

**ILLINOIS FINANCE AUTHORITY  
BOARD MEETING  
Tuesday, June 14, 2011  
Chicago, Illinois**

**COMMITTEE OF THE WHOLE  
9:30 a.m.**

**Two Prudential Plaza - IFA Chicago Office  
180 North Stetson Ave., Suite 2555  
Chicago, Illinois**

**AGENDA**

- I. Call to Order & Roll Call
- II. Chairman's Remarks
- III. Message from the Executive Director (with attachments; Tab A)
- IV. Senior Staff Reports
- V. Committee Reports
- VI. Project Reports
- VII. Other Business
- VIII. Adjournment

**BOARD MEETING  
10:30 a.m.**

**One Prudential Plaza Conference Center  
130 East Randolph Ave., 7th Floor  
Chicago, Illinois**

- I. Call to Order
- II. Chairman's Remarks
- III. Roll Call
- IV. Acceptance of Financial Statements and Minutes
- V. Project Approvals
- VI. Other Business
- VII. Adjournment

**AGRICULTURE**

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
<b>Beginning Farmer Bonds</b>						
<i>Final (One-Time Consideration)</i>						
1	A) Nathan W. Billups	Magnolia (Putnam County)	\$167,000	0	0	JS/LK
	B) Daren A. Bohnenstiehl	Edwardsville (Madison County)	\$168,100	0	0	JS/LK
	C) Joshua A. Bohnenstiehl	St. Jacob (Madison County)	\$168,100	0	0	JS/LK
	D) Jennifer Neff	Virden (Macoupin County)	\$476,449	0	0	JS/LK
	E) Quinn P. & Kristen N. Bennett	Windsor (Shelby County)	\$252,350	0	0	JS/LK
<b>Agri-Debt Guarantees</b>						
<i>Final (One-Time Consideration)</i>						
2	Gerald A. Brechon	Dixon (Lee County)	\$500,000	0	0	JS
<b>TOTAL AGRICULTURE PROJECTS</b>			<b>\$1,731,999</b>	<b>0</b>	<b>0</b>	

**HEALTHCARE**

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
<b>501(c)(3) Revenue Bonds</b>						
<i>Preliminary</i>						
3	Advocate Health Care Network	Multiple locations in the Counties of Cook, DuPage, Lake, McLean and Woodford	\$533,000,000	0	190	PL/NO
4	CDH-Delnor Health System	Winfield and Geneva (DuPage and Kane Counties, respectively)	\$190,000,000	0	0	PL/NO
<b>501(c)(3) Revenue Bonds</b>						
<i>Final</i>						
5	Swedish Covenant Hospital	Chicago (Cook County)	\$20,000,000	0	0	PL/NO
<b>501(c)(3) Revenue Bonds</b>						
<i>Final (One-Time Consideration)</i>						
6	Northwest Community Hospital	Arlington Heights (Cook County)	\$54,000,000	0	0	PL/NO
<b>TOTAL HEALTHCARE PROJECTS</b>			<b>\$797,000,000</b>	<b>0</b>	<b>190</b>	

**HIGHER EDUCATION, CULTURAL AND OTHER NON-HEALTHCARE 501(c)(3)'s**

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
<b>501(c)(3) Revenue Bonds</b>						
<i>Preliminary</i>						
7	LEARN Charter School Network	Chicago (Cook County)	\$6,000,000	34	200	RF
<b>TOTAL HIGHER EDUCATION, CULTURAL AND OTHER NON-HEALTHCARE 501(c)(3)'s</b>			<b>\$6,000,000</b>	<b>34</b>	<b>200</b>	
<b>GRAND TOTAL</b>			<b>\$804,731,999</b>	<b>34</b>	<b>390</b>	

**RESOLUTIONS**

Tab	Project Name	FM
<b>Resolutions, Amendments and Other Business</b>		
8	Resolution to Approve and Amend Restated Bond and Loan Agreement, and related changes, in connection with IFA Series 2006 Industrial Revenue Bonds - 590 Tower Boulevard, LLC Project (on behalf of MAAC Machinery Company, Inc.)	RF/BF
9	Resolution to Authorize the Execution and Delivery of Supplemental Bond Trust Indenture and Loan Agreement relating to IFA Series 2004B Bonds and IFA Series 2004C Bonds (Rest Haven Illiana Christian Convalescent Home Project)	PL/NO
10	Resolution Approving and Ratifying Actions Related to IFA Accounts Held at Banterra Bank	CM/BC
11	Internal Revenue Service Post-Issuance Requirements	BC
12	Energy Committee Matters	AF
13	Approval of Interim Loan to East St. Louis Financial Advisory Authority	CM/BC

Executive Director Message

*To Be Distributed Separately*



**Illinois Finance Authority  
General Fund - Actual to Budget  
Statement of Activities  
for Period Ending  
May 31, 2011**

	Actual May 2011	Budget May 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2011	Budget YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2011	% of Budget Expended
<b>REVENUE</b>										
INTEREST ON LOANS	59,934	93,262	(33,328)	-35.74%	878,510	1,068,207	(189,697)	-17.76%	1,146,121	76.65%
INVESTMENT INTEREST & GAIN(LOSS)	1,688	1,709	(21)	-1.23%	44,656	18,799	25,857	137.54%	20,500	217.83%
ADMINISTRATIONS & APPLICATION FEES	617,978	263,849	354,129	134.22%	4,765,574	3,305,887	1,459,687	44.15%	3,569,338	133.51%
ANNUAL ISSUANCE & LOAN FEES	38,524	47,342	(8,818)	-18.63%	510,296	533,337	(23,041)	-4.32%	582,892	87.55%
OTHER INCOME	128,630	6,878	121,752	1770.17%	273,433	75,658	197,775	261.41%	82,537	331.29%
<b>TOTAL REVENUE</b>	<b>846,754</b>	<b>413,040</b>	<b>433,714</b>	<b>105.01%</b>	<b>6,472,469</b>	<b>5,001,888</b>	<b>1,470,581</b>	<b>29.40%</b>	<b>5,401,388</b>	<b>119.83%</b>
<b>EXPENSES</b>										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	139,872	205,389	(65,517)	-31.90%	1,616,106	2,150,365	(534,259)	-24.85%	2,354,798	68.63%
BENEFITS	18,731	24,859	(6,128)	-24.65%	220,561	261,463	(40,902)	-15.64%	286,314	77.03%
TEMPORARY HELP	-	417	(417)	-100.00%	1,382	4,587	(3,205)	-69.87%	5,000	27.64%
EDUCATION & DEVELOPMENT	-	1,667	(1,667)	-100.00%	6,294	18,333	(12,039)	-65.67%	20,000	31.47%
TRAVEL & AUTO	9,760	6,250	3,510	56.16%	48,409	68,750	(20,341)	-29.59%	75,000	64.55%
<b>TOTAL EMPLOYEE RELATED EXPENSES</b>	<b>168,363</b>	<b>238,582</b>	<b>(70,219)</b>	<b>-29.43%</b>	<b>1,892,752</b>	<b>2,503,498</b>	<b>(610,746)</b>	<b>-24.40%</b>	<b>2,741,112</b>	<b>69.05%</b>
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	87,199	20,833	66,366	318.56%	405,164	229,167	175,997	76.80%	250,000	162.07%
LOAN EXPENSE & BANK FEE	8,100	10,875	(2,775)	-25.52%	104,384	119,625	(15,241)	-12.74%	130,500	79.99%
ACCOUNTING & AUDITING	27,418	26,326	1,092	4.15%	296,986	289,586	7,400	2.56%	315,904	94.01%
MARKETING GENERAL	66	2,083	(2,017)	-96.83%	13,362	22,913	(9,551)	-41.68%	25,000	53.45%
FINANCIAL ADVISORY	23,750	31,250	(7,500)	-24.00%	183,958	343,750	(159,792)	-46.48%	375,000	49.06%
CONFERENCE/TRAINING	4,740	1,667	3,073	184.34%	16,159	18,337	(2,178)	-11.88%	20,000	80.80%
MISC. PROFESSIONAL SERVICES	15,375	15,375	-	0.00%	139,274	169,125	(29,851)	-17.65%	184,500	75.49%
DATA PROCESSING	4,827	4,583	244	5.32%	42,949	50,413	(7,464)	-14.81%	55,000	78.09%
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>171,475</b>	<b>112,982</b>	<b>58,483</b>	<b>51.76%</b>	<b>1,202,236</b>	<b>1,242,916</b>	<b>(40,680)</b>	<b>-3.27%</b>	<b>1,355,904</b>	<b>88.67%</b>

**Illinois Finance Authority  
General Fund - Actual to Budget  
Statement of Activities  
for Period Ending  
May 31, 2011**

	Actual May 2011	Budget May 2011	Current Month Variance Actual vs. Budget	Current %	Actual YTD FY 2011	Budget YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD %	Total Budget FY 2011	% of Budget Expended
<b>OCCUPANCY COSTS</b>										
OFFICE RENT	21,992	22,840	(848)	-3.71%	232,855	251,240	(18,385)	-7.32%	274,076	84.96%
EQUIPMENT RENTAL AND PURCHASES	1,067	1,700	(633)	-37.24%	18,416	18,700	(284)	-1.52%	20,400	90.27%
TELECOMMUNICATIONS	3,897	5,050	(1,153)	-22.83%	33,283	55,550	(22,267)	-40.08%	60,600	54.92%
UTILITIES	906	917	(11)	-1.20%	10,521	10,087	434	4.30%	11,000	95.65%
DEPRECIATION	2,998	4,109	(1,111)	-27.04%	29,057	45,199	(16,142)	-35.71%	49,305	58.93%
INSURANCE	1,944	1,900	44	2.32%	21,249	20,900	349	1.67%	22,800	93.20%
<b>TOTAL OCCUPANCY COSTS</b>	<b>32,804</b>	<b>36,516</b>	<b>(3,712)</b>	<b>-10.17%</b>	<b>345,381</b>	<b>401,676</b>	<b>(56,295)</b>	<b>-14.02%</b>	<b>438,181</b>	<b>78.82%</b>
<b>GENERAL &amp; ADMINISTRATION</b>										
OFFICE SUPPLIES	3,368	4,458	(1,090)	-24.45%	34,917	49,038	(14,121)	-28.80%	53,500	65.27%
BOARD MEETING - EXPENSES	1,704	3,000	(1,296)	-43.20%	30,978	33,000	(2,022)	-6.13%	36,000	86.05%
PRINTING	910	542	368	68.00%	8,876	5,958	2,918	48.98%	6,500	136.55%
POSTAGE & FREIGHT	799	1,250	(451)	-36.08%	14,926	13,750	1,176	8.55%	15,000	99.51%
MEMBERSHIP, DUES & CONTRIBUTIONS	2,364	2,708	(344)	-12.70%	31,543	29,788	1,755	5.89%	32,500	97.06%
PUBLICATIONS	74	250	(176)	-70.40%	2,234	2,750	(516)	-18.76%	3,000	74.47%
OFFICERS & DIRECTORS INSURANCE	15,619	15,833	(214)	-1.35%	178,320	174,163	4,157	2.39%	190,000	93.85%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
<b>TOTAL GENL. &amp; ADMIN EXPENSES</b>	<b>24,838</b>	<b>28,041</b>	<b>(3,203)</b>	<b>-11.42%</b>	<b>301,794</b>	<b>308,447</b>	<b>(6,653)</b>	<b>-2.16%</b>	<b>336,500</b>	<b>89.69%</b>
<b>LOAN LOSS PROVISION/BAD DEBT</b>	<b>25,000</b>	<b>25,000</b>	<b>-</b>	<b>0.00%</b>	<b>600,568</b>	<b>275,000</b>	<b>325,568</b>	<b>118.39%</b>	<b>300,000</b>	<b>200.19%</b>
<b>OTHER</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>
<b>INTEREST EXPENSE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>
<b>TOTAL OTHER</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>
<b>TOTAL EXPENSES</b>	<b>422,480</b>	<b>441,131</b>	<b>(18,651)</b>	<b>-4.23%</b>	<b>4,342,731</b>	<b>4,731,537</b>	<b>(388,806)</b>	<b>-8.22%</b>	<b>5,171,697</b>	<b>83.97%</b>
<b>NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) &amp; TRANSFERS</b>	<b>424,274</b>	<b>(28,091)</b>	<b>452,365</b>	<b>-1610.36%</b>	<b>2,129,738</b>	<b>270,351</b>	<b>1,859,387</b>	<b>687.77%</b>	<b>229,691</b>	<b>927.22%</b>
<b>NET UNREALIZED GAIN/(LOSS) ON INVESTMENT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>
<b>TRANSFER</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>1,126,003</b>	<b>-</b>	<b>1,126,003</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>
<b>REVENUE GRANT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>
<b>APPROPRIATIONS FROM STATE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>
<b>NET INCOME/(LOSS)</b>	<b>424,274</b>	<b>(28,091)</b>	<b>452,365</b>	<b>-1610.36%</b>	<b>3,255,741</b>	<b>270,351</b>	<b>2,985,390</b>	<b>1104.26%</b>	<b>229,691</b>	<b>1417.44%</b>

**Illinois Finance Authority  
General Fund - Actual to Actual  
Statement of Activities  
for Period Ending  
May 31, 2011**

	Actual May 2011	Actual May 2010	Current Month Variance Actual vs. Actual	Current %	Actual YTD FY 2011	Actual YTD FY 2010	Year to Date Variance Actual vs. Actual	YTD %
<b>REVENUE</b>								
INTEREST ON LOANS	59,934	89,749	(29,815)	-33.22%	878,510	942,773	(64,263)	-6.82%
INVESTMENT INTEREST & GAIN(LOSS)	1,688	4,465	(2,777)	-62.19%	44,656	40,596	4,060	10.00%
ADMINISTRATIONS & APPLICATION FEES	617,978	556,878	61,100	10.97%	4,765,574	4,828,206	(62,632)	-1.30%
ANNUAL ISSUANCE & LOAN FEES	38,524	47,343	(8,819)	-18.63%	510,296	736,186	(225,890)	-30.68%
OTHER INCOME	128,630	7,701	120,929	1570.300%	273,433	229,456	43,977	19.17%
<b>TOTAL REVENUE</b>	<b>846,754</b>	<b>706,136</b>	<b>140,618</b>	<b>19.91%</b>	<b>6,472,469</b>	<b>6,777,217</b>	<b>(304,748)</b>	<b>-4.50%</b>
<b>EXPENSES</b>								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	139,872	197,823	(57,951)	-29.29%	1,616,106	2,487,506	(871,400)	-35.03%
BENEFITS	18,731	19,058	(327)	-1.72%	220,561	251,478	(30,917)	-12.29%
TEMPORARY HELP	-	2,723	(2,723)	-100.000%	1,382	30,068	(28,686)	-95.40%
EDUCATION & DEVELOPMENT	-	-	-	0.000%	6,294	15,410	(9,116)	-59.16%
TRAVEL & AUTO	9,760	11,731	(1,971)	-16.800%	48,409	64,774	(16,365)	-25.26%
<b>TOTAL EMPLOYEE RELATED EXPENSES</b>	<b>168,363</b>	<b>231,335</b>	<b>(62,972)</b>	<b>-27.22%</b>	<b>1,892,752</b>	<b>2,849,236</b>	<b>(956,484)</b>	<b>-33.57%</b>
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	87,199	36,141	51,058	141.27%	405,164	193,900	211,264	108.96%
LOAN EXPENSE & BANK FEE	8,100	10,307	(2,207)	-21.41%	104,384	110,330	(5,946)	-5.39%
ACCOUNTING & AUDITING	27,418	22,505	4,913	21.83%	296,986	256,196	40,790	15.92%
MARKETING GENERAL	66	68	(2)	-2.94%	13,362	5,920	7,442	125.71%
FINANCIAL ADVISORY	23,750	18,333	5,417	29.55%	183,958	201,663	(17,705)	-8.78%
CONFERENCE/TRAINING	4,740	3,655	1,085	0.00%	16,159	12,317	3,842	31.19%
MISC. PROFESSIONAL SERVICES	15,375	17,142	(1,767)	0.00%	139,274	124,474	14,800	0.00%
DATA PROCESSING	4,827	6,580	(1,753)	-26.64%	42,949	47,980	(5,031)	-10.49%
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>171,475</b>	<b>114,731</b>	<b>56,744</b>	<b>49.46%</b>	<b>1,202,236</b>	<b>952,780</b>	<b>249,456</b>	<b>26.18%</b>

**Illinois Finance Authority  
General Fund - Actual to Actual  
Statement of Activities  
for Period Ending  
May 31, 2011**

	Actual May 2011	Actual May 2010	Current Month Variance Actual vs. Actual	Current % Variance	Actual YTD FY 2011	Actual YTD FY 2010	Year to Date Variance Actual vs. Actual	YTD % Variance
<b>OCCUPANCY COSTS</b>								
OFFICE RENT	21,992	22,420	(428)	-1.91%	232,855	239,041	(6,186)	-2.59%
EQUIPMENT RENTAL AND PURCHASES	1,067	971	96	9.89%	18,416	25,551	(7,135)	-27.92%
TELECOMMUNICATIONS	3,897	3,208	689	21.48%	33,283	44,683	(11,400)	-25.51%
UTILITIES	906	889	17	1.91%	10,521	10,750	(229)	-2.13%
DEPRECIATION	2,998	2,876	122	4.24%	29,057	48,346	(19,289)	-39.90%
INSURANCE	1,944	1,975	(31)	-1.57%	21,249	21,072	177	0.84%
<b>TOTAL OCCUPANCY COSTS</b>	<b>32,804</b>	<b>32,339</b>	<b>465</b>	<b>1.44%</b>	<b>345,381</b>	<b>389,443</b>	<b>(44,062)</b>	<b>-11.31%</b>
<b>GENERAL &amp; ADMINISTRATION</b>								
OFFICE SUPPLIES	3,368	516	2,852	552.71%	34,917	36,139	(1,222)	-3.38%
BOARD MEETING - EXPENSES	1,704	1,744	(40)	-2.29%	30,978	27,233	3,745	13.75%
PRINTING	910	-	910	#DIV/0!	8,876	6,107	2,769	45.34%
POSTAGE & FREIGHT	799	1,807	(1,008)	-55.78%	14,926	15,949	(1,023)	-6.41%
MEMBERSHIP, DUES & CONTRIBUTIONS	2,364	1,264	1,100	87.03%	31,543	28,808	2,735	9.49%
PUBLICATIONS	74	286	(212)	-74.13%	2,234	1,950	284	14.56%
OFFICERS & DIRECTORS INSURANCE	15,619	16,561	(942)	-5.69%	178,320	174,039	4,281	2.46%
MISCELLANEOUS	-	-	-	-	-	(245)	245	-
<b>TOTAL GENL &amp; ADMIN EXPENSES</b>	<b>24,838</b>	<b>22,178</b>	<b>2,660</b>	<b>11.99%</b>	<b>301,794</b>	<b>289,980</b>	<b>11,814</b>	<b>4.07%</b>
LOAN LOSS PROVISION/BAD DEBT	25,000	25,000	-	0.00%	600,568	657,202	(56,634)	-8.62%
OTHER	-	-	-	0.00%	-	-	-	0.00%
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%
<b>TOTAL EXPENSES</b>	<b>422,480</b>	<b>425,583</b>	<b>(3,103)</b>	<b>-0.73%</b>	<b>4,342,731</b>	<b>5,138,641</b>	<b>(795,910)</b>	<b>-15.49%</b>
<b>NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) &amp; TRANSFERS</b>	<b>424,274</b>	<b>280,553</b>	<b>143,721</b>	<b>51.23%</b>	<b>2,129,738</b>	<b>1,638,576</b>	<b>491,162</b>	<b>29.97%</b>
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%
TRANSFER	-	-	-	0.00%	1,126,003	80,608	1,045,395	1296.89%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%
<b>NET INCOME/(LOSS)</b>	<b>424,274</b>	<b>280,553</b>	<b>143,721</b>	<b>51.23%</b>	<b>3,255,741</b>	<b>1,719,184</b>	<b>1,536,557</b>	<b>89.38%</b>



**Illinois Finance Authority  
General Fund  
Unaudited  
Balance Sheet  
for the Eleven Months Ending May 31, 2011**

	Actual May 2011
ASSETS	
CASH & INVESTMENTS, UNRESTRICTED	\$ 29,624,365
RECEIVABLES, NET	88,719
LOAN RECEIVABLE, NET	14,199,396
OTHER RECEIVABLES	141,853
PREPAID EXPENSES	67,691
	44,122,024
TOTAL CURRENT ASSETS	44,122,024
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	113,382
DEFERRED ISSUANCE COSTS	302,285
OTHER ASSETS	
CASH, INVESTMENTS & RESERVES	1,581,737
OTHER	(11,968)
	1,569,769
TOTAL OTHER ASSETS	1,569,769
TOTAL ASSETS	\$ 46,107,460
LIABILITIES	
CURRENT LIABILITIES	\$ 1,567,403
LONG-TERM LIABILITIES	441,908
	2,009,311
TOTAL LIABILITIES	2,009,311
EQUITY	
CONTRIBUTED CAPITAL	4,111,479
RETAINED EARNINGS	24,759,631
NET INCOME / (LOSS)	3,255,741
RESERVED/RESTRICTED FUND BALANCE	1,732,164
UNRESERVED FUND BALANCE	10,239,134
	44,098,149
TOTAL EQUITY	44,098,149
TOTAL LIABILITIES & EQUITY	\$ 46,107,460

**Illinois Finance Authority**  
**Consolidated - Actual to Budget**  
**Statement of Activities**  
**for Period Ending**  
**May 31, 2011**

	Actual May 2011	Budget May 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2011	Budget YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2010	% of Budget Expended
<b>REVENUE</b>										
INTEREST ON LOANS	237,059	270,806	(33,747)	-12.46%	2,774,844	3,030,643	(255,799)	-8.44%	3,291,666	84.30%
INVESTMENT INTEREST & GAIN(LOSS)	77,780	60,707	17,073	28.12%	661,787	667,777	(5,990)	-0.90%	728,492	90.84%
ADMINISTRATIONS & APPLICATION FEES	617,978	263,849	354,129	134.22%	4,765,574	3,305,887	1,459,687	44.15%	3,569,338	133.51%
ANNUAL ISSUANCE & LOAN FEES	38,524	47,342	(8,818)	-18.63%	510,296	533,337	(23,041)	-4.32%	642,892	79.38%
OTHER INCOME	159,068	11,878	147,190	1239.18%	1,386,278	130,658	1,255,620	961.00%	82,537	1679.58%
<b>TOTAL REVENUE</b>	<b>1,130,409</b>	<b>654,582</b>	<b>475,827</b>	<b>72.69%</b>	<b>10,098,779</b>	<b>7,668,302</b>	<b>2,430,477</b>	<b>31.70%</b>	<b>8,314,925</b>	<b>121.45%</b>
<b>EXPENSES</b>										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	139,872	205,389	(65,517)	-31.90%	1,616,106	2,150,365	(534,259)	-24.85%	2,354,798	68.63%
BENEFITS	18,731	24,859	(6,128)	-24.65%	220,561	261,463	(40,902)	-15.64%	286,314	77.03%
TEMPORARY HELP	-	417	(417)	-100.00%	1,382	4,587	(3,205)	-69.87%	5,000	27.64%
EDUCATION & DEVELOPMENT	-	1,667	(1,667)	-100.00%	6,294	18,333	(12,039)	-65.67%	20,000	31.47%
TRAVEL & AUTO	9,760	6,250	3,510	56.16%	48,409	68,750	(20,341)	-29.59%	75,000	64.55%
<b>TOTAL EMPLOYEE RELATED EXPENSES</b>	<b>168,363</b>	<b>238,582</b>	<b>(70,219)</b>	<b>-29.43%</b>	<b>1,892,752</b>	<b>2,503,498</b>	<b>(610,746)</b>	<b>-24.40%</b>	<b>2,741,112</b>	<b>69.05%</b>
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	89,282	23,749	65,533	275.94%	428,077	261,243	166,834	63.86%	285,000	150.20%
LOAN EXPENSE & BANK FEE	261,423	264,206	(2,783)	-1.05%	2,390,150	2,506,860	(116,710)	-4.66%	2,771,070	86.25%
ACCOUNTING & AUDITING	39,044	28,422	10,622	37.37%	327,070	312,642	14,428	4.61%	341,054	95.90%
MARKETING GENERAL	66	2,083	(2,017)	-96.83%	13,362	22,913	(9,551)	-41.68%	25,000	53.45%
FINANCIAL ADVISORY	23,750	31,250	(7,500)	-24.00%	183,958	343,750	(159,792)	-46.48%	375,000	49.06%
CONFERENCE/TRAINING	4,740	1,667	3,073	184.34%	16,159	18,337	(2,178)	-11.88%	20,000	80.80%
MISC. PROFESSIONAL SERVICES	18,708	18,708	-	0.00%	186,773	205,788	(19,015)	-9.24%	224,500	83.20%
DATA PROCESSING	4,827	4,583	244	5.32%	42,949	50,413	(7,464)	-14.81%	55,000	78.09%
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>441,840</b>	<b>374,668</b>	<b>67,172</b>	<b>17.93%</b>	<b>3,588,498</b>	<b>3,721,946</b>	<b>(133,448)</b>	<b>-3.59%</b>	<b>4,096,624</b>	<b>87.60%</b>

**Illinois Finance Authority  
Consolidated - Actual to Budget  
Statement of Activities  
for Period Ending  
May 31, 2011**

	Actual May 2011	Budget May 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2011	Budget YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2010	% of Budget Expended
OCUPANCY COSTS										
OFFICE RENT	21,992	22,840	(848)	-3.71%	232,855	251,240	(18,385)	-7.32%	274,076	84.96%
EQUIPMENT RENTAL AND PURCHASES	1,067	1,700	(633)	-37.24%	18,416	18,700	(284)	-1.52%	20,400	90.27%
TELECOMMUNICATIONS	3,897	5,050	(1,153)	-22.83%	33,283	55,550	(22,267)	-40.08%	60,600	54.92%
UTILITIES	906	917	(11)	-1.20%	10,521	10,087	434	4.30%	11,000	95.65%
DEPRECIATION	2,998	4,109	(1,111)	-27.04%	29,057	45,199	(16,142)	-35.71%	49,305	58.93%
INSURANCE	1,944	1,900	44	2.32%	21,249	20,900	349	1.67%	22,800	93.20%
TOTAL OCUPANCY COSTS	32,804	36,516	(3,712)	-10.17%	345,381	401,676	(56,295)	-14.02%	438,181	78.82%
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	3,368	4,458	(1,090)	-24.45%	34,917	49,038	(14,121)	-28.80%	53,500	65.27%
BOARD MEETING - EXPENSES	1,704	3,000	(1,296)	-43.20%	30,978	33,000	(2,022)	-6.13%	36,000	86.05%
PRINTING	910	542	368	68.00%	8,876	5,958	2,918	48.98%	6,500	136.55%
POSTAGE & FREIGHT	799	1,250	(451)	-36.08%	14,926	13,750	1,176	8.55%	15,000	99.51%
MEMBERSHIP, DUES & CONTRIBUTIONS	2,363	2,708	(345)	-12.74%	31,543	29,788	1,755	5.89%	32,500	97.06%
PUBLICATIONS	75	250	(175)	-70.00%	2,234	2,750	(516)	-18.76%	3,000	74.47%
OFFICERS & DIRECTORS INSURANCE	15,619	15,833	(214)	-1.35%	178,321	174,163	4,158	2.39%	190,000	93.85%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	24,838	28,041	(3,203)	-11.42%	301,795	308,447	(6,652)	-2.16%	336,500	89.69%
LOAN LOSS PROVISION/BAD DEBT	25,000	116,666	(91,666)	-78.57%	595,983	1,283,326	(687,343)	-53.56%	1,400,000	42.57%
OTHER										
INTEREST EXPENSE	503	503	-	0.00%	5,814	5,815	(1)	-0.02%	6,317	92.04%
TOTAL OTHER	503	503	-	0.00%	5,814	5,815	(1)	-0.02%	6,317	92.04%
TOTAL EXPENSES	693,348	794,976	(101,628)	-12.78%	6,730,223	8,224,708	(1,494,485)	-18.17%	9,018,734	74.62%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	437,061	(140,394)	577,455	-411.31%	3,368,556	(556,406)	3,924,962	-705.41%	(703,809)	-478.62%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TRANSFERS TO STATE OF ILLINOIS	-	-	-	0.00%	(3,302,000)	-	(3,302,000)	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%	-	-
NET INCOME/(LOSS)	437,061	(140,394)	577,455	-411.31%	66,557	(556,406)	622,963	-111.96%	(703,809)	-9.46%

**Illinois Finance Authority  
Consolidated  
Statement of Activities  
Comparison  
for May 2011 and May 2010**

	Actual May 2011	Actual May 2010	Current Month Variance Actual vs. Actual	Current % Variance	Actual YTD FY 2011	Actual YTD FY 2010	Year to Date Variance Actual vs. Actual	YTD % Variance
<b>REVENUE</b>								
INTEREST ON LOANS	237,059	284,661	(47,602)	-16.72%	2,774,844	2,671,107	103,737	3.88%
INVESTMENT INTEREST & GAIN(LOSS)	77,780	72,534	5,246	7.23%	661,787	632,365	29,422	4.65%
ADMINISTRATIONS & APPLICATION FEES	617,978	556,878	61,100	10.97%	4,765,574	4,828,206	(62,632)	-1.30%
ANNUAL ISSUANCE & LOAN FEES	38,524	47,343	(8,819)	-18.63%	510,296	736,186	(225,890)	-30.68%
OTHER INCOME	159,068	14,902	144,166	967.43%	1,386,278	445,886	940,392	210.90%
<b>TOTAL REVENUE</b>	<b>1,130,409</b>	<b>976,318</b>	<b>154,091</b>	<b>15.78%</b>	<b>10,098,779</b>	<b>9,313,750</b>	<b>785,029</b>	<b>8.43%</b>
<b>EXPENSES</b>								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	139,872	197,823	(57,951)	-29.29%	1,616,106	2,487,506	(871,400)	-35.03%
BENEFITS	18,731	19,058	(327)	-1.72%	220,561	251,478	(30,917)	-12.29%
TEMPORARY HELP	-	2,723	(2,723)	-100.00%	1,382	30,068	(28,686)	-95.40%
EDUCATION & DEVELOPMENT	-	-	-	0.00%	6,294	15,410	(9,116)	0.00%
TRAVEL & AUTO	9,760	11,731	(1,971)	-16.80%	48,409	64,774	(16,365)	-25.26%
<b>TOTAL EMPLOYEE RELATED EXPENSES</b>	<b>168,363</b>	<b>231,335</b>	<b>(62,972)</b>	<b>-27.22%</b>	<b>1,892,752</b>	<b>2,849,236</b>	<b>(956,484)</b>	<b>-33.57%</b>
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	89,282	36,974	52,308	141.47%	428,077	210,569	217,508	103.30%
LOAN EXPENSE & BANK FEE	261,423	219,306	42,117	19.20%	2,390,150	1,980,109	410,041	20.71%
ACCOUNTING & AUDITING	39,044	24,551	14,493	59.03%	327,070	497,551	(170,481)	-34.26%
MARKETING GENERAL	66	68	(2)	0.00%	13,362	5,920	7,442	0.00%
FINANCIAL ADVISORY	23,750	18,333	5,417	29.55%	183,958	201,663	(17,705)	-8.78%
CONFERENCE/TRAINING	4,740	3,655	1,085	0.00%	16,159	12,317	3,842	0.00%
MISC. PROFESSIONAL SERVICES	18,708	20,475	(1,767)	0.00%	186,773	161,137	25,636	15.91%
DATA PROCESSING	4,827	6,580	(1,753)	-26.64%	42,949	47,981	(5,032)	-10.49%
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>441,840</b>	<b>329,942</b>	<b>111,898</b>	<b>33.91%</b>	<b>3,588,498</b>	<b>3,117,247</b>	<b>471,251</b>	<b>15.12%</b>

**Illinois Finance Authority  
Consolidated  
Statement of Activities  
Comparison  
for May 2011 and May 2010**

	Actual May 2011	Actual May 2010	Current Month Variance Actual vs. Actual	Current %	Actual YTD FY 2011	Actual YTD FY 2010	Year to Date Variance Actual vs. Actual	YTD %
<b>OCCUPANCY COSTS</b>								
OFFICE RENT	21,992	22,420	(428)	-1.91%	232,855	239,041	(6,186)	-2.59%
EQUIPMENT RENTAL AND PURCHASES	1,067	971	96	9.89%	18,416	25,551	(7,135)	-27.92%
TELECOMMUNICATIONS	3,897	3,208	689	21.48%	33,283	44,683	(11,400)	-25.51%
UTILITIES	906	889	17	1.91%	10,521	10,750	(229)	-2.13%
DEPRECIATION	2,998	2,876	122	4.24%	29,057	48,346	(19,289)	-39.90%
INSURANCE	1,944	1,975	(31)	-1.57%	21,249	21,072	177	0.84%
<b>TOTAL OCCUPANCY COSTS</b>	<b>32,804</b>	<b>32,339</b>	<b>465</b>	<b>1.44%</b>	<b>345,381</b>	<b>389,443</b>	<b>(44,062)</b>	<b>-11.31%</b>
<b>GENERAL &amp; ADMINISTRATION</b>								
OFFICE SUPPLIES	3,368	516	2,852	552.71%	34,917	36,139	(1,222)	-3.38%
BOARD MEETING - EXPENSES	1,704	1,744	(40)	-2.29%	30,978	27,233	3,745	13.75%
PRINTING	910	-	910	0.00%	8,876	6,107	2,769	45.34%
POSTAGE & FREIGHT	799	1,807	(1,008)	-55.78%	14,926	15,949	(1,023)	-6.41%
MEMBERSHIP, DUES & CONTRIBUTIONS	2,363	1,264	1,099	86.93%	31,543	28,808	2,735	9.49%
PUBLICATIONS	75	285	(210)	-73.68%	2,234	1,950	284	14.56%
OFFICERS & DIRECTORS INSURANCE	15,619	16,561	(942)	-5.69%	178,321	174,038	4,283	2.46%
MISCELLANEOUS	-	-	-	0.00%	-	(245)	245	0.00%
<b>TOTAL GENL &amp; ADMIN EXPENSES</b>	<b>24,838</b>	<b>22,177</b>	<b>2,661</b>	<b>12.00%</b>	<b>301,795</b>	<b>289,979</b>	<b>11,816</b>	<b>4.07%</b>
<b>LOAN LOSS PROVISION/BAD DEBT</b>	<b>25,000</b>	<b>25,000</b>	<b>-</b>	<b>0.00%</b>	<b>595,983</b>	<b>652,865</b>	<b>(56,882)</b>	<b>-8.71%</b>
<b>OTHER</b>	<b>503</b>	<b>550</b>	<b>(47)</b>	<b>-8.55%</b>	<b>5,814</b>	<b>6,334</b>	<b>(520)</b>	<b>-8.21%</b>
<b>INTEREST EXPENSE</b>	<b>503</b>	<b>550</b>	<b>(47)</b>	<b>-8.55%</b>	<b>5,814</b>	<b>6,334</b>	<b>(520)</b>	<b>-8.21%</b>
<b>TOTAL OTHER</b>	<b>693,348</b>	<b>641,343</b>	<b>52,005</b>	<b>8.11%</b>	<b>6,730,223</b>	<b>7,305,106</b>	<b>(574,883)</b>	<b>-7.87%</b>
<b>NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) &amp; TRANSFERS</b>	<b>437,061</b>	<b>334,975</b>	<b>102,086</b>	<b>30.48%</b>	<b>3,368,556</b>	<b>2,008,644</b>	<b>1,359,912</b>	<b>67.70%</b>
<b>NET UNREALIZED GAIN/(LOSS) ON INVESTMENT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>TRANSFER TO STATE OF ILLINOIS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>(3,302,000)</b>	<b>-</b>	<b>(3,302,000)</b>	<b>0.00%</b>
<b>REVENUE GRANT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>APPROPRIATIONS FROM STATE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>NET INCOME/(LOSS)</b>	<b>437,061</b>	<b>334,975</b>	<b>102,086</b>	<b>30.48%</b>	<b>66,557</b>	<b>2,008,644</b>	<b>(1,942,087)</b>	<b>-96.69%</b>

**Illinois Finance Authority  
Consolidated  
Unaudited  
Balance Sheet  
for the Eleven Months Ending May 31, 2011**

	<u>Actual May 2010</u>	<u>Actual May 2011</u>
<b>ASSETS</b>		
CASH & INVESTMENTS, UNRESTRICTED	\$ 33,916,878	\$ 43,154,685
RECEIVABLES, NET	196,637	88,719
LOAN RECEIVABLE, NET	43,326,075	35,726,007
NOTES RECEIVABLE	45,808,874	38,719,874
OTHER RECEIVABLES	600,760	963,742
PREPAID EXPENSES	73,464	67,691
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	123,922,688	118,720,718
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	50,943	113,382
DEFERRED ISSUANCE COSTS	492,362	409,654
<b>OTHER ASSETS</b>		
CASH, INVESTMENTS & RESERVES	39,710,181	38,288,038
VENTURE CAPITAL INVESTMENTS	5,377,739	2,247,981
OTHER	2,999,998	3,028,402
	<hr/>	<hr/>
TOTAL OTHER ASSETS	48,087,918	43,564,421
TOTAL ASSETS	<u>\$ 172,553,911</u>	<u>\$ 162,808,175</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
BONDS PAYABLE	1,583,533	1,702,715
OTHER LIABILITIES	54,385,000	46,900,000
	<hr/>	<hr/>
TOTAL LIABILITIES	1,674,721	1,859,680
TOTAL LIABILITIES	57,643,254	50,462,395
<b>EQUITY</b>		
CONTRIBUTED CAPITAL	35,608,692	35,608,692
RETAINED EARNINGS	27,173,957	26,144,175
NET INCOME / (LOSS)	2,008,644	66,557
RESERVED/RESTRICTED FUND BALANCE	37,471,193	37,878,185
UNRESERVED FUND BALANCE	12,648,171	12,648,171
	<hr/>	<hr/>
TOTAL EQUITY	114,910,657	112,345,780
TOTAL LIABILITIES & EQUITY	<u>\$ 172,553,911</u>	<u>\$ 162,808,175</u>

**Illinois Finance Authority  
 FY09 Audit Finding: Material  
 Update as of May 31, 2011**

**Number of Material Findings - 8**

<b>Item Number</b>	<b>Description</b>	<b>Completed by</b>	<b>Comments</b>	<b>Percentage Completed</b>
10-1	Non Compliance with the investment requirements of the Bond Indenture	12/31/2010		██████████
10-2	Noncompliance with the program loan agreement	6/30/2011		██████████
10-3	Inaccurate State Property records	5/31/2011		██████████
10-4	Administrative reports not filed timely	3/31/2011		██████████
10-5	Untimely signing of written contracts	3/31/2011		██████████
10-6	Delinquent reporting of bond activity			██████████
10-7	Unsupported and incomplete travel expense reimbursements reports	on going		██████████
10-8	Failure to develop and maintain a list of manufacturing firms that are available for purchase, merger or acquisition in compliance with the state			██████████

**Illinois Finance Authority  
FY10 Audit Finding: Immaterial  
Update as of May 31, 2011**

Item Number	Description	Percentage Completed
Total Number of 2		10 20 30 40 50 60 70 80 95 100
FY 10 Immaterial Findings		
IM10-01	Inadequate policy over telephone and cellular phone usage	████████████████████
IM10-02	Cost of Federal Audit Not Paid Out of Federal Funds	████████████████████





## Bonds Issued and Outstanding as of May 31, 2011

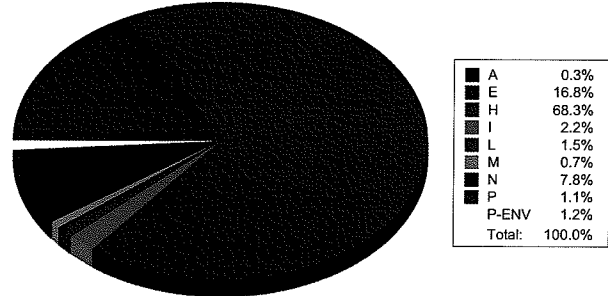
### Bonds Issued Since Inception of Illinois Finance Authority

#	Market Sector	Principal Amount (\$)
333	Agriculture **	63,785,949
103	Education	4,027,548,100
330	Healthcare *	16,599,523,508
86	Industrial	931,142,853
27	Local Government	378,145,000
19	Multifamily/Senior Housing	175,417,900
133	501(c)(3) Not-for Profits	1,908,933,195
8	Exempt Facilities Bonds	275,700,000
9	Environmental issued under 20 ILCS 3515/9	326,630,000
		<b>\$ 24,686,826,505</b>

\* Includes CCRC's

\*\* Number of Agriculture bonds has been adjusted to reflect the actual number of Beginner Farmer Bonds issued.

### Bonds Issued Since Inception

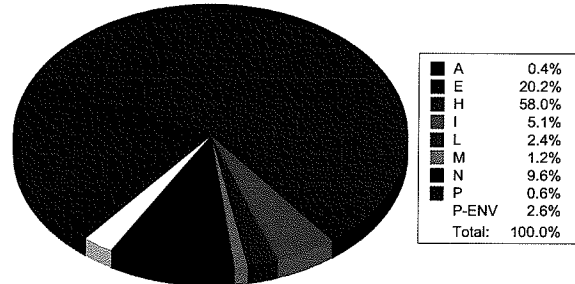


### Schedule of Bonds Outstanding by Market Sector Includes IFA and it's Predecessor Authorities

Market Sector	Amount of Original Issue	Principal Outstanding
Agriculture	302,255,655	95,165,439
Education	5,748,635,730	5,163,172,026
Healthcare *	17,727,972,337	14,799,636,133
Industrial	1,599,342,853	1,311,975,651
Local Government	1,140,314,413	610,006,238
Multifamily/Senior Housing	742,915,396	295,735,083
501(c)(3) Not-for Profits	3,067,759,996	2,442,878,297
Exempt Facilities Bonds	155,360,000	155,160,000
Environmental issued under 20 ILCS 3515/9	770,475,000	672,884,017
	<b>\$ 31,255,031,379</b>	<b>\$ 25,546,612,884</b>

\* Includes CCRC's

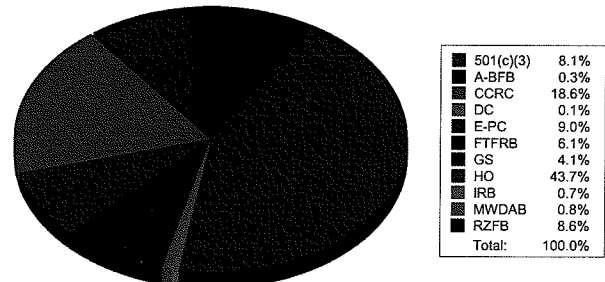
### Principal Outstanding by Market Sector



### Current Fiscal Year

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,002,064
5	Education	221,290,000
1	Financially Distressed Cities	1,985,000
1	Freight Transfer Facilities Bonds	150,000,000
1	Gas Supply	100,000,000
12	Healthcare - Hospital	1,075,055,000
5	Healthcare - CCRC	458,705,000
3	Industrial Revenue	17,329,184
1	Midwest Disaster Area Bonds	20,200,000
4	501(c)(3) Not-for-Profit	199,535,000
8	Recovery Zone Facilities Bonds	211,488,000
<b>82</b>		<b>\$ 2,462,589,248</b>

### Bonds Issued - Current Fiscal Year



**Bonds Issued between July 01, 2010 and May 31, 2011**

<u>Bond Issue</u>	<u>Date Issued</u>	<u>Initial Interest Rate</u>	<u>Principal Issued</u>	<u>Bonds Refunded</u>
A-BFB Beginner Farmer Bonds, Series 2011	07/01/2010	2.76% to 5.25%	7,002,064	0
HO NorthShore University HealthSystem, Series 2010	07/14/2010	2.00% to 5.25%	136,425,000	115,800,000
CCRC The Clare at Water Tower, Series 2010A&B	07/15/2010	5.10% to 6.125%	87,505,000	87,505,000
CCRC Christian Homes, Inc., Series 2010	07/29/2010	3.40% to 6.125%	25,000,000	8,090,000
IRB Bison Gear & Engineering Corporation, Series 2010	07/29/2010	VRB 0.32%	9,230,000	0
HO Institute for Transfusion Medicine, Series 2010	07/29/2010	VRB 3.60%	26,500,000	0
GS Peoples Gas Light and Coke Company, Series 2010A	08/18/2010	VRB 2.125%	50,000,000	0
RZFB Annex II, LLC - Rock City Development, Series 2010	08/24/2010	6.00%	4,585,000	0
CCRC Greenfields of Geneva, Series 2010A-C	08/31/2010	7.50% to 8.25%	117,600,000	9,185,000
HO Provena Health, Series 2010C&D	09/22/2010	VRB 0.29%	72,000,000	0
GS Peoples Gas Light and Coke Company, Series 2010B	10/05/2010	2.625%	50,000,000	50,000,000
IRB Fabrication Technologies, Inc., Series 2010	10/15/2010	DP-VRB	5,140,000	0
HO Little Company of Mary Hospital, Series 2010	10/20/2010	5.25% to 5.50%	72,000,000	0
HO Beloit Health System, Series 2010	10/21/2010	VRB	37,895,000	40,325,000
RZFB Navistar International Corporation, Series 2010	10/26/2010	6.50%	135,000,000	0
DC City of East St. Louis, Series 2010	10/26/2010	3.00%	1,985,000	1,650,000
HO Swedish Covenant Hospital, Series 2010	11/03/2010	DP 4.99%	20,000,000	0
HO University of Chicago Medical Center, Series 2010A&B	11/09/2010	VRB 0.24%	92,500,000	0
CCRC Admiral at the Lake, Series 2010A-E	11/19/2010	7.25% to 8.00%	202,350,000	0
RZFB BPJ Investments, LLC - Nueco, Inc., Series 2010	12/16/2010	DP-VRB 4.00%	2,803,000	0
HO Proctor Hospital, Series 2010	12/16/2010	DP-VRB 2.59202%	15,500,000	0
E-PC The Old Town School of Folk Music, Inc., Series 2010	12/20/2010	DP-VRB 4.25%	10,000,000	0
MWDAB KONE Centre, Series 2010	12/21/2010	DP-VRB 2.30%	20,200,000	0
FTFRB CenterPoint Joliet Terminal Railroad, Series 2010A&B	12/21/2010	DP-VRB 2.1074%	150,000,000	0
E-PC East-West University, Series 2010	12/22/2010	DP-VRB 2.025%	30,000,000	0
501(c)(3) Quest Academy, Series 2010	12/22/2010	DP-VRB 1.987016%	3,200,000	2,100,000
RZFB Rochelle Energy LLC, Series 2010	12/22/2010	DP 4.53%	10,000,000	0
E-PC Illinois College, Series 2010	12/23/2010	DP 4.22%	3,900,000	0
IRB Alef Sausage, Series 2010	12/23/2010	DP 4.25%	2,959,184	0
HO Silver Cross Hospital & Medical Center, Series 2010	12/27/2010	DP-VRB 1.1973%	25,000,000	0
501(c)(3) St. Francis High School College Preparatory, Series 2010	12/28/2010	DP-VRB 2.18%	4,500,000	0
RZFB JH Naperville Hotel, LLC, Series 2010	12/28/2010	5.16%	30,000,000	0
RZFB 1200 Internationale Parkway, LLC, Series 2010	12/28/2010	DP-VRB 3.97%	3,500,000	0
CCRC Mercy Circle, Series 2010	12/29/2010	DP-VRB 2.10%	26,250,000	0
RZFB SMART Hotels/Olympia Chicago, Series 2010	12/30/2010	DP-VRB 1.9876%	21,500,000	0
RZFB Mayo Properties, LLC, Series 2010	12/30/2010	DP-VRB 3.825%	4,100,000	0
E-PC DePaul University, Series 2011A&B	02/02/2011	5.25% to 6.125%	164,440,000	50,600,000
501(c)(3) CHF-Normal, LLC-Illinois State University, Series 2011	02/23/2011	5.50% to 7.00%	59,610,000	0
501(c)(3) CHF-DeKalb, LLC-Northern Illinois University, Series 2011	03/10/2011	5.125% to 6.875%	132,225,000	18,825,000
HO Sarah Bush Lincoln Health Center, Series 2011	03/18/2011	DP-VRB 3.60%	45,000,000	23,560,000
HO Methodist Medical Center of Illinois, Series 2011A&B	05/12/2011	Variable	115,000,000	54,135,000
HO The Carle Foundation, Series 2011A	05/19/2011	4.00% to 6.00%	234,735,000	0
HO University of Chicago Medical Center, Series 2011A-C	05/20/2011	Variable	182,500,000	0
E-PC Columbia College Chicago, Series 2011	05/25/2011	4.00% to 5.00%	12,950,000	13,325,000
<b>Total Bonds Issued in Fiscal Year 2011</b>			<b>\$ 2,462,589,248</b>	<b>\$ 475,100,000</b>

**Legend:** Fixed Rate Bonds as shown

DP-VRB = initial interest rate at the time of issuance on a Direct Purchase Bond

VRB = initial interest rate at the time of issuance on a Variable Rate Bond that does not include the cost of the LOC arrangement.

Beginner Farmer Bonds interest rates are shown in section below.

**Beginner Farmer Bonds**

<u>Borrower</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
Stortzum, Brent A.	07/21/2010	4.25%	157,500	38.00	Effingham
Tolley, Daniel Steven	07/23/2010	4.50%	106,900	82.30	Knox
Justison, Keri L.	07/30/2010	4.25%	249,736	106.00	Montgomery
Justison, David M.	07/30/2010	4.25%	249,736	106.00	Montgomery
Will, Richard & Linda	07/30/2010	4.00%	206,712	71.30	Cumberland
Smithenry, Eric J.	07/30/2010	4.25%	135,000	20.00	Jasper
Stinnett, Sean & Cheryl	08/05/2010	4.75%	224,000	52.84	Macoupin
Alt, Lawrence & Loretta	08/12/2010	4.00%	100,000	26.67	Vermilion
Alt, James & Jo Ellen	08/12/2010	4.00%	102,667	26.67	Vermilion
Kopplin, Seth A.	08/16/2010	4.00%	184,000	73.62	Effingham
Mellendorf, Mark	09/21/2010	4.25%	25,200	20.00	Clay
Gittleson, Brock	09/21/2010	4.46%	207,500	50.00	Lee
Fritschle, Derek	10/07/2010	4.00%	125,000	78.00	Richland
Stahl, Rodney Lynn	10/25/2010	4.00%	122,500	50.00	Stark
Stahl, Kendall	10/25/2010	4.50%	137,500	50.00	Stark
Rosenthal, Darin T.	10/29/2010	4.00%	250,000	80.00	Montgomery
Stephens, Derek & Brynn	11/05/2010	3.50%	240,000	60.00	Livingston
Stephens, Douglas & Cindy	11/05/2010	3.50%	240,000	60.00	Livingston
Richter, Brett Alan	11/05/2010	2.76%	120,000	46.00	Clinton
Truckenbrod, Steven	11/18/2010	5.25%	104,000	40.00	Ogle
Elliott, Lee Wayne & Latisha	11/30/2010	4.25%	112,000	80.00	Jasper
McLaughlin, Wade C.	12/27/2010	4.67%	150,000	60.70	Henry
Ridgely, Jordan	12/27/2010	3.95%	316,000	149.00	Hamilton
Werkheiser, Wade	12/27/2010	3.90%	345,330	161.00	Henry
Mattingly II, Douglas E.	12/27/2010	3.75%	77,120	30.00	Edgar
Waldrop, Ryan D. & Heather D.	12/28/2010	4.25%	237,268	130.60	Lawrence
Rich, Travis Wesley	03/01/2011	3.90%	146,667	26.66	Crawford
Maedge, Travis M.	03/08/2011	2.76%	171,928	40.00	Madison
Goebel, Thad & Lindsay	03/16/2011	3.75%	98,000	60.00	Jasper
Goebel, Greg & Krystal	03/16/2011	3.75%	114,000	60.00	Jasper
King, Rodney & Christine	03/28/2011	4.25%	80,000	40.00	Stark
Dotson, Joshua & Bonnie	03/30/2011	4.25%	125,000	31.00	Will
Vandersnick, Kane Richard	04/12/2011	4.50%	326,000	116.00	Henry
Berg, Kurt A.	04/29/2011	4.00%	218,000	98.00	Clay
Huber, Craig & Cara	04/29/2011	3.95%	295,450	70.50	Carroll
Mickley, James V.	04/29/2011	4.50%	248,000	120.00	Henry
Purdom, Cody A.	04/29/2011	4.35%	240,000	32.00	McHenry
Cox, Kevin & Lindsay	04/29/2011	5.00%	124,600	60.00	Mercer
Traub, John J.	05/13/2011	3.25%	174,750	40.00	Livingston
Emmerich, Lucas & Megan	05/24/2011	3.75%	114,000	40.00	Jasper

**Total Beginner Farmer Bonds Issued**      \$ 7,002,064      2,582.86

<u>AG Debt Restructuring Guarantee</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>State Guarantee</u>
Nelson, Kenneth	11/08/2010	6.00%	410,000	348,500
<b>Total AG Debt Restructuring Guarantee</b>			<u><u>\$ 410,000</u></u>	<u><u>\$ 348,500</u></u>

<b>AG Farm Purchase Guarantee</b>	<b><u>Date Funded</u></b>	<b><u>Initial Interest Rate</u></b>	<b><u>Loan Proceeds</u></b>	<b><u>State Guarantee</u></b>
Kerber, Gregory & Jan	10/28/2010	5.85%	500,000	425,000
<b>Total AG Farm Purchase Guarantee</b>			<b>\$ 500,000</b>	<b>\$ 425,000</b>
<b>Total Agriculture Guarantees</b>			<b>\$ 910,000</b>	<b>\$ 773,500</b>



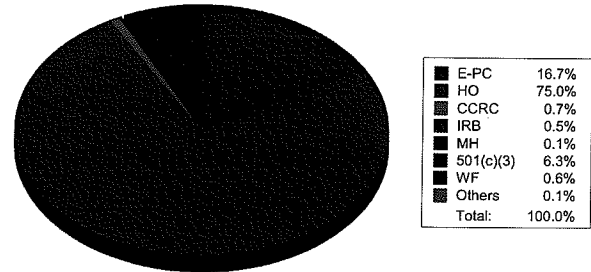
## Bonds Issued - Calendar Year Comparison

### Calendar Year 2009

#	Market Sector	Principal Issued
76	Agriculture - Beginner Farmer	14,630,816
9	Education - Private College	786,245,000
26	Healthcare - Hospital	3,526,456,927
2	Healthcare - CCRC	31,034,820
3	Industrial Revenue	24,000,000
1	Multifamily/Senior Housing	5,700,000
11	501(c)(3) Not-for-Profit	295,436,458
1	Exempt Facilities Bonds	28,500,000
1		4,460,000
<b>92</b>		<b>\$4,709,148,613</b>

### Bonds Issued in 2009

[Excludes Beginner Farmer Bonds]

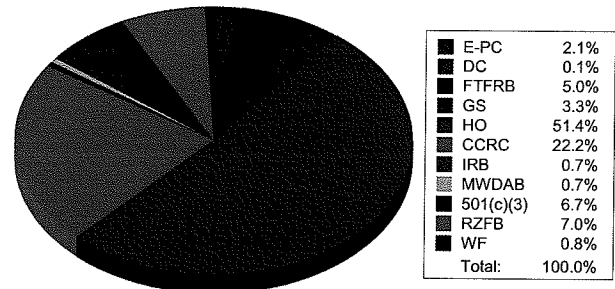


### Calendar Year 2010

#	Market Sector	Principal Issued
104	Agriculture - Beginner Farmer	18,748,994
5	Education - Private College	64,000,000
1	Financially Distressed Cities	1,985,000
1	Freight Transfer Facilities Bonds	150,000,000
2	Gas Supply	100,000,000
20	Healthcare - Hospital	1,545,643,433
7	Healthcare - CCRC	667,855,000
4	Industrial Revenue	20,029,184
1	Midwest Disaster Area Bonds	20,200,000
8	501(c)(3) Not-for-Profit	203,041,062
8	Recovery Zone Facilities Bonds	211,488,000
1	Exempt Facilities Bonds	25,000,000
<b>110</b>		<b>\$3,018,616,176</b>

### Bonds Issued in 2010

[Excludes Beginner Farmer Bonds]

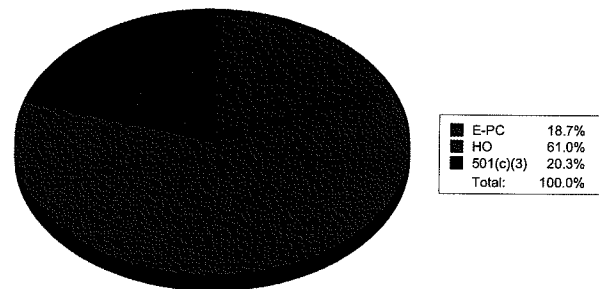


### Calendar Year 2011

#	Market Sector	Principal Issued
14	Agriculture - Beginner Farmer	2,476,395
2	Education - Private College	177,390,000
4	Healthcare - Hospital	577,235,000
2	501(c)(3) Not-for-Profit	191,835,000
<b>22</b>		<b>\$948,647,645</b>

### Bonds Issued in 2011

[Excludes Beginner Farmer Bonds]



# includes all transactions; bond sales as posted on EMMA and Direct Purchases.

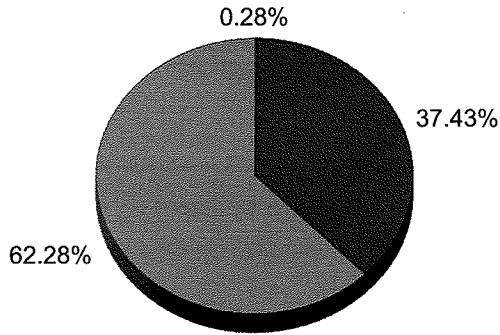


**Illinois Finance Authority**

Fiscal Year 2011

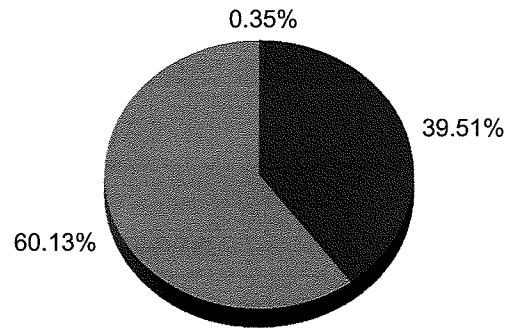
Market Sector	Principal Amount (\$)	New Money (\$)	#	Revenue (\$)
Agriculture	\$ 7,002,064.00	\$ 7,002,064.00	40	\$ 96,809.71
Business/Higher Ed/Non-Profit	921,827,183.67	785,327,183.67	25	2,300,230.67
Healthcare/CCRC's	1,533,760,000.00	1,195,160,000.00	17	2,115,265.00
	\$ 2,462,589,247.67	\$ 1,987,489,247.67	82	\$ 4,512,305.38

**Principal Amount (\$)**



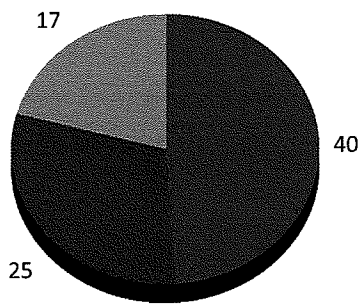
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

**New Money Principal(\$)**



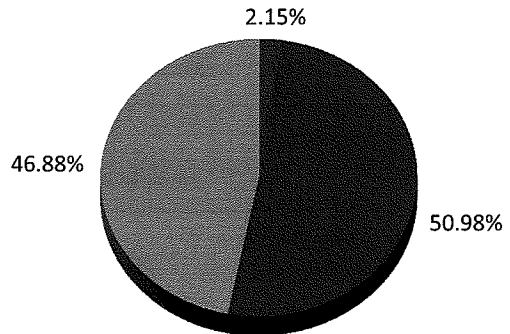
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

**# of Projects**



- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

**Revenue (\$)**



- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

**ILLINOIS FINANCE AUTHORITY**

Schedule of Debt <sup>(a)</sup>

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

Section I (a)	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2010	May 31, 2011		
<b>Illinois Finance Authority "IFA" <sup>(b)</sup></b>				
320	Agriculture	\$ 46,455,000	\$ 53,111,000	
90	Education	3,721,552,000	3,799,704,000	
235	Healthcare	10,852,168,000	12,083,796,000	
74	Industrial Development (includes Recovery Zone/Midwest Disaster)	345,870,000	826,465,000	
22	Local Government	264,060,000	252,995,000	
18	Multifamily/Senior Housing	157,979,000	159,312,000	
98	501(c)(3) Not-for Profits	1,313,239,000	1,398,576,000	
5	Exempt Facilities Bonds	130,500,000	130,300,000	
862	<b>Total IFA Principal Outstanding</b>	<b>\$ 16,831,823,000</b>	<b>\$ 18,684,259,000</b>	
<b>Illinois Development Finance Authority "IDFA" <sup>(b)</sup></b>				
3	Education	42,196,000	20,661,000	
5	Healthcare	404,660,000	209,185,000	
66	Industrial Development	562,917,000	485,510,000	
33	Local Government	386,034,000	336,791,000	
14	Multifamily/Senior Housing	147,219,000	136,423,000	
98	501(c)(3) Not-for Profits	1,025,002,000	969,757,000	
1	Exempt Facilities Bonds	24,860,000	24,860,000	
217	<b>Total IDFA Principal Outstanding</b>	<b>\$ 2,592,888,000</b>	<b>\$ 2,183,187,000</b>	
<b>Illinois Rural Bond Bank "IRBB" <sup>(b)</sup></b>				
17	Bond Bank Revenue Bonds	26,385,000	20,220,000	
-	Conduit Debt	2,390,000	-	
17	<b>Total IRBB Principal Outstanding</b>	<b>\$ 28,775,000</b>	<b>\$ 20,220,000</b>	
96	Illinois Health Facilities Authority "IHFA"	\$ 2,908,471,000	\$ 2,526,655,000	
49	Illinois Educational Facilities Authority "IEFA"	\$ 1,446,134,000	\$ 1,417,352,000	
561	Illinois Farm Development Authority "IFDA" <sup>(f)</sup>	\$ 42,055,000	\$ 42,055,000	
1,802	<b>Total Illinois Finance Authority Debt</b>	<b>\$ 23,850,146,000</b>	<b>\$ 24,873,728,000</b>	<b>\$ 28,150,000,000</b>

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

Section I (b)	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2010	May 31, 2011		
<b>General Purpose Moral Obligations</b>				
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]				
17	Issued through IRBB - Local Government Pools	\$ 26,385,000	\$ 20,220,000	
7	Issued through IFA - Local Government Pools	28,000,000	26,680,000	
2	Issued through IFA - Illinois Medical District Commission	40,000,000	39,640,000	
26	<b>Total General Moral Obligations</b>	<b>\$ 94,385,000</b>	<b>\$ 86,540,000</b>	<b>\$ 150,000,000</b>
<b>Financially Distressed Cities Moral Obligations</b>				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
2	Issued through IFA	\$ 2,395,000	\$ 3,825,000	
1	Issued through IDFA	4,680,000	3,565,000	
3	<b>Total Financially Distressed Cities</b>	<b>\$ 7,055,000</b>	<b>\$ 7,390,000</b>	<b>\$ 50,000,000</b>
<b>State Component Unit Bonds <sup>(c)</sup></b>				
17	Issued through IRBB	\$ 26,385,000	\$ 20,220,000	
2	Issued through IDFA <sup>(f)</sup>	94,075,000	82,090,000	
2	Issued through IFA <sup>(f)</sup>	91,198,000	81,367,000	
21	<b>Total State Component Unit Bonds</b>	<b>\$ 211,658,000</b>	<b>\$ 183,677,000</b>	

Designated exclusive Issuer by the Governor of the State of Illinois to issue Midwest Disaster Area Bonds in Illinois, February 11, 2010.

Section I (c)	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2010	May 31, 2011		
1	Midwest Disaster Bonds [Flood Relief]	\$ -	\$ 20,200,000	\$ 1,515,271,000
				\$ 1,495,071,000

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

Section I (d)	ARRA Act of 2009 Volume Cap Allocated <sup>(b)</sup>	City/Counties Ceded Voluntarily to IFA	Bonds Issued as of May 31, 2011	Available "Ceded" Volume Cap
	-	Recovery Zone Economic Development Bonds;	\$ 666,972,000	\$ 16,940,000
8	Recovery Zone Facilities Bonds	\$ 1,000,457,000	\$ 292,400,000	\$ 218,702,000
-	Qualified Energy Conservation Bonds	\$ 133,846,000	\$ -	\$ -

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

Section II	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2010	May 31, 2011		
Illinois Power Agency	\$ -	\$ -	\$ 4,000,000,000	\$ 4,000,000,000

**ILLINOIS FINANCE AUTHORITY**

Schedule of Debt <sup>(a)</sup>

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, 2010	May 31, 2011		
Clean Coal, Coal, Renewable Energy and Energy Efficiency Projects	\$ -	\$ -	\$ 3,000,000,000 <sup>(d)</sup>	\$ 3,000,000,000

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

Section IV	Principal Outstanding		Program Limitations	Remaining Capacity	State Exposure
	June 30, 2010	May 31, 2011			
Agri Debt Guarantees [Restructuring Existing Debt]	\$ 20,300,000	\$ 16,984,000	\$ 160,000,000	\$ 143,016,000	\$ 14,419,000
91 Fund # 994 - Fund Balance \$ 9,976,702					
AG Loan Guarantee Program	\$ 47,229,000	\$ 42,343,000	\$ 225,000,000 <sup>(e)</sup>	\$ 182,657,000	\$ 30,446,000
48 Fund # 205 - Fund Balance \$ 7,679,258					
11 Agri Industry Loan Guarantee Program	\$ 11,104,000	\$ 10,108,000			8,591,000
1 Renewable Fuels	24,445,000	22,958,000			13,970,000
2 Farm Purchase Guarantee Program	491,000	991,000			842,000
23 Specialized Livestock Guarantee Program	8,625,000	5,870,000			4,989,000
11 Young Farmer Loan Guarantee Program	2,564,000	2,416,000			2,054,000
139 Total State Guarantees	\$ 67,529,000	\$ 59,327,000	\$ 385,000,000	\$ 325,673,000	\$ 44,865,000

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

Section V	Principal Outstanding		Appropriation Fiscal Year 2011	Fund Balance
	June 30, 2010	May 31, 2011		
116 Fire Truck Revolving Loan Program Fund # 572	\$ 18,730,135	17,486,608	\$ 6,003,342	2,674,911
10 Ambulance Revolving Loan Program Fund # 334	\$ 993,200	832,213	\$ 7,006,800	590

Note: Due to deposits in transit, the Cash Balance at the Illinois Office of the Comptroller may differ from the Illinois Finance Authority's General Ledger.

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

Section VI	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2010	May 31, 2011		
Environmental [Large Business]				
9 Issued through IFA	316,440,000	\$ 315,989,000		
19 Issued through IDFA	372,065,000	356,895,000		
28 Total Environmental [Large Business]	\$ 688,505,000	\$ 672,884,000	\$ 2,425,000,000	\$ 1,752,116,000
Environmental [Small Business]				
28 Total Environment Bonds Issued under Act	\$ 688,505,000	\$ 672,884,000	\$ 2,500,000,000	\$ 1,827,116,000

**Illinois Finance Authority Funds at Risk**

Section VII	#	Participation Loans	Principal Outstanding		
			Original Amount	June 30, 2010	May 31, 2011
46		Business & Industry	23,020,157.95	17,018,322.85	13,054,459.12
17		Agriculture	6,079,859.01	4,969,295.79	3,626,463.74
63		Participation Loans exluding Defaults & Allowances	\$ 29,100,016.96	\$ 21,987,618.64	\$ 16,680,922.86
		Plus: Legacy IDFA Loans in Default			1,254,627.43
		Less: Allowance for Doubtful Accounts			3,736,153.87
		Total Participation Loans			\$ 14,199,396.42
1		Illinois Facility Fund	\$ 1,000,000.00	\$ 1,000,000.00	1,000,000.00
4		Local Government Direct Loans	\$ 1,289,750.00	\$ 309,303.50	246,526.74
5		FmHA Loans	\$ 963,250.00	\$ 495,772.95	310,506.50
2		Renewable Energy [RED Fund]	\$ 2,000,000.00	\$ 1,755,664.28	1,675,917.11
75		Total Loans Outstanding	\$ 34,353,016.96	\$ 25,548,359.37	\$ 17,432,346.77

- <sup>(a)</sup> Total subject to change; late month payment data may not be included at issuance of report.
- <sup>(b)</sup> State Component Unit Bonds included in balance.
- <sup>(c)</sup> Does not include Unamortized issuance premium as reported in Audited Financials.
- <sup>(d)</sup> Program Limitation reflects the increase to \$3 billion effective 01/01/2010 under P.A. 96-103.
- <sup>(e)</sup> Program Limitation reflects the increase from \$75 million to \$225 million effective 01/01/2010 under P.A. 96-103.
- <sup>(f)</sup> Beginner Farmer Bonds are currently updated annually; new bonds will be added under the Illinois Finance Authority when the bond closes.
- <sup>(g)</sup> Midwest Disaster Bonds - Illinois Counties eligible for Midwest Disaster Bonds include Adams, Calhoun, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Hancock, Henderson, Jasper, Jersey, Lake, Lawrence, Mercer, Rock Island, Whiteside and Winnebago.
- <sup>(h)</sup> Recovery Zone Bonds - Federal government allocated volume cap directly to all 102 Illinois counties and 8 municipalities with population of 100,000 or more. [Public Act 96-1020]
- <sup>(i)</sup> IFA is working with all of the 110 entities to encourage voluntary waivers to ensure that these resources are used to support project financing before the program expires on December 31, 2010.
- <sup>(j)</sup> Includes EPA Clean Water Revolving Fund



**MINUTES OF THE MAY 10, 2011, MEETING OF THE COMMITTEE OF THE  
WHOLE OF THE BOARD OF DIRECTORS OF THE ILLINOIS FINANCE AUTHORITY**

The Board of Directors (the "Board") of the Illinois Finance Authority (the "IFA"), pursuant to notice duly given, held a Committee of the Whole Meeting at 9:00 a.m. on May 10, 2011, at the Chicago Office of the IFA at 180 North Stetson Avenue, Suite 2555, Chicago, IL 60601.

<p><b>Members Present:</b></p> <ol style="list-style-type: none"> <li>1. William A. Brandt, Jr., Chairman</li> <li>2. Michael W. Goetz, Vice Chairman</li> <li>3. Dr. William Barclay</li> <li>4. John "Jack" Durburg</li> <li>5. Norman M. Gold</li> <li>6. Terrence M. O'Brien</li> <li>7. Heather D. Parish (joined at 9:15 a.m.)</li> <li>8. Hon. Barrett Pedersen</li> </ol> <p><b>Via Telephone:</b></p> <ol style="list-style-type: none"> <li>9. Gila J. Bronner</li> <li>10. Roger E. Poole</li> </ol>	<p><b>Members Absent:</b></p> <ol style="list-style-type: none"> <li>11. James J. Fuentes</li> <li>12. Dr. Roger D. Herrin</li> <li>13. Edward H. Leonard, Sr.</li> <li>14. Bradley A. Zeller</li> </ol> <p><b>Vacancies: One</b></p>	<p><b>Staff Present:</b></p> <p>Christopher B. Meister, Executive Director          Brendan M. Cournane, General Counsel          Pamela A. Lenane, Vice President          Joy Kuhn, Assistant Treasurer          Jim Senica, Sr. Funding Manager          Norma Sutton, Procurement Officer          Brad R. Fletcher, Legal/Financial Analyst          Nora O'Brien, Legal/Financial Analyst          Ahad F. Syed, Asst. Board Sect. /Admin. Asst.          Terrell Gholston, Intern</p> <p><b>IFA Advisors Present:</b></p> <p>Courtney Shea, Sr. VP, Acacia Financial Group          Fiona McCarthy, Analyst, Acacia Financial Group</p>
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**GENERAL BUSINESS**

Call to Order and Roll Call

Chairman Brandt called the meeting to order at 9:10 a.m. with the above Members present. He welcomed Members of the Board, IFA staff and IFA financial advisors present at the meeting. The Chairman asked Assistant Board Secretary, Mr. Syed, to call the roll. There being seven Members physically present and two Members via telephone, the Chairman declared that a quorum was not present.

Ms. Parish arrived in person at 9:15 a.m., thereby completing the requirement for quorum.

Chairman's Remarks

The Chairman informed the Members of the Board that Mr. DeNard had officially resigned due to increased professional responsibilities at his place of employment. The Chairman extended his thanks to Mr. DeNard for his work on the IFA Board of Directors and wished him luck in his future endeavors.

Chairman Brandt congratulated Dr. Herrin on his recent appointment to the Southern Illinois University Board of Trustees.

Chairman Brandt then asked Director Meister to give his presentation.

Executive Director's Presentation

Director Meister thanked the Chairman and began his presentation. Director Meister also thanked Mr. DeNard for his work on the IFA Board of Directors and wished him luck.

Director Meister welcomed the newest Member of the Board, Hon. Barrett Pedersen, Mayor of Franklin Park, Illinois. Director Meister stated that he is excited to have Mr. Pedersen on the Board and is currently working with

Mr. Pedersen on the Elgin-O'Hare West Bypass Finance Committee. The Director pointed to Mr. Pedersen's breadth of experience in local government as a valuable asset to the IFA.

Director Meister explained to the Board that the municipal bond market is continuing to see a low volume of issuance nationally. The Director stated that in order to foresee the future of healthcare financings, a sector crucial to IFA's financial picture, he and Ms. Lenane have been meeting with colleagues in the National Association of Health and Education Facilities Finance Authorities ("NAHEFFA"). Ms. Lenane, in addition to being the Vice President of Healthcare at the IFA, is the Vice President of NAHEFFA. Furthermore, the Director explained that he is planning a conference with Ms. Lenane that will take place in Chicago in June regarding policy and the future of healthcare finance.

The Director explained the current political climate and situation with the City of East St. Louis Financial Advisory Authority. There was limited discussion regarding this matter.

There was also limited discussion regarding potential mechanisms of financing for a recent scientific innovation related to rechargeable batteries made by the Engineering Department at University of Illinois at Urbana-Champaign.

Director Meister stated that Wells Fargo has approached the IFA regarding business units, receivables and regulatory risk. There are on-going discussions with Wells Fargo.

Chairman Brandt thanked Director Meister for his report and asked Ms. Kuhn to present the financial reports and audit.

#### Financial Reports

Ms. Kuhn explained that April was a slow business month for the IFA with no bond closings. Actual total revenue year-to-date was up approximately \$1.0 million to \$5.6 million. Closings fees are currently 16.2% higher than projected for FY 2011. Total revenue to date is roughly 4.15% above the annual forecast of \$5.4 million. Actual operating expenses for the ten months ending April 30, 2011, are down 8.6% to \$3.9 million; it is estimated that FY 2011 operating expenses will be approximately 7.5% below forecast.

Ms. Kuhn stated that since there were no bond closings in April, the IFA experienced a "net loss" of \$226,000, reducing year-to-date Net Income to \$2.83 million. However, Actual year-to-date Net Income to forecast is \$2.5 million above Fiscal Year 2011 projections due to reduced Employee Related Expenses and the income generated from the liquidation of the Venture Capital position in SmartSignal.

The Authority maintains a strong balance sheet. Through April 30, 2011, total cash receipts were \$11.6 million of which \$4.8 million were from loan repayments; \$5.5 million from Administrative/Closing fees and interest on the remaining loans. An additional three loans in April, totaling \$674,000, were paid in full. This brings the total number of loans paid to twenty-four, of which the total amount equals approximately \$3.3 million received by the IFA since July 1, 2010 (the beginning Fiscal Year 2011).

IFA's future reserve has been strengthened by an increase of \$8.2 million through April 30, 2011, in unrestricted cash due to loan payoffs and administrative/closing fees.

Through April 30, 2011, twenty-four Guarantees totaling \$4.5 million were paid off, reducing the State Guarantee funds at risk. In addition, the Authority made a payment of \$28,402 to the Community State Bank of Rockfalls for settlement of a delinquent guarantee which was previously reflected on our internal Loan Portfolio "Watch List". The guarantee was paid from the IFA's Industrial Revenue Insurance Fund pursuant to S.B. 3719.

Audit

Ms. Kuhn explained that the FY 2010 is in its finalized state and we anticipate the audit to be released within two to four weeks from today. There are no additional findings besides those mentioned in previous meetings. IFA is currently working on an "action plan" for the eight material and two immaterial findings; once completed the plan will be presented to the Audit Committee for review. The FY 2011 Audit "entrance conference" is scheduled for May 25, 2011; fieldwork will begin on May 26, 2011.

Chairman Brandt thanked Ms. Kuhn for her report.

The Chairman asked for a forecast of closings. Director Meister explained that projects that may go to closing soon are The Carle Foundation, Methodist Medical Center of Illinois, University of Chicago Medical Center and Columbia College Chicago.

There was brief discussion regarding IFA finances and State Guarantees.

Director Meister explained that the IFA canceled the latest scheduled Audit Meeting for May 10, 2011, at 8:30 a.m. due to the fact that the Auditor General had not released its official report and the IFA cannot hold an open meeting until that report is released. Director Meister thanked Ms. Bronner for her work as Chair of the Audit Committee. Ms. Bronner noted that she believes that the IFA exit conference went well. Chairman Brandt explained that Ms. Bronner has been helpful in eliminating audit findings the IFA believes are immaterial.

Chairman Brandt then asked for the Committee Reports.

Committee Reports

Chairman Brandt asked Vice Chairman Goetz to present his report of the Agriculture Committee.

*Agriculture Committee*

Vice Chairman Goetz deferred to Mr. Senica to present the Agriculture Committee Report. Mr. Senica gave a brief presentation of the Beginning Farmer Bonds and Agri-Debt Guarantees that were approved at the Agriculture Committee.

There was limited discussion regarding staffing.

Chairman Brandt thanked Mr. Senica for the Agriculture Committee report and asked Dr. Barclay for the Healthcare Committee Report.

*Healthcare Committee*

Dr. Barclay gave a brief presentation regarding the acquisition of Methodist Medical Center of Illinois by Iowa Health Systems. Dr. Barclay also discussed the continuing trend of mergers within the healthcare community before deferring to Ms. Lenane.

Ms. Lenane explained that she met with the Office of Director Julie Hamos at the Illinois Department of Healthcare and Family Services. Director Hamos has also expressed her concern regarding the Hospital Assessment Program ("HAP"). According to Ms. Lenane, Director Hamos is opposed to the extension of the HAP program to 2016.

Ms. Lenane stated that Director Hamos is proposing a plan that would support Medicaid rate reform based upon a model from the State of New York. This is a concern for the IFA since it still has some outstanding bonds in inner-city hospitals. There is also a concern that Illinois may end up with areas with "hospital deserts".

Chairman Brandt thanked Ms. Lenane for the Healthcare Committee report and asked for the Project Reports.

Project Reports

Agriculture

Mr. Senica presented the following projects for consideration:

**Item No. 1A: Andrew J. & Jacqueline L. Colgan - \$125,000 – 40 acres**

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$125,000 for the purchase of approximately 40 acres of farmland. This project is located in unincorporated Stark County, near Toulon, IL.

**Item No. 1B: Beginning Farmer Bond Amendment – John J. Traub**

Bluestem National Bank and John J. Traub have requested that the IFA amend the amortization schedule as originally presented April 12, 2011 in Exhibit A from 25-year maturity to a 30-year maturity in order to meet the eligibility guidelines outlined by the subordinate financing with Farm Service Agency. This would extend Illinois Finance Authority's Bond by 5 years, thus reducing the annual payment by the borrower. Also requested for approval is a revision to the Exhibit B to reflect annual adjustments on the rate after the first three years per the original application in lieu of every three years as originally approved. The subject project is pending closing and has met all other requirements.

**Item No. 2: Aaron Bertolino – Agri-Debt Guarantee - \$352,000**

Aaron Bertolino is requesting approval of an Agri-Debt Guarantee (Final One-Time Resolution) in an amount not-to-exceed \$352,000. The proposed loan of \$352,000 will refinance an existing real estate loan in the amount of \$201,617 and working capital in the amount of \$150,383. This project is located in unincorporated Christian County, near Morrisville, IL.

**Item No. 3: Adam T. Bertolino – Agri-Debt Guarantee - \$380,000**

Adam T. Bertolino is requesting approval of an Agri-Debt Guarantee (Final One-Time Resolution) in an amount not-to-exceed \$380,000. The proposed loan of \$380,000 will refinance an existing real estate loan in the amount of \$230,000 and working capital in the amount of \$150,000. This project is located in unincorporated Christian County, near Morrisville, IL.

The Committee of the Whole agreed that the Agri-Debt Guarantees will be subject to conditions discussed at the Meeting with a delegation to the Executive Director to meet the Board's conditions.

Update/Resolutions

Director Meister presented an update on Agenda Item #10:

**Item No. 10: Participation Loan Update – PNC Bank – (IFA Loan No. B-LL-TX-582)**

Mr. Fletcher presented the following project for consideration:

**Item No. 9: Request for Financial Covenant Compliance Waiver for IFA Agri-Business Guarantee Loan No. A-AI-TX-GT-6120**

Chairman Brandt introduced Mr. Daniel Oh, President/Chief Operating Officer and Ms. Natalie Lischer, Treasurer, (via teleconference call) from Renewable Energy Group, Inc. ("REG"). Chairman Brandt welcomed both guests to the meeting and asked Mr. Oh about REG's general outlook.

Mr. Oh limited his comments on the outlook to general statements regarding the Company's management team and operating model. Mr. Oh also briefly discussed blenders tax credits.

Mr. O'Brien asked a specific question regarding compensation and stock option awards. Mr. Oh gave an explanation to the Board. Director Meister stated that he will engage in more in-depth talks with Mr. Oh and Ms. Lischer regarding compensation and stock option awards and report back to Mr. O'Brien and the Board, should they have additional questions.

Chairman Brandt thanked Mr. Oh and Ms. Lischer for calling into the Committee of the Whole.

#### *Healthcare*

Ms. Lenane presented the following project for consideration:

**Item No. 5: Swedish Covenant Hospital - \$20,000,000 – Preliminary**

Swedish Covenant Hospital (the "Hospital") is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$20,000,000. Bond proceeds will be used to: (i) acquire, construct, renovate and remodel Hospital buildings and the medical and information systems equipment; and (ii) pay costs of issuance.

Ms. O'Brien presented the following project for consideration:

**Item No. 6: Methodist Medical Center of Illinois - \$120,000,000 – Final**

Methodist Medical Center of Illinois is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$120,000,000. Bond proceeds will be used to: (i) refinance Methodist Medical Center of Illinois Series 1998 fixed rate bonds; (ii) refinance a taxable bank line of credit used for hospital renovations at its campus in Peoria; (iii) pay certain swap termination costs associated with an outstanding fixed payor swap; and (iv) pay costs of issuance.

#### *Higher Education, Cultural and Other Non-Healthcare 501(c)(3)'s*

Mr. Fletcher presented the following projects for consideration:

**Item No. 4: Mr. Fermin Adames, Sr., individually (on behalf of Tempco Electric Heater Corporation) - \$6,660,000 – Preliminary**

Mr. Fermin Adames, Sr. (the "Borrower"), borrowing individually on behalf of Tempco Electric Heater Corporation, is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$6,660,000. Bond proceeds will be used by the Borrower to: (i) construct and equip an addition to an existing manufacturing facility that is leased to Tempco; (ii) refinance currently outstanding Series 1997 Bonds, Series 1989 Bonds; and (iii) pay costs of issuance.

**Item No. 7: UNO Charter School Network, Inc. and United Neighborhood Organization - \$65,000,000 - Preliminary**

UNO Charter School Network, Inc. and United Neighborhood Organization, as prospective co-borrowers, are requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$65,000,000. Bond proceeds will enable UNO Charter School Network, Inc. to: (i) refinance outstanding taxable bank loans; (ii) capitalize a debt service reserve fund; and (iii) pay costs of issuance.

**Item No. 8: Sarah's Circle, Inc. - \$1,275,000 – Preliminary**

Sarah's Circle, Inc. is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$1,275,000. Bond proceeds will enable the Sarah's Circle, Inc. to: (i) acquire and rehabilitate a facility at 1016 W. Argyle Street, Chicago, IL; and (ii) pay costs of issuance of the Bonds.

Other Business

None.

Adjournment

Chairman Brandt thanked the Board, IFA staff and the IFA financial advisors for appearing at the meeting and asked if there were any additional matters for the Board's consideration. Hearing none, he adjourned the meeting. The Committee of the Whole unanimously agreed to adjourn the meeting.

The meeting adjourned at 10:35 a.m.

Minutes submitted by:  
Ahad Syed  
Assistant Board Secretary

**MINUTES OF THE MAY 10, 2011, MEETING OF THE BOARD OF DIRECTORS OF THE ILLINOIS  
FINANCE AUTHORITY**

The Board of Directors (the "Board") of the Illinois Finance Authority (the "IFA" or the "Authority"), pursuant to notice duly given, held a Board Meeting at 10:30 a.m. on Tuesday, May 10, 2011, at the Prudential Plaza Conference Center at 130 East Randolph Street, 7<sup>th</sup> Floor, Chicago, IL 60601.

**Members Present:**

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Dr. William Barclay
4. John "Jack" Durburg
5. Norman M. Gold
6. Terrence M. O'Brien
7. Heather D. Parish
8. Hon. Barrett Pedersen

**Via Telephone:**

9. Gila J. Bronner
10. Roger E. Poole

**Members Absent:**

11. James J. Fuentes
12. Dr. Roger D. Herrin
13. Edward H. Leonard, Sr.
14. Bradley A. Zeller

**Vacancies:** One

*Call to Order, Roll Call and Chairman's Remarks*

Chairman Brandt called the meeting to order at 10:48 a.m. with the above Members present. The Chairman welcomed Members of the Board, IFA staff and all guests. He then asked Assistant Board Secretary, Mr. Syed, to call the roll. There being eight (8) Members physically present and two (2) Members present via teleconference a quorum was declared present.

Chairman Brandt thanked Mr. DeNard for his service on the IFA Board of Directors and stated that he is excited to have the Mayor of Franklin Park, Hon. Barrett Pedersen, appointed to the IFA Board.

*Acceptance of Financial Statements and Minutes*

Financial statements for the period ending April 30, 2011, and Minutes for both the Committee of the Whole and Board of Directors Meetings each held on April 12, 2011, were presented to the Board. Chairman Brandt stated that the Authority's Financial Statements and respective Minutes were reviewed at the regularly scheduled Committee of the Whole Meeting held at 9:00 a.m. The Chairman requested a motion to approve the April 30, 2011, Financial Statements and Minutes for both the Committee of the Whole and Board of Directors Meetings held on April 12, 2011.

The motion was made by Dr. Barclay and seconded by Vice Chairman Goetz. The April 30, 2011, Financial Statements and Minutes for both the Committee of the Whole and Board of Directors Meetings held on April 12, 2011, were unanimously approved by the Members of the Board.

Project Approvals

Chairman Brandt asked Ms. Lenane, Vice President, to present the projects for consideration to the Board. The Chairman explained that all projects are reviewed by a staff Credit Committee and all agriculture, energy and healthcare projects are also reviewed at their respective committee's public hearing each month. Finally, each project is discussed at the Committee of the Whole Meeting held at 9:00 a.m. before the Board Meeting.

Ms. Lenane presented the following projects for approval:

**Item No. 1A: Andrew J. & Jacqueline L. Colgan - \$125,000 – 40 acres**

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$125,000 for the purchase of approximately 40 acres of farmland. This project is located in unincorporated Stark County, near Toulon, IL.

**Item No. 1B: Beginning Farmer Bond Amendment – John J. Traub**

Bluestem National Bank and John J. Traub have requested that the IFA amend the amortization schedule as originally presented April 12, 2011 in Exhibit A from 25-year maturity to a 30-year maturity in order to meet the eligibility guidelines outlined by the subordinate financing with Farm Service Agency. This would extend Illinois Finance Authority's Bond by 5 years, thus reducing the annual payment by the borrower. Also requested for approval is a revision to the Exhibit B to reflect annual adjustments on the rate after the first three years per the original application in lieu of every three years as originally approved. The subject project is pending closing and has met all other requirements.

**Item No. 2: Aaron Bertolino – Agri-Debt Guarantee - \$352,000**

Aaron Bertolino is requesting approval of an Agri-Debt Guarantee (Final One-Time Resolution) in an amount not-to-exceed \$352,000. The proposed loan of \$352,000 will refinance an existing real estate loan in the amount of \$201,617 and working capital in the amount of \$150,383. This project is located in unincorporated Christian County, near Morrisville, IL.

**Item No. 3: Adam T. Bertolino – Agri-Debt Guarantee - \$380,000**

Adam T. Bertolino is requesting approval of an Agri-Debt Guarantee (Final One-Time Resolution) in an amount not-to-exceed \$380,000. The proposed loan of \$380,000 will refinance an existing real estate loan in the amount of \$230,000 and working capital in the amount of \$150,000. This project is located in unincorporated Christian County, near Morrisville, IL.

Director Meister explained that the Committee of the Whole agreed that the Agri-Debt Guarantees will be subject to conditions discussed at the Meeting with a delegation to the Executive Director to meet the Board's conditions.

**Item No. 4: Mr. Fermin Adames, Sr., individually (on behalf of Tempco Electric Heater Corporation) - \$6,660,000 – Preliminary**

Mr. Fermin Adames, Sr., (the "Borrower") borrowing individually on behalf of Tempco Electric Heater Corporation, is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$6,660,000. Bond proceeds will be used by the Borrower to: (i) construct and equip an addition to an existing manufacturing facility that is leased to Tempco; (ii) refinance currently outstanding Series 1997 Bonds, Series 1989 Bonds; and (iii) pay costs of issuance.



**Item No. 6: Methodist Medical Center of Illinois - \$120,000,000 – Final**

Methodist Medical Center of Illinois is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$120,000,000. Bond proceeds will be used to: (i) refinance Methodist Medical Center of Illinois Series 1998 fixed rate bonds; (ii) refinance a taxable bank line of credit used for hospital renovations at its campus in Peoria; (iii) pay certain swap termination costs associated with an outstanding fixed payor swap; and (iv) pay costs of issuance.

**Item No. 7: UNO Charter School Network, Inc. and United Neighborhood Organization - \$65,000,000 - Preliminary**

UNO Charter School Network, Inc. and United Neighborhood Organization, as prospective co-borrowers, are requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$65,000,000. Bond proceeds will enable UNO Charter School Network, Inc. to: (i) refinance outstanding taxable bank loans; (ii) capitalize a debt service reserve fund; and (iii) pay costs of issuance.

**Item No. 8: Sarah's Circle, Inc. - \$1,275,000 – Preliminary**

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**Item No. 9: Request for Financial Covenant Compliance Waiver for IFA Agri-Business Guarantee Loan No. A-AI-TX-GT-6120**

**Item No. 10: Participation Loan Update – PNC Bank – (IFA Loan No. B-LL-TX-582)**

No guests attended with respect to Items Nos. 1A, 1B, 2, 3, 4, 6, 7, 8, 9 or 10. Chairman Brandt asked if the Board had any questions with respect to Items Nos. 1A, 1B, 2, 3, 4, 6, 7, 8, 9 or 10. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Items Nos. 1A, 1B, 2, 3, 4, 6, 7, 8, 9 and 10.

Item Nos. 1A, 1B, 2, 3, 4, 6, 7, 8, 9 and 10 received approval with 10 ayes, 0 nays and 0 abstentions.

**Item No. 5: Swedish Covenant Hospital - \$20,000,000 – Preliminary**

Swedish Covenant Hospital (the "Hospital") is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$20,000,000. Bond proceeds will be used to: (i) acquire, construct, renovate and remodel Hospital buildings and the medical and information systems equipment; and (ii) pay costs of issuance.

Chairman Brandt asked if the Board had any questions with respect to Item No. 5. Ms. Bronner stated that she would abstain due to the fact that she is related to a party that is involved with an entity working on this project. Chairman Brandt requested a roll call vote for Item No. 5.

After a vote was taken, Mr. Pederson motioned to reconsider the vote due to the fact that one Board Member's name was not called. Mr. O'Brien seconded the motion. The motion was approved unanimously.

Item No. 5 received approval with 9 ayes, 0 nays and 1 abstention (Bronner).

Other Business

None.

Adjournment

Chairman Brandt then asked if there were any other business matters to come before the Board. Hearing none, the Chairman motioned to adjourn and Mr. O'Brien seconded the motion. The Board unanimously agreed to adjourn at 11:04 a.m.

Minutes submitted by:  
Ahad Syed  
Assistant Board Secretary

**ILLINOIS FINANCE AUTHORITY**  
**Memorandum**

To: IFA Board of Directors  
From: Jim Senica and Lorrie Karcher  
Date: June 14, 2011  
Re: Overview Memo for Beginning Farmer Bonds

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- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolution for the attached projects
- **Amount:** Up to \$477,000 maximum of new money for each project
- **Project Type:** **Beginning Farmer Revenue Bonds**
- **Total Requested:** **\$1,231,999**
- **Calendar Year Summary:** (as of June 14, 2011)
  - Volume Cap: \$30,000,000
  - Volume Cap Committed: \$4,121,544
  - Volume Cap Remaining: 25,878,456
  - Average Farm Acreage: 58
  - Number of Farms Financed: 22
- **IFA Benefits:**
  - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
  - **New Money Bonds:**
    - Convey tax-exempt status
    - Will use dedicated 2011 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

**Beginning Farmer Bonds**

Page 2

Jim Senica and Lorrie Karcher

Final Bond Resolution

June 14, 2011

**A.**

<b>Project Number:</b>	<b>A-FB-TE-CD-8470</b>
<b>Borrower(s):</b>	<b>Billups, Nathan W.</b>
<b>Borrower Benefit:</b>	First Time Land Buyer
<b>Town:</b>	Magnolia, IL
<b>IFA Bond Amount:</b>	<b>\$167,000</b>
<b>Use of Funds:</b>	Farmland – 38 acres
<b>Purchase Price:</b>	\$167,000 / (\$4,395 per ac)
% Borrower Equity	0%
% Other Agency	0%
% IFA	100%
<b>County/Region:</b>	Putnam / Northwest
<b>Lender/Bond Purchaser</b>	Spring Valley City Bank / Greg Colmone
<b>Legislative Districts:</b>	Congressional: 18 <sup>th</sup> , Aaron Schock State Senate: 38 <sup>th</sup> , Sue Rezin State House: 76 <sup>th</sup> , Frank Mautino

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

Nathan W. Billups: Note shall bear simple interest at the expressed rate. The expressed rate shall be 4.50% fixed for the first five years and adjust every five years thereafter to 1.25% over prime per the Wall Street Journal. Lender will charge .50% fee. IFA Fee: \$2,505

**B.**

<b>Project Number:</b>	<b>A-FB-TE-CD-8471</b>
<b>Borrower(s):</b>	<b>Bohnenstiehl, Daren A.</b>
<b>Borrower Benefit:</b>	First Time Land Buyer
<b>Town:</b>	Edwardsville, IL (residence)
<b>IFA Bond Amount:</b>	<b>\$168,100</b>
<b>Use of Funds:</b>	Farmland – 38.5 acres
<b>Purchase Price:</b>	\$336,181 / (\$8,732 per ac)
% Borrower Equity	5%
% USDA Farm Service Agency	45% ( <i>Subordinate Financing</i> )
% IFA	50%
<b>County/Region:</b>	Madison / Southwestern
<b>Lender/Bond Purchaser</b>	Bradford National Bank / Bob Tompkins
<b>Legislative Districts:</b>	Congressional: 19 <sup>th</sup> , John Shimkus State Senate: 56 <sup>th</sup> , Bill Haine State House: 112 <sup>th</sup> , Dwight Kay

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

Daren A. Bohnenstiehl: Note shall bear simple interest at the expressed rate. The expressed rate shall be 4.0% fixed for the first five years and adjust annually thereafter to 75% of the prime rate per the Wall Street Journal rounded up to the nearest ¼ of 1% with a floor of 4%. IFA Fee: \$2,522

Jim Senica and Lorrie Karcher

C.

**Project Number:** A-FB-TE-CD-8472  
**Borrower(s):** Bohnenstiehl, Joshua A.  
**Borrower Benefit:** First Time Land Buyer  
**Town:** St. Jacob, IL  
**IFA Bond Amount:** \$168,100  
**Use of Funds:** Farmland – 38.5 acres  
**Purchase Price:** \$336,181 / (\$8,732 per ac)  
**% Borrower Equity:** 5%  
**% USDA Farm Service Agency:** 45% (*Subordinate Financing*)  
**% IFA:** 50%  
**County/Region:** Madison / Southwestern  
**Lender/Bond Purchaser:** Bradford National Bank / Bob Tompkins  
**Legislative Districts:** Congressional: 19<sup>th</sup>, John Shimkus  
State Senate: 56<sup>th</sup>, Bill Haine  
State House: 112<sup>th</sup>, Dwight Kay

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

**Joshua A. Bohnenstiehl:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 4.0% fixed for the first five years and adjust annually thereafter to 75% of the prime rate per the Wall Street Journal rounded up to the nearest ¼ of 1% with a floor of 4%. IFA Fee: \$2,522

D.

**Project Number:** A-FB-TE-CD-8473  
**Borrower(s):** Neff, Jennifer  
**Borrower Benefit:** First Time Land Buyer  
**Town:** Virden, IL  
**IFA Bond Amount:** \$476,449  
**Use of Funds:** Farmland – An undivided 32.6% interest in 150 acres (48.9ac)  
**Purchase Price:** \$476,449 / (\$9,743 per ac)  
**% Borrower Equity:** 0%  
**% Other Agency:** 0%  
**% IFA:** 100%  
**County/Region:** Macoupin / Central  
**Lender/Bond Purchaser:** First National Bank of Raymond / Neil Jordan  
**Legislative Districts:** Congressional: 19<sup>th</sup>, John Shimkus  
State Senate: 50<sup>th</sup>, Larry Bomke  
State House: 100<sup>th</sup>, Rich Brauer

Principal shall be paid annually in installments determined pursuant to a twenty-year (20 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. The note will have a twenty-year (20 year) amortization and maturity.

**Jennifer Neff:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 3.65% fixed for the first five years and adjust every five years thereafter to 50 basis points over prime per the Wall Street Journal with a floor rate of 3.5% and a ceiling rate of 8.0%. IFA Fee \$7,147

**Beginning Farmer Bonds**

Page 4

Jim Senica and Lorrie Karcher

Final Bond Resolution

June 14, 2011

**E.**

<b>Project Number:</b>	<b>A-FB-TE-CD-8474</b>
<b>Borrower(s):</b>	<b>Bennett, Quinn P. &amp; Kristen N.</b>
<b>Borrower Benefit:</b>	First Time Land Buyer
<b>Town:</b>	Windsor, IL
<b>IFA Bond Amount:</b>	<b>\$252,350</b>
<b>Use of Funds:</b>	Farmland – 75.76 acres
<b>Purchase Price:</b>	\$504,698 / (\$6,662 per ac)
<b>% Borrower Equity</b>	5%
<b>% USDA Farm Service Agency</b>	45% ( <i>Subordinate Financing</i> )
<b>% IFA</b>	50%
<b>County/Region:</b>	Shelby / Central
<b>Lender/Bond Purchaser</b>	First Mid-Illinois Bank & Trust / Mark Cox
<b>Legislative Districts:</b>	Congressional: 19 <sup>th</sup> , John Shimkus
	State Senate: 51 <sup>st</sup> , Kyle McCarter
	State House: 101 <sup>st</sup> , Adam Brown

Principal shall be paid annually in installments determined pursuant to a thirty-year (30 year) amortization schedule, with the first principal payment date to begin on June 30, 2012. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin on June 30, 2012 with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing. The note will have a thirty-year (30 year) amortization and maturity.

<p><u>Quinn P. &amp; Kristen N. Bennett</u>: Note shall bear simple interest at the expressed rate. The expressed rate shall be 4.5% fixed for the first ten years and adjust every ten years thereafter to 1.25% over the US Prime Rate as reported by the Wall Street Journal. IFA Fee \$3,785.25</p>
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# NON-CONDUIT

**\$500,000**  
**GERALD A. BRECHON**  
**AGRI-DEBT GUARANTEE**

June 14, 2011

<b>REQUEST</b>	<p>Purpose: Provide 85% loan guarantee in favor of <b>Forreston State Bank</b> (the “<b>Bank</b>”) to refinance <b>Gerald A. Brechon’s</b> (the “<b>Borrower’s</b>”) debts.</p> <p>Project Description: The proposed loan of \$500,000, along with owner equity of \$1,519,028.40, will refinance an existing working capital loan in the amount of \$2,019,028.40.</p> <p>Program Product Type: Agri-Debt Guarantee</p> <p><b>State Treasurer’s Funds at Risk: \$500,000</b></p> <p><u>Conditions:</u> Annual Profit/Loss statement and annual Balance Sheet provided to Lender and IFA.</p>												
<b>BOARD ACTIONS</b>	<p>Final Resolution-85% Loan Guarantee</p> <p>Voting Record: None</p>												
<b>MATERIAL CHANGES</b>	<p>Not applicable. This is the first time this matter has been presented to the IFA Board of Directors.</p>												
<b>JOB DATA</b>	<table border="0"> <tr> <td>N/A</td> <td>Current jobs</td> <td>N/A</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>N/A</td> <td>Construction jobs projected</td> </tr> </table>	N/A	Current jobs	N/A	New jobs projected	N/A	Retained jobs	N/A	Construction jobs projected				
N/A	Current jobs	N/A	New jobs projected										
N/A	Retained jobs	N/A	Construction jobs projected										
<b>BORROWER DESCRIPTION</b>	<ul style="list-style-type: none"> <li>• Type of entity: Individual</li> <li>• Location: Dixon, IL</li> <li>• When established: 1951</li> <li>• What does the entity do: Grain Farming</li> <li>• What will new project facilitate: Refinancing Borrower’s debts</li> </ul>												
<b>Proposed Structure</b>	<p>Originating Bank: Forreston State Bank</p> <p>Collateral: Second mortgage on grain elevator, farm buildings and 50 acres of farmland appraised at \$1,800,000 (<i>1<sup>st</sup> mortgage is \$811,236.36</i>).</p> <p>Collateral Position: 2nd</p> <p>Maturity: 20 years</p> <p>Interest Rate: Variable - adjustable every 5 years (See confidential Section)</p>												
<b>Sources and Uses</b>	<table border="0"> <tr> <td>IFA Guarantee:</td> <td>\$500,000.00</td> <td>Refinancing Debt:</td> <td><u>\$2,019,028.40</u></td> </tr> <tr> <td>Owner Equity:</td> <td><u>1,519,028.40</u></td> <td></td> <td></td> </tr> <tr> <td><b>Total</b></td> <td><b><u>\$2,019,028.40</u></b></td> <td><b>Total</b></td> <td><b><u>\$2,019,028.40</u></b></td> </tr> </table>	IFA Guarantee:	\$500,000.00	Refinancing Debt:	<u>\$2,019,028.40</u>	Owner Equity:	<u>1,519,028.40</u>			<b>Total</b>	<b><u>\$2,019,028.40</u></b>	<b>Total</b>	<b><u>\$2,019,028.40</u></b>
IFA Guarantee:	\$500,000.00	Refinancing Debt:	<u>\$2,019,028.40</u>										
Owner Equity:	<u>1,519,028.40</u>												
<b>Total</b>	<b><u>\$2,019,028.40</u></b>	<b>Total</b>	<b><u>\$2,019,028.40</u></b>										
<b>Recommendation</b>	<p>Credit Review Committee recommends approval.</p>												

**ILLINOIS FINANCE AUTHORITY  
BOARD SUMMARY  
June 14, 2011**

**Project: Gerald A. Brechon**

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**STATISTICS**

Project Number: A-AD-GT-8478	Amount: \$500,000
Type: Agri-Debt Guarantee	IFA Staff: <i>Jim Senica</i>
County/Region: Lee/Northwest	City: Dixon

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**BOARD ACTION**

Final Resolution - 85% Loan Guarantee	Credit Review Committee recommends approval.
State Treasurer's Reserve Funds at risk: \$500,000	Extraordinary conditions: None

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**VOTING RECORD**

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

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**PURPOSE**

Use of proceeds: Refinance the Borrower's existing debts.

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**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 Agri-Debt Guarantee Program is available to assist farmers in refinancing and restructuring their debts. 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.

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**VOLUME CAP**

Not applicable.

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**JOBS**

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

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**ESTIMATED SOURCES AND USES OF FUNDS**

Sources: IFA Guarantee:	\$500,000.00	Uses: Refinancing Debt	\$2,019,028.40
Equity	<u>1,519,028.40</u>		
<b>Total</b>	<b><u>\$2,019,028.40</u></b>		<b><u>\$2,019,028.40</u></b>

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**FINANCING SUMMARY/STRUCTURE**

Security:	Second mortgage on grain elevator, farm buildings and 50 acres of farmland appraised at \$1,800,000 ( <i>1<sup>st</sup> mortgage is \$811,236.36</i> ).
Structure:	20 year term and amortization.
Interest Mode:	Variable - adjustable every 5 years
Credit Enhancement:	IFA 85% Guarantee
Personal Guarantees:	N/A
Maturity:	20 years
Estimated Closing Date:	July 10, 2011



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**PROJECT/BUSINESS SUMMARY**

**Summary:** Gerald Brechon began farming at the age of sixteen when his father passed away, attending high school during the day and farming at night. Gerald grew his initial farming operation from several hundred acres to 6,700 acres today. His son, Daniel, helps Gerald in the business and can operate all of the large equipment and the related computerized functions. Gerald's mother, Esther, also supports her son in delivering meals to fields, signing Farm Service documents, signing leases and, most importantly, in pledging her farm as collateral to secure bank loans.

The Brechon farming operation is divided into several entities:

**Sauk Valley Farms (S V F)** is an Illinois partnership that represents the crop production entity of the operation. The partnership is owned 25% by Gerald, 25% by Esther, 25% by Daniel and 25% by Brechon Farms LTD.

**Brechon Farm Services, Inc. (B F S)** is an Illinois C corporation that is now 100% owned by Gerald. (Brechon Farm Services, Inc. was originally established to be a grain dealer owned by Gerald and his five brothers and sisters). This entity owns the farm equipment used in the operation as well as securing and providing the seed, fertilizers and chemicals used in crop production.

**Brechon Farms LTD (B F L)** is an Illinois corporation owned 50% by Gerald and 50% by Esther that has limited assets and serves to maximize farm program benefits.

**Project**

**Rationale:** The proposed loan will refinance an existing operating loan with an outstanding balance of \$2,019,028.40 as of March 28, 2011, held by Brechon Farm Services, Inc. and on which Gerald has signed as guarantor. Gerald will sell stored crops to pay off all but \$500,000 of the loan's balance assuming the remaining \$500,000 loan personally to provide him with a 20-year term permanent working capital loan. Refinancing the existing operating loan as a personal term loan will resolve a recurring working capital issue.

**Timing:** The proposed transaction is expected to close within 30 days of approval.

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**OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT**

**Applicant:** Gerald A. Brechon  
**Project Location:** 1270 IL Route 26  
Dixon, IL 61021  
**Collateral**  
**Ownership:** Gerald A. Brechon

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**PROFESSIONAL & FINANCIAL**

**Borrower's Counsel:** N/A  
**Originating Bank:** Forrester State Bank Forrester Ed Vock  
**Bank Counsel:** N/A  
**IFA Counsel:** N/A

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**LEGISLATIVE DISTRICTS**

**Congressional:** 14 Randy Hultgren  
**State Senate:** 45 Tim Bivens  
**State House:** 90 Jerry L. Mitchell

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**BACKGROUND INFORMATION**

Gerald A. Brechon was raised on the family farm and has been actively engaged in farming for 44 years. At the age of 16, Gerald's father unexpectedly passed away and Gerald immediately took over the family farm operations, attending high school by day and farming at night. Gerald has grown the operation from what amounted to a several hundred acre operation in 1967 to 6,700 acres being farmed today. When considering the Brechon farming operation on a global basis, the debt to asset ratio computed using the market value method and appraised values is 61.9%.

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# CONDUIT

**\$533,000,000**

**ADVOCATE HEALTH CARE NETWORK**

June 14, 2011

<b>REQUEST</b>	<p><b>Purpose:</b> Bond proceeds will be used by <b>Advocate Health Care Network</b> (“Advocate”, “AHCN”, the “Borrower”, or the “System”) to (i) fund new money projects at Advocate hospital campuses, including a new ambulatory pavilion at Advocate Christ Medical Center (approximately \$163 million) in Oak Lawn, Illinois; (ii) restructure a portion of Advocate’s outstanding debt (the “Prior Bonds”) issued for its facilities statewide, if deemed necessary or advisable in order to reduce interest rate, put, credit and renewal risk; (iii) fund a debt service reserve fund, if deemed necessary or advisable; and (iv) pay costs of issuance.</p> <p><b>Program:</b> Conduit 501(c)(3) Revenue Bonds</p> <p><b>Extraordinary Conditions:</b> None.</p>																
<b>BOARD ACTIONS</b>	Preliminary Bond Resolution																
<b>MATERIAL CHANGES</b>	None																
<b>JOB DATA</b>	<table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">25,500</td> <td style="text-align: center;">Current jobs</td> <td style="text-align: center;">0</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;">190</td> <td style="text-align: center;">Construction jobs projected</td> </tr> </table>	25,500	Current jobs	0	New jobs projected	N/A	Retained jobs	190	Construction jobs projected								
25,500	Current jobs	0	New jobs projected														
N/A	Retained jobs	190	Construction jobs projected														
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>• Locations: Cook, DuPage, Lake, McLean and Woodford Counties</li> <li>• As a faith-based health care organization, affiliated with both the United Church of Christ and Evangelical Lutheran Church in America, the mission, values and philosophy of the System form the foundation for its strategic priorities. The System’s mission is to serve the health care needs of individuals, families and communities through a holistic philosophy.</li> <li>• The System provides a continuum of care through its ten acute care hospitals with two integrated children’s hospitals, with approximately 3,300 licensed beds, primary and specialty physician services, outpatient centers, physician office buildings, home health and hospice care throughout metropolitan Chicago, Bloomington-Normal (McLean County) and Eureka (Woodford County) areas.</li> </ul>																
<b>CREDIT INDICATORS</b>	<ul style="list-style-type: none"> <li>• A combination of modes including Fixed Rate Debt is anticipated (flexibility to issue in different modes, either public or privately placed, dependent upon prevailing market conditions).</li> <li>• Underlying ratings of Aa2/AA/AA (Moody’s/S&amp;P/Fitch)</li> </ul>																
<b>MATURITY</b>	<ul style="list-style-type: none"> <li>• Bonds will mature no later than 2051.</li> </ul>																
<b>Sources and Uses</b>	<table style="width: 100%; border: none;"> <tr> <td style="width: 30%;">IFA Bonds</td> <td style="width: 20%; text-align: right;"><u>\$533,000,000</u></td> <td style="width: 40%;">Acquisition and Project Cost</td> <td style="width: 10%; text-align: right;">\$200,000,000</td> </tr> <tr> <td></td> <td></td> <td>Restructuring of Existing Debt</td> <td style="text-align: right;">325,000,000</td> </tr> <tr> <td></td> <td></td> <td>Costs of Issuance / UD</td> <td style="text-align: right;"><u>8,000,000</u></td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b><u>\$533,000,000</u></b></td> <td><b>Total</b></td> <td style="text-align: right;"><b><u>\$533,000,000</u></b></td> </tr> </table>	IFA Bonds	<u>\$533,000,000</u>	Acquisition and Project Cost	\$200,000,000			Restructuring of Existing Debt	325,000,000			Costs of Issuance / UD	<u>8,000,000</u>	<b>Total</b>	<b><u>\$533,000,000</u></b>	<b>Total</b>	<b><u>\$533,000,000</u></b>
IFA Bonds	<u>\$533,000,000</u>	Acquisition and Project Cost	\$200,000,000														
		Restructuring of Existing Debt	325,000,000														
		Costs of Issuance / UD	<u>8,000,000</u>														
<b>Total</b>	<b><u>\$533,000,000</u></b>	<b>Total</b>	<b><u>\$533,000,000</u></b>														
<b>Recommendation</b>	Credit Review Committee recommends approval.																

**ILLINOIS FINANCE AUTHORITY  
BOARD SUMMARY  
June 14, 2011**

**Project: Advocate Health Care Network**

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**STATISTICS**

Project Number: H-HO-TE-CD-8476	Amount: \$533,000,000 (not-to-exceed)
Type: 501(c)(3) Bonds	IFA Staff: Pam Lenane and Nora O'Brien
County/Region: Cook, DuPage, Lake, McLean, and Woodford counties	City: Bloomington-Normal – McLean Eureka - Woodford Chicago – Cook Oak Lawn – Cook Park Ridge – Cook Hazel Crest – Cook Barrington – Lake Libertyville – Lake Downers Grove - DuPage

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**BOARD ACTION**

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

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**VOTING RECORD**

This is the first time this Project has been presented to the Board.

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**PURPOSE**

Bond proceeds will be used to (i) fund new money projects at Advocate hospital campuses, including a new ambulatory pavilion at Advocate Christ Medical Center (approximately \$163 million); (ii) restructure a portion of Advocate's outstanding debt (the "Prior Bonds") if deemed necessary or advisable in order to reduce interest rate, put, credit and renewal risk; (iii) fund a debt service reserve fund, if deemed necessary or advisable; and (iv) pay costs of issuance.

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**IFA PROGRAM AND CONTRIBUTION**

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

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**VOLUME CAP**

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

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**JOBS**

Current employment:	25,500	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	190

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**ESTIMATED SOURCES AND USES OF FUNDS**

Sources:	IFA Bonds	<u>\$533,000,000</u>	Uses:	New money projects	\$200,000,000
				Restructuring of existing debt	325,000,000
				Est. costs of issuance	<u>8,000,000</u>
	<b>Total</b>	<b><u>\$533,000,000</u></b>	<b>Total</b>		<b><u>\$533,000,000</u></b>

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**FINANCING SUMMARY/STRUCTURE**

Security: General, unsecured obligations of the Members of the Obligated Group and any future Members of the Obligated Group. (Current members of the Obligated Group are: Advocate Health Care Network, Advocate Health and Hospital Corporation, Advocate Northside Health Network, and Advocate Condell Medical Center.)

Structure: A combination of modes including Fixed Rate Debt is anticipated (with flexibility to issue in different modes, either publicly or by private placement dependent based on an evaluation of prevailing market conditions).

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

Interest Mode: Fixed Rate Bonds or weekly/Windows/annual/multi-annual uninsured Variable Rate Bonds (i.e., multi-modal bonds).

Windows mode is a Variable Rate Demand Bond with longer dual put feature (30 day market access conditional put followed by 6 month unconditional put). Upon notification by the investor, there is a one month remarketing "window". If the 7 month Window VRDB cannot be remarketed during this 30 day period then there is a 6 month funding "window" followed by a mandatory tender. Windows Bonds are a product purchased by institutional money market funds.

Credit Enhancement: Fixed Rate Bonds would be sold based on the underlying rating(s) of Advocate Health Care Network. If uninsured Variable Rate Demand Bonds are issued, they will be secured by either a Standby Bond Purchase Agreement or Letter of Credit (bank(s) to be determined, but with a minimum long-term rating of A- or better) unless in Windows mode, which does not require bank support. Annual and/or multi-annual uninsured variable rate demand bonds in a long-term mode would have the rating of Advocate Health Care Network.

Maturity: Not later than 2051

Rating: Underlying ratings of Aa2/AA/AA (Moody's/S&P/Fitch)

Estimated Closing Date: September, 2011

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**PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)**

Bond proceeds will finance approximately \$200 million of new money capital projects including, but not limited to, the Advocate Christ Medical Center ambulatory pavilion project in Oak Lawn (Cook County), Illinois, subject to approval of a Certificate of Need by the Illinois Health Facilities Planning Board. Further, AHCN desires to reimburse the Obligated Group for certain previous expenditures made on its various hospital campuses.

Advocate may restructure approximately \$325 million of its existing debt if deemed necessary or advisable in order to reduce interest rate, put, credit and renewal risk.

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**BUSINESS SUMMARY**

**Advocate Health Care Network**, a 501(c)(3), a not-for-profit corporation ("**Advocate Network Corporation**") is the sole member of the not-for-profit Advocate Health and Hospitals Corporation ("**Hospitals Corporation**"). Advocate Network Corporation and the Hospitals Corporation are, in turn, the sole members of various not-for-profit corporations, including Advocate Condell Medical Center and Advocate Northside Health Network, the primary activities of which are the delivery of health care services or the provision of goods and services ancillary thereto. Such controlled corporations along with Advocate Network Corporation and the Hospitals Corporation constitute the Advocate Health Care Network (the "**System**"). The System was created in January 1995 through the consolidation of two health systems, Evangelical Health System and Lutheran General Health System. As the parent of the System, Advocate Network Corporation currently has no material operations or activities of its own, apart from its ability to control subsidiaries.

As a faith-based health care organization, affiliated with the United Church of Christ and Evangelical Lutheran Church in America, the mission, values and philosophy of the System form the foundation for its strategic priorities. The System's mission is to serve the health care needs of individuals, families and communities through a holistic philosophy.

The System provides a continuum of care through its ten acute care hospitals with two integrated children's hospitals and a specialty long term acute care hospital, with approximately 3,300 licensed beds, primary and specialty physician services, outpatient centers, physician office buildings, home health and hospice care throughout the metropolitan Chicago area. Through a long-term academic and teaching affiliation with the University of Illinois at Chicago Health Sciences Center, Advocate trains more resident physicians than any non-university teaching hospital in Illinois. In addition to owning and operating hospitals and other health care facilities, Advocate is affiliated with several large physician groups.

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**OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT**

Applicant: Advocate Health Care Network  
Project Location: Multiple  
Borrower: Advocate Health Care Network  
2025 Windsor Drive  
Oak Brook, IL 60521

Board Members  
(Advocate Health Care Network):  
Mark M. Harris, *Chairperson*  
Michele Richardson, *Vice Chairperson*  
James Skogsbergh, *President and Chief Executive Officer*  
David B. Anderson  
Alejandro Aparicio, M.D.  
Lynn Crump-Caine  
John A. Dossey  
Jose Elizondo, M.D.  
Ronald J. Mallicoat, Jr.  
Laurie L. Meyer  
Bishop Wayne N. Miller  
Rev. Dr. Jorge L. Morales  
Clarence Nixon, Jr., Ph.D.  
Carolyn Hope Smeltzer  
John F. Timmer

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**PROFESSIONAL & FINANCIAL**

Borrower's Counsel:	Polsinelli Shughart, PC	Chicago	Janet Zeigler
Auditor:	Ernst & Young	Chicago	Tadd Ingles
Bond Counsel:	Chapman and Cutler, LLP	Chicago	Nancy Burke Becky Brueckel
Senior Underwriter:	Citi	Chicago	Ryan Freel Amy Yang
Co-Manager:	Loop Capital Markets, LLC	Chicago	Albert R. Grace, Jr.
Co-Manager:	Cabrera Capital Markets, LLC	Chicago	Santino Bibbo
Underwriter's Counsel:	SNR Denton US, LLP	Chicago	Katie Ashton
Bond Trustee:	The Bank of New York	Chicago	John Prendiville
Issuer's Counsel:	Charity & Associates	Chicago	Alan Bell
IFA Financial Advisor:	Scott Balice Strategies LLC	Chicago	Julia Harris

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**LEGISLATIVE DISTRICTS**

Congressional: 2- Jesse Jackson, Jr., 3-Dan Lipinski, 5-Mike Quigley, 6-Peter Roskam, 8-Joe Walsh, 9-Jan Schakowsky, 10-Robert Dold, 11-Adam Kinzinger, 15-Tim Johnson, 18-Aaron Schock  
State Senate: 6-John J. Cullerton, 17-Donne E. Trotter, 18-Edward D. Maloney, 19-M. Maggie Crotty, 21-Ron Sandack, 26-Dan Duffy, 29-Susan Garrett, 33-Dan Kotowski, 44-Bill Brady, 53-Shae Cultra  
State House: 12-Sara Feigenholtz, 33-Marlow H. Colvin, 36-Kelly Burke, 38-Al Riley, 42-Sandra M. Pihos, 51-Ed Sullivan, Jr., 52-Vacant, 57-Elaine Nekritz, 65-Rosemary Mulligan, 88-Dan Brady, 106-Keith P. Sommer

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**SERVICE AREA**

Advocate Health Care Network has facilities in the following locations in Illinois: Chicago (Advocate Illinois Masonic Medical Center), (Advocate Trinity Hospital); Libertyville (Advocate Condell Medical Center); Oak Lawn (Advocate Christ Medical Center and Advocate Hope Children's Hospital); Downers Grove (Advocate Good Samaritan Hospital); Barrington (Advocate Good Shepherd Hospital); Park Ridge (Advocate Lutheran General Hospital and Children's Hospital) and Hazel Crest (Advocate South Suburban Hospital); Normal (Advocate BroMenn Medical Center) and Eureka (Advocate Eureka Hospital).







# CONDUIT

June 14, 2011

## \$190,000,000 CDH-Delnor Health System

<b>REQUEST</b>	<p><b>Purpose:</b> The proceeds from the sale of the Series 2011 Bonds will be used to refund <b>CDH-Delnor Health System's</b> (the "System's") Series 2004A Bonds and Series 2008A Bonds.</p> <p><b>Program:</b> Conduit 501(c)(3) Revenue Bonds</p> <p><b>Extraordinary Conditions:</b> None</p>																
<b>BOARD ACTIONS</b>	Preliminary Bond Resolution																
<b>MATERIAL CHANGES</b>	This is the first time this project is being presented to the Board.																
<b>JOB DATA</b>	<table border="0"> <tr> <td style="padding-right: 20px;">4,660</td> <td style="padding-right: 20px;">Current jobs (System)</td> <td style="padding-right: 20px;">0</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs (System)</td> <td>0</td> <td>Construction jobs projected</td> </tr> </table>	4,660	Current jobs (System)	0	New jobs projected	N/A	Retained jobs (System)	0	Construction jobs projected								
4,660	Current jobs (System)	0	New jobs projected														
N/A	Retained jobs (System)	0	Construction jobs projected														
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>• Locations: Winfield and Geneva, Illinois</li> <li>• The System is the parent corporation of an integrated network of healthcare organizations that primarily serve western DuPage County and Kane County, Illinois. The System's primary affiliates are <b>Central DuPage Hospital Association ("CDH")</b> and <b>Delnor Community Hospital ("Delnor")</b></li> </ul> <p>CDH is a 313-bed general acute care hospital in Winfield, Illinois, located in western DuPage County, approximately 30 miles west of Chicago.</p> <p>Delnor is a 159-bed general acute care hospital located in Geneva, Illinois in Kane County, approximately 40 miles west of Chicago.</p> <p>Both CDH and Delnor have received numerous awards and recognitions regarding the care provided for patients. Both CDH and Delnor are Magnet-designated hospitals, and CDH has been named a Thomson Top 100 Hospital for five years in a row.</p>																
<b>CREDIT INDICATORS</b>	<p>Separate series of Bonds will be sold for CDH and Delnor, based on their respective underlying ratings.</p> <ul style="list-style-type: none"> <li>• CDH is rated AA/AA by S&amp;P/Fitch. Delnor is rated A by S&amp;P. The 2011 Bonds will not carry ratings.</li> <li>• Both series of Bonds will be purchased directly by <b>JPMorgan Chase Bank</b> (the "<b>Direct Lender/Investor</b>").</li> </ul>																
<b>SECURITY</b>	<ul style="list-style-type: none"> <li>• The CDH Bonds will be secured by CDH's Master Trust Indenture. The CDH Obligated Group will issue no less than one series of bonds relating to the refunding of the Series 2004A Bonds.</li> <li>• The Delnor Bonds will be secured by Delnor's Master Trust Indenture. The Delnor Obligated Group will issue no less than one series of bonds relating to the refunding of the Series 2008A Bonds.</li> </ul>																
<b>MATURITY</b>	<ul style="list-style-type: none"> <li>• The 2011 Bonds will have a final maturity no later than November 15, 2039 and will begin to amortize no later than November 15, 2012.</li> </ul>																
<b>SOURCES AND USES</b>	<table border="0"> <tr> <td colspan="2"><b>Sources:</b></td> <td colspan="2"><b>Uses:</b></td> </tr> <tr> <td style="padding-right: 40px;">IFA Bonds</td> <td style="text-align: right; padding-right: 20px;"><u>\$190,000,000</u></td> <td style="padding-right: 40px;">Refinancing</td> <td style="text-align: right;">\$188,000,000</td> </tr> <tr> <td></td> <td></td> <td style="padding-right: 40px;">Costs of Issuance</td> <td style="text-align: right;"><u>2,000,000</u></td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b><u>\$190,000,000</u></b></td> <td><b>Total</b></td> <td style="text-align: right;"><b><u>\$190,000,000</u></b></td> </tr> </table>	<b>Sources:</b>		<b>Uses:</b>		IFA Bonds	<u>\$190,000,000</u>	Refinancing	\$188,000,000			Costs of Issuance	<u>2,000,000</u>	<b>Total</b>	<b><u>\$190,000,000</u></b>	<b>Total</b>	<b><u>\$190,000,000</u></b>
<b>Sources:</b>		<b>Uses:</b>															
IFA Bonds	<u>\$190,000,000</u>	Refinancing	\$188,000,000														
		Costs of Issuance	<u>2,000,000</u>														
<b>Total</b>	<b><u>\$190,000,000</u></b>	<b>Total</b>	<b><u>\$190,000,000</u></b>														
<b>RECOMMENDATION</b>	Credit Committee recommends approval.																

**ILLINOIS FINANCE AUTHORITY  
BOARD SUMMARY  
June 14, 2011**

**Project: CDH-Delnor Health System**

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**STATISTICS**

Project Number:	H-HO-TE-CD-8478	Amount:	\$190,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
Locations:	Winfield, Geneva	Counties/ Region:	DuPage County and Kane County/Northeast

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**BOARD ACTION**

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

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**VOTING RECORD**

This is the first time this project has been presented to the Board.

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**PURPOSE**

The proceeds from the sale of the Series 2011 Bonds will be used to refund CDH's Series 2004A Bonds and to refund Delnor's Series 2008A Bonds.

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**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.

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**VOLUME CAP**

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

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**ESTIMATED SOURCES AND USES OF FUNDS**

Sources: IFA Bonds	<u>\$190,000,000</u>	Uses: Refinancing	\$188,000,000
		Costs of Issuance	<u>2,000,000</u>
<b>Total</b>	<b><u>\$190,000,000</u></b>	<b>Total</b>	<b><u>\$190,000,000</u></b>

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**JOBS**

Current employment:	4,660	Projected new jobs:	0
Jobs retained:	4,660	Construction jobs:	0

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**FINANCING SUMMARY**

Security:	The Bonds will be sold in separate series and will be secured by either CDH's Master Trust Indenture or Delnor's Master Trust Indenture, as applicable.
Structure:	The plan of finance contemplates the direct purchase by JPMorgan Chase Bank.
Interest Rate:	To be determined at the time of pricing based upon market conditions.
Interest Rate Modes:	To be determined at the time of pricing based upon market conditions.
Underlying Ratings:	The 2011 Bonds will not carry ratings. CDH and Delnor maintain ratings of AA/AA (S&P/Fitch) and A (S&P), respectively
Maturity:	November 15, 2039
Estimated Closing Date:	September, 2011

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**PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)**

The Series 2011 Bonds will provide for the refunding of CDH's Series 2004A Bonds outstanding in the par amount of \$127.15 million and a refunding of Delnor's Series 2008A Bonds outstanding in the par amount of \$58.415 million.

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**BUSINESS SUMMARY**

Central DuPage Health ("CDH") and Delnor Health System ("Delnor") closed on a merger effective as of 3/31/2011 to become CDH-Delnor Health System (the "System"). The System has yet to consolidate financial operations. Accordingly, the proposed Refunding Bonds will be issued and secured by the underlying credit of the respective Obligated Groups of its predecessor entities (i.e., CDH and Delnor, respectively).

Description of CDH:	CDH is a general acute care hospital on a 44-acre site in Winfield, Illinois, located in western DuPage County, approximately 30 miles west of Chicago. Beginning in 1958, a group of concerned community citizens formed the Hospital and in 1963 purchased the then-existing Winfield Tuberculosis Sanitarium and surrounding acreage from the Jewish Federation of Metropolitan Chicago. The facility was renovated and converted into a 113-bed acute care hospital which opened on September 16, 1964. Since then, successive building additions were constructed to expand the services of the facilities of the Hospital to accommodate the growing needs of the surrounding service area. Today, the Hospital facilities comprise approximately 1.2 million square feet.
Description of Delnor:	Delnor operates 159 licensed and staffed acute care beds in a modern facility constructed in 1991. The licensed and staffed acute-care bed complement consists of 116 medical-surgical beds, 20 intensive care, 18 obstetric and 5 pediatrics beds. The Hospital provides a broad range of medical, surgical, obstetrics/gynecology, pediatric and ancillary and support services, including but not limited to the following: cardiology, orthopedics, thoracic/vascular surgery, diagnostics radiology, oncology, physical and occupational health, emergency medicine and trauma services, neonatology, infectious disease, pulmonary medicine, gastroenterology, internal medicine, neurology and neurosurgery and urology. Delnor is designated as a Level II Trauma Center and a Level II+ Nursery by the State of Illinois.

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**ECONOMIC DISCLOSURE STATEMENT**

Applicant: CDH-Delnor Health System  
Contact: Brett D. Tande, Vice President & Treasurer (630) 933-5013  
Websites: [www.cdh.org](http://www.cdh.org) and [www.delnor.org](http://www.delnor.org)  
Project name: CDH-Delnor Health System (IFA Series 2011 Bonds)  
Organization: 501(c)(3) corporation  
State: Illinois

**Board Membership:**

Richard A. Mark (CHAIR)	William P. Flesch (VICE CHAIR)
Catherine E. Kozik (SECRETARY)	David C. Brown (TREASURER)
Philip A. Branshaw, M.D.	Kay Clancy
James E. Comerford	Manny Favela
Patrick J. Flinn	Scott E. Fore
James G. Giblin, M.D.	Roger T. Harris
Stephen R. Holtsford, M.D.	Michael J. Kachmer
Bradley J. Kinsey	Timothy P. Moen
C. William Pollard	Matthew J. Ross, M.D.
Donald Van Pelt, Jr.	William A. Wolford

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**PROFESSIONAL & FINANCIAL**

Borrower's Counsel:	To be determined		
Bond Counsel:	Jones Day	Chicago, IL	David Kates
Bank/ Direct Purchaser(s):	JPMorgan Chase Bank	Chicago, IL	Nick Watts
Bank Counsel:	Ungaretti & Harris LLP	Chicago, IL	Ray Fricke
IFA Counsel:	Hinshaw & Culbertson	Chicago, IL	Leslie Richards-Yellen
IFA Financial Advisor:	Acacia Financial Group, LLC	Chicago, IL	Courtney Shea

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**LEGISLATIVE DISTRICTS**

**CDH**

Congressional: 6 – Peter J. Roskam  
State Senate: 48 – Thomas Johnson  
State House: 95 – Mike Fortner

**Delnor**

Congressional: 14 – Randall M. "Randy" Hultgren  
State Senate: 25 – Chris Lauzen  
State House: 50 – Kay Hatcher

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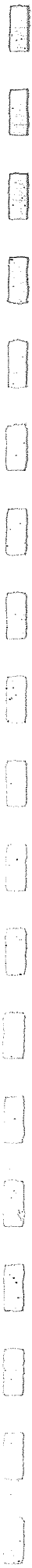
**SERVICE AREA**

CDH and Delnor primarily serve the residents of DuPage and Kane Counties.

CDH provides care to patients from communities in DuPage County and surrounding areas. Communities that border CDH's primary service area are Carol Stream, Glen Ellyn, Warrenville, West Chicago, and Wheaton. Many patients travel up to 50 miles to receive care at CDH. The majority of CDH's patients come from DuPage County.

Delnor draws patients primarily from Kane County. Delnor's primary service area includes the communities of Geneva, St. Charles, Batavia, Elburn, Wasco, LaFox, Campton Hills, and Kaneville.

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# CONDUIT

June 14, 2011

## \$20,000,000 Swedish Covenant Hospital

<b>REQUEST</b>	<p><b>Purpose:</b> Proceeds will be used to (i) pay or reimburse <b>Swedish Covenant Hospital</b> (the “Hospital” or the “Borrower”) for the cost of renovation and remodeling of Hospital buildings and the acquisition of medical and information systems equipment; and (ii) pay certain Bond issuance costs.</p> <p><b>Program:</b> Conduit 501(c)(3) Revenue Bonds</p> <p><b>Extraordinary Conditions:</b> None.</p>																
<b>BOARD ACTIONS</b>	Final Bond Resolution																
<b>MATERIAL CHANGES</b>	<p>Voting Record for May 10, 2011: 9 ayes, 0 nays, 1 abstention, 4 absent (Fuentes, Herrin, Leonard, Zeller), 1 vacancy.</p> <p>No material changes from Preliminary Bond Resolution.</p>																
<b>JOB DATA</b>	<table border="0"> <tr> <td>1,712</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>	1,712	Current jobs	0	New jobs projected	N/A	Retained jobs	0	Construction jobs projected								
1,712	Current jobs	0	New jobs projected														
N/A	Retained jobs	0	Construction jobs projected														
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>• Location: Chicago, Illinois (Cook County)</li> <li>• Swedish Covenant Hospital is an Illinois not-for-profit corporation which operates an acute care, community and teaching hospital on the Northwest Side of Chicago. The Hospital was founded in 1886 by The Evangelical Covenant Church (the “Church”) and was known as the Swedish Home of Mercy. The Hospital is licensed by the State of Illinois for 313 beds, of which 300 were in service as of March 31, 2011. The Hospital has received a determination letter from the Internal Revenue Service (“IRS”) that it is exempt from federal income taxation pursuant to Section 501(a) of the Internal Revenue Code of 1986 (the “Code”) as an organization described in Section 501(c)(3) of the Code.</li> <li>• The Hospital offers a wide range of inpatient and outpatient diagnostic and therapeutic services and related ancillary services. The Hospital’s inpatient services include all major categories of medicine and surgery. The outpatient programs and services provide a continuum of care for patients in the Hospital’s service area. The Hospital operates several satellite primary care facilities in various sections of its service area.</li> </ul>																
<b>CREDIT INDICATORS</b>	<ul style="list-style-type: none"> <li>• Fixed Rate Bonds or Variable Rate Bonds to be purchased by <b>US Bank</b> (the “Direct Purchaser/Investor”).</li> <li>• Underlying BBB+/A- long-term ratings (S&amp;P/Fitch).</li> </ul>																
<b>SECURITY</b>	<ul style="list-style-type: none"> <li>• Collateral is expected to include a parity interest in the mortgaged property and a pledge of the Hospital’s unrestricted receivables that secure all obligations the Hospital issues under its Master Trust Indenture.</li> </ul>																
<b>MATURITY</b>	<ul style="list-style-type: none"> <li>• No later than 2036</li> </ul>																
<b>SOURCES AND USES</b>	<table border="0"> <tr> <td colspan="2"><b>Sources:</b></td> <td colspan="2"><b>Uses:</b></td> </tr> <tr> <td>IFA Bonds</td> <td><u>\$20,000,000</u></td> <td>Project Fund</td> <td>\$19,600,000</td> </tr> <tr> <td></td> <td></td> <td>Costs of Issuance</td> <td><u>400,000</u></td> </tr> <tr> <td><b>Total</b></td> <td><b><u>\$20,000,000</u></b></td> <td><b>Total</b></td> <td><b><u>\$20,000,000</u></b></td> </tr> </table>	<b>Sources:</b>		<b>Uses:</b>		IFA Bonds	<u>\$20,000,000</u>	Project Fund	\$19,600,000			Costs of Issuance	<u>400,000</u>	<b>Total</b>	<b><u>\$20,000,000</u></b>	<b>Total</b>	<b><u>\$20,000,000</u></b>
<b>Sources:</b>		<b>Uses:</b>															
IFA Bonds	<u>\$20,000,000</u>	Project Fund	\$19,600,000														
		Costs of Issuance	<u>400,000</u>														
<b>Total</b>	<b><u>\$20,000,000</u></b>	<b>Total</b>	<b><u>\$20,000,000</u></b>														
<b>RECOMMENDATION</b>	Credit Committee recommends approval.																



**ILLINOIS FINANCE AUTHORITY  
BOARD SUMMARY  
June 14, 2011**

**Project: Swedish Covenant Hospital**

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**STATISTICS**

Project Number:	H-HO-TE-CD-8465	Amount:	\$20,000,000 (not-to-exceed)
Type:	501(c)(3) Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
Location:	Chicago	County/	
		Region:	Cook/Northeast

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**BOARD ACTION**

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

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**VOTING RECORD**

Voting Record for May 10, 2011: 9 ayes, 0 nays, 1 abstention, 4 absent (Fuentes, Herrin, Leonard, Zeller), 1 vacancy.

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**PURPOSE**

Proceeds will be used to (i) pay or reimburse the Hospital for the cost of renovation and remodeling of Hospital buildings and the acquisition of medical and information systems equipment; and (ii) pay certain Bond issuance costs.

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**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.

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**VOLUME CAP**

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

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**ESTIMATED SOURCES AND USES OF FUNDS**

<b>Sources:</b>		<b>Uses:</b>	
IFA Bonds	<u>\$20,000,000</u>	Project Fund	\$19,600,000
		Cost of Issuance	<u>400,000</u>
<b>Total</b>	<b><u>\$20,000,000</u></b>	<b>Total</b>	<b><u>\$20,000,000</u></b>

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**JOBS**

Current employment:	1,712	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	0

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**FINANCING SUMMARY/STRUCTURE**

Security: Collateral is expected to include a parity interest in the mortgaged property and a pledge of the Hospital's unrestricted receivables that secure all obligations the Hospital issues under its Master Trust Indenture.

Structure: Fixed or Variable Rate Bonds to be purchased directly by US Bank.

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

Interest Modes: The Bond documents will allow for a fixed, variable or adjustable rate mode that will be jointly determined by US Bank and the Borrower based on market conditions prior to closing.

Current Ratings: Although the Bonds will not be rated, the Borrower has long-term ratings of BBB+/A- (S&P/Fitch)

Maturity: 2031-2036

Estimated Closing Date: June 28, 2011

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**PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)**

Bond proceeds will be used to (i) pay or reimburse the Hospital for the cost of renovation and remodeling of Hospital buildings and the acquisition of medical and information systems equipment; and (ii) pay certain Bond issuance costs.

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**BUSINESS SUMMARY**

**Swedish Covenant Hospital** (the "Hospital") is an Illinois not-for-profit corporation that operates an acute care, community and teaching hospital on the Northwest Side of Chicago. The Hospital was founded in 1886 by The **Evangelical Covenant Church** (the "Church") and was known as the Swedish Home of Mercy. The Hospital is licensed by the State of Illinois for 313 beds, of which 300 were in service as of March 31, 2011. The Hospital has received a determination letter from the Internal Revenue Service ("IRS") that it is exempt from federal income taxation pursuant to Section 501(a) of the Internal Revenue Code of 1986 (the "Code") as an organization described in Section 501(c)(3) of the Code.

The Hospital offers a wide range of inpatient and outpatient diagnostic and therapeutic services and related ancillary services. The Hospital's inpatient services include all major categories of medicine and surgery. The outpatient programs and services provide a continuum of care for patients in the Hospital's service area. The Hospital operates several satellite primary care facilities in various sections of its service area.

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**ECONOMIC DISCLOSURE STATEMENT**

Applicant: Swedish Covenant Hospital  
5145 North California Avenue  
Chicago, IL 60625

Website: [www.swedishcovenant.org](http://www.swedishcovenant.org)

Project name: Swedish Covenant Hospital (IFA Series 2011 Bonds)

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

State: Illinois

Board Members:

**BOARD OF DIRECTORS**

ADAIR, Charles L.  
ANDERSON, Kurt D.  
BANKS, Lyle  
BOFFA, James F., M.D.  
BORKOWSKI, Renee  
DABERTIN, Judith E.  
FEDERER, CLARK, M.D.  
HAWKINSON, Paul A., *Chair*  
KEE, W.J. Wesley  
KOO, David J.  
MERRYWEATHER, Patricia  
MEYER, Donald L.  
MILLER, Rev. Mary C.D. Min.  
PETERSON, James B  
PINS, Judith A.  
PUTMAN, David R. *Secretary*  
PYRA, Thomas M.  
SCARBOROUGH, Sydney P.  
VANCAUWELAERT, Tony R., M.D.

**EX OFFICIO**

ANDERSON, Lawrence P.  
DWIGHT, David A.  
NEWTON, Mark  
SZANTO, Martin J., M.D.  
WALTER, Rev. Gary B.

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**PROFESSIONAL & FINANCIAL**

Borrower's Counsel:	Katten Muchin Rosenman, LLP	Chicago	Janet Hoffman
Bond Counsel:	Jones Day	Chicago	Richard Tomei
Financial Advisor:	Ponder & Co.	Chicago	Jennifer Brown
Bond Purchaser:	US Bank	Chicago	Deborah Cappelletti
Bank's Counsel:	Ungaretti & Harris	Chicago	Julie Seymour
IFA Counsel:	Burke Burns & Pinelli	Chicago	Mary Ann Murray
IFA Financial Advisor:	Scott Balice Strategies LLC	Chicago	Julia Harris

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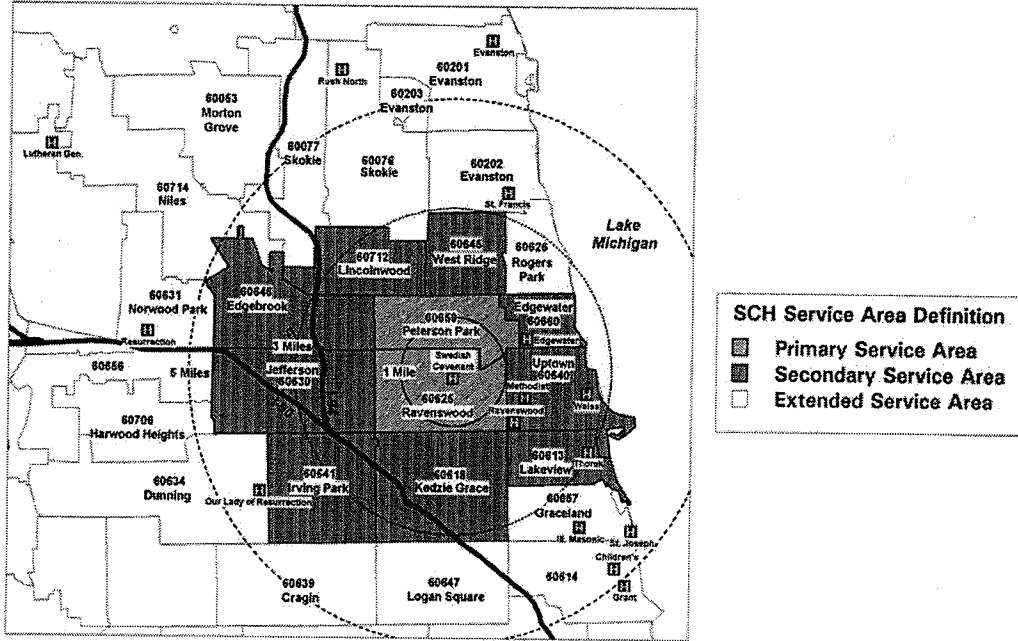
**LEGISLATIVE DISTRICTS**

Congressional:	5	Mike Quigley
State Senate:	7, 8	Heather Steans; Ira I. Silverstein
State House:	13, 15	Greg Harris; John D'Amico

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SERVICE AREA

Swedish Covenant Hospital Service Area







# CONDUIT

**\$54,000,000**

**Northwest Community Hospital**

June 14, 2011

<b>REQUEST</b>	<p>Purpose: Bond proceeds will be used to current refund Northwest Community Hospital ("Northwest" or "NCH") Series 2002B Bonds.</p> <p><b>Program:</b> Conduit 501(c)(3) Revenue Bonds</p> <p><b>Extraordinary Conditions:</b> None.</p>												
<b>BOARD ACTIONS</b>	Final Bond Resolution (One-time consideration)												
<b>MATERIAL CHANGES</b>	This is the first time this project is being presented to the Board.												
<b>JOB DATA</b>	<table border="0"> <tr> <td>2,775</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>	2,775	Current jobs	0	New jobs projected	N/A	Retained jobs	0	Construction jobs projected				
2,775	Current jobs	0	New jobs projected										
N/A	Retained jobs	0	Construction jobs projected										
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>• Location: Arlington Heights, Illinois (Cook County/Northeast Region)</li> <li>• Northwest Community Hospital, an Illinois not-for-profit corporation, owns and operates a patient care facility located in Arlington Heights, Illinois. The facility is approximately 1,616,000 square feet and licensed to operate 496 acute care beds, 406 of which are currently in operation. The Hospital began operations in 1959 and is located on approximately 35 acres of land. The Hospital also owns a 50,000 square foot office building three miles from the main campus. This facility provides office space for various administrative departments of the Hospital.</li> </ul>												
<b>CREDIT INDICATORS</b>	<ul style="list-style-type: none"> <li>• Underlying ratings of Aa3/A+ (Moody's/S&amp;P)</li> <li>• Direct Purchase by JPMorgan Chase Bank (as a single Bond)</li> </ul>												
<b>SECURITY</b>	<ul style="list-style-type: none"> <li>• The Bond will be secured on a senior parity basis with all other obligations issued under the Borrower's <b>Master Trust Indenture</b> (the "MTI"). The obligations of the Borrowers under the Bond will be evidenced by a Master Note issued under the MTI, and will be secured by a pledge of unrestricted receivables on parity with all other debt issued under the MTI.</li> </ul>												
<b>MATURITY</b>	<ul style="list-style-type: none"> <li>• No later than 2041 (30 years)</li> </ul>												
<b>SOURCES AND USES</b>	<table border="0"> <tr> <td colspan="2"><b>Sources:</b></td> <td colspan="2"><b>Uses:</b></td> </tr> <tr> <td>IFA Bonds</td> <td>\$53,100,000</td> <td>Refund Series 2002B Bonds</td> <td>\$53,100,000</td> </tr> <tr> <td><b>Total</b></td> <td><b>\$53,100,000</b></td> <td><b>Total</b></td> <td><b>\$53,100,000</b></td> </tr> </table>	<b>Sources:</b>		<b>Uses:</b>		IFA Bonds	\$53,100,000	Refund Series 2002B Bonds	\$53,100,000	<b>Total</b>	<b>\$53,100,000</b>	<b>Total</b>	<b>\$53,100,000</b>
<b>Sources:</b>		<b>Uses:</b>											
IFA Bonds	\$53,100,000	Refund Series 2002B Bonds	\$53,100,000										
<b>Total</b>	<b>\$53,100,000</b>	<b>Total</b>	<b>\$53,100,000</b>										
<b>RECOMMENDATION</b>	Credit Committee recommends approval.												

**ILLINOIS FINANCE AUTHORITY  
BOARD SUMMARY  
June 14, 2011**

**Project: Northwest Community Hospital**

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**STATISTICS**

Project Number:	H-HO-TE-CD-8477	Amount:	\$54,000,000 (not-to-exceed)
Type:	501(c)(3) Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
Location:	Arlington Heights	County/ Region:	Cook County/ Northeast

---

**BOARD ACTION**

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

---

**VOTING RECORD**

This is the first time this Project is being presented to the Board.

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**PURPOSE**

Bond proceeds will be used to current refund Northwest Community Hospital ("Northwest" or "NCH") Series 2002B Bonds.

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**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.

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**VOLUME CAP**

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

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**ESTIMATED SOURCES AND USES OF FUNDS**

<b>Sources:</b>		<b>Uses:</b>	
IFA Bonds	<u>\$53,100,000</u>	Refund Series 2002B Bonds	<u>\$53,100,000</u>
<b>Total</b>	<u><b>\$53,100,000</b></u>	<b>Total</b>	<u><b>\$53,100,000</b></u>

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**JOBS**

Current employment:	2,775	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	0

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**FINANCING SUMMARY/STRUCTURE**

Security:	The Bond will be secured on a senior parity basis with all other obligations issued under the Borrower's <b>Master Trust Indenture</b> (the " <b>MTI</b> "). The obligations of the Borrower under the Bond will be evidenced by a Master Note issued under the MTI, and will be secured by a pledge of unrestricted receivables on parity with all other debt issued under the MTI.
Structure:	The plan of finance contemplates a Direct Purchase Bond by JPMorgan Chase Bank.
Interest Rate:	At the Borrower's option, a Variable Rate of interest equal to 74% of the sum of the one month LIBOR plus a spread.
Interest Modes:	Variable Rate
Current Rating:	Underlying ratings of Aa3/A+ (Moody's/S&P)
Maturity:	No later than 2041 (30 Years)
Estimated Closing Date:	July 14, 2011

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**PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)**

Bond proceeds will be used to current refund Northwest Community Hospital Series 2002B Bonds.

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**BUSINESS SUMMARY**

Northwest Community Hospital, an Illinois not-for-profit corporation, owns and operates a patient care facility located in Arlington Heights, IL. The facility is approximately 1,616,000 square feet and licensed to operate 496 acute care beds, 406 of which are currently in operation. The Hospital began operations in 1959 and is located on approximately 35 acres of land. The Hospital also owns a 50,000 square foot office building three miles from the main campus. This facility provides office space for various administrative departments of the Hospital.

In addition to providing general acute care services and mental health services, NCH has distinguished itself in the following specialties: Cardiology, Gastroenterology, Women's and Children's Services and Orthopedics. Emergency Services are the source of the majority of NCH's admissions.



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**ECONOMIC DISCLOSURE STATEMENT**

Applicant: Northwest Community Hospital  
800 West Central Road  
Arlington Heights, IL 60005-2349

Website: [www.nch.org](http://www.nch.org)

Project name: Northwest Community Hospital (IFA Series 2011 Bonds)

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

State: Illinois

Board Members:

<u>Name</u>	<u>Business or Affiliation</u>	<u>Board Member Since</u>	<u>Term Expires</u>
M. Shan Atkins	Managing Director Chetrum Capital, LLC	2002	2013
James H. Bishop	Executive VP and Market Head Wintrust Financial Corporation	1986	2012
Max Brittain, Jr.	Attorney - Schiff, Hardin LLP (Chairperson, Hospital Board)	1990	2011
Craig E. Christell	Financial Advisor Edward Jones Investments	2003	2011
Bruce K. Crowther	President & CEO Northwest Community Hospital (Secretary, Hospital Board)	1989	Ex Officio
Daniel P. DiCaro	Operating Director/Advisory Board Member City Capital Advisors, LLC	2000	2013
Dale J. Garber	Retired Executive	1991	2012
Louis A. Gatta, Ph.D.	President & CEO, ECRA Group, Inc. Professor, Loyola University	1991	2012
Marla E. Glabe	Partner Management Control International, Inc.	2011	2013
Charles A. Hempfling	President C.A. Hempfling & Associates, Inc.	1986	2012
Diane G. Hill	Retired Professor Northwestern University	2005	2013

<u>Name</u>	<u>Business or Affiliation</u>	<u>Board Member Since</u>	<u>Term Expires</u>
Francis J. Lamberta, MD	Physician/Orthopedics President, NCH Medical Staff	2010	2013
Robert J. Longo, MD	Physician/Internal Medicine Vice President, NCH Medical Staff	2010	2014
Thomas P. MacCarthy	Chairman & CEO Cornerstone National Bank & Trust Company (Vice Chairperson, Hospital Board)	2005	2011
Allan S. Malmel, MD	Physician/Diagnostic Radiology Immediate Past President, NCH Medical Staff	2008	Ex Officio 2012
Louis J. Marsico	Senior Vice President of Operations McCormick Foundation	2008	2011
Mary R. Sheahen	Chief Executive Officer Midwest Medical Center	2010	2012
William D. Soper	Physician/General Surgery Secretary/Treasurer, NCH Medical Staff	2011	2015

**PROFESSIONAL & FINANCIAL**

Borrower's Counsel:	Ungaretti & Harris	Chicago	Thomas Fahey
Bond Counsel:	Jones Day	Chicago	Lynn Coe
LOC Bank/Purchaser:	JPMorgan Chase Bank	Chicago	Tim Ruby
Bank's Counsel:	Chapman and Cutler	Chicago	David Field
Financial Advisor:	Kaufman Hall	Chicago	Andy Majka
IFA Counsel:	Gonzalez Saggio & Harlan LLP	Chicago	Darryl Tom
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago	Courtney Shea

**LEGISLATIVE DISTRICTS**

Congressional:	10	Bob Dold
State Senate:	33	Dan Kotowski
State House:	66	David Harris

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**SERVICE AREA**

NCH's primary service area includes the communities of Arlington Heights, Mount Prospect, Palatine and Rolling Meadows, Illinois. The secondary service area includes the communities of Barrington, Buffalo Grove, Des Plaines, Elk Grove Village, Hoffman Estates, Lake Zurich, Prospect Heights, Schaumburg and Wheeling, Illinois.

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# CONDUIT

**June 14, 2011**      **\$6,000,000 (not-to-exceed amount)**  
**LEARN Charter School Network**

<b>REQUEST</b>	<p><b>Purpose:</b> Bond proceeds, combined with funds from other sources, will enable <b>LEARN Charter School Network</b> ("LEARN" or the "Borrower") to: (i) finance or refinance existing taxable bank loans used to acquire, construct, renovate, and equip an existing building located on an approximately 0.95 acre site at 1700 W. 83<sup>rd</sup> Street, Chicago, Illinois into a new school campus facility (the "<b>Fifth Campus</b>") owned and operated by the Borrower, (ii) current refund the outstanding balance of the Borrower's Illinois Development Finance Authority Series 2003 Revenue Bonds issued in connection with LEARN's Romano-Butler campus located at 1132 S. Homan Avenue, Chicago, Illinois, and (iii) pay bond issuance costs (the "<b>Project</b>").</p> <p><b>Program:</b> Conduit 501(c)(3) Revenue Bonds  <b>Extraordinary Conditions:</b> None.          No IFA funds at risk. No State funds at risk.</p>																				
<b>BOARD ACTION</b>	Preliminary Bond Resolution																				
<b>MATERIAL CHANGES</b>	None. This is the first time this Project has been presented to the IFA Board of Directors.																				
<b>JOBS DATA</b>	<table style="width: 100%; border: none;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">154</td> <td style="width: 25%; text-align: center;">Current jobs</td> <td style="width: 25%; text-align: center;">34</td> <td style="text-align: center;">New jobs projected</td> </tr> <tr> <td></td> <td style="text-align: center;">N/A</td> <td style="text-align: center;">Retained jobs</td> <td style="text-align: center;">200</td> <td style="text-align: center;">Construction jobs projected (3 months – peak)</td> </tr> </table>		154	Current jobs	34	New jobs projected		N/A	Retained jobs	200	Construction jobs projected (3 months – peak)										
	154	Current jobs	34	New jobs projected																	
	N/A	Retained jobs	200	Construction jobs projected (3 months – peak)																	
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>• Location: Chicago (Cook County/Northeast Region)</li> <li>• Established in 1981 as a private school known as Lawndale Community School, LEARN transitioned into a public charter school in 2001; subsequent expansions resulted in the LEARN Charter School Network.</li> <li>• LEARN replicated their initial school by opening three new elementary schools between 2008 and 2010; LEARN will open its fifth school in Fall 2011 as a result of this financing.</li> </ul>																				
<b>CREDIT INDICATORS</b>	<ul style="list-style-type: none"> <li>• The Bonds will be purchased directly by MB Financial Bank, N.A., as the direct lender/bond investor.</li> <li>• LEARN Charter School Network is not rated.</li> </ul>																				
<b>PROPOSED STRUCTURE</b>	<ul style="list-style-type: none"> <li>• Term: Bonds will purchased directly by MB Financial Bank, N.A. for 10 years, amortized over 25 years.</li> <li>• Interest Rate: Estimated effective interest rate of between 5.0% and 6.0% for the initial ten-year term based on market conditions as of 5/13/2011.</li> </ul>																				
<b>SOURCES AND USES</b>	<table style="width: 100%; border: none;"> <tr> <td style="width: 30%;"><b>Sources:</b> IFA Bonds (New Money)</td> <td style="width: 15%; text-align: right;">\$2,863,000</td> <td style="width: 30%;"><b>Uses:</b> New Project Costs</td> <td style="width: 25%; text-align: right;">\$4,999,133</td> </tr> <tr> <td>IFA Refunding Bonds</td> <td style="text-align: right;">2,830,000</td> <td>IFA Refunding Bonds</td> <td style="text-align: right;">2,830,000</td> </tr> <tr> <td>IFF/Charter Fund Subord. Debt</td> <td style="text-align: right;">1,000,000</td> <td>Issuance Costs</td> <td style="text-align: right;">137,000</td> </tr> <tr> <td>Borrower Equity</td> <td style="text-align: right;"><u>1,273,133</u></td> <td></td> <td></td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b><u>\$7,966,133</u></b></td> <td><b>Total</b></td> <td style="text-align: right;"><b><u>\$7,966,133</u></b></td> </tr> </table>	<b>Sources:</b> IFA Bonds (New Money)	\$2,863,000	<b>Uses:</b> New Project Costs	\$4,999,133	IFA Refunding Bonds	2,830,000	IFA Refunding Bonds	2,830,000	IFF/Charter Fund Subord. Debt	1,000,000	Issuance Costs	137,000	Borrower Equity	<u>1,273,133</u>			<b>Total</b>	<b><u>\$7,966,133</u></b>	<b>Total</b>	<b><u>\$7,966,133</u></b>
<b>Sources:</b> IFA Bonds (New Money)	\$2,863,000	<b>Uses:</b> New Project Costs	\$4,999,133																		
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IFF/Charter Fund Subord. Debt	1,000,000	Issuance Costs	137,000																		
Borrower Equity	<u>1,273,133</u>																				
<b>Total</b>	<b><u>\$7,966,133</u></b>	<b>Total</b>	<b><u>\$7,966,133</u></b>																		
<b>RECOMMENDATION</b>	Credit Review Committee recommends approval.																				

**ILLINOIS FINANCE AUTHORITY  
BOARD SUMMARY  
June 14, 2011**

**Project: LEARN Charter School Network**

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**STATISTICS**

Project Number: N-NP-TE-CD-8475	Amount: \$6,000,000 (not-to-exceed amount)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Rich Frampton
Location: Chicago	County/Region: Cook/Northeast

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**BOARD ACTION**

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

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**PURPOSE**

Bond proceeds, combined with funds from other sources, will enable **LEARN Charter School Network** ("LEARN" or the "Borrower") to: (i) finance or refinance existing taxable bank loans used to acquire, construct, renovate, and equip an existing building located on an approximately 0.95 acre site at 1700 W. 83<sup>rd</sup> Street, Chicago, Illinois into a new school campus facility owned and operated by the Borrower (the "Fifth Campus"), (ii) current refund the outstanding balance of the Borrower's Illinois Development Finance Authority Series 2003 Revenue Bonds issued in connection with LEARN's Romano-Butler campus located at 1132 S. Homan Avenue, Chicago, Illinois, and (iii) pay bond issuance costs (the "Project").

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**IFA PROGRAM AND CONTRIBUTION**

501(c)(3) Bonds are municipal bonds authorized under the Internal Revenue Code that enable 501(c)(3) corporations to finance capital projects furthering support of their mission. IFA's issuance of these Bonds will convey federal tax-exempt status on the interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the Borrower.

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**VOTING RECORD**

Not applicable. This is the first time this project has been presented to the IFA Board of Directors.

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**ESTIMATED SOURCES AND USES OF FUNDS (PRELIMINARY, SUBJECT TO CHANGE)**

Sources:	IFA Bonds (New Money)	\$2,863,000	Uses:	Project Costs	\$4,999,133
	IFA Refunding Bonds	2,830,000		IFA Refunding Bonds	2,830,000
	IFF/Charter Fund			Issuance Costs	<u>137,000</u>
	Subordinate Loans	1,000,000			
	Equity	<u>1,273,133</u>			
	<b>Total</b>	<b><u>\$7,966,133</u></b>		<b>Total</b>	<b><u>\$7,966,133</u></b>

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**JOBS**

Current employment: 154  
Jobs retained: N/A

Projected new jobs: 34  
Construction jobs: 200 (3 months - peak)

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**BUSINESS SUMMARY**

**Background:** LEARN Charter School Network ("LEARN") is the successor to Lawndale Community School, originally established in 1981 as a private community school to provide quality education to low-income children living in the North Lawndale community on Chicago's West Side.

LEARN is a tax-exempt 501(c)(3) organization incorporated under Illinois law and governed by an 11-member Board of Directors (see p. 5 for listing).

LEARN is subject to a "Charter Agreement" with the Chicago School Reform Board of Trustees (Chicago Public Schools or "CPS"). The Charter Agreement was executed for an original term of five (5) years in 2001 and has since been renewed two (2) times, with the most recent renewal approved 3/23/2011. LEARN's Charter Agreement is now effective through 7/15/2016. LEARN has been certified as a Charter School by the Illinois State Board of Education.

Under Illinois law, CPS has oversight responsibility to verify that the School complies and meets the expectations of a public educational system and to also satisfy regulations and compliance requirements established by CPS.

**Description:** LEARN Charter School Network's mission is to provide low-income communities with a high-quality, pre-kindergarten through 8<sup>th</sup> grade curriculum designed to prepare students for college preparatory high schools.

Since converting to charter school status in 2001, LEARN has grown from one school serving 110 students into a four school network that currently serves approximately 1,400 students across Chicago's West and South Side communities. In September 2011, LEARN plans to open its Fifth Campus. As a result of this financing, total enrollment will ultimately increase to approximately 2,000 students at capacity.

Fueled by an ambitious strategic plan and supported by visionary foundation support (including New Schools for Chicago, the Charter School Growth Fund, and the Walton Family Foundation), LEARN's mission remains focused on providing children with the academic foundation and self-confidence required for attainment of a high school and college degree.

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**FINANCING SUMMARY**

**Structure:** The proposed Bonds will be purchased directly by MB Financial Bank, N.A. (the "Bank" or "Direct Lender/Bond Purchaser").

**Bondholder Security:** MB Financial Bank will be secured by a first mortgage in the subject properties (i.e., the new Fifth Campus Project and the refinanced Romano-Butler Campus) and a first security interest in all equipment, receivables and other business assets of the Borrower.

Additionally, all credit facilities and other agreements between the Bank and the Borrower (and any affiliates of the Borrower) will be cross-collateralized and cross-defaulted.

**Interest Rates:** The tax-exempt fixed rate for the initial 10-year term is estimated between 5.0% and 6.0% as of 5/13/2011.

Maturity: Bond principal and interest payments will be amortized over 25 years (preliminary; subject to change).

Anticipated Closing: July or August 2011 (preliminary; subject to change)

Rationale: The Project will enable LEARN to obtain permanent financing to add a fifth campus at 1700 W. 83<sup>rd</sup> Street, and to refinance the outstanding balance of IDFA Series 2003 Bonds that financed LEARN's 1132 S. Homan Avenue facility in Chicago. As proposed, this financing would enable LEARN to undertake these financings on a tax-exempt basis for up to 25 years.

The proposed IFA Series 2011 Refunding Bonds will refinance the outstanding principal balance (i.e., \$2,830,000 as of 6/1/2011) of Illinois Development Finance Authority Series 2003 Bonds.

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**PROJECT SUMMARY (for IFA Preliminary Bond Resolution)**

Bond proceeds, combined with funds from other sources, will enable **LEARN Charter School Network** ("LEARN" or the "**Borrower**") to: (i) finance the acquisition, construction, renovation, and equipping of an existing building into a school facility located on an approximately 0.95 acre site at 1700 W. 83<sup>rd</sup> Street, Chicago, Illinois (the "**Fifth Campus**"), (ii) refinance a taxable interim bank loans used to finance the acquisition of the Fifth Campus site, (iii) current refund the outstanding balance of the Borrower's Illinois Development Finance Authority Series 2003 Revenue Bonds issued in connection with the Romano-Butler campus at 1132 S. Homan Avenue, Chicago, Illinois, and (iv) pay bond issuance costs (the "**Project**").

Proposed New Money project costs are summarized below:

Land/Building Acquisition:	\$850,000
Construction Costs:	<u>4,149,133</u>
<b>Total</b>	<b>\$4,999,133</b>

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**ECONOMIC DISCLOSURE STATEMENT**

Applicant: LEARN Charter School Network (c/o Ms. Dana Thomas, CPA, Director of Finance & Information Technology, 212 S. Francisco Ave., Chicago, IL 60612; (T) 773-826-0370; ext. 10006; e-mail: [dthomas@learncharter.org](mailto:dthomas@learncharter.org) )

Web Site: [www.learncharter.org](http://www.learncharter.org)

Project name: LEARN Charter School Network, Series 2011 Bonds

Locations: New Money Bonds: 1700 W. 83<sup>rd</sup> Street, Chicago (Cook County), IL 60620-4621  
Refunding Bonds: 1132 S. Homan Avenue, Chicago (Cook County), IL 60624-4344

Organization: Illinois 501(c)(3) not-for-profit Corporation

Board of

Directors: Board Members of LEARN Charter School Network are listed on page 5.

Current Property

Owners: LEARN Charter School closed on the acquisition of the 1700 W. 83<sup>rd</sup> Street site in April 2011.  
LEARN also owns the 1132 S. Homan Ave. site.

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**PROFESSIONAL & FINANCIAL**

Borrower's Counsel:	To be determined		
Auditor:	Haran & Associates, Ltd.	Chicago, IL	
Bank (Direct Purchaser/ Investor):	MB Financial Bank, N.A.	Chicago, IL	John Sassaris, Joe Sheils, Ailisa Herrera
Bond Counsel:	Greenberg Traurig, LLP	Chicago, IL	Matt Lewin
Bank Counsel:	Burke, Burns & Pinelli, Ltd.	Chicago, IL	Mary Anne Murray
Bond Trustee:	N/A (direct purchase transaction)		
Architect:	Legat Architects	Waukegan, IL	Ted Haug
General Contractor:	G3 Construction	Willowbrook, IL	Matthew Guidarelli
IFA Counsel:	Tyson Strong Hill Connor LLC	Chicago, IL	Lance Tyson
IFA Financial Advisor:	Scott Balice Strategies LLC	Chicago, IL	Julia Harris

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**LEGISLATIVE DISTRICTS**

	<u>1700 W. 83<sup>rd</sup> Street</u>		<u>1132 S. Homan Avenue</u>
Congressional:	1 Bobby L. Rush	7	Danny K. Davis
State Senate:	18 Edward D. Maloney	5	Annazette R. Collins
State House:	36 Kelly M. Burke	9	Arthur Turner

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**LEARN Charter School Network  
Board of Directors 2010-2011**

**Chairman**

**Loren Beadle**  
Tara Business Ventures

**Vice Chairperson**

**E. Robbie Robinson**  
Principal  
BDT Capital Partners, LLC

**Vice Chairperson**

**Adrienne Pitts**  
Partner  
Sidley Austin LLP

**Treasurer**

**Janice Lucchesi**  
Vice President, Tax  
Akzo Nobel, Inc.

**Secretary**

**Jennifer Molinar**  
Senior Legal Counsel  
CVS Caremark

**Members**

**Charles Campbell**

**Bryan Schneider**  
Divisional Vice President- Health Law  
Walgreens

**Leslie Anderson**  
Senior Vice President  
Harris Bank

**Susan Snyder**

**Chris Spahr**  
Managing Director  
William Blair & Company

**Life Trustee**

**Margaret Romano**



**ILLINOIS FINANCE AUTHORITY**  
**Memorandum**

To: IFA Board of Directors

From: Rich Frampton, Vice President  
Brad Fletcher, Legal/Financial Analyst

Date: June 14, 2011

Re: Resolution to Approve an Amended and Restated Bond and Loan Agreement, and related changes in connection with IFA Series 2006 Industrial Revenue Bonds - 590 Tower Boulevard, LLC Project (on behalf of MAAC Machinery Company, Inc.)

IFA Project No. I-ID-TE-CD-6023

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**590 Tower Boulevard, LLC** (the "**Borrower**") is requesting the **Illinois Finance Authority** ("**IFA**") approve a Resolution amending certain provisions of the Bond and Loan Agreement, in order to provide that the existing IFA Series 2006 Bonds be assumed by **Chase Bank, N.A.** ("**Chase**").

**MAAC Machinery Company, Inc.** (the "**Operating Company**" and "**Corporate Guarantor**") is the tenant at the Borrower's 45,000 square foot manufacturing facility. The Borrower and the Operating Company are under common ownership.

Interest rates will be fixed for the next five (5) years and will be determined based on market conditions. The estimated interest rate ranges between 2.75% and 3.25% (based on market conditions as of 5/31/2011). The final maturity date for the IFA Series 2006 Revenue Bonds is April 1, 2024.

The IFA Series 2006 Revenue Bonds were purchased directly by First Midwest Bank at a fixed interest rate with a 5-year reset provision. The IFA Series 2006 Bonds refunded Industrial Revenue Bonds originally issued by the Village of Carol Stream in 1996 (in the principal amount of \$2,800,000).

The outstanding Par Amount was \$2,050,000 as of May 31, 2011. IFA will be paid a transaction amendment fee of \$5,000 at closing. The requested changes will result in a reissuance of the IFA Series 2006 Industrial Revenue Bonds for tax purposes.

Bond Counsel has drafted the attached Resolution to accomplish the necessary amendments to the bond documents and will deliver a legal opinion at closing.

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**PROFESSIONAL & FINANCIAL**

Borrower's Counsel:	Meltzer, Purtil & Stelle, LLC	Chicago, IL	Randy Kulat
Accountant:	Hofner & Hofner, LLC	Wheaton, IL	
Bond Counsel:	Ice Miller LLP	Chicago, IL	Jim Snyder
Bank Purchaser:	Chase Bank, N.A.	Wheaton, IL	Ken Terwilliger, Lisa Hollaway
Bank's Counsel:	Ice Miller, LLP	Lisle, IL	David Hight, Laurie Miller
Issuer's Counsel:	Hart, Southworth & Witsman	Springfield, IL	Sam Witsman

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**IFA RESOLUTION NO. 2011-0614-\_\_**

A RESOLUTION PROVIDING FOR THE APPROVAL BY THE ILLINOIS FINANCE AUTHORITY (THE "ISSUER") OF THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED BOND AND LOAN AGREEMENT IN CONNECTION WITH THE OUTSTANDING INDUSTRIAL DEVELOPMENT REVENUE BONDS (MAAC MACHINERY CO., INC. PROJECT), SERIES 2006; AND RELATED MATTERS.

**WHEREAS**, the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the "Issuer") on February 7, 2006 adopted a resolution authorizing the issuance and delivery of its \$2,050,000 original principal amount Industrial Development Revenue Bonds (MAAC Machinery Co., Inc. Project), Series 2006 (the "Bonds"); and

**WHEREAS**, the Bonds were originally issued pursuant to a Bond and Loan Agreement dated as of February 1, 2006 (the "Bond and Loan Agreement") among the Issuer, 590 Tower Boulevard, L.L.C., an Illinois limited liability company (the "Borrower") and First Midwest Bank, an Illinois state banking corporation (the "Original Purchaser"); and

**WHEREAS**, Chase Bank (the "Purchaser") desires to purchase the Bonds from the Original Purchaser; and

**WHEREAS**, the Borrower has requested the Issuer and the Purchaser to amend certain provisions of the Bond and Loan Agreement, in order to provide for certain amendments relating to a lower fixed interest rate on the Bonds and the change to the references of the Purchaser; and

**WHEREAS**, it is necessary and proper for the interests and convenience of the Issuer to authorize such amendments to the Bond and Loan Agreement and the Bonds; and

**WHEREAS**, the Issuer has caused to be prepared and presented to this meeting the Amended and Restated Bond and Loan Agreement dated as of June 1, 2011 among the Issuer, the Borrower and the Purchaser (the "Amended Bond and Loan Agreement"), which the Issuer proposes to enter into and which amends the Bond and Loan Agreement and the Bonds; and

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

That the form, terms and provisions of the proposed Amended Bond and Loan Agreement, a copy of which is before this meeting, be, and it hereby is, in all respects approved, and that the Chairman, Vice

Chairman, Treasurer, Assistant Treasurer or Executive Director (or other person duly appointed to any such office on an interim or acting basis) be, and they are hereby authorized, empowered and directed to execute and deliver such instrument in the name and on behalf of the Issuer and the Secretary or Assistant Secretary is hereby authorized to attest the same and to affix thereto the corporate seal of the Issuer and thereupon to cause the Amended Bond and Loan Agreement to be delivered to the Bank and the Borrower; that the Amended Bond and Loan Agreement is to be in substantially the form thereof submitted to this meeting and hereby approved, with such changes therein as shall be approved by the officials of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of such instrument hereby approved; that the Amended Bond and Loan Agreement shall be entered into with the Purchaser and the Borrower; and from and after the execution and delivery of such instrument, the officials, agents and employees of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such instrument as executed. The Amended Bond and Loan Agreement shall constitute, and is hereby made a part of this Resolution and a copy of such document shall be placed in the official records of the Issuer, and shall be made available for public inspection.

That from and after the execution and delivery of the Amended Bond and Loan Agreement, the proper officials, agents and employees of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said document as executed and to further the purposes and intent of this Resolution, including the preamble hereto. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer or Executive Director (or other person duly appointed to any such office on an interim or acting basis) and the Secretary or Assistant Secretary be, and they are hereby, further authorized and directed for and on behalf of the Issuer, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of the authority conferred by this Resolution or to evidence said authority, including without limitation, the execution and delivery of the Certificate of the Issuer re: Arbitrage, the signing of IRS Form 8038 and the filing thereof as therein required and the certifications relating to Section 148 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder and changes in the documents approved hereby as approved by the officials of the Issuer executing the same, and to exercise

and otherwise take all necessary action to the full realization of the rights, accomplishments and purposes of the Issuer under the Amended Bond and Loan Agreement and to discharge all of the obligations of the Issuer thereunder. For purposes of certifying as to matters of arbitrage, the Chairman, the Vice Chairman, the Treasurer, the Assistant Treasurer, the Executive Director, any Assistant Executive Director (or other person duly appointed to any such office on an interim or acting basis) or any one of them, is hereby designated an officer responsible for reissuing the Bonds.

That all prior acts and doings of the officials of the Issuer which are in conformity with the purposes and intent of this Resolution are, in all respects, approved and confirmed.

That the Issuer hereby elects to have the provisions of Section 144(a)(4)(A) of the Internal Revenue Code of 1986, as amended, apply to the hereinabove described bond issue and hereby affirmatively notes said election in this Resolution.

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

That all ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby superseded.

This Resolution shall be in full force and effect from and after its passage and approval, in accordance with law.

APPROVED this 14<sup>th</sup> day of June, 2011.

ILLINOIS FINANCE AUTHORITY

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

## ILLINOIS FINANCE AUTHORITY

### Memorandum

To: IFA Board of Directors

From: Pam Lenane and Nora O'Brien

Date: June 14, 2011

Re: Resolution authorizing the execution and delivery of (i) a First Supplemental Bond Trust Indenture and First Supplemental Loan Agreement relating to the Weekly Adjustable Rate Revenue Bonds, Series 2004B and (ii) a First Supplemental Bond Trust Indenture and Second Supplemental Loan Agreement relating to the Weekly Adjustable Rate Revenue Bonds, Series 2004C, each issued for the benefit of Rest Haven Illiana Christian Convalescent Home.

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**Rest Haven Illiana Christian Convalescent Home, (the "Borrower")** an Illinois corporation is requesting to amend certain bond documents relating to their Series 2004B and C IFA Bonds

The Series 2004 Bonds are currently secured by letters of credit from Sovereign Bank and by confirming letters of credit issued by Banco Santander, S.A., New York Branch. Sovereign Bank's credit rating has been raised to A by S&P. The Borrower and its remarketing agent (Zeigler Capital Markets) have determined that the Sovereign credit rating has been raised to a level that will permit the Series 2004 Bonds to be remarketed without the confirming letters of credit.

The Bond Trust Indentures and Loan Agreements currently require the Borrower to maintain the confirming letters of credit and do not permit the confirming letter of credit to be terminated. The proposed amendments to the Bond Trust Indentures and Loan Agreements would permit the Borrower to terminate the confirming letters of credit if the rating on the primary letter of credit is not less than "A-1/P-1" and create a mandatory tender upon such termination.

The bond documents permit Sovereign, as the letter of credit bank, to consent to the amendments on behalf of the owners of the bonds. Upon the amendment of the bond documents and the consent of the letter of credit bank, the bonds will be subject to a mandatory tender and the Borrower will be permitted to terminate the confirming letters of credit.

IFA RESOLUTION NO. 2011-0614-09\_\_

**Resolution** authorizing the execution and delivery of (i) a First Supplemental Bond Trust Indenture and First Supplemental Loan Agreement relating to the Weekly Adjustable Rate Revenue Bonds, Series 2004B and (ii) a First Supplemental Bond Trust Indenture and Second Supplemental Loan Agreement relating to the Weekly Adjustable Rate Revenue Bonds, Series 2004C, each issued for the benefit of Rest Haven Illiana Christian Convalescent Home.

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

**WHEREAS**, on November 1, 2004, the Authority issued its \$33,170,000 Weekly Adjustable Rate Revenue Bonds, Series 2004B (Rest Haven Christian Services) (the "*Series 2004B Bonds*") and its \$7,245,000 Weekly Adjustable Rate Revenue Bonds, Series 2004C (Rest Haven Christian Services) (the "*Series 2004C Bonds*") and, together with the Series 2004B Bonds, the "*Series 2004 Bonds*"), each which are secured by separate Bond Trust Indentures dated as of October 1, 2004 (collectively, the "*Series 2004 Bond Indentures*"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as successor bond trustee (the "*Bond Trustee*"); and

**WHEREAS**, The Authority has loaned the Series 2004 Bond proceeds to Rest Haven Illiana Christian Convalescent Home (the "*Corporation*") pursuant to separate Loan Agreements dated as of October 1, 2004 (collectively, the "*Series 2004 Loan Agreements*"), each between the Authority, the Corporation and, in the case of the Series 2004C Bonds, Christian Living Campus, NFP, in order to assist the Corporation in providing the funds necessary to (i) current refund the outstanding amount of the \$29,265,000 Illinois Development Finance Authority Variable Rate Demand Revenue Bonds (Rest Haven Illiana Christian Convalescent Home Project) Series 1997 (the "*Series 1997 Bonds*"), (ii) pay or reimburse the Corporation, or to refinance certain prior indebtedness the proceeds of which were used to pay, for the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain "health facilities" (as defined in the Act) of the Corporation, and (iii) pay certain expenses incurred in connection with the issuance of the Series 2004 Bonds and the current refunding of the Series 1997 Bonds, including certain fees of the Initial Credit Facility Issuer (as defined in the respective Series 2004 Bond Indentures); and

**WHEREAS**, the Series 2004 Bond Indentures and the Series 2004 Loan Agreements each require the Corporation to maintain (i) a letter of credit (a "*Credit Facility*") which will pay the principal, interest and tender price of the Series 2004 Bonds when due and (ii) a confirming letter of credit (a "*Confirming Letter of Credit*") which will make payments of the principal, interest or tender price of the Series 2004 Bonds when due if the issuer of the Credit Facility fails to make such payments; and

**WHEREAS**, the existing Credit Facilities were issued by Sovereign Bank (the "*Bank*") and the existing Confirming Letters of Credit were issued by Banco Santander, S.A., New York Branch (the "*Confirming Bank*"); and

**WHEREAS**, the Corporation has requested that the Authority approve certain amendments to the Series 2004 Bond Indentures and the Series 2004 Loan Agreements which will permit the Corporation to terminate the existing Confirming Letters of Credit and will provide for the mandatory tender of the Series 2004 Bonds upon such termination (the "*Amendments*"); and

**WHEREAS**, the Series 2004 Bond Indentures and the Series 2004 Loan Agreements permit the Authority, the Bond Trustee and the Corporation, with the consent of the Bank, to enter into supplemental bond indentures and supplemental loan agreements with the consent of the owners of not less than a majority of the Series 2004 Bonds; and

WHEREAS, the Series 2004 Bond Indentures and the Series 2004 Loan Agreements provide that the Bank may consent to any supplements or amendments to the respective Series 2004 Bond Indentures and Series 2004 Loan Agreements on behalf of the owners of the Series 2004 Bonds so long as the Bank has not lost any of its rights pursuant to the Series 2004 Bond Indentures; and

WHEREAS, the Corporation and the Bank have indicated to the Authority that the Bank has not lost any of its rights pursuant to the Series 2004 Bond Indentures and that the Bank will consent to the Amendments on behalf of the owners of the Series 2004 Bonds; and

WHEREAS, a draft of a First Supplemental Bond Trust Indenture relating to the Series 2004B Bonds (the "*Series 2004B First Supplemental Bond Indenture*") and a draft of a First Supplemental Bond Trust Indenture relating to the Series 2004C Bonds (the "*Series 2004C First Supplemental Bond Indenture*" and, together with the Series 2004B First Supplemental Bond Indenture, the "*Series 2004 Supplemental Bond Indentures*") providing for the Amendments have previously been provided to and are on file with the Authority.

WHEREAS, a draft of a First Supplemental Loan Agreement relating to the Series 2004B Bonds (the "*Series 2004B First Supplemental Loan Agreement*") and a draft of a Second Supplemental Loan Agreement relating to the Series 2004C Bonds (the "*Series 2004C Second Supplemental Loan Agreement*" and, together with the Series 2004B First Supplemental Loan Agreement, the "*Series 2004 Supplemental Loan Agreements*") providing for the Amendments have previously been provided to and are on file with the Authority.

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

1. **Authority Documents.** The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by its Chairperson, Vice Chairperson, Executive Director, General Counsel, Treasurer, Assistant Treasurer, Chief Financial Officer or any person duly appointed by the Members to serve in such office on an interim basis, any officer, employee or agent of the Authority delegated and authorized by the Members the requisite powers of such office, any of its other Members, or any officer or employee designated by the Executive Director (each an "*Authorized Officer*") and the delivery and use of the Series 2004 Supplemental Bond Indentures and Series 2004 Supplemental Loan Agreements. The Secretary or Assistant Secretary of the Authority is hereby authorized to attest and to affix the official seal of the Authority to the Series 2004 Supplemental Bond Indentures and Series 2004 Supplemental Loan Agreements. The Series 2004 Supplemental Bond Indentures and Series 2004 Supplemental Loan Agreements shall be substantially in the forms attached hereto and hereby approved, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of any changes or revisions therein from the forms of the Series 2004 Supplemental Bond Indentures and Series 2004 Supplemental Loan Agreements attached hereto.

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 this resolution and the Series 2004 Supplemental Bond Indentures and Series 2004 Supplemental Loan Agreements, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the Series 2004 Bond Indentures, as amended, and Series 2004 Loan Agreements, as amended, or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by the Executive Director (or interim Executive Director), the General Counsel, the Director of Financial Services or the Treasurer (or interim Treasurer) of the Authority, or any officer, employee or agent of the Authority delegated and authorized by the Members the requisite powers of such offices, or in the event of the unavailability, inability or refusal of the Executive Director (or interim Executive Director), the General Counsel, the Director of Financial Services and the Treasurer (or interim Treasurer) or any officer, employee or agent of the Authority delegated and authorized by the Members the requisite powers of such office to act, 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 Series 2004 Bond Indentures and Series 2004 Loan Agreements.

ADOPTED this 14th day of June, 2011 by vote as follows:

Ayes:

Nays:

Abstain:

Absent:

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Secretary





**CORPORATE AUTHORIZATION RESOLUTION**

Banterra Bank  
3201 Banterra Drive  
Marion, IL 62959  
(618) 993-2678

Member FDIC

By: Illinois Finance Authority  
180 N Stenson Ave Suite 2555  
Chicago, IL 60601-6776

Referred to in this document as "Financial Institution"

Referred to in this document as "Corporation"

I, Brendan M. Courname, certify that I am Secretary (clerk) of the above named corporation organized under the laws of Illinois, Federal Employer I.D. Number 86-1091967, engaged in business under the trade name of Illinois Finance Authority, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the Board of Directors of the Corporation duly and properly called and held on \_\_\_\_\_ (date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

AGENTS Any Agent listed below, subject to any written limitations, is authorized to exercise the powers granted as indicated below:

Name and Title or Position	Signature	Facsimile Signature (if used)
A. <u>Christopher Meister, Executor Director</u>		X
B. <u>Joy K Kuhn, Assistant Treasurer</u>		X
C. _____	X	X
D. _____	X	X
E. _____	X	X
F. _____	X	X

POWERS GRANTED (Attach one or more Agents to each power by placing the letter corresponding to their name in the area before each power. Following each power indicate the number of Agent signatures required to exercise the power.)

Indicate A, B, C, D, E, and/or F	Description of Power	Indicate number of signatures required
<u>A, B</u>	(1) Exercise all of the powers listed in this resolution.	<u>1</u>
_____	(2) Open any deposit or share account(s) in the name of the Corporation.	_____
_____	(3) Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with this Financial Institution.	_____
_____	(4) Borrow money on behalf and in the name of the Corporation, sign, execute and deliver promissory notes or other evidences of indebtedness.	_____
_____	(5) Endorse, assign, transfer, mortgage or pledge bills receivable, warehouse receipts, bills of lading, stocks, bonds, real estate or other property now owned or hereafter owned or acquired by the Corporation as security for sums borrowed, and to discount the same, unconditionally guarantee payment of all bills received, negotiated or discounted and to waive demand, presentment, protest, notice of protest and notice of non-payment.	_____
_____	(6) Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a Safe Deposit Box in this Financial Institution.	_____
_____	(7) Other _____	_____

LIMITATIONS ON POWERS The following are the Corporation's express limitations on the powers granted under this resolution.

EFFECT ON PREVIOUS RESOLUTIONS This resolution supersedes resolution dated All if not completed, all resolutions remain in effect.

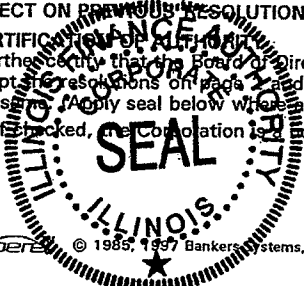
CERTIFICATION OF AUTHORITY I further certify that the Board of Directors of the Corporation has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the resolutions on page \_\_\_\_\_ and to confer the powers granted above to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)

If checked, the Corporation is a non-profit corporation.

In Witness Whereof, I have subscribed my name to this document and affixed the seal of the Corporation on June 7, 2014 (date).

Max Moxey  
Attest by One Other Officer

Brendan M. Courname  
Secretary



RESOLUTIONS

The Corporation named on this resolution resolves that;

- (1) The Financial Institution is designated as a depository for the funds of the Corporation and to provide other financial accommodations indicated in this resolution.
- (2) This resolution shall continue to have effect until express written notice of its rescission or modification has been received and recorded by the Financial Institution. Any and all prior resolutions adopted by the Board of Directors of the Corporation and certified to the Financial Institution as governing the operation of this corporation's account(s), are in full force and effect, until the Financial Institution receives and acknowledges an express written notice of its revocation, modification or replacement. Any revocation, modification or replacement of a resolution must be accompanied by documentation, satisfactory to the Financial Institution, establishing the authority for the changes.
- (3) The signature of an Agent on this resolution is conclusive evidence of their authority to act on behalf of the Corporation. Any Agent, so long as they act in a representative capacity as an Agent of the Corporation, is authorized to make any and all other contracts, agreements, stipulations and orders which they may deem advisable for the effective exercise of the powers indicated on page one, from time to time with the Financial Institution, subject to any restrictions on this resolution or otherwise agreed to in writing.
- (4) All transactions, if any, with respect to any deposits, withdrawals, rediscounts and borrowings by or on behalf of the Corporation with the Financial Institution prior to the adoption of this resolution are hereby ratified, approved and confirmed.
- (5) The Corporation agrees to the terms and conditions of any account agreement, properly opened by any Agent of the Corporation. The Corporation authorizes the Financial Institution, at any time, to charge the Corporation for all checks, drafts, or other orders, for the payment of money, that are drawn on the Financial Institution, so long as they contain the required number of signatures for this purpose.
- (6) The Corporation acknowledges and agrees that the Financial Institution may furnish at its discretion automated access devices to Agents of the Corporation to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term "automated access device" includes, but is not limited to, credit cards, automated teller machines (ATM), and debit cards.
- (7) The Corporation acknowledges and agrees that the Financial Institution may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term "alternative signature and verification codes" includes, but is not limited to, facsimile signatures on file with the Financial Institution, personal identification numbers (PIN), and digital signatures. If a facsimile signature specimen has been provided on this resolution, (or that are filed separately by the Corporation with the Financial Institution from time to time) the Financial Institution is authorized to treat the facsimile signature as the signature of the Agent(s) regardless of by whom or by what means the facsimile signature may have been affixed so long as it resembles the facsimile signature specimen on file. The Corporation authorizes each Agent to have custody of the Corporation's private key used to create a digital signature and to request issuance of a certificate listing the corresponding public key. The Financial Institution shall have no responsibility or liability for unauthorized use of alternative signature and verification codes unless otherwise agreed in writing.

Pennsylvania. The designation of an Agent does not create a power of attorney; therefore, Agents are not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code) unless the agency was created by a separate power of attorney. Any provision that assigns Financial Institution rights to act on behalf of any person or entity is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code).

FOR FINANCIAL INSTITUTION USE ONLY

Acknowledged and received on \_\_\_\_\_ (date) by \_\_\_\_\_ (initials)  This resolution is superseded by resolution dated \_\_\_\_\_

Comments:



Item #11: Internal Revenue Service Post-Issuance Requirements

*To Be Distributed Separately*



Item #12: Energy Committee Matters

*To Be Distributed Separately*



Item #13: Approval of Interim Loan to East St. Louis Advisory  
Authority

*To Be Distributed Separately*

