	\$192,500	-	-	PE/LK
	D) Cory and Emily Schirer	Greene Township (Woodford County)	\$140,000	-	-	PE/LK
Specialized Livestock Guarantee <i>Final (One-Time Consideration)</i>						
2	Edward L. King	Steward (Lee County)	\$1,000,000	-	10	PE/LK
TOTAL AGRICULTURE PROJECTS			\$2,149,925	-	10	

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

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds <i>Final</i>						
3	Norwegian Lutheran Bethesda Home Association	Chicago (Cook County)	\$7,517,000	10	102	RF/BF
4	Adler University	Chicago (Cook County)	\$19,100,000	19	-	RF/BF
TOTAL EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS			\$26,617,000	29	102	

HEALTHCARE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
501(c)(3) Revenue Bonds <i>Final (One-Time Consideration)</i>						
5	Iowa Health System d/b/a UnityPoint Health	Peoria (Peoria County)	\$53,000,000	-	-	PL/TH
TOTAL HEALTHCARE PROJECTS			\$53,000,000	-	-	
GRAND TOTAL			\$81,766,925	29	112	

PROJECT REPORTS AND RESOLUTIONS

RESOLUTIONS

Tab	Action	Staff
Resolutions		
6	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	RF/BF
7	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	RF/BF
8	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	RF/BF
9	Resolution Authorizing Actions to Assist with Affiliation of Northwestern Memorial HealthCare and KishHealth System	PL/TH
10	Resolution Authorizing the Issuance of Not to Exceed \$115,000,000 in Aggregate Principal Amount of Illinois Finance Authority Taxable Revenue Bonds (Moral Obligation of the State of Illinois), Series 2015, the Proceeds of Which are to be Used for Public Purpose Projects Under the Illinois Finance Authority Act; the Execution of an Indenture of Trust Between the Authority and Zions First National Bank, as Trustee as Well as Assignment Agreements, an Interagency Agreement and Other Related Documents; and Authorizing and Approving All Other Actions Necessary or Appropriate Related Thereto	CM
11	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	CM/EW
12	Resolution to Join the Infrastructure Council of the Illinois Chamber of Commerce	CM
13	Resolution for Election of a Vice-Chair of the Illinois Finance Authority	CM
14	Resolution Appointing the Executive Director of the Illinois Finance Authority for One-Year Term of Office	
15	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	EW
16	Resolution to Authorize the Use of Unrestricted General Funds of the Illinois Finance Authority in connection with Outstanding Unpaid Receivables of Vendors to the State of Illinois by Either Direct-Purchase by the Illinois Finance Authority or by an Alternative Financing Method as Allowed by Law	CM
17	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	CM

Date: December 10, 2015

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
Terrence M. O'Brien
Mayor Barrett F. Pedersen
Roger Poole
Mordecai Tessler
John Yonover
Bradley A. Zeller

Subject: Message from the Executive Director

Dear Member of the Authority:

December is the meeting where nominations and appointment to the post of Authority Executive Director are annually considered by the Members of the Authority. I am grateful to Governor Bruce Rauner, Authority Chair Funderburg, and all of the Members of the Authority for the opportunity to serve the people of Illinois. I hope that the Members of the Authority will favorably consider my nomination as Executive Director for the coming year.

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

Respectfully,



Christopher B. Meister
Executive Director

Date: December 10, 2015

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
Terrence M. O'Brien
Mayor Barrett F. Pedersen
Roger Poole
Mordecai Tessler
John Yonover
Bradley A. Zeller

From: Brad R. Fletcher, Assistant Vice President

Subject: Minutes of the November 12, 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 November 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, November 12, 2015
9:30 AM

AGENDA:

- I. Call to Order & Roll Call
(page 3, line 1 through page 4, line 3)
- II. Approval of Agenda
(page 4, line 4 through page 4, line 15)
- III. Chairman’s Remarks
(page 4, line 16 through page 5, line 9)
- IV. Message from the Executive Director
(page 5, line 10 through page 6, line 22)
- V. Consideration of the Minutes
(page 6, line 23 through page 7, line 11)
- VI. Presentation and Consideration of Financial Reports
(page 7, line 12 through page 12, line 4)
- VIII. Monthly Procurement Report
(page 12, line 5 through page 12, line 9)



- IX. Committee Reports
(page 12, line 10 through page 12, line 13)
- X. Presentation and Consideration of the Project Reports and Resolutions
(page 12, line 14 through page 57 , line 21)
- XI. Other Business
(page 57, line 22 through page 57, line 24)
- XII. Public Comment
(page 58, line 1 through page 58, line 4)
- XIII. Adjournment
(page 58, line 5 through page 58, line 14)

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 November 12, 2015 Regular Meeting of the Board
 - 2. Voting Record of the November 12, 2015 Regular Meeting of the Board

1 ILLINOIS FINANCE AUTHORITY BOARD
2 BOARD OF DIRECTORS REGULAR MEETING
3 November 12th, 2015, at 9:30 a.m.
4
5
6

7 Report of Proceedings had at the Meeting of the
8 Illinois Finance Authority Board of Directors Regular
9 Meeting on November 12th, 2015, at the hour of 9:30,
10 pursuant to notice, at 160 North LaSalle Street, Suite
11 S1000, Chicago, Illinois.
12
13
14
15
16
17
18
19
20
21
22
23
24

MARZULLO REPORTING AGENCY (312) 321-9365

♀

1 APPEARANCE:
2 ILLINOIS FINANCE AUTHORITY BOARD OF DIRECTORS

- 3 MR. R. ROBERT FUNDERBURG
- MR. ERIC ANDERBERG
- 4 MR. ROBERT HORNE
- MR. ADAM ISRAELOV
- 5 MS. ARLENE JURACEK
- MR. LERRY KNOX
- 6 MR. BARRETT PEDERSON (Added 9: 41 a. m.)
- MR. MORDECAI TESSLER (Added 9: 41 a. m.)
- 7 MR. ROBERT E. POOLE
- MS. GILA J. BRONNER
- 8 MR. MICHAEL W. GOETZ

9
 10 ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

- 11 MR. BRAD FLETCHER, Assi stant Vi ce-Presi dent
- MR. RICH FRAMPTON, Vi ce-Presi dent
- 12 MS. MELINDA GILDART, CFO
- MS. PAMELA LENANE, Vi ce-Presi dent
- 13 MS. ELIZABETH WEBER, General Counsel
- MS. SIX GRANDA, Controll er
- 14 MR. CHRI STOPHER B. MEI STER, Executi ve Di rector
- MR. PATRICK EVANS, AG Banker

- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24

MARZULLO REPORTING AGENCY (312) 321-9365

♀

1 CHAIRMAN FUNDERBURG: I would like to call to
 2 order the meeting of the Illinois Finance Authority
 3 at 9:35. First is roll.

4 FLETCHER: The time is 9:35 a.m. At this time,
 5 I'll call the roll. Mr. Anderberg?

6 ANDERBERG: Here.

7 FLETCHER: Ms. Bronner?

8 BRONNER: Here.
9 FLETCHER: Mr. Goetz?
10 GOETZ: Here.
11 FLETCHER: Mr. Horne?
12 HORNE: Here.
13 FLETCHER: Mr. Israel ov?
14 ISRAELOV: Here.
15 FLETCHER: Ms. Juracek?
16 JURACEK: Here.
17 FLETCHER: Mr. Knox?
18 KNOX: Here.
19 FLETCHER: Mr. Pool e?
20 POOLE: Here.
21 FLETCHER: Mr. Chai rman?
22 CHAI RMAN FUNDERBURG: Here.
23 MR. FLETCHER: Any Board Members on the
24 tel ephone?

MARZULLO REPORTING AGENCY (312) 321-9365

♀

4

1 EVANS: Thi s is Pat Evans.
2 FLETCHER: Mr. Chairman, at thi s time we have a
3 quorum.
4 CHAI RMAN FUNDERBURG: Thank you very much.
5 Next is approval of the agenda. Anythi ng anybody
6 would like to correct or add to the agenda, you
7 could do that.
8 If not, is there a moti on to approve that?
9 GEOTZ: Moved.
10 POOLE: Second.
11 CHAI RMAN FUNDERBURG: All i n favor, please say

12 aye?

13 (A chorus of ayes.)

14 CHAIRMAN FUNDERBURG: Any opposed?

15 (No response.)

16 CHAIRMAN FUNDERBURG: Okay, thank you. Next, I
17 would just like to open by thanking all of the staff
18 at the IFA. It's been a very, very busy month not
19 only conducting the business of the IFA, but also in
20 working on a number of other projects, and you've
21 all been doing a great job.

22 Sincere thanks to all of you. Also, just
23 in terms of a procedural matter, I just want to
24 point out that, you know, this is a volunteer,

MARZULLO REPORTING AGENCY (312) 321-9365

‡

5

1 unpaid, part-time position that all of us have.
2 From time to time, our other interests, business or
3 otherwise, sometimes create a potential conflict
4 with IFA customers.

5 And I'm recommending that, you know, from
6 here on out, if there is a potential or actual
7 conflict, that the affected Director remove himself
8 or herself from the room during that point of
9 discussion. That's all I have for now. Chris?

10 MEISTER: Thanks, Mr. Chairman. Again, my name
11 is Chris Meister. I'm the Executive Director of the
12 Illinois Finance Authority.

13 I just want to call the Board Members and
14 the audience to my message that is posted in the
15 front part of the book.

16 Obviously, there is some extraordinary
Page 4

17 times here in Illinois State Government; and in
18 connection with these extraordinary times, I'm
19 asking the Authority to consider some extraordinary
20 actions, which are found on items -- specifically
21 Items 7, 11, and 8 of the project reports and
22 resolutions on the agenda.

23 I will speak to those, but specifically
24 I'm going to be asking the Authority to help

MARZULLO REPORTING AGENCY (312) 321-9365

†

6

1 ameliorate the difficulties faced by certain state
2 vendors and providers of 911 services in this state.

3 I'm also very pleased, again, we have a
4 diverse agenda, the agriculture, education,
5 healthcare, and industry on the conduit borrowers
6 side. I also want to note that last week at the
7 invitation of the Canadian Consulate, I was part of
8 an Illinois Delegation that went to Toronto for the
9 Canadian Public/Private Partnership Conference.

10 I was accompanied by Roger Driskell, who
11 works for the Illinois Department of Transportation;
12 and in the transportation space in Illinois, is our
13 State's subject matter expert, and a newly-appointed
14 Executive Director of the Chicago Infrastructure
15 Bank, Leslie Darling.

16 And I would like to thank the Canadian
17 Consulate General Roy Norton, as well as his staff
18 in the Trade Division, Darcy Munroe and Ann Rosen.
19 It was very productive. I'll be providing the Board
20 with a report in the coming days.

21 With that, I think we can turn back to the
22 agenda, Mr. Chairman.

23 CHAIRMAN FUNDERBURG: Okay. Thank you very
24 much. Next, is the consideration and the approval
MARZULLO REPORTING AGENCY (312) 321-9365

♀

7

1 of the minutes. Are there any additions or
2 corrections to the minutes of last month's meeting?

3 If not, is there a motion to approve?

4 BRONNER: So moved.

5 CHAIRMAN FUNDERBURG: Okay.

6 KNOX: Second.

7 CHAIRMAN FUNDERBURG: There's a motion and
8 second. All in favor, please say aye.

9 (A chorus of ayes.)

10 CHAIRMAN FUNDERBURG: Any opposed?

11 (No response.)

12 CHAIRMAN FUNDERBURG: Thank you. Next order of
13 business then is the financial reports.

14 Ms. Gildhart?

15 GILDART: Good morning. I'm Melinda Gildart.
16 I'm Chief Financial Officer of the Illinois Finance
17 Authority.

18 In summary, for FY15 results, unaudited
19 results, our net income number has not changed.
20 We're still looking about \$622,000 in unaudited net
21 income for FY15.

22 And those audits are -- the financial and
23 compliance audits are drawing to a close. They are
24 near completion, and we're still working on the

MARZULLO REPORTING AGENCY (312) 321-9365
Page 6

1 CAFR, which we hope to finalize in the next coming
2 week.

3 The summary results for FY16 unaudited,
4 our total revenues equal \$2.2 million, and it's
5 about \$619,000, or just under 40 percent over
6 budget, and that's driven mostly by higher closing
7 fees, higher than expected closing fees.

8 And we also have closing fees year to date
9 of \$1.7 million. So it's about 55 percent higher
10 than what we budgeted.

11 In October, we had closings from the
12 Columbia College, which generated fees of \$113,000;
13 Plymouth Place at \$111,000; Riverside Health System,
14 \$92,000; Nazareth Academy for \$70,000; Advocate
15 Health Care, \$48,000; and then we have various
16 agricultural-related closings for about \$13,000.

17 We also collected application fees of
18 \$11,000 from local governments and fire districts in
19 relation to the FY16 fire truck loan applications.
20 So those are added to our bottom line for revenues.

21 Our total annual expenses are 1.3 million,
22 and that's 21 percent below budget. Again, that's
23 driven mostly by vacant budgeted positions and the
24 delay in our IT projects and purchases.

MARZULLO REPORTING AGENCY (312) 321-9365

1 Our projected annual net income at this
2 point in the fiscal year is \$959,000; and again, the

3 major driver is lower than expected spending at 25
4 percent below budget.

5 Overall, the Authority continues to
6 maintain a strong balance sheet. We have
7 \$54,000,000 in assets and just \$918,000 in
8 liabilities.

9 Again, the Authority also accounts for
10 activity for the State of Illinois Component Units,
11 the Illinois Environmental Protection Agency, the
12 Illinois Medical District Commission and Northern
13 Illinois University Foundation, and their activity
14 is about \$158,000,000 on our balance sheet.

15 We processed 5.8 million in fire truck
16 loans and will seek to disburse them, once the
17 Authority completes its final administrative review.

18 As of June 30th, 2015, the Illinois
19 Agricultural Loan Guarantee Fund and the Illinois
20 Farmer Agri Business Loan Guarantee Fund have
21 expense amounts of \$155,000 in the loan guarantee
22 fund, and \$563,000 as a loss reserve for potential
23 loan payoffs for the ag funds.

24 Again, we are completing our FY14 and FY15

MARZULLO REPORTING AGENCY (312) 321-9365

♀

10

1 financial compliance audits, and we will seek to
2 finish the CAFR soon. Are there any questions?

3 HORNE: I have one question on fees. You were
4 outlining for October, the Advocate fee of \$48,000.

5 It just struck me as a low fee compared to
6 the others, and I recall that being a very large
7 bond issuance. So was that just a small fee for

8 that issuance?

9 LENANE: Yes. Advocate issued a bond in May of
10 this year, which would have been the last fiscal
11 year, and then they bought -- they also approved the
12 refunding opportunity, but that refunding
13 opportunity wasn't available at the time they went
14 to the market, and the market wasn't good.

15 So at that time I priced it based on what
16 they actually issued. And then the market broke in
17 October, and we went really fast, two weeks start to
18 finish, and we issued those bonds. They got a
19 fabulous rate. So I only charged them the balance
20 of the fee.

21 HORNE: Okay.

22 LENANE: So the total fee would have been, I
23 think, like, 150 something.

24 HORNE: Okay. I just remember the bond amount
MARZULLO REPORTING AGENCY (312) 321-9365

♀

11

1 was significant.

2 LENANE: It was significant.

3 HORNE: It seems small in the context of that.

4 LENANE: Right. It is about, I want to say, a
5 little over \$100,000,000 in bonds. So what we
6 authorized was larger in May. We had authorized it,
7 but it was based on what was authorized originally.

8 HORNE: Okay. Thank you.

9 GILDART: Any other questions?

10 CHAIRMAN FUNDERBURG: If there are no other
11 questions, then, is there a motion to accept the

12 financial report?

13 FLETCHER: If I may, Mr. Chairman.

14 CHAIRMAN FUNDERBURG: Yes.

15 FLETCHER: Let the record reflect before we
16 take the vote the arrival of Member Pedersen and
17 Member Tessler.

18 CHAIRMAN FUNDERBURG: Thank you. Okay. So is
19 there a motion to accept the financial reports?

20 GOETZ: So moved.

21 CHAIRMAN FUNDERBURG: By mr. Goetz. Is there a
22 second?

23 POOLE: Second.

24 CHAIRMAN FUNDERBURG: Seconded by Pool e. All
MARZULLO REPORTING AGENCY (312) 321-9365

‡

12

1 in favor, please aye.

2 (A chorus of ayes.)

3 CHAIRMAN FUNDERBURG: Any opposed?

4 (No response.)

5 CHAIRMAN FUNDERBURG: Thank you. Also, just
6 please note that there are, regarding monthly
7 procurement reports.

8 GILDART: We will update the Board in December
9 on procurement activity.

10 CHAIRMAN FUNDERBURG: Okay, very good. Thank
11 you. There were no committee reports for the month,
12 so we'll move on to the projects report and
13 resolutions.

14 I would like to ask the Board if it's okay
15 if we go ahead and take them collectively in general
16 consent.

17 Is that agreeable with the group?

18 (A chorus of ayes.)

19 CHAIRMAN FUNDERBURG: No one is opposed. Thank
20 you.

21 MEISTER: But I do believe that we have a
22 member that there are going to be conflicts on a
23 couple of them.

24 CHAIRMAN FUNDERBURG: Yes. Right. You want to
MARZULLO REPORTING AGENCY (312) 321-9365

‡

13

1 address it at this point. Adam?

2 ISRAELOV: Right, yes. Items 7 and 11, so I'll
3 have to recuse myself from consideration and
4 deliberation on voting. Citibank Capital Markets I
5 think is a client of my employer.

6 MEISTER: And also to Item 9, I just want to
7 speak briefly to that. That item is going to be
8 withdrawn.

9 Some weeks ago I circulated a memo
10 regarding possible loans by the Illinois Finance
11 Authority to local governments, in connection with
12 motor fuel tax and 911 services to Illinois local
13 governments.

14 I had received a contact from a downstate
15 sheriff that is facing financial troubles with his
16 911 service, due to the budget impasse. We've taken
17 the 911 portion and rolled it into Item 11. I
18 received no similar outreach from any local
19 government concerning motor fuels tax; and as a
20 result, I'm withdrawing this Item 9.

21 CHAIRMAN FUNDERBURG: Okay. 7 and 11 will be
22 considered separately, and Item 9 is dropped from
23 the agenda. Okay?

24 MEISTER: Yes.

MARZULLO REPORTING AGENCY (312) 321-9365

♀

14

1 CHAIRMAN FUNDERBURG: Next up is the
2 agricultural project.

3 FRAMPTON: I believe we have Patrick Evans on
4 the phone.

5 EVANS: Correct. We have one beginning farmer
6 bond. Michael and Stephanie Taylor, purchasing
7 33 acres of farm land for \$330,000 for \$10,000 per
8 acre. The property is located in Whiteside County
9 in the northwest corner of Illinois.

10 The individuals are injecting 30.3 percent
11 of the purchase price with the Community State Bank
12 of Rock Falls financing 69.7 percent or \$230,000.

13 They are utilizing the Illinois beginning
14 farmer bond. The loan would be a 25-year amortized
15 loan, requiring monthly -- I mean, requiring annual
16 principal and interest payments. The initial
17 interest rate will be 3.25.

18 The interest rate will adjust every five
19 years at 1 percent below Wall Street general prime,
20 with a floor of 3.25 and a cap of 8.25 will be
21 established.

22 Any questions?

23 CHAIRMAN FUNDERBURG: Pat, no questions here.

24 Thank you.

MARZULLO REPORTING AGENCY (312) 321-9365

Page 12

1 FLETCHER: Okay. Mr. Chairman, Members of the
2 Board, Tab No. 2 is a proposed preliminary bond
3 resolution for Adler University, a not-to-exceed
4 amount of \$19.1 million.

5 Adler University is a private, non-profit,
6 postbaccalaureate school for social and health
7 sciences. The physical campus is currently in
8 downtown Chicago, as well as Vancouver, Canada. And
9 this is a graduate school essentially for
10 psychologists, both Graduate Degrees as well as
11 Doctorate Degrees.

12 The proposed transaction before you would
13 enable Adler to acquire its space that it currently
14 leases at its downtown campus located in the
15 building known as One North Dearborn. They have a
16 mailing address of 17 North Dearborn.

17 The proposed bond would be purchased
18 directly by MB Financial through a direct purchase
19 structure. An IFF subordinate loan and Adler cash
20 will provide the remaining sources of funds to
21 provide for the total \$25,000,000 acquisition.

22 Turning to our confidential analysis on
23 page 8 of the report, you'll note that we provided a
24 financial forecast, because Adler is a non-rated

MARZULLO REPORTING AGENCY (312) 321-9365

1 entity, pursuant to guidelines adopted by our credit
2 committee beforehand.

3 Our forecast anticipates that Adler will
4 generate sufficient operating cash flows to cover
5 the proposed debt service in connection with the
6 Series 2015 bond. Again, your consideration today
7 is for preliminary bond resolution.

8 Once business terms of the transaction are
9 finalized, and bond documents have been
10 substantially finalized, we will return for your
11 final consideration. We recommend approval, and I
12 can take any questions at this time.

13 CHAIRMAN FUNDERBURG: Okay. Thank you,
14 Mr. Fletcher. Ms. Lenane?

15 LENANE: Yes. I'm sorry. Sarah Bush Lincoln
16 now returns for a final bond resolution. Sarah Bush
17 Lincoln returns for a final board resolution in the
18 amount of \$30,000,000 for a bank private placement.

19 They have selected Bank of America, and
20 that is really the only change since the last -- one
21 more change. They have not received yet a
22 certificate of need for the new cardiology wing that
23 they are financing, but they are going to pass the
24 bond resolution.

MARZULLO REPORTING AGENCY (312) 321-9365

♀

17

1 And they have a list of substitute
2 projects that they would finance, in the event they
3 don't receive the CON for the cardiology wing. So
4 that's -- the only other change, and then Jordan
5 Feffer is here, counsel to Sarah Bush Lincoln, and
6 the CFO Dennis Pluard would have liked to have been
7 here today, but he had a conflict and it's a far

8 drive.

9 So Jordan is going to just speak a little
10 about the project. I told him he had a minute.

11 FEFFER: Sarah Bush Lincoln would like to thank
12 Mr. Chairman and all the Board Members for the
13 opportunity. Driving in, potentially, it would be a
14 little risky, because there's some tornado in East
15 Central Illinois. So it might have been a little
16 bit of hike for them.

17 But Sarah Bush is very excited for this
18 opportunity. It involves new construction of a
19 medical surgical unit that would include 19,000
20 square feet of surgery units, about 32,000 square
21 feet of recovery units.

22 Also, a new cardiology, as Pam mentioned,
23 43,000 square feet, along with ambulatory medical
24 units, and obstetrics and pediatric units, along

MARZULLO REPORTING AGENCY (312) 321-9365

♀

18

1 with the new Toledo Clinic.

2 This would result in approximately 90 new
3 jobs and 60 construction jobs. So Sarah Bush is
4 very excited about this potential project. So I
5 appreciate your consideration.

6 CHAIRMAN FUNDERBURG: Thank you.

7 LENANE: Thank you. Any other questions?

8 ISRAELOV: I have one question. On page 2, it
9 talks about the purpose and the proceeds of the
10 bond, what they will be used for; and then the use
11 of proceeds I see \$19.7 million is going towards the

12 project fund and \$10,000,000 going towards
13 reimbursement.

14 Can you just talk through the
15 reimbursement, what's covered in that?

16 LENANE: Well, some of this they've already
17 started, and I don't think I have the breakout.
18 Some of this they've already started work on.

19 And, you know, if they pass a
20 reimbursement resolution, they can go back 18 months
21 and pick up money that they've spent and reimburse
22 themselves under the tax rules for that money.

23 I don't have that exact breakout on what
24 they are reimbursing themselves for. I believe it's

MARZULLO REPORTING AGENCY (312) 321-9365

‡

19

1 portions of this, but I think we could probably get
2 that. Couldn't we?

3 Bond counsel, Amy Cobb Curran, is here, or
4 Dan Bacastow can speak to that.

5 BACASTOW: Thank you, Pam.

6 THE COURT REPORTER: Spell your name, please.

7 BACASTOW: I'm Dan Bacastow. Dan Bacastow,
8 B-a-c-a-s-t, as in Tom, o-w. Bond counsel and
9 partner at Chapman & Cuttler, and we are the bond
10 counsel on this particular issue, and reimbursement
11 is a tax issue for us to complete, because there are
12 very prescribed rules with respect to what can or
13 cannot be reimbursed.

14 Under the regulations, Pam alluded to the
15 18-month rule, which allows us to go back and pick
16 up expenditures, but only if the borrower has

17 adopted an appropriate reimbursement resolution,
18 prior to incurring those expenditures, other than
19 preliminary expenditures.

20 And the Sarah Bush Lincoln project is part
21 of the completion of a master facilities plan, and
22 some of those expenditures were, in fact, incurred
23 over the last 18 months to complete those projects.
24 They are the same projects that are listed in the
MARZULLO REPORTING AGENCY (312) 321-9365

‡

20

1 resolution.

2 So in terms of the substantive projects,
3 they're not any different, but we do have, as part
4 of that masters facilities plan, emergency
5 department, surgery, imaging, third- and
6 fourth-floor bed units, surgery units and temporary
7 OR, during the construction of the additional
8 surgery units, and lobby improvement projects.

9 So it's all part of the general project.
10 It's been ongoing, and in order to efficiently
11 finance their project, rather than issue the bonds
12 18 months ago, they've waited until they had
13 completed those projects and now are in a position
14 to more economically finance the entire project,
15 both the reimbursement component, as well as the
16 perspective component.

17 So that's the reason for the significant
18 reimbursement here.

19 ISRAELOV: Thank you.

20 BACASTOW: You're welcome.

21 GOETZ: Mr. Chairman, I would just like to make
22 a comment. I'm very, very familiar with this part
23 of the state; and if it wasn't for you guys, there
24 wouldn't be any healthcare at all available. You

MARZULLO REPORTING AGENCY (312) 321-9365

♀

21

1 are really to be commended for doing these additions
2 and upgrades and stuff. You are the only game in
3 town.

4 BACASTOW: We've got an 18-county footprint.

5 CHAIRMAN FUNDERBURG: Thank you, Mr. Goetz, for
6 that comment. Also, I would like to just mention,
7 too, I think that IFA has done a pretty good job of
8 having impact throughout the state, and we're
9 certainly going to continue that effort and broaden
10 that and reach out even further. Thank you.

11 BRONNER: Just one comment or observation,
12 relative to job data, which I'm trying to monitor
13 now.

14 I will go back and say it's nice to see 90
15 new jobs projected here, of which 60 will be
16 construction jobs that are projected, but I did want
17 to say just relative going back to Adler University,
18 I would think, at a minimum, the current jobs would
19 be retained. I mean, it was an NA.

20 FRAMPTON: We don't count jobs that are staying
21 as retained jobs unless they are going to leave, if
22 they're going to leave the state, for example. So
23 that's the distinction.

24 BRONNER: Except we have it here for Sarah Bush

MARZULLO REPORTING AGENCY (312) 321-9365

Page 18

1 Lincoln. So I'm thinking before we have categories,
2 we should probably consistently report information
3 across the different --

4 FRAMPTON: True.

5 CHAIRMAN FUNDERBURG: Consistently and then
6 cumulatively as well.

7 BRONNER: So we will be able to keep track and
8 have some trend data and statistics for ourselves.

9 CHAIRMAN FUNDERBURG: Thank you. Great point.
10 Thank you.

11 FLETCHER: If I may.

12 BRONNER: Yes.

13 FLETCHER: It's simply a preliminary resolution
14 at this time. We can request that information, if
15 it's available. There is not necessarily a forecast
16 or model done for jobs.

17 In a nutshell, what Adler University is
18 proposing is just exchanging lease payments for debt
19 service, their costly lease these payments in favor
20 of cheaper debt service.

21 So I don't know that a job model will be
22 created towards the retention, although we can
23 certainly ask when this comes back for a final, we
24 will have that answer.

MARZULLO REPORTING AGENCY (312) 321-9365

1 CHAIRMAN FUNDERBURG: And I think Ms. Bronner's
2 comment applies to all of everything.

3 FLETCHER: Sure.
4 CHAIRMAN FUNDERBURG: Thank you for clarifying.
5 BRONNER: Thank you.
6 CHAIRMAN FUNDERBURG: Any other further
7 questions for Ms. Lenane on that project?
8 LENANE: Could I just make a correction? I
9 think you said the 60 construction jobs are in the
10 90. They are not. Those are additional jobs.
11 BRONNER: Great.
12 LENANE: And those are new permanent jobs, 90
13 jobs; and then the construction job, as you know,
14 are just they come on and off. And that really is
15 an estimate because, you know, some of the projects
16 we're reimbursing for, some are new projects, and
17 it's separate. It's not inclusive.
18 BRONNER: I will also suggest, then, we have
19 estimated included in our job data.
20 LENANE: I think one time we did.
21 CHAIRMAN FUNDERBURG: We will address that
22 going forward. Thank you all very much.
23 Any other questions on that particular
24 project? No? Please.

MARZULLO REPORTING AGENCY (312) 321-9365

♀

24

1 LENANE: Okay. Next is a final bond resolution
2 for Passavant Memorial Area Hospital Association for
3 \$24,200,000. It's a direct bank placement with PNC
4 Bank, and this really has nothing new added to it.
5 It's a straight refunding of its 2006 A and 2006 B
6 bonds.

7 Yes, and added is the guarantee of
Page 20

8 Memorial Health Systems, which they have now become
9 affiliated with. So, but the bonds, these are
10 Passavant bonds, that they're refunding.

11 When they reissued, I have a question, are
12 they going to say Passavant, or are they going to
13 say Memorial? They are going to say Passavant?

14 BACASTOW: Passavant is the borrower.

15 LENANE: Okay.

16 BACASTOW: And there is a separate guarantee of
17 Memorial Health System.

18 LENANE: They haven't been merged into the
19 obligated debt yet?

20 BACASTOW: They are not. They are part of the
21 same credit group.

22 LENANE: Yes.

23 BACASTOW: They have a parent affiliate
24 relationship or subsidiary relationship, with

MARZULLO REPORTING AGENCY (312) 321-9365

♀

25

1 Passavant being the subsidiary, and the parent being
2 Memorial Health System, which is providing a
3 separate guarantee, but the bonds are the bonds of
4 Passavant, the obligation bonds.

5 LENANE: As you can see, Dan is our southern
6 Illinois bond counsel.

7 Any other questions?

8 CHAIRMAN FUNDERBURG: Okay. Thank you very
9 much.

10 LENANE: Okay. Thank you.

11 CHAIRMAN FUNDERBURG: Mr. Frampton?

12 FRAMPTON: Quickly, Tab 5 is a resolution to
13 amend the existing bond and loan agreement for Alef
14 Sausage. Alef actually borrowed through two
15 special -purpose entities that they formed to own
16 both real estate associated with the project and the
17 equipment back in December of 2010.

18 The Authority issued approximately
19 3,000,000 of bonds to finance the construction and
20 equipment of a 19,000 square-foot building that
21 added to Alef's existing 16,500 square-foot facility
22 in Mundelein.

23 As a result of the project, they were able
24 to double their production capacity. In terms of

MARZULLO REPORTING AGENCY (312) 321-9365

†

26

1 the amendments to the bond and loan agreement, they
2 will enable the interest rate to be reset as
3 scheduled back at the time the original bonds were
4 issued. Although this will be a reissuance for tax
5 purposes, the Authority will not be charging a fee.

6 Bonds that are sold into the market, when
7 they reset interest rates, typically they do not
8 have to go through a reissuance. They also don't
9 even need Board approval or consent, ordinarily.

10 So we're attempting here to provide
11 equivalency between the local bank purchase deals
12 and the transactions for our borrowers that are sold
13 out into the market. The outstanding principal
14 amount of the bonds is approximately \$2.95 million.

15 Presently, First American Bank was the
16 purchaser. As the purchaser, First American bears

17 all risks as the bond holder. They are also the
18 relationship bank for Alef.

19 Any questions. Okay. Thank you.

20 CHAIRMAN FUNDERBURG: Thank you.

21 WEBER: Hello. I'm Elizabeth Weber, general
22 counsel to the Authority. I'm speaking on Item 6,
23 which will authorize the continuation of the
24 Authority's employee benefits and payroll services

MARZULLO REPORTING AGENCY (312) 321-9365

†

27

1 with ADP, pending a competitive solicitation or
2 other options for these services.

3 Specifically, the resolution approves the
4 most recent contract, which is a 90-day contract
5 ending at the end of January of 2016 and allows for
6 extensions, as needed.

7 Are there any questions?

8 JURACEK: I don't seem to have that resolution
9 in my packet. I don't have anything on 7 either. I
10 might have a shortchanged packet.

11 WEBER: Let me give you my copy.

12 JURACEK: Okay.

13 BRONNER: It's in the folder.

14 JURACEK: No, it's not.

15 WEBER: It begins with a memo.

16 JURACEK: I don't have it.

17 WEBER: I'll give you my copy.

18 HORNE: It's kind of stuck there, but it is in
19 there.

20 JURACEK: It's not in mine.

21 MEISTER: I don't know what happened. We can
22 provide that.

23 BRONNER: It's a single page ahead of the memo.

24 JURACEK: I have no resolution.

MARZULLO REPORTING AGENCY (312) 321-9365

♀

28

1 ISRAELOV: Is this for both 6 and 7?

2 WEBER: It's for 7.

3 JURACEK: There is a 6 memo. Thank you. I
4 appreciate that. Thank you.

5 WEBER: Any other questions? Okay.

6 CHAIRMAN FUNDERBURG: Thank you.

7 MEISTER: Item No. 8 is the resolution for the
8 selection of trustees and/or paying agents for
9 financing options for debt issuances for one or more
10 public purpose projects through an emergency
11 procurement.

12 Last month, and this is a smaller piece of
13 what we're going to be addressing on Items 7 and 11,
14 we came to the Board. We authorized -- I asked for
15 Authority to move forward with emergency purchases
16 under the Procurement Code for necessary parties for
17 moral obligation backed financing involving certain
18 State receivables incurred by State vendors.

19 The trustee is a necessary party. There
20 was a robust on the -- the emergency purchase
21 provisions of the Illinois Procurement Code are
22 exempt from a conventional code procurement, but the
23 statute does call for as much competition as is
24 practicable.

MARZULLO REPORTING AGENCY (312) 321-9365
Page 24

1 The staff of the Authority engaged in
2 that. An RFP was posted. Responses came in, and
3 the staff graders, of which there were three, Rich
4 Frampton, Pam Lenane, and Six Granda, recommended
5 Zion's First Bank to serve as trustee/paying agent
6 or bond registrar, in connection with whatever bond
7 issue or direct purchase is ultimately provided.

8 Turning to Agenda Item No. 10, back in
9 July, and I know that we've had some new additions
10 to the Board, but over time, the Authority had
11 developed a rather robust committee structure that
12 has sort of grown like a coral reef over time.

13 I sat down with the Chairman, and I
14 recommended streamlining that in July. We adopted a
15 resolution reconstituting five committees. One
16 would be the Audit Budget Finance Investment and
17 Procurement, what I've referred to as Audit Plus.

18 The second as Governance Personnel and
19 Ethics, although based on some discussions that
20 we've had, I believe that we should move Legislation
21 from the Audit Committee down to the Governance
22 Committee, and that is reflected in this resolution.

23 The third committee is Tax Exempt Conduit
24 Transaction, which is really our core business,

MARZULLO REPORTING AGENCY (312) 321-9365

1 which previously had been spread among at least
2 three committees: A Healthcare Committee, an

3 Education Committee, and an Infrastructure
4 Committee. I think this combines all of the conduit
5 and the Ag Committee. It combines all of the ag, or
6 all of the conduit transactions, in a central home.

7 The fourth committee is Direct and
8 Alternative Financing. From time to time, as people
9 who are on the Board, and people that follow the
10 Board know, the Board and the staff consider direct
11 commitments of the Board's balance sheet or other
12 aspects, say, involving state guarantees, state
13 contingent guarantees and other items where either
14 the taxpayer dollars are at risk or the Authority's
15 balance sheet may be at risk.

16 I recommended that it would be appropriate
17 for this to be, since it's more of a risk committee,
18 to be housed in this committee.

19 And then, ultimately, something new,
20 because these four prior committees really represent
21 consolidations of prior existing committees, that we
22 would form an Executive Committee headed by the
23 Chairman and the Chairs of these four other
24 committees.

MARZULLO REPORTING AGENCY (312) 321-9365

♀

31

1 We provided a breakout of the committee.
2 We hope that it's been generally fair on the
3 volunteer -- calling on the volunteer nature of the
4 Board.

5 The chairs of the committee that we are
6 recommending are Gila Bronner is Chair of Audit
7 Plus. Eric Anderberg is Chair of Governance plus,

8 including legislation. Bob Horne is Chair of Tax
9 Exempt Conduit Transactions. And Lerry Knox is
10 chair Of Direct and Alternative Financing.

11 Any questions?

12 CHAIRMAN FUNDERBURG: Okay. No questions.
13 Then I would like to ask that the Board adopt the
14 following projects and resolutions 1, 2, 3, 4, 5, 6,
15 8 and 10. Is there such a motion?

16 ANDERBERG: So moved.

17 GOETZ: Seconded.

18 CHAIRMAN FUNDERBURG: Is there a second over
19 there here, too?

20 GOETZ: Yes.

21 MEISTER: By Mr. Goetz.

22 CHAIRMAN FUNDERBURG: Who made the motion then?

23 MEISTER: Eric.

24 FLETCHER: Mr. Anderberg.

MARZULLO REPORTING AGENCY (312) 321-9365

♀

32

1 CHAIRMAN FUNDERBURG: Okay. There is a motion
2 and a second.

3 FLETCHER: There's a motion. I'll call the
4 roll. Mr. Anderberg?

5 ANDERBERG: Yes.

6 FLETCHER: Ms. Bronner?

7 BRONNER: Yes.

8 FLETCHER: Mr. Goetz?

9 GOETZ: Yes.

10 FLETCHER: Mr. Horne?

11 HORNE: Yes.

11-12-15. txt
12 FLETCHER: Mr. Israel ov?
13 ISRAELOV: Yes.
14 FLETCHER: Ms. Juracek?
15 JURACEK: Yes.
16 FLETCHER: Mr. Knox?
17 KNOX: Yes.
18 FLETCHER: Mr. Pedersen?
19 PEDERSEN: Yes.
20 FLETCHER: Mr. Pool e?
21 POOLE: Yes.
22 FLETCHER: Mr. Tessl er?
23 TESSLER: Yes.
24 FLETCHER: And Mr. Chai rman?
MARZULLO REPORTING AGENCY (312) 321-9365

♀

33

1 CHAIRMAN FUNDERBURG: Yes.
2 FLETCHER: Mr. Chair man, moti on carries.
3 CHAIRMAN FUNDERBURG: Thank you. Next up we
4 have I tems 7 and 11. Mr. Israel ov, please. Thank
5 you.
6 (Motions to leave room.)
7 FLETCHER: And let the record reflect Member
8 Israel ov has stepped out of the room. Chris?
9 MEISTER: Speaking to Agenda I tem 7, the
10 resoluti on approvi ng the selecti on of underwri ters
11 for fi nanci ng opti ons for debt issuances for one or
12 more projects, i ncl udi ng publ ic purpose projects
13 under an emergency procurement, we have several
14 memos that have been provided in the mani la folder
15 and are also posted on our websi te.
16 The fi rst is enti tled "Memo" in l arge
Page 28

17 letters from our financial advisors, one of whom is
18 here today. Melanie Shaker, could you stand up from
19 Sycamore Financial?

20 Her colleague, Jim Beck, from Acacia
21 Financial, could not be here today, but this memo
22 provides a rather lengthy summary of the emergency
23 procurement that the staff of the Authority and its
24 contractual financial advisors and outside counsel,
MARZULLO REPORTING AGENCY (312) 321-9365

‡

34

1 Katten Muchin, and our staff engaged in, based on
2 the October 8th resolution.

3 In summary, we placed an RFP, publicly
4 placed it. We received up to 19 responses. We
5 narrowed those down to six in-person interviews with
6 teams, and then four subsequent -- four
7 subsequent -- four quality interviews.

8 The staff of the Authority is pleased to
9 recommend Citibank as the investment banker to this
10 Board. Actually, it's formal name is Citigroup
11 Capital Markets Group, Inc., also known as Citi.

12 This is a zero-dollar contract at this
13 point. I think that we have representatives of Citi
14 here today. Could you stand and introduce
15 yourselves?

16 COOMES: I'm Tom Coomes.

17 PADGETT: Brad Padgett.

18 MEISTER: So in the event that Item No. 11 is
19 approved today, and part of Item No. 11 is that as
20 early as this afternoon and tomorrow, we hope to, if

21 this resolution is approved, we would reduce that
22 agreement to writing, have Citi enter into a
23 contract.

24 We would begin working on the structuring
MARZULLO REPORTING AGENCY (312) 321-9365

♀

35

1 of a transaction that we would return to the Board
2 with either at the regularly-scheduled December
3 meeting; or, if the need arises, we would recommend
4 to the Chairman that we would have a special meeting
5 called before the December meeting.

6 For the Citi folks, I am correct that this
7 is -- at this point, it is a zero-dollar contract,
8 and you will only be paid if we have a final
9 resolution and if we have a closed deal?

10 COOMES: That's correct.

11 CHAIRMAN FUNDERBURG: Any questions? If there
12 are no questions, then would you move on, please?

13 MEISTER: Yes. Moving on to agenda Item 11 in
14 this, as I began this meeting, certainly Illinois
15 State Government is experiencing extraordinary
16 times, and we laid the foundation for this request
17 on October 8th, Agenda Item 9, which is also
18 contained in your package.

19 In that, we outlined basically the
20 situation. We have received a request from the
21 Governor's Office, and the Governor's Office of
22 Management and Budget, to look in our statutory
23 tool box provided by the General Assembly, and see
24 what measures that this Board can take to ameliorate

MARZULLO REPORTING AGENCY (312) 321-9365
Page 30

1 the di ffi cul ti es faced by State vendors.

2 Resolution and 911 agencies, that I will
3 address separately. Agenda Item No. 11 is, in
4 essence, a preliminary resolution, similar and
5 analogous to the preliminary resolutions that the
6 Board hears on conduit deals. However, there is a
7 substantive difference. This is not conduit.

8 And in connection with this, we will be
9 asking the Governor of Illinois to sign off on a
10 moral obligation, which is a statutory contingent
11 taxpayer pledge to back these bonds.

12 The bonds ultimately will be repaid from
13 appropriations, appropriations that we believe were
14 contained in the budgets that were passed by the
15 Illinois General Assembly in the spring, and
16 contained in the Governor's introduced budget.

17 These will be budgets consistent with the
18 emergency purchase procedures under the Illinois
19 Procurement Code that will be essential governmental
20 goods and services. Basically, that if these bills
21 to vendors are not paid, there will be a threat to
22 public health and safety.

23 There will be -- it calls for -- or No. 2
24 calls for an immediate expenditure for repairs to
MARZULLO REPORTING AGENCY (312) 321-9365

1 State property or to protect against further loss or
2 damage to State property.

3 3, to prevent or minimize serious
4 disruption for clinical State services that effect
5 health, safety, collection of substantial State
6 revenues; or 4, to insure the integrity of State
7 records.

8 From what I understand of the vendors that
9 are likely to be paid with these bond proceeds, the
10 ones that have been provided to me, I will tell you
11 that they will meet these standards to some; and to
12 give it by way of example, some of the vendors that
13 I have been told about are the companies that repair
14 snowplows for the Illinois Department of
15 Transportation.

16 Here we are in November. These small
17 business with unionized employees that's
18 minority-owned that cleans the James R. Thompson
19 Center, of course despite no State budget, but under
20 court order, State employees are continuing to work
21 in the James R. Thompson Center; and food vendors
22 for residents of the State Veteran's Homes and
23 inmates in the custody of the Department of
24 Corrections.

MARZULLO REPORTING AGENCY (312) 321-9365

♀

1 So under State Law, vendors are entitled
2 to what is known as statutory prompt payment
3 interest or penalty. It accrues on the 91st day at
4 the rate of 1 percent a month.

5 And so what the IFA would be doing is
6 borrowing money, and then repaying -- and then using
7 the proceeds to purchase these receivables, and then

8 step into the shoes of these vendors on the
9 statutory prompt payment.

10 With respect to that, I am asking in our,
11 Melinda, our general fund currently stands at
12 roughly \$17,000,000?

13 GILDART: In investments.

14 MEISTER: In investment. So the Authority has
15 roughly \$17,000,000 in general funds. It is
16 invested. We have \$600,000 to \$700,000 that are
17 liquid at this time.

18 We have pledges against that \$17,000,000
19 in a loan that is being processed for the City of
20 Blue Island and for various DACA medical students at
21 school, at Loyola University.

22 But I'm recommending to the Board that we
23 take \$12,000,000 of that \$17,000,000 fund, we begin
24 the process to liquidate our short-term investments.

MARZULLO REPORTING AGENCY (312) 321-9365

♀

39

1 We had a conversation two days ago with
2 Clear Arc, who is our investment manager. Most of
3 these investments are in one- to three-year
4 investments. That we begin to liquidate these in
5 mitigating loss as much as possible.

6 I cannot predict the future, but our work
7 with Clear Arc in this area is that they've been
8 generally successful in this area, but time will
9 tell.

10 And I'm asking the Board to authorize
11 myself, or other authorized officers, including the

12 Chairman, to then have the authority to liquidate
13 these investments and use the \$12,000,000, and it
14 will be used as follows: Certain of these vendors,
15 since there has not been a State budget since July,
16 are basically at the end of their rope and will be
17 either cutting off services and goods to the State,
18 or they will be facing some sort of financial
19 catastrophe.

20 There are a relatively small number, in
21 the range of one to two to three million dollars,
22 will be working with Governor's Office of Management
23 and Budget to identify these; and as early as
24 Friday, Monday, Tuesday, the Authority would be

MARZULLO REPORTING AGENCY (312) 321-9365

†

40

1 basically purchasing certain of these receivables
2 and stepping into the shoes for prompt payment
3 purposes.

4 That group of receivables would either be
5 taken out by any ultimate bond issue, or the
6 Authority would be able to sit in these on an
7 investment that could bear up to 9 percent annual
8 interest.

9 The second purpose is that in our
10 discussions with Citigroup, in order to make the
11 proposed transaction as efficient as possible, that
12 it may be appropriate, and this would be -- the
13 exact terms of this would be contained in a final
14 resolution that would return to the Board either in
15 December or in a special Board meeting, that the
16 Finance Authority make some sort of what I would

17 term an equity contribution to the transaction,
18 either to defray the cost of the issuance.

19 That could run north of a \$1,000,000,
20 and/or to fund a debt service reserve fund which
21 would stand in front of the moral obligation.

22 Again, until we run numbers, and until we sign a
23 contract and sit down with Citi, and the financial
24 advisors, and Citi's lawyers, and our lawyers, I'm

MARZULLO REPORTING AGENCY (312) 321-9365

‡

41

1 not able to discuss what the range of this would be.

2 And the third purpose, which is separate
3 from the transaction, the bond transaction that I'm
4 discussing, is there are 911 agencies. They are
5 funded by a telecom surcharge. This telecom
6 surcharge flows through the State budget, and there
7 has not been a State budget since July 1st. I'm
8 recommending to the Board that the Authority and the
9 Executive Director and the authorized officers, be
10 provided the authority to make direct loans from our
11 balance sheet to these 911 entities.

12 Because I understand, and I've spoken with
13 the Sheriff of Christian County, who reached out to
14 me, who's confirmed this, that a number of these,
15 particularly outside of northeastern Illinois, will
16 be closing their doors and southern Illinois people
17 will dial 911, and there will be nobody there to
18 pick up the phone.

19 So that is the summary. I'm prepared to
20 answer questions, including those on the various

21 risks that we will be collectively facing. Mayor?

22 JURACEK: Yes, thank you. Just to clarify, you
23 and I spoke yesterday when we talked about the 911
24 agencies. You said those would be zero-interest

MARZULLO REPORTING AGENCY (312) 321-9365

♀

42

1 loans to them?

2 MEISTER: Yes. That is my recommendation to
3 the Board. The resolution actually provided some
4 wiggle room; but as I spoke to various Board
5 Members, there was consensus that this being -- 911
6 service being an essential public safety government
7 purpose, that this would be something that I'm
8 comfortable recommending to the Board at zero
9 interest.

10 JURACEK: And I really appreciate the much
11 narrower scope of what we're being asked to vote on
12 today versus what was presented in our authority to
13 you to investigate, which would have included motor
14 fuel tax funds.

15 As a mayor, I joined all the other mayors
16 who said this is silly. It prolongs the State
17 impasse, especially at that point in time there was
18 some discussion as to whether there would be
19 interest charged on those cash flow loans, we'll
20 call it, which would just add to the cost of local
21 taxpayers and shift really a burden from the State
22 to the local taxpayers.

23 So I think it's really important -- it was
24 important for me to get comfortable with this, and I

MARZULLO REPORTING AGENCY (312) 321-9365
Page 36

1 think it's important for everybody else to
2 understand we're talking about a much narrower scope
3 of application here.

4 The whole sign of this to vendors, and the
5 Prompt Payment Act, is a plus because the State --
6 it's basically a sunk cost. The State is not
7 paying. The contracts with these small vendors are
8 subject to the Prompt Payment Act.

9 Either the vendors get the interest, or
10 I'm assuming Citibank gets the interest here in
11 payment for this. So it's no additional cost, given
12 the situation that we have, but it provides the
13 immediate cash flow.

14 And I know for a fact that many of these
15 vendors are small vendors, are minority vendors. In
16 my previous life, I sat on the board of the Jane
17 Adams Hull House Association, which no longer
18 exists. It went bankrupt for a number of cash flow
19 reasons.

20 And I know that many of the vendors
21 involved in that whole deal were small minority
22 vendors who just simply could not withstand this
23 kind of cash uncertainty situation.

24 The big risk I see is as a moral

MARZULLO REPORTING AGENCY (312) 321-9365

1 obligation bond, that it is now shifting that risk
2 from the vendors to the Illinois Finance Authority.

3 That's not a bad thing, again, because many of these
4 vendors are ill-equipped to handle this kind of
5 risk; and if we're going to shift it anywhere, at
6 least it's consolidated here in a single entity that
7 we can perhaps even help manage.

8 But, quite frankly, as a mayor, I say
9 we're all kind of subject to this larger moral
10 obligation risk, you know, from the State, until
11 such time as we get our motor fuel tax funds, our
12 share of the state income tax.

13 Our sales tax revenues are even being held
14 up until we get these monies. We're all subject to
15 this risk, and I see this as a way of at least
16 mitigating it to the narrow field of beneficiaries
17 that we're proposing.

18 CHAIRMAN FUNDERBURG: Okay. Thank you. Are
19 there any other questions?

20 TESSLER: Yes. Is the \$12,000,000 that you're
21 talking about utilizing that we won't have in the
22 Finance Authority, because we'll be spending it,
23 correct?

24 MEISTER: Correct.

MARZULLO REPORTING AGENCY (312) 321-9365

♀

45

1 TESSLER: Is it, therefore, to be used that we
2 won't be able to use it for, because we won't have
3 it anymore if we're spending?

4 CHAIRMAN FUNDERBURG: Opportunity cost.

5 MEISTER: It's an opportunity cost. We will
6 not have it to collect interest in these
7 investments, which I think last year -- what was the

8 interest?

9 GILDART: \$200,000.

10 MEISTER: Yeah. So a portion of that last year
11 we collected \$200,000 in revenue from investments
12 from this.

13 One item that I have been considering at
14 various times, before the current extraordinary
15 circumstances, is I had hoped to reach a point where
16 we could start to reinvigorate our local government
17 loan program, which went back to the old Rural Bond
18 Bank, which a couple of years ago we used our
19 balance sheet to bring those moral obligations in;
20 and now we have a portfolio of 60 to 70 local
21 government loans, mainly alternate revenue bonds
22 that are repaying for central government purposes,
23 like water and sewer systems.

24 And they're repaying principal and
MARZULLO REPORTING AGENCY (312) 321-9365

♀

46

1 interest to the Authority, and that helped our
2 balance sheet immeasurably when conduit issuance
3 went into a trough.

4 So we will not be able -- we'll have to
5 delay investment on initiating a program and coming
6 to the Board with a program like that because we'll
7 have somewhat less than \$5,000,000, particularly
8 after the DACA funds are transferred and the Blue
9 Island funds are transferred .

10 TESSLER: The cost to liquidate it, we don't
11 yet know. I mean, in the unlikely event the State

12 actually pays this before the penalty of the
13 interest kicks in, we may actually lose money on
14 this deal, not just on making money if they pay us
15 back quickly.

16 MEISTER: And I'm glad --

17 TESSLER: We don't know the cost to liquidate,
18 what it is, but it's going to be a cost?

19 MEISTER: I'm actually glad you posed the
20 question in the way that you did. It does give me
21 an opportunity to talk about the risks, and I
22 want to be --

23 TESSLER: We may lose money just that quickly,
24 and they may never pay it back?

MARZULLO REPORTING AGENCY (312) 321-9365

‡

47

1 MEISTER: Exactly. There may not be an
2 appropriation. There may be a challenge to the
3 prompt payment. There may be the cost to liquidate
4 the funds. It may out balance the upside of the
5 interest. There may be early payment.

6 These are specific real risks, that I'm
7 going to be quite upfront with the Board, there are
8 risks. But one of the Board Members posed,
9 generally, when there is great risk, there is
10 generally great upside.

11 In this case, we're being called really to
12 address -- to take a risk not with the expectation
13 of a financial upside for the Authority, but in a
14 small way to light a candle in the darkness of a
15 larger State budgetary impasse of which we are not a
16 direct participant.

17 GOETZ: Chris, are the 911 loans coming out of
18 the \$12,000,000?

19 MEISTER: Yes.

20 GOETZ: Okay. I just think this is a good use
21 of our broad authority that we have to try to
22 eliminate some of this backlog of payments going to
23 these vendors.

24 A lot of them are very small vendors, and
MARZULLO REPORTING AGENCY (312) 321-9365

‡

48

1 they just can't afford to carry the State. One of
2 the upside, as I understand it, what is the interest
3 rate we're going to have to pay on the bonds?

4 MEISTER: Melanie or Citi, one of you, why
5 don't you address that.

6 GOETZ: What's the approximate interest rate
7 we're going to have to pay Citi?

8 SHAKER: I think it's going to be dependent on
9 what the market looks like, and what the structure
10 of the deal is. The final structure of the deal is
11 not determined what kind of a form it's going to be.

12 GOETZ: Would it be less than 9 percent?

13 SHAKER: I would expect so; but again, I can't
14 commit to that.

15 GOETZ: So are we in the spread?

16 CHAIRMAN FUNDERBURG: It's possible. So,
17 Mr. Tessler, your point is very well taken. There
18 will be some costs.

19 There may be some opportunity costs
20 relative to the rates that we're receiving on our

21 investment portfolio at the time.

22 The biggest risk, from my standpoint, is
23 appropriation risk, at some point in time in the
24 future, but that is really the business that the IFA

MARZULLO REPORTING AGENCY (312) 321-9365

♀

49

1 is in. We take risks, to try to help the citizens
2 of Illinois through economic development and other
3 matters.

4 And I think that there is some irony here,
5 too, that here an agency of the State of Illinois is
6 discussing the relative risks of doing business with
7 the State of Illinois .

8 TESSLER: And no one feels good about it.

9 BRONNER: In fact, Mr. Chairman, if you look at
10 page 2 of the memo, the Lou Greenbaum memo, I think
11 specifically where it speaks to authority to carry
12 the structure of IFA, the first paragraph there,
13 this is really, I believe, exactly in concert with
14 our specific mission and authority, and was
15 contemplated as such by the General Assembly as
16 described here in this paragraph.

17 CHAIRMAN FUNDERBURG: Thank you.

18 KNOX: Quick question.

19 CHAIRMAN FUNDERBURG: Yes.

20 KNOX: Chris, as it relates to the \$5,000,000
21 that is going to be left in our portfolio, how much
22 of that is encumbered? How much free capital will
23 we have?

24 MEISTER: After DACA and Blue Island, what are

MARZULLO REPORTING AGENCY (312) 321-9365

Page 42

1 we looking at?

2 GILDART: I mean, that's the \$5,000,000 that we
3 have to take into account, payroll and AP.

4 MEISTER: Yeah.

5 GILDART: So we would have to update our cash
6 flow.

7 MEISTER: So DACA and -- DACA and Blue Island
8 have already been taken out?

9 GILDART: Yes.

10 MEISTER: Okay.

11 KNOX: So it's five?

12 MEISTER: It's five.

13 HORNE: Any other on there?

14 CHAIRMAN FUNDERBURG: Excuse me, yes.

15 PEDERSEN: I think that this is setting a good
16 precedent. The legislature has adopted legislation
17 that is requiring municipalities that have small
18 dispatch centers to begin to consolidate those with
19 larger ones.

20 The funding of those larger consolidation
21 dispatch centers comes from the 911 fee, and so
22 establishing this going forward, as sort of an
23 emergency funding mechanism, I think, is beneficial.

24 My town is not in a real need for these

MARZULLO REPORTING AGENCY (312) 321-9365

1 funds, but I know many municipalities are. So my
2 hats off to the suggestion.

3 CHAIRMAN FUNDERBURG: Thank you. Mr. Horne?

4 HORNE: I just wanted to make sure we have this
5 \$12,000,000. In terms of other obligations from the
6 IFA that are outstanding, I mean, is there any other
7 areas of exposure?

8 I mean, I consider that \$17,000,000 as
9 kind of our -- basically, our cushion. Are there
10 areas of exposure that we would ever have to draw on
11 the 17 that are outside? Are we making ourselves
12 more vulnerable by only having \$5,000,000 of
13 availability.

14 MEISTER: Our most significant taxpayer, direct
15 taxpayer exposure, is under the agricultural
16 guarantee funds, which are -- we have a locally-held
17 fund of \$11,000,000, which is separate from the 17,
18 and that acts as an umbrella over two state
19 treasurer funds.

20 And the ultimate risk there, if the 11 is
21 drained, and the two treasurer funds are drained,
22 either by draws on them or by legislative action,
23 those decades-old agricultural guarantee programs
24 allow lenders, if the collateral for a specific loan

MARZULLO REPORTING AGENCY (312) 321-9365

♀

52

1 is insufficient, to reach through all of those funds
2 directly into the state's general revenue funds.

3 So it's almost the equivalent to the state
4 general obligation bond, not quite, but it's been
5 delegated to this agency. Maybe it is half a step
6 below.

7 In advising the Board, I think that that
Page 44

8 is our most significant risk, that at the top of
9 that is the pinnacle of what I would characterize is
10 our risk pyramid, and that is separate and apart;
11 but I think at this time, the funds locally held in
12 the two treasury funds, I think, we are over
13 collateralized.

14 GILDART: We are.

15 MEISTER: By 50 percent.

16 GILDART: Patrick may know the exact amount.

17 MEISTER: Patrick, are you still on the line?

18 EVANS: Yes. It's well over 50 percent.

19 MEISTER: Yeah. So that's the top of the risk
20 pyramid. That's separate, and that is not involved.

21 At one time, the Authority had probably
22 close to \$30,000,000 in participation loans that
23 were concentrated primarily in central Illinois.
24 Most of those have rolled off.

MARZULLO REPORTING AGENCY (312) 321-9365

♀

53

1 They were on five-year terms, and we must
2 be in the range of 1 -- maybe 1.25 million, like
3 one-and-a-quarter million dollars. That is the
4 remaining exposure there.

5 The other risk that we have is that we do
6 have a moral obligation to a special district on the
7 west side of Chicago, the Illinois Medical District
8 Commission. That goes to the Illinois taxpayers.
9 There is real estate collateral.

10 Those bonds are publicly traded and are
11 posted publicly. In the event of a call on the

12 moral obligation, in collaboration with the
13 Governor's Office and the Governor's Office of
14 Management and Budget, staff could theoretically
15 come to the Authority and say, "We would like to
16 take some of our balance sheet and help whatever
17 problem."

18 HORNE: Okay.

19 MEISTER: If there is no problem at that point.

20 HORNE: Right.

21 MEISTER: They are consistent with their
22 postings, to my understanding. So I think the sum
23 costs are the cost of the liquidation and the risk
24 associated there, and the interest that we will not

MARZULLO REPORTING AGENCY (312) 321-9365

‡

54

1 be collecting on 17 at this point.

2 HORNE: Right. Okay, thank you.

3 GOETZ: Just if I can comment. The last couple
4 years we made a real concerted effort to get rid of
5 our -- what would you call it?

6 MEISTER: Legacy risk.

7 GOETZ: Legacy risk. To get rid of those
8 things off of our books. So we really eliminated
9 that.

10 CHAIRMAN FUNDERBURG: Good job doing so. Other
11 questions?

12 HORNE: Just one other comment. So I'm just
13 trying to understand the political risk of this
14 agency's involvement in this situation.

15 So, you know, by agreeing to do this as an
16 agency authority, what's the reverb from General

17 Assembly going forward, in terms of how we now
18 become a political player in this situation?

19 CHAIRMAN FUNDERBURG: I'll address that first.
20 I think Chris is better able to address it, but I
21 don't see it as such at all. I think IFA is doing
22 its job, first and foremost.

23 MEISTER: I've had no conversations with the
24 General Assembly. This was posted in October. The

MARZULLO REPORTING AGENCY (312) 321-9365

†

55

1 memo that I wrote to Governor's Office of Management
2 and Budget had wide circulation. I was not in
3 Springfield the day that it was circulated.

4 I think we've been upfront in posting.
5 The terms of what we are doing are on the Internet,
6 and I think it's also worth noting there is an order
7 of magnitude. Our actions here are, while they are
8 large and important to us, over the scheme of the
9 problem, is in the multiples of billions of dollars.

10 HORNE: Right.

11 MEISTER: And we are talking about 12 to
12 \$150,000,000 out of that.

13 HORNE: Sure.

14 MEISTER: So I think that there will be some
15 stewardship. I think that there will be some
16 screens. I think that the statutory provisions of
17 the Procurement Code that we pursued this under, and
18 ended up with Zion Bank and Citi, provide a very
19 useful screen of the sorts of vendors that are
20 likely to be paid.

21 There's going to be a clearer screen. It
22 will be, in my view, the most essential of essential
23 government goods and services.

24 CHAIRMAN FUNDERBURG: So, you know, other
MARZULLO REPORTING AGENCY (312) 321-9365

♀

56

1 points that people have made today around the table
2 is that it is within in the charge of our charter.
3 It is within the scope of our purpose.

4 We are in extraordinary times, in terms of
5 the state of the economy in Illinois, and I think
6 we're doing -- the IFA is doing what we can, and it
7 is somewhat extraordinary, but only to match the
8 situation, and I think we're in the position to try
9 to assist in any way we can.

10 So we've had great discussion. I'm
11 certainly willing to consider other questions, other
12 comments.

13 PEDERSEN: I move approval of the measure.

14 CHAIRMAN FUNDERBURG: Okay. There's the
15 motion.

16 KNOX: Second.

17 CHAIRMAN FUNDERBURG: Seconded by Mr. Knox.
18 Any further discussion? Any further questions?
19 Please.

20 MEISTER: Is it for 7 and 11?

21 CHAIRMAN FUNDERBURG: Yes.

22 MEISTER: Okay.

23 FLETCHER: So on the motion for approval of
24 resolutions number 7 and 11, I'll call the roll.

MARZULLO REPORTING AGENCY (312) 321-9365
Page 48

1 Member Anderberg?
2 ANDERBERG: Yes.
3 FLETCHER: Ms. Bronner?
4 BRONNER: Yes.
5 FLETCHER: Mr. Goetz?
6 GEOTZ: Yes.
7 FLETCHER: Mr. Horne?
8 HORNE: Yes.
9 FLETCHER: Mr. Juracek?
10 JURACEK: Yes.
11 FLETCHER: Mr. Knox?
12 KNOX: Yes.
13 FLETCHER: Mr. Pedersen?
14 PEDERSEN: Yes.
15 FLETCHER: Mr. Pool e?
16 POOLE: Yes.
17 FLETCHER: Mr. Tessl er?
18 TESSLER: Yes.
19 FLETCHER: Mr. Chai rman?
20 CHAI RMAN FUNDERBURG: Yes.
21 FLETCHER: Mr. Chair man, moti on carri es.
22 CHAIRMAN FUNDERBURG: Is there any other
23 busi ness to come before the Board?
24 GOETZ: I make a moti on to adjourn.

MARZULLO REPORTING AGENCY (312) 321-9365

1 CHAIRMAN FUNDERBURG: We've got public comment.
2 The last item is the public comment.

11-12-15.txt
 3 Is there any public comment?
 4 (No response.)
 5 CHAIRMAN FUNDERBURG: Okay. Mr. Goetz made a
 6 motion to adjourn. Is there a second?
 7 PEDERSEN: Second.
 8 CHAIRMAN FUNDERBURG: All in favor, please say
 9 aye.
 10 (A chorus of ayes.)
 11 CHAIRMAN FUNDERBURG: Any opposed?
 12 (No response.)
 13 CHAIRMAN FUNDERBURG: Thank you all.
 14 MR. FLETCHER: The time we adjourned is 10:42.
 15 (WHICH WERE ALL THE PROCEEDINGS HAD AT 10:30 A.M.)
 16
 17
 18
 19
 20
 21
 22
 23
 24

♀

1 STATE OF ILLINOIS)
 2 COUNTY OF COOK) SS:
 3 Pamela A. Marzullo, C.S.R., being first duly sworn
 4 on oath, says that she is a court reporter doing business in
 5 the city of Chicago; that she reported in shorthand the
 6 proceedings had at the foregoing meeting of the

11-12-15.txt

7 above-mentioned cause; that the foregoing is a true and
8 correct transcript of her shorthand notes, so taken as
9 aforesaid, and contains all the proceedings had at the said
10 meeting.

11

PAMELA A. MARZULLO
License No. 084-001624

12

13

14

15

16

17

18

19

20

21

22

23

24

♀

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

November 12, 2015

9 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD VOICE VOTE
OCTOBER 8, 2015 MINUTES OF THE REGULAR MEETING
OF THE BOARD
ADOPTED

November 12, 2015

9 YEAS

0 NAYS

0 PRESENT

Y Anderberg
Y Bronner
E Fuentes
Y Goetz
Y Horne

Y Israelov
Y Juracek
Y Knox
E O'Brien
NV Pedersen (ADDED)

Y Poole
NV Tessler (ADDED)
E Yonover
E Zeller
Y Mr. Chairman

E – Denotes Excused Absence

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

November 12, 2015

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg
Y Bronner
E Fuentes
Y Goetz
Y Horne

Y Israelov
Y Juracek
Y Knox
E O'Brien
Y Pedersen (ADDED)

Y Poole
Y Tessler (ADDED)
E Yonover
E Zeller
Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2015-1112-AG01
BEGINNING FARMER REVENUE BOND – MICHAEL P. AND STEPHANIE L. TAYLOR
FINAL (ONE-TIME CONSIDERATION)
PASSED*

November 12, 2015

11 YEAS

0 NAYS

0 PRESENT

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

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2015-1112-NP02
501(c)(3) REVENUE BOND – ADLER UNIVERSITY
PRELIMINARY
PASSED*

November 12, 2015

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg
Y Bronner
E Fuentes
Y Goetz
Y Horne

Y Israelov
Y Juracek
Y Knox
E O'Brien
Y Pedersen (ADDED)

Y Poole
Y Tessler (ADDED)
E Yonover
E Zeller
Y Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2015-1112-HC03
501(c)(3) REVENUE BOND – SARAH BUSH LINCOLN HEALTH SYSTEM
FINAL
PASSED*

November 12, 2015

11 YEAS

0 NAYS

0 PRESENT

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

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2015-1112-HC04
501(c)(3) REVENUE BOND – THE PASSAVANT MEMORIAL AREA HOSPITAL
ASSOCIATION
FINAL
PASSED*

November 12, 2015

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg
Y Bronner
E Fuentes
Y Goetz
Y Horne

Y Israelov
Y Juracek
Y Knox
E O'Brien
Y Pedersen (ADDED)

Y Poole
Y Tessler (ADDED)
E Yonover
E Zeller
Y Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2015-1112-AD05
RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST
AMENDMENT TO BOND AND LOAN AGREEMENT RELATING TO THE INDUSTRIAL
DEVELOPMENT REVENUE BONDS (ALEF SAUSAGE, INC. PROJECT), SERIES 2010 OF
THE ILLINOIS FINANCE AUTHORITY; AND RELATED MATTERS
ADOPTED*

November 12, 2015

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg
Y Bronner
E Fuentes
Y Goetz
Y Horne

Y Israelov
Y Juracek
Y Knox
E O'Brien
Y Pedersen (ADDED)

Y Poole
Y Tessler (ADDED)
E Yonover
E Zeller
Y Mr. Chairman

* – Consent Agenda
E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2015-1112-AD06
RESOLUTION APPROVING CONTRACT WITH ADP TOTALSOURCE, INC./ADP
TOTALSOURCE MI VII, LLC FOR EMPLOYEE BENEFITS AND PAYROLL SERVICES
ADOPTED*

November 12, 2015

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg
Y Bronner
E Fuentes
Y Goetz
Y Horne

Y Israelov
Y Juracek
Y Knox
E O'Brien
Y Pedersen (ADDED)

Y Poole
Y Tessler (ADDED)
E Yonover
E Zeller
Y Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2015-1112-AD07
RESOLUTION APPROVING THE SELECTION OF UNDERWRITER(S) AND/OR
PLACEMENT AGENT(S) FOR FINANCING OPTIONS FOR DEBT ISSUANCES FOR ONE
OR MORE PROJECTS AUTHORIZED UNDER THE ILLINOIS FINANCE AUTHORITY
ACT, INCLUDING PUBLIC PURPOSE PROJECTS, THROUGH AN EMERGENCY
PURCHASE UNDER THE PROCUREMENT CODE
ADOPTED

November 12, 2015

10 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2015-1112-AD08
RESOLUTION APPROVING THE SELECTION OF TRUSTEE(S) AND/OR PAYING
AGENT(S) FOR FINANCING OPTIONS FOR DEBT ISSUANCES FOR ONE OR MORE
PROJECTS AUTHORIZED UNDER THE ILLINOIS FINANCE AUTHORITY ACT,
INCLUDING PUBLIC PURPOSE PROJECTS, THROUGH AN EMERGENCY PURCHASE
UNDER THE PROCUREMENT CODE
ADOPTED*

November 12, 2015

11 YEAS

0 NAYS

0 PRESENT

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

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2015-1112-AD09
WITHDRAWN

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2015-1112-AD10
RESOLUTION APPROVING MEMBERSHIP FOR THE VARIOUS COMMITTEES OF THE
BOARD OF DIRECTORS
ADOPTED*

November 12, 2015

11 YEAS

0 NAYS

0 PRESENT

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

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
RESOLUTION 2015-1112-AD11

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PROCEED WITH DOCUMENTATION RELATING TO THE ISSUANCE OF THE AUTHORITY'S MORAL OBLIGATION BONDS TO FINANCE ONE OR MORE PROJECTS AUTHORIZED UNDER THE ILLINOIS FINANCE AUTHORITY ACT, INCLUDING PUBLIC PURPOSE PROJECTS; AUTHORIZING ONE OR MORE INTERGOVERNMENTAL AGREEMENTS RELATING THERETO; AND OTHER RELATED MATTERS
ADOPTED

November 12, 2015

10 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

FINANCIAL ANALYSIS
December 10, 2015

V. PRESENTATION AND CONSIDERATION OF THE FINANCIAL REPORTS
MONTHLY AND ANNUAL SUMMARY AS OF NOVEMBER 30, 2015*

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

1. FISCAL YEAR 2015 REVENUE RECAP (ALL IFA FUNDS)-UNAUDITED

Business and Industry	\$ 1,988,414
Healthcare	1,261,883
Agriculture	161,105
Total Program Revenues	3,411,402
Local Governments and Other Revenues	1,126,084
Interest and Investment Income & Nonoperating Revenues	429,322
Total Other Revenues	1,555,406
Total FY2015 IFA Revenues	\$ 4,966,808

FISCAL YEAR 2016-UNAUDITED

2. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME

- a. **Total Annual Revenues** equal \$2.5 million and are \$471 thousand or 24% higher than budget; due primarily to **higher** than expected closing fees year to date for the fiscal year. Closing fees year to date of \$1.9 million, are \$494 thousand or 36% **higher** than budget. Annual fees of \$120 thousand are \$30 thousand lower than the budgeted amount. Administrative service fees are \$25 thousand for the year or \$19 thousand higher than budget. Application fees total \$30 thousand and are more than twice the budgeted amount. Total accrued interest income from the former IRBB local governments and others totaled \$414 thousand. Net investment income stands at \$14 thousand for the fiscal year and \$59 thousand lower than budget.
- b. In **November**, the Authority generated \$163 thousand in closing fees. Closing fees were received from: **Sarah Bush Health Center** for \$85 thousand; **Passavant Area Hospital** for \$76 thousand; and **Agriculture Related Closings** totaling \$2,500. An additional \$3,500 in application fees were received from various local fire districts/governments in relation to the FY16 Fire Truck loan applications. Total application fees received for this program in FY16 is \$13,500. November recorded a net investment loss of \$42 thousand. This monthly loss is mostly 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 \$1.7 million, which is \$410 thousand or 20% lower than budget, are mostly driven by vacant budgeted staff positions and delays in IT projects and purchases. Year to date employee expenses total \$719 thousand and professional services totals \$652 thousand; with each function at 26% and 12% below budget, respectively. An accrual of \$25 thousand was also recorded for legal services. Annual occupancy costs of \$111 thousand are higher than the budgeted amount by \$7 thousand or 6% over budget. General and administrative costs are \$146 thousand for the year, which is 12% under budget.

¹Operating 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 NOVEMBER 30, 2015*

A new sub-fund was created in the General Operating Fund to track financial activity of the recent procurement(s) on behalf of the State of Illinois. In the Primary Government Borrowing Fund, actual financial advisory costs of \$32 thousand have been recorded, in addition to monthly accruals, in regards to the State of Illinois Procurement, of \$25 thousand each for legal services and additional financial advisory services. A transfer of \$252 thousand from the General Operating Fund to the Primary Government Borrowing Fund was also recorded in November.

- d. **Total Monthly Net Loss** of -\$138 thousand is driven by lower closing fees and higher realized and unrealized investment losses, in addition to adjustments in month annual fees accrued.
- e. **Total Annual Net Income** is \$822 thousand. The major driver of the annual positive bottom line continues to be the level of overall spending at 20% below budget, in addition to increased revenue from closing fees in the months of September and October.

3. ALL FUNDS-ASSETS, LIABILITIES AND NET POSITION

The Authority, as of November 30, 2015, is a \$120 million dollar agency which also currently accounts for \$278 million in total activity (including the Other State of Illinois Debt Fund) and maintains compliance for nearly \$24 billion in outstanding debt.

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

In the General Fund, IFA continues to maintain a strong balance sheet with total net position of \$53.3 million. The total assets in the General Fund are \$53.9 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total \$28.7 million (with \$5.8 million in investments liquidated in the General Operating Fund as of November 2015 for the State Procurement). Notes receivables for 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 \$252 thousand. Restricted cash and investments in the DACA Loan Fund total \$1.3 million. Liabilities, current and non-current, total just \$569 thousand.

5. 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.
- b. The Locally Held Fire Truck and Ambulance Revolving Loan Funds have total year to date receipts of \$158 thousand. New Fire Truck revolving loans, totaling \$5.8 million, have been processed and will be disbursed upon the Authority's final administrative review. An additional \$1.4 million (loan repayments and fees) was transferred to the Authority from the Office of the State Fire Marshal in November, of which this amount will be made available for additional loans. The Authority has also received notice of OSFM's intent to issue Ambulance loans during this fiscal year, with disbursement projected to take place in the third quarter. 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

**V. PRESENTATION AND CONSIDERATION OF THE FINANCIAL STATEMENTS
MONTHLY AND ANNUAL SUMMARY AS OF NOVEMBER 30, 2015***

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 \$59 thousand, of which, \$44 thousand is derived from investment activity. Year to date expenses total \$4 thousand as of November. Total Net Position in the remaining nonmajor funds is \$39.6 million.
- e. The Metro East Police District Commission is reported as an agency/fiduciary fund, which has total assets of \$37 thousand in the custody of the Authority. The Illinois Finance Authority NFP Development Fund has a total net position of \$25 thousand.

6. FY14 AND FY15 FINANCIAL/COMPLIANCE AUDITS and GASB UPDATES

- a. Fieldwork for the FY14 and FY15 compliance and financial audits has 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 is currently developing responses to those findings.
- b. The Authority is also seeking to finalize its FY15 CAFR in the next few weeks.
- c. The Chief Financial Officer is currently in Washington, D.C. to chair the Government Finance Officers Association's Committee on Accounting, Auditing and Financial Reporting's Winter Meetings. Topics critical to the Authority's financial reporting in FY16/FY17 include changes in investment reporting, fiduciary activities, leases, grants and nonexchange transaction compliance and indirectly, new guidance on tax abatements for states and local governments. 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.

7. OTHER SUPPLEMENTARY FINANCIAL INFORMATION

- a. The Schedule of Debt is being presented as supplementary financial information, included with the financial reports in your Board materials.



ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
GENERAL OPERATING FUND
FOR FISCAL YEAR 2016 AS OF NOVEMBER 30, 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 (%)
Operating Revenues:																
Closing Fees	177,507	292,080	792,030	447,890	163,066	-	-	-	-	-	-	-	1,872,573	1,378,310	494,263	35.9%
Annual Fees	16,990	11,752	14,204	76,691	-	-	-	-	-	-	-	-	119,637	149,042	(29,405)	-19.7%
Administrative Service Fees	-	15,000	10,000	-	-	-	-	-	-	-	-	-	25,000	6,250	18,750	300.0%
Application Fees	3,000	4,800	6,100	11,100	4,900	-	-	-	-	-	-	-	29,900	12,875	17,025	132.2%
Miscellaneous Fees	139	1,213	-	341	-	-	-	-	-	-	-	-	1,693	2,292	(599)	-26.1%
Interest Income-Loans	83,318	82,857	82,675	82,712	82,661	-	-	-	-	-	-	-	414,223	426,638	(12,415)	-2.9%
Other Revenue	-	973	169	207	206	-	-	-	-	-	-	-	1,555	18,333	(16,778)	-91.5%
Total Operating Revenue:	\$280,954	\$ 408,675	\$905,178	\$618,941	\$ 250,833	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,464,581	\$ 1,993,740	\$ 470,841	23.6%
Operating Expenses:																
Employee Related Expense	141,053	142,455	148,939	148,049	138,947	-	-	-	-	-	-	-	719,443	973,012	(253,569)	-26.1%
Professional Services	106,155	59,247	135,606	191,582	159,816	-	-	-	-	-	-	-	652,406	745,032	(92,626)	-12.4%
Occupancy Costs	19,832	23,793	11,217	42,809	13,219	-	-	-	-	-	-	-	110,870	104,339	6,531	6.3%
General & Administrative	29,890	28,028	30,407	27,060	31,304	-	-	-	-	-	-	-	146,689	165,157	(18,468)	-11.2%
Depreciation and Amortization	6,078	6,120	6,120	3,942	3,942	-	-	-	-	-	-	-	26,202	78,368	(52,166)	-66.6%
Total Operating Expense	\$303,008	\$ 259,643	\$332,289	\$413,442	\$ 347,228	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,655,610	\$ 2,065,908	\$ (410,298)	-19.9%
Operating Income(Loss)	\$ (22,054)	\$ 149,032	\$572,889	\$205,499	\$ (96,395)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 808,971	\$ (72,168)	\$ 881,139	1221.0%
Nonoperating Revenues (Expenses)																
Miscellaneous Non-Opertg Rev/(Exp)	-	-	-	-	(740)	-	-	-	-	-	-	-	(740)	(208)	(532)	255.8%
Bad Debt Adjustments (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	4,167	(4,167)	-100.0%
Interest and Investment Income	25,941	26,361	26,202	21,742	27,014	-	-	-	-	-	-	-	127,260	135,917	(8,657)	-6.4%
Realized Gain (Loss) on Sale of Invest	(473)	(1,332)	(442)	(502)	(9,686)	-	-	-	-	-	-	-	(12,435)	(5,417)	(7,018)	129.6%
Net Appreciation (Depr) in FV of Invest	(12,645)	(26,167)	32,129	(35,752)	(58,174)	-	-	-	-	-	-	-	(100,609)	(57,083)	(43,526)	76.3%
Total Nonoperating Rev (Exp)	\$ 12,823	\$ (1,138)	\$ 57,889	\$ (14,512)	\$ (41,586)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,476	\$ 77,376	\$ (63,900)	-82.6%
Net Income (Loss) Before Transfers	\$ (9,231)	\$ 147,894	\$630,778	\$190,987	\$ (137,981)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 822,447	\$ 5,208	\$ 817,239	15692.0%
Transfers:																
Transfers in from other funds	-	-	-	-	251,683	-	-	-	-	-	-	-	251,683	-	-	0.0%
Transfers out to other funds	-	-	-	-	(251,665)	-	-	-	-	-	-	-	(251,665)	-	-	0.0%
Total Transfers In (Out)	\$ -	\$ -	\$ -	\$ -	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18	\$ -	\$ -	0.0%
Net Income (Loss)	\$ (9,231)	\$ 147,894	\$630,778	\$190,987	\$ (137,963)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 822,465	\$ 5,208	\$ 817,257	15692.3%



ILLINOIS FINANCE AUTHORITY
 STATEMENT OF REVENUES, EXPENSES AND NET INCOME
 IFA FUNDS AND AGENCY FUND ACTIVITY
 FOR FISCAL YEAR 2016 AS OF NOVEMBER 30, 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
Operating Revenues:								
Closing Fees	1,872,573	-	-	-	1,872,573	-	1,872,573	-
Annual Fees	119,637	-	-	-	119,637	-	119,637	-
Administrative Service Fees	25,000	-	-	-	25,000	-	25,000	-
Application Fees	29,900	-	-	-	29,900	-	29,900	-
Miscellaneous Fees	1,693	157,757	-	107	159,557	-	159,557	-
Interest Income-Loans	414,223	-	-	15,716	429,939	1,047,622	1,477,561	-
Other Revenue	1,555	-	-	-	1,555	-	1,555	-
Total Operating Revenue:	\$ 2,464,581	\$ 157,757	\$ -	\$ 15,823	\$ 2,638,161	\$ 1,047,622	\$ 3,685,783	\$ -
Operating Expenses:								
Employee Related Expense	719,443	-	-	-	719,443	-	719,443	-
Professional Services	652,406	-	588	2,132	655,126	-	655,126	-
Occupancy Costs	110,870	-	-	-	110,870	-	110,870	-
General & Administrative	146,689	-	-	-	146,689	-	146,689	-
Interest Expense	-	-	-	1,538	1,538	1,049,441	1,050,979	-
Depreciation and Amortization	26,202	-	-	-	26,202	-	26,202	-
Total Operating Expense	\$ 1,655,610	\$ -	\$ 588	\$ 3,670	\$ 1,659,868	\$ 1,049,441	\$ 2,709,309	\$ -
Operating Income(Loss)	\$ 808,971	\$ 157,757	\$ (588)	\$ 12,153	\$ 978,293	\$ (1,819)	\$ 976,474	\$ -
Nonoperating Revenues (Expenses):								
Miscellaneous Non-Opertg Rev/(Exp)	(740)	-	-	-	(740)	-	(740)	-
Interest and Investment Income	127,260	27,218	14,895	98,800	268,173	1,819	269,992	-
Realized Gain (Loss) on Sale of Investment	(12,435)	614	2,504	(361)	(9,678)	-	(9,678)	-
Net Appreciation (Depr) in fair value of Investments	(100,609)	(2,792)	(8,850)	(54,910)	(167,161)	-	(167,161)	-
Total Nonoperating Revenues (Expenses)	\$ 14,216	\$ 25,040	\$ 8,549	\$ 43,529	\$ 91,334	\$ 1,819	\$ 93,153	\$ -
Net Income (Loss) Before Transfers	\$ 822,447	\$ 182,797	\$ 7,961	\$ 55,682	\$ 1,068,887	\$ -	\$ 1,068,887	\$ -
Transfers:								
Transfers in from other funds	251,683	-	-	-	251,683	-	251,683	-
Transfers out to other funds	(251,665)	-	-	(18)	(251,683)	-	(251,683)	-
Total Transfers In (Out)	\$ 18	\$ -	\$ -	\$ (18)	\$ -	\$ -	\$ -	\$ -
Net Income (Loss)	\$ 822,465	\$ 182,797	\$ 7,961	\$ 55,664	\$ 1,068,887	\$ -	\$ 1,068,887	\$ -



ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND AGENCY FUND ACTIVITY
 November 30, 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
Assets and Deferred Outflows:								
Current Assets:								
Unrestricted:								
Cash & cash equivalents	10,257,686	-	-	25,025	10,282,711	-	10,282,711	-
Investments	5,245,485	-	-	660,266	5,905,751	-	5,905,751	-
Accounts receivable, Net	336,240	-	-	-	336,240	-	336,240	-
Loans receivables, Net	1,989,617	-	-	-	1,989,617	-	1,989,617	-
Accrued interest receivable	382,280	-	-	5,347	387,627	-	387,627	-
Bonds and notes receivable	1,677,800	-	-	-	1,677,800	-	1,677,800	-
Due from other funds	51,534	-	-	-	51,534	-	51,534	-
Due from other local government agencies	-	-	-	3,000,000	3,000,000	-	3,000,000	-
Prepaid Expenses	161,635	-	-	-	161,635	-	161,635	-
Total Current Unrestricted Assets	\$ 20,102,277	\$ -	\$ -	\$ 3,690,638	\$ 23,792,915	\$ -	\$ 23,792,915	\$ -
Restricted:								
Cash & Cash Equivalents	433,286	1,509,542	259,361	3,468,689	5,670,878	62,648,094	68,318,972	37,301
Deposits in transit	-	-	42	-	42	-	42	-
Investments	260,639	440,760	3,668,297	4,329,212	8,698,908	-	8,698,908	-
Accrued interest receivable	2,937	2,045	7,366	37,041	49,389	18,886	68,275	-
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	-	1,381,194	74,320	63,490	1,519,004	-	1,519,004	-
Total Current Restricted Assets	\$ 696,862	\$ 3,333,541	\$ 4,009,386	\$ 8,053,432	\$ 16,093,221	\$ 63,741,022	\$ 79,834,243	\$ 37,301
Total Current Assets	\$ 20,799,139	\$ 3,333,541	\$ 4,009,386	\$ 11,744,070	\$ 39,886,136	\$ 63,741,022	\$ 103,627,158	\$ 37,301
Non-current Assets:								
Unrestricted:								
Investments	13,196,472	-	-	1,154,899	14,351,371	-	14,351,371	-
Loans receivables, Net	770,633	-	-	-	770,633	-	770,633	-
Bonds and notes receivable	18,519,237	-	-	-	18,519,237	-	18,519,237	-
Total Noncurrent Unrestricted Assets	\$ 32,486,342	\$ -	\$ -	\$ 1,154,899	\$ 33,641,241	\$ -	\$ 33,641,241	\$ -
Restricted:								
Cash & Cash Equivalents	-	-	-	600,000	600,000	-	600,000	-
Investments	580,698	349,858	34,807	6,683,157	7,648,520	3,272,078	10,920,598	-
Funds in the custody of the Treasurer	-	39,802	-	18,037,096	18,076,898	-	18,076,898	-
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	-
Total Noncurrent Restricted Assets	\$ 580,698	\$ 18,954,918	\$ 207,767	\$ 26,699,672	\$ 46,443,055	\$ 93,284,472	\$ 139,727,527	\$ -
Capital Assets								
Capital Assets	784,479	-	-	-	784,479	-	784,479	-
Accumulated Depreciation	(738,115)	-	-	-	(738,115)	-	(738,115)	-
Total Capital Assets	\$ 46,364	\$ -	\$ -	\$ -	\$ 46,364	\$ -	\$ 46,364	\$ -
Total Noncurrent Assets	\$ 33,113,404	\$ 18,954,918	\$ 207,767	\$ 27,854,571	\$ 80,130,660	\$ 93,284,472	\$ 173,415,132	\$ -
Total Assets	\$ 53,912,543	\$ 22,288,459	\$ 4,217,153	\$ 39,598,641	\$ 120,016,796	\$ 157,025,494	\$ 277,042,290	\$ 37,301



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

DEFERRED OUTFLOWS OF RESOURCES:
 Deferred loss on debt refunding
TOTAL DEFERRED OUTFLOWS OF RESOURCES

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
-	-	-	-	-	719,469	719,469	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 719,469	\$ 719,469	\$ -
\$ 53,912,543	\$ 22,288,459	\$ 4,217,153	\$ 39,598,641	\$ 120,016,796	\$ 157,744,963	\$ 277,761,759	\$ 37,301

Total Assets & Deferred Inflows of Resources



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

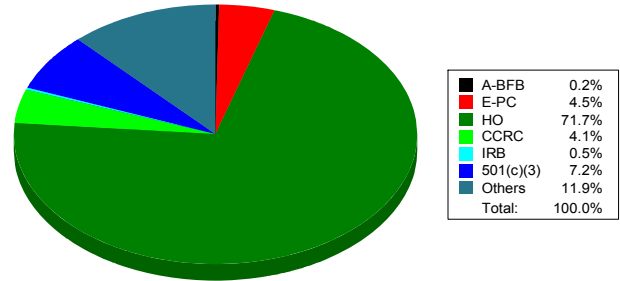
	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	METRO EAST POLICE DISTRICT COMMISSION
Liabilities:								
Current Liabilities:								
Payable from unrestricted current assets:								
Accounts payable	91,447	-	-	-	91,447	-	91,447	-
Accrued liabilities	132,742	-	-	-	132,742	-	132,742	-
Due to employees	101,017	-	-	-	101,017	-	101,017	-
Due to primary government	80,001	-	-	-	80,001	-	80,001	-
Due to other funds	31,873	-	-	19,661	51,534	-	51,534	-
Other liabilities	50,000	-	-	-	50,000	-	50,000	37,301
Unearned revenue, net of accumulated amortization	81,304	-	-	-	81,304	-	81,304	-
Total Current Liabilities Payable from Unrestricted Current Assets	\$ 568,384	\$ -	\$ -	\$ 19,661	\$ 588,045	\$ -	\$ 588,045	\$ 37,301
Payable from restricted current assets:								
Accrued interest payable	-	-	-	3,740	3,740	1,486,886	1,490,626	-
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	-	-	-	59,984	59,984	-	59,984	-
Other liabilities	-	-	-	155,000	155,000	-	155,000	-
Unamortized bond premium	-	-	-	-	-	2,349,877	2,349,877	-
Total Current Liabilities Payable from Restricted Current Assets	\$ -	\$ -	\$ -	\$ 218,724	\$ 218,724	\$ 15,282,781	\$ 15,501,505	\$ -
Total Current Liabilities	\$ 568,384	\$ -	\$ -	\$ 238,385	\$ 806,769	\$ 15,282,781	\$ 16,089,550	\$ 37,301
Noncurrent Liabilities								
Payable from unrestricted noncurrent assets:								
Noncurrent payables	585	-	-	-	585	-	585	-
Assets	\$ 585	\$ -	\$ -	\$ -	\$ 585	\$ -	\$ 585	\$ -
Payable from restricted noncurrent assets:								
Bonds and notes payable from primary government	-	-	-	-	-	97,675,000	97,675,000	-
Bonds and notes payable from State component units	-	-	-	-	-	36,862,465	36,862,465	-
Noncurrent portion of long term debt	-	-	-	309,096	309,096	-	309,096	-
Noncurrent loan reserve	-	-	-	562,675	562,675	-	562,675	-
Unamortized bond premium	-	-	-	-	-	7,924,717	7,924,717	-
Total Noncurrent Liabilities Payable from Restricted Noncurrent	\$ -	\$ -	\$ -	\$ 871,771	\$ 871,771	\$ 142,462,182	\$ 143,333,953	\$ -
Total Noncurrent Liabilities	\$ 585	\$ -	\$ -	\$ 871,771	\$ 872,356	\$ 142,462,182	\$ 143,334,538	\$ -
Total Liabilities	\$ 568,969	\$ -	\$ -	\$ 1,110,156	\$ 1,679,125	\$ 157,744,963	\$ 159,424,088	\$ 37,301
Net Position:								
Net Investment in Capital Assets	46,364	-	-	-	46,364	-	46,364	-
Restricted	-	22,105,662	4,209,192	33,588,660	59,903,514	-	59,903,514	-
Unrestricted	52,474,745	-	-	4,844,161	57,318,906	-	57,318,906	-
Current Change in Net Position	822,465	182,797	7,961	55,664	1,068,887	-	1,068,887	-
Total Net Position	\$ 53,343,574	\$ 22,288,459	\$ 4,217,153	\$ 38,488,485	\$ 118,337,671	\$ -	\$ 118,337,671	\$ -
Total Liabilities & Net Position	\$ 53,912,543	\$ 22,288,459	\$ 4,217,153	\$ 39,598,641	\$ 120,016,796	\$ 157,744,963	\$ 277,761,759	\$ 37,301

Bonds Issued - Fiscal Year Comparison for the Period Ending November 30, 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
56		\$ 2,099,391,751

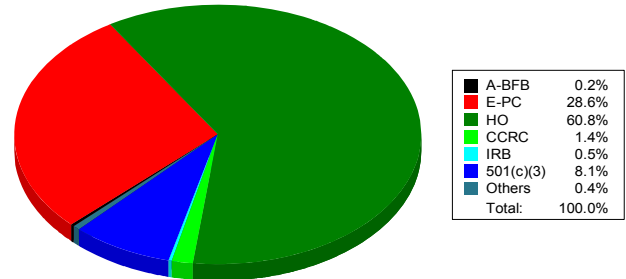
Bonds Issued in Fiscal Year 2014



Fiscal Year 2015

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

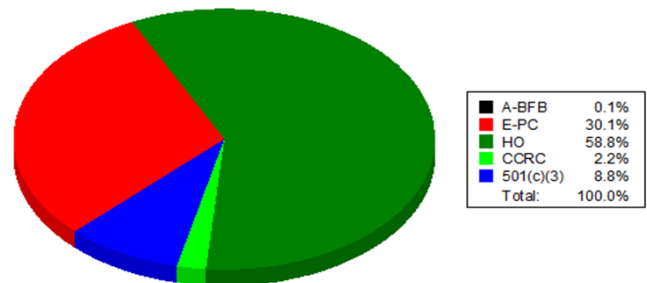
Bonds Issued in Fiscal Year 2015



Fiscal Year 2016

#	Market Sector	Principal Issued
4	Agriculture - Beginner Farmer	1,065,850
4	Education	529,667,000
10	Healthcare - Hospital	1,036,013,000
1	Healthcare - CCRC	39,030,000
4	501(c)(3) Not-for-Profit	155,165,000
23		\$1,760,940,850

Bonds Issued in Fiscal Year 2016





Bonds Issued and Outstanding as of November 30, 2015

Bonds Issued between July 01, 2015 and November 30, 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	1,065,850	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	11/20/2015	Variable	30,000,000	0
HO Passavant Hospital	11/30/2015	Variable	22,778,000	0
Total Bonds Issued as of November 30, 2015			<u>\$ 1,760,940,850</u>	<u>\$ 1,177,931,343</u>

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

Beginner Farmer Bonds Funded between July 01, 2015 and November 30, 2015

<u>Borrower</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
Travis C. Rovey	09/30/2015	5.00	460,000	80.00	Montgomery
Bryant & Shannon Rister	10/02/2015	5.00	98,100	39.24	Saline
Tyler S. Loschen	10/14/2015	5.00	333,750	50.00	Ford
Bradley A. Legg & Nina K. Legg	11/09/2015	2.90	174,000	58.00	Wayne
Total Beginner Farmer Bonds Issued			<u>\$ 1,065,850</u>	<u>227.24</u>	

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

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

Section I (a)

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2015	November 30, 2015		
Illinois Finance Authority "IFA" ^[b]				
Agriculture	\$ 48,313,152	\$ 49,379,002		
Education	4,273,041,117	4,723,830,101		
Healthcare	13,533,399,874	14,052,729,667		
Industrial Development [includes Recovery Zone/Midwest Disaster]	695,925,824	687,612,666		
Local Government	294,800,000	318,020,000		
Multifamily/Senior Housing	168,364,435	167,546,838		
501(c)(3) Not-for Profits	1,406,590,039	1,553,492,267		
Exempt Facilities Bonds	249,915,000	199,915,000		
Total IFA Principal Outstanding	\$ 20,670,349,441	\$ 21,752,525,541		
Illinois Development Finance Authority "IDFA" ^[b]				
Education	496,388	496,388		
Healthcare	80,200,000	80,200,000		
Industrial Development	113,009,098	220,239,470		
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	659,149,033		
Exempt Facilities Bonds				
Total IDFA Principal Outstanding	\$ 1,374,413,906	\$ 1,317,676,542		
Illinois Rural Bond Bank "IRBB" ^[b]				
Total IRBB Principal Outstanding	\$ -	\$ -		
Illinois Health Facilities Authority "IHFA"	\$ 739,875,000	\$ 685,415,000		
Illinois Educational Facilities Authority "IEFA"	\$ 640,921,000	\$ 580,413,000		
Illinois Farm Development Authority "IFDA" ^[1]	\$ 15,646,526	\$ 1,587,111		
Total Illinois Finance Authority Debt	\$ 23,441,205,873	\$ 24,337,617,194	\$ 28,150,000,000	\$ 3,812,382,806

 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	November 30, 2015		
General Purpose Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]				
* Issued through IRBB - Local Government Pools				
* Issued through IFA - Local Government Pools				
Issued through IFA - Illinois Medical District Commission	36,280,000	34,885,000		
Total General Moral Obligations	\$ 36,280,000	\$ 34,885,000	\$ 150,000,000	\$ 115,115,000
* All the Local Government bonds were defeased as of August 1, 2014.				
Financially Distressed Cities Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
Issued through IFA	\$ -	\$ -		
Issued through IDFA	-	-		
Total Financially Distressed Cities	\$ -	\$ -	\$ 50,000,000	\$ 50,000,000
State Component Unit Bonds ^[c]				
Issued through IDFA ^[1]	-	-		
Issued through IFA ^[1]	122,656,626	111,431,357		
Total State Component Unit Bonds	\$ 122,656,626	\$ 111,431,357		

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

Section I (c)

	Principal Outstanding		Remaining MDAB Volume Cap
	June 30, 2015	November 30, 2015	
Midwestern Disaster Area Bonds [Flood Relief]	\$ 65,257,870	\$ 65,016,062	N/A

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

Section I (d)

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

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

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

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

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

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

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

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

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

Section IV	Principal Outstanding		Program Limitations	Remaining Capacity	State Exposure
	June 30, 2015	November 30, 2015			
Agri Debt Guarantees [Restructuring Existing Debt]					
Fund # 994 - Fund Balance \$10,177,285	\$ 8,108,370	\$ 7,467,578	\$ 160,000,000	\$ 152,532,422	\$ 6,345,587
AG Loan Guarantee Program					
Fund # 205 - Fund Balance \$7,859,811	\$ 8,511,765	\$ 7,928,815	\$ 225,000,000 ^[e]	\$ 217,071,185	\$ 6,739,492
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	884,917			752,180
Total State Guarantees	\$ 16,620,134	\$ 15,396,392	\$ 385,000,000	\$ 369,603,608	\$ 13,085,079

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	November 30, 2015	
132	Fire Truck Revolving Loan Program	Fund # 572	\$ 17,052,813	\$ 19,946,452	\$ 2,339,962
8	Ambulance Revolving Loan Program	Fund # 334	\$ 415,920	\$ 172,960	\$ 4,036,298

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	November 30, 2015		
Environmental [Large Business]				
Issued through IFA	\$ 16,495,000	\$ 14,975,000		
Issued through IDFA	118,035,000	118,035,000		
Total Environmental [Large Business]	\$ 134,530,000	\$ 133,010,000	\$ 2,425,000,000	\$ 2,291,990,000
Environmental [Small Business]	\$ -	\$ -	\$ 75,000,000	\$ 75,000,000
Total Environment Bonds Issued under Act	\$ 134,530,000	\$ 133,010,000	\$ 2,500,000,000	\$ 2,366,990,000

Illinois Finance Authority Funds at Risk

Section VII	Original Amount	Principal Outstanding	
		June 30, 2015	November 30, 2015
Participation Loans			
Business & Industry	23,020,158	1,107,646	1,080,250
Agriculture	6,079,859	96,159	96,159
Participation Loans exluding Defaults & Allowances	29,100,017	1,203,805	1,176,409
Plus: Legacy IDFA Loans in Default		858,458	843,173
Less: Allowance for Doubtful Accounts		1,002,182	976,359
Total Participation Loans		1,060,081	1,043,223
Local Government Direct Loans	1,289,750	126,000	118,000
Rural Bond Bank Local Government Note Receivable		20,462,037	20,197,037
FmHA Loans	963,250	207,658	192,911
Renewable Energy [RED Fund]	2,000,000	1,302,261	1,262,458
Total Loans Outstanding	34,353,017	23,158,036	22,813,628
IRBB funds were defeased and transferred into a note receivable with the IFA.			

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

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

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

^[b] State Component Unit Bonds included in balance.

^[c] Does not include Unamortized issuance premium as reported in Audited Financials.

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

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

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

^[g] Midwestern Disaster Area Bonds - Illinois Counties eligible for Midwest Disaster Bonds included Adams, Calhoun, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Hancock, Henderson, Jasper, Jersey, Lake, Lawrence, Mercer, Rock Island, Whiteside and Winnebago.

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

^[i] Includes EPA Clean Water Revolving Fund



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
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
IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals							
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	Armstein & 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

SUMMARY OF PROCUREMENT ACTIVITY SINCE MAY 2014									
MONTH	CONTRACTS AWARDED			SOLICITATIONS/PROCUREMENTS INITIATED			CONTRACTS EXECUTED		
	IL PROC CODE	IFA EXEMPTION	TOTAL	IL PROC CODE	IFA EXEMPTION	TOTAL	IL PROC CODE	IFA EXEMPTION	TOTAL
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
Totals	23	14	37	14	14	28	18	14	32

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors
From: Lorrie Karcher
Date: December 10, 2015
Re: Overview Memo for Beginning Farmer Bonds

- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolution for the attached projects
- **Amount:** Up to \$517,700 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **Total Requested: \$1,149,925**
- **Calendar Year Summary:** (as of December 10, 2015)
 - Volume Cap: \$10,000,000
 - Volume Cap Committed: \$4,311,627
 - Volume Cap Remaining: \$5,688,373
 - Average Farm Acreage: 66
 - Number of Farms Financed: 17
- **IFA Benefits:**
 - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
 - **New Money Bonds:**
 - Convey tax-exempt status
 - Will use dedicated 2015 IFA Volume Cap set-aside for Beginning Farmer Bond transactions
- **IFA Fees:**
 - One-time closing fee will total 1.50% of the bond amount for each project
- **Structure/Ratings:**
 - Bonds to be purchased directly as a nonrated investment held until maturity by the Borrower's bank (the "Bank")
 - The Bank will be secured by the Borrower's assets, as 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: 30358
Borrower(s): Jordan Baumgart
Borrower Benefit: First Time Land Buyer
Town: Mt. Carmel, IL
IFA Bond Amount: \$333,500
Use of Funds: Farmland – 86.44 acres of farmland
Purchase Price: \$667,000 / \$7,716 per acre
% Borrower Equity 5%
% USDA Farm Service Agency 45% (*Subordinate Financing*)
% IFA 50%
Township: Gray
Counties/Regions: White / Southern
Lender/Bond Purchase: Citizens National Bank of Albion / Jan Ridgely
Legislative Districts:
Congressional: 15
State Senate: 55
State House: 109

Principal shall be paid annually in installments determined pursuant to a Thirty-year amortization schedule, 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.

B. Project Number: 30359
Borrower(s): Troy M. Diericks
Borrower Benefit: First Time Land Buyer
Town: Atkinson, IL
IFA Bond Amount: \$483,925
Use of Funds: Farmland – 74.45 acres of farmland
Purchase Price: \$483,925 / \$6,500 per acre
% Borrower Equity 0%
% IFA 100%
% Other 0%
Township: Atkinson
Counties/Regions: Henry / Northwest
Lender/Bond Purchase: State Bank of Toulon / Jacob Anderson
Legislative Districts:
Congressional: 17
State Senate: 37
State House: 74

Principal shall be paid annually in installments determined pursuant to a Thirty-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: 30360
Borrower(s): Jesse W. and Ashley L. Wilson
Borrower Benefit: First Time Land Buyer
Town: Enfield, IL
IFA Bond Amount: \$192,500
Use of Funds: Farmland – 110 acres of farmland
Purchase Price: \$385,000 / \$3,500 per acre
% Borrower Equity 5%
% USDA Farm Service Agency 45% (*Subordinate Financing*)
% IFA 50%
Township: Indian Creek

Counties/Regions: White / Southern
Lender/Bond Purchase: Peoples National Bank / Terry Drone
Legislative Districts: Congressional: 15
State Senate: 55
State House: 109

Principal shall be paid annually in installments determined pursuant to a Thirty-year amortization schedule, 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.

D. Project Number: 30361
Borrower(s): Cory and Emily Schirer
Borrower Benefit: First Time Land Buyer
Town: Benson, IL
IFA Bond Amount: \$140,000
Use of Funds: Farmland – 44 acres of farmland
Purchase Price: \$280,000 / \$6,363 per acre
%Borrower Equity 5%
% USDA Farm Service Agency 45% (*Subordinate Financing*)
%IFA 50%
Township: Greene
Counties/Regions: Woodford / North Central
Lender/Bond Purchase: Heartland Bank & Trust Co. / Tom Hand
Legislative Districts: Congressional: 18
State Senate: 53
State House: 106

Principal shall be paid annually in installments determined pursuant to a Twenty-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 twentieth and final payment of all outstanding balances due twenty years from the date of closing.



NON-CONDUIT

\$1,000,000
EDWARD L. KING
SPECIALIZED LIVESTOCK GUARANTEE

December 10, 2015

REQUEST	<p>Purpose: To provide 85% loan guarantee in favor of Resource Bank (the “Bank” or “Lender”).</p> <p>Project Description: The proposed loan of \$1,000,000 will finance the construction of grain and feed storage facility and refinance existing real estate debt in the amount of \$350,000.</p> <p>Program Product Type: Specialized Livestock Guarantee</p> <p>State Treasurer’s Funds at Risk: \$850,000</p> <p>Conditions: (1) Annual personal financial statement for Edward L. and Kimberly King, (2) annual tax return of Edward L. and Kimberly King, and (3) annual farm projections for Edward L. King</p>												
BOARD ACTIONS	<p>Final Resolution-85% Loan Guarantee (One-Time Consideration) Voting Record: No prior IFA Board actions</p>												
MATERIAL CHANGES	<p>This is the first time a request for this specific project has been presented to the IFA Board of Directors.</p> <p>Note: the IFA Board previously considered and approved a Resolution for a \$970,000 Specialized Livestock Guarantee on July 9, 2013. The 2013 project also involved construction of a specialized livestock facility. Ultimately, the Bank (Resource Bank) and members of the King family financed the 2013 project with a different structure that did not involve an IFA agricultural guarantee. Edward L. King currently has no IFA Guarantees or Participation Loans outstanding as of 12/4/2015 and has yet to close on any IFA guarantee or loan product.</p>												
JOB DATA	<table border="0"> <tr> <td style="padding-right: 20px;">4</td> <td>Current jobs</td> <td style="padding-right: 20px;">N/A</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>10</td> <td>Construction jobs projected</td> </tr> </table>	4	Current jobs	N/A	New jobs projected	N/A	Retained jobs	10	Construction jobs projected				
4	Current jobs	N/A	New jobs projected										
N/A	Retained jobs	10	Construction jobs projected										
BORROWER DESCRIPTION	<ul style="list-style-type: none"> ● Type of entity: Sole Proprietorship ● Location: Steward (Lee County), Illinois ● When established: 1974 ● Description of Operations: Grain and Cattle Farming ● Project purpose/outcome: Building construction and debt refinancing 												
PROPOSED STRUCTURE	<p>Collateral: approximately 129.54 acres of row crop farmland Collateral Position: 1st Mortgage Position Maturity: 15 years (2031) Interest Rate: Fixed for initial 3 years (See confidential section) Payment: Monthly</p>												
SOURCES AND USES	<table border="0"> <tr> <td style="padding-right: 20px;">IFA/Bank Loan:</td> <td style="text-align: right;"><u>\$1,000,000</u></td> <td style="padding-right: 20px;">Bldg. Construction</td> <td style="text-align: right;">\$650,000</td> </tr> <tr> <td></td> <td></td> <td>Refinancing Debt:</td> <td style="text-align: right;"><u>350,000</u></td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;"><u>\$1,000,000</u></td> <td style="text-align: right;">Total</td> <td style="text-align: right;"><u>\$1,000,000</u></td> </tr> </table>	IFA/Bank Loan:	<u>\$1,000,000</u>	Bldg. Construction	\$650,000			Refinancing Debt:	<u>350,000</u>	Total	<u>\$1,000,000</u>	Total	<u>\$1,000,000</u>
IFA/Bank Loan:	<u>\$1,000,000</u>	Bldg. Construction	\$650,000										
		Refinancing Debt:	<u>350,000</u>										
Total	<u>\$1,000,000</u>	Total	<u>\$1,000,000</u>										
RECOMMENDATION	<p>Credit Review Committee recommends approval.</p>												

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 2014**

Project: Edward L. King

STATISTICS

Project Number: 41065	Amount: \$1,000,000
Type: Specialized Livestock Guarantee	IFA Staff: Patrick Evans
County/Region: Lee/Northwest	City: Steward

BOARD ACTION

Final Resolution-85% Loan Guarantee	Credit Review Committee recommends approval.
State Treasurer's Reserve Funds at risk: \$850,000	Extraordinary conditions: None

VOTING RECORD

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

PURPOSE

Use of proceeds: Proceeds from the proposed loan will refinance the construction of a 60'x140' feed and hay Facility; 10' concrete wall addition to an existing silage storage pit; a 77,000 bushel grain bin; and will refinance an existing real estate loan in the amount of \$350,000.

IFA PROGRAM AND CONTRIBUTION

The Authority's Agriculture Guarantee Program guarantees up to 85% of a Bank's loans to Illinois farmers and agribusiness owners. The Specialized Livestock Guarantee Program is designed to provide family-owned livestock operations the access to capital needed to enter, upgrade, or expand their livestock business. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve capitalized for this program. These guarantees are also full faith and credit obligations of the State of Illinois. IFA's issuance of guarantees helps Borrowers obtain debt financing at reduced rates of interest and improved terms.

JOBS

Current employment: 4	Projected new jobs: N/A
Jobs retained: 4	Construction jobs: 10

ESTIMATED SOURCES AND USES OF FUNDS

Sources: IFA /Bank Loan:	<u>\$1,000,000</u>	Uses: Storage Construction	\$650,000
		Refinancing Mtg. Debt	<u>350,000</u>
Total	<u>\$1,000,000</u>	Total	<u>\$1,000,000</u>

FINANCING SUMMARY/STRUCTURE

Security: 1st Mortgage on approximately 129.54 acres of row crop farmland
Structure: 15-year term and 15-year amortization
Interest Mode: Fixed for initial 3 years
Credit Enhancement: IFA 85% Guarantee of Principal Amount
Personal Guarantees: N/A
Maturity: 15 years (2031)
Estimated Closing Date: January 31, 2015

PROJECT/BUSINESS BACKGROUND

Summary: The King family has been involved in grain and cattle farming for nearly 60 years (spanning three generations). **Edward L. King** is the Applicant/Borrower (“**Edward L.**”, “**Mr. King**”, or the “**Borrower**”) for this proposed IFA Specialized Livestock Guarantee Loan.

Mr. King’s grandfather originally established the family’s farming operations in the early 1950’s. Mr. King’s father, **L.E. (“Louie”) King** subsequently took over management and expanded the scope of operations through the timely acquisition of nearby farmland. Louie and his wife, Darlene, now own approximately 900 acres of tillable farmland that Edward L. has been farming, with their assistance.

Two of Louie’s sons, Edward L. and Paul, started their own operations, with Edward L. beginning by finishing cattle at his farm while Paul focused solely on grain production. To date, Edward L. has acquired approximately 250 acres of farmland, and although Edward L. has been able to successfully manage his operation for over 30 years, Paul chose to discontinue his operation and now assists his brother (Edward L.) and father, (Louie), with labor and day-to-day management of the farms.

Ed has shown that he is capable of managing the entire business as his father L.E. King has withdrawn from the day-to-day activities due to his age (84) and health issues. In 2014, Ed estimates he will raise over 1,850 steers and heifers as the result of new cattle barn completed in 2013. Although the Borrower does maintain some breeding stock, the typical procedure is to purchase 700 to 800 pound cattle, feed them to 1,300 to 1,400 pounds and then market them, which is an approximate 9-month cycle. Nearly all buying and selling by the Kings is done through the Walnut, Illinois Sale Barn, a fairly sizable selling operation for the surrounding area.

The Kings only finish their own livestock. They provide no custom feeding for third party cattle operations. Likewise, the Kings grow corn and soybeans only on the land owned by the King family. The Kings have sufficient land under family control to enable them to operate without the need to cash rent additional land from unrelated third parties (i.e., non-family members).

Project Description: Over the past 4 years, Edward L. King has invested over \$1.2 million in his cattle facility. The recent improvements were for his feed and by-product capacity. Recently, Ed completed construction of a 60’x140’ feed and hay shed plus a 10’ high concrete block walls to the existing silage storage (pg. 11 of appraisal).

Project Rationale: The construction of a new feed/hay shed and additional to the silage storage will help Ed to become more efficient relating his feed costs, by replacing traditional corn with less expensive by-products such as DDGs and fines while not compromising the cattle daily weight gain.

Timing: The proposed transaction is expected to close within 45 days of approval.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicant: Edward L. and Kimberly C. King
Project Location: 1991 Woodland Road
Steward, IL 60553
Collateral: First Real Estate Mortgage
Ownership: Edward L. King

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	N/A		
Borrower's Accountants:	Winebaugh & Associates	Rochelle	
Originating Bank:	Resource Bank	Malta	Tim Funfsinn
Bank Counsel:	N/A		
IFA Counsel:	N/A		
IFA Advisors:	Acacia Financial Group, Inc.	Chicago	Jim Beck

LEGISLATIVE DISTRICTS

Congressional:	14
State Senate:	45
State House:	90

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK]

\$7,517,000 (not-to-exceed)

December 10, 2015

Norwegian Lutheran Bethesda Home Association

REQUEST	<p>Purpose: Bond proceeds will be loaned to Norwegian Lutheran Bethesda Home Association, d/b/a Bethesda Home and Retirement Center, an Illinois not for profit corporation (the “Association”), Bethesda Foundation, an Illinois not-for-profit corporation (the “Foundation”) and Bethesda Charitable Group, Inc., an Illinois not-for-profit corporation (the “Charitable Group” and, together with the Foundation and the Association, the “Borrower”) in order to (i) demolish the Association’s existing vacant east building at the Bethesda Home and Retirement Center (the “Retirement Center”), a senior living housing facility located at 2833 North Nordica Avenue, Chicago, Illinois, construct a new 2,000 square foot rehabilitation center at the Retirement Center, remodel the first floor of the existing Retirement Center building and make related renovations and improvements thereto (all such facilities being owned and operated by the Association and referred to collectively as the “Project”), (ii) repay certain indebtedness of the Borrower incurred to pay costs of the Project and to refund the Authority’s \$1,948,200 Revenue Bond (Bethesda Home and Retirement Center Project), Series 2012 (the “2012 Bond”); and (iii) pay costs of issuance and other costs related to the Bond and the Project (collectively, the “Financing Purposes”).</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																								
BOARD ACTIONS	<p>Final Bond Resolution Voting Record (September 10, 2015) – Final Bond Resolution – 13 Yeas; 0 Nays; 0 Abstain; 2 Absent (Tessler, Zeller); 0 Vacancies.</p>																								
MATERIAL CHANGES	<p>Sources and Uses updated.</p>																								
JOB DATA	<table border="0"> <tr> <td style="text-align: center;">96</td> <td style="text-align: center;">Current jobs</td> <td style="text-align: center;">10</td> <td style="text-align: center;">New jobs projected</td> </tr> <tr> <td style="text-align: center;">N/A</td> <td style="text-align: center;">Retained jobs</td> <td style="text-align: center;">102</td> <td style="text-align: center;">Construction jobs projected (9 months)</td> </tr> </table>	96	Current jobs	10	New jobs projected	N/A	Retained jobs	102	Construction jobs projected (9 months)																
96	Current jobs	10	New jobs projected																						
N/A	Retained jobs	102	Construction jobs projected (9 months)																						
DESCRIPTION	<ul style="list-style-type: none"> ● Location: Chicago/Cook County/Northeast Region ● Together, Bethesda Charitable Group, Inc. and its controlled affiliates, including Norwegian Lutheran Bethesda Home Association d/b/a Bethesda Home and Retirement Center and Bethesda Foundation, have a 100-plus year history of providing housing, health care and other related services to residents of a retirement home and nursing facility located on Chicago’s Northwest Side. ● Bethesda Home is a member of American Association of Homes and Services for the Aging (“AAHSA”) and Life Services Network of Illinois. ● Bethesda Home is undertaking construction of a new rehabilitation center of approximately 2,000 square feet with the ability to provide both inpatient and outpatient therapy as part of its planned skilled nursing expansion. Remodeling the first floor of the existing Center Building to create 16 private rehab patient rooms with completely remodeled bathrooms (including walk-in showers) will help complete Bethesda Home’s repositioning towards rehabilitation services expansion. 																								
CREDIT INDICATORS	<ul style="list-style-type: none"> ● The IFA Bonds will be sold on a non-rated, unenhanced basis, and accordingly, will be a direct-purchase by MB Financial Bank, N.A. (“MB”). The Borrower is a non-rated entity. 																								
SECURITY	<ul style="list-style-type: none"> ● MB will be secured by a first mortgage on the subject property. Additionally, MB Financial Bank will cross-collateralize and cross-default all other credit facilities between the Bank and the Borrower (and its affiliates). 																								
MATURITY	<ul style="list-style-type: none"> ● Construction period of 9 months with initial term thereafter of 7 years amortized over 25 years (i.e., 7/1/2041) 																								
INTEREST RATE	<ul style="list-style-type: none"> ● The Bonds will bear a fixed interest rate during the initial 7-year term that is negotiated and established prior to closing, currently estimated at between 2.50% and 4.00% (as of November 1, 2015). 																								
SOURCES AND USES	<table border="0"> <tr> <td colspan="2">Sources:</td> <td colspan="2">Uses:</td> </tr> <tr> <td>IFA Bonds</td> <td style="text-align: right;">\$7,517,000</td> <td>Project Costs</td> <td style="text-align: right;">\$5,914,355</td> </tr> <tr> <td>Equity</td> <td style="text-align: right;"><u>114,355</u></td> <td>Interim Loan Refinancing</td> <td style="text-align: right;">1,093,000</td> </tr> <tr> <td></td> <td></td> <td>Series 2012 Refunding</td> <td style="text-align: right;">549,000</td> </tr> <tr> <td></td> <td></td> <td>Costs of Issuance</td> <td style="text-align: right;"><u>75,000</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;"><u>\$7,631,355</u></td> <td>Total</td> <td style="text-align: right;"><u>\$7,631,355</u></td> </tr> </table>	Sources:		Uses:		IFA Bonds	\$7,517,000	Project Costs	\$5,914,355	Equity	<u>114,355</u>	Interim Loan Refinancing	1,093,000			Series 2012 Refunding	549,000			Costs of Issuance	<u>75,000</u>	Total	<u>\$7,631,355</u>	Total	<u>\$7,631,355</u>
Sources:		Uses:																							
IFA Bonds	\$7,517,000	Project Costs	\$5,914,355																						
Equity	<u>114,355</u>	Interim Loan Refinancing	1,093,000																						
		Series 2012 Refunding	549,000																						
		Costs of Issuance	<u>75,000</u>																						
Total	<u>\$7,631,355</u>	Total	<u>\$7,631,355</u>																						
RECOMMENDATION	<p>Credit Review Committee recommends approval.</p>																								

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
December 10, 2015**

Project: Norwegian Lutheran Bethesda Home Association

STATISTICS

Project Number: 12311	Amount: \$7,517,000 (Not-to-Exceed Amount)
Type: 501(c)(3) Bonds	IFA Staff: Rich Frampton and Brad R. Fletcher
Location: Chicago	County/Region: Cook/Northeast

BOARD ACTION

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

VOTING RECORD

Voting Record (September 10, 2015) – Final Bond Resolution – 13 Yeas; 0 Nays; 0 Abstain; 2 Absent (Tessler, Zeller); 0 Vacancies..

PURPOSE

Bond proceeds will be loaned to **Norwegian Lutheran Bethesda Home Association, d/b/a Bethesda Home and Retirement Center**, an Illinois not for profit corporation (the “**Association**”), **Bethesda Foundation**, an Illinois not-for-profit corporation (the “**Foundation**”) and **Bethesda Charitable Group, Inc.**, an Illinois not-for-profit corporation (the “**Charitable Group**”) and, together with the Foundation and the Association, the “**Borrower**”) in order to (i) demolish the Association’s existing vacant east building at the Bethesda Home and Retirement Center (the “**Retirement Center**”), a senior living housing facility located at 2833 North Nordica Avenue, Chicago, Illinois, construct a new 2,000 square foot rehabilitation center at the Retirement Center, remodel the first floor of the existing Retirement Center building and make related renovations and improvements thereto (all such facilities being owned and operated by the Association and referred to collectively as the “**Project**”), (ii) repay certain indebtedness of the Borrower incurred to pay costs of the Project and to refund the Authority’s \$1,948,200 Revenue Bond (Bethesda Home and Retirement Center Project), Series 2012 (the “**2012 Bond**”); and (iii) pay costs of issuance and other costs related to the Bond and the Project (collectively, the “**Financing Purposes**”).

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

JOBS

Current employment: 96	New jobs projected: 10
	Construction jobs projected: 102 (9 months)

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Bonds	\$7,517,000	Project Costs	\$5,914,355
Equity	<u>114,355</u>	Interim Loan Refinancing	1,093,000
		Series 2012 Refunding	549,000
		Costs of Issuance	<u>75,000</u>
Total	<u>\$7,631,355</u>	Total	<u>\$7,631,355</u>

FINANCING SUMMARY

Structure: The Bonds will be purchased directly by MB Financial Bank, N.A and held as a direct investment for an expected initial term of 7 years (and a construction period of 9 months).

Security: MB Financial Bank, N.A will be secured by a first mortgage on the subject property. Additionally, MB Financial Bank will cross-collateralize and cross-default all other lending agreements between the Bank and the Borrower (and affiliates).

Underlying Rating: Norwegian Lutheran Bethesda Home Association is a non-rated entity.

Interest Rate: The Bonds will bear a fixed or synthetically fixed interest rate that is negotiated and established prior to closing, currently estimated at between 2.50% and 4.00% (as of November 1, 2015).

Maturity: Initial term of 7 years amortized over 25 years, (i.e., 7/1/2041)

Estimated Closing Date: December 2015/January 2016

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be loaned to **Norwegian Lutheran Bethesda Home Association, d/b/a Bethesda Home and Retirement Center**, an Illinois not for profit corporation (the “**Association**”), **Bethesda Foundation**, an Illinois not-for-profit corporation (the “**Foundation**”) and **Bethesda Charitable Group, Inc.**, an Illinois not-for-profit corporation (the “**Charitable Group**”) and, together with the Foundation and the Association, the “**Borrower**”) in order to (i) demolish the Association’s existing vacant east building at the Bethesda Home and Retirement Center (the “**Retirement Center**”), a senior living housing facility located at 2833 North Nordica Avenue, Chicago, Illinois, construct a new 2,000 square foot rehabilitation center at the Retirement Center, remodel the first floor of the existing Retirement Center building and make related renovations and improvements thereto (all such facilities being owned and operated by the Association and referred to collectively as the “**Project**”), (ii) repay certain indebtedness of the Borrower incurred to pay costs of the Project and to refund the Authority’s \$1,948,200 Revenue Bond (Bethesda Home and Retirement Center Project), Series 2012 (the “**2012 Bond**”); and (iii) pay costs of issuance and other costs related to the Bond and the Project (collectively, the “**Financing Purposes**”).

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

Construction	\$5,029,255
Architectural/Engineering	414,000
Development and Entitlements	446,000
Fixtures/Equipment	264,000
Owner’s Budget	582,100
Contingency	225,000
Pre-Construction Services	<u>47,000</u>
Total:	<u>\$7,007,355</u>

BUSINESS SUMMARY

Description: **Bethesda Charitable Group, Inc.** (the “**Charitable Group**”) and its controlled affiliates, Norwegian Lutheran Bethesda Home Association d/b/a **Bethesda Home and Retirement Center** (the “**Center**”), and **Bethesda Foundation** (the “**Foundation**”, and together with the Charitable Group and the Center, the “**Borrower**”), are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code and exempt from federal income taxes. The entities are incorporated under the laws of the State of Illinois.

Please see Economic Disclosure Section (p. 5) for a list of the Board of Directors of the Charitable Group.

Background: The principal purpose of the Group is to provide housing, health care and other related services to the residents of a retirement home and nursing facility located in Chicago, Illinois. The mission of Bethesda Home has always been to put residents first and create a place of comfort and security for older adults. The first building opened in 1911 with room for 19 residents. Bethesda Home moved to its current site in 1925, where the building initially housed 70 residents. Bethesda has completed a series of expansion and renovation projects in subsequent decades, enabling Bethesda Home to reach its current capacity of 162 residents (licensed beds) with a continuum of care that meets the needs of the senior population in Northwest Chicago and surrounding west and northwest suburban communities.

Currently, Bethesda Home has 99 licensed beds in operation (20 sheltered care; 33 intermediate care; and 46 skilled nursing). Sheltered care is for seniors who are mostly self-sufficient but can benefit from occasional help or supervision. Residents maintain their independence while benefiting from nursing care that is available when needed. Intermediate Care is best for anyone who needs nursing assistance every day, whether it is help with dressing, toileting, eating, or all daily living activities. Caring staff assists intermediate care residents 24 hours per day. Intermediate care residents can choose to live in a semi-private or private room. Finally, Skilled Care residents require assistance in all daily living activities. Bethesda Home’s team of licensed medical professionals provides full-time care and services that include physical therapy, occupational therapy and/or speech pathology.

Upon completion of the skilled nursing expansion contemplated herein, skilled nursing bed capacity will increase from 46 beds to 62 beds, while sheltered care and intermediate care beds capacities will remain unchanged (at 20 beds and 33 beds, respectively). Overall, this expansion will result in an increase of 16 beds in operation (from 99 to 115) – all in skilled nursing (and rehabilitation). This rehabilitation services expansion will expand Bethesda Home and Retirement Center’s partnership with Alliance Rehabilitation Services, a Symbria company (see www.symbria.com/aboutus), providing an individualized approach to physical, occupational, and speech therapies. Rehabilitation services include a comprehensive, in-patient rehabilitation program, a physiatrist- (i.e., rehabilitation physician) guided rehabilitation model, and personalized aftercare plans aimed at restoring each patient to his/her highest level of functioning.

Bethesda Home’s currently has one IFA bond issue outstanding. The outstanding balance of its IFA Series 2012 Bonds was approximately \$615,922 as of 9/6/2015. The direct purchaser/bond investor of the Series 2012 Bonds is also MB Financial Bank (which will continue to be the Borrower’s relationship bank following completion of the proposed financing).

All bond payments on Bethesda Home’s existing IFA Series 2012 Bonds were current as of 9/6/2015. All payments have been made as scheduled.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Norwegian Lutheran Bethesda Home Association, 2833 North Nordica Avenue, Chicago, IL 60634-4726

Contact: Mr. Rich Lanis, Director of Finance: (T) 773-622-6144 (F) 773-622-8261

Website: <http://www.bethesdahome.com/>

Project name: IFA Revenue and Revenue Refunding Bonds (Bethesda Home), Series 2015

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

Board of Directors: Marc Arndt-Vice Chair
Mary Beth Buschmann-Secretary
Dirk Danker
Howard Hamilton
Amalea Hendricksen
David Hoyem
Elsa Jacobson
John Kambanis
John Lattyak-Chair
Jim McClanahan
Mary Rasmusson
Laverne Schwartz
John Stodden

PROFESSIONAL & FINANCIAL

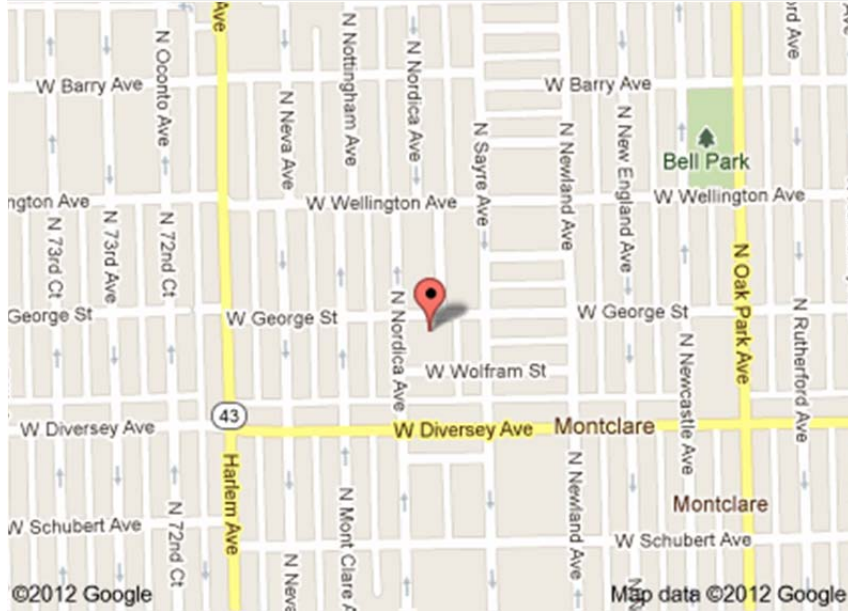
Auditor:	BKD, LLP	Oak Brook Terrace	
Borrower's Counsel:	Chuhak & Tecson, P.C.	Chicago	Andrew P. Tecson Kimberly T. Boike
Bond Counsel:	Greenberg Traurig, LLP	Chicago	Matt Lewin
Bank (Direct Purchaser):	MB Financial Bank, N.A.	Chicago	John Sassaris Christian Streu
Bank Counsel:	Krieg DeVault LLP	Chicago	Ross D. Taylor Tyler Ferguson
IFA Counsel:	Shanahan & Shanahan LLP	Chicago	Jimmy Shanahan
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago	Jim Beck

LEGISLATIVE DISTRICTS

Congressional: 4
State Senate: 2
State House: 3

SERVICE AREA

Bethesda Home and Retirement Center is located in a residential neighborhood on the northwest side of Chicago. Residents are drawn from surrounding areas of Northwest Chicago and nearby suburbs including Oak Park, Norridge, Franklin Park, Norridge, Oak Park, and River Forest.



\$19,100,000 (not-to-exceed)

December 10, 2015

Adler University

REQUEST	<p>Purpose: Bond proceeds will be loaned to Adler University, an Illinois not for profit corporation (the “Borrower”), to provide the Borrower with all or a portion of the funds (i) to acquire real property and improvements commonly known as Floors 15 and 16 and a portion of the 1st Floor lobby located at 1 North Dearborn Street (also known as 17 North Dearborn Street), Chicago, Illinois (collectively, the “Project”) and (ii) to pay costs of issuance of the Bonds and costs related to the Project.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																	
BOARD ACTION	<p>Final Bond Resolution Voting Record (November 12, 2015) – Preliminary Bond Resolution – 11 Yeas; 0 Nays; 0 Abstain; 4 Absent (Fuentes, O’Brien, Yonover, Zeller); 0 Vacancies.</p>																	
MATERIAL CHANGES	<p>None.</p>																	
JOB DATA	173	Current jobs	19	New jobs projected (Chicago campus only)														
	N/A	Retained jobs	N/A	Construction jobs projected														
DESCRIPTION	<ul style="list-style-type: none"> • Location: Chicago (Cook County) • Type of entity: Adler University is a post-baccalaureate, non-profit institution of higher education and private graduate school of social and health sciences located in Chicago, Illinois and Vancouver, British Columbia (Canada). • Adler University continues the pioneering work of the first community psychologist Alfred Adler by graduating socially responsible practitioners, engaging communities, and advancing social justice. 																	
CREDIT INDICATORS	<ul style="list-style-type: none"> • The Borrower is a non-rated entity. • The IFA 501(c)(3) Revenues Bond (Adler University Project), Series 2015 will be purchased directly by MB Financial Bank, N.A. (the “Bond Purchaser”). The Bond Purchaser will be the secured lender and the direct bond investor. 																	
SECURITY	<ul style="list-style-type: none"> • The Bond Purchaser will be secured by a valid, perfected, first-priority mortgage and security interest in the real property and all fixtures, equipment and other personal property related to or used in connection with the real property of the Borrower located on the 15th and 16th floors (as well as certain portions of the 1st floor lobby) of the building located at One North Dearborn in Chicago, Illinois (i.e.m Adler University’s Chicago campus). • The Bond Purchaser will also be the Academy’s relationship bank on other credit facilities. The Bank expects all credit facilities, including the Series 2015 Bond, to be cross-collateralized and cross-defaulted. 																	
STRUCTURE	<ul style="list-style-type: none"> • The Bond Purchaser will set an initial fixed or variable rate for 5, 7 or 10 years (with reset provisions at the end of each period), amortized over an expected term of 25 years in connection with the acquisition of the subject real estate. 																	
SOURCES AND USES	<p>Sources:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">IFA Revenue Bond</td> <td style="width: 50%; text-align: right;">\$19,100,000</td> </tr> <tr> <td>IFF – Subordinate Loan</td> <td style="text-align: right;">2,000,000</td> </tr> <tr> <td>Equity</td> <td style="text-align: right;"><u>4,250,000</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;"><u>\$25,350,000</u></td> </tr> </table>		IFA Revenue Bond	\$19,100,000	IFF – Subordinate Loan	2,000,000	Equity	<u>4,250,000</u>	Total	<u>\$25,350,000</u>	<p>Uses:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Chicago Campus Acquisition</td> <td style="width: 50%; text-align: right;">\$25,000,000</td> </tr> <tr> <td>Costs of Issuance</td> <td style="text-align: right;"><u>350,000</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;"><u>\$25,350,000</u></td> </tr> </table>		Chicago Campus Acquisition	\$25,000,000	Costs of Issuance	<u>350,000</u>	Total	<u>\$25,350,000</u>
IFA Revenue Bond	\$19,100,000																	
IFF – Subordinate Loan	2,000,000																	
Equity	<u>4,250,000</u>																	
Total	<u>\$25,350,000</u>																	
Chicago Campus Acquisition	\$25,000,000																	
Costs of Issuance	<u>350,000</u>																	
Total	<u>\$25,350,000</u>																	
RECOMMENDATION	<p>Credit Review Committee recommends approval.</p>																	

**ILLINOIS FINANCE AUTHORITY
 BOARD SUMMARY
 December 10, 2015**

Project: Adler University

STATISTICS

Project Number: 12315	Amount: \$19,100,000 (not-to-exceed)
Type: 501(c)(3) Revenue Bond	IFA Staff: Rich Frampton and Brad R. Fletcher
Locations: Chicago	County/Region: Cook County/Northeast

BOARD ACTION

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

VOTING RECORD

Voting Record (November 12, 2015) – Preliminary Bond Resolution – 11 Yeas; 0 Nays; 0 Abstain; 4 Absent (Fuentes, O’Brien, Yonover, Zeller); 0 Vacancies.

PURPOSE

Bond proceeds will be loaned to **Adler University**, an Illinois not for profit corporation (the “**Borrower**”), to provide the Borrower with all or a portion of the funds (i) to acquire real property and improvements commonly known as Floors 15 and 16 and a portion of the 1st Floor lobby located at 1 North Dearborn Street (also known as 17 North Dearborn Street), Chicago, Illinois (collectively, the “**Project**”) and (ii) to pay costs of issuance of the Bonds and costs related to the Project.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources: IFA Bond	\$19,100,000	Uses: Project Costs	\$25,000,000
IFF – Subordinate Loan	2,000,000	Costs of Issuance	<u>350,000</u>
Equity	<u>4,250,000</u>		
Total	<u>\$25,350,000</u>	Total	<u>\$25,350,000</u>

JOBS

Current employment: 173	Projected new jobs: 19 (Chicago campus only)
Jobs retained: N/A	Construction jobs: N/A

FINANCING SUMMARY

Structure/ Security:	<p>The Bond will be purchased directly by MB Financial Bank, N.A. (the “Bank” or “Bond Purchaser”), and held as an investment. The Bank will be secured by a valid, perfected, first-priority mortgage and security interest in the real property and all fixtures, equipment and other personal property related to or used in connection with the real property of the Borrower located on the 15th and 16th floors (as well as certain portions of the 1st floor lobby) of the building located at One North Dearborn in Chicago, Illinois (i.e., Adler University’s Chicago campus).</p> <p>The Series 2015 Bond will be cross-collateralized and cross-defaulted with all other credit facilities.</p>
Interest Rate:	<p>The Bond Purchaser will set an initial fixed or variable rate for 5, 7 or 10 years (with reset provisions at the end of each period), amortized over an expected term of 25 years in connection with the acquisition of the Chicago campus.</p>
Maturity:	<p>The IFA 501(c)(3) Revenue Bond, Series 2015 will have a not-to-exceed maturity of 25 years from the issuance date..</p>
Estimated Closing Date:	<p>December 2015</p>
Rationale:	<p>The proposed financing will reduce monthly payments that (together with other funds available to the Borrower) will assist in helping Adler University keep its fixed charges (including exchanging costly rent expense at its Chicago campus’ in favor of more cost effective debt service payments) as low as possible.</p> <p>As a result, reduced expenses will allow Adler to direct additional resources to the students it serves rather than overhead costs.</p>

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be loaned to **Adler University**, an Illinois not for profit corporation (the “**Borrower**”), to provide the Borrower with all or a portion of the funds (i) to acquire real property and improvements commonly known as Floors 15 and 16 and a portion of the 1st Floor lobby located at 1 North Dearborn Street (also known as 17 North Dearborn Street), Chicago, Illinois (collectively, the “**Project**”) and (ii) to pay costs of issuance of the Bonds and costs related to the Project.

BUSINESS SUMMARY

Background: **Adler University** (“**Adler**” or the “**Borrower**”), formerly known as the Adler School of Professional Psychology until January 5, 2015, is incorporated under Illinois law and is a 501(c)(3) not-for-profit corporation exempt from federal income taxes under the Internal Revenue Code of 1986, as amended.

Adler University is governed by an 18-member Board of Trustees (see p. 6 for listing).

Description: Adler University was established in 1952 as a private, not-for-profit institution of higher education and is the oldest independent school of psychology in North America, providing masters and doctorate degrees in psychology. Adler University requires all of its applicants to have baccalaureate degrees from an accredited college or university.

Adler currently has campuses located in Downtown Chicago and Vancouver, British Columbia (Canada). In addition to providing graduate level professional education, Adler supplements its educational mission by providing psychological services, research, and professional publications. Adler also performs research, training, and other services under grants and contracts with third-party sponsors.

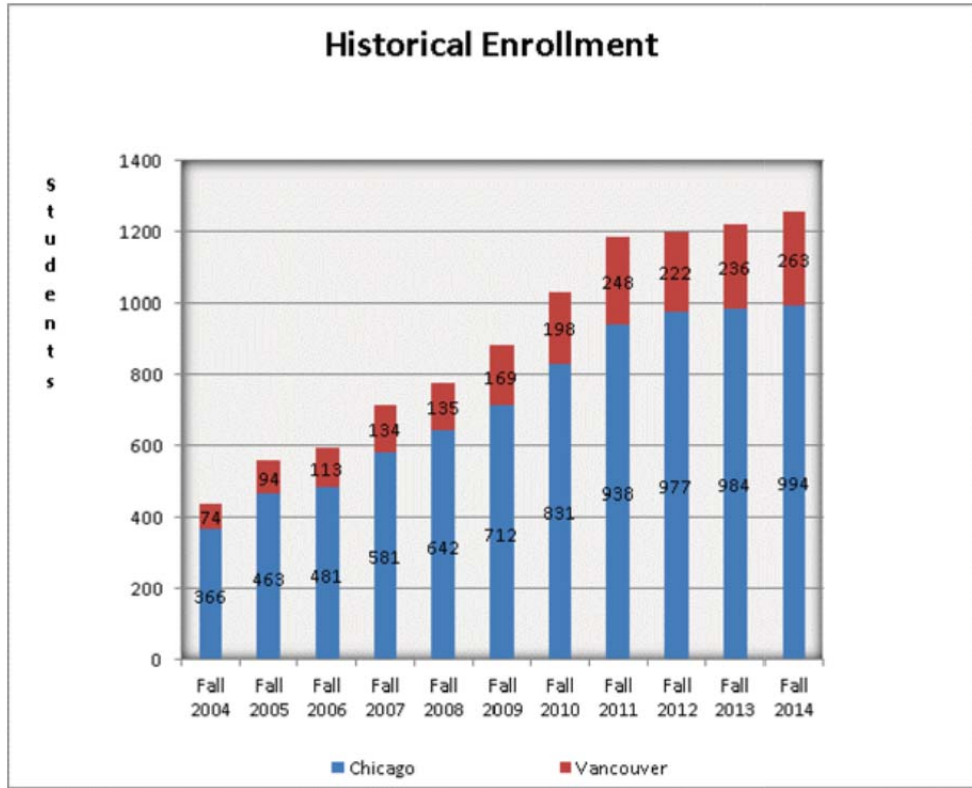
Adler University is named after Alfred Adler (1870-1937), the first community psychologist to initiate group counseling, family counseling, and public mental health education. Alfred Adler also pioneered community, preventative, and positive psychologies. Adler University continues the pioneering work of the first community psychologist Alfred Adler by graduating socially responsible practitioners, engaging communities, and advancing social justice.

Adler University, as a higher education institution, continues his work today through the production of three outcomes which are specified in their mission:

1. **Socially Responsible Practitioners:** Socially responsible practitioners are educated to be effective personal and social change agents in the pursuit of justice.
2. **Community Engagement:** Community engagement is collaborative partnership that strengthens communities, provides service, and prepares students.
3. **Social Justice:** Social justice refers to equitable distribution of economic, political, civil, cultural, social, and other resources and opportunities in society in order to promote the optimal development of persons and communities.

The three outcomes of the University’s mission are interconnected conceptually as well as through the organization of Adler University. The University’s education and training prepares students to be socially responsible practitioners who engage communities and advance social justice, during both their course of study and their later professional lives. The University directly engages communities – through over 500 community partnerships including the direct service contracts of Adler Community Health Services and the training relationships which support delivery of students’ Community Service Practice – in order to provide students with experience training in socially responsible practice and to advance social justice within those communities. The University’s Institutes for Social Change bring attention to social justice within the University through stimulating changes in the curricula and through specific didactic and experiential activities for students and faculty – as well as promote social justice beyond the boundaries of the University through engaging communities in a variety of programming

Adler currently employs approximately 96 full-time equivalent faculty members. The combined student-teacher ratio at the University is 12.8:1 with an average class size of 10.1 students. In addition to the senior administrative staff, the Academy currently employs approximately 113 full-time equivalent administrative and support staff. The University’s enrollment over the last 10 years has grown significantly. From the 2004 school year through 2014, enrollment grew from 440 total students to 1,257 students. Historical enrollment growth trends for the Chicago and Vancouver Campus are depicted in the chart below:



Additionally, the University had 120 jobs at the time of application for its Series 2010 Bond and projected 37 additional jobs over the next 1-2 years. Currently, the University reports that employment has increased to 173 full-time equivalents (exceeding their 2010 forecast).

Accreditations: Adler University is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The University offers a doctoral program in clinical psychology, accredited by the American Psychological Association (“APA”), and eight master's programs. The APA must award accreditation every 10 years. The re-approval for accreditation was last completed in the fall of 2011 and the University was accredited for a 10-year cycle.

APA also granted its maximum accreditation of seven years to Adler’s Doctoral Program in Clinical Psychology (PsyD). Seven years is reserved for exemplary accredited programs, and it is the first time that Adler’s PsyD Program has achieved this distinction.

Adler University’s Master of Arts in Counseling Psychology, Vancouver Campus, has ministerial consent to offer the MA Counseling degree under the authority of the Degree Quality Assessments Board.

IFF Facility

Loan Program: IFF’s Facility Loan Program supports capital projects, including acquisition, construction, renovation/rehabilitation and leasehold improvements. Additionally, IFF’s Facility Loan Program can be used in the refinancing of such uses in support of nonprofit entities expanding programs.

Currently, terms of the Facility Loan Program range from a term of 5 to 15 years and loan amounts are between \$10,000 to \$2.0 million.

As proposed, an IFF Facility Loan will provide subordinate financing to support the acquisition of the Chicago campus Adler University currently leases, thereby facilitating the senior loan (i.e., the IFA Series 2015 Bond).

ECONOMIC DISCLOSURE STATEMENT

Applicant: Adler University

Contact: Jeff Green, Vice President of Finance and Technology
(T) 312-662-4000; Email: jgreen@adler.edu

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

Site Location: 17 North Dearborn, Chicago, IL 60602 (i.e., lobby, 15th and 16th Floors of One North Dearborn)

Seller Disclosure: Adler University currently leases its Chicago campus at the One North Dearborn building from BCSP OND Property LLC, a Delaware limited liability company.

BCSP OND Property LLC is indirectly 100%-owned and controlled by BCSP VII Investments, L.P., a Delaware limited partnership, which is majority-owned and controlled by Beacon Capital Strategic Partners VII, L.P., a Delaware limited partnership (the "Fund"). No single investor owns more than a 20% interest in the Fund.

The Fund is managed by Beacon Capital Partners, LLC, a Delaware limited liability company. Please visit <http://www.beaconcapital.com> for more information.

(Note: at the time of closing/funding of the Series 2010 Bond, Adler's lessor was One North Dearborn Properties, LLC, also a Delaware limited liability company.)

Lessor
Disclosure
(Vancouver
Campus):

Adler University leases its campus real estate which is located in Vancouver, British Columbia (Canada) from Mottistone Holdings LTD.

Project name: IFA 501(c)(3) Revenue Bond (Adler University Project), Series 2015

Board of
Trustees:

David Sinski, M.A., Chairman
Betsy Brill, M.B.A.
Janet Campbell, M.S.W.
Victoria Chou, Ph.D.
Renee Citera
Raymond E. Crossman, Ph.D.
Nick Delgado
Vicky Dinges
Doug Harris
Grace Hou, M.P.A.
Noland Joiner
Barry Kaufman
Joy MacPhail
Harold Mosak, Ph.D.
Audrey Peeples, M.M.
Juan Salgado, MUP
Bernard Shulman, M.D.
Eric C. Warner, M.S.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Holland & Knight LLP	Chicago, IL	David Allswang Barbara Adams
Auditor:	Crowe Horwath LLP	Chicago, IL	
Bond Counsel:	Greenberg Traurig LLP	Chicago, IL	Matt Lewin
Bank/Direct Bond Purchaser:	MB Financial Bank, N.A.	Chicago, IL	Bernard Bartilad John Sassaris Jessica Andujar-Redman
Subordinate Lender:	IFF	Chicago, IL	Laurie Garrett Sara Walton Andy Walters
Subordinate Lender Counsel:	Guerard Kalina & Butkus	Wheaton, IL	Mark F. Kalina
Bank Counsel:	Thompson Coburn LLP	St. Louis, MO	Sara E. Kotthoff Victor A. DesLaurier
IFA Counsel:	Sanchez Daniels & Hoffman LLP	Chicago, IL	John Cummins Heather Erickson
IFA Financial Advisor:	Sycamore Advisors, LLC	Chicago, IL	Melanie Shaker

LEGISLATIVE DISTRICTS

Congressional:	7
State Senate:	3
State House:	5



December 10, 2015

\$53,000,000
Iowa Health System d/b/a UnityPoint Health

REQUEST	<p>Purpose: Bond proceeds will be used by Iowa Health System d/b/a UnityPoint Health to refund the Methodist Medical Center of Illinois Series 2011B Bonds as well as pay costs of issuance</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																
BOARD ACTIONS	Final Bond Resolution (<i>One-Time Consideration</i>)																
MATERIAL CHANGES	None – this is the first time this financing has been presented to the IFA Board of Directors																
JOB DATA	<table> <tr> <td>~25,000</td> <td>Current jobs</td> <td>0</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>0</td> <td>Construction jobs projected</td> </tr> </table>	~25,000	Current jobs	0	New jobs projected	N/A	Retained jobs	0	Construction jobs projected								
~25,000	Current jobs	0	New jobs projected														
N/A	Retained jobs	0	Construction jobs projected														
DESCRIPTION	<ul style="list-style-type: none"> • Location: Peoria • Initially formed in 1994, Iowa Health System d/b/a UnityPoint Health, an Iowa nonprofit corporation, controls, directly or indirectly, a regional health care delivery system that includes, as of June 30, 2015, twelve hospitals (including Blank Children’s Hospital) in ten Iowa cities, four hospitals in three Illinois cities, one hospital in Madison, Wisconsin, and approximately 860 employed physician full time equivalents and 420 mid-level provider full time equivalents practicing in 96 communities. 																
CREDIT INDICATORS	<ul style="list-style-type: none"> • Variable Rate Bank direct purchase US Bank. 																
SECURITY	<ul style="list-style-type: none"> • Secured by pledge of gross receivables 																
MATURITY	<ul style="list-style-type: none"> • Bonds will mature no later than 2041 																
SOURCES AND USES	<table> <tr> <td colspan="2">Sources:</td> <td colspan="2">Uses:</td> </tr> <tr> <td>IFA Bonds</td> <td>\$51,220,000</td> <td>Refunding</td> <td>\$51,220,000</td> </tr> <tr> <td>Equity</td> <td><u>\$1,025,000</u></td> <td>Costs of Issuance (estimated)</td> <td><u>\$1,025,000</u></td> </tr> <tr> <td>Total</td> <td><u>\$52,245,000</u></td> <td>Total</td> <td><u>\$52,245,000</u></td> </tr> </table>	Sources:		Uses:		IFA Bonds	\$51,220,000	Refunding	\$51,220,000	Equity	<u>\$1,025,000</u>	Costs of Issuance (estimated)	<u>\$1,025,000</u>	Total	<u>\$52,245,000</u>	Total	<u>\$52,245,000</u>
Sources:		Uses:															
IFA Bonds	\$51,220,000	Refunding	\$51,220,000														
Equity	<u>\$1,025,000</u>	Costs of Issuance (estimated)	<u>\$1,025,000</u>														
Total	<u>\$52,245,000</u>	Total	<u>\$52,245,000</u>														
RECOMMENDATION	Credit Review Committee recommends approval.																

**ILLINOIS FINANCE AUTHORITY
 BOARD SUMMARY
 December 10, 2015**

Project: Iowa Health System d/b/a UnityPoint Health

STATISTICS

Project Number: 12316	Amount: \$53,000,000 (not-to-exceed)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Pam Lenane and Tammy Harter
Location: Peoria	County/Region: Peoria/North Central

BOARD ACTION

Final Bond Resolution (<i>One-time consideration</i>)	
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 Iowa Health System d/b/a UnityPoint Health to refund the Methodist Medical Center of Illinois Series 2011B Bonds and to pay for the cost of issuance.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Bonds	\$51,220,000	Refunding	\$51,220,000
Equity	<u>\$1,025,000</u>	Costs of Issuance (estimated - preliminary)	<u>\$1,025,000</u>
Total	<u>\$ 52,245,000</u>	Total	<u>\$52,245,000</u>

JOBS

Current employment: ~25,000	Projected new jobs: 0
Jobs retained: N/A	Construction jobs: 0

FINANCING SUMMARY

Credit Enhancement: None

Structure: Variable rate bank direct purchase US Bank.

Interest Rate: Variable

Interest Rate Modes: Weekly reset

Underlying Ratings: Moody's (Aa3), Fitch (AA-)

Maturity: 2041

Estimated Closing Date: 1/22/16

PROJECT SUMMARY

The proceeds will be used by Iowa Health System d/b/a UnityPoint Health to refund the Methodist Medical Center of Illinois Series 2011B Bonds.

BUSINESS SUMMARY

Background:

Initially formed in 1994, Iowa Health System ("IHS"), an Iowa nonprofit corporation, controls, directly or indirectly, a regional health care delivery system that includes, as of June 30, 2015, twelve hospitals (including Blank Children's Hospital) in ten Iowa cities, four hospitals in three Illinois cities, one hospital in Madison, Wisconsin, and approximately 860 employed physician full time equivalents and 420 mid-level provider full time equivalents practicing in 96 communities (collectively, the "System").

On April 16, 2013, the System began being publicly known as UnityPoint Health. This name change reflects the transformation of clinical processes underway within the System and the adaptation to better address the health care needs of communities, including building a model of delivering health care that coordinates care around the patient while focusing on improving the quality of care and reducing costs. In light of this transformation in health care, IHS changed its name to better reflect its brand promise. UnityPoint Health, a federally registered trademark, is a doing business as designation of IHS and is intended to be its predominant name.

The System entities employ around 25,000 employees (on a full time equivalent basis) System-wide, including being the largest nonprofit workforce in the combined State of Iowa and Western Illinois area, and work toward innovative advancements to achieve the vision of delivering the Best Outcome for Every Patient Every Time. The System also provides a multitude of community benefit programs and services to improve the health of people in its communities.

The primary operations of the System are conducted through an array of nonprofit and for-profit subsidiaries controlled, directly or indirectly, by UnityPoint Health. The affiliates include Central Iowa Health System d/b/a UnityPoint Health – Des Moines, Methodist Health Services Corporation, Meriter Health Services, Inc., Trinity Regional Health System, St. Luke's Healthcare, Allen Health Systems, Inc., St. Luke's Health System, Inc., Trinity Health Systems, Inc., Finley Tri-States Health Group, Inc., Iowa Physicians Clinic Medical Foundation d/b/a UnityPoint Clinic, and UnityPoint at Home (formerly known as InTrust and formerly d/b/a Iowa Health Home Care).

ECONOMIC DISCLOSURE STATEMENT

Applicant: Iowa Health System d/b/a UnityPoint Health
Site Address: 221 NE Glen Oak Avenue, Peoria, IL 61636
Contact: Matthew Kirschner, 515-241-8272
Website: www.unitypoint.org
Project name: Refunding of 2011B Bonds
Organization: 501(c)(3) Not-for-Profit Corporation
State: Iowa, Illinois, Wisconsin
Board of Directors:

Chair: Mike Williams	Secretary: Linda Newborn
Chair Elect/Vice Chair: Mike Stone	Treasurer: Rick McConnell
Angela Aldrich, M.D. <i>Sioux City</i>	Ron Klosterman <i>Dubuque (At-Large)</i>
Dave Boyer <i>Madison</i>	Rick McConnell <i>Des Moines</i>
Terri Christoffersen <i>Cedar Rapids</i>	Pete McLaughlin <i>Quad Cities</i>
Brenda Clancy <i>Cedar Rapids (At-Large)</i>	Linda Newborn <i>Quad Cities</i>
Stanton Danielson, M.D. <i>Des Moines (UP Clinic)</i>	Kurt Pittner <i>Fort Dodge</i>
Randy Easton <i>Cedar Rapids</i>	Cate Ranheim, M.D. <i>Madison (At-Large)</i>
Sarah Hasken <i>Dubuque</i>	Bruce Sherman <i>Des Moines</i>
Kent Henning <i>Des Moines</i>	Mike Stone <i>Peoria</i>
Steve Herwig, D.O. <i>Des Moines</i>	Devendra Trivedi, M.D. <i>Peoria</i>
George Kamperschroer <i>Madison</i>	Mike Williams <i>Waterloo</i>
Francis Kane, M.D. <i>Quad Cities (At-Large)</i>	

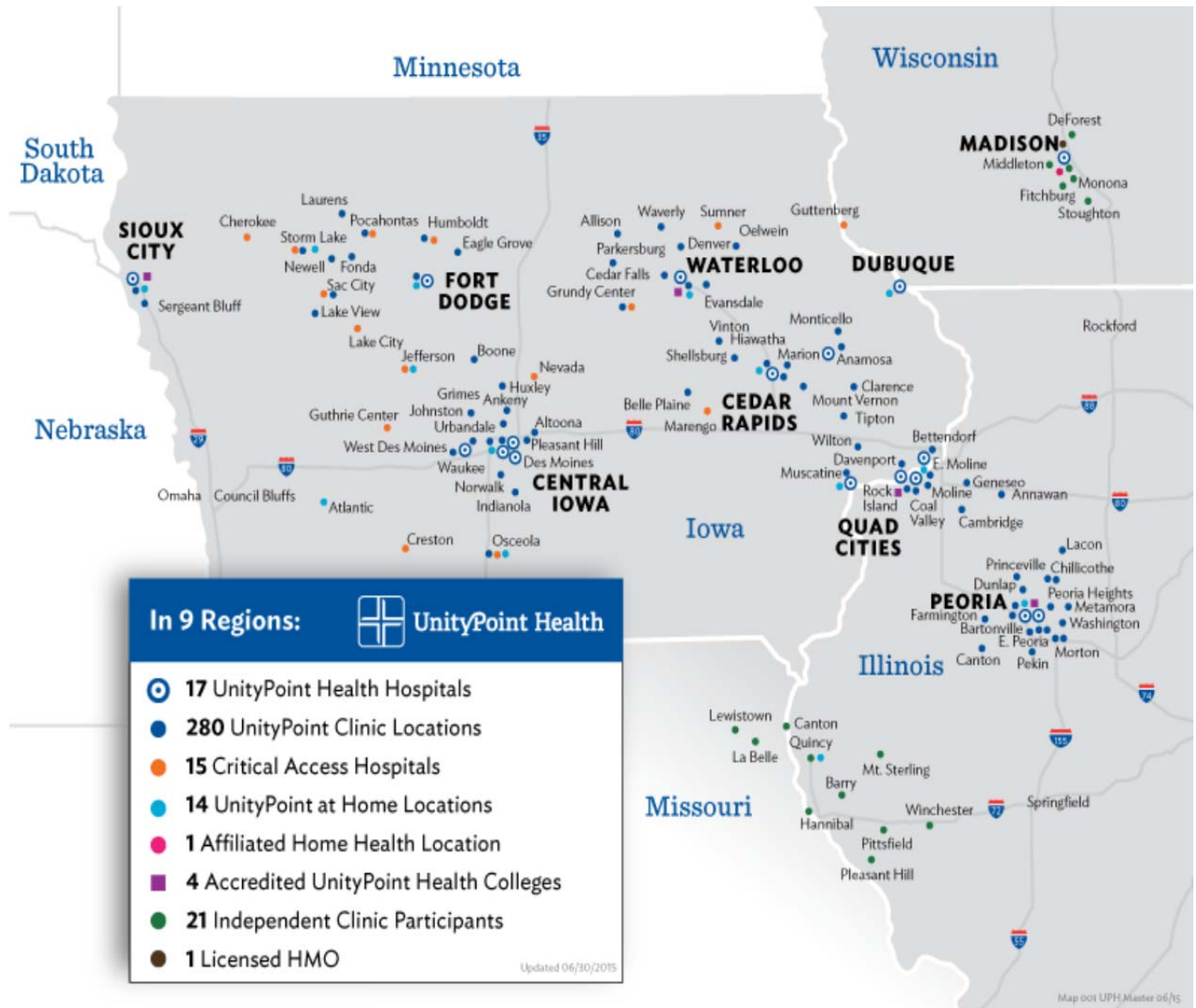
PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Norton Rose Fulbright US, LLP	Dallas, TX	Scott Kortmeyer
Auditor:	BKD, LLP	Chicago, IL	
Bank:	US Bank, National Association	Chicago, IL	Brian McGough
Bond Counsel:	Dorsey & Whitney LLP	Des Moines, IA	David Claypool
Bank Counsel:	Chapman and Cutler LLP	Chicago, IL	David Field
Bond Trustee:	US Bank, National Association	St. Paul, MN	Christine Robinette
Issuer's Counsel:	Chapman and Cutler LLP	Chicago, IL	Rich Tomei
Issuer's Advisor:	Sycamore Advisors, LLP	Chicago, IL	Melanie Shaker

LEGISLATIVE DISTRICTS

Congressional:	17
State Senate:	46
State House:	92

SERVICE AREA



ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: December 10, 2015

Re: 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
IFA File Number: E-PC-TE-CD-8282

Request:

Adler University, an Illinois not-for-profit corporation formerly known as the Adler School of Professional Psychology until January 5, 2015 (“**Adler**” or the “**Borrower**”), and **MB Financial Bank, N.A.** (the “**Bond Purchaser**”) are requesting approval of a Resolution to authorize execution and delivery of a First Amendment to Bond and Loan Agreement to amend the initial interest rate period and reset the interest rate on the Illinois Finance Authority Educational Facility Revenue Bond (Adler School of Professional Psychology, Inc. Project), Series 2010 (the “**Series 2010 Bond**”), 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 Supplemental Arbitrage and Tax Certificate related to the tax exemption of the Amended Bond (the “**Supplemental Tax Certificate**”).

The original par amount of the Series 2010 Bond was \$5,100,000, which was purchased in whole by MB Financial Bank, N.A. As of November 1, 2015, approximately \$2,026,890 of principal remained outstanding. The scheduled final maturity date is February 15, 2026.

Impact:

Approval of this Resolution will not cause the terms of the Series 2010 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 reissuance, consistent with historical practice.

Background:

The Authority issued its Series 2010 Bond and loaned the proceeds to the Borrower to finance, refinance (through the repayment of one or more interim loans) or reimburse the Borrower for (i) the costs of the construction and build-out of approximately 100,976 rentable square feet of leased building space at One North Dearborn, Chicago, Illinois 60602 (i.e., leasehold improvements, consisting of (a) approximately 2,502 rentable square feet on Floor 1, (b) approximately 48,495 rentable square feet on Floor 15 and (c) approximately 49,799 rentable square feet on Floor 16, to be used as classroom space, administrative offices and library space, and related building infrastructure, including, but not limited to, restrooms, dedicated elevators and elevator bank space (collectively, the “2010 Project”) (with all of the facilities constituting the 2010 Project owned and operated by the Borrower), (ii) costs of issuance of the Series 2010 Bond, and (iii) capitalized interest on the Series 2010 Bond or working capital expenditures related to the 2010 Project.

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

PROFESSIONAL & FINANCIAL

Borrower’s Counsel:	Holland & Knight LLP	Chicago, IL	David Allswang
Bond Counsel:	Greenberg Traurig LLP	Chicago, IL	Matt Lewin
Bond Purchaser:	MB Financial Bank, N.A.	Chicago, IL	Bernard Bartilad John Sassaris Jessica Andujar-Redman
Bank Counsel:	Thompson Coburn LLP	St. Louis, MO	Sara E. Kotthoff Victor A. DesLaurier
IFA Financial Advisor:	Sycamore Financial Advisors	Chicago, IL	Melanie Shaker

IFA RESOLUTION NO. _____

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.

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 \$5,100,000 initial aggregate principal amount Educational Facility Revenue Bond (Adler School of Professional Psychology, Inc. Project) Series 2010 (the “**Bond**”); and

WHEREAS, in furtherance of the issuance of the Bond, the Authority entered into a Bond and Loan Agreement dated as of February 1, 2010 (the “**2010 Agreement**”) with MB Financial Bank, N.A. as the owner of the Bond (the “**Purchaser**”), and Adler School of Professional Psychology, Inc. (now known as Adler University), an Illinois not for profit corporation (the “**Borrower**”), pursuant to which the proceeds of the Bond were lent by the Authority to the Borrower to finance the “Tenant’s Owned Property” portion of the construction and build-out of certain space and facilities located at 1 North Dearborn Street (also known as 17 North Dearborn Street), Chicago, Illinois and consisting of 100,796 rentable square feet of space (and any adjoining and related area) including (i) approximately 48,495 rentable square feet on the 15th Floor and approximately 49,799 rentable square feet on the 16th Floor, which is used as classroom space, administrative offices and library space, and related building infrastructure, including, but not limited to, restrooms, dedicated elevators and elevator bank space, and (ii) approximately 2,502 square feet of lobby space on the 1st Floor (the “**2010 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 amend the interest rate determination provisions applicable to the Bond and make certain other changes to the 2010 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, and if deemed necessary or desirable, an Arbitrage and Tax Certificate of the Authority and the Borrower (the “**Arbitrage Certificate**”) in connection with any deemed reissuance of the Bond as a result of the amendments; and

WHEREAS, the First Amendment and the Arbitrage Certificate are referred to collectively herein as the “**Authority Documents**.”

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 2010 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 Authority Documents. The Secretary or any Assistant Secretary of the Authority is hereby authorized to attest and to affix the official seal of the Authority to the Authority Documents. The Authority Documents shall be substantially in the forms previously provided to and on file with the Authority and hereby approved (or, with respect to the Arbitrage Certificate, the form customarily used by bond counsel on similar Authority transactions), 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 Authority Documents 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, the execution and delivery of an amended Bond, a Form 8038 with respect to the Bond and any additional documents and instruments as may be necessary to carry out and comply with the provisions of these resolutions or the Authority Documents), and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the Authority Documents or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by an Authorized Officer 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 Authority Documents.

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 2010 Agreement, as amended (except such income and revenues as may be derived by the Authority pursuant to the Unassigned Rights (as defined in the 2010 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 2010 Agreement, as amended, and other amounts available under the 2010 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 10. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 11. 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

Date: December 10, 2015

From: Rich Frampton, Vice President and
Brad Fletcher, Assistant Vice President

Re: Request by **State Bank** (Freeport, Illinois) and **Northwest Illinois Development Alliance** to IFA Board of Directors for approval of a 5-Year Extension of a Term Participation Loan to Freeport/Stephenson County Visitors Center, NFP to 12/28/2020

IFA Participation Loan: B-LL-NP-TX-412

Overview of Outstanding Loan Balances, Interest Rates, and Proposed 5-Year Term Extension:

Loan Balances outstanding as of 11/1/2015:

- IFA Participation Balance (credit exposure) as of 11/1/2015: \$115,825 (43.3%)
- Combined IFA/State Bank Loan Balance: \$267,339

Loan Balances outstanding as of 12/28/2005 (original closing/funding date):

- Original IFA Participation interest in \$423,809.28 loan: \$211,904.64 (50%)
- Original Combined IFA/State Bank Loan Amount (12/29/2005): \$423,809.28

History of Interest Rates on Loans since original closing/funding date (12/28/2005):

- **Original Closing/Funding Date - 12/28/2005:** Initial IFA Participation Interest Rate: 4.9% (i.e., 1.0% below State Bank's loan rate of 5.9%)
- **2010 5-Year Term Extension Date – 12/28/2010:** IFA Participation Interest Rate: 4.0%
- **Proposed 2015 Extension Date - Effective 12/28/2015; IFA Participation Interest Rate on 5-Year renewal:** 4.00% (i.e., 1.0% below State Bank's loan rate of 5.0%)

Proposed 5-Year Term Extension Maturity Date: 12/28/2020

IFA would continue to own an approximately 43.3% Participation Interest in the subject loan: For the next 5-year term (i.e., through 12/28/2020), State Bank's share of the participation (i.e., \$151,514 - 56.7% of the combined outstanding balance) and IFA's current share (\$115,825– 43.3% of the combined outstanding balance) will be amortized in the same proportion as the amounts currently outstanding.

Effective Blended Interest Rate to Borrower on combined IFA/State Bank Loans: 4.57%.

Background:

State Bank of Freeport, Illinois (the “**Bank**” or “**Lender**”) and IFA closed an approximately \$423,809.28 loan in which IFA originally had a \$211,904.64 interest (i.e., a 50% interest originally) on 12/28/2005.

Proceeds of the 2005 loan were loaned to **Freeport/Stephenson County Visitors Center, NFP** (the “**Borrower**”) (a 501(c)(3) corporation and a special purpose affiliate of the **Northwest Illinois Development Alliance** (formerly the Freeport Area Economic Development Foundation) formed to own the subject property.

Proceeds of the 2005 loan were used to: purchase land and construct a new Freeport/Stephenson County Visitors Center (the “**Project**”), located on the east side of Freeport and adjacent to the westbound lanes of U.S. 20 (and opposite from the Kelly Springfield Tire & Rubber Company’s manufacturing plant). The purpose of the Visitors Center is to serve as an entry point to promote Freeport, Stephenson County, and the surrounding area and to provide Interstate Rest Area type amenities (e.g., restrooms, vending machines, an ATM machine, and a staffed information desk with kiosks). The facility is also the home of the Convention and Visitors Bureau’s offices. The facility is open to the public from 8 a.m. to 7 p.m. daily.

As of 11/1/2015, IFA’s participation balance has been paid down to approximately \$115,825 and the combined balances of the IFA/State Bank Loans have been paid down to approximately \$267,339.

The 2005 IFA/State Bank Loan was originally structured with an initial 5-term term, extendable thereafter for an additional five-year period subject to a due diligence review at the time of extension. State Bank is requesting IFA’s to agree to extend for an additional 5-year term through 12/28/2020. (Note: although IFA Participation Loans for business projects have a maximum term of 10 years, after which the borrower or bank take-out or payoff the IFA balance so that IFA may re-lend funds for new projects, the unique aspects of this Project merit an exception as detailed under the section “Rationale for proposed term extension...” on pp. 3-4 of this report.)

State Bank will continue to amortize payments through December 28, 2025 (i.e., 20 years from the original closing/funding date). If the proposed 5-year IFA Participation Loan extension were approved, the remaining IFA Participation Loan balance would be due as of December 28, 2020.

Primary Source of Payment – Dedicated Hotel Tax to Support Project Debt Payments

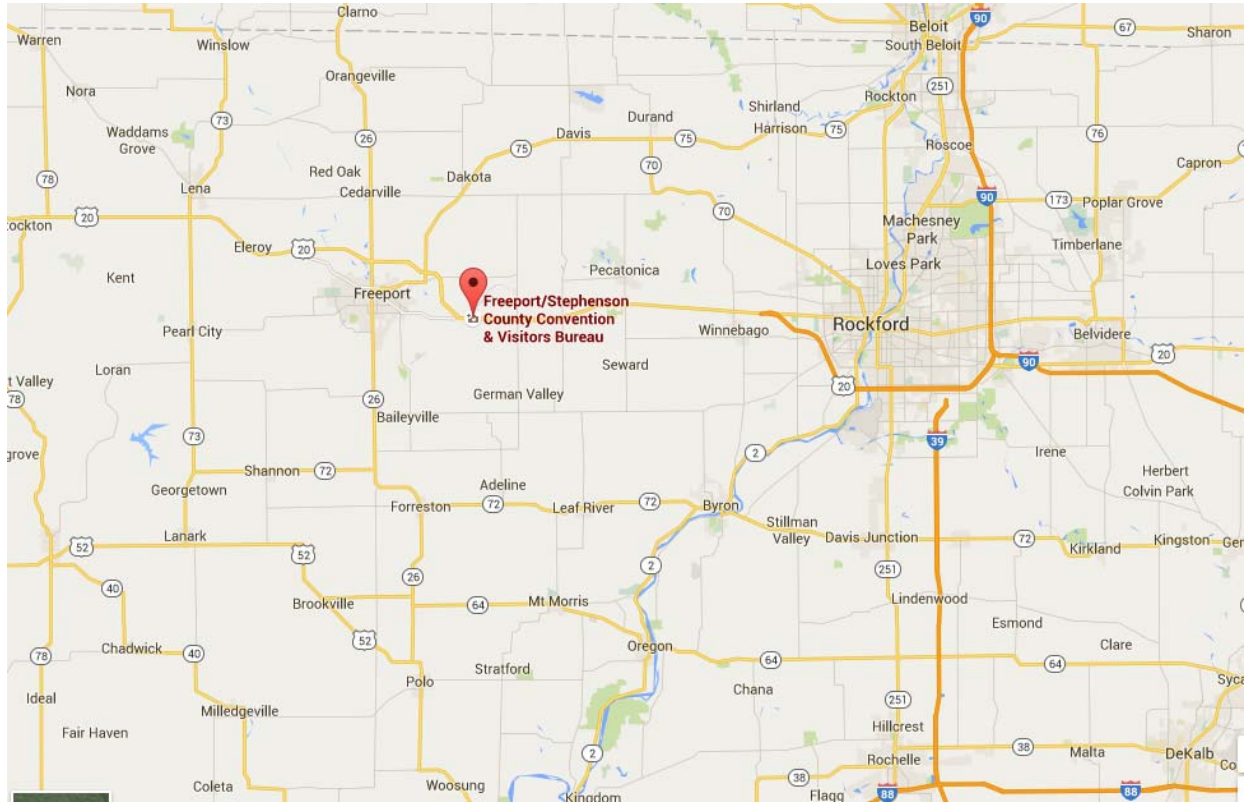
In connection with development of this Visitors Center project, the City of Freeport approved City Ordinance 2004-52 on September 7, 2004 to increase the City’s Hotel Tax by 40%, from 3.0% to 5.0% through December 31, 2024 (intended to coincide with the proposed mortgage loan on the property).

According to City Ordinance, 100% of the City’s Hotel Motel tax revenues are required to be appropriated to the **Freeport/Stephenson County Convention and Visitors Bureau** (the “**Convention and Visitors Bureau**” or “**CVB**”), a 501(c)(6) corporation. The CVB is a separate corporate entity and is completely independent from the Northwest Illinois Development Alliance (which is the entity that controls the Freeport Visitors Center).

Here is the key structuring element of this financing: According to Freeport City Ordinance 2004-52, proceeds of the two percent (2.0%) increase in the City’s Hotel tax shall be used by the CVB to pay rent on space in the Visitors Center, up to a maximum annual rent payment of \$40,000 per annum until the earlier of (i) payment of all project costs (i.e., loans) have been repaid or (ii) December 31, 2024 (i.e., only 19 years after the initial loan closing date).

- *Total 2014 Hotel Tax Collections by the City of Freeport and the Village of Lena (and appropriated to the Convention and Visitors Bureau): \$195,043.*
- *Allocation of 2% Hotel Tax increment from CVB to support rent on the Project (i.e., 40% of \$195,043 -- which represents two-fifths of the 5% tax rate), prior to supporting other CVB activities: \$78,017*
- *Contractual Annual Rent Payments by CVB to Borrower: \$40,000*
- *Annual debt service payments on IFA/State Bank Loans (effective for FY 2011 – 2015 and proposed for FY 2016-2020): \$34,980*
- **Comment:** The City Ordinance requires that proceeds of the 2% Hotel Tax that are not used for CVB’s rental of space at the Project, represent surplus revenues to CVB and may be used to fund general CVB activities (which may include operations at the Visitors Center).

Location: The property is a 4,600 SF building located on an approximately 1.2 acre site at the northwest corner of U.S. Hwy. 20 and Browns Mill Road, and adjacent to the westbound lanes of U.S. 20. The project site is 0.5 miles east of the Business U.S. 20/Bypass U.S. 20 interchange in Freeport.



Source: Google Maps

Rationale for proposed term extension beyond the customary 10-year maximum for this 501(c)(3) Participation Loan:

- The subject loan was (and remains) IFA's first and only 501(c)(3) loan.
- The Project is a collaborative Public-Private Partnership between local government units including the City of Freeport, Village of Lena, and Stephenson County, and the Freeport/Stephenson County Convention and Visitors Bureau, a 501(c)(3) entity. The local government units in Stephenson County committed to implement a dedicated 2% increase in the City/County Hotel Tax (thereby increasing the tax rate from 3% to 5%). The incremental 2% increase in the Hotel Tax was implemented and is allocated to enable the CVB to make debt service payments to IFA/State Bank on the Visitors Center facility loans.
- The Project supports economic development in the Freeport/Stephenson County area (while directly supporting tourism and prospective business locations or relocations to Stephenson County).
- This loan now has a 10-year history of on-time payments -- all scheduled payments have been made as agreed.
- The IFA loan participation helps mitigate collateral liquidation risk to State Bank given the special-purpose nature of the subject building.
- This loan will continue a successful business relationship between State Bank (Freeport, IL) and the Authority.
- By keeping this loan outstanding, IFA will be able to continue to cite this transaction as an example for Northwest Illinois generally and as an example of a successful visitors center project financing that could be replicated elsewhere throughout the State.
- This loan will enable the Authority to generate a return of 4.00% per annum on the remaining outstanding principal balance (which is a significantly higher return than IFA would receive holding these funds in its treasury at essentially a 1-year bank CD return).

- The original loan balance has been substantially paid down so the property liquidation risks have been reduced substantially.

Note: The existing 10-year maximum term applicable to IFA's Participation Loans for for-profit manufacturers and distributors would remain unchanged. Future requests to extend any future 501(c)(3) loans will be based on (i) historical payment performance, (ii) public benefit, (iii) public support, and (iv) IFA's balance sheet liquidity at the time of the request.

Conclusions:

1. Given the substantial reduction in the combined outstanding loan balances (i.e., from approximately \$403,809 in 2005 to \$267,339 as of 11/1/2015), Staff concerns about the liquidation value of the pledged collateral given the special-use nature of the subject facility and the limited assets of the Borrower (a special purpose entity formed to own this project) are mitigated by the dedicated 2% Hotel Tax revenues.
2. As noted previously, the dedicated 2% Hotel Tax that was implemented in 2004 to cover proposed debt service payments on this project that were structured to generate a dedicated revenue stream sufficient to cover the new IFA/State Bank annual debt payments of \$34,980 by a multiple of 2.23 times in 2014 (and provided coverage of 1.74 times of combined debt payments and real estate taxes). This level of dedicated tax payments provides a very strong and dependable source of repayment compared to other IFA Participation Loans.

Recommendation:

The Credit Review Committee has determined that based on the adequate debt service coverage of 2.23 times in 2014 and 2.22 times for the first 10 months of 2015 (or 1.74 times and 1.66 times when real estate taxes are added) provided by the dedicated 2% Hotel Tax revenues, the Committee recommends approval of the 5-year term extension requested by State Bank (and by the Northwest Illinois Development Alliance, on behalf of Freeport Stephenson County Visitors Center, NFP) through 12/28/2020. The interest rates, as proposed, would remain at 5.0% on the State Bank portion and 4.0% on IFA's participation interest (representing a 1.0% buydown) and unchanged terms in effect from the 2010 extension. Additionally, the amortization will remain unchanged. Accordingly because there will be no changes in the bank loan interest rate, the IFA loan participation interest rate, or the scheduled final maturity date, scheduled loan payments from 2016-2020 will also remain unchanged from terms associated with the 2011-2015 term extension.

All business terms and conditions specified in IFA's Participation Agreement with State Bank will remain unchanged (aside from the extension of the IFA Participation Agreement for an additional 5 year term).

Additional comments: This loan provides a working example of how IFA could facilitate (by purchasing participations in loans originated by local banks) development of privatized facilities that serve a public purpose.

Projects that involve a public funding component (e.g., the Hotel Tax for the Freeport Stephenson County Visitors Center project) would, of course, provide the optimal structure for the Authority on future transactions. The security provided by pledged tax revenues generally offset disposition risks associated with financing special purpose facilities. Additionally, in the event of borrower liquidity challenges, the Bank and IFA could consider negotiating an appropriate forbearance agreement, if necessary, for any borrower requiring payment adjustments.

Photos of the Subject Property:



ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: December 10, 2015

Re: 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
IFA File Number: I-ID-TE-CD-8645

Request:

Sterling Lumber Company, an Illinois corporation (“**Sterling**”), **SLC-Phoenix, LLC**, an Illinois limited liability company (“**SLC**” and together with Sterling, collectively, the “**Borrower**” or individually, a “**Borrower**”), and First Midwest Bank, an Illinois banking corporation (the “**Purchaser**”) are requesting approval of a Resolution to authorize execution and delivery of a Second Amendment to Bond and Loan Agreement among the Authority, the Borrower and the Purchaser (the “**Second Amendment**”) and related documents to effectuate the allocation of additional volume cap for the Authority’s Industrial Development Revenue Bond (Sterling Lumber Company Project), Series 2014 (the “**Bond**”).

Volume Cap Allocation History:

The Bond was issued as a Draw-Down Bond and remains owned in whole by First Midwest Bank whereby a portion of Bond proceeds are funded at closing by the Purchaser and remaining balances of Bond proceeds (i.e., draws or “Advances”) are funded in the years 2015 and, as applicable, 2016 and 2017. At the time of closing, the Authority, the Borrower and Purchaser agreed that that in no event shall the total amount of Advances or total amount of volume cap allocated exceed \$10,000,000.

To date, the Authority has allocated volume cap in the amount of \$8,336,102 (\$5,262,732 as of May 28, 2014 and \$4,401,300 as of February 12, 2015). Pursuant to the existing Bond and Loan Agreement, the Authority covenants that it will therefore provide an additional \$1,663,898 of volume cap upon request (and when made available by the Governor’s Office of Management and Budget), which would result in \$10,000,000 of volume cap being allocated.

However, at this time bond counsel and the Authority have learned that while the Authority allocated \$5,262,732 of volume cap in 2014, the Purchaser ultimately only advanced approximately \$3,073,370 to the Borrower within the specified time frame as required by federal tax law. As a result, the Authority allocated approximately \$2,189,362 of volume cap in 2014 that was not utilized as intended.

Impact:

Accordingly, approval of this Resolution will permit the Authority to provide the Borrower with volume cap in excess of \$10,000,000 but not more than \$12,189,362. As originally intended, Advances made by the Purchaser to the Borrower will still be limited to \$10,000,000 consistent with federal tax law. The Authority’s estimated administrative fee will be \$8,429.05.

Background:

Bond proceeds are being used by the Borrower to finance a portion of the costs of the acquisition of land and the acquisition, substantial rehabilitation and equipping of an approximately 514,000 square foot manufacturing facility located at 501 E. 151st Street in Phoenix (Cook County), Illinois.

Sterling manufactures hardwood products including industrial crates, and industrial matting used at heavy construction sites. SLC-Phoenix, LLC is a special purpose affiliate owned by the principals of Sterling Lumber Company to own the real estate portion of the project financed with the Bond.

In November 2014, the Authority approved a Resolution authorizing the execution and delivery of the First Amendment to the Bond and Loan Agreement to effectuate the addition of optional and/or mandatory tender provisions affording the Purchaser the right to tender the Bond at the expiration of certain interest rate periods.

Sterling's payments relating to the IFA Series 2014 Industrial Development Revenue Bond are current and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Borrower's Financial

Advisor:	Total Capital Solutions, Inc.	Oak Park, IL	Tony Grant
Bond Counsel:	Greenberg Traurig LLP	Chicago, IL	Matt Lewin
Bond Purchaser:	First Midwest Bank, N.A.	Plainfield, IL	Tim Lovell
Bank Counsel:	Winston & Strawn LLP	Chicago, IL	Justin Podjasek

**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.**

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 not to exceed \$10,000,000 initial aggregate principal amount Industrial Development Revenue Bond (Sterling Lumber Company Project) Series 2014 (the "**Bond**"); and

WHEREAS, in connection with the issuance of the Bond, the Authority entered into a Bond and Loan Agreement dated as of May 1, 2014, as amended by a First Amendment to Bond and Loan Agreement dated as of December 10, 2014 (as amended, the "**Existing Agreement**") with First Midwest Bank, as the owner of the Bond (the "**Purchaser**"), and Sterling Lumber Company, an Illinois corporation, and SLC-Phoenix, LLC, an Illinois limited liability company (collectively, 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 acquisition of land and an existing building located at 501 East 151st Street, Phoenix, Illinois, by the Borrower, the renovation of such building and the acquisition and installation of machinery and equipment therein, all to be used as a wood products manufacturing facility to be owned and operated by the Borrower (collectively, the "**Project**"); and

WHEREAS, the Existing Agreement provides that the Bond shall be drawn down pursuant to certain "Advances" (as defined in the Existing Agreement) and that in no event shall any Advance be made or private activity bond volume cap be allocated such that the total amount of Advances made and volume cap allocated be in excess of \$10,000,000; and

WHEREAS, at the request of the Borrower, the Authority allocated \$5,262,732 of 2014 private activity bond volume cap to the Bond in 2014, but Advances were only made in the amount of \$3,073,370.65 in that year, resulting in an unused or lost amount of volume cap in the amount of \$2,189,361.35; and

WHEREAS, the Purchaser, the Borrower and the Authority now desire to enter into a Second Amendment to Bond and Loan Agreement (the “**Second Amendment**”) in order to permit the allocation by the Authority of greater than \$10,000,000 of aggregate volume cap to the Bond so long as (a) there are no more than \$10,000,000 total principal amount of “Advances” of Bond proceeds, and (b) no more than an additional \$2,189,362 in volume cap is allocated to the Bond (above and beyond the originally authorized \$10,000,000).

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 Existing Agreement in accordance with the terms of the Second 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 Second 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 Second Amendment. The Second Amendment shall be substantially in the form previously provided to and on file with the Authority and hereby approved or, subject to the conditions set forth in the last Whereas Clause above, 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 form of Second Amendment.

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, the execution and delivery of any additional documents and instruments as may be necessary to carry out and comply with the provisions of these resolutions or the Second 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 Second 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 Second Amendment.

Section 5. The Authority shall charge a fee equivalent to 50 basis points of the allocation of additional volume cap (above \$10,000,000) to the Bond.

Section 6. 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 7. 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 Existing Agreement, as amended (except such income and revenues as may be derived by the Authority pursuant to the Unassigned Rights (as defined in the Existing 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 Existing Agreement, as amended, and other amounts available under the Existing Agreement, as amended, and (iii) any money arising out of the investment or reinvestment of said proceeds, income, revenue or receipts.

Section 8. 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 9. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 10. 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: Pamela Lenane and Tammy Harter

Date: December 10, 2015

Re: Resolution Authorizing Actions to Assist with Affiliation of Northwestern Memorial HealthCare and KishHealth System

On December 1, 2015, Northwestern Memorial HealthCare (“*NMHC*”) and KishHealth System (“*KHS*”) completed the affiliation of KHS and its affiliates with the NMHC system (the “*Affiliation*”). The Authority has previously issued its Illinois Finance Authority Hospital Revenue Refunding Bonds, Series 2008 (KishHealth System Obligated Group) (the “*Series 2008 Bonds*”), its Illinois Finance Authority Revenue Bonds, Series 2015A (KishHealth System) (the “*Series 2015A Bonds*”) and its Illinois Finance Authority Revenue Bonds, Series 2015B (KishHealth System) (the “*Series 2015B Bonds*”, and, together with the Series 2008 Bonds and the Series 2015A Bonds, the “*Bonds*”) for the benefit of KHS and its affiliates. The Series 2008 Bonds are secured by a note issued pursuant to the Master Trust Indenture dated as of September 1, 2005 (the “*KHS Master Indenture*”) among KHS, Kishwaukee Community Hospital (“*Kishwaukee*”), Valley West Community Hospital (“*Valley West*”) and First National Bank of Omaha, as master trustee. The Series 2015A Bonds and the Series 2015B Bonds are secured by a mortgage on certain property of KHS (the “*2015 Mortgage*”).

NMHC and KHS would like to have KHS, Kishwaukee and Valley West become members of the obligated group created by the Master Trust Indenture dated as of May 1, 2004 (the “*NMHC Master Indenture*”) among NMHC, certain of NMHC’s affiliates and Wells Fargo Bank, N.A., as master trustee. In order to complete this combination it will be necessary to provide for the prepayment of the KHS note issued under the KHS Master Indenture securing the Series 2008 Bonds. NMHC will be providing the funds necessary to prepay the Series 2008 Bonds immediately prior to KHS, Kishwaukee and Valley West joining the NMHC obligated group. The Series 2008 Bonds are not subject to optional redemption until October 1, 2018, so an escrow will be established to provide for the prepayment.

In addition, NMHC has negotiated with the holders of the Series 2015A Bonds and the Series 2015B Bonds to accept an obligation issued by NMHC under the NMHC Master Indenture in exchange for the 2015 Mortgage.

NMHC has requested that the Illinois Finance Authority be prepared to execute and deliver any necessary amendments to the documents related to the Series 2015A Bonds and the Series 2015B Bonds to evidence the termination of the 2015 Mortgage and the delivery of the NMHC note to secure those bonds as well as an escrow agreement to provide for the prepayment of the Series 2008 Bonds. The proposed resolution will delegate to the Executive Director and the General Counsel the authority to make the determination of what actions may be required by the Illinois Finance Authority to facilitate the transaction and to approve and documents, if necessary, for the exchange of the 2015 Mortgage for the NMHC note and the prepayment of the Series 2008 Bonds.

RESOLUTION NO. 2015-1210-AD09

**RESOLUTION AUTHORIZING ACTIONS TO ASSIST
WITH AFFILIATION OF NORTHWESTERN MEMORIAL
HEALTHCARE AND KISHHEALTH SYSTEM**

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

WHEREAS, the Authority has previously issued its Illinois Finance Authority Hospital Revenue Refunding Bonds, Series 2008 (KishHealth System Obligated Group) (the “*Series 2008 Bonds*”), its Illinois Finance Authority Revenue Bonds, Series 2015A (KishHealth System) (the “*Series 2015A Bonds*”) and its Illinois Finance Authority Revenue Bonds, Series 2015B (KishHealth System) (the “*Series 2015B Bonds*”, and, together with the Series 2008 Bonds and the Series 2015A Bonds, the “*Bonds*”) for the benefit of KishHealth System (“*KHS*”), Kishwaukee Community Hospital (“*Kishwaukee*”) and Valley West Community Hospital (“*Valley West*”), each an Illinois not for profit corporation; and

WHEREAS, KHS, Kishwaukee and Valley West have affiliated with Northwestern Memorial HealthCare (“*NMHC*”), an Illinois not for profit corporation, as of December 1, 2015 and NMHC and KHS have determined it is desirable to have KHS, Kishwaukee and Valley West join the obligated group created by the Master Trust Indenture dated as of May 1, 2004 (the “*NMHC Master Indenture*”) among NMHC, certain of NMHC’s affiliates and Wells Fargo Bank, N.A., as master trustee; and

WHEREAS, as a condition to KHS, Kishwaukee and Valley West joining the NMHC Obligated Group, it is necessary provide for the discharge of the master trust indenture executed and delivered by KHS, Kishwaukee and Valley West, and such discharge will require the prepayment of the KHS obligation issued to secure the Series 2008 Bonds; and

WHEREAS, NMHC has negotiated with the holders of the Series 2015A Bonds and the Series 2015B to release the Mortgage and Security Agreement with Assignment of Rents dated as of March 2, 2015 (the “*Series 2015 Mortgage*”) from KHS granting a mortgage on certain property of KHS for the benefit of the Series 2015A Bonds and the Series 2015B Bonds in exchange for an obligation of NMHC issued pursuant to the NMHC Master Indenture and securing KHS’s obligations under the Series 2015A Bonds and the Series 2015B Bonds (collectively, the “*Series 2015 Note Exchange*”); and

WHEREAS, NMHC has requested that, if required by any of the documents related to the Bonds (the “*Bond Documents*”), the Authority execute such supplements or amendments to the Bond Documents in connection with the Series 2015 Note Exchange and to provide any necessary consents or approvals as may be necessary in connection with such exchange and to execute and delivery any necessary agreements for the prepayment of the Series 2008 Bonds;

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

Section 1. Approval of Documents. The Authority does hereby authorize and approve the execution by its Chairman, Vice Chairman or Executive Director (each an “Authorized Officer”) and the delivery and use of (i) such supplements and amendments to the Bond Documents as may be required to evidence the release of the Series 2015 Mortgage and the Series 2015 Note Exchange (as determined by the Executive Director or the General Counsel), and (ii) an escrow agreement providing for the prepayment of the Series 2008 Bonds in accordance with their terms. Such amendments and supplements or escrow agreements shall be substantially in the forms approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such Authorized Officer’s approval and the Authority’s approval of the forms of such documents.

Section 2. Authorization and Ratification of Subsequent Acts. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of these resolutions, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in any document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by the Executive Director or the Treasurer of the Authority, or in the event of the unavailability, inability or refusal of the Executive Director and the Treasurer to act, any two Members of the Authority, each of whom is hereby authorized, empowered, delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the applicable document.

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

Item No. 10 has been withdrawn.

[THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK]

RESOLUTION NO. 2015-1210-AD11

**RESOLUTION TO APPROVE EMERGENCY PROCUREMENTS FOR BOND COUNSEL AND
AUTHORITY'S COUNSEL ON THE MORAL OBLIGATION BOND ISSUE, AND
POTENTIALLY, A SERVICER, AND APPROVAL OF A SMALL PURCHASE
PROCUREMENT FOR AN INSURANCE BROKER**

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, on October 8, 2015, the Members of the Authority adopted Resolution 2015-1008-AD09, which authorized Emergency Purchases under the Procurement Code to select and enter into contracts with necessary parties, including but not limited to servicers, to finance one or more projects authorized under the Act, including public purpose projects, the proceeds of which will be used to address one or more of the following in the absence of an enacted appropriation for fiscal year 2016, a court order or consent decree: (1) threats to public health or public safety, (2) if immediate expenditure is necessary for repairs to state property in order to protect against further loss or damage to state property, (3) to prevent or minimize serious disruption for critical state services that affect health, safety or collection of substantial state revenues, or (4) to ensure the integrity of state records; and

WHEREAS, the Authority desires to approve the selection of Katten Muchin Rosenman LLP as bond counsel, and Mayer Brown LLP as issuer's counsel to the Authority, in connection with such public purpose projects, including but not limited to, those funded by a moral obligation bond issue, and in connection with the purchase of State agency receivables of vendors to the State of Illinois, and MABSCO Capital Inc., as a servicer to such public purpose projects including but not limited to, those funded by a moral obligation bond issue; and

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

WHEREAS, the Authority has the power under the Code to engage professionals and purchase goods under the Small Purchase provisions of the Code or as an Emergency Purchase; and

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

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

WHEREAS, pursuant to the Policy, the Authority has delegated authority for emergency transactions (as defined therein), which in the opinion of the Executive Director require immediate action,

to the Executive Director; and further provides that the Board of the Authority shall approve the terms of such Contracts;

WHEREAS, the Executive Director is of the opinion that the Authority requires immediate action for an Insurance Broker;

WHEREAS, the Authority desires to approve the terms of a contract with Mesirow Financial as insurance broker.

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

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

Section 2. Approval of Bond Counsel, Issuer's Counsel and Servicer. The Authority hereby approves the selection of Katten Muchin Rosenman LLP as Bond Counsel, Mayer Brown LLP as Issuer's Counsel, and MABSCO Capital Inc. as Servicer in connection with the proposed public purpose projects and in connection with the purchase of State agency receivables of vendors to the State of Illinois, and authorizes the Chairperson, the Executive Director and any officer or employee designated by the Executive Director (each, an "Authorized Officer") the power to execute and deliver any and all such agreements, instruments, certificates and other documents as may be necessary to secure the services of Katten Muchin Rosenman LLP as Bond Counsel, Mayer Brown LLP as Issuer's Counsel, and MABSCO Capital Inc. as Servicer in connection with the proposed public purpose projects and in connection with the purchase of State agency receivables of vendors to the State of Illinois.

Section 3. Approval of Insurance Broker Contract. The Authority hereby approves a small purchase or emergency purchase contract with Mesirow Financial to assist the Authority with pricing and obtaining employee benefits, including but not limited to health insurance, disability and life insurance, flexible spending accounts, dental and eye insurance, unemployment insurance and any other coverage as may be appropriate or which Authority employees are currently eligible (the "Mesirow Contract").

Section 4. Delegation to Authorized Officers. The Authority hereby delegates to the Chairperson, Vice Chairperson, Executive Director, General Counsel, Chief Financial Officer, Controller, their designees or any person duly appointed by the Members to serve in such offices on an interim basis (each an "Authorized Officer"), 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, certificates and other documents as may be required in connection with this Resolution.

Section 5. Further Actions. The Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge and deliver all documents as may in their discretion be deemed necessary or desirable to carry out and comply with the terms and provisions of this Resolution; and all of the acts and doings of the Authorized Officers which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects, ratified, confirmed and approved. All prior

and future acts and doing of the officers, agents and employees of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and performance of the Resolution shall be and the same hereby are in all respects approved and confirmed.

Section 6. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

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

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

Approved and effective this 10th day of December, 2015 by roll call vote as follows:

Yeas:

Nays:

Abstain:

Absent:

Vacancies:

ILLINOIS FINANCE AUTHORITY

By _____
Executive Director

ATTEST:

Assistant Secretary

RESOLUTION NO. 2015-1210-AD12

RESOLUTION TO JOIN THE INFRASTRUCTURE COUNCIL OF THE ILLINOIS CHAMBER OF COMMERCE.

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

WHEREAS, the Illinois Chamber of Commerce, a non-profit organization (the “Chamber”), provides the following member benefits as well as low-cost advertising and promotional opportunities:

- Access to elected officials at the state and national level;
- Full-time business advocacy with a goal to promote a pro-business agenda and defeat anti-business legislation, regulations and rules. The Chamber employs seven full-time business lobbyists;
- Members can participate in the Chamber’s Government Affairs Council and have a direct voice in the development and recommendation of policy statements;
- Chamber publications and resources, including but not limited to the following. keep members up to date on member news, employment law issues and other topics of importance to Illinois businesses:
 1. Human Resource Helpline – answers to important human resource, labor law and compliance questions;
 2. Illinois Business Leader Magazine – quarterly print publication of the Chamber;
 3. Electronic Publications – President’s Message, Government Affairs Report and The Business Exec;
 4. State Chamber Alerts – urgent policy information emailed to members as soon as you need to know about it;
 5. Legislative Summary and Scorecard after each General Assembly;
- Members receive invitations to participate in governmental affairs briefings, programs and legislative coalition activities;
- Special Events –invitations to “Members Only” events, such as the Chamber’s Annual Meeting each summer in Chicago, meetings with government leaders and special events held throughout the state;
- Education – Conferences, seminars and webinars are offered at a discount to Chamber members;
- Exceptional Leadership – the Chamber board is made up of men and women from small- and medium-sized businesses as well as large corporations throughout Illinois’ diverse business community; and
- Member Savings Programs – Save money and reduce costs with these great member-only savings programs that help with that important goal.

WHEREAS, the Chamber prides itself on the involvement of members in all aspects of its mission and as a result created the Infrastructure Council, among other policy and advocacy councils, to provide members with peer forums to discuss issues and concerns, critique and create and propose new business policies, develop high level networking opportunities, and provide a forum to bring in policymakers to hear the ideas and concerns of our members.

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

Section 1. Findings. The Chairperson, Vice Chairperson, Executive Director, or General Counsel, or any person duly appointed by the Members to serve in such offices on an interim basis (each an “Authorized Officer”), agents and employees of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge, accept and deliver all such documents as may in their discretion be deemed necessary or desirable for the Authority to become a member the Infrastructure Council of the Illinois Chamber of Commerce.

Section 3. Severability. The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

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

ADOPTED this 10th day of December, 2015 by roll call vote as follows:

Ayes:

Nays:

Abstain:

Absent:

ILLINOIS FINANCE AUTHORITY

By: _____
Executive Director

ATTEST:

Secretary (or Assistant Secretary)

[SEAL]

RESOLUTION 2015-1210-AD13

**Resolution for Election of a
Vice-Chair of the Illinois Finance Authority**

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

WHEREAS, in accordance with Section 801-30 of the Act, the Authority is provided with “all of the powers as a body corporate necessary and convenient to accomplish the purposes of the Act,” including and without limitation, the power to adopt needful resolutions and bylaws (20 ILCS 3501/801-30(e)); and

WHEREAS, Article III, Section 2 of the By-Laws of the Authority provides that “[a]t the direction of the Authority, a Vice Chairperson ... shall be elected by the Authority from among its members ... and if so elected he or she shall preside at meetings of the Authority and perform all duties incumbent upon the Chairperson during the absence or disability of the Chairperson”; and

WHEREAS, the Members of the Authority desire to elect a Vice-Chair to ensure, among other reasons, that bonds of authority are duly executed; and

WHEREAS, the Authority finds it in its best interest to elect _____ as a duly appointed Vice-Chair of the Authority; and

NOW, THEREFORE, BE IT RESOLVED BY 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. Election of Vice-Chair. This Resolution elects _____ to the Office of Vice-Chair of the Authority in accordance with the terms of the By-Laws. The Members of the Authority hereby authorize and grant to the Vice-Chair all rights, powers, duties and responsibilities of the Office of Vice-Chair, including the power to preside at meetings of the Authority and to perform all duties incumbent upon the Chair during the absence or disability of the Chair as provided in Article III, Section 2 of the By-Laws, and which may include, without limitation, in the absence or disability of the Chair, the powers set forth in Article III, Section 1; Article IV, Sections I, 3, 4, 5 and 6; and Article VI, Sections 5 and 6 of the By-Laws as well as those powers provided in Sections 801-15, 80IAO(w), 825-40, 825-75, and 84540 of the Act, and any other powers that may be necessary and appropriate to the performance of the Office of Vice-Chair that are authorized by the Act, the By-Laws and any pending bond resolutions of the Authority.

Section 3. Implementation. The Authority does hereby authorize, empower and direct the Executive Director of the Authority, or his designee, to take or cause to be taken any and all such other and further actions, and to execute, acknowledge and deliver any and all such agreements, instruments, certificates and other documents, and to pay all such fees and expenses, as she may deem necessary, appropriate or advisable in order to carry out the purpose and intent of this Resolution.

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

Adopted this 10th day of December, 2015 by roll vote as follows:

Executive Director

Attested to:

Assistant Secretary

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rob Funderburg, Chairman

Date: December 10, 2015

Re: Resolution Appointing the Executive Director of the Illinois Finance Authority

Pursuant to 20 ILCS 3501/801-15, from nominations received from the Governor, the members of the Authority shall appoint an Executive Director who shall be a person knowledgeable in the areas of financial markets and instruments, to hold office for a one-year term.

IFA RESOLUTION NO. 2014-1210-AD14

**RESOLUTION APPOINTING THE EXECUTIVE
DIRECTOR OF THE ILLINOIS FINANCE AUTHORITY**

WHEREAS, pursuant to Section 801-15 of the Illinois Finance Authority Act, 20 Illinois Compiled Statutes 3501/801-1 et seq. (the "Act") the Authority is authorized to appoint its Executive Director from those persons nominated by the Governor; and

WHEREAS, the Illinois Finance Authority (the "Authority") has received nominations from the Governor of the State of Illinois for the office of Executive Director of the Authority; and

WHEREAS, the Executive Director shall hold office for a one-year term; shall be the chief administrative and operational officer of the Authority; shall direct and supervise its administrative affairs and general management; shall perform such other duties as may be prescribed from time to time by the members of the Authority and shall receive compensation fixed by the Authority.

NOW, THEREFORE BE, IT RESOLVED BY THE ILLINOIS FINANCE AUTHORITY AS, FOLLOWS:

Section 1. Authority. This Resolution is adopted pursuant to Section 801-15 and Section 801-25 of the Act. The preambles to this resolution are incorporated by reference as part of this resolution.

Section 2. Appointment of Executive Director. _____ has been nominated by the Governor for consideration by the Board for the office of Executive Director of the Authority. After due consideration, the members of the Authority have determined that _____ has satisfied all of the requirements set forth in the Act for appointment to the office of Executive Director of the Authority, including that he is knowledgeable in the areas of financial markets and instruments, and accordingly, is qualified to serve in this office. _____ is hereby appointed to the office of Executive Director of the Authority for a one-year term commencing on the date of adoption of this Resolution.

Section 3. Delegation of Powers. The members of the Authority hereby delegate to _____ all of the powers of the office of Executive Director of the Authority pursuant to the Act, administrative rules, By-Laws and applicable resolutions of the Authority, including but not limited to, the following duties and powers: (1) to direct and supervise the administrative affairs and general management of the Authority as its chief administrative and operational officer; (2) to enter into and execute loans, contracts, agreements and mortgages connected with the corporate purposes of the Authority; (3) to invest the funds of the Authority; (4) to employ agents, employees, and independent contractors to carry out the corporate purposes of the Authority and to fix the compensation, benefits, and contractual terms and conditions of such agents, employees, and independent contractors; (5) to execute all agreements, documents, bonds, notes, checks, drafts and other instruments authorized by the Act, administrative rules, By-Laws and applicable resolutions of the Authority with the intent that the Authority be bound by each; and (6) other powers and duties as may be prescribed from time to time by the members of the Authority.

Section 4. Compensation. The compensation of the Executive Director will be established by the Board.

Section 5. Additional Authorization to Execute Documents. The members of the Authority desire to provide the Executive Director with an additional resource in furtherance of the performance of his administrative duties through the authorization of an additional signatory for the execution of all agreements, documents, bonds, notes, checks, drafts and other instruments (the "Authority Documents") on behalf of the Authority. The members of the Authority hereby authorize the Executive Director to designate in writing one or more authorized representatives who may execute any and all Authority Documents which may be executed by the Executive Director pursuant to the Act, administrative rules, By-Laws of the

Authority, or any Authority resolution, agreement, document or other instrument, with the effect that the Authority be bound thereby, such authorization to be effective until revoked by the Executive Director or the members of the Authority. Each such designation will be in writing signed by the Executive Director and shall set forth the names of such designees who may execute Authority Documents when the Executive Director is incapacitated, absent or otherwise unavailable to execute Authority Documents.

Section 6. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Section 7. Repeal of Conflicting Resolutions. This resolution is intended to supersede all previous resolutions of the Board which are in conflict with the provisions hereof. To that end, all resolutions previously adopted by the Board which are in conflict with the provisions hereof are repealed, in whole or in part, to the extent of such conflict.

Section 8. Enactment. This Resolution shall take effect immediately.

RESOLUTION NO. 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.

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

WHEREAS, the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.* (the “Illinois Open Meetings Act”) requires that public bodies, including the Authority, adopt rules in conformity with the Illinois Open Meetings Act related to the attendance of members at meetings subject to the Illinois Open Meetings Act by means other than by physical presence; and

WHEREAS, in compliance with the Illinois Open Meetings Act, the members of the Authority desire to adopt the “Meeting Attendance by Non-Physical Means and Excused Absences” procedure (the “Procedure”) attached hereto as Exhibit A for inclusion in the Policies & Procedures Manual of the Authority; and

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

Section 1. Findings. The Authority hereby adopts the Procedure for inclusion in the Policies & Procedures Manual of the Authority.

Section 2. Authorization and Ratification of Subsequent Acts. The Chairperson, Vice Chairperson, Executive Director, or General Counsel, or any person duly appointed by the Members to serve in such offices on an interim basis (each an “Authorized Officer”), agents and employees of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge, accept and deliver all such documents as may in their discretion be deemed necessary or desirable to carry out and comply with the terms and provisions of this Resolution; and all of the acts and doings of the Authorized Officers of the Authority which are in conformity with the intent and purpose of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects, authorized, ratified, confirmed and approved. All prior and future acts and doings of the officers, agents and employees of the Authority that are in conformity with the purposes and intent of this Resolution shall be and the same hereby are in all respects approved and confirmed.

Section 3. Severability. The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

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

ADOPTED this 10th day of December, 2015 by roll call vote as follows:

Ayes:

Nays:

Abstain:

Absent:

ILLINOIS FINANCE AUTHORITY

By: _____
Executive Director

ATTEST:

Secretary (or Assistant Secretary)

[SEAL]

Exhibit A

[Attach Meeting Attendance by Non-Physical Means Procedure]

Policies & Procedures Manual – Illinois Finance Authority

SUBJECT:
Meeting Attendance by
Non-Physical Means and
Excused Absences

ISSUED TO: All Employees

PROCEDURE No: _____.____.____
PAGES: 1
DATE OF ISSUE: 12/10/15

The members of the Authority may take action only when a quorum is physically present at the location of the duly noticed open meeting. The requisite quorum shall be in compliance with the Illinois Finance Authority Act 20 ILCS 3501/801-1 *et seq.* (the “Authority Act”), the Amended and Restated Bylaws of the Illinois Finance Authority and the Illinois Open Meetings Act 5 ILCS 120/1 *et seq.* (the “Illinois Open Meetings Act”).

A member who is physically absent from a meeting subject to the Illinois Open Meetings Act for a valid reason, as recognized by this Policy, may still attend such meeting by video or audio conference provided that: (1) the meeting satisfies all provisions of the Illinois Open Meetings Act, and (2) a quorum of Authority members are physically present at the meeting.

An absent member may participate by audio or video conference at a meeting subject to the Illinois Open Meetings Act only if one of the following reasons has caused such member’s absence:

1. personal illness or disability;
2. employment purposes or the business of the Authority; or
3. a family or other emergency.

If a member wishes to attend a meeting subject to the Illinois Open Meetings Act by video or audio conference in accordance with this Policy, the member shall notify the Secretary of the Authority before the meeting unless advance notice is impractical. If the Secretary is not available or if the Secretary is the member making the request, the member shall notify the Chairperson.

The Secretary or Chairperson shall inform the Executive Director and make appropriate arrangements. A member who attends a meeting subject to the Illinois Open Meetings Act by audio or video conference, as provided in this Policy, may participate in all aspects of the meeting including voting on any item.

A member who is physically absent from a meeting subject to the Illinois Open Meetings Act and unable to participate by audio or video conference for a valid reason, as recognized by this Policy, may request to have his or her absence excused by the requisite quorum. The absent member shall notify the Secretary of the Authority before the meeting unless advance notice is impractical. If the Secretary is not available or if the Secretary is the member making the request, the member shall notify the Chairperson.

To the extent that any amendatory changes are made to the Illinois Open Meetings Act or any other statute that is applicable to the Authority and governs open meetings, which either amend, supplement, modify or repeal the provisions therein contained, this Policy shall be amended, supplemented, modified or repealed as necessary to conform with said amendment.

Policies & Procedures Manual – Illinois Finance Authority

This Policy shall not apply to closed meetings of the Authority pursuant to Section 7(d)(i)(A) of the Illinois Open Meetings Act.

Item No. 16 has been withdrawn.

[THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK]

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Christopher B. Meister, Executive Director
Elizabeth Weber, General Weber

cc: Melinda Gildart, CFO
Six Granda, Controller

Date: December 10, 2015

Re: 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

Request:

The accompanying Resolution is in connection with completing the Authority's Fiscal Year 2014/2015 Compliance Audit and the Fiscal Year 2015 Financial Audit ("Audits").

Background:

The Authority's exit conference was held on December 1, 2015. Responses to the confidential draft findings are due by December 11, 2015. There is remaining work that Authority senior staff will need to complete with the external auditors in order to bring the Audits and the Comprehensive Annual Financial Report ("CAFR") to completion and publishing by the Illinois Office of the Auditor General ("OAG"). Outside of the resolution, the attachments are absolutely confidential, not for distribution, subject to attorney-client privilege, and exempt from the Illinois Freedom of Information Act under the preliminary policy making and competitive harm exceptions.

Recommendation:

Staff recommends approval of the accompanying Resolution as presented.

RESOLUTION NO. 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**

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

WHEREAS, pursuant to the Act, the Auditor General shall conduct financial audits, compliance audits and program audits of the Authority, in accordance with the Illinois State Auditing Act (30 ILCS 5/1-1 *et seq.*) (the “Illinois State Auditing Act”);

WHEREAS, it is the Auditor General’s responsibility to express an opinion on the attestation engagement that either examines, reviews, or entails performing agreed-upon procedures on a subject matter or an assertion about a subject matter of the Authority, a component unit of the State of Illinois, as of and for the year ended June 30, 2014 (“Fiscal Year 2014”) and as of and for the year ended June 30, 2015 (“Fiscal Year 2015”);

WHEREAS, it is the Auditor General’s responsibility to express an opinion on the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Authority, a component unit of the State of Illinois, as of and for the year ended June 30, 2015 (“Fiscal Year 2015”), and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements;

WHEREAS, E. C. Ortiz & Co., LLP performs as Special Assistant Auditors for the Auditor General;

WHEREAS, E. C. Ortiz & Co., LLP conducted the Authority’s Compliance Audit for Fiscal Year 2014 and Fiscal Year 2015 (the “Fiscal Year 2014/2015 Compliance Audit”) and the Authority’s Financial Audit for Fiscal Year 2015 (the “Fiscal Year 2015 Financial Audit”) in accordance with Government Auditing Standards, issued by the Comptroller General of the United States;

WHEREAS, on December 1, 2015, the Auditor General conducted an exit interview with the Authority; and

WHEREAS, responses to 5 immaterial, 2 GAS findings and 6 state compliance findings are due by December 11, 2015.

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

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

Section 2. Delegation to Authorized Officers. The Authority hereby delegates to the Chairperson, Vice Chairperson, Executive Director, General Counsel, Chief Financial Officer, Controller, their designees or any person duly appointed by the Members to serve in such offices on an interim basis (each an “Authorized Officer”), 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, certificates and other documents as may be required in connection with this Resolution.

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 the Resolution.

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

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