ILLINOIS FINANCE AUTHORITY

August 13, 2015

AGENDA

BOARD MEETING
9:30 a.m.
Michael A. Bilandic Building
160 North LaSalle Street
Suite S-1000
Chicago, Illinois 60601

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

PROJECT REPORTS AND RESOLUTIONS

BUSINESS AND INDUSTRY PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Industrial Revenue Bonds *Preliminary*						
1	The Edlong Corporation and Rondenet Holdings LLC	Elgin (Cook County)	$20,000,000	36	25	RF/BF
TOTAL BUSINESS AND INDUSTRY PROJECTS			**$20,000,000**	**36**	**25**	

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

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds *Final*						
2	The University of Chicago	Chicago (Cook County)	$400,000,000	48	5,323	RF/BF
501(c)(3) Revenue Bonds *Final (One-Time Consideration)*						
3	Providence St. Mel School	Chicago (Cook County)	$22,000,000	N/A	40	RF/BF
4	Columbia College Chicago	Chicago (Cook County)	$75,000,000	N/A	N/A	RF/BF
TOTAL EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS			**$497,000,000**	**48**	**5,363**	

HEALTHCARE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
501(c)(3) Revenue Bonds *Final (One-Time Consideration)*						
5	The Joint Commission on Accreditation of Healthcare Organizations	Oakbrook Terrace (DuPage County)	$16,000,000	N/A	30	PL
6	Advocate Health and Hospitals Corporation	Chicago, Oak Lawn, Park Ridge, Hazel Crest (Cook County), Downers Grove (DuPage County), Barrington, Libertyville (Lake County), Bloomington-Normal (McLean County) and Eureka (Woodford County)	$328,565,000	N/A	115	PL
501(c)(3) Revenue Bonds *Preliminary*						
7	Plymouth Place, Inc.	La Grange Park (Cook County)	$65,000,000	N/A	N/A	PL
TOTAL HEALTHCARE PROJECTS			**$409,565,000**	**N/A**	**145**	

PROJECT REPORTS AND RESOLUTIONS

LOCAL GOVERNMENT AND GOVERNMENT PURPOSE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Fire Truck Revolving Loan Fund *Final (One-Time Consideration)*						
8	2015 Fire Truck Revolving Loan Fund	Up to 36 Fire Departments and Fire Protection Districts Throughout the State	$6,342,359	N/A	N/A	RF/PE
Local Government Direct Bond Purchase *Final (One-Time Consideration)*						
9	City of Blue Island	Blue Island (Cook County)	$1,300,000	N/A	7	RF
TOTAL LOCAL GOVERNMENT AND GOVERNMENT PURPOSE PROJECTS			**$7,642,359**	**N/A**	**7**	
GRAND TOTAL			**$934,207,359**	**84**	**5,540**	

RESOLUTIONS

Tab	Action	Staff
Resolutions		
10	Resolution Authorizing the Issuance of Not to Exceed $25,000,000 in Aggregate Principal Amount of Illinois Finance Authority Revenue Bonds, Series 2015 (Goodman Theatre Project), the Proceeds of which are to be Loaned to Chicago Theatre Group, Inc., Operating as the Goodman Theatre	RF/BF

160 North LaSalle St.
Suite S-1000
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

August 13, 2015

TO:	R. Robert Funderburg, Jr., Chairman Eric Anderberg Gila J. Bronner James J. Fuentes Michael W. Goetz Robert Horne Lerry Knox	Terrence M. O'Brien Mayor Barrett F. Pedersen Roger Poole Mordecai Tessler John Yonover Bradley A. Zeller

RE: Message from the Executive Director

Dear Members of the Authority:

A Strong and Diverse August Agenda

I am very pleased that the August agenda provides the second successive agenda with a total dollar value close to or in excess of one billion dollars. The August agenda also demonstrates the broad range of Authority activity undertaken by our staff: an industrial revenue bond; both higher and secondary not-for-profit education projects; hospitals and accreditation agencies; senior living; a local government direct loan and a portfolio of fire truck loans to local governments undertaken in partnership with the Office of the State Fire Marshal. I want to highlight the depth of work undertaken by Authority staff in connection with the 36 local government fire truck loans on this month's agenda. The fire truck loan program is a statutory mission program for the Authority, one that we hope improves the readiness and responsiveness of fire departments across our State.

While strong agendas in the first quarter of the fiscal year are not a guarantee of strong agendas throughout the year, it certainly helps to start the new fiscal year with numerous and diverse projects. I am grateful not only to our borrowers who have chosen to work with the Authority but also to our staff for delivering value to our borrowers.

The Pilot DACA Medical School Loan Program

In addition to a full project agenda for August, the Authority is pleased to have a special item on the agenda. We will welcome representatives of and students from the Loyola University Stritch School of Medicine (Stritch). The Authority launched an innovative program to provide loans, not otherwise available, to medical students who arrived in this country as children and whose immigration status is currently governed by the federal Deferred Action for Childhood Arrivals (DACA) policy. These students receive Authority loans in exchange to service in medically underserved Illinois communities after they finish their residencies and become doctors. On July 31, Rob and I were privileged to join U.S. Senator Dick Durbin, former Authority Chair, Bill Brandt, and Stritch Dean Linda Brubaker in celebrating the first two classes enrolled under this innovative program. One of the Authority's borrowers, Trinity Health Systems, has followed the Authority's lead and also funded loans to DACA medical students. We believe that the pilot DACA program not only attracts the best and the brightest medical talent from around the globe to Illinois but will also help Illinois communities in the greatest need of doctors.

Welcome New Members: Eric Anderberg and Robert Horne

On July 31, Governor Bruce Rauner appointed two new volunteer members to the Authority. Eric Anderberg, who lives in DeKalb County, brings an extensive background in manufacturing, banking and farming to the Authority. Robert Horne brings more than 20 years in management and leadership experience with a particular emphasis in commercial real estate development to the Authority. We look forward to working with both Mr. Anderberg and Mr. Horne.

Thank you to Ed Leonard and Norm Gold

It is with deep appreciation that we say good-bye and thank you to Ed Leonard and Norm Gold for their volunteer public service to the people of Illinois as Authority Board members. We know that Authority Board service involves personal and professional sacrifice as well as time-consuming travel for those who do not live in Northern Illinois. Ed joined the Authority in 2004 and was a tireless advocate for the Authority's agricultural mission. Norm joined the Authority in 2010**.** Norm's attention to detail and sharp insights during the Authority's meetings will be missed. On behalf of the Board and staff of the Authority, we thank both Ed and Norm for their commitment to public service to the people of Illinois.

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

Respectfully,

____
Christopher B. Meister
Executive Director

BOARD MINUTES

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
THURSDAY, JULY 9, 2015
9:53 A.M.

I. Call to Order & Roll Call

At the regular meeting of the Board of Directors of the Illinois Finance Authority (the "Board"), begun and held at the Michael A. Bilandic Building, 160 North LaSalle Street, Hearing Room N -808, Chicago, Illinois 60601, on the second Thursday of July in the year 2015, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the "Act"), R. Robert Funderburg, Jr., Chairman of the Board, called the Board to order and presided over deliberations.

By direction of the Chairman, a roll call was taken to ascertain the attendance of Members, as follows: 10 Members physically present and 1 Member present by means of audio conference.

On the question of a quorum of Members physically present at the location of this open meeting, the Assistant Secretary of the Board declared that a quorum had been constituted.

ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
BOARD ROLL CALL
QUORUM ROLL CALL FOR ATTENDANCE

July 9, 2015

0 YEAS		0 NAYS		11 PRESENT	
P	Bronner	P	Leonard (VIA AUDIO CONFERENCE)	P	Yonover
P	Fuentes	P	O'Brien	P	Zeller
P	Goetz	E	Pedersen	P	Mr. Chairman
P	Gold	P	Poole		
P	Knox	E	Tessler		

E – Denotes Excused Absence

II. Chairman's Remarks

Chairman Funderburg welcomed Members of the Board, Authority staff and all guests present.

Furthermore, Chairman Funderburg introduced Member Yonover, recently appointed by Governor Rauner. Chairman Funderburg expressed his gratitude to Member Yonover for serving the great state of Illinois.

III. Message from the Executive Director

Executive Director Meister congratulated Member Yonover on his appointment and expressed his desire to work collaboratively together for the benefit of the Authority.

Executive Director Meister informed the Board that the Authority's fiscal year concluded June 30, 2015. Executive Director Meister reported that the Authority had a very successful year, including the financing of many great projects.

Executive Director Meister thanked Chairman Funderburg and all Members of the Board for their volunteer public service; additionally, Executive Director Meister thanked Authority staff for their collective efforts despite having a lower headcount than in years' prior.

IV. Consideration of the Minutes

Chairman Funderburg asked if the Members wished to direct the Assistant Secretary of the Board to correct any errors in the Minutes of the regular meeting of the Committee of the Whole held on June 11, 2015 or in the Minutes of the regular meeting of the Board held on June 11, 2015.

Minutes of the regular meeting of the Committee of the Whole held on June 11, 2015 and Minutes of the regular meeting of the Board held on June 11, 2015 were taken up for consideration.

Member Goetz moved for the adoption of the Minutes.

Member O'Brien seconded the motion.

The motion prevailed and the Minutes were adopted.

V. Presentation and Consideration of the Financial Statements

Ms. Gildart presented the following monthly and annual summary as of May 31, and June 30, 2015:

Ms. Gildart noted that due to the timing/receipt of external information and the Authority's printing schedule, some of the following financial information for June 2015 is projected:

1. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME

a. **Projected Annual Operating Revenues** totaled $4 million, while annual Projected Net Non-Operating Revenues totaled $179 thousand. Total projected annual combined revenues of $4.1 million are $278 thousand or 22% below budget; due primarily to lower than expected closing and miscellaneous fees. Closing fees year to date of $2.3 million, are $156 thousand or 6% below budget. Included in Interest Income on Loans, the projected year to date revenue accrued for interest due from the former IRBB local governments totaled $961 thousand. Annual fees of $366 thousand are 8% or $28 thousand higher than budget. Administrative service fees are also 18% higher than budgeted, totaling $136 thousand for the year. Annual projected net investment income of $170 thousand is almost 3 times the fiscal year 2014's ending total as of June.

b. In **June**, the Authority generated $208 thousand in closing fees, which is above the average monthly total of $193 thousand. Closing fees were received from: ***Northwestern University***, $138 thousand, ***Midwestern University***, $56 thousand and ***Agriculture-related closings*** of $14 thousand. An additional closing from ***May*** included ***Palos Community Hospital***, $138 thousand. In ***June***, administrative service fees of $10 thousand were also booked for ***National Jewish Foundation***. June's projected net investment revenue totaled $8 thousand.

c. **Projected Annual Operating Expenses** of $3.7 million are $702 thousand or 16% lower than budget, mostly driven by lower employee-related expenses and professional service costs. Projected year to date employee expenses total $1.7 million and projected professional services total $1.3 million, with employee costs 21.6% below budget and professional services 15% below budget. Actual costs in professional services in June include FY14 external audit costs of $110K due to the Office of the Auditor General. Projected annual occupancy costs total $275 thousand and are $17 thousand or 5.7% under budget. This function includes estimates of $75K in additional move costs for the Chicago Office to be incurred by June 30th, with the remaining build out costs and moving expenses to be charged to FY16. Projected general and administrative costs are $372 thousand for the year, which is 11.3% over budget. Other contributors to lower projected overall year to date operating costs include delays for the debt management software application, Chicago Office permanent move, execution of the contract for accounting software and maintenance, reduced internal audit fees and reduced staff costs.

d. **Projected June Monthly Net Loss -**$86 thousand. On a year to date basis, the Authority currently shows Projected Annual Net Income of $754 thousand. Major contributors to the positive bottom line include the level of overall spending at 16% below budget and the transfer of the remaining IRBB reserve funds earlier this fiscal year of nearly $300K. Budgeted net income at this point in the fiscal year is just $37 thousand.

Ms. Gildart noted that the Balance Sheet and all activity of other funds are presented as of May 31, 2015.

2. ALL FUNDS-ASSETS, LIABILITIES AND NET POSITION

The Authority, as of May 2015, is a $119 million dollar agency which also currently accounts for nearly $300 million in total activity (including the Other State of Illinois Debt Fund) and maintains compliance for nearly $24 billion in outstanding debt.

---

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

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

In the General Fund, IFA continues to maintain a strong balance sheet with total net position of $52.7 million. The total assets in the General Fund are $53.3 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total $29.3 million, notes receivables for the former IRBB local governments total $20.5 million, other loans receivables are at $2.1 million and restricted cash in the DACA Loan Fund totals $1.3 million. Liabilities, current and non-current, total just $602 thousand.

4. YEAR TO DATE ACTIVITY FOR ALL OTHER FUNDS

a. In accordance with governmental accounting standards, the "Other State of Illinois Debt Fund" is comprised of bond activity for the Illinois Environmental Protection Agency (IEPA), the Illinois Medical District Commission (IMDC) and Northern Illinois University Foundation (NIUF). The majority of the activity in this fund derives from the Clean Water Initiative for IEPA. The Authority is working with each component unit to ensure proper consolidated, state-wide financial reporting as of June 30, 2015.

b. The Locally Held Fire Truck and Ambulance Revolving Loan Funds have total year to date receipts of $411 thousand. An additional $195 thousand is in transit from the Office of the State Fire Marshal (OSFM) to be deposited into the Authority's locally held fund as of June 30, 2015. New Fire Truck Revolving Loans, totaling at least $6 million, are expected to be presented for the Board's approval at the August 2015 meeting. Net investment income from both funds equals $66 thousand. Monies have been invested since July 2014. Net position of $22 million for Fire Truck and $4.2 million for Ambulance, are now shown on the Authority's books due to recent statutory changes.

c. Other Nonmajor Funds booked revenues of $215 thousand, of which, $178 thousand is derived from investment activity. Year to date, the nonmajor funds show a net loss of $93 thousand, driven by the transfer of funds out of the IRBB Reserve Fund to the General Operating Fund. All other activities result in positive net income of $201 thousand as of May. Total Net Position in the Nonmajor Funds is $39.5 million.

d. The Agency/Fiduciary Funds for IFA include both the Metro East Police District Commission and the Illinois Finance Authority NFP Development Fund, with combined current assets of $61 thousand.

5. FY14 AND FY15 FINANC IAL/COMPLIANCE AUDITS and GASB UPDATES

a. Fieldwork for the FY14 and FY15 compliance and financial audits is ongoing. The current IFA audits will be the last performed by Special Assistant Auditors for the Illinois Auditor General, EC Ortiz, LLP. The Authority will have new auditors beginning with the FY16 financial audit.

b. Upcoming Governmental Accounting Standards Board (GASB) changes to Authority financial reporting, affect fair value measurements and application for investments, leases and fiduciary activities, with some changes taking effect July 1, 2015. The Authority will continue to monitor these developments to ensure proper implementation of these new standards to Authority financial reporting, as applicable.

6. <u>OTHER SUPPLEMENTARY FINANCIAL INFORMATION</u>

a. The Schedule of Debt is being presented as supplementary financial information immediately following the financial statements in the board package as of July 2015. The Monthly Flash Report is included as separately distributed supplementary financial information for the Board's review.

Projected preliminary and unaudited Statement of Revenues, Expenses and Net Income as of June 30, 2015, and preliminary and unaudited Statement of Net Position as of May 31, 2015 were taken up for consideration.

Member O'Brien moved for the acceptance of the Financial Statements.

Member Fuentes seconded the motion.

The motion prevailed and the Financial Statements were accepted.

VI. Monthly Procurement Report

Ms. Gildart presented the Monthly Procurement Report, which included contracts pending execution, contract renewals, new contracts, upcoming solicitations, and a list of vendors procured by the State of Illinois without action needed by Members of the Authority.

Specifically, Ms. Gildart noted that contracts for (i) Payroll Services and Employee Benefits, (ii) Temporary Finance/Procurement/Compliance Staffing, (iii) Legislative Services, (iv) Marketing Services and (v) New Markets Tax Credits Services will all expire within the next 60-90 days.

VII. Committee Reports

Compensation Committee

Member O'Brien reported that the Compensation Committee reviewed and recommended approval of the following resolution: Item 8.

VIII. Presentation and Consideration of Project Reports and Resolutions

Chairman Funderburg asked for the general consent of the Members to consider the projects and resolutions collectively and to have the subsequent recorded vote applied to each individual project and resolution, unless there is any specific project or resolution that a Member would like to consider separately.

Hearing no objections, Chairman Funderburg directed Ms. Lenane, Mr. Fletcher, Mr. Frampton and Executive Director Meister to present the projects and resolutions to the Board.

Ms. Lenane presented the following project:

Healthcare Projects

Item 5: Item 5 is a request for 501(c)(3) Revenue Bond financing.

Villa St. Benedict is requesting approval of a Final Bond Resolution in an amount not to exceed $45,000,000.

Villa St. Benedict, a Minnesota nonprofit corporation authorized to transact business in the State of Illinois (the "Corporation"), has requested that the Authority issue not to exceed $45,000,000 in aggregate principal amount of revenue bonds consisting of one or more series of Revenue Refunding Bonds, Series 2015 (Villa St. Benedict) (the "Series 2015 Bonds"), and loan the proceeds thereof to the Corporation, in order to assist the Corporation in providing all or some of the funds necessary to do any or all of the following: (i) refunding all of the outstanding principal amount of the Illinois Health Facilities Authority Revenue Bonds, Series 2003A-1 (Villa St. Benedict Project) (the "Prior Bonds"), the proceeds of which were loaned to the Corporation to pay or reimburse the Corporation for the payment of the costs of acquiring, constructing and equipping certain senior living facilities of the Corporation, (ii) financing, refinancing or reimbursing the Corporation for all or a portion of the costs, including capitalized interest, if any, of renovating and equipping the Corporation's existing senior living facilities, (iii) funding a debt service reserve fund, if deemed necessary or advisable by the Corporation or the Authority, and (iv) paying certain expenses incurred in connection with the issuance of the Series 2015 Bonds and the refunding of the Prior Bonds, all as permitted by the Illinois Finance Authority Act.

Ms. Lenane informed the Board that the Corporation is requesting a waiver of the Authority's denomination policy for non-rated debt. The resolution approving the financing will be subject to the delivery of a an executed Feasibility Study to the Authority, which Feasibility Study shall demonstrate the financial viability of the Corporation after the issuance of the Series 2015 Bonds and the ability of the Corporation to pay debt service on the Series 2015 Bonds. The Corporation is also requesting a waiver of the requirement that there has not been a default in the preceding 3 years, since they have been operating under a forbearance agreement with the bondholders since 2010.

Ms. Lenane announced that Mr. Kevin Rymanowski, Chief Financial Officer of Benedictine Health Systems, and Ms. Kathy DeChristina, Executive Director of Villa St. Benedict, were present and ready to speak on behalf of Item 5.

Mr. Rymanowski thanked the Board for their consideration of this financing. Mr. Rymanowski reported that although the Corporation has operated the campus under a Forbearance Agreement since August 1, 2010, after much effort the interest due to the Bondholders is current and paid in full. During the extended fill period, Benedictine Health System ("BHS") and the Benedictine Sisters of the Sacred Heart have advanced cash to cover operating losses and certain amounts due for debt service. BHS has taken back notes to evidence the advances, but to date cash flow has been insufficient to make any payments on this obligation.

Ms. DeChristina thanked the Board for their consideration of this financing.

Member O'Brien inquired as to the marketability of the proposed bond offering. Ms. Lenane informed Member O'Brien and the Board that the underwriter expects many of the same institutional investors that have been bondholders of the Prior Bonds are likely to purchase the proposed Series 2015 Bonds.

Member Goetz inquired why the Corporation needs a waiver of the Authority's denomination policy if it is expected that institutional investors will purchase the Series 2015 Bonds. Mr. Rymanowski clarified that the waiver will benefit the institutional investors' ability to sell the proposed Series 2015 Bonds in the secondary market at a later time, if so desired.

Executive Director Meister and Mr. Steve Johnson, Managing Director of B.C. Ziegler and Company, engaged in a conversation about continuing disclosure practices. Mr. Johnson confirmed that the Corporation would have the continuing disclosure obligation to bondholders and to the market. Continuing disclosure for the Series 2015 Bonds would be available for free on the internet at the Municipal Securities Rulemaking Board's EMMA website: http://emma.msrb.org.

Member Yonover and Ms. Lenane engaged in a discussion about the waiver of the Authority's denomination policy which otherwise requires non-rated bonds be sold in minimum denominations of $100,000. Also, Ms. Lenane informed the Board of the administrative closing fee that the Authority will receive for issuing the Series 2015 Bonds.

Member Knox expressed his belief that this proposed financing is vital to the Authority's core mission, whereby the Authority provides conduit non-profit borrowers, particularly distressed borrowers, with the ability to access the capital markets at tax-exempt rates. Member Knox stated that as long as buyers exist for the Series 2015 Bonds, the Authority needs to fulfill its mission.

Mr. Fletcher presented the following project:

Local Government and Government Purpose Projects

Item 1: Item 1 is a request for Local Government Revenue Bond financing.

Community Unit School District No. 3 Saline County (Harrisburg) is requesting approval of a Final Bond Resolution in an amount not to exceed $24,000,000. This financing is being presented for one-time consideration.

Proceeds of the Series 2015A Bonds will be used to purchase Local Government Securities issued by Community Unit School District Number 3, Saline County, Illinois (the "District") to: (a) demolish, reconstruct, renovate, alter, repair and equip a portion of the Harrisburg High School Buildings and renovate, alter, repair and equip other portions of such buildings, and improve the sites thereof and (b) pay costs associated with the issuance of the Series 2015A Bonds (the "2015A Financing Purposes"); and proceeds of the Series 2015B Bonds will be used to purchase Local Government Securities issued by the District to: (a) construct fire prevention and life safety improvements to the existing school buildings of the District, (b) refund certain outstanding bonds of the District and (c) pay costs associated with the issuance of the Series 2015B Bonds (the "2015B Financing Purposes" and, collectively with the 2015A Financing Purposes, the "Financing Purposes").

Member Goetz and Member Zeller engaged in a discussion concerning the County School Facility Occupation Tax securing the Series 2015A Bonds, which will be issued as alternate source revenue bonds. Mr. Fletcher informed the Board that on March 20, 2012, a majority of the voters of Saline County at the general primary election approved of imposing a 1% County School Facility Occupation Tax – or "Facility Sales Tax" by referendum. Proceeds on the incremental increase of the sales tax can only be used specifically for school capital expenditure projects, pursuant to State law.

Mr. Frampton presented the following projects:

Educational, Cultural and Non-Healthcare 501(c)(3) Projects

Item 2: Item 2 is a request for 501(c)(3) Revenue Bond financing.

Field Museum of Natural History is requesting approval of a Final Bond Resolution in an amount not to exceed $93,000,000.

Bonds will be issued in one or more series and the proceeds will be used by the Field Museum of Natural History (the "Museum", or the "Borrower"), to provide for the (i) refunding of the outstanding principal balances of the following bond issues issued on behalf of the Museum: (a) Illinois Educational Facilities (hereinafter, "IEFA") Series 1985 Revenue Bonds, (b) IEFA Series 1990 Revenue Bonds, (c) IEFA Series 1998 Revenue Bonds, and (d) IEFA Series 2000 Revenue Bonds (collectively, the "Prior Bonds"), and (ii) prospectively, to fund all or a portion of the costs of refunding the Prior Bonds, as permitted under the Illinois Finance Authority Act (collectively with refunding of the Prior Bonds, the "Financing Purposes").

Item 3: Item 3 is a request for 501(c)(3) Revenue Bond financing.

Shedd Aquarium Society is requesting approval of a Final Bond Resolution in an amount not to exceed $23,000,000. This financing is being presented for one-time consideration.

Shedd Aquarium Society, an Illinois not-for-profit corporation (the "Corporation"), has requested that the Authority issue not to exceed $23,000,000 (excluding original issue discount or premium, if any) in principal amount of its Revenue Bond, Shedd Aquarium Society, Series 2015 (the "Series 2015 Bond") and loan the proceeds thereof to the Corporation in order to assist the Corporation in providing a portion of the funds necessary to do any or all of the following: (i) refund all or a portion of the outstanding Illinois Finance Authority Revenue Refunding Bonds, Shedd Aquarium Society, Series 2005 (the "Series 2005 Bonds") issued in the original aggregate principal amount of $34,435,000, $22,945,000 of which remain outstanding; and (ii) pay certain expenses incurred in connection with the issuance of the Series 2015 Bond and the refunding of the Series 2005 Bonds, if deemed necessary or desirable by the Corporation, all as permitted by the Illinois Finance Authority Act (collectively the "Financing Purposes").

Item 4: Item 4 is a request for 501(c)(3) Revenue Bond financing.

The University of Chicago is requesting approval of a Preliminary Bond Resolution in an amount not to exceed $585,000,000.

Bond proceeds issued for the benefit of The University of Chicago, an Illinois not for profit corporation (the "Borrower"), will be used for the purpose of providing the Borrower with all or a portion of the funds necessary to (i) finance, refinance, or reimburse the Borrower for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, renovation, improvement, expansion and equipping of certain of its educational facilities (collectively, the "New Projects"), (ii) refund, advance refund or provide for the payment of all or a portion of certain tax-exempt revenue bonds (the "Prior Bonds"), the proceeds of which were used, among other things, to finance, refinance or reimburse the Borrower for certain costs relating to the acquisition, construction, renovation, improvement and equipping of certain of its educational facilities, (iii) pay certain working capital expenditures if deemed desirable by the Borrower, (iv) fund one or more debt service reserve funds for the Bonds if deemed desirable by the Borrower, and (v) pay certain costs relating to the issuance of the Bonds, including the costs of bond insurance or other credit or liquidity enhancement, if any, and certain costs incurred in connection with the refunding, advance refunding or provision for payment of all or a portion of the Prior Bonds, all as permitted under the Illinois Finance Authority Act (collectively, the "Financing Purposes").

Mr. Frampton confirmed for Member Goetz that as part of the underwriting syndicate, the Borrower has selected Loop Capital Markets LLC to serve as one of the Co-Managers. Additionally, Pugh Jones & Johnson, P.C. which is also a MBE firm, has been engaged by the underwriting syndicate.

Ms. Lenane presented the following project:

Healthcare Projects

Item 6: Item 6 is a request for 501(c)(3) Revenue Bond financing.

OSF Healthcare System is requesting approval of a Final Bond Resolution in an amount not to exceed $500,000,000. This financing is being presented for one-time consideration.

Proceeds of bonds issued in aggregate principal amount of revenue bonds consisting of (i) one or more series of tax-exempt Revenue Bonds, Series 2015 (OSF Healthcare System) bearing interest at variable rates (the "Variable Rate Bonds"), (ii) one or more series of tax-exempt Revenue Bonds, Series 2015 (OSF Healthcare System) bearing interest at fixed rates (the "Fixed Rate Bonds") and (iii) one or more series of taxable Revenue Bonds, Series 2015 (OSF Healthcare System) bearing interest at variable rates (the "Taxable Bonds" and, together with the Variable Rate Bonds and the Fixed Rate

> Bonds, the "Series 2015 Bonds") for the benefit of OSF Healthcare System, an Illinois not for profit corporation (the "Corporation"), will be loaned to the Corporation in order to assist the Corporation in providing the funds necessary to do any or all of the following: (i) pay or reimburse the Corporation for, or refinance, the costs of acquiring, constructing, renovating, remodeling and equipping certain health facilities owned by the Corporation or its affiliates, including but not limited to the acquisition, construction, renovation, remodeling and equipping of an approximately 144,247 square foot four story bed pavilion addition (including all necessary and attendant facilities, equipment, site work and utilities) to OSF Saint Anthony Medical Center in Rockford, Illinois (collectively, the "Project"); (ii) refund all or a portion of the (a) Illinois Finance Authority Revenue Bonds, Series 2007A (OSF Healthcare System) (the "Series 2007A Bonds"), (b) Illinois Finance Authority Revenue Bonds, Series 2009A (OSF Healthcare System) (the "Series 2009A Bonds"), and (c) Illinois Finance Authority Revenue Bond, Series 2009E (OSF Healthcare System) (the "Series 2009E Bonds" and, together with the Series 2007A Bonds and the Series 2009A Bonds, the "Prior Bonds"); (iii) refinance certain taxable indebtedness of the Corporation (the "Prior Debt") the proceeds of which were used to refinance the (a) Illinois Finance Authority Revenue Bonds, Series 2006 (Kewanee Hospital Project), (b) Illinois Finance Authority Revenue Bond, Series 2010A (Saint Anthony's Health Center), (c) Illinois Finance Authority Revenue Bond, Series 2010B (Saint Anthony's Health Center), and (d) Illinois Finance Authority Revenue Bond, Series 2010C (Saint Anthony's Health Center) (collectively, the "Refinanced Bonds"), (iv) pay a portion of the interest on the Series 2015 Bonds, if deemed necessary or advisable by the Authority or the Corporation; (v) provide working capital, if deemed necessary or advisable by the Authority or the Corporation; (vi) pay the costs of terminating certain interest rate agreements of the Corporation related to the Series 2015 Bonds; (vii) fund a debt service reserve fund for the benefit of the Series 2015 Bonds, if deemed necessary or advisable by the Authority or the Corporation; and (viii) pay certain expenses, including any costs incurred for providing liquidity or credit enhancement for the Series 2015 Bonds, incurred in connection with the issuance of the Series 2015 Bonds, the refunding of the Prior Bonds and the refinancing of the Prior Debt, all as permitted by the Illinois Finance Authority Act (collectively, the "Financing Purposes").

Ms. Lenane announced that Ms. Anne Donahoe, Financial Advisor to OSF Healthcare Systems, was present and ready to speak on behalf of Item 6.

Ms. Donahoe thanked the Board for their consideration of this financing.

Member Yonover inquired about the Corporation's fiscal year end date. Ms. Donahoe clarified that the Corporation's fiscal year end date is September 30. Accordingly, Ms. Donahoe and Ms. Lenane informed the Board that in the summary of the Corporation's audited financials, the Income Statement, Balance Sheet and corresponding ratios as of March 31, 2015 are for the preceding 6 months, not a full fiscal year.

Member O'Brien and Ms. Donahoe engaged in a conversation regarding the composition of OSF Healthcare System's Board of Directors. Member O'Brien expressed his belief that it is a unique composition given that a majority of members of the Board of Directors are Sisters of the Third Order of St. Francis and not business professionals. Member O'Brien and the Board agreed that the Sisters of the Third Order of St. Francis are performing well as the sole corporate member of OSF Healthcare System.

Executive Director Meister presented the following resolutions:

Resolutions

Item 7: Item 7 is a Resolution Adopting the Fiscal Year 2016 Illinois Finance Authority Budget.

Member Bronner inquired about the cost of the external financial and compliance audit. Ms. Gildart informed the Board that the respective expense is budgeted at $225,000, reflecting a two-year compliance audit, a one-year financial audit and additional costs relating to new external Special Assistant Auditors being assigned to the Authority from the Office of the Auditor General pursuant to the start of a new term as contemplated per State statute.

Executive Director Meister and Ms. Gildart clarified for the Board that unlike private corporations, the Authority's external auditors are retained, hired, selected and managed by the Office of the Auditor General – serving as Special Assistant Auditors for the Auditor General, whom is an independent constitutional officer. However, the cost burden to the Authority not only reflects the costs of the Special Assistant Auditors but also costs related to staff of the Office of the Auditor General.

Member O'Brien asked for more information concerning the budget line items for the Board of Directors and Executive Director. Ms. Gildart informed the Board that Director's and Officer's Insurance constitutes a significant portion of the expenses for Board of Directors, among other line items which include travel reimbursement, printing costs and new Information Technology equipment for Members.

Executive Director Meister introduced Mr. Kevin Riordan, Vice President of Mesirow Financial Holdings, Inc. Also, Executive Director Meister explained that purchasing communications equipment for each Member will help create a firewall between Member's respective personal or business communications and Authority communications.

Concerning the budgeted line items for Executive Director, Ms. Gildart stated that the major line item expenses were two wages of two employees, including wage increases for each, as well as financial advisory services and marketing services for the Authority.

Executive Director Meister complemented Ms. Gildart for implementing a cost-center budgeting process, which helps the Authority potentially recover costs in a more efficient manner as needed. However, Chairman Funderburg and Member Bronner expressed their belief that the Board should be provided a comprehensive line item budget rather than just a budget with overall cost-center revenues and expenses.

Ms. Gildart informed the Board of major line items for each of the cost-centers in the budget and offered to provide even further detail as requested.

Member Bronner inquired if staff of the Authority has a plan in place to reduce expenses of the Authority if it appears projected revenues are not met throughout the year. Executive Director Meister and Ms. Gildart informed the Board that they are working on implementation of monthly actual versus budget reporting so that the Board can timely monitor the Authority net position and make recommendations appropriately.

Item 8: Item 8 is a Resolution Adopting the Report of the Compensation Committee.

Member O'Brien again reported that the Compensation Committee met earlier and reviewed recommendations of the Executive Director for wages for current and future staff of the Authority. Member O'Brien reported that after discussing various wage adjustments for current Authority staff and discussing wages for potential Authority staff, the Compensation Committee recommended approval of Item 8.

Member O'Brien reminded the Board that current Authority staff's wages have remained fixed for two years despite assuming a larger workload due to lower headcount.

Item 9: Item 9 is a Resolution Organizing the Committees of the Illinois Finance Authority.

Executive Director Meister explained to the Board that the new committee structure as proposed in Item 9 is based in part on the committee structure of University of Illinois' Board of Trustees.

Item 10: Item 10 is a Resolution Approving the Schedule of Regular Meetings for Fiscal Year 2016.

Member Goetz moved for the adoption of the following projects and resolutions: Items 1, 2, 3, 4, 5, 7, 8, 9 and 10.

Member Knox seconded the motion.

And on that motion, a roll call vote was taken, resulting as follows: 11 Yeas; 0 Nays; 0 Answering Present.

These projects and resolutions, having received the votes of a quorum of the Members of the Board, were declared passed and adopted, respectively.

Next, Member Goetz moved for the adoption of the following project: Item 6.

Member O'Brien seconded the motion.

And on that motion, a roll call vote was taken, resulting as follows: 10 Yeas; 0 Nays; 0 Answering Present; 1 Abstention (Funderburg).

Chairman Funderburg abstained from casting a vote for Item 6, declaring in a statement that he serves as Chairman of the Board of Directors of Alpine Bank and Alpine Bancorporation, Inc., which has a business relationship with OSF Healthcare System.

This project, having received the votes of a quorum of the Members of the Board, was declared passed.

IX. Other Business

None.

X. Public Comment

None.

XI. Adjournment

At the time of 10:57 a.m., Member Zeller moved that the Board do now adjourn until August 13, 2015, at 9:30 a.m.

Member Fuentes seconded the motion.

The motion prevailed.

And the Board stood adjourned.

Minutes published by:
Brad R. Fletcher
Assistant Secretary of the Board

IFA ILLINOIS FINANCE AUTHORITY

160 North LaSalle Street
Suite S-1000
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

FINANCIAL ANALYSIS

August 13, 2015

V. PRESENTATION AND CONSIDERATION OF THE FINANCIAL STATEMENTS MONTHLY AND ANNUAL SUMMARY AS OF JUNE 30, 2015 and JULY 31, 2015*

***Due to the timing/receipt of external information and the Authority's printing schedule, financial information for July 2015 is projected. All information is preliminary and unaudited.**

1. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME

FISCAL YEAR 2015

a. **Unaudited Annual Operating Revenues** totaled $4.1 million, while annual Unaudited Net Non-Operating Revenues totaled $145 thousand. Unaudited total annual combined revenues of $4.2 million are $180 thousand or 4% below budget; due primarily to lower than expected closing and miscellaneous fees. Closing fees year to date of $2.3 million, are $156 thousand or 6% below budget. Included in Interest Income on Loans, the unaudited year to date revenue accrued for interest due from the former IRBB local governments totaled $1 million. Annual fees of $366 thousand are 8% or $28 thousand higher than budget. Administrative service fees are also 18% higher than budgeted, totaling $136 thousand for the year. Other non-fee generated revenues are $126 thousand for the year. Net investment income of $200 thousand is greater than 3 times the fiscal year 2014's ending total as of June.

b. **Unaudited Annual Operating Expenses** of $3.9 million are $509 thousand or 12% lower than budget, mostly driven by lower employee-related expenses. Year to date employee expenses total $1.7 million, which is 22% below budget. Professional services total $1.5 million, which is 2% below budget. Actual costs in professional services in June include FY14 external audit costs of $110K and year end accruals for legal, financial advisory, and other services. Annual occupancy costs total $270 thousand and are $21 thousand or 7% under budget. This function includes accruals for build out expenses for the Chicago Office incurred in FY15, with the remaining build out costs and moving expenses to be charged to FY16. General and administrative costs are $376 thousand for the year, which is 13% over budget. Other contributors to lower projected overall year to date operating costs include delays for the debt management software application, the Chicago Office permanent move, execution of the contract for accounting software and maintenance, reduced internal audit fees and reduced staff costs.

c. **Unaudited June Monthly Net Loss** is -$180 thousand. On a **year to date** basis, the Authority currently shows Annual Net Income of $660 thousand. Major contributors to the positive bottom line include the level of overall spending at 12% below budget and the transfer of the remaining IRBB reserve funds earlier this fiscal year of nearly $300K. Budgeted net income for fiscal year 2015 was $37 thousand.

FISCAL YEAR 2016

a. In **July**, the Authority generated $170 thousand in closing fees. Closing fees were received from: ***North Central College***, $44 thousand, ***Shedd Aquarium Society***, $36 thousand and ***Field Museum of Natural History***, $89 thousand. All other balances presented for July are projected.

b. At the July meeting, the Board adopted a budget for fiscal year 2016 including Revenues of $4,971,178, Expenses of $4,958,678, and Net Income of $12,500.

---

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

V. PRESENTATION AND CONSIDERATION OF THE FINANCIAL STATEMENTS MONTHLY AND ANNUAL SUMMARY AS OF JUNE 30, 2015 and JULY 31, 2015* (CONT'D)*

***Balance sheet and all activity of other funds is presented as of June 30, 2015**

2. ALL FUNDS-ASSETS, LIABILITIES AND NET POSITION

The Authority, as of June 2015, is a $127 million dollar agency which also currently accounts for $300 million in total activity (including the Other State of Illinois Debt Fund) and maintains compliance for nearly $24 billion in outstanding debt.

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

In the General Fund, IFA continues to maintain a strong balance sheet with total net position of $52.6 million. The total assets in the General Fund are $53.1 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total $29 million, notes receivables for the former IRBB local governments total $20.5 million, other loans receivables are at $1.6 million and restricted cash in the DACA Loan Fund totals $1.3 million. An intergovernmental receivable of $112 thousand is owed to the Authority by Illinois Department of Transportation for the reimbursement of professional service expenses. Liabilities, current and non-current, total just $553 thousand.

4. YEAR TO DATE ACTIVITY FOR ALL OTHER FUNDS

a. In accordance with governmental accounting standards, the "Other State of Illinois Debt Fund" is comprised of bond activity for the Illinois Environmental Protection Agency (IEPA), the Illinois Medical District Commission (IMDC) and Northern Illinois University Foundation (NIUF). The majority of the activity in this fund derives from the Clean Water Initiative for IEPA. The Authority is working with each component unit to ensure proper consolidated, state-wide financial reporting as of June 30, 2015.

b. The Locally Held Fire Truck and Ambulance Revolving Loan Funds have total year to date receipts of $448 thousand. An additional $207 thousand is in transit from the Office of the State Fire Marshal (OSFM) to be deposited into the Authority's locally held fund as of June 30, 2015. New Fire Truck Revolving Loans, totaling at least $6 million, will be issued per the Board's approval at the August 2015 meeting. Net investment income from both funds equals $66 thousand. Monies have been invested since July 2014. Net position of $22.1 million for Fire Truck and $4.2 million for Ambulance, are now shown on the Authority's books due to recent statutory changes.

c. Other Nonmajor Funds booked revenues of $214 thousand, of which, $174 thousand is derived from investment activity. Year to date, the nonmajor funds show a net loss of $115 thousand, driven by the transfer of funds out of the IRBB Reserve Fund to the General Operating Fund. All other activities result in positive net income of $179 thousand as of June. Total Net Position in the Nonmajor Funds is $39.1 million.

d. The Agency/Fiduciary Funds for IFA include both the Metro East Police District Commission and the Illinois Finance Authority NFP Development Fund, with combined current assets of $61 thousand.

5. FY14 AND FY15 FINANC IAL/COMPLIANCE AUDITS and GASB UPDATES

a. Fieldwork for the FY14 and FY15 compliance and financial audits is ongoing.

b. The Authority is currently reviewing upcoming Governmental Accounting Standards Board (GASB) changes to governmental financial reporting. New standards for investments, leases and fiduciary activities will take effect for the Authority in the upcoming reporting periods.

6. OTHER SUPPLEMENTARY FINANCIAL INFORMATION

a. The Schedule of Debt is being presented as supplementary financial information immediately following the financial statements in the board package. The Monthly Flash Report is included as separately distributed supplementary financial information for the Board's review.

ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
GENERAL OPERATING FUND
FOR FISCAL YEAR 2015 AS OF JUNE 30, 2015
(PRELIMINARY AND UNAUDITED)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	BUDGET VARIANCE ($)	BUDGET VARIANCE (%)
Operating Revenues:																
Closing Fees	66,825	295,753	138,542	78,500	2,150	510,496	68,431	330,444	184,278	212,164	235,250	207,768	2,330,601	2,487,000	(156,399)	-6.3%
Annual Fees	10,367	42,720	31,533	34,580	34,230	36,372	28,534	29,221	34,744	30,316	23,984	28,893	365,494	337,500	27,994	8.3%
Administrative Service Fees	-	10,000	15,000	-	20,000	-	-	10,000	45,000	21,000	5,000	10,000	136,000	115,000	21,000	18.3%
Application Fees	1,100	14,328	4,300	2,700	2,500	1,100	1,100	5,250	3,400	2,400	2,600	4,000	44,778	41,005	3,773	9.2%
Miscellaneous Fees	62	-	-	-	-	14	34	-	-	-	-	19,683	19,793	60,000	(40,207)	-67.0%
Interest Income-Loans	120,406	67,709	102,031	102,123	106,114	103,356	102,006	37,228	82,624	82,576	82,608	81,906	1,070,687	1,159,831	(89,144)	-7.7%
Other Revenue	272	291	-	269	287	2,942	249	-	118	242	386	121,424	126,480	4,800	121,680	2535.0%
Total Operating Revenue:	**$199,032**	**$ 430,801**	**$291,406**	**$218,172**	**$ 165,281**	**$654,280**	**$200,354**	**$412,143**	**$350,164**	**$348,698**	**$349,828**	**$ 473,674**	**$ 4,093,833**	**$ 4,205,136**	**$ (111,303)**	**-2.6%**
Operating Expenses:																
Employee Related Expense	158,165	155,946	152,957	148,571	148,404	142,070	142,279	134,876	133,423	130,895	127,979	121,902	1,697,467	2,171,075	(473,608)	-21.8%
Professional Services	2,882	179,754	97,492	49,885	84,877	111,758	71,839	119,195	82,810	203,116	95,173	377,268	1,476,049	1,504,980	(28,931)	-1.9%
Occupancy Costs	26,485	26,590	9,247	40,454	8,583	8,124	10,361	11,540	9,307	9,110	20,119	90,456	270,376	291,648	(21,272)	-7.3%
General & Administrative	28,707	28,568	26,718	28,656	26,890	28,029	28,210	48,906	40,953	28,011	29,132	33,609	376,389	334,300	42,089	12.6%
Depreciation and Amortization	3,847	3,847	3,847	3,876	3,876	4,794	4,794	4,794	4,794	4,794	4,794	4,794	52,851	80,000	(27,149)	-33.9%
Total Operating Expense	**$220,086**	**$ 394,705**	**$290,261**	**$271,442**	**$ 272,630**	**$294,775**	**$257,483**	**$319,311**	**$271,287**	**$375,926**	**$277,197**	**$ 628,029**	**$ 3,873,132**	**$ 4,382,003**	**$ (508,871)**	**-11.6%**
Operating Income(Loss)	**$ (21,054)**	**$ 36,096**	**$ 1,145**	**$ (53,270)**	**$ (107,349)**	**$359,505**	**$ (57,129)**	**$ 92,832**	**$ 78,877**	**$ (27,228)**	**$ 72,631**	**$ (154,355)**	**$ 220,701**	**$ (176,867)**	**$ 397,568**	**224.8%**
Nonoperating Revenues (Expenses																
Bad Debt Adjustments (Expense)	-	-	-	-	-	3,741	-	-	6,114	-	-	(64,976)	(55,121)	15,000	(70,121)	-467.5%
Miscellaneous Non-Opertg Rev/(Exp)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,000)	2,000	-100.0%
Interest and Investment Income	26,997	34,457	19,837	29,932	15,661	35,176	20,838	27,801	29,772	22,041	17,474	56,336	336,322	500,600	(164,278)	-32.8%
Realized Gain (Loss) on Sale of Inve	-	(445)	(19)	(31)	(5)	190	(364)	(3,452)	(532)	(1,994)	(336)	(1,510)	(8,498)	(50,000)	41,502	-83.0%
Net Appreciation (Depr) in FV of Inve	(38,575)	3,960	(17,901)	5,423	3,764	(54,607)	43,741	(37,439)	4,831	(15,690)	(9,048)	(15,905)	(127,446)	(250,000)	122,554	-49.0%
Total Nonoperating Rev (Exp)	**$ (11,578)**	**$ 37,972**	**$ 1,917**	**$ 35,324**	**$ 19,420**	**$ (15,500)**	**$ 64,215**	**$ (13,090)**	**$ 40,185**	**$ 4,357**	**$ 8,090**	**$ (26,055)**	**$ 145,257**	**$ 213,600**	**$ (68,343)**	**-32.0%**
Net Income (Loss) Before Transfer	**$ (32,632)**	**$ 74,068**	**$ 3,062**	**$ (17,946)**	**$ (87,929)**	**$344,005**	**$ 7,086**	**$ 79,742**	**$119,062**	**$ (22,871)**	**$ 80,721**	**$ (180,410)**	**$ 365,958**	**$ 36,733**	**$ 329,225**	**896.3%**
Transfers:																
Transfers in from other funds	-	2,263,041	116,837	10	177,108	-	-	-	-	-	-	-	2,556,996	-	-	0.0%
Transfers out to other funds	-	(2,263,041)	-	-	-	-	-	-	-	-	-	-	(2,263,041)	-	-	0.0%
Total Transfers In (Out)	**$ -**	**$ -**	**$116,837**	**$ 10**	**$ 177,108**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 293,955**	**$ -**	**$ -**	**0.0%**
Net Income (Loss)	**$ (32,632)**	**$ 74,068**	**$119,899**	**$ (17,936)**	**$ 89,179**	**$344,005**	**$ 7,086**	**$ 79,742**	**$119,062**	**$ (22,871)**	**$ 80,721**	**$ (180,410)**	**$ 659,913**	**$ 36,733**	**$ 623,180**	**1696.5%**

ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
IFA FUNDS AND AGENCY FUND ACTIVITY
FOR FISCAL YEAR 2015 AS OF JUNE 30, 2015
(PRELIMINARY AND UNAUDITED)

	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF ILLINOIS DEBT FUNDS	TOTAL ALL FUNDS	AGENCY FUNDS
Operating Revenues:								
Closing Fees	2,330,601	-	-	-	2,330,601	-	2,330,601	25,000
Annual Fees	365,494	-	-	-	365,494	-	365,494	-
Administrative Service Fees	136,000	-	-	-	136,000	-	136,000	-
Application Fees	44,778	-	-	-	44,778	-	44,778	-
Miscellaneous Fees	19,793	447,531	-	31	467,355	-	467,355	-
Interest Income-Loans	1,070,687	-	-	38,847	1,109,534	4,094,334	5,203,868	-
Other Revenue	126,480	-	-	-	126,480	-	126,480	-
Total Operating Revenue:	**$ 4,093,833**	**$ 447,531**	**$ -**	**$ 38,878**	**$ 4,580,242**	**$ 4,094,334**	**$ 8,674,576**	**$ 25,000**
Operating Expenses:								
Employee Related Expense	1,697,467	-	-	-	1,697,467	-	1,697,467	-
Professional Services	1,476,049	2,910	2,481	30,464	1,511,904	-	1,511,904	561
Occupancy Costs	270,376	-	-	-	270,376	-	270,376	-
General & Administrative	376,389	-	-	-	376,389	-	376,389	-
Interest Expense	-	-	-	4,051	4,051	4,296,692	4,300,743	-
Depreciation and Amortization	52,851	-	-	-	52,851	-	52,851	-
Total Operating Expense	**$ 3,873,132**	**$ 2,910**	**$ 2,481**	**$ 34,515**	**$ 3,913,038**	**$ 4,296,692**	**$ 8,209,730**	**$ 561**
Operating Income(Loss)	**$ 220,701**	**$ 444,621**	**$ (2,481)**	**$ 4,363**	**$ 667,204**	**$ (202,358)**	**$ 464,846**	**$ 24,439**
Nonoperating Revenues (Expenses):								
Bad Debt Adjustments (Expense)	(55,121)	-	-	1,163	(53,958)	-	(53,958)	-
Transfer of funds and program interest from the State of Illi	-	-	-	-	-	-	-	-
Interest and Invesment Income	336,322	75,522	47,339	268,485	727,668	202,358	930,026	-
Realized Gain (Loss) on Sale of Investment	(8,498)	(9,020)	(4,536)	(10,835)	(32,889)	-	(32,889)	-
Net Appreciation (Depr) in fair value of Investments	(127,446)	(25,728)	(17,146)	(83,935)	(254,255)	-	(254,255)	-
Total Nonoperating Revenues (Expenses)	**$ 145,257**	**$ 40,774**	**$ 25,657**	**$ 174,878**	**$ 386,566**	**$ 202,358**	**$ 588,924**	**$ -**
Net Income (Loss) Before Transfers	**$ 365,958**	**$ 485,395**	**$ 23,176**	**$ 179,241**	**$ 1,053,770**	**$ -**	**$ 1,053,770**	**$ 24,439**
Transfers:								
Transfers in from other funds	2,556,996	-	-	-	2,556,996	-	2,556,996	-
Transfers out to other funds	(2,263,041)	-	-	(293,955)	(2,556,996)	-	(2,556,996)	-
Total Transfers In (Out)	**$ 293,955**	**$ -**	**$ -**	**$ (293,955)**	**$ -**	**$ -**	**$ -**	**$ -**
Net Income (Loss)	**$ 659,913**	**$ 485,395**	**$ 23,176**	**$ (114,714)**	**$ 1,053,770**	**$ -**	**$ 1,053,770**	**$ 24,439**

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

	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF ILLINOIS DEBT FUNDS	TOTAL ALL FUNDS	AGENCY FUNDS
Assets and Deferred Outflows:								
Current Assets:								
Unrestricted:								
Cash & cash equivalents	5,616,410	-	-	1,063,928	6,680,338	-	6,680,338	-
Investments	7,735,956	-	-	3,629,320	11,365,276	-	11,365,276	-
Accounts receivable, Net	58,911	-	-	-	58,911	-	58,911	-
Loans receivables, Net	816,424	-	-	-	816,424	-	816,424	-
Accrued interest receivable	468,198	-	-	36,549	504,747	-	504,747	-
Bonds and notes receivable	1,942,800	-	-	-	1,942,800	-	1,942,800	-
Due from other funds	19,661	-	-	-	19,661	-	19,661	-
Due from primary government	112,500	-	-	-	112,500	-	112,500	-
Due from other local government agencies	-	-	-	3,000,000	3,000,000	-	3,000,000	-
Prepaid Expenses	37,728	-	-	-	37,728	-	37,728	-
Total Current Unrestricted Assets	**$ 16,808,588**	**$ -**	**$ -**	**$ 7,729,797**	**$ 24,538,385**	**$ -**	**$ 24,538,385**	**$ -**
Restricted:								
Cash & Cash Equivalents	1,280,252	2,798,898	47,922	2,041,328	6,168,400	88,386,516	94,554,916	61,033
Deposits in transit	-	207,837	42	-	207,879	-	207,879	-
Investments	-	1,111,808	1,338,260	236,601	2,686,669	-	2,686,669	-
Due from brokers	-	1,020,750	-	-	1,020,750	-	1,020,750	-
Securities lending collateral equity with the Treasurer	-	-	-	8,076,000	8,076,000	-	8,076,000	-
Accrued interest receivable	-	8,350	10,561	6,163	25,074	42,818	67,892	-
Bonds and notes receivable from State component units	-	-	-	-	-	726,748	726,748	-
Loans receivables, Net	-	1,374,194	74,320	118,041	1,566,555	-	1,566,555	-
Total Current Restricted Assets	**$ 1,280,252**	**$ 6,521,837**	**$ 1,471,105**	**$ 10,478,133**	**$ 19,751,327**	**$ 89,156,082**	**$ 108,907,409**	**$ 61,033**
Total Current Assets	**$ 18,088,840**	**$ 6,521,837**	**$ 1,471,105**	**$ 18,207,930**	**$ 44,289,712**	**$ 89,156,082**	**$ 133,445,794**	**$ 61,033**
Non-current Assets:								
Unrestricted:								
Investments	15,664,138	-	-	8,878,337	24,542,475	-	24,542,475	-
Accounts receivable, Net	-	-	-	-	-	-	-	-
Loans receivables, Net	770,633	-	-	-	770,633	-	770,633	-
Bonds and notes receivable	18,519,237	-	-	-	18,519,237	-	18,519,237	-
Total Noncurrent Unrestricted Assets	**$ 34,954,008**	**$ -**	**$ -**	**$ 8,878,337**	**$ 43,832,345**	**$ -**	**$ 43,832,345**	**$ -**
Restricted:								
Cash & Cash Equivalents	-	-	-	600,000	600,000	-	600,000	-
Investments	-	1,410,903	2,491,395	522,841	4,425,139	3,350,799	7,775,938	-
Funds in the custody of the Treasurer	-	-	-	17,999,445	17,999,445	-	17,999,445	-
Loans receivables, Net	-	14,173,884	247,280	7,000	14,428,164	-	14,428,164	-
Guarantee payments receivables, Net	-	-	-	1,379,419	1,379,419	-	1,379,419	-
Bonds and notes receivable from primary government	-	-	-	-	-	47,474,398	47,474,398	-
Bonds and notes receivable from State component units	-	-	-	-	-	32,825,498	32,825,498	-
Total Noncurrent Restricted Assets	**$ -**	**$ 15,584,787**	**$ 2,738,675**	**$ 20,508,705**	**$ 38,832,167**	**$ 83,650,695**	**$ 122,482,862**	**$ -**
Capital Assets								
Capital Assets	792,157	-	-	-	792,157	-	792,157	-
Accumulated Depreciation	(722,111)	-	-	-	(722,111)	-	(722,111)	-
Total Capital Assets	**$ 70,046**	**$ -**	**$ -**	**$ -**	**$ 70,046**	**$ -**	**$ 70,046**	**$ -**
Total Noncurrent Assets	**$ 35,024,054**	**$ 15,584,787**	**$ 2,738,675**	**$ 29,387,042**	**$ 82,734,558**	**$ 83,650,695**	**$ 166,385,253**	**$ -**
Total Assets	**$ 53,112,894**	**$ 22,106,624**	**$ 4,209,780**	**$ 47,594,972**	**$ 127,024,270**	**$ 172,806,777**	**$ 299,831,047**	**$ 61,033**

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

	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF ILLINOIS DEBT FUNDS	TOTAL ALL FUNDS	AGENCY FUNDS
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred loss on debt refunding	-	-	-	-	-	766,953	766,953	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 766,953**	**$ 766,953**	**$ -**
Total Assets & Deferred Inflows of Resources	**$ 53,112,894**	**$ 22,106,624**	**$ 4,209,780**	**$ 47,594,972**	**$ 127,024,270**	**$ 173,573,730**	**$ 300,598,000**	**$ 61,033**
Liabilities:								
Current Liabilities:								
Payable from unrestricted current assets:								
Accounts payable	151,783	-	-	1,910	153,693	-	153,693	-
Accrued liabilities	250,001	-	-	-	250,001	-	250,001	-
Due to employees	81,639	-	-	-	81,639	-	81,639	-
Due to primary government	10	-	-	-	10	-	10	-
Due to other funds	-	-	-	19,661	19,661	-	19,661	-
Other liabilities	-	-	-	-	-	-	-	36,594
Unearned revenue, net of accumulated amortization	70,000	-	-	-	70,000	-	70,000	-
Total Current Liabilities Payable from Unrestricted Current Assets	**$ 553,433**	**$ -**	**$ -**	**$ 21,571**	**$ 575,004**	**$ -**	**$ 575,004**	**$ 36,594**
Payable from restricted current assets:								
Due to primary government	-	-	-	-	-	-	-	-
Accounts payable	-	963	589	116	1,668	-	1,668	-
Obligation under securites lending of the State Treasurer	-	-	-	8,076,000	8,076,000	-	8,076,000	-
Accrued interest payable	-	-	-	2,202	2,202	3,466,778	3,468,980	-
Bonds and notes payable from primary government	-	-	-	-	-	21,475,000	21,475,000	-
Bonds and notes payable from State component units	-	-	-	-	-	2,232,796	2,232,796	-
Current portion of long term debt	-	-	-	59,984	59,984	-	59,984	-
Unamortized bond premium	-	-	-	-	-	3,133,169	3,133,169	-
Total Current Liabilities Payable from Restricted Current Assets	**$ -**	**$ 963**	**$ 589**	**$ 8,138,302**	**$ 8,139,854**	**$ 30,307,743**	**$ 38,447,597**	**$ -**
Total Current Liabilties	**$ 553,433**	**$ 963**	**$ 589**	**$ 8,159,873**	**$ 8,714,858**	**$ 30,307,743**	**$ 39,022,601**	**$ 36,594**
Payable from restricted noncurrent assets:								
Bonds and notes payable from primary government	-	-	-	-	-	97,675,000	97,675,000	-
Bonds and notes payable from State component units	-	-	-	-	-	37,666,270	37,666,270	-
Noncurrent portion of long term debt	-	-	-	309,096	309,096	-	309,096	-
Unamortized bond premium	-	-	-	-	-	7,924,717	7,924,717	-
Total Noncurrent Liabilities Payable from Restricted Noncurrent	**$ -**	**$ -**	**$ -**	**$ 309,096**	**$ 309,096**	**$ 143,265,987**	**$ 143,575,083**	**$ -**
Total Noncurrent Liabilities	**$ -**	**$ -**	**$ -**	**$ 309,096**	**$ 309,096**	**$ 143,265,987**	**$ 143,575,083**	**$ -**
Total Liabilities	**$ 553,433**	**$ 963**	**$ 589**	**$ 8,468,969**	**$ 9,023,954**	**$ 173,573,730**	**$ 182,597,684**	**$ 36,594**
Net Position:								
Net Investment in Capital Assets	70,046	-	-	-	70,046	-	70,046	-
Restricted	-	21,620,266	4,186,015	22,418,033	48,224,314	-	48,224,314	-
Unrestricted	51,829,502	-	-	16,822,684	68,652,186	-	68,652,186	-
Current Change in Net Position	659,913	485,395	23,176	(114,714)	1,053,770	-	1,053,770	24,439
Total Net Position	**$ 52,559,461**	**$ 22,105,661**	**$ 4,209,191**	**$ 39,126,003**	**$ 118,000,316**	**$ -**	**$ 118,000,316**	**$ 24,439**
Total Liabilities & Net Position	**$ 53,112,894**	**$ 22,106,624**	**$ 4,209,780**	**$ 47,594,972**	**$ 127,024,270**	**$ 173,573,730**	**$ 300,598,000**	**$ 61,033**

ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
GENERAL OPERATING FUND
FOR FISCAL YEAR 2016 AS OF JULY 31, 2015
(PROJECTED)*
(PRELIMINARY AND UNAUDITED)

	JUL	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	BUDGET VARIANCE ($)	BUDGET VARIANCE (%)
Operating Revenues:					
Closing Fees	169,507	169,507	275,662	(106,155)	-38.5%
Annual Fees	24,000	24,000	29,808	(5,808)	-19.5%
Administrative Service Fees	5,000	5,000	1,250	3,750	300.0%
Application Fees	2,000	2,000	2,575	(575)	-22.3%
Miscellaneous Fees	-	-	458	(458)	-100.0%
Interest Income-Loans	83,000	83,000	85,328	(2,328)	-2.7%
Other Revenue	-	-	3,667	(3,667)	-100.0%
Total Operating Revenue:	**$283,507**	**$ 283,507**	**$ 398,748**	**$ (115,241)**	**-28.9%**
Operating Expenses:					
Employee Related Expense	127,000	127,000	194,602	(67,602)	-34.7%
Professional Services	95,000	95,000	149,006	(54,006)	-36.2%
Occupancy Costs	75,000	75,000	20,868	54,132	259.4%
General & Administrative	30,000	30,000	33,031	(3,031)	-9.2%
Depreciation and Amortization	4,794	4,794	15,674	(10,880)	-69.4%
Total Operating Expense	**$331,794**	**$ 331,794**	**$ 413,181**	**$ (81,387)**	**-19.7%**
Operating Income(Loss)	**$ (48,287)**	**$ (48,287)**	**$ (14,433)**	**$ (33,854)**	**-234.6%**
Nonoperating Revenues (Expenses					
Bad Debt Recoveries and Adjs	-	-	833	(833)	-100.0%
Interest and Investment Income	28,027	28,027	27,183	844	3.1%
Realized Gain (Loss) on Sale of Inves	(708)	(708)	(1,083)	375	-34.6%
Net Appreciation (Depr) in FV of Inve	(10,621)	(10,621)	(11,417)	797	-7.0%
Total Nonoperating Rev (Exp)	**$ 16,698**	**$ 16,698**	**$ 15,516**	**$ 1,182**	**7.6%**
Net Income (Loss) Before Transfer	**$ (31,589)**	**$ (31,589)**	**$ 1,083**	**$ (32,672)**	**-3016.8%**
Transfers:					
Transfers in from other funds	-	-	-	-	0.0%
Transfers out to other funds	-	-	-	-	0.0%
Total Transfers In (Out)	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Net Income (Loss)	**$ (31,589)**	**$ (31,589)**	**$ 1,083**	**$ (32,672)**	**-3016.8%**

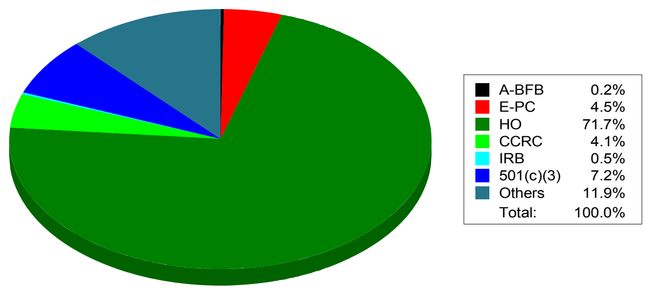
Closing fees are actual, not projected.

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

Fiscal Year 2014

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

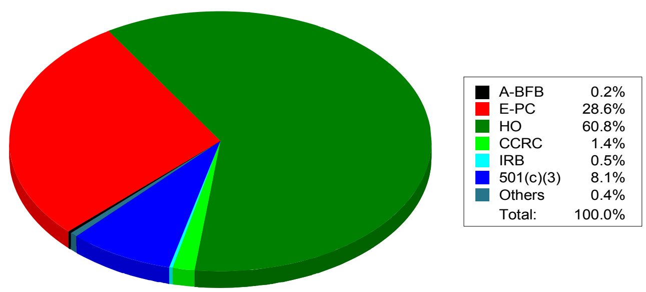
Bonds Issued in Fiscal Year 2014



Fiscal Year 2015

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

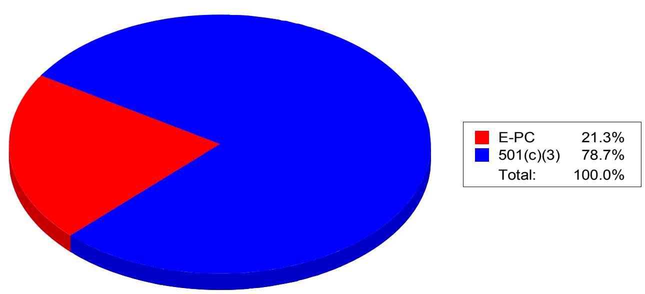
Bonds Issued in Fiscal Year 2015



Fiscal Year 2016

#	Market Sector	Principal Issued
1	Education	30,177,000
2	501(c)(3) Not-for-Profit	111,445,000
3		$141,622,000

Bonds Issued in Fiscal Year 2016



Bonds Issued and Outstanding
as of
July 31, 2015

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

Bond Issue		Date Issued	Initial Interest Rate	Principal Issued	Bonds Refunded
E-PC	North Central College	07/09/2015	Variable	30,177,000	0
501(c)(3)	Shedd Aquarium Society	07/24/2015	Variable	22,945,000	22,945,000
501(c)(3)	Field Museum of Natural History	07/28/2015	Variable	88,500,000	0
		Total Bonds Issued as of July 31, 2015		$ 141,622,000	$ 22,945,000

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.

ILLINOIS FINANCE AUTHORITY

Schedule of Debt [a]

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

Section I (a)

	Principal Outstanding June 30, 2015	Principal Outstanding July 31, 2015	Program Limitations	Remaining Capacity
Illinois Finance Authority "IFA" [b]				
Agriculture	$ 52,498,261	$ 52,498,261		
Education	4,325,023,557	4,306,665,548		
Healthcare	13,657,507,336	13,647,479,976		
Industrial Development [includes Recovery Zone/Midwest Disaster]	708,570,850	700,674,345		
Local Government	331,080,000	310,210,000		
Multifamily/Senior Housing	168,358,468	168,279,480		
501(c)(3) Not-for Profits	1,406,363,442	1,516,386,101		
Exempt Facilities Bonds	249,915,000	249,915,000		
Total IFA Principal Outstanding	**$ 20,899,316,914**	**$ 20,952,108,711**		
Illinois Development Finance Authority "IDFA" [b]				
Education	496,388	496,388		
Healthcare	80,200,000	80,200,000		
Industrial Development	291,429,410	137,334,846		
Local Government	306,307,834	306,307,834		
Multifamily/Senior Housing	84,354,117	84,314,117		
501(c)(3) Not-for Profits	722,984,769	720,770,112		
Exempt Facilities Bonds		153,645,000		
Total IDFA Principal Outstanding	**$ 1,485,772,517**	**$ 1,483,068,296**		
Illinois Rural Bond Bank "IRBB" [b]				
Total IRBB Principal Outstanding	**$ -**	**$ -**		
Illinois Health Facilities Authority "IHFA"	**$ 758,640,000**	**$ 758,370,000**		
Illinois Educational Facilities Authority "IEFA"	**$ 636,230,990**	**$ 634,422,990**		
Illinois Farm Development Authority "IFDA" [f]	**$ 18,685,550**	**$ 18,685,550**		
Total Illinois Finance Authority Debt	**$ 23,798,645,970**	**$ 23,846,655,547**	**$ 28,150,000,000**	**$ 4,303,344,453**

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

Section I (b)

	Principal Outstanding June 30, 2015	Principal Outstanding July 31, 2015	Program Limitations	Remaining Capacity
General Purpose Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]				
* Issued through IRBB - Local Government Pools				
*Issued through IFA - Local Government Pools				
Issued through IFA - Illinois Medical District Commission	36,280,000	36,280,000		
Total General Moral Obligations	**$ 36,280,000**	**$ 36,280,000**	**$ 150,000,000**	**$ 113,720,000**

* All the Local Government bonds were defeased as of August 1, 2014.

	Principal Outstanding June 30, 2015	Principal Outstanding July 31, 2015	Program Limitations	Remaining Capacity
Financially Distressed Cities Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
Issued through IFA	$ -	$ -		
Issued through IDFA	-	-		
Total Financially Distressed Cities	**$ -**	**$ -**	**$ 50,000,000**	**$ 50,000,000**
State Component Unit Bonds [c]				
Issued through IDFA [i]	-	-		
Issued through IFA [i]	122,769,066	111,899,066		
Total State Component Unit Bonds	**$ 122,769,066**	**$ 111,899,066**		

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

Section I (c)

	Principal Outstanding June 30, 2015	Principal Outstanding July 31, 2015	Remaining MDAB Volume Cap
Midwestern Disaster Area Bonds [Flood Relief]	**$ 65,251,543**	**$ 65,183,950**	**N/A**

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

Section I (d)

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

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

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

ILLINOIS FINANCE AUTHORITY

Schedule of Debt [a]

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

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

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

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

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

Section IV	**Principal Outstanding June 30, 2015**	**Principal Outstanding July 31, 2015**	**Program Limitations**	**Remaining Capacity**	**State Exposure**
Agri Debt Guarantees [Restructuring Existing Debt]					
Fund # 994 - Fund Balance $10,156,041 *	**$ 9,243,360**	**$ 8,006,093**	**$ 160,000,000**	**$ 151,993,907**	**$ 6,799,946**
AG Loan Guarantee Program					
Fund # 205 - Fund Balance $7,843,404 *	**$ 9,837,616**	**$ 8,499,256**	**$ 225,000,000** [e]	**$ 216,500,744**	**$ 7,224,367**
Agri Industry Loan Guarantee Program	$ 5,108,251	$ 4,534,242			3,854,106
Farm Purchase Guarantee Program	917,680	906,293			770,349
Specialized Livestock Guarantee Program	2,763,756	2,163,574			1,839,038
Young Farmer Loan Guarantee Program	1,047,929	895,146			760,874
Total State Guarantees	**$ 19,080,977**	**$ 16,505,349**	**$ 385,000,000**	**$ 368,494,651**	**$ 14,024,313**

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

Section V			**Principal Outstanding June 30, 2015**	**Principal Outstanding July 31, 2015**	**Appropriation Fiscal Year 2015**	**Cash and Investment Balance**
132	Fire Truck Revolving Loan Program	**Fund # 572 ***	**$ 17,052,813**	**$ 15,548,078**	**$ 2,383,342**	**$ 5,321,609**
8	Ambulance Revolving Loan Program	**Fund # 334 ***	**$ 415,920**	**$ 321,600**	**$ 7,006,800**	**$ 3,877,578**

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

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

Section VI	**Principal Outstanding June 30, 2015**	**Principal Outstanding July 31, 2015**	**Program Limitations**	**Remaining Capacity**
Environmental [Large Business]				
Issued through IFA	$ 16,585,000	$ 15,075,000		
Issued through IDFA	153,645,000	153,645,000		
Total Environmental [Large Business]	**$ 170,230,000**	**$ 168,720,000**	**$ 2,425,000,000**	**$ 2,256,280,000**
Environmental [Small Business]	$ -	$ -	**$ 75,000,000**	**$ 75,000,000**
Total Environment Bonds Issued under Act	**$ 170,230,000**	**$ 168,720,000**	**$ 2,500,000,000**	**$ 2,331,280,000**

Illinois Finance Authority Funds at Risk

Section VII	**Original Amount**	**Principal Outstanding June 30, 2015**	**Principal Outstanding July 31, 2015**
Participation Loans			
Business & Industry	23,020,158	1,616,353	1,102,186
Agriculture	6,079,859	114,269	96,159
Participation Loans exluding Defaults & Allowances	**29,100,017**	**1,730,622**	**1,198,345**
Plus: Legacy IDFA Loans in Default		**858,458**	**843,173**
Less: Allowance for Doubtful Accounts		**1,002,182**	**976,359**
Total Participation Loans		**1,586,898**	**1,065,159**
Local Government Direct Loans	**1,289,750**	**157,689**	**126,000**
Rural Bond Bank Local Government Note Receivable *			**20,462,037**
FmHA Loans	**963,250**	**227,046**	**207,272**
Renewable Energy [RED Fund]	**2,000,000**	**1,396,598**	**1,294,355**
Total Loans Outstanding	**34,353,017**	**3,368,231**	**23,154,823**

IRBB funds were defeased and transferred into a note receivable with the IFA.

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

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

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

[b] State Component Unit Bonds included in balance.

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

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

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

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

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

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

[i] Includes EPA Clean Water Revolving Fund

* All Cash balances are as of June 30, 2015.

ILLINOIS FINANCE AUTHORITY
MEMORANDUM

IFA
ILLINOIS FINANCE AUTHORITY

PRELIMINARY AND UNAUDITED

To:	Illinois Finance Authority Board of Directors
From:	Melinda M. Gildart, Chief Financial Officer/Agency Procurement Officer
Date:	August 13, 2015
Re:	Monthly Procurement Report

CONTRACTS PENDING EXECUTION

Services Provided	Vendor	Proposed Initial Term (Yrs)	Estimated Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
Illinois Procurement Code-Competitive Bids/Proposals							
Debt Management Software Application (*CRITICAL FOR FY16 AUDITS)*	Technology Partnership Group, Inc.	3	06/15-05/18	$ 552,250	N/A	N/A	N/A

ACTIVE SOLICITATIONS

Amounts are estimated and unaudited

Services Provided	Vendor	Proposed Initial Term (Yrs)	Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
Illinois Procurement Code-Competitive Bids/Proposals							
Employee Benefits and Payroll Services	TBD	3	09/15-08/19	n/a	$ 233,000	$ 223,000	$ 223,000
IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals							
Specialty Accounting/Audit Services	TBD	2	12/15-11/17	n/a	$ -	$ -	$ -

ILLINOIS FINANCE AUTHORITY
MEMORANDUM

PRELIMINARY AND UNAUDITED

To: Illinois Finance Authority Board of Directors
From: Melinda M. Gildart, Chief Financial Officer/Agency Procurement Officer
Date: August 13, 2015
Re: Monthly Procurement Report

UPCOMING SOLICITATIONS

Amounts are estimated and unaudited

Services Provided	Vendor	Proposed Initial Term (Yrs)	Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
Illinois Procurement Code-Competitive Bids/Proposals							
Marketing Services	Anticipated award Sep 2015	3	09/15-08/18	n/a	$ 300,000	$ 179,276	$ 89,638
IT Software Support and Temporary Staffing	Anticipated award Sep 2015	2	09/15-08/17	n/a	$ -	$ -	$ -
Legislative Services	Anticipated award Sep 2015	3	10/15-09/18	n/a	$ 180,000	$ 180,000	$ 60,000
IT Network Support	Anticipated award Nov 2015	3	01/16-12/18	n/a	$ 90,000	$ 90,000	$ 30,000
Typesetting and Printing Services	Anticipated award Nov 2015	3	01/16-12/18	n/a	$ 40,000	$ 40,000	$ 40,000
Insurance Broker	Anticipated award June 2016	3	06/16-06/19	n/a	$ 68,700	$ 68,700	$ 22,900
IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals							
Professional and Artistic/CPA Services (New Market Tax Credit Consultant)	Anticipated award Sep 2015	3	09/15-08/17	n/a	$ 40,000	$ 40,000	$ 40,000
Loan Management and Paying Agent/Custodian Services	Anticipated award Nov 2015	1	01/16-12/16	n/a	$ 110,000	$ 158,662	$ 52,887
Financial Deposit Institution/Cash Management	Anticipated award Nov 2015	5	01/16-12/20	n/a	$ 105,000	$ 105,000	$ 105,000
Investment Advisor and/or Mgmt Services	Per BOD Direction	2	n/a	n/a	n/a	n/a	n/a

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

ILLINOIS FINANCE AUTHORITY
MEMORANDUM

PRELIMINARY AND UNAUDITED

To: Illinois Finance Authority Board of Directors
From: Melinda M. Gildart, Chief Financial Officer/Agency Procurement Officer
Date: August 13, 2015
Re: Monthly Procurement Report

UPCOMING RENEWALS

Services Provided	Vendor	Proposed Renewal Term (Yrs)	Start/End	Estimated NTE Value	Prior Contract NTE Value	Prior Contract Expense	Avg Yrly Prior Contract Expense
Illinois Procurement Code-Competitive Bids/Proposals							
Energy Efficiency Projects-No Fee to IFA	Johnson Controls, Inc.*****	5	10/15-10/20	$ -	n/a	n/a	n/a
Energy Efficiency Projects-No Fee to IFA	Hill Mechanical Group*****	5	10/15-10/20	$ -	n/a	n/a	n/a
Energy Efficiency Projects-No Fee to IFA	Utilities Dynamics, Inc.*****	5	10/15-10/20	$ -	n/a	n/a	n/a
Energy Efficiency Projects-No Fee to IFA	Ameresco, Inc.	5	11/15-11/20	$ -	n/a	n/a	n/a
Energy Efficiency Projects-No Fee to IFA	Honeywell International, Inc.*****	5	11/15-11/20	$ -	n/a	n/a	n/a
Energy Efficiency Projects-No Fee to IFA	Kenny Construction*****	5	11/15-11/20	$ -	n/a	n/a	n/a
Energy Efficiency Projects-No Fee to IFA	Noresco, LLC*****	5	11/15-11/20	$ -	n/a	n/a	n/a
Insur. Broker: Energy Efficiency Projects-No Fee to IFA	Mesirow Insurance Services, Inc.	5	10/15-10/20	$ -	n/a	n/a	n/a
Insur. Broker: Energy Efficiency Projects-No Fee to IFA	AON Risk Services Central, Inc.	5	11/15-11/20	$ -	n/a	n/a	n/a
****Per the direction of the Executive Director, these contracts will not be renewed.***							
IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals							
Legal Services-Master Legal Pool Contract/Approved Counsel	Various (Pool comprised of 38 firms)	1	02/16-01/17	$ 750,000	$ 1,500,000	$ -	$ -

PROPOSED CHANGES TO IFA PROCUREMENT POLICY

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

CONDUIT

August 13, 2015

$20,000,000 (not-to-exceed amount)
The Edlong Corporation and Rondenet Holdings LLC

REQUEST	**Purpose:** Bond proceeds will be used by **The Edlong Corporation**, an Illinois corporation, and its affiliate **Rondenet Holdings, LLC**, an Illinois limited liability company (collectively, the "**Borrower**"), to (i) finance or refinance the acquisition of approximately 9 acres of land and the design, development and construction, and equipping of an approximately 88,010 SF manufacturing facility located thereon at Lot 1 in Randall Point Business Park Unit No. 2, Elgin (Cook County), Illinois 60426. Additionally, bond proceeds may also be used to pay bond issuance costs. It is anticipated that Rondenet Holdings LLC, will own the subject real estate for lease to The Edlong Corporation. Additionally, The Edlong Corporation is likely to be the direct obligor on the equipment financed with bond proceeds. **Program:** Industrial Revenue Bonds **Volume Cap required:** This Project is expected to require up to approximately $20.0MM of IFA 2015 (or 2016) Volume Cap. However, current federal tax law only allows qualified borrowers to obtain a lower interest rate on respective capital projects up to $10.0MM on a tax-exempt basis. Given that the Borrower and its Advisor (in conjunction with Bond Counsel) have not yet determined the mix of Project costs to be financed with tax-exempt bond proceeds, this application/report seeks to provide the Borrower greater flexibility once tax due diligence is completed. It is anticipated that IFA will provide 100% of the Volume Cap allocation required to finance the project (i.e., $10.0MM - $20.0MM). No IFA Funds at risk. No State Funds at risk.
BOARD ACTION	Preliminary Bond Resolution
MATERIAL CHANGES	Not applicable. This is the first time this project has been presented to the IFA Board of Directors.
JOB DATA	69 Current job; 36 New jobs projected N/A Retained jobs; 25 Construction jobs projected (9 months)
BORROWER DESCRIPTION	● Type of entity: Manufacturer and distributor of food flavorings to food producers worldwide ● Location: Elgin / Cook County / Northeast ● The new plant will be used by The Edlong Corporation and Rondenet Holdings LLC to establish a new plant to serve operations throughout the Midwest region and across the United States.
CREDIT INDICATORS	● Bonds will be purchased directly by American Chartered Bank as a direct investment. American Chartered Bank will be the secured lender and direct bond investor. Additional information specifying the anticipated collateral and security to the Bank is described in the Financing Summary of page 3.
STRUCTURE	● Term: 30-year amortization on real estate; 10 years on equipment (anticipated) ● Rate: The Bond will be purchased directly by American Chartered Bank as a direct investment and is expected to bear an interest rate that will be reset every 5 years until maturity. The initial interest rate is currently estimated at between 2.75% and 4.25%.

SOURCES AND USES

IFA Bonds	$20,000,000	Project Cost:	$22,725,762
Equity	2,925,762	Costs of Issuance	200,000
Total	**$22,925,762**	**Total**	**$22,925,762**

RECOMMENDATION Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 13, 2015

Project: The Edlong Corporation and Rondenet Holdings LLC

STATISTICS

IFA Project:	12302	Amount:	$20,000,000
Type:	Industrial Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Elgin	County/ Region:	Cook / Northeast

BOARD ACTION

Preliminary Bond Resolution
Conduit Industrial Revenue Bonds — No IFA funds at risk
Credit committee recommends approval — No extraordinary conditions

VOTING RECORD

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

PURPOSE

Bond proceeds will be used by **The Edlong Corporation**, an Illinois corporation, and its affiliate **Rondenet Holdings, LLC**, an Illinois limited liability company (collectively, the "**Borrower**"), to (i) finance or refinance the acquisition of approximately 9 acres of land and the design, development and construction, and equipping of an approximately 88,010 SF manufacturing facility located thereon at Lot 1 in Randall Point Business Park Unit No. 2, Elgin (Cook County), Illinois 60426. Additionally, bond proceeds may also be used to pay bond issuance costs.

Approval of the accompanying Preliminary Bond Resolution will enable The Edlong Corporation (and its affiliates, successors, or assigns) to finance new capital expenditures and to also reimburse any capital expenditures incurred related to the proposed project within 60 days prior to the date of approval, as allowed under the Internal Revenue Code.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides tax-exempt financing for qualifying manufacturing projects.

VOLUME CAP

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying manufacturing projects. IFA's issuance of Industrial Revenue Bonds will enable the borrowers to obtain a lower interest rate on this capital project. It is anticipated that IFA will provide 100% of the Volume Cap allocation required to finance the project (i.e., $10.0MM - $20.0MM).

SOURCES AND USES OF FUNDS

IFA Bonds	$20,000,000	Project Costs:	$22,725,762
Equity	2,925,762	Costs of Issuance	200,000
Total	**$22,925,762**	**Total**	**$22,925,762**

JOBS

Current employment:	69	Projected new jobs:	36
Jobs retained:	N/A	Construction jobs:	25 (9 months)

FINANCING SUMMARY

Structure/Credit Enhancement: Conduit Industrial Revenue Bonds that will be purchased directly by American Chartered Bank as the Direct Investor/Lender.

Interest Rate: The Bonds will be purchased directly by American Chartered Bank as a direct investment and are expected to bear an interest rate that will be reset 5 years until maturity. The initial interest rate is currently estimated at between 2.75% and 4.25%.

Bank Collateral: As presently contemplated, American Chartered Bank would be secured by a first mortgage on the subject property, a corporate guarantee by The Edlong Corporation and a collateral assignment of Rents and Leases on the real estate portion of the Bond issue. Additionally, the Bank would be secured by a first lien on the financed equipment. It is anticipated that obligations of Rondenet Holdings LLC and any other affiliated entities will be cross-collateralized and cross-defaulted.

Maturity: Anticipated maximum of 30 years on real estate assets; 10 years maximum on equipment.

Anticipated Closing: December 2015

Rationale: The proposed project will enable The Edlong Corporation to retain and expand its primary facility in Illinois. The Company has reached full production capacity at its current facility in Elk Grove Village. The new facility in Elgin will provide significant space for The Edlong Corporation to expand operations in the future. Upon relocation, the expanded facility will enable The Edlong Corporation to increase production capacity and improve operating efficiencies.

BUSINESS SUMMARY

Description: **Edlong Holdings LLCC** (the "**Lessor**") is a special purpose real estate holding entity established by the common ownership of **The Edlong Corporation** (the "**Operating Company**" or "**Tenant**", and together with the Lessor, the "**Borrower**"). The Edlong Corporation was founded in 1914 and incorporated under Illinois law in 1953. As of January 1, 2011, the Company elected to be taxed as an S-Corporation under the provisions of the Internal Revenue Code. Accordingly, the Company's stockholders are responsible for all federal and certain state income tax liabilities arising from the Borrower's operations.

Owners of 7.5% or more of Edlong Holdings LLC and The Edlong Corporation are identified in the Economic Disclosure Statement section of this report (see p. 5).

Background: The Company is known for its concentrated dairy flavors and high-intensity dairy ingredients. Since its founding, Edlong has applied its technical know-how to create dairy flavors that offer the right combination of performance and cost. The Edlong Corporation (d/b/a Edlong Dairy Technologies) may be best known as the go-to source for custom, high quality and great-tasting dairy flavors and ingredients, but Edlong is much more. Dairy profiles are uniquely complex, contributing both taste and tactile attributes to products. Turning to a specialist makes sense.

Edlong offers natural flavors in a range of dairy profiles, in addition to technologies that deliver rich, creamy mouthfeel and taste masking. Their products may be used to replace delicate dairy commodities, improve dairy taste, replace allergen ingredients, reduce formula costs, enhance mouthfeel, or mask off-notes.

In 1965, the Company developed the first commercially viable, cost-effective, concentrated Cheese flavor. A decade later, the Company became the industry leader in dairy flavor emulsion technology through a series of proprietary processes and ingredient innovations.
Today, Edlong Dairy Technologies assists customers at every stage of product development, offering technical collaboration, formulation expertise and customized solutions. They develop and market Cheese, Butter, Milk & Cream, Cultured, Sweet Dairy and Functional Dairy flavors. The Company's flavors are Kosher-certifiable and are available in a variety of solubilities and forms. Nearly half of the product line is Natural, and include several that are Non-Dairy, Non-GMO, Kosher Pareve Certified, Whole Foods-Compliant and/or Organic Compliant

The Company's website has additional information regarding the Company's various products and applications (please see: http://www.edlong.com/).

Background on the General Contractor: Pancor is a fully integrated Real Estate Developer, Investor, Contractor, and Management company actively engaged in developing and acquiring office and industrial properties in the Chicago Metropolitan Area. The company's headquarters are located in one of its current projects, Randall Point Executive Center, at Randall Road and I-90 in Elgin. The company's focus is on developing speculative office and industrial buildings and build-to-suit opportunities at locations such as:

*60-acre Randall Point Executive Center project;
*126-acre Randall Point Business Center;
*40-acre Randall Point West site located near I-90 and Randall Road in Elgin; and
*Currently, developing the 365-acre site located near I-90 and Rt. 47 in Huntley.

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Bond proceeds will be used by **The Edlong Corporation**, an Illinois corporation, and its affiliate **Rondenet Holdings, LLC**, an Illinois limited liability company (collectively, the "**Borrower**"), to (i) finance or refinance the acquisition of approximately 9 acres of land and the design, development and construction, and equipping of an approximately 88,010 SF manufacturing facility located thereon at Lot 1 in Randall Point Business Park Unit No. 2, Elgin (Cook County), Illinois 60426. Additionally, bond proceeds may also be used to pay bond issuance costs.

It is anticipated that Rondenet Holdings LLC, will own the subject real estate for lease to The Edlong Corporation. Additionally, The Edlong Corporation is likely to be the direct obligor on the equipment financed with bond proceeds.

Estimated capital expenditures consist of the following:

Land Acquisition	$2,500,000
New Construction	12,747,762
New Machinery/Equipment	7,328,000
Architectural/Engineering	150,000
Total Project Costs	**$22,725,762**

ECONOMIC DISCLOSURE STATEMENT

Applicant: The Edlong Corporation and affiliates (Rondenet Holdings LLC), c/o Mr. David Starr, Chief Financial Officer, 225 Scott Street, Elk Grove Village (Cook County), IL 60007

Borrower's Advisor: Mr. Anthony R. ("Tony") Grant, Managing Director, Total Capital Solutions, Inc., 28 Iowa Street, Oak Park, IL 60302; Ph.: 708-660-0494; Email: tgrant@totalcapitalsolutionsinc.com

Project name: IFA Industrial Revenue Bonds (The Edlong Corporation Project), Series 2015

Location: Lot 1 Randall Point Business Park Unit No. 2, Elgin (Cook County), Illinois 60124

Ownership Information: All anticipated LLC Managers [i.e., Managing Partners] or individuals holding *a 7.5% or greater ownership [i.e., Membership] interest* (i.e., IFA private company disclosure threshold) for the Borrower and its affiliate include:

(i) Rondenet Holdings LLC, an Illinois Limited Liability Company (and the proposed Owner/Lessor of the subject real estate):

- Declaration of Trust of Laurette Rondenet-Smith, President/CEO: 100%

(ii) The Edlong Corporation, a S-corporation incorporated under State of Illinois law (the Tenant and Operating Company):

- Declaration of Trust of Laurette Rondenet-Smith, President/CEO: 75%
- Laurette Rondenet-Smith 2012 GS Trust FBO Gavin Johnson: 5%
- Laurette Rondenet-Smith 2012 GS Trust FBO Garrett Johnson: 5%
- Laurette Rondenet-Smith 2012 GS Trust FBO Declan Smith: 5%
- Laurette Rondenet-Smith 2012 GS Trust FBO Christopher Smith: 5%
- Laurette Rondenet-Smith 2012 GS Trust FBO Stewart Smith: 5%

PROFESSIONAL & FINANCIAL

Borrower Counsel:	Katten Muchin Rosenman LLPM	Chicago, IL	Andrew Hamm
Outside Accountant:	BDO USA, LLP	Chicago, IL	
Advisor to Borrower:	Total Capital Solutions, Inc.	Oak Park, IL	Tony Grant
Bank (Direct Purchaser/ Lender):	American Chartered Bank	Schaumburg, IL	
Bond Counsel:	Thompson Coburn LLP	Chicago, IL	Tom Smith
Bank Counsel:	To be determined		
Bond Trustee:	Not applicable (bank direct purchase)		
General Contractor:	Pancor Construction & Development LLC	Elgin, IL	
Architect:	Heitman Architects, Inc.	Itasca, IL	Kari Heitman
Rating Agency:	Not applicable (bank direct purchase)		
IFA Counsel:	Requested		
IFA Financial Advisor:	Sycamore Advisors LLC	Chicago, IL	Melanie Shaker

LEGISLATIVE DISTRICTS

Congressional:	6
State Senate:	33
State House:	65

CONDUIT

$400,000,000 (not-to-exceed amount)

August 13, 2015 **The University of Chicago**

REQUEST	**Purpose**: Bond proceeds will be issued in one or more series and used by **The University of Chicago** (the "**University**" or the "**Borrower**") for the purpose of providing all or a portion of the funds necessary to (i) finance, refinance or be reimbursed for all or a portion of the costs of the planning, design, acquisition, construction, renovation, improvement, expansion, completion and/or equipping of certain of its facilities constituting "educational facilities," as defined in the Act (the "**New Projects**"), including capitalized interest and working capital expenditures related to the Project, if deemed desirable by the University, (ii) currently refund, advance refund or provide for the payment of all or a portion (if any) of the Illinois Finance Authority Revenue Bonds, The University of Chicago, Series 2007, issued and currently outstanding in the original aggregate principal amount of $244,030,000 (the "**Series 2007 Bonds**"), the proceeds of which were loaned to the University and used to finance, refinance or be reimbursed for all or a portion of the costs of the acquisition, construction, renovation, improvement and equipping of certain of the University's facilities constituting "educational facilities," as defined in the Act (collectively with the New Project, the "**Financed Properties**"), (ii) fund one or more debt service reserve funds for the Bonds (as hereinafter defined) if deemed desirable by the University and (iv) pay certain costs relating to the issuance of the Bonds and the current refunding, advance refunding or provision for the payment of all or a portion (if any) of the Series 2007 Bonds, all as permitted under the Act (collectively referred to as the "**Financing Purposes**"). **Program**: 501(c)(3) Revenue Bonds and Revenue Refunding Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	Final Bond Resolution. **Voting Record – Preliminary Bond Resolution – July 9, 2015:** Yeas-11; Nays-0; Present-0 ; Absent-2 (Pedersen; Tessler)
MATERIAL CHANGES	Bond sizing for Tax-Exempt Series determined at not-to-exceed $400 million. Induced for not-to-exceed $550 million.
JOB DATA	11,819 Current jobs — 48-56 New jobs projected N/A Retained jobs — 5,323 Construction jobs (over development cycle)
DESCRIPTION	● Project Location: City of Chicago (Cook County) ● Type of entity: The University, a 501(c)(3) organization incorporated under Illinois law, is a private, non-sectarian, co-educational institution of higher learning founded by John D. Rockefeller in 1890 that is governed by a fifty-three member Board of Trustees.
CREDIT INDICATORS	● The plan of finance contemplates Bonds to be sold in one or more series. Fixed Rate Bonds will be sold based on the University's underlying long-term debt ratings of Aa1/AA/AA+ (Moody's/S&P/Fitch). ● Barclays Capital, Inc. has been engaged by the Borrower as Underwriter/Senior Manager. The Co-Senior Manager and Co-Managers, also selected pursuant to the University's procurement policies, are identified on page 7 of this report.
SECURITY	● The Bonds will be a general unsecured corporate obligation of the University and as such will not be secured by a mortgage or security interest on any of the University's assets, properties or funds.
MATURITY	● Bonds will mature no later than 40 years from the issue date. ● Both sizing and interest rate modes (tax-exempt and taxable) to be determined based on evaluation of market conditions by the University and its financing team at pricing. *The amounts represented in this report represent not-to-exceed parameters.*
SOURCES AND USES	See table below. NOTE: The proposed tax-exempt issuance amounts reported above are preliminary, and subject to change.
RECOMMENDATION	Credit Review Committee recommends approval.

Sources and Uses

Sources:		Uses:	
IFA Bonds	$400,000,000	New Money Project Fund	$349,250,000
Taxable Fixed Rate Bonds - UofC	150,000,000	Refunding Bonds	200,000,000
		Costs of Issuance	750,000
Total	**$550,000,000**	**Total**	**$550,000,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 13, 2015

Project: The University of Chicago

STATISTICS

Project Number:	E-PC-TE-CD-8759	Amount:	$400,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Chicago	County/ Region:	Cook County/Northeast

BOARD ACTION

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

VOTING RECORD

Preliminary Bond Resolution – July 9, 2015: Yeas-11; Nays-0; Present-0; Absent-2 (Pedersen; Tessler)

PURPOSE

Bond proceeds will be issued in one or more series and used by **The University of Chicago** to (i) finance a series of New Money projects and to (ii) currently refund, advance refund or provide for the payment of all or a portion (if any) of the Illinois Finance Authority Revenue Bonds, The University of Chicago, Series 2007, (the "**Series 2007 Bonds**"), (iii) fund one or more debt service reserve funds for the Bonds, and (iv) pay certain costs relating to the issuance of the Bonds (collectively referred to as the "**Financing Purposes**").

IFA PROGRAM AND CONTRIBUTION

IFA will convey federal tax-exempt status on interest paid to investors on the Bonds, thereby resulting in a lower interest rate that will be passed through to the Borrower.

VOLUME CAP

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Bonds – Series 2015A	$400,000,000	Uses:	New Money Project Fund	$349,250,000
	Taxable Series 2015B Bonds-UofC	150,000,000		Refunding Bonds	200,000,000
				Costs of Issuance	750,000
	Total	**$550,000,000**		**Total**	**$550,000,000**

Notes: The amounts represented in this report represent not-to-exceed parameters and the final amount is subject to change.

The Series 2015B Taxable Bonds will be issued directly by the University (i.e., IFA will not be serving as a conduit issuer).

JOBS

Current employment:	11,733 (2,190 faculty; 9,543 FT and PT staff)	Projected new jobs:	48-56
Jobs retained:	N/A	Construction jobs:	5,323 Direct

***Note:** A portion of the proceeds of the IFA Series 2015 New Money Bonds will finance the continued build-out of various projects previously financed with prior IFA Bond issues, including the William Eckhardt Research Center, the University of Chicago Laboratory School and the Campus North Residence Hall and Dining Facility. Additionally, there will be three new projects (Keller Center; David M. Rubinstein Forum; the Laboratory for Astrophysics and Space Research Renovation; and various other administrative, academic, research, infrastructure and campus projects, including related landscaping, signage, and other similar improvements. *The jobs forecast above only reflect project and construction employment associated with these new projects.*)

FINANCING SUMMARY

Security: The Bonds will be a general unsecured corporate obligation of the University and as such will not be secured by a mortgage or security interest on any of the University's assets, properties, or funds.

Structure: The plan of finance contemplates the public issuance of an amount not-to-exceed $585million of tax-exempt debt to be issued in one or more series. Fixed Rate Bonds would be sold based on the University's underlying long-term debt ratings of Aa1/AA/AA+ (Moody's/S&P/Fitch). Barclays Capital, Inc. has been engaged by the Borrower to serve as Senior Manager.

Interest Rate: The University and their financing team will determine interest rate modes and the mix of tax-exempt and taxable bonds after evaluating market conditions and prospective transaction sizing in advance of pricing.

Underlying Debt Ratings: The rating agencies each assigned the following ratings to the IFA Series 2015A Bonds (and to the University's Taxable Series 2015B Bonds):

- Moody's: "Aa2" assigned as of 7/31/2015 (Outlook: Stable)
- Standard & Poor's: "AA" assigned as of 7/30/2015 (Outlook: Negative)
- Fitch: "AA+" assigned as of 7/30/2015 (Outlook: Stable)

Maturity: Not later than 2055 (i.e., 40 years from issuance date; maximum parameter). Final maturities to be determined based on tax analysis (particularly for any Refunding Bonds).

Estimated Closing Date: August 2015

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be issued in one or more series and used by **The University of Chicago** (the "**University**" or the "**Borrower**") for the purpose of providing all or a portion of the funds necessary to (i) finance, refinance or be reimbursed for all or a portion of the costs of the planning, design, acquisition, construction, renovation, improvement, expansion, completion and/or equipping of certain of its facilities constituting "educational facilities," as defined in the Act (the "**Project**"), including capitalized interest and working capital expenditures related to the Project, if deemed desirable by the University, (ii) currently refund, advance refund or provide for the payment of all or a portion (if any) of the Illinois Finance Authority Revenue Bonds, The University of Chicago, Series 2007, issued and currently outstanding in the original aggregate principal amount of $244,030,000 (the "**Series 2007 Bonds**"), the proceeds of which were loaned to the University and used to finance, refinance or be reimbursed for all or a portion of the costs of the acquisition, construction, renovation, improvement and equipping of certain of the University's facilities constituting "educational facilities," as defined in the Act (collectively with the Project, the

"**Financed Properties**"), (ii) fund one or more debt service reserve funds for the Bonds (as hereinafter defined) if deemed desirable by the University and (iv) pay certain costs relating to the issuance of the Bonds and the current refunding, advance refunding or provision for the payment of all or a portion (if any) of the Series 2007 Bonds, all as permitted under the Act (collectively referred to as the "**Financing Purposes**").

BUSINESS SUMMARY

Description: **The University of Chicago** (the "**University**" or the "**Borrower**") is a 501(c)(3) organization incorporated under Illinois law. The University is a private, non-sectarian, co-educational institution of higher learning founded by John D. Rockefeller in 1890 that is governed by a Board of Trustees (see pages 5-6 for listing of the 55 members of the Board of Trustees as of 12/31/2014). The by-laws of the University provide that the Board shall not exceed 55 members, each elected for a five-year term.

Description: The University of Chicago has emphasized both research and teaching from its inception. The University has had a major impact on American higher education -- including devising the four-quarter academic year, developing extension courses and programs in the liberal arts for adults, establishing a general education program for undergraduates, initiating a full-time medical school teaching faculty, and establishing the first executive MBA program. The University has a highly respected education department and the University is a nationally recognized leader in both the sciences and social sciences.

At the University, campus and community are interconnected in partnerships that serve both to support the community and to train future policymakers, social workers, artists, and social and political leaders. The University of Chicago Charter School, run by the Center for Urban School Improvement, serves students with four campuses for students in pre-kindergarten through high school. The Mandel Legal Aid Clinic teaches Law School students advocacy skills, professional ethics, and the effect of legal institutions on the poor, while assisting indigent clients.

The University of Chicago's 215-acre Hyde Park Campus is located eight miles south of downtown Chicago. The Hyde Park Campus, designated a botanic garden in 1997, stretches along both sides of the Midway Plaisance, a broad parkway designed by Frederick Law Olmstead for the city's South Park System developed in connection with the World's Columbian Exposition in 1893. The campus is arranged in a series of quadrangles, with a blend of traditional English Gothic and award-winning modern buildings designed by renowned international architects.

Applications to the University's **Undergraduate College** (the "**College**") have increased substantially since 2008-2009, which in turn has allowed the University to become more selective. The University offers 50 majors and 29 minors in the undergraduate college. The University offers 6 professional schools and 5 divisions in graduate study.

In research, the University has had 89 Nobel Prize winners, including 7 current faculty members. The University also manages the Argonne National Laboratory (under terms of a cost reimbursement contract with the U.S. Department of Energy) and Fermi National Accelerator Laboratory (via a joint venture).

In 2014-2015, the College received 27,500 applications (up from 25,268 applications in 2012-2013) of which 2,409 were selected. In comparison, for academic year 2008-2009, the College received 12,377 applications and selected 3,454 for admission in 2008-2009). Indicative of the College's increasing selectivity, the mean SAT score was 1489 for the 2014-2015 academic year, compared to 1412 (SAT) in the 2008-2009 academic year. According to the University's 2014 Annual Operating Information for the year ended 6/30/2014 (posted on the MSRB's EMMA website on 12/12/2014), the College accepted 9.0 percent of the 27,500 applications it received for the 2014-15 academic year.

The College's selectivity has increased as undergraduate enrollment has increased from 4,642 students in 2005-2006 to 5,729 in 2014-2015. The University also had 8,499 graduate, professional, and other students in academic 2014-2015. This continued growth in the undergraduate student body reflects successful implementation of the University's strategic plan.

The University is a "needs blind" institution with an extensive financial aid program that is designed to enable the most qualified students to attend the University regardless of individual financial circumstances. More than 1,000 students in academic 2014-15 in The (Undergraduate) College received "Odyssey Scholarships", which eliminate student loans for low-income and moderate-income students for those with family income below $60,000 (and reduce loan indebtedness for others). The Odyssey Scholarships were capitalized by a $100 million anonymous donation.

Since 1913, the University has been continuously accredited by the Higher Learning Commission of the North Central Association.

ECONOMIC DISCLOSURE STATEMENT

Applicant: The University of Chicago, 5801 S. Ellis Avenue, Chicago, IL 60637
Contact: Rowan Miranda, Senior Associate VP for Finance & Administration and Treasurer
T: (773) 702-1940; E-mail: rmiranda@uchicago.edu
Website: www.uchicago.edu

Site Locations (New Projects): The University's Hyde Park Campus: The University's general campus is bordered by 47th Street on the north; Lake Shore Drive on the east; 61st Street on the south; and Cottage Grove Ave. on the west in Chicago, Illinois. A portion of the Bond proceeds may also be used to fund (or refund) costs of projects undertaken at other locations owned or operated by the University (and will be identified at the time of the Bond Resolution, as applicable).

.

Project name: IFA Series Revenue Bonds (The University of Chicago, Series 2015A)

Board Of Trustees: **Trustees/ Professional Affiliation**

Andrew M. Alper Chairman, Alper Investments Inc.
David G. Booth Co-CEO and Chairman, Dimensional Fund Advisors
David B. Brooks Op-Ed Columnist, New York Times Company
Debra A. Cafaro, Chairman and CEO Ventas, Inc.
Thomas A. Cole, Sidley Austin LLP
E. David Coolidge, Vice Chairman, William Blair & Company, LLC
James S. Crown President, Henry Crown and Company
Katharine P. Darrow Retired Senior Vice President, The New York Times Company
Daniel L. Doctoroff CEO and President, Bloomberg LP
Brady W. Dougan CEO, Credit Suisse Group AG
Craig J. Duchossois CEO, The Duchossois Group, Inc.
John A. Edwardson Retired Chairman and CEO, CDW
James S. Frank President and CEO, Wheels Inc.
Jack W. Fuller Retired President, Tribune Publishing Company
Timothy M. George Vice Chairman, U.S. Investment Banking, Lazard
Rodney L. Goldstein Chairman and Managing Director, Frontenac Company
Mary Louise Gorno, Vice Chairman of the Board, Managing Director, Hudson Global, Inc.
Kathryn C. Gould Co-Founder, Foundation Capital
Kenneth C. Griffin, CEO and Founder, Citadel
Sanford J. Grossman, Chairman and CEO, Quantitative Financial Strategies, Inc.
King W. Harris Chairman, Harris Holdings, Inc.

Link to UofC Board Member Listing: https://trustees.uchicago.edu/

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal
Auditor:	KPMG LLP	Chicago, IL	Kurt Gabaouer
Borrower Financial Advisor:	Prager & Co., LLC	San Francisco, CA	Susan Fitzgerald
		New York, NY	Mary Jane Darby
Bond Counsel:	Chapman & Cutler LLP	Chicago, IL	Nancy Burke
Underwriter/Senior Manager:	Barclays Capital, Inc.	New York, NY	John Augustine
Co-Senior Manager:	RBC Capital Markets LLC	Chicago, IL	Lorrie DuPont
Co-Managers:	Wells Fargo Securities	New York, NY	Sally Bednar
	Loop Capital Markets, LLC	Chicago, IL	Clarence Bourne
	William Blair & Co., LLC	Chicago, IL	John Peterson
Underwriter's Counsel:	Pugh Jones & Johnson, P.C.	Chicago, IL	Lorraine Tyson
Trustee:	Wells Fargo Bank, NA	Chicago, IL	Gail Klewin
Architects:	Farr Associates	Chicago, IL	
	Diller Scofidio and Renfro	New York, NY	
	FGM/Valerio Dewalt Train Associates	Chicago, IL	
	Studio Gang Architects	Chicago, IL	
	Perkins Eastman	Chicago, IL	
Construction Managers:	Berglund Construction	Chicago, IL	
	Lend Lease (US) Construction, Inc.	Chicago, IL	
	Mortenson Construction	Chicago, IL	
	Turner Construction Company	Chicago, IL	
IFA Counsel:	Burke Burns & Pinelli, Ltd.	Chicago, IL	Steve Welcome
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck

LEGISLATIVE DISTRICTS

	Hyde Park Campus
Congressional:	1
State Senate:	13
State House:	25

CONDUIT

August 13, 2015

$22,000,000 (not-to-exceed)
Providence St. Mel School

REQUEST	**Purpose**: Bonds will be issued in one or more series and proceeds will be used by **Providence St. Mel School** ("Providence St. Mel", the "School" or the "**Borrower**"), to assist the Borrower in providing a portion of the funds necessary to do any or all of the following: (i) refund all of the outstanding $9,800,000 Illinois Development Finance Authority Adjustable Rate Demand Revenue Bonds (Providence St. Mel School Project), Series 2002 (the Series 2002 Bonds); (ii) pay or reimburse the Borrower for the payment of the cost of acquiring, constructing, renovating, remodeling and equipping certain of its facilities, including without limitation the renovation of the Borrower's school building through the construction of a new cafeteria, rehabilitation of classrooms and administrative and administrative offices, and HVAC improvements at its campus located at 119 S. Central Park Avenue, Chicago, IL 60624 (the "Project"); (iii) pay a portion of the interest of the interest on the Series 2015 Bonds, if applicable; (iv) establish a debt service reserve fund for the benefit of the Series 2015 Bonds if deemed necessary or desirable; and (v) pay costs of issuance in connection with the Series 2015 Bonds and the Series 2002 Bonds (collectively, the "Financing Purposes"). **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None
BOARD ACTIONS	Final Bond Resolution (one-time consideration)
MATERIAL CHANGES	None – this is the first time this financing has been presented to the IFA Board of Directors.
JOB DATA	62 Current jobs — N/A New jobs projected N/A Retained jobs — 40 Construction jobs projected (4 months - estimated)
DESCRIPTION	● Location: Chicago (Cook County/Northeast Region) ● Providence St. Mel School was formed through the merger of the former all-girls Providence High School and the all-boys St. Mel High School in 1969. The predecessor schools were affiliated with the Roman Catholic Church and the Archdiocese of Chicago. In 1978, Providence St. Mel incorporated as an independent school and has been 100% reliant on tuition revenues and donations to fund current operations and capital expenditures. The School is located on Chicago's West Side in the East Garfield Park neighborhood. ● Subsequent to incorporating as an independent school in 1978, the School has added P-8 education. In 2014-15, Providence St. Mel served approximately 196 high school students and 266 P-8 students. ● Providence St. Mel has an impressive record of achievement as a college preparatory high school and has been recognized as one of the top college preparatory institutions nationally. In a 4/27/2015 press release posted on the School's web site (www.psmnow.com), the School announced 100% of its high schools seniors had been admitted to "Tier 1" or Ivy League colleges and universities. For over 35 years, the School has placed 100% of its graduates at four-year colleges and universities.
CREDIT INDICATORS	● Providence St. Mel School is a non-rated 501(c)(3) entity. The Bonds will be purchased by Fifth Third Bank, N.A., which will be the direct/lender investor on the proposed Bonds.
PROPOSED STRUCTURE	● The Borrower has engaged William Blair & Company, LLC as financial advisor. ● The proposed term on the IFA Series 2015 Refunding Bonds will remain 2037 (as with the IDFA Series 2002 Bonds to be refunded). The proposed term of the IFA Series 2015 Bonds (New Money) will be 2042 (37 years). ● The IFA Series 2015 Bonds will be purchased directly by Fifth Third Commercial Funding, Inc. Fifth Third Bank will also be the School's relationship bank on other credit facilities. The Bank expects all credit facilities, including the Series 2015 Bonds to be cross –collateralized and cross-defaulted.
INTEREST RATE	• Estimated interest rates relating to the IFA Series 2015 Bonds could range from approximately 3.60% to 3.80 percent on the Series 2015 Refunding Bonds (scheduled to mature in 2037), while the estimated interest rate on the new money bonds (anticipated 27-year maturity) range between 3.75% and 4.10%. .
SOURCES AND USES (PRELIMINARY; SUBJECT TO CHANGE)	see table below
RECOMMENDATION	Credit Review Committee recommends approval.

Sources:		Uses:	
IFA Bonds	$11,200,000	Project Costs	$10,900,000
IFA Refunding Bonds	9,800,000	Refunding Bonds	9,800,000
		Costs of Issuance	300,000
Total	**$ 21,000,000**	**Total**	**$21,000,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 13, 2015

Project: Providence St. Mel School

STATISTICS

Project Number:	12296	Amount:	$22,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton & Brad R. Fletcher
Location:	Chicago	Counties/ Region:	Cook County/Northeast

BOARD ACTION

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

VOTING RECORD

None. This will be the first time this matter will be considered by the IFA Board of Directors.

PURPOSE

Bond proceeds will be used by **Providence St. Mel School** (the **"School"**) to (i) finance a series of capital improvement and rehabilitation projects including, but not limited to, the School's HVAC system, electrical system (to facilitate the integration of technology in the classroom), cafeteria, plumbing system, asbestos abatement, communications system, and security system and other related improvements that will improve the learning environment as well as addressing general health and safety issues, (ii) refund the outstanding balance (approximately $9,800,000) of its Illinois Development Finance Authority Series 2002 Revenue Bonds, and (iii) pay related bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

SOURCES AND USES OF FUNDS (Preliminary; subject to change)

Sources:	IFA Bonds	$11,200,000	Uses:	Project Costs	$10,900,000
	IFA Refunding Bonds	9,800,000		Refunding Bonds	9,800,000
				Costs of Issuance	300,000
	Total	**$21,000,000**		**Total**	**$ 21,000,000**

JOBS

Current employment:	62	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	40 (4 months)

FINANCING SUMMARY

Security/ Ratings: Providence St.Mel School is a non-rated institution. The Bonds will be purchased directly by Fifth Third Bank, N.A., which will become the School's relationship lender on all credit facilities, including the IFA Series 2015 Bonds.

Structure: The Bonds will be purchased directly by Fifth Third Bank, N.A. for an initial term of 10 years

Interest Rate: The subject Bonds are expected to bear interest rates negotiated between the Borrower and Fifth Third Bank, N.A.

Underlying Ratings: Providence St. Mel School is a non-rated entity. Fifth Third Commercial Funding, Inc. will purchase the Bonds directly (and on a non-rated, non-credit-enhanced basis).

Maturity: Final Maturity Dates:
(1) Series 2015 Refunding Bonds - 22 years (which will maintain the existing IDFA Series 2002 Bonds final maturity date in 2037).
(2) Series 2015 Bonds – 37 years (2042).

Anticipated Closing Date: August, 2015

Rationale: The proposed financing will enable Providence St. Mel to (i) refinance the School's existing Series 2002 Bonds, and (ii) provide permanent take-out financing at a tax-exempt interest rate on a rehabilitation project. The proposed IFA Series 2015 Bonds will enable the School to refinance these improvements at the lowest possible interest rate. Savings attributable to the IFA Series 2015 Bonds will enable the School to provide its student body with additional educational services without increasing tuition revenues.

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Bonds will be issued in one or more series and proceeds will be used by **Providence St. Mel School** ("Providence St. Mel", the "School" or the "**Borrower**"), to assist the Borrower in providing a portion of the funds necessary to do any or all of the following: (i) refund all of the outstanding $9,800,000 Illinois Development Finance Authority Adjustable Rate Demand Revenue Bonds (Providence St. Mel School Project), Series 2002 (the Series 2002 Bonds); (ii) pay or reimburse the Borrower for the payment of the cost of acquiring, constructing, renovating, remodeling and equipping certain of its facilities, including without limitation the renovation of the Borrower's school building through the construction of a new cafeteria, rehabilitation of classrooms and administrative and administrative offices, and HVAC improvements at its campus located at 119 S. Central Park Avenue, Chicago, IL 60624 (the "Project"); (iii) pay a portion of the interest of the interest on the Series 2015 Bonds, if applicable; (iv) establish a debt service reserve fund for the benefit of the Series 2015 Bonds if deemed necessary or desirable; and (v) pay costs of issuance in connection with the Series 2015 Bonds and the Series 2002 Bonds (collectively, the "Financing Purposes").

Preliminary estimated new money Project Costs include the following:

Rehabilitiation/Construction Costs – Classrooms, Cafeteria, Offices:	$10,300,000
Furniture, Fixtures & Equipment:	600,000
Total:	**$10,900,000**

BUSINESS SUMMARY

Background: **Providence St. Mel School ("PSM"** or the **"School")** was incorporated under its current ownership structure as an independent school in 1978 as a not-for-profit corporation established under Illinois law. The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. PSM's history dates to the late 1920s.

The School's financial statements are consolidated with two affiliated entities: (1) Providence St. Mel Foundation (an Illinois trust established in 1993 to maintain scholarships and funds to support the School, and an entity exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code), and (2) East Garfield Park Place Limited Partnership (the "Partnership", an Illinois partnership established in 1994 that operates a low-income housing development in the East Garfield Park neighborhood of Chicago, which the school controls through its interest in the Partnership; certain of the Partnership's income in subject to taxation as unrelated business income).

(See Economic Disclosure Statement on pages. 5-6 and the Board of Trustees listing on page 7.)

Description: Providence St. Mel is a private, college preparatory school, which serves students in pre-school through 12th grade. Located on the west side of the city of Chicago, Providence St. Mel's campus is situated on Central Park Boulevard between Adams Street and Monroe Street. PSM's history dates from the 1920s. PSM was created through the consolidation of two Catholic schools in 1969 - Providence High School (all girls) and St. Mel High School (all-boys). PSM is located at the former Providence High School facility.

Today, PSM is home to approximately 500 students who attend Providence St. Mel prepared to achieve their goals with a rigorous academic curriculum in a positive learning community.

Providence St. Mel School seeks to provide quality college-preparatory education to students in need and has had a very successful history of raising funds for the benefit of operating the school, enabling PSM to grow its important mission.

Tuition remains among the lowest of all independent schools in Chicago so that PSM can offer an exceptional college preparatory education to students who would otherwise not have the opportunity to attend. Approximately 35% of the cost to operate the school comes from tuition, while 65% comes from individual, corporate and foundation support.

For over 35 years, 100% of PSM graduates have been accepted to four-year colleges and universities. Since 2001, an average of 50% of graduates have been accepted to colleges and universities rated by *U.S. News and World Report* to be among "Tier One" institutions in the country. According to a website posting on the School's web site as of 4/27/2015, for the first time in the history of Providence St. Mel, 100% of the graduating seniors were accepted to Tier One and Ivy League colleges and universities. Providence St. Mel graduates presently attend the following Tier One colleges and universities:

Bates College
Boston College
Brown University
Carleton College
Carnegie Mellon University
Case Western Reserve University
Lafayette College
New York University
Northwestern University
Pennsylvania State University
Princeton University
Rensselaer Polytechnic Institute
University of Chicago
University of Illinois at Urbana-Champaign
University of Miami
University of Notre Dame
University of Wisconsin – Madison
Vanderbilt University
Washington University in St. Louis
Wesleyan University

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Providence St. Mel School, 119 S. Central Park Ave., Chicago, IL 60624
Web site:	www.psmnow.com
Contact:	Ms. Jeanette DiBella, President and Principal; (T): 773-722-4600 (x1110)
E-mail:	jmdibella@psmnow.com
Project Name:	Providence St. Mel School, Series 2015 Revenue Bonds and Revenue Refunding Bonds
Location:	119 S. Central Park Ave., Chicago, IL 60624
Organization:	Illinois 501(c)(3) organization
Board of Trustees:	*For list of Board of Trustees, see page 6.*
Current Land Owners of Properties to be acquired:	Providence St. Mel School presently owns the subject site in which all renovations will be undertaken.

PROFESSIONAL AND FINANCIAL

Borrower's Special Counsel:	Mayer Brown LLP	Chicago, IL	David Narefsky
Financial Advisor:	William Blair & Co., LLC	Chicago, IL	Alecks Granchalek
Auditor:	Ostrow Reisin Berk & Abrams, Ltd.	Chicago, IL	
Bond Counsel:	Lock Lord	Chicago, IL	Mark Huddle
Bank/Bond Purchaser:	Fifth Third Bank	Chicago, IL	Lucy Czyz
Bank Counsel:	Chapman and Cutler LLP	Chicago, IL	Carol Thompson
General Contractor:			
Architect:			
IFA Counsel:	Kutak Rock LLP	Chicago, IL	Kevin Barney
IFA Financial Advisor:	Sycamore Advisors LLC	Chicago, IL	Melanie Shaker

Professionals on Series 2002 Bonds:

Trustee:	Bank of New York Mellon	Chicago, IL
LOC Bank:	JPMorgan Chase Bank	Chicago, IL

LEGISLATIVE DISTRICTS

Congressional:	7
State Senate:	5
State House:	9

Providence St. Mel – Board of Trustees

CONDUIT

August 13, 2015

$75,000,000 (not-to-exceed)
Columbia College Chicago

REQUEST	**Purpose**: Bond proceeds will be loaned to **Columbia College Chicago**, an Illinois not-for-profit corporation (the "**Corporation**"), in order to assist the Corporation in providing all or some of the funds necessary to do any or all of the following: (i) refunding all of the outstanding principal amount of the Illinois Educational Facilities Authority Revenue Bonds, Columbia College Chicago, Series 2003, issued in the original aggregate principal amount of $23,015,000 (the "**Series 2003 Bonds**"), (ii) refunding all of the outstanding principal amount of the Illinois Finance Authority Revenue Bonds, Columbia College Chicago, Series 2007, issued in the original aggregate principal amount of $48,295,000 (the "**Series 2007 Bonds**"), (iii) refunding all of the outstanding principal amount of the Illinois Finance Authority Revenue Refunding Bonds, Columbia College Chicago, Series 2011, issued in the original aggregate principal amount of $12,950,000 (the "**Series 2011 Bonds**," and, together with the Series 2003 Bonds and the Series 2007 Bonds, the "**Prior Bonds**"), (iv) funding a debt service reserve fund, if deemed necessary or advisable by the Corporation or the Authority, and (v) paying certain expenses incurred in connection with the issuance of the Series 2015 Bonds and the refunding of the Prior Bonds, including the costs of a bond insurance policy or a surety bond if deemed necessary or advisable by the Corporation (collectively, the "**Financing Purposes**"). **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTION	Final Bond Resolution (*One-time Consideration*)
MATERIAL CHANGES	None. This is the first time this financing has been presented to the Board of Directors.
JOB DATA	3,049 Current jobs; N/A New jobs projected N/A Retained jobs; N/A Construction jobs projected
DESCRIPTION	● Location: Chicago / Cook County / Northeast ● Type of entity: Columbia College Chicago is an Illinois not-for-profit corporation. ● Columbia College Chicago was originally established in 1890 as a college of education and became fully accredited as a four-year, undergraduate, liberal arts school in 1974. ● Columbia College Chicago offers more than 120 academic majors and programs and is the largest and most diverse private, nonprofit arts and media college in the nation with over 10,000 undergraduate students. ● Columbia's student body represents all 50 states and 41 foreign nations.
CREDIT INDICATORS	● The plan of finance contemplates the refunding bonds to be sold in one or more series. Fixed Rate Bonds will be sold based on the College's underlying long-term debt rating, provided, however, that if the College attains a municipal bond insurance policy at the time of delivery of the Bonds, the Bonds will be sold based on the insurer's rating as well as the College's underlying rating. ● Columbia College Chicago is currently rated BBB+ (S&P; Negative outlook assigned as of 1/16/2015). Additionally, Columbia College Chicago is applying for a rating in connection with this refunding. ● Loop Capital Markets LLC. (the "**Senior Manager**") and BMO Capital Markets (the "**Co-Manager**") have been engaged by the College to underwrite the transaction. The final sizing on this transaction and any split between tax-exempt and conventional financing will be decided after tax due diligence has been completed.
SECURITY	● The bonds will be a general corporate obligation issued under a new Master Trust Indenture, secured by a gross revenue pledge of the College along with a mortgage or security interest in certain real estate assets of the College.
MATURITY	● 2045 (not-to-exceed 30 years)
INTEREST RATE	● Both sizing and interest rates (tax-exempt and taxable) to be determined based on evaluation of market conditions by the College and its financing team at pricing. *<u>The amounts represented in this report represent not-to-exceed parameters.</u>*

SOURCES AND USES

Sources:		**Uses:**	
Series 2015 Bonds	$63,114,438	Refunding Escrow	$69,255,000
Prior Debt Service Reserve Funds	6,140,562	Costs of Issuance	745,000
Equity	745,000		
Total	**$70,000,000**	**Total**	**$70,000,000**

RECOMMENDATION Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 13, 2015

Project: Columbia College Chicago

STATISTICS

Project Number:	12299	Amount:	$75,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Chicago	County/ Region:	Cook County/Northeast

BOARD ACTION

Final Bond Resolution (*One-time Consideration*)

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

VOTING RECORD

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

PURPOSE

Purpose: Bond proceeds will be loaned to **Columbia College Chicago**, an Illinois not-for-profit corporation (the "**Corporation**"), in order to assist the Corporation in providing all or some of the funds necessary to do any or all of the following: (i) refunding all of the outstanding principal amount of the Illinois Educational Facilities Authority Revenue Bonds, Columbia College Chicago, Series 2003, issued in the original aggregate principal amount of $23,015,000 (the "**Series 2003 Bonds**"), (ii) refunding all of the outstanding principal amount of the Illinois Finance Authority Revenue Bonds, Columbia College Chicago, Series 2007, issued in the original aggregate principal amount of $48,295,000 (the "**Series 2007 Bonds**"), (iii) refunding all of the outstanding principal amount of the Illinois Finance Authority Revenue Refunding Bonds, Columbia College Chicago, Series 2011, issued in the original aggregate principal amount of $12,950,000 (the "**Series 2011 Bonds**," and, together with the Series 2003 Bonds and the Series 2007 Bonds, the "**Prior Bonds**"), (iv) funding a debt service reserve fund, if deemed necessary or advisable by the Corporation or the Authority, and (v) paying certain expenses incurred in connection with the issuance of the Series 2015 Bonds and the refunding of the Prior Bonds, including the costs of a bond insurance policy or a surety bond if deemed necessary or advisable by the Corporation (collectively, the "**Financing Purposes**").

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

JOBS

Current employment:	3,049	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		**Uses:**	
Series 2015 Bonds	$63,114,438	Refunding Escrow	$69,255,000
Prior Debt Service Reserve Funds	6,140,562	Costs of Issuance	745,000
Equity	745,000		
Total	**$70,000,000**	**Total**	**$70,000,000**

FINANCING SUMMARY

Security:	The fixed rate bonds will be a general corporate obligation, secured by a gross revenue pledge of the College along with a mortgage or security interest in certain real estate assets of the College.
Structure:	The plan of finance contemplates the public issuance of an amount not-to-exceed $65 million of tax-exempt and taxable debt to be issued in one or more series. Fixed Rate Bonds will be sold based on the College's underlying long-term debt rating of BBB+ (S&P), provided, however, that if the College attains a municipal bond insurance policy at the time of delivery of the Bonds, the Bonds will be sold based on the insurer's rating as well as the College's underlying rating. Loop Capital Markets LLC and BMO Capital Markets have been engaged by the Borrower to underwrite the transaction.
Underlying Rating:	Columbia College Chicago is currently rated BBB+ (S&P; Negative outlook assigned as of 1/16/2015). Additionally, Columbia College Chicago is applying for a rating in connection with this refunding.
Bond Insurance Rating:	To be determined, if necessary or desirable by the College.
Interest Rate:	The College and their financing team will determine the mix of serial and term bonds (i.e., Fixed Rate Bonds) after evaluating market conditions and prospective transaction sizing in advance of pricing.
Maturity:	No later than 2045 (i.e., 30 years from issuance date)
Closing Date:	September 2015
Rationale:	The proposed tax-exempt and taxable refunding will reduce monthly interest payments that (together with other funds available to the Borrower) will assist in helping the College keep fixed charges (including debt service payments) as low as possible. Additionally, the refunding bonds will be issued under a new Master Trust Indenture that streamlines the College's covenants and releases certain mortgages in connection with certain real estate assets of the College.

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Purpose: **Columbia College Chicago**, an Illinois not-for-profit corporation (the "**Corporation**"), has requested that the Authority issue not to exceed $75,000,000 (excluding original issue discount or premium, if any) in aggregate principal amount of revenue bonds consisting of one or more series of Revenue Refunding Bonds, Columbia College Chicago, Series 2015 (the "**Series 2015 Bonds**"), and loan the proceeds thereof to the Corporation in order to assist the Corporation in providing all or some of the funds necessary to do any or all of the following: (i) refunding all of the outstanding principal amount of the Illinois Educational Facilities Authority Revenue Bonds, Columbia College Chicago, Series 2003, issued in the original aggregate principal amount of $23,015,000 (the "**Series 2003 Bonds**"), the proceeds of which were loaned to the Corporation to finance, refinance or reimburse certain of the costs of acquiring, constructing, renovating and equipping the educational facilities of the Corporation, (ii) refunding all of the outstanding principal amount of the Illinois Finance Authority Revenue Bonds, Columbia College Chicago, Series 2007, issued in the original aggregate principal amount of $48,295,000 (the "**Series 2007 Bonds**"), the proceeds of which were loaned to the Corporation to finance, refinance or reimburse certain of the costs of acquiring, constructing, renovating and equipping the educational facilities of the Corporation, (iii) refunding all of the outstanding principal amount of the Illinois Finance Authority Revenue Refunding Bonds, Columbia College Chicago, Series 2011, issued in the original aggregate principal amount of $12,950,000 (the "**Series 2011 Bonds**," and, together with the Series 2003 Bonds and the Series 2007 Bonds, the "**Prior Bonds**"), the proceeds of which were loaned to the Corporation to refinance certain of the costs of acquiring, constructing, renovating and equipping the educational facilities of the Corporation, (iv) funding a debt service reserve fund, if deemed necessary or advisable by the Corporation or the Authority, and (v) paying certain expenses incurred in connection with the issuance of the Series 2015 Bonds and the refunding of the Prior Bonds, including the costs of a bond insurance policy or a surety bond if deemed necessary or advisable by the Corporation, all as permitted by the Illinois Finance Authority Act (collectively, the "**Financing Purposes**").

BUSINESS SUMMARY

Background: **Columbia College Chicago** (also, "**Columbia**" or the "**Borrower**") is incorporated under Illinois law and is a 501(c)(3) not-for-profit corporation exempt from federal income taxes under the Internal Revenue Code.

Description: Columbia College Chicago is private, not for profit, independent, fully accredited, unaffiliated undergraduate and graduate college located in downtown Chicago. Columbia was originally established in 1890 as a college of education and became fully accredited as a four-year, undergraduate, liberal arts school in 1974. Columbia offers educational opportunities in the performing, visual, communications, and writing arts at both the graduate and undergraduate levels, and is home to the one of the largest film schools in the world. Its primary location in the South Loop area of Chicago provides easy access to the Art Institute of Chicago, Adler Planetarium and Astronomy Museum, Field Museum, Chicago Symphony Orchestra and other notable cultural and educational institutions.

Founded in 1890 as the Columbia School of Oratory, Columbia has grown to become the fifth largest private higher education institution in Illinois. Columbia College's enrollment of over 9,000 undergraduate students and approximately 400 graduate students is drawn primarily from the city of Chicago and its suburbs, but also attracts students from across the United States and from 41 foreign nations. Approximately one-third of Columbia's student body is African American, Latino, Asian, Native American, Pacific Islander, or multi-racial, making Columbia's student body among the most diverse of any private arts college. The student body is evenly divided between men and women.

Columbia College offers more than 120 academic majors and programs and is the largest private arts and media college in the nation. Columbia's operations are located at 27 properties comprising more than 1.3 million SF that the Borrower owns and leases in Chicago's South Loop. Columbia College has been located in the South Loop since 1975. Columbia College Chicago is currently the largest landowner in the South Loop.

Due to Chicago's role as a key media center, Columbia College has developed a strong internship and part-time job placement program for its students and has developed relationships with nine independent film festivals, 200 theatre groups and venues, 35 radio stations, and 25 magazines and newspapers. These employment opportunities have been critical in attracting students to Columbia. The faculty consists of more than 1,400 practicing artists, scholars, and professionals.

According to management, Columbia College's annual tuition of $22,884 for academic 2014-2015 is less than the national average for private colleges in the U.S.

As a result of Columbia's strategic initiatives over the last 15 years, enrollment has increased from approximately 7,300 in 1993 to over 10,000 for the Fall 2015 term. Columbia believes this growth has resulted from its focus on (i) small class size (to facilitate close interaction with a faculty of working professionals), (ii) abundant internship opportunities with major employers in the Chicago area, and (iii) outstanding physical facilities.

Columbia College has been accredited at the undergraduate and graduate levels by the North Central Association of Colleges and Schools since 1974. Columbia College Chicago is also accredited as a teacher training institution by the Illinois State Board of Education.

Columbia College currently has five IFA/IEFA bond issues outstanding. The total balance outstanding as of 7/31/2015 was approximately $86,610,000 and included four series of Fixed Rate Bonds and one series of Variable Rate Bonds (IEFA Series 2000 - $17,100,000 outstanding) secured by a Direct Pay Letter of Credit (BMO Harris Bank, N.A.) expiring 4/1/2016.

All bond payments on Columbia College's existing IFA or IEFA debt obligations were current as of 8/1/2015.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Columbia College Chicago, 600 S. Michigan Ave., Chicago (Cook County), IL 60605

Contact: Michelle Gates, CFO/Vice President for Business Affairs: (T) 312-369-7215;
Email: mgates@colum.edu

Website: http://www.colum.edu/

Site Location: Proceeds of the Series 2015 Bonds will refinance outstanding debt undertaken in connection with the College's campus at 600 S. Michigan Ave., Chicago (Cook County), IL 60605

Project name: IFA Revenue Refunding Bond s (Columbia College Chicago), Series 2015

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

Leased School Properties: Columbia College Chicago leases the following properties for either academic or residential use:

Property	Use	Gross Area (SF)	Beds (Res'l Only)	Year Acquired
1006 S. Michigan	Academic	17,500	NA	2002
2 E. 8th St.*	Residential	NA	566	2012
626 S. Clark*	Residential	NA	763	2010

Additionally, while Columbia College Chicago's buildings throughout its campus are owned by the College, the real estate upon which these many of these buildings are located is leased by the College pursuant to certain long-term ground leases.

Board of Trustees: Columbia College Chicago is governed by a 35-member Board of Trustees.

Officers:
Richard P. Kiphart, Chair
Chester T. Kamin, Vice Chair
Sylvia Neil, Vice Chair
Sharon Dalenberg, Secretary
Barry Sabloff, Treasurer

Trustees:
Andrew Alexander
Madeleine Moore Burrell
Lester Coney
Luis De La Parra (BA '95)
Susan V. Downing (P '99)
Jeremy Daniel Efroymson (MFA '98)
Jane Gately
John R. Gehron (P '95, P '09)
Devin A. Gross
Joan Hammel (BA '86, ex officio)
John McClain Holmes
Kwang-Wu Kim, President and CEO (ex officio)
Jay Leib (BA '95)
Averill Leviton
Fred C. Lowinger

PROFESSIONAL & FINANCIAL

Auditor:	KPMG LLP	Chicago, IL	
Borrower's Financial Advisor:	Public Financial Management, Inc.	Boston, MA	Jeremy Bass Colleen Maloney
Borrower's Counsel:	Dentons US LLP	Chicago, IL	Mary Wilson
Bond Counsel:	Chapman & Cutler LLP	Chicago, IL	Chris Walrath J. Travis Wimsett
Senior Manager:	Loop Capital Markets LLC	Chicago, IL	Clarence Bourne Jonathan Yu Ankit Bavishi Alexandria Dunn
Co-Manager:	BMO Capital Markets	Chicago, IL	Connie Zhai Joyce Miller Michael Gagnon Morris Huling Alex (Jongtze) Lee
Underwriter's Counsel:	Quarles & Brady LLP	Chicago, IL	Kevin Slaughter Scott Bremer
Rating Agency:	Standard & Poor's	Chicago, IL	Ashley Ramchandani
IFA Counsel:	Thompson Coburn LLP	Chicago, IL	Tom Smith
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck

LEGISLATIVE DISTRICTS

Congressional:	7
State Senate:	3
State House:	5

IFA ILLINOIS FINANCE AUTHORITY

CONDUIT

August 13, 2015

$16,000,000
Joint Commission on Accreditation of Healthcare Organizations

REQUEST	**Purpose**: Bond proceeds will be used by the Joint Commission on Accreditation of Healthcare Organizations ("the Joint Commission") **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTION	Final Bond Resolution (One-Time Consideration)
MATERIAL CHANGES	None. This is the first time this project has been presented to the IFA Board of Directors for consideration.
JOB DATA	721 Current FTE's — 0 New jobs projected 721 Retained FTE's — 30-35 Construction jobs projected * The project will require approximately 30-35 construction workers, of which approximately 3 are new construction positions needed for this Project.
DESCRIPTION	● Oakbrook Terrace (DuPage County) ● The Joint Commission is an independent not-for-profit organization incorporated in the State of Illinois. The Joint Commission accredits and certifies more than 23,000 health care organizations and programs in the United States. Joint Commission accreditation and certification is recognized nationwide as a symbol of quality that reflects an organization's commitment to meeting certain performance standards.
CREDIT INDICATORS	● Bonds to be purchased directly by DNT Asset Trust, a wholly owned subsidiary of JP Morgan Chase, as Bank Purchased Bonds.
SECURITY	● Secured by blanket lien on business assets and negative pledge on real property - on par with outstanding debt.
MATURITY	● No later than 10 years.
SOURCES AND USES	See below
RECOMMENDATION	Credit Review Committee recommends approval.

SOURCES AND USES

Sources:		**Uses:**	
IFA Bonds	$16,000,000	Project Cost	$15,790,000
		Costs of Issuance	210,000
Total	**$16,000,000**	**Total**	**$16,000,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 13, 2015

Project: Joint Commission on Accreditation of Healthcare Organizations

STATISTICS

Project Number: H-SL-TE-CD-12294
Type: 501(c)(3) Bonds
Location: Oakbrook Terrace, IL

Amount: $16,000,000
IFA Staff: Pam Lenane
County/ Region: DuPage/Northeast

BOARD ACTION

Final Bond Resolution (*one-time consideration*)
Conduit 501 (c)(3) bonds
No IFA funds at risk

Credit Review Committee recommends approval
No extraordinary conditions

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board for consideration.

PURPOSE

To provide the funds necessary to renovate existing office space originally built in 1988.

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 and thereby reducing the Borrower's interest expense.

VOLUME CAP

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

JOBS

Current employment:	721 FTE's	Projected new jobs:	0
Jobs retained:	721 FTE's	Construction jobs:	30-35, approx. 3 are new positions

ESTIMATED SOUCES AND USES OF FUNDS

Sources:		**Uses:**	
IFA Bonds	$16,000,000	Project Cost	$15,790,000
		Costs of Issuance	210,000
Total	**$16,000,000**	**Total**	**$16,000,000**

FINANCING SUMMARY/STRUCTURE

Security:	Payment on the Bond secured by a blanket lien on business assets and negative pledge on real property on parity with outstanding debt.
Structure:	Fixed Rate Debt
Interest Rate:	TBD – Est. 5/27/15 of 2.00% for initial 7 year period, subject to adjustment as provided in the bond and loan agreement
Interest Mode:	Bank Mode
Rating:	None
Maturity:	10 years after issuance
Estimated Closing Date:	August 26, 2015

PROJECT SUMMARY

The proceeds of the Bonds will be used to provide the funds necessary to renovate existing office space .

BUSINESS SUMMARY

The Joint Commission is an independent not-for-profit organization incorporated in the State of Illinois. The Joint Commission accredits and certifies nearly 23,000 health care organizations and programs in the United States. Joint Commission accreditation and certification is recognized nationwide as a symbol of quality that reflects an organization's commitment to meeting certain performance standards.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Project name:	Headquarters Renovation
Applicant:	The Joint Commission on Accreditation of Healthcare Organizations
Ownership (501(c)(3)):	501(c)(3) Not-for-Profit Corporation
State:	Illinois

Board Members:	Joan Clark	Grant Davies	Craig Jones
	Marie Knedler	Gregg S. Meyer	David B. Pryor
	R. Timothy Rice	David L. Bronson	Roger W. Bush
	Mark A. Kelley	L.D. Britt	Mary H. McGrath
	Carlos A. Pellegrini	M. Nicole Jamali	Mary Anne McCaffree
	Albert J. Osbahr	Rebecca J. Patchin	Stephen R. Permut
	Steven S. Sharfstein	Carl A. Sirio	David Perrott
	Mark R. Chassin	John A. Babiarz	Charles R. Buck, Jr.
	Ilene Corina	Christopher Queram	J.B. Silvers
	Aurie Hollingsworth Miller	Michael F. Hogan	Joan Doyle
	Connie S. March-Curtis	Jane D. Englebrigh	

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Chapman and Cutler LLP	Chicago	Nancy Burke
Bond Counsel:	Chapman and Cutler LLP	Chicago	Jane Nagle
Bank	JP Morgan Chase	Chicago	Candice Richmond
Bank Counsel:	Scott & Krause	Chicago	Jim Schraidt
Issuer's Counsel:	Charity & Associates	Chicago	Alan Bell
Borrower's Fin Advisor:	Ponder & Co	Chicago	Mike Tym
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago	Jim Beck

LEGISLATIVE DISTRICTS

Congressional:	5
State Senate:	24
State House:	48

SERVICE AREA

The Joint Commission evaluates and accredits nearly 23,000 health care organizations throughout the United States. The comprehensive accreditation process evaluates an organization's compliance with state-of-the-art standards and other accreditation requirements that directly and indirectly related to the quality and safety of care provided by the organization. These accreditation services are provided for hospitals, clinical laboratories, home care, long term care, behavioral health care, and ambulatory care organizations.

CONDUIT

ILLINOIS FINANCE AUTHORITY

August 13, 2015

$328,565,000
Advocate Health Care Network

REQUEST	**Purpose**: Bond proceeds will be used by **Advocate Health and Hospitals Corporation** (the "**Borrower**") to (i) fund new money projects (including capitalized interest, if deemed necessary or advisable by the Borrower) at Advocate hospital campuses, including a Bed Tower and Modernization project at Advocate Good Samaritan Hospital in Downers Grove, Illinois; (ii) refinance all or a portion of the Authority's Revenue Bonds, Series 2010 (Advocate Health Care Network) (the "**Series 2010 Bonds**"), the proceeds of which were used to finance, refinance or reimburse the Borrower for the costs of certain of their health facilities; (iii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower; (iv) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable by the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refinancing of the Series 2010 Bonds. **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	Final Bond Resolution (*one-time consideration*)
MATERIAL CHANGES	This is the first time this project is being presented to the Board.
JOB DATA	29,200 (Full Time Equivalents) — Current jobs; N/A — New jobs projected N/A — Retained jobs; 115 — Construction jobs projected
DESCRIPTION	● Locations: Cook, DuPage, Kane, Lake, McLean and Woodford Counties ● Advocate Health Care Network and the Borrower are the sole members of various not-for-profit corporations, including Advocate Condell Medical Center, Advocate North Side Health Network and Advocate Sherman Hospital. Collectively, these facilities constitute the Advocate Health Care Network (the "**System**"). ● 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. ● The System provides a continuum of care through its ten acute care hospitals and a children's hospital, with approximately 3,600 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.
CREDIT INDICATORS	● Fixed Rate Debt. ● Expected underlying ratings of Aa2/AA/AA (Moody's/S&P/Fitch)
MATURITY	● Bonds will mature no later than 2054.

SOURCES AND USES

Sources		Uses	
IFA Bonds	$328,565,000	Refinancing of Existing Debt	$225,565,000
		Project Cost	100,000,000
		Cost of Issuance	3,000,000
Total	**$328,565,000**	Total	**$328,565,000**

RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 13, 2015

Project: Advocate Health Care Network

STATISTICS

Project Number: H-HO-TE-CD-12302
Type: 501(c)(3) Bonds
County/Region: Cook, DuPage, Kane, Lake, McLean, And Woodford counties

Amount: $328,565,000 (not-to-exceed)
IFA Staff: Pam Lenane
City: Bloomington-Normal – McLean
Eureka - Woodford
Chicago – Cook
Oak Lawn – Cook
Park Ridge – Cook
Hazel Crest – Cook
Elgin – Kane
Barrington – Lake
Libertyville – Lake
Downers Grove - DuPage

BOARD ACTION

Final Bond Resolution (*one-time consideration*)
Conduit 501(c)(3) Revenue Bonds
Credit Review Committee recommends approval

No IFA funds at risk
No extraordinary conditions

VOTING RECORD

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

PURPOSE

Bond proceeds will be used to (i) fund new money projects (including capitalized interest, if deemed necessary or advisable by the Borrower) at Advocate hospital campuses, including a Bed Tower and Modernization project at Advocate Good Samaritan Hospital in Downers Grove, Illinois; (ii) refinance all or a portion of the Authority's Revenue Bonds, Series 2010 (Advocate Health Care Network) (the "**Series 2010 Bonds**"), the proceeds of which were used to finance, refinance or reimburse the Borrower for the costs of certain of their health facilities; (iii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower; (iv) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable by the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refinancing of the Series 2010 Bonds.

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.

VOLUME CAP

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

JOBS

Current employment:	29,200	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	115

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	$328,565,000	Refinancing of Existing Debt	$225,565,000
			Project Cost	100,000,000
			Cost of Issuance	3,000,000
	Total	**$328,565,000**	Total	**$328,565,000**

FINANCING SUMMARY/STRUCTURE

Security:	General, unsecured obligations of the current 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 Hospitals Corporation, Advocate North Side Health Network, Advocate Sherman Hospital and Advocate Condell Medical Center.)
Structure:	Fixed Rate Debt.
Interest Rate:	To be determined on the day of pricing.
Interest Mode:	Fixed Rate Bonds.
Credit Enhancement:	Fixed Rate Bonds would be sold based on the underlying rating(s) of Advocate Health Care Network.
Maturity:	Not later than 2054
Rating:	Expected underlying ratings of Aa2/AA/AA (Moody's/S&P/Fitch)
Estimated Closing Date:	September 15, 2015

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be used to (i) fund new money projects (including capitalized interest, if deemed necessary or advisable by the Borrower) at Advocate hospital campuses, including a Bed Tower and Modernization project at Advocate Good Samaritan Hospital in Downers Grove, Illinois; (ii) refinance all or a portion of the Authority's Revenue Bonds, Series 2010 (Advocate Health Care Network) (the "**Series 2010 Bonds**"), the proceeds of which were used to finance, refinance or reimburse the Borrower for the costs of certain of their health facilities; (iii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower; (iv) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable by the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refinancing of the Series 2010 Bonds.

BUSINESS SUMMARY

Advocate Health Care Network is an Illinois not-for-profit 501(c)(3) corporation ("**Advocate Network Corporation**") and 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, Advocate North Side Health Network and Advocate Sherman Hospital, 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 contributed $783 million in charitable care and services to communities across Chicagoland and Central Illinois in 2014.

The System, named among the nation's top health systems, is the largest health system in Illinois and one of the largest health care providers in the Midwest. The System operates more than 250 sites of care, including 10 acute care hospitals, one critical access hospital, the state's largest integrated children's network, five Level I trauma centers (the state's highest designation in trauma care), two Level II trauma centers, one of the area's largest home health care companies and one of the region's largest medical groups. The System trains more primary care physicians and residents at its four teaching hospitals than any other health system in the state.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicant:	Advocate Health Care Network
Project Location:	Multiple
Borrower:	Advocate Health and Hospitals Corporation 3075 Highland Parkway Suite 600 Downers Grove, IL 60515
Board Members (Advocate Health Care Network):	Michele Richardson, *Chairperso*n John F. Timmer, *Vice Chair*person James H. Skogsbergh, *President and Chief Executive Officer* David B. Anderson Lynn Crump-Caine Rev. Dr. Nathaniel Edmond Ronald L. Greene Mark M. Harris Gail D. Hasbrouck Rick Jakle Ronald J. Mallicoat, Jr. Bishop Wayne N. Miller Rev. Dr. Jorge L. Morales Clarence Nixon, Jr. Ph.D. Gary D. Stuck, D.O., FAAFP

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Polsinelli PC	Chicago	Janet Zeigler
Borrower's Fin. Advisor	Kaufman Hall	Chicago	Matt Robbins
Auditor:	Ernst & Young	Chicago	Tadd Ingles
Bond Counsel:	Chapman & Cutler	Chicago	Nancy Burke
		Chicago	David Kates
Senior Underwriter:	J.P. Morgan	Chicago	Meghan Armstrong
		New York	Lisa Rodgers
Co-Manager:	Loop Capital Markets, LLC	Chicago	Prakash Ramani
Co-Manager:	Cabrera Capital Markets, LLC	Chicago	Santino Bibbo
Underwriter's Counsel:	Dentons US, LLP	Chicago	Katie Ashton
Bond Trustee:	Wells Fargo Bank	Chicago	Gail Klewin
Issuer's Counsel:	Nixon Peabody	Chicago	Julie Seymour
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago	Jim Beck

LEGISLATIVE DISTRICTS

Congressional:	2, 3, 5, 6, 9, 10, 13, 18
State Senate:	6, 10, 13, 17, 18, 19, 24, 26, 33, 44, 53
State House:	12, 20, 25, 33, 36, 38, 47, 51, 81, 88, 105

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); Hazel Crest (Advocate South Suburban Hospital); Normal (Advocate BroMenn Medical Center); Eureka (Advocate Eureka Hospital); and Elgin (Advocate Sherman Hospital).

CONDUIT

ILLINOIS FINANCE AUTHORITY

August 13, 2015

$65,000,000
Plymouth Place, Inc.

REQUEST	**Purpose**: The Series 2015 Bonds will be used by **Plymouth Place, Inc.** (the "**Corporation**" or the "**Borrower**") to: (i) pay or reimburse the Borrower for the costs of acquiring, constructing, renovating, remodeling and equipping certain health care facilities of the Borrower, including but not limited to pre-construction costs, construction and equipping of the independent living cottages at 315 North LaGrange Road, LaGrange Park, Illinois (the "Project"); (ii) refund all or a portion of the outstanding principal amount of Illinois Finance Authority Revenue Bonds, Series 2005A (The Landing at Plymouth Place Project) (the "**Prior Bonds**"); (iii) fund working capital, if deemed necessary or advisable by the Authority or Borrower; (iv) fund a debt service reserve fund; and (v) pay certain expenses incurred in connection with the issuance of the Series 2015 Bonds and the refunding of the Prior Bonds. **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTION	Preliminary Bond Resolution:
JOB DATA	224 Current jobs; N/A New jobs projected N/A Retained jobs; N/A Construction jobs projected
MATERIAL CHANGES	None.
DESCRIPTION	● Location: La Grange Park / Cook County / Northeast Region ● Plymouth Place, an Illinois 501(c)(3) corporation incorporated in 1939, operates a continuing care retirement community ("CCRC") consisting of 182 independent living apartments, 55 independent living cottages (32 of which are not currently maintained or available for occupancy), 52 assisted living units, 26 memory support assisted living units, and 86 nursing care beds. Plymouth Place is located on an 18.6 acre site in La Grange Park, Illinois. Plymouth Place underwent a major a major campus redevelopment in 2005, for which IFA Bonds totaling $146,000,000 were issued. Plymouth Place was redeveloped by Greystone Communities and it is managed by Providence Management and Development Company.
CREDIT INDICATORS	● The Bonds will be tax-exempt fixed rate bonds sold through a public offering. Fitch has been engaged to issue a credit rating on the Series 2015 Bonds ("BB+" Rating anticipated). A feasibility study is being prepared by Management and CliftonLarsonAllen. The feasibility study will be included in the prospectus/official statement.
SECURITY	● First mortgage on property and equipment, and a gross revenue pledge.
MATURITY	● Bonds will mature no later than May 15, 2050
RECOMMENDATION	Credit Review Committee recommends approval.

SOURCES AND USES

Sources:		**Uses:**	
Series 2015 Bonds	$58,530,000	Refunding Escrow	$55,942,835
2005A Trustee-Held Funds	$5,680,167	CapEx Reimbursement	$360,000
Equity Contribution (COI > 2%)	$357,350	Redevelopment of Cottages Seed Money	$2,000,000
		Series 2015 DSRF	$4,732,459
		Costs of Issuance	$1,532,223
Total	**$64,567,517**	**Total**	**$64,567,517**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 13, 2015

Project: Plymouth Place, Inc.

STATISTICS

Project Number: H-SL-TE-CD-12303
Type: 501(c)(3) Bonds
Location: La Grange Park

Amount: $65,000,000
IFA Staff: Pam Lenane
County/ Region: Cook/Northeast

BOARD ACTION

Preliminary Bond Resolution
Conduit 501(c)(3) Revenue Bonds
Credit Review Committee recommends approval
Preliminary Bond Resolution

No IFA funds at risk
No extraordinary conditions

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board for consideration.

PURPOSE

The Series 2015 Bonds will be used to: (i) pay or reimburse the Borrower for the costs of acquiring, constructing, renovating, remodeling and equipping certain health care facilities of the Borrower, including but not limited to the pre-construction costs, construction and equipping of the independent living cottages at 315 North LaGrange Road, LaGrange Park, Illinois (the "Project"); (ii) refund all or a portion of the outstanding principal amount of Illinois Finance Authority Revenue Bonds, Series 2005A (The Landing at Plymouth Place Project) (the "**Prior Bonds**"); (iii) fund working capital, if deemed necessary or advisable by the Authority or Borrower; (iv) fund a debt service reserve fund; and (v) pay certain expenses incurred in connection with the issuance of the Series 2015 Bonds and the refunding of the Prior Bonds.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

JOBS

Current employment:	224	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

ESTIMATED SOUCES AND USES OF FUNDS

Sources:		**Uses:**	
Series 2015 Bonds	$58,530,000	Refunding Escrow	$55,942,835
Trustee-Held Funds	$5,680,167	CapEx Reimbursement	$360,000
Equity Contribution (COI > 2%)	$357,350	Redevelopment of Cottages Seed Money	$2,000,000
		Series 2015 DSRF	$4,732,459
		Costs of Issuance	$1,532,223
Total	**$64,567,517**	**Total**	**$64,567,517**

FINANCING SUMMARY/STRUCTURE

Credit Enhancement:	None
Structure:	Fixed rate, tax-exempt term bonds sold through a public offering.
Interest Rate:	To be determined on the day of pricing.
Interest Rate Modes:	Fixed through final maturities
Underlying Ratings:	Fitch engaged to issue rating on Series 2015 Bonds ("BB+" Anticipated)
Maturity:	No later than May 15, 2050
Estimated Closing Date:	October 2015

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be used by **Plymouth Place, Inc.** (the "**Corporation**" or the "**Borrower**") to: (i) pay or reimburse the Borrower for the costs of acquiring, constructing, renovating, remodeling and equipping certain health care facilities of the Borrower, including but not limited to the pre-construction, construction and equipping of the independent living cottages at 315 North LaGrange Road, LaGrange Park, Illinois (the "Project"); (ii) refund all or a portion of the outstanding principal amount of Illinois Finance Authority Revenue Bonds, Series 2005A (The Landing at Plymouth Place Project) (the "**Prior Bonds**"); (iii) fund working capital, if deemed necessary or advisable by the Authority or Borrower; (iv) fund a debt service reserve fund; and (v) pay certain expenses incurred in connection with the issuance of the Series 2015 Bonds and the refunding of the Prior Bonds.

BUSINESS SUMMARY

Plymouth Place, Inc. was incorporated as an Illinois not for profit corporation in 1939. The Corporation constructed a retirement community at its current location as a home for the elderly members of the United Church of Christ (formerly, the Congregational Church). The Corporation's continuing mission is to provide a retirement community, based on Christian values, that honors the individual's right to experience life to the fullest. The Corporation believes in the dignity and worth of each individual and the need to retain one's own personal identity and independence, and is dedicated to providing a gracious environment for individuals in their retirement years, as well as meeting the needs of the aging in the community at large. The Corporation's facilities and programs are open to all without regard to race, color, national origin or religion.

Plymouth Place is located on an 18.6 acre site in La Grange Park, IL and its facilities currently consist of 182 independent living apartments, 55 independent living cottages, 52 assisted living units, 26 memory support assisted living units, and 86 nursing care beds. The 55 cottages were constructed in the 1950's and due to their condition they are no longer being marketed, although 23 of them are being maintained so as to be suitable for occupancy. These 23 cottages are made available to residents on a rental basis to those who express an interest. The Borrower expects that over time, all of the original cottages will be demolished and this area of the campus will be redeveloped.

Plymouth Place underwent a major campus redevelopment in 2005, which involved the issuance of $146,000,000 of bonds issued through the Illinois Finance Authority. A portion of the Series 2005 Bonds were refunded with Series 2013 Bonds and the remaining Series 2005 Bonds will be refunded with the Series 2015 Bonds described herein.

Plymouth Place was redeveloped by Greystone Communities, a well-known developer based in Dallas and specializing in senior living properties throughout the United States. Plymouth Place is managed by Providence Management and Development Company, an owner, manager and consultant to senior living communities located primarily in Illinois and Michigan.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicant: Plymouth Place, Inc.

Site Address: Plymouth Place
315 North La Grange Road
La Grange Park, IL 60526

Contact: Dale Lilburn, CEO. Phone: 708/482-6668

Website: www.plymouthplace.org

Project name: Plymouth Place

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

State: Illinois

Plymouth Place 2015-16 Board Members: Please note that a Board Member's term is typically three years, and members of the Board can serve an unlimited number of terms, but no more than three consecutive full terms (unless there are special circumstances).

Board Member	Occupation	Board Term Began
Mr. R. Dean Conlin (Western Springs area) ***Chair of the Board***	Retired Law Partner, Locke Lord Bissell & Liddell LLP. Specialized in corporate insurance law.	May 2015
Mr. William D. Coates (Resident) ***President of Residents' Council***	Retired actuary, owner of insurance agency. Plymouth Place resident and president of Residents' Council.	May 2013
Dr. Kent Armbruster, MD (Westmont, IL)	MD/Nephrologist. Instructor of Medicine at Rush University & U of I Medical School	May 2012
Mr. Marvin Baldwin (Western Springs, IL)	President & CFO of Foods Resource Bank (raises funds to support agricultural programs in the developing world)	May 2013
Mr. Walter Busse, DDS (LaGrange, IL)	Private Practice in Oral Surgery	May 2012
Ms. Doris Bryant (La Grange Park, IL)	Retired Attorney, Allstate. Specialized in corporate bonds and private equity transactions.	
Mr. Mark Cloghessy (Western Springs, IL)	MBA, Retired institutional investor, Allstate Investments.	May 2014
Ms. Diane Hamburger	Retired executive in marketing communications. Served the IFA in the areas of consolidation and market communication when it was newly created.	May 2011
Dr. Loren Horton, MD	Retired medical doctor	May 2008
Mr. David Onion (La Grange area)	CEO of Chicago Capital Holdings (investment company)	May 2013
Reverend Carly Stucklen-Sather (La Grange area)	Pastor, 1st Congregational Church of La Grange	May 2014
Ms. Harriet VerGowe (Western Springs)	Volunteer Coordinator at Community Nurse Association in LaGrange. Retired business executive.	May 2012
Mr. Bob Westrick (Western Suburbs)	Principal and President of WNA Wealth Advisors, Inc.	May 2014

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Timothy G. Lawler, Ltd.	Hinsdale	Tim Lawler
Bond Counsel:	Chapman & Cutler LLP	Chicago	John Bibby
Auditor:	CliftonLarsonAllen LLP	Chicago	Jim Thomas
Underwriter(s):	Ziegler	Chicago	Steve Johnson
Underwriters' Counsel:	Katten Muchin Rosenman LLP	Chicago	Janet Hoffman
Feasibility Consultant:	CliftonLarsonAllen LLP	Minneapolis	Jeff Vrieze
IFA Counsel:	TBD		
IFA's Financial Advisor:	Acacia Financial Group, Inc.	Chicago	Jim Beck

LEGISLATIVE DISTRICTS

Congressional:	3
State Senate:	11
State House:	21

SERVICE AREA

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

- 60402
- 60513
- 60521
- 60523
- 60525
- 60526
- 60527
- 60534
- 60546
- 60558

The primary market area includes the communities of Berwyn, Hinsdale, Oakbrook, La Grange, Burr Ridge, Lyons, Riverside, Western Springs and Brookfield.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton and Patrick Evans

Date: August 13, 2015

Re: Resolution Granting Executive Director Authorization to Act on Behalf of IFA as Promulgated by the Illinois Administrative Code for the Fire Truck Revolving Loan Program

---

Background:

The Fire Truck Revolving Loan Program (the "Fire Truck Program") was established and initially funded in 2005 and is jointly administered by the Illinois Finance Authority (the "IFA" or the "Authority") and the Office of the Illinois State Fire Marshall ("OSFM").

The Fire Truck Program provides zero-interest loans (and low-interest loans) to local governments to assist in purchasing all or a portion of the purchase price of a fire truck. Eligible units of local government include fire departments (i.e., operating units of an incorporated city, village, or town), fire protection districts, or township fire departments.

OSFM is responsible for (i) marketing the program to local government units, (ii) working with Borrowers to assist in preparing an application and financial proposal and due diligence package, and (iii) reviewing program applications on a competitive basis based on OSFM-specified needs criteria. In each competitive application round, OSFM ranks all applications based on need. Upon completing its ranking of the Fire Truck Loan applications, OSFM submits the application packages to IFA.

Pursuant to an Intergovernmental Agreement with the OSFM, the IFA is responsible for undertaking a due diligence financial review of each applicant's proposal that includes financial and ratio tests specified in the Administrative Rules established for the Fire Truck Program (see Illinois Administrative Code Title 74, Chapter VIII, Part 1100, Subpart H for IFA Fire Truck Program administrative rules).

Since inception of the Fire Truck Program in 2005, the IFA/OSFM Program has closed and funded 137 fire truck loans totaling approximately $25.3 million. The Program has received approximately $19 million in state appropriations to date.

Eligibility Criteria – IFA Financial and Due Diligence Review:

In addition to fundamental eligibility criteria (as presented in Illinois Administrative Code Rules posted by IFA and OSFM), the key financial ratio tests prepared by IFA in connection with a review of the application, financial statements, and other supplemental items include the following:

a) Financial ratio tests – based on a review of audited financial statements or statements filed with the Office of the State Comptroller (as applicable), each Applicant must satisfy at least one of the following three tests (applicable to the prior 3 year period):
   1) General fund revenues or specified revenue stream(s): sufficient to provide minimum 1.25x debt service coverage; or
   2) State intercept revenues: sufficient to provide minimum 1.25x debt service coverage; or
   3) Direct property levy for the loan: sufficient to provide minimum 1.00x debt service coverage of the new, proposed Fire Truck loan obligation.

b) Applicant budgets, tax levies, or ordinance requirements:
   1) For general fund or specified revenues, applicants are required to submit a current board-approved budget that reflects the identified revenue source and amount, as a condition precedent to closing and funding the loan; or
   2) For direct property tax levy, applicants are required to submit a copy of the levy and ordinance authorizing the levy, as a condition precedent to closing and funding the loan.

c) If security for the loan is provided by revenues derived from property tax receipts, the Applicant's property tax collection rate over the past three years must exceed 95% each year (this requirement may be waived based on the underlying rationale if deemed reasonable).

Loan Security:

Security: Each loan must be secured by the Applicant's (i) general fund, (ii) direct property tax levy, or (iii) state intercept revenues (i.e., income tax receipts, sales tax receipts, and personal property replacement tax receipts), as deemed necessary pursuant to the Authority's underwriting of each loan. As additional security, IFA will take possession of the title.

2015 OSFM Application Round – 36 Fire Truck Applications - $6.3 million Available Relending Balance:

Based on available balances for relending in the Fire Truck Revolving Loan Fund, the OSFM periodically issues application forms and undertakes marketing to seek applicants.

As of June 30, 2015, IFA had approximately $6.3 million on deposit in IFA treasury accounts and available to fund new loans under the Fire Truck Program. For the 2015 application round, the OSFM submitted 36 applications to the Authority for due diligence financial review.

The $6.3 million of funds will be allocated according to the OSFM needs assessment ranking.

To the extent any Borrower declines their financing offer (or defers undertaking their project), the OSFM will extend offers to the next borrower(s) listed based on OSFM's priority ranking.

For historical perspective, several credit-approved projects have chosen to defer their project and have elected to not move forward at the time of their award. In the IFA's most recent prior Fire Truck application round in 2012, IFA credit-approved 27 out of 29 applications. Ultimately, only 19 of the 27 credit-approved applications proceeded to close on their credit-approved financing (so approximately 70% of the 2012 credit-approved applications were funded).

Recent Developments - Pertinent Changes since 2012:

New legislation was enacted in 2012 and 2014 that revised terms of the Fire Truck Revolving Loan Fund. Additionally, the Authority and OSFM negotiated a new Intergovernmental Agreement which provided for increased loan closing fees, and interest on loans originated on behalf of borrowers with investment grade credit ratings. Finally, both the Authority and OSFM filed new Administrative Rules to reflect the changes. Three of the most important changes that affect management of the Program as a result of the new legislation and IFA/OSFM Intergovernmental Agreement are noted below:

1. The Fire Truck Revolving Loan Fund was transferred from the State Treasurer to the IFA Treasury and is now a locally-held fund by the Authority.
2. The closing fee paid by each Borrower at closing increased from $250 per funded transaction to $500 per funded transaction. (IFA does not receive a fee for reviewing loan applications that are not ultimately closed and funded.)
3. Prior to the current round, 100% of the Fire Truck Loans were financed at a 0% interest rate. Effective with the 2015 application round, the Program will be charging a 2.21% fixed interest rate to borrowers that possess an investment grade credit rating from any of the four municipal credit rating agencies. (This interest rate will be reset each calendar year according to the interest rate established by the Illinois EPA for its State Revolving Fund program to local government units each year.)

Other key terms of the Fire Truck Revolving Loan Fund remain unchanged, including:

- Borrowers may apply to the OSFM for loan repayment terms of up to 20 years. As noted in Table 1, most Applicants seek the 20-year maximum maturity/amortization. In practice, the loan amortization is established upon acceptance and approval of the application by OSFM.
- Loans are generally structured with level principal payments over the life of the loan.
- Fire Truck applications may be for new or used vehicles, subject to approval by OSFM.
- Fire Truck loan proceeds may be used to refinance all or a portion of a fire truck purchased up to one year earlier (subject to the Administrative Rules established for the Fire Truck Program by OSFM and IFA).

Attachments:

1. IFA Resolution Granting the Executive Director the Authority to Act on behalf of Illinois Finance Authority as Promulgated by the Illinois Administrative Code for the Fire Truck Revolving Loan Program.
2. An overview of the 36 applications submitted by OSFM for review by the Authority.

PROFESSIONAL & FINANCIAL

OSFM Program Administrator:	Office of the Illinois State Fire Marshal	Springfield, IL	Pam Sargent, Jodi Schrage

IFA RESOLUTION 2015-0813-LG09

RESOLUTION GRANTING EXECUTIVE DIRECTOR AUTHORIZATION TO ACT ON BEHALF OF ILLINOIS FINANCE AUTHORITY AS PROMULGATED BY THE ILLINOIS ADMINISTRATIVE CODE FOR THE FIRE TRUCK REVOLVING LOAN PROGRAM

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

WHEREAS, the Fire Truck Revolving Loan Program has been established under the Act and jointly administered by the Authority and the Office of the Illinois State Fire Marshall ("OSFM") to provide zero-interest loans for the purchase of fire trucks by a fire department, a fire protection district, or a township fire department (the "Fire Truck Revolving Loan Program"); and

WHEREAS, the Joint Committee on Administrative Rules has promulgated Title 74, Chapter VIII, Part 1100, Subpart H under the Illinois Administrative Code (the "Administrative Code") for the Authority and promulgated Title 41, Chapter I, Part 290 under the Administrative Code for OSFM; and

WHEREAS, pursuant to the Act and the Administrative Code, the Authority shall make zero-interest loan or low-interest loans for the purchase of fire trucks by a fire department, a fire protection district, or a township fire department based on need, as determined by OSFM; and

WHEREAS, the Executive Director of the Authority (the "Executive Director") has taken certain actions from time to time regarding the Fire Truck Revolving Loan Program, all in accordance with the wishes of the Authority and continue to do so; and

WHEREAS, the Members of the Authority, acting pursuant to their power to adopt this Resolution pursuant to the provisions of Sections 801-25, 801-30 and 801-40 of the Act, hereby wish to ratify the actions already taken by the Executive Director and to grant him continued authority to act autonomously on behalf of the Authority with regard to certain actions relating to the Fire Truck Revolving Loan Program;

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

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

Section 2. Ratification of Past Actions. The Authority hereby accepts and ratifies all actions taken by the Executive Director prior to the date of this Resolution, including but not limited to, the acceptance of thirty-six applications from OSFM for the Fire Truck Revolving Loan Program as shown on Attachment A.

Section 3. Clarification with Regard to All Future Action Taken by the Executive Director. The Authority does hereby authorize, empower and direct the Executive Director to take or cause to be taken any and all such other and further actions, and to execute, acknowledge and deliver any and all such agreements, instruments, certificates and other documents, and to pay all such fees and expenses, as he may deem necessary, appropriate or advisable in order to administer the Fire Truck Revolving Loan Program as follows:

To approve applications of zero-interest loans or low-interest loans for the purchase of fire trucks by a fire department, a fire protection district, or a township fire department;

To make zero-interest loans or low-interest loans for the purchase of fire trucks by credit-approved applicants, and subject to OSFM's priority list ranking;

To take any action necessary to make zero-interest loans or low-interest loans for the purchase of fire trucks by approved applicants that are necessary or appropriate to comply with changes in law, that concern routine or ministerial functions, or that involve Fire Truck Revolving Loan Program changes having no material cost or exposure for the Authority; and

To take any other actions necessary or appropriate in the administration of routine or ministerial functions under the Fire Truck Revolving Loan Program.

Ministerial functions, as used in this Resolution, are defined under Labor Regulation §2509.75-8, Q&A D-2.

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

[THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK]

ATTACHMENT A

APPLICANTS

Alpha Order #	Borrower	County	* Loan Amount
1	Annawan Alba Fire Protection District	Henry	$350,000
2	Antioch Fire Department, Village of (and First Fire Protection District of Antioch)	Lake	$288,000
3	Belleville Fire Department, City of	St. Clair	$350,000
4	Berkeley Fire Department, Village of	Cook	$100,000
5	Bethany Fire Protection District	Moultrie	$350,000
6	Camp Point Fire Protection District	Adams	$300,000
7	Carmi, City of	White	$325,000
8	Chicago Ridge Fire Department, Village of	Cook	$350,000
9	Cordova Fire Protection District	Rock Island	$350,000
10	East Alton Fire Department, City of	Madison	$350,000
11	Gilman Community Fire Protection District	Iroquois	$250,000
12	Harmon Fire Department	Lee	$60,000
13	Hebron-Alden-Greenwood Fire Protection District	McHenry	$300,000
14	Kewanee Fire Department	Henry	$350,000
15	Lake Egypt Fire Protection District	Williamson	$350,000
16	Marengo Fire Protection District	McHenry	$174,600
17	Marissa Fire Protection District	St. Clair	$350,000
18	Mount Olive Fire Protection District	Macoupin	$250,000
19	Mt. Vernon Fire Department, City of	Jefferson	$350,000
20	Newport Fire Protection District	Lake	$350,000
21	Northern Piatt County Fire Protection District	Piatt	$225,000
22	Olney Fire Department, City of	Richland	$350,000
23	Orangeville Fire Protection District	Stephenson	$350,000
24	Pesotum Fire Protection District	Champaign	$130,000

*Loan amounts are estimates and subject to change. Loan amounts may not exceed $350,000 per Borrower and the term of the loan may not exceed 20 years. Each loan must be secured by the Borrower's (1) general fund, (2) direct property tax levy, or (3) state intercept revenues.

ATTACHMENT A

APPLICANTS (PAGE 2 OF 2)

Alpha Order #	**Borrower**	**County**	*** Loan Amount**
25	Romeoville Fire Department, Village of	Will	$350,000
26	Rosemont Fire Department, Village of	Cook	$350,000
27	Sauk Village Fire Department, Village of	Cook	$350,000
28	Savanna Fire Department, City of	Carroll	$132,502
29	Serena Community Fire Protection District	LaSalle	$350,000
30	Shelbyville Fire Protection District	Shelby	$137,074
31	Spring Creek Fire Protection District	Pike	$90,000
32	Tilton Fire Department, Village of	Vermillion	$300,000
33	Toluca-Rutland Fire Protection District	Marshall - LaSalle	$293,000
34	Tri-Township Fire Protection District	Adams	$330,994
35	Urbana Fire Department, City of	Champaign	$350,000
36	Western Springs Department of Fire & EMS, Village of	Cook	$350,000
	36 Applications Submitted by OSFM	**Total**	**$10,336,170**

*Loan amounts are estimates and subject to change. Loan amounts may not exceed $350,000 per Borrower and the term of the loan may not exceed 20 years. Each loan must be secured by the Borrower's (1) general fund, (2) direct property tax levy, or (3) state intercept revenues.

ILLINOIS FINANCE AUTHORITY

NON-CONDUIT (DIRECT BOND PURCHASE)

August 13, 2015

$1,300,000 (not-to-exceed amount)
City of Blue Island

REQUEST	**Purpose:** IFA will purchase Series 2015 General Obligation Alternate Revenue Bonds to be issued by the **City of Blue Island** (the "**City**" or "**Borrower**"). The City will use bond proceeds to finance all or a portion of the costs of (i) improvements to public facilities including but not limited to (a) Illinois EPA-mandated improvements to a leachate treatment system located at the City-owned golf course (formerly the site of a landfill), (b) improvements to the City's sewerage system, including a sewage relining/inspection project, and replacement and redesign of certain portions of the City's sewerage system, including replacement of a relief combination sewer, (ii) acquisition of an ambulance, to replace an upgrade the City's ambulance fleet (and replace one out-of-service ambulance), (iii) the acquisition of public works vehicles, and (iv) rehabilitation of the irrigation system and other improvements at the City-owned golf course, all to be owned and used by the City of Blue Island, Cook County, Illinois (collectively, the "**Project**"). The accompanying resolution would also authorize the ambulance to be financed as a separate stand-alone financing if deemed reasonable or desirable under terms detailed below. **Program Product Type:** Local Government Direct Bond Purchase (Alternate Revenue Bonds). <u>This is the first request for a Local Government Direct Bond Purchase (IFA Direct Loan) reviewed by the IFA Board since December 2013 (City of West Salem)</u>. *This loan would be approved as a pilot financing in the Authority's efforts to replace the features of its former Local Government Bond Bank Program (including the market-based interest rate and underlying Alternate Revenue Bond structure).* **IFA/State Funds at Risk:** $1,300,000. IFA will fund the proposed loan (and will be the direct purchaser of the proposed indebtedness).
BOARD ACTIONS	Final Resolution (subject to the proposed conditions listed on page 2 in the "Board Action" section; additional recommendations regarding programmatic guidelines are reported on page 3)
MATERIAL CHANGES	None. This is the first time this Project has been presented to the IFA Board of Directors.
JOB DATA	122 Current jobs; 0 New jobs projected N/A Retained jobs; TBD Construction jobs projected (3-4 months)
BORROWER	● Type of Entity: The City of Blue Island is incorporated as a City under the Illinois Municipal Code (65 ILCS 5/).
DESCRIPTION	● Location: Cook County/Northeast Region ● When established: The City of Blue Island was incorporated in 1835. ● Borrower's Mission: The City provides the following services as authorized by statute: public safety and health; maintenance of streets and highways; zoning and planning; public utility services (water, sewer, and sanitation); recreation; and general administration. ● Project Impact: Will finance a series of capital improvement projects including (i) construction of a relief combination sewer to reduce flooding; (ii) IEPA-mandated improvements of the City's leachate system at the City-owned golf course (formerly the site of a landfill); (iii) reline a portion of the City's sewer system and replace a relief combination sewer; (iv) purchase replacement public works vehicles to replace obsolete vehicles in the City's fleet; (v) purchase an ambulance to replace one out-of-service vehicle in the City's three vehicle fleet, and (vi) finance rehabilitation of the irrigation system and other improvements at the City-owned golf course.
STRUCTURE	● Series 2015 Bonds: General Obligation Alternate Revenue Bonds payable from revenue derived from the operation of the Water Fund and a levy of property taxes by the City (the property tax levy would be abated annually if the Water and Sewer system operating revenues are sufficient to cover debt service payments). ● Maturity: 10 years (structured with June 1 interest and December 1 principal and interest payments) ● Interest Rate: fixed rates based on Municipal Market Data Baa1-rated Tax-Exempt General Obligation Index. (The current estimated 10-year fixed interest rate based on market conditions as of 7/16/2015 would be approximately 3.20%.) A key programmatic objective is to provide rates comparable to the former IFA Local Government Bond Bank (the current program rating would likely be rated at Baa1/BBB+). ● As proposed, IFA will purchase the City's Series 2015 Bonds as the direct lender/investor. ● Underlying Rating: The City is not a rated entity.
SOURCES AND USES	See table below
RECOMMENDATION	Credit Review Committee recommends approval subject to the proposed terms and conditions identified on page 2. Programmatic recommendations are identified on page 3.

SOURCES AND USES

Sources:		**Uses:**	
Blue Island GO Alt. Rev. Bonds		Project Costs	$1,300,000
Series 2015 – IFA Loan	$1,110,000		
IFA Loan – Ambulance	190,000		
Equity	<u>25,000</u>	Costs of Issuance (preliminary estimate)	<u>25,000</u>
Total	**<u>$1,325,000</u>**	**Total**	**<u>$1,325,000</u>**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
August 13, 2015

Project: City of Blue Island

STATISTICS

Project Number:	12305	Amount:	$1,300,000 (*not-to-exceed amount*)
Type:	Local Government Direct Bond Purchase	IFA Staff:	Rich Frampton
Location:	Blue Island	County/Region:	Cook/Northeast

BOARD ACTION

Final Resolution $1,300,000 IFA funds at risk
Local Government Direct Bond Purchase (potentially, in one or more series)

Credit Review Committee recommends approval of a Resolution authorizing documentation, funding and closing of this financing subject to the following proposed conditions (Note: additional programmatic recommendations regarding development of this program follow on p. 3)

Conditions on proposed IFA Direct Bond Purchase (Direct Loan):

1. The City Council shall approve appropriate ordinances authorizing the proposed debt as Alternate Revenue Bonds pursuant to Illinois law.
2. The City will covenant and agree to provide for, collect, and apply water and sewerage system (i.e., Water Fund) revenues to the payment of the proposed Series 2015 Alternate Revenue Bonds (City of Blue Island) and the provision of not less than an additional 0.25 times the required debt service payment (i.e., City covenants to charge sewerage system rates sufficient to provide for minimum 1.25 times annual debt service coverage, as required for the issuance of Alternate Revenue Bonds under Illinois law). Any Future Bonds issued and secured by the same Alternate Revenues shall provide the same minimum 1.25 times debt service coverage and also satisfy any additional tests provided for in the City's Series 2006 General Obligation Bonds (Alternate Revenue Source) for which the City's Water Fund serves as the primary source of repayment.
3. The City shall undertake its best efforts to attain compliance with all applicable state laws, including but not limited to, the Illinois Municipal Auditing Act during the term of the loan. The Authority reserves the right to undertake action to compel performance and compliance with all financial reporting and applicable securities laws (even though any such performance failures shall not be considered a default of the City's Series 2015 Bonds).
4. The City shall obtain any necessary consent(s), if any, as required by Assured Guaranty (as successor to Radian Asset Assurance Inc.) as a condition precedent to closing.
5. The Authority's approval is conditional upon final verification that the City is not in default with respect to any debt obligation (as a condition precedent to closing and funding the subject loan).
6. The City shall engage (at its own expense) an independent auditor (Certified Public Accountant) to verify that the Net System Revenues satisfy all applicable tests required by the bond insurer (Radian/Assured Guaranty) of the Series 2006 General Obligation Bonds (Alternate Revenue Source) and under the Local Government Debt Reform Act (Section 15).
7. The City shall engage counsel acceptable to the Authority to deliver a legal opinion regarding the City's issuance of Alternate Bonds as proposed.
8. In the event the Authority decides it is desirable or prudent to originate a separate, stand-alone loan to finance the purchase of the ambulance (at an amount of approximately $190,000), the City shall agree (i) to approve an appropriations pledge to provide for repayment of principal and interest over a ten-year term, with a single annual installment of principal and interest due each November 1st , (ii) to pledge "interceptable" state revenues through an "State Revenue Intercept Agreement" with the Illinois Finance Authority (and other parties as needed) to a Paying Agent, and (iii) that the combined loan amounts borrowed through the Illinois Finance Authority for the assets contemplated herein shall not exceed $1,300,000.

General Programmatic Recommendations regarding development and evaluation of this Program initiative going forward:

A. In order to enable the Authority to provide sufficient portfolio diversification relative to IFA capital invested in the Local Government Direct Loan Program portfolio (outstanding loans/local bonds totaled $20.46 million as of 6/30/2015, down from $25.16 million as of 6/30/2014), participating borrowers will be limited to a maximum of $1.5 million of loans outstanding at any single time.
B. Projects shall be limited to essential-purpose government projects and those providing for public safety (subject to a maximum of 10% of proceeds allocated for non-essential government purposes).
C. Maximum maturity: 10 years (to limit various risks to the Authority, including interest rate risk; this requirement would be consistent with the 10-year maximum term applicable to the Authority's business loans under the Authority's statute).
D. Interest rate: IFA shall establish an interest rate based on the applicable Municipal Market Data General Obligation Index for Baa1-rated securities as published in *The Bond Buyer* for a comparable maturity. [In the event a specific maturity is not reported, the applicable interest rate shall be determined by interpolation of available reported interest rates and maturities, or other reasonable methodology.]
E. Any prospective IFA loans shall be structured with the same Alternate (Revenue) Bond structure that was used in connection with the underlying local government bonds, which now compose the Authority's Local Government Direct Loan portfolio. The same underlying Alternate (Revenue) Bond structure is being replicated here (i.e., the underlying Borrower's Bonds shall be issued pursuant to Section 15 of the Local Government Debt Reform Act, or equivalent provisions authorizing the issuance of "Alternate Bonds" pursuant to Illinois law). This structure should help mitigate general risks associated with General Obligation Bond financings.
    a. Recommended exception: IFA loans that support the acquisition of fire trucks and ambulances. Consistent with requirements specified under the Office of the State Fire Marshal/IFA Revolving Loan Funds, loans for these purposes may be secured by annual appropriations and further secured by a State Revenue Intercept Agreement.
F. Future Local Government Direct Bond Purchase (IFA Local Government Direct Loan) financing projects shall focus on fixed asset acquisition projects.
G. This Local Government Direct Bond Purchase Program shall not be used to refinance or refund outstanding bond issues or to provide for restructuring of outstanding term or permanent debt.
H. Future Local Government Direct Bond Purchase transactions may bear interest in either a tax-exempt or taxable mode based on a future evaluation of factors including, but not limited to: upfront origination costs to the Borrower relating to bond counsel opinions and related expenses; the possibility of selling all or a portion of the portfolio (or participations therein) to commercial banks; evaluation of arbitrage rebate and other post-closing tax compliance costs; evaluation of costs and consequences of IRS examination; etc.
I. Request for an evaluation period following documenting, closing and funding the subject loan: As a pilot project for IFA's Local Government Bond Direct Purchase financing program, it is recommended that no further applications be considered until a period of at least 120 days (or a reasonable period allowing for development of a business plan that reflects a comprehensive evaluation of IFA's program interest rate, fees, policies, upfront legal documentation development costs, and project legal review). Finally, IFA's financial advisors will evaluate and provide guidance regarding the likely market discount in any contemplated sale of all or a portion of any portfolio loans and guidance on managing fees and expenses.
J. Program terms and documentation will be subject to ongoing evaluation based on changes in law or judicial developments relating to the enforcement of creditor rights.
K. As with IFA's Participation Loan Program for business, the Authority will consider purchasing up to 50% of a Local Government Bond issue that satisfies the parameters outlined above. This would enable the Authority to leverage a local government financing of up to $3.0 million and encourage development of relationships with commercial banks (and provide a complementary offering to the Authority's Participation Loan Program and Agricultural financing products).

VOTING RECORD

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

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Direct Bond Purchase Program directly purchases the debt (i.e., alternate revenue bonds, or bonds secured by a Borrower-IFA Agreement that pledges state income tax, sales tax, and personal property replacement tax receipts as additional security) originated by units of local government.

The Program is designed primarily to serve non-rated units of local government that have a borrowing that is small (i.e., less than $1.5 million), located in a community lacking its own commercial bank, have a project that is ineligible or only partially eligible for other programs (including the Illinois's EPA State Revolving Fund Loan Programs), and, as a result, has limited borrowing options.

IFA has the ability to allocate unencumbered treasury funds to purchase Bonds directly to fund this Program as used to defease the former Illinois Local Government Bond Bank (which was converted into a portfolio of approximately $25.16 million direct purchase bonds comprising approximately 79 underlying bonds (loans) held by the Authority as of 6/30/2014. Since then, due to scheduled principal payments and refinancing activity by certain portfolio borrowers, as of 6/30/2015 there were approximately 72 underlying bonds (loans) outstanding in the approximate principal amount of $20.46 million.

The Local Government Direct Bond Purchase Program as funded by IFA will continue to provide market-based terms (similar to those available to low investment grade (i.e., Baa1/BBB+) rated borrowers) on alternate revenue bond issues (which are generally viewed more favorably by investors than General Obligation Bonds that lack the dedicated revenue pledge feature provided through the "Alternate Bond" structure).

As of 6/30/2015, all payments were current and have been paid as scheduled for the borrowers in the Authority's current Local Government Bond Bank program. The currently outstanding local government loans were originated between 1991 and 2009.

The most recent IFA Local Government Direct Bond Purchase (Direct Loan) application was considered and approved by a Resolution of the IFA Board of Directors in December 2013 ($150,000 – City of West Salem).

This proposed loan would resume the Authority's activity in providing financing to support local government improvements for non-rated units of local government at market-based interest rates for the first time following defeasance and redemption of the IFA Local Government Bond Bank in June 2014.

The preceding section provided staff recommendations relating to development and funding of future loans under this initiative (following further evaluation and development of a business plan) – see page 3.

FINANCING SUMMARY

Description of Proposed Debt Instruments: As proposed, IFA would purchase the City of Blue Island's Series 2015 Alternate Revenue Bonds subject to the conditions specified on page 2 of this report. (Accordingly, the City's Series 2015 Bonds would effectively be a direct loan by the Authority to the City of Blue Island.)

Descriptions of the Security/Structure and the Legal Authority for issuing Alternate Revenue Bonds are described under the headings that follow immediately in this section (and in the section "Supplemental Information Relating to the Proposed Issuance of "Alternate Bonds" by the City of Blue Island" on page 11 of this report).

Security/
Structure: The City's 2015 Bonds (the "**Series 2015 Bonds**", which would be purchased directly by IFA) will be repaid from (a) net revenues of Blue Island's Water Fund (which accounts for the City's water and sewerage enterprise system operations) and other such funds of Blue Island as may be lawfully pledged (hereinafter, the "**Pledged Revenues**") and (b) from *ad valorem* taxes levied against all of the taxable property in the City without limitation as to rate or amount (the "**Pledged Taxes**", and together with the Pledged Revenues, the "**Pledged Moneys**") subject to abatement of such Pledged Taxes from the timely receipts of Pledged Revenues as to be provided for in the authorizing ordinance for the Bonds (the "**Bond Ordinance**"); [and as consistent with the Alternate Revenue Bond structure] the Bonds would be secured by the full faith, credit and resources of the City, including the City's power to levy without limit as to rate or amount, all except that the rights of IFA (and the holders of the City's Series 2006 Alternate Revenue Bonds (Water Fund)) and the enforceability of the Series 2006 Bonds and the Series 2015 Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws (or proceedings) relating to the enforcement of creditor rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

Proposed Parity
Bond Structure: The Series 2015 Bonds would be issued as Parity Bonds to the City's Series 2006 General Obligation (Alternate Revenue Source) Bonds that are currently secured with municipal bond insurance (Assured Guaranty, as successor to Radian Asset Assurance, Inc.).

Pursuant to the (Bond Insurance) Commitment from Assured Guaranty (Radian), because the proposed Series 2015 Bonds would be issued on a Parity Basis, the Series 2015 Bonds to be purchased by the Authority must have (i) the same annual (December 1) principal and (June 1 and December 1) interest repayment schedule as the Series 2006 Alternate Revenue Bonds, (ii) and the City must remit payments using the Paying Agent (Amalgamated Bank, as successor to Cole-Taylor Bank) as specified in Agreements executed by the City and Assured Guaranty /Radian in connection with the Series 2006 Bonds.

Legal Authority
For the City's
Series 2015
"Alternate
Bonds": The City's Series 2015 Alternate Revenue Bonds would be issued pursuant to Section 15 of the Local Government Debt Reform Act, as amended, (the "**Debt Reform Act**"). The City will pledge such monies to the payment of Bonds and shall covenant to provide for and apply Pledged Revenues to the payment of Bonds and the provision of not less than an additional 0.25 times debt service, which pledge and covenant shall constitute a continuing obligation of the City and continuing appropriation of the amounts received. For the prompt payment of the Bonds, the full faith, credit and resources of the City are irrevocably pledged.

Pre-Condition precedent to authorizing Alternate Revenue Bonds: In order for the City of Blue Island to proceed with the issuance of Alternate Revenue Bonds, the City Aldermen of the City of Blue Island shall duly and properly adopt a City [Bond] Ordinance at some future date, as supplemented by a notification of sale for the City's Series 2015 Alternate Revenue Bonds (i.e., IFA Local Government Direct Loan) as deemed satisfactory in the sole judgment of counsel to the Authority.

For a more comprehensive summary of the legal requirements for issuing "Alternate Bonds", please see "Supplemental Information relating to the proposed issuance of "Alternate Bonds" by the City of Blue Island" on page 11 of this report.

Maturity/ Repayment Schedule/ Interest Rate:	10-year final maturity (with annual principal and interest payments beginning12/1/2016 and continuing through 12/1/2025). Semi-annual interest payments would be due each June 1. Annual principal and interest payments would be due December 1 of each year as required for any Parity Bonds issued and secured by the same Net [Water Fund] Revenues as the City's Series 2006 General Obligation (Alternate Revenue Source) Bonds. Fixed interest rate of 3.05% over the entire 10-year term (as based on recent Municipal Market Data General Obligation Fixed Rate for Baa1- rated bonds featuring a 10-year maturity) as published in <u>*The Bond Buyer*</u>. Bonds will feature *approximately* level annual principal and interest payments. (The existing Assured Guaranty (Radian) Agreement relating to the City's Series 2006 Bonds requires that any Additional/Parity Bonds shall (i) satisfy a minimum 1.25x debt service coverage (as defined), (ii) have the same payment schedule (December 1 annual principal payments; semi-annual interest payments on June 1 and December 1) as the Series 2006 Bonds, (iii) use Amalgamated Bank as Paying Agent and Bond Registrar (to be engaged and paid for by the City of Blue Island), and (iv) bear a fixed interest rate.)
Estimated Closing Date:	September – October 2015 (anticipated)
Rationale:	The City's proposed Series 2015 Bonds, to be purchased by IFA, will provide the City of Blue Island financing at a market-based interest rate (based on a Baa1/BBB+ rated market rate index) as provided for under the Authority's statutory mandate in providing financing to units of local government. (This rating would be generally comparable to the rating using the former Moral Obligation pooled structure under the former Illinois Local Government Bond Bank.) The Project will finance a series of capital improvement projects as well as funding an IEPA-mandated rehabilitation of a City-owned leachate system, a sewerage system re-lining replacement of a relief combination sewer, rehabilitation to an irrigation system and other improvements at the City-owned golf course, purchase of a new ambulance to enhance public safety (and replace one out-of-service vehicle), and the purchase of two new public works vehicles.

PROJECT COST SUMMARY

Project Costs include the following components (as estimated):

Relief Combination Sewer	$430,000	
Sewer Lining Project	$180,000	
Rehab/Irrigation System Improvements	$130,000	
IEPA-mandated leachate system improvements (at City-owned golf course)	$185,000	
Ambulance – New	$190,000	(Replacement Vehicle)
Public Works Vehicles	<u>$185,000</u>	(Replacement Vehicles)
Total	**<u>$1,300,000</u>**	

To the extent there are any unexpended proceeds, the City would be authorized to apply surplus funds to pay down the IFA Loan or to spend on any public safety assets.

BUSINESS SUMMARY

Background: The City of Blue Island, Cook County, Illinois was founded in 1835 and is duly organized and existing under the provisions of the laws of the State of Illinois.

The City is located approximately 16 miles south of the Chicago Loop.

The City is governed by an elected City Council of fourteen Aldermen and a Mayor, and provides the following services: public safety (fire and police), streets, sanitation, water, public improvements, planning, recreation, zoning, and general administration. Please see Economic Disclosure Statement on page 9 for the current listing of Aldermen and Mayor.

The current mayor, the Honorable Domingo Vargas, was elected into office in April 2013. The most recently completed financial audit report (as of April 30, 2014) is concurrent with the new administration's first year in office.

All assets and facility improvements financed with proceeds of the proposed City of Blue Island Series 2015 Bonds will be owned and operated by the City.

Table 1: Largest Taxpayers in Blue Island, Illinois

Taxpayer Name	Product/Service	2012 Equalized Assessed Valuation ("EAV") [in Actual Dollars]
Metro South Medical Center	Health Care	$ 531,830
3301 Wireton Rd.	Multi-tenant property	287,800
Harvey Pallets	Wood Pallet Manufacturing	251,437
Beggars Pizza	Restaurant	145,400
Pronger Smith Clinic	Health Care	131,700
Total EAV of Largest Taxpayers in City:		**$ 1,348,167**

Source: City of Blue Island

Table 2: Largest Employers in Blue Island, Illinois

Name of Employer	Product/Service	City	Approximately Number of Employees
Metro South Medical Center	Health Care	Blue Island	565
Christy Webber Landscaping	Landscaping Service	Blue Island	496
Pronger Smith Medical Clinic	Health Care	Blue Island	200
RNA Corporation	Contract Manufacturer	Blue Island	200
Blue Cap School for the Mentally Disabled	Education/Human Services	Blue Island	118

Source: City of Blue Island

Table 3: Population Trends in Blue Island, Illinois, 1990 – 2010

Entity:	1990	2000	2010	% Change 2000-2010
Blue Island	21,203	23,463	23,706	1.04%
Cook County	5,105,067	5,376,741	5,194,675	-3.39%
State of Illinois	11,430,602	12,419,293	12,830,632	3.31%

Source: US Census Bureau

Unemployment Rate: Unemployment statistics are not compiled specifically for the City of Blue Island. According to the Illinois Department of Employment Security, Cook County posted an unemployment rate of 6.5% as of June 2015. This compared with 5.9% for the State of Illinois as of June 2015.

Median Household Income: According to the U.S. Census Bureau, 2013 American Community Survey, Blue Island had an estimated median household income of $40,851. This compared with $56,797 for the State and with $54,548 for Cook County. Accordingly, the City's 2013 median household income was approximately 71.9% of the State's median household income.

Informational Article – Bond Buyer: The City of Blue Island was identified in a May 26, 2015 article in ***The Bond Buyer*** that featured analysis on the most severely financially distressed municipalities in Illinois. The focus of the underlying studies was to evaluate each community's general fund, its exposure to long-term debt and other long-term liabilities (including pension and other post-employment benefit liabilities), and to identify financial reporting deficiencies and other issues. Blue Island was a subject community profiled in the report and related study. The conclusions in the article and report were based on the City's audit for the fiscal year ended 4/30/2013.

Since then, the City has delivered a new audit report for the fiscal year ended 4/30/2014. The Independent Auditors' Report was dated as of June 15, 2015 by the City's independent accountant.

Although it is apparent that the City of Blue Island continues to have ongoing financial structuring issues relating to its pension and other post-employment benefits (as evidenced in each of the City's recent annual audited financial statements), the City has made significant progress in generally reducing financial leverage. The City has paid off the following outstanding bond issues since December 1, 2014:

- The City of Blue Island reports that the City has fully repaid the outstanding principal balances of the following three bond issues. Payoff of these obligations was subsequent to the City's most recent audited financial statements for the fiscal year ended 4/30/2014. The final payments attributable to these bond issues totaled $1,899,145 as detailed below:
  - Series 1995 Golf Course (General Obligation (Alternate Revenues - Golf Course)) – Original Principal Amount - $6,240,000 (originally AMBAC-insured): these Bonds were paid in full as scheduled (with a final principal and interest sinking fund payment of $542,295 (including principal of $515,000) that was paid as of 12/1/2014).
  - Series 1998 Tax Increment Bonds (General Obligation) - Original Principal Amount - $6,250,000 (originally MBIA- insured): these Bonds were paid in full as scheduled (with a final principal and interest sinking fund payment of $786,850 (including principal of $750,000) that was paid as of 12/15/2014).
  - The City's $570,000 obligation pursuant to the City's allocated share of a $5,500,000 Series 2012 bond issue by the South Suburban Joint Action Water Agency was repaid in full as confirmed by a payoff letter from Amalgamated Bank to the City of Blue Island and dated July 2, 2015. (Interest expense within the past year on these Bonds was not included in the $1,899,145 total reported above.)

The Series 2015 Bonds would be Primarily Secured by Water Fund Revenues: Consistent with the Authority's history in providing financing through its local government programs, the proposed underlying Borrower securities (i.e., the City's Series 2015 Bonds) would be issued as "Alternate Bonds" under Section 15 of the Local Government Debt Reform Act. As set forth in the Alternate Bond structure, Net System Revenues of the City's Water Fund would be dedicated to repayment of the City's outstanding Series 2006 Alternate Bonds and the City's proposed Series 2015 Bonds (to be purchased by the Authority and issued as Parity Bonds to the Series 2006 Bonds, as proposed) after all Operations and Maintenance Expenditures have been paid (as defined in the 2006 Ordinance and related agreements).

Although this structure (which provides for general obligation levy of the City to raise taxes to make payments on these Alternate Bonds that would be abated in the event the pledged Net Water Fund System Revenues are insufficient to make the required payment) would seem to provide the Authority with a more secure structure (as owner/bondholder) than a general obligation pledge (without additional pledged revenues/security), the rights of the Authority as owner of the City's Series 2015 Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization, and other similar laws or future legal proceedings relating to the enforcement of creditor rights.

A preliminary analysis indicates that Net System Revenues for the City's Water Fund (as determined pursuant to definitions and requirement set forth in the City's Series 2006 bond documents) generated sufficient debt service coverage on the City's combined proposed debt service payments on its Series 2006 Alternate Bonds and the City's proposed Series 2015 Bonds by multiples of 1.93 times or greater annually. As required by the City's Series 2006 Bonds (including the City's Bond Ordinance and related agreements) this computation will be subject to final verification by an independent auditor (Certified Public Accountant) engaged by the City as a condition precedent to proceeding with documentation to close and fund the proposed transaction.

Future IFA policy relating to this Local Government Direct Bond Purchase program will evolve as developments in law and case law proceed.

OWNERSHIP/ECONOMIC DISCLOSURE STATEMENT

Applicant: City of Blue Island, 13051 Greenwood Ave., Blue Island (Cook County), IL 60406
Contact: Mr. Sean Halloran, Finance Department, City of Blue Island, 13051 Greenwood Ave., Blue Island, IL 60406: (T) 708.396.7074; shalloran@cityofblueisland.org
Location: Within the corporate boundaries of the City of Blue Island, Illinois (see map – page 10)
City Officers: Mayor – Domingo Vargas (since 2013)
City Clerk – Randy Heuser (since 2013)
City Treasurer – Carmine Bilotto (since 2009)

Aldermen:
George Poulos – 1st Ward (since 2015)
Fred Bilotto – 2nd Ward (since 2014)
Kevin Donahue – 3rd Ward (since 2013)
Alecia Slatter – 4th Ward (since 2015)
Ken Pittman – 5th Ward (since 2013)
Jairo Frausto – 6th Ward (since 2011)
Jim Johanson – 7th Ward (since 2013)

PROFESSIONAL & FINANCIAL

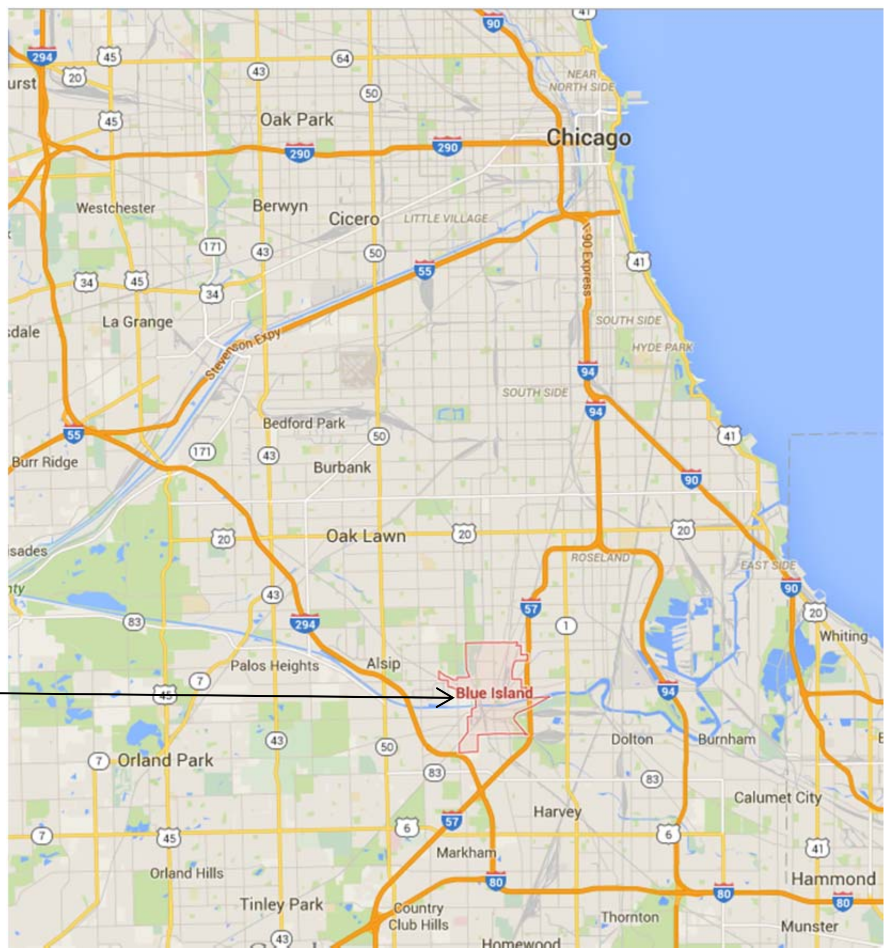
City's Auditor:	John Kasperek Co., Inc., CPAs	Calumet City, IL	
Borrower's Counsel:	Sanchez Daniels & Hoffman LLP	Chicago, IL	
Direct Bond Purchaser (Lender):	Illinois Finance Authority	Chicago, IL	
General Contractor(s):	To be determined by RFP/RFQ bid by the City of Blue Island		
Paying Agent:	To be determined		
Rating Agencies:	Not applicable		
Counsel to Purchaser (IFA):	To be determined		
IFA Financial Advisors:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck
	Sycamore Advisors LLC	Chicago, IL	Melanie Shaker,

LEGISLATIVE DISTRICTS

Congressional:	1, 2
State Senate:	14, 15
State House:	27, 28, 30

AREA MAP

City of Blue Island, Illinois



Source: Google Maps

SUPPLEMENTAL INFORMATION – LEGAL AUTHORITY AND APPROVAL PROCEDURES RELATING TO THE ISSUANCE OF "ALTERNATE BONDS" BY THE CITY OF BLUE ISLAND

Summary Information on Alternate Revenue Bonds: Section 15 of the Local Government Debt Reform Act provides that whenever there exists for a governmental unit a revenue source, the issuer [City] may issue its general obligation bonds payable from any revenue source, and such general obligation bonds may be referred to as *"Alternate Bonds"*.

The Reform Act also provides that whenever there exists an alternate revenue source, a local government unit may issue Alternate Bonds. Such bonds are general obligation debt payable from the pledged alternate revenues with the general obligation of the issuer acting as back-up security.

The Reform Act prescribes several conditions that must be met before Alternate Bonds may be issued.

1. First, Alternate Bonds must be issued for a lawful corporate purpose. If issued in lieu of revenue bonds, the Alternate Bonds must be authorized under applicable law. <u>*Alternate Bonds may be issued payable from either enterprise revenues or other revenue sources, or both.*</u>
2. Second, the question of issuance must be submitted to referendum if, within thirty (30) days after publication of an authorizing ordinance and notice of intent to issue Alternate Bonds, a petition signed by the greater of (i) 7.5% of the registered voters in the government unit or; (ii) 200 of those registered voters or 15%, whichever is less, is filed.
3. Third, the issuer [City] must determine that the pledged revenue source or sources are sufficient in each year to final maturity to provide not less than 1.25 times debt service [coverage] of the proposed Alternate Bonds <u>and</u> all other outstanding Alternate Bonds of the issuer [City] payable from the <u>same revenue source</u>. To the extent payable from one or more revenue sources, such sources shall have been determined by the governing body [City] to provide in each year an amount not less than 1.25 times debt service on all Alternate Bonds payable from such revenue sources previously issued and outstanding and the Alternate Bonds proposed to be issued. The issuer [City] must pledge and covenant to provide for, collect and apply the pledged alternate enterprise revenues or revenue source(s) (and in the case of proposed Series 2015 Bonds, sufficient Water Fund rates (for metered water and sewerage usage) to provide for minimum coverage of all Alternate Bond debt of 1.25 times or greater).

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

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: August 13, 2015

Re: Resolution Authorizing the Issuance of Not to Exceed $25,000,000 in Aggregate Principal Amount of Illinois Finance Authority Revenue Bonds, Series 2015 (Goodman Theatre Project), the Proceeds of which are to be Loaned to Chicago Theatre Group, Inc., Operating as the Goodman Theatre
IFA 2007 File Number: N-NP-TE-CD-7110
IFA 2015 File Number: 12298

Request:
Chicago Theatre Group, Inc., an Illinois not-for-profit corporation doing business as Goodman Theatre, ("**Goodman**" or the "**Borrower**") and **Fifth Third Commercial Funding, Inc.**, a Nevada corporation (the "**Bond Purchaser**" or the "**Bank**"), are requesting approval of a Resolution to authorize execution and delivery of a Bond and Loan Agreement and related documents to effectuate the refinancing of the outstanding principal amount of the Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Series 1999 (Goodman Theatre Project), (the "**1999 Bonds**"), and (b) the outstanding principal amount of the Illinois Finance Authority Revenue Bond (Chicago Theatre Group, Inc. Project, Series 2007) (the "**2007 Bond**," and, together with the 1999 Bonds, the "**Refunded Bonds**").

The Series 1999 Bonds are currently secured by a Direct Pay Letter of Credit ("**LOC**") from JP Morgan Chase Bank, N.A. which will otherwise expire on February 28, 2016. The original par amount of the Series 1999 Bonds was $24,100,000. The outstanding par amount of the Series 1999 Bonds was approximately $22,400,000 as of August 1, 2015.

The Series 2007 Bond is presently held by JP Morgan Chase Bank, N.A. through a direct-purchase structure. The original par amount of the Series 2007 Bond was $3,800,000. The outstanding par amount of the Series 2007 Bond was approximately $2,327,500 as of August 1, 2015.

It is anticipated that Fifth Third Commercial Funding, Inc. (a subsidiary of Fifth Third Bank) will purchase the contemplated Series 2015 Bonds issued in three series (i.e., Series 2015A, Series 2015B-1 and Series 2015B-2) by the Authority in an expected aggregate amount of $25,000,000 that will fully fund redemption of the Series 1999 Bonds, redemption of the Series 2007 Bond and potentially pay costs of issuance. This transaction will be considered a refunding for tax purposes. Bond counsel has determined that a new public hearing on the project (i.e., a "**TEFRA Hearing**" as defined under the Internal Revenue Code of 1986, as amended) will be necessary. IFA's estimated administrative fee will be $39,310.

Impact:
Adoption of the accompanying Resolution will enable Goodman to switch from a Direct Pay LOC-secured structure to a new Bank Direct Purchase bond structure, while also streamlining covenants on existing indebtedness, with its new secured lender on all credit facilities – Fifth Third Commercial Funding, Inc. As proposed, the Series 2015A Bonds will be issued at a fixed rate and the Series 2015B-1 and Series 2015B-2 Bonds will be issued at a variable rate.

Background:
The proceeds of the Authority's Series 1999 Bonds were loaned to the Borrower for the purpose financing the following facilities for Goodman: two new theatres, rehearsal and storage facilities, administrative and support offices; and box office facilities. The construction of these facilities included the renovation and rehabilitation of the facades of the landmark Harris and Selwyn Theatres located at the site of the project (Dearborn and Randolph Streets, across the street from City Hall and the Daley Center in Chicago's Central Business District.

The proceeds of the Authority's Series 2007 Bond were loaned to the Borrower for the purpose of financing, refinancing and/or reimbursing (i) the acquisition of land and an existing building located at 363 West Pershing Road, Chicago, Illinois, for use by the Borrower as a scenery shop, prop shop, paint ship, warehouse and related facilities, (ii) the remodeling, renovation and equipping of said land and building, and (iii) all or a portion of the cost of issuing the Series 2007 Bond.

All scheduled payments relating to the Authority's Series 1999 Bonds and the Authority's Series 2007 Bond are current as of 8/1/2015 and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Borrower:	Chicago Theatre Group, Inc.	Chicago, IL	Peter Calibraro
Borrower's Counsel:	Mayer Brown LLP	Chicago, IL	David Narefsky Stephanie D. Wagner Jeffrey D. Edwards
Bond Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal Paul C. Marengo Victoria Pool
Bond Purchaser:	Fifth Third Commercial Funding, Inc.	Cincinnati, OH	David Batey
Bank Counsel:	Miller Canfield Paddock and Stone, P.L.C.	Chicago, IL	Joseph C. Huntzicker Anthony Mavrinac
IFA Counsel:	Kutak Rock LLP	Chicago, IL	Kevin Barney
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck

RESOLUTION NO. 205-0813-AD__

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $25,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF ILLINOIS FINANCE AUTHORITY REVENUE BONDS, SERIES 2015 (GOODMAN THEATRE PROJECT) , THE PROCEEDS OF WHICH ARE TO BE LOANED TO CHICAGO THEATRE GROUP, INC., OPERATING AS THE GOODMAN THEATRE.

WHEREAS, the **ILLINOIS FINANCE AUTHORITY** (the "*Authority*") has been created by the Illinois Finance Authority Act, 20 ILCS 3501-801-1, et. seq., as amended (the "*Act*"); and

WHEREAS, there has been presented to the Illinois Finance Authority, a body politic and corporate of the State of Illinois (the "*Authority*"), by Chicago Theatre Group, Inc., an Illinois not for profit corporation (the "*Corporation*"), operating as the Goodman Theatre, an application for the issuance of Revenue Bonds by the Authority for the benefit of the Corporation in an aggregate amount not-to-exceed Twenty-Five Million Dollars ($25,000,000) consisting of Revenue Bonds, Series 2015 (Goodman Theatre Project) (the "*Bonds*"); and

WHEREAS, the Corporation's application has been made with respect to a "project" within the meaning of the Act, for the purpose of providing the Corporation with all or a portion of the funds to: refund and refinance (a) the outstanding principal amount of the Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Series 1999 (Goodman Theatre Project), (the "*1999 Bonds*"), and (b) the outstanding principal amount of the Illinois Finance Authority Revenue Bond (Chicago Theatre Group, Inc. Project, Series 2007) (the "2007 Bonds," and, together with the 1999 Bonds, the "*Refunded Bonds*") ; and

WHEREAS, a determination has been made by the Authority that its issuance of the Bonds for the refinancing will be consistent and in accord with the provisions and purposes of the Act; and

WHEREAS, a draft of that certain Bond and Loan Agreement (the "*Bond and Loan Agreement*") among the Authority, the Corporation and Fifth Third Commercial Funding, Inc., a Nevada corporation (the "*Purchaser*"), providing for the issuance thereunder of the Bonds and setting forth the terms and provisions applicable to the Bonds, including securing the Bonds by an assignment thereunder to the Purchaser of the Authority's right, title and interest in and to the Pledged Estate (except for the Unassigned Rights) (such terms as defined therein) has been previously provided to and is on file with the Authority;

WHEREAS, in connection with the issuance of the Bonds, that certain Additional Covenants Agreement between the Purchaser and the Corporation may be executed and delivered by parties other than the Authority.

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

Section 1. Findings. Based upon the representations of the Corporation, the Authority hereby makes the following findings and determinations with respect to the Corporation, the Bonds to be issued by the Authority and the facilities financed or refinanced with the proceeds of the Bonds:

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

(b) The Corporation has properly filed with the Authority its request for assistance in providing funds to the Corporation and the funds will be used for the refinancing, and the facilities refinanced with the proceeds of the Bonds will be owned and operated by the Corporation and such facilities are included within the term "*project*" as defined in the Act;

(c) The facilities to be refinanced with the proceeds of the Bonds do not include any institution, place or building used or to be used primarily for sectarian instruction or study or as a place for devotional activities or religious worship; and

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

Section 2. Bonds. In order to obtain the funds to loan to the Corporation to be used for the purposes aforesaid, the Authority hereby approves the Corporation's application and authorizes the issuance of the Bonds. The Bonds shall be issued under and secured by and shall have the terms and provisions set forth in the Bond and Loan Agreement in an aggregate principal amount not exceeding $25,000,000. The Bonds may be issued in one or more series, of which any such series may be issued in two or more subseries, with such additional series or subseries designated in such manner as approved by the Authorized Officer (as defined herein) of the Authority, which approval shall be evidenced by such Authorized Officer's execution and delivery of the Bond and Loan Agreement.

The Bonds shall mature not later than 30 years from the date of their issuance, may be subject to serial maturities or mandatory bond sinking fund redemption as provided in the Bond and Loan Agreement and shall bear interest at the rates set forth in the Bond and Loan Agreement as approved by the Authorized Officer (as defined herein) of the Authority, which approval shall be evidenced by such Authorized Officer's execution and delivery of the Bond and Loan Agreement, provided however that such rates shall not exceed the maximum rate allowed under law. The Bonds shall be subject to optional redemption and be payable all as set forth in the Bond and Loan Agreement.

The Bonds shall be issued only as fully registered bonds without coupons. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of its Chairperson, its Vice Chairperson or its Executive Director and attested by the manual or facsimile signature of its Executive Director, Secretary or any Assistant Secretary, or any person duly appointed by the Members of the Authority to serve in such office on an interim basis, and may have the corporate seal of the Authority impressed manually or printed by facsimile thereon.

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

The Authority hereby delegates to the Chairperson or the Executive Director of the Authority or any other Authorized Officer (as hereinafter defined), the power and duty to make final determinations as to the principal amount, number of series or subseries of Bonds and any names or other designations therefor, dated date, maturities, purchase price, any mandatory sinking fund redemption dates and amounts, optional and extraordinary redemption provisions, and the interest rates of each series or subseries of the Bonds, all within the parameters set forth herein.

Section 3. Authority Documents. The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by its Chairperson, Vice Chairperson, Executive Director, or General Counsel, or any person duly appointed by the Members to serve in such offices on an interim basis (each an "*Authorized Officer*"), and the delivery and use, of the Bond and Loan Agreement. The Secretary or any Assistant Secretary of the Authority is hereby authorized to attest and to affix the official seal of the Authority to the Bond and Loan Agreement if required. The Bond and Loan Agreement shall be substantially in the form previously provided to and on file with the Authority and hereby approved, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of any changes or revisions therein from such forms of the Authority Documents and to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the terms of the Bonds and the purchase thereof.

Section 4. Authorization and Ratification of Subsequent Acts. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents (including, without limitation, the execution and delivery of one or more tax exemption agreements and any additional documents that may be necessary to provide for one or more additional series or subseries of Bonds and the acceptance of any continuing disclosure agreement of the Corporation pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934, as amended) as may be necessary to carry out and comply with the provisions of these resolutions, the Bond and Loan Agreement, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the Authority

Documents or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by an Authorized Officer of the Authority, or in the event of the unavailability, inability or refusal of an Authorized Officer, any two Members of the Authority, each of whom is hereby authorized, empowered, and delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the Bond and Loan Agreement.

Section 5. **Ratification of Notice and Hearing**. The actions of the Executive Director of the Authority, or his designee, in causing the notice of a public hearing and the holding of such public hearing referred to in said notice are hereby approved and ratified.

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

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

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