

ILLINOIS FINANCE AUTHORITY

February 9, 2017

9:30 a.m.

REGULAR MEETING

Michael A. Bilandic Building

160 North LaSalle Street

Suite S-1000

Chicago, Illinois 60601

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

PROJECT REPORTS AND RESOLUTIONS

HEALTHCARE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
501(c)(3) Revenue Bonds <i>Preliminary</i>						
1	Montgomery Place	Chicago (Cook County)	\$41,000,000	-	10	PL
2	Three Crowns Park	Evanston (Cook County)	\$45,000,000	10	20	PL
TOTAL HEALTHCARE PROJECTS			\$86,000,000	10	30	
GRAND TOTAL			\$86,000,000	10	30	

RESOLUTIONS

Tab	Action	Staff
Resolutions		
3	Amendatory Resolution Increasing the Not to Exceed Principal Amount of Illinois Finance Authority Educational Facility Revenue Bond, Series 2016 (Mount Carmel High School Project) from \$22,000,000 to \$26,000,000, the Proceeds of which will be Loaned to Mount Carmel High School	RF/BF
4	Resolution Authorizing the Issuance of Not to Exceed \$19,800,000 Aggregate Principal Amount Illinois Finance Authority Recovery Zone Facility Bonds (Smart Hotels/Olympia Chicago, LLC Project), Series 2017 Issued in One or More Series; Authorizing the Execution and Delivery of an Amended and Restated Bond and Loan Agreement, and Approving the Execution of Certain Other Agreements; and Related Matters	RF/BF
5	Resolution Authorizing the Executive Director to Enter into Contracts with Various Legal Firms	DB

Date: February 9, 2017

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

Lyle McCoy
George Obernagel
Terrence M. O'Brien
Roger Poole
Beth Smoots
John Yonover
Bradley A. Zeller

From: Christopher B. Meister, Executive Director

Subject: *Message from the Executive Director*

Dear Member of the Authority:

The Authority: A Professional, Transparent and Predictable Partner for Conduit Borrowers

Conduit borrowers know that the Authority is a reliable partner for their financing needs. We are pleased to welcome ***Montgomery Place*** and ***Three Crowns***, two not-for-profit senior living borrowers, in connection with their refunding plans. We are also pleased to welcome back ***Mount Carmel High School***, a not-for-profit high school, and ***Smart Hotels/Olympia Chicago, LLC***, a for-profit joint venture that financed the development of a 130-room Hyatt Place Hotel located near the University of Chicago's Hyde Park campus through the use of Recovery Zone Facility bonds. Mount Carmel is seeking approval for an amendment to its existing conduit bond issue from August 2016 and Smart Hotels/Olympia Chicago, LLC will be refunding its conduit bond issue from December 2010 with a new bank. Conduit borrowers know that the Authority's professional staff is always available to work with them on their plans in connection with federally tax-exempt conduit finance.

Fiscal Year 2016 Financial Audit

On January 12, 2017, the Illinois Auditor General publicly released the Authority's Financial Audit for the Period Ending June 30, 2016 ("FY 2016 Financial Audit"). See <http://www.auditor.illinois.gov/Audit-Reports/FINANCE-AUTHORITY-ILLINOIS.asp>. In the near future, the Authority's Audit Plus Committee and Board will be considering the FY 2016 Financial Audit as well as the timeline for the Authority's upcoming two-year compliance audit and its FY 2017 Financial Audit.

Congratulations to Robert Horne

Please join me in congratulating Robert Horne on the Illinois Senate's committee and floor vote to confirm his appointment as an Authority Member. As the timing worked, the Senate vote occurred during the Authority's January 12, 2017 regular board meeting.



Thank you to the Members of the Authority

Finally, it is with deep gratitude that I thank the Authority Members for their public recognition of my service as Executive Director during the January 12, 2017 meeting. It is a privilege to work with the volunteer Members of the Authority and the Authority's staff team to work to support jobs and financing capital expansion projects throughout Illinois.

Respectfully,

Christopher B. Meister
Executive Director

Date: February 9, 2017

To: R. Robert Funderburg, Jr., Chairman Lyle McCoy
Eric Anderberg George Obernagel
Gila J. Bronner Terrence M. O'Brien
James J. Fuentes Roger Poole
Michael W. Goetz Beth Smoots
Robert Horne John Yonover
Mayor Arlene A. Juracek Bradley A. Zeller
Lerry Knox

Subject: *Minutes of the January 12, 2017 Regular Meeting*

Dear Members of the Authority:

Please find enclosed the Report of Proceedings prepared by Marzullo Reporting Agency, Inc. (the “**Minutes**”) in connection with the regular meeting of the Members of the Illinois Finance Authority (the “**Authority**”), begun and held at the Michael A. Bilandic Building, 160 North LaSalle Street, Suite S-1000, Chicago, Illinois 60601, on the second Thursday of January in the year 2017, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the “**Act**”).

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

ILLINOIS FINANCE AUTHORITY
REGULAR MEETING
Thursday, January 12, 2017
9:30 AM

AGENDA:

- I. Call to Order & Roll Call
(page 3, line 1 through page 5, line 10)
- II. Approval of Agenda
(page 5, lines 11 through 24)
- III. Chairman’s Remarks
(page 6, lines 1 through 3)
- IV. Message from the Executive Director
(page 6, lines 4 through 6)
- V. Consideration of the Minutes
(page 6, lines 7 through 21)
- VI. Presentation and Consideration of Financial Reports
(page 6, line 22 through page 10, line 23)
- VII. Monthly Procurement Report
(page 10, line 24 through page 14, line 13)



- VIII. Committee Reports
(page 14, line 14 through page 15, line 3)
- IX. Presentation and Consideration of the Project Reports and Resolutions
(page 15, line 4 through 40, line 8)
- X. Other Business
(page 40, line 9 through page 44, line 9)
- XI. Public Comment
(page 44, line 10 through 15)
- XII. Adjournment
(page 44, line 15 through page 45, line 5)

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

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

Respectfully submitted,

/s/ Brad R. Fletcher
Assistant Vice President

- Enclosures:
- 1. Minutes of the January 12, 2017 Regular Meeting
 - 2. Voting Record of the January 12, 2017 Regular Meeting

ILLINOIS FINANCE AUTHORITY

REGULAR MEETING

January 12th, 2017, at 9:30 a.m.

Report of Proceedings had at the Regular Meeting of the Illinois Finance Authority on January 12th, 2017, at the hour of 9:30, a.m., pursuant to notice, at 160 North LaSalle Street, Suite 1100, Chicago, Illinois.

- MR. R. ROBERT FUNDERBURG, Chairman
- MR. ERI C ANDERBERG (Via audio conference)
- MR. JAMES J. FUENTES
- MR. ROBERT HORNE
- MS. ARLENE JURACEK (Via audio conference)
- MR. LERRY KNOX
- MS. GILA J. BRONNER
- MR. MICHAEL W. GOETZ (Via audio conference)
- MR. ROGER POOLE
- MR. BRADLEY A. ZELLER
- MR. LYLE MCCOY (Via audio conference)
- MR. TERRY O'BRIEN
- MS. BETH SMOOTS
- MR. GEORGE OBERNAGEL

ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

- MR. BRAD FLETCHER, Assistant Vice-President
- MR. RICH FRAMPTON, Vice-President
- MS. PAMELA LENANE, Vice-President
- MS. ELIZABETH WEBER, General Counsel
- MS. XI MENA GRANDA, Controller
- MR. CHRISTOPHER B. MEISTER, Executive Director
- MR. PATRICK EVANS, Agricultural Banker (Via audio conference)
- MS. DENISE BURN, Deputy General Counsel

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- CHAIRMAN FUNDERBURG: Okay, it's 9:30. I would like to go ahead and call our meeting to order.
- Happy New Year, everyone. Thank you for coming. I would like to ask the Assistant Secretary to please call the roll.
- FLETCHER: Certainly. The time is 9:30 a.m.
- I'll call the roll of Members physically present in

APPEARANCE:

ILLINOIS FINANCE AUTHORITY MEMBERS

8 the room first. Ms. Bronner?
 9 BRONNER: Here.
 10 FLETCHER: Mr. Fuentes?
 11 FUENTES: Here.
 12 FLETCHER: Mr. Horne?
 13 HORNE: Here.
 14 FLETCHER: Mr. Knox?
 15 KNOX: Here.
 16 FLETCHER: Mr. O'Brien?
 17 O'BRIEN: Here.
 18 FLETCHER: Mr. Obernagel?
 19 OBERNAGEL: Here.
 20 FLETCHER: Mr. Poole?
 21 POOLE: Here.
 22 FLETCHER: Ms. Smoots?
 23 SMOOTS: Here.
 24 FLETCHER: Mr. Zeller?
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1 ZELLER: Here.
 2 FLETCHER: Chairman Funderburg?
 3 CHAIRMAN FUNDERBURG: Here.
 4 FLETCHER: Mr. Chairman, a quorum of Members
 5 physically present in the room has been constituted.
 6 At this time I would like to ask if any Members
 7 would like to join by audio conference?
 8 ANDERBERG: This is Eric Anderberg. I'm
 9 requesting to attend via audio conference today due
 10 to employment purposes.
 11 GOETZ: This is Mike Goetz. I'm requesting to

12 attend by audio conference due to employment
 13 purposes.
 14 JURACEK: This is Arlene Juracek. I'm also
 15 requesting to attend the audio conference due to
 16 employment purposes.
 17 MCCOY: This is Lyle McCoy, and I'm requesting
 18 the same to attend via audio conference due to
 19 employment purposes.
 20 CHAIRMAN FUNDERBURG: Thank you. Is there a
 21 motion to approve these requests pursuant to the
 22 bylaws and policies of the Authority?
 23 KNOX: So moved.
 24 OBERNAGEL: Second.
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1 CHAIRMAN FUNDERBURG: We have a motion by Mr.
 2 Knox, seconded by Mr. Obernagel. All in favor,
 3 please say aye.
 4 (A chorus of ayes.)
 5 CHAIRMAN FUNDERBURG: Any opposed?
 6 (No response.)
 7 CHAIRMAN FUNDERBURG: The ayes have it.
 8 FLETCHER: Mr. Chairman, Members Anderberg,
 9 Goetz, Juracek, and McCoy have been added to the
 10 initial quorum roll call.
 11 CHAIRMAN FUNDERBURG: Thank you. Next up is
 12 the approval of the agenda. Does anyone wish to
 13 make any additions, edits or corrections to today's
 14 agenda?
 15 If there are none, I would like to request
 16 a motion to approve the agenda.
 Page 4

17 BROWNER: So moved.
 18 CHAIRMAN FUNDERBURG: Motion by Ms. Browner.
 19 HORNE: Second.
 20 CHAIRMAN FUNDERBURG: There's a second. All in
 21 favor, please say aye.
 22 (A chorus of ayes.)
 23 CHAIRMAN FUNDERBURG: Any opposed?
 24 (No response.)

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1 CHAIRMAN FUNDERBURG: Okay. Next up I would
 2 just like to wish everybody happy New Year and
 3 introduce Executive Director Meister for his report.
 4 MEISTER: Thank you, Mr. Chairman. I'll defer
 5 my comments towards the end of the meeting. Thank
 6 you.
 7 CHAIRMAN FUNDERBURG: All right. Next, then, I
 8 would like to ask for consideration of the minutes.
 9 Does anyone wish to make any additions, edits or
 10 corrections to the minutes from our December 8th,
 11 2016, meeting?
 12 If there are none, then I would like to
 13 request a motion to approve the minutes. Is there
 14 such a motion?
 15 FUENTES: So moved.
 16 POOLE: Second.
 17 CHAIRMAN FUNDERBURG: Seconded by Mr. Poole.
 18 All in favor, please say aye.
 19 (A chorus of ayes.)
 20 CHAIRMAN FUNDERBURG: Any opposed?

21
 22 CHAIRMAN FUNDERBURG: Thank you. Next up is
 23 the presentation and consideration of the financial
 24 reports. Ms. Granda?

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1 GRANDA: Good morning, everyone. I will be
 2 presenting the financial statements for the six
 3 months ending December 31st, 2016.
 4 The Authority general operating fund is as
 5 follows: Our total annual revenue equals
 6 \$3.4 million and are \$894,000 or 36 percent higher
 7 than budget, primarily due to our higher closing
 8 fees.
 9 In December, the Authority generated
 10 \$337,000 in closing fees, which is \$46,000 higher
 11 than the monthly budget of \$291,000. Our total
 12 annual expenses are at \$1.6 million, and our
 13 \$899,000 or 36.3 percent lower than budget, which is
 14 mostly driven by the vacant budgeted staff positions
 15 and our reduction on our professional spending.
 16 In December, the Authority recorded
 17 operating expenses of \$254,000, which is lower than
 18 our monthly budgeted amount of \$412,000. The
 19 decrease again is primarily due in
 20 employment-related expenses and professional
 21 services.

22 Our total monthly net income for December
 23 is \$205,000. Our total annual net income for the
 24 year so far stands at \$2.4 million. The major

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1 driver of this annual positive bottom line continues
2 to be the level of overall spending at 36.3 percent
3 below budget, as well as the higher closing and
4 administrative fees.

5 The Authority continues to maintain a
6 strong balance sheet. Our general fund has a net
7 position of \$56.2 million. Our total assets are at
8 \$56.5 million, consisting mostly of cash investments
9 and receivables.

10 Our unrestricted cash and investments
11 total \$37.9 million. Our receivables are at
12 \$18.5 million of which \$16,000,000 is from the
13 former Illinois Rural Bond Bank. A listing of these
14 local governments is included in your Board book for
15 reference, along with a listing of our loans made
16 under our fire truck and ambulance revolving loan
17 funds.

18 As far as the state of Illinois assigned
19 purchased receivables, the report also can be
20 located in your Board packet. In December, the
21 Authority received payments in the amount of
22 \$227,000, which brings our balance now to \$101,000.
23 In January, so far the Authority has received about
24 \$1,400 in prompt payment interest and about \$6,000
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1 in principal payments.

2 The Authority continues to work with GOMB,

3 CMS and the other state agencies to collect the
4 outstanding principal balance of \$101,000 and the
5 accrued prompt payment interest of \$252,000.

6 As far as our IEPA relationship, our total
7 bond proceeds disbursement of the State of Illinois
8 revolving fund clean water initiative bond Series
9 2016 is at \$126,000,000. A listing of these
10 borrowers is included in your Board book for
11 reference. Total investments are now at \$342.8
12 million, with maturity dates through June of 2017.

13 Our accrued investment income for this
14 investment are at \$278,000. In January, so far we
15 have disbursed an additional \$50,000,000 of bond
16 proceeds for a total year to date of \$176.5 million
17 of bond proceeds that have been disbursed.

18 As the partnership continues to evolve, we
19 may have a revision to the memorandum of agreement
20 with the IEPA. We anticipate such a revision to be
21 brought to the Board in the future.

22 As far as our fiscal year 2016 financial
23 audit report, it should be released soon.

24 MEISTER: Later today.
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1 GRANDA: Later today. There is a memo to that.
2 MEISTER: Yes. We've not yet gotten the E-mail
3 from the Auditor General's Office.

4 GRANDA: Right now, I'll take the opportunity
5 just to give you some brief items that are coming
6 down for January. We anticipate closing fees from
7 Covenant Retirement Community in the amount of

8 \$107,000, and oak Park Resident Corp. for about
9 \$39,000, and we should also be receiving an annual
10 fee of \$15,000 from our Illinois Medical District.
11 Is there any questions?

12 CHAIRMAN FUNDERBURG: If there are no
13 questions, then I would like to ask for a motion to
14 accept the report.

15 BRONNER: So moved.

16 CHAIRMAN FUNDERBURG: Thank you. Is there a
17 second?

18 OBERMAGEL: Second.

19 CHAIRMAN FUNDERBURG: All in favor, please say
20 aye.

21 (A chorus of ayes.)

22 CHAIRMAN FUNDERBURG: Any opposed?

23 (No response.)

24 CHAIRMAN FUNDERBURG: Okay, thank you. Next
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1 up, Ms. Burn?
2 MS. BURN: My name is Denise Burn, and I'm
3 giving this procurement report in my capacity as
4 agency procurement officer. The main thrust of the
5 activity in the last -- since the last Board meeting
6 has been completion of our requests for proposals
7 for both Custodian Bank Custodian Services and also
8 for temporary staffing services.

9 Those two are at peace. The process has
10 been substantially completed, and we anticipate that
11 we will be entering into contracts with Amalgamated

12 Bank and with Premier Staffing Services, the
13 successful bidders in the RFP process.

14 In addition, we are preparing to initiate
15 RFPs with respect to -- excuse me, with respect to
16 our employee benefits network consulting services,
17 loan management services, and also insurance
18 brokerage services.

19 So those RFPs will continue to be worked
20 on and in process between now and the next Board
21 meeting, and I'll give you a report at that time.

22 You'll also notice that I do list on here
23 small purchases for through the end of June, and
24 that is to give you a sense of just what is coming
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1 up, in terms of the procurement process that my not
2 necessarily rise to the level of a request for
3 proposal.

4 Are there any questions?

5 CHAIRMAN FUNDERBURG: Thank you.

6 MEISTER: I'm sorry, I may have missed it. Did
7 we cover outside counsel?

8 BURN: Yes. Although we've recently got --

9 well, actually, in the last couple of days, got
10 permission to actually post our request for proposal
11 for legal services.

12 This is not a request for proposal for a
13 particular project, but is the intent is to create
14 an approved counsel list in several different areas
15 where the agency needs counsel on an ongoing basis.

16 And, again, the RFP process is worth bearing in mind
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17 takes approximately, in my experience, three months,
18 at a minimum. It could be even more.

19 And so the goal is to actually sign up a
20 number of the counsel that we deal with, and have
21 dealt with historically, and also other people who
22 may notice the request for proposal. So we can
23 actually sign them up and have them contractually
24 available to us as legal counsel in the coming --

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1 well, for another five years, I think we're signing
2 them up for.

3 And, again, the reason for that extended
4 time period is just given, you know, the length of
5 time of the RFP process, which is significant.

6 MEISTER: And I would also just like to note
7 it's not only the time of the process, but the
8 various representations and certifications that a
9 vendor needs to execute, in order to bring them
10 under contract with the State agency like the
11 Illinois Finance Authority.

12 And I would just also note that on the
13 topic of counsel, the Illinois Finance Authority is
14 a statutory body politic and corporate of the State.
15 It is one of the few State actors that have the
16 ability to retain its own counsel, rather than
17 relying on the State's Attorney General's Office.

18 The State Attorney General's Office agrees
19 with this assessment. The most notable other entity
20 like ours is the University of Illinois, which is

21 also a body politic and corporate.

22 BURN: Yes. This request for proposal is done
23 pursuant to the exemption that the IFA has with
24 respect to legal services. Excuse me. I would also

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1 point out that, you know, it may not happen. I
2 don't know if it will, but this request for proposal
3 has now been made public; and as Board Members, if
4 you should, by any chance, be contacted by anybody,
5 please just refer them to the procurement.

6 We are now in a quiet period where all
7 information with respect to the procurement really
8 should only come from the procurement folks and not
9 from any individual contact, you know, that they may
10 try to make.

11 CHAIRMAN FUNDERBURG: Thank you for making that
12 point, and thank you for your report. Are there any
13 other questions or comments?

14 Okay, thank you. Okay, next for committee
15 reports, I would like to report that the Executive
16 Committee met on this most recent past Tuesday to
17 consider and recommend compensation for Executive
18 Director of the Authority.

19 The Executive Committee reviewed materials
20 on Tuesday in closed session and voted unanimously
21 in open session to make a recommendation. This
22 recommendation will be presented as item No. 6 of
23 the Project Reports and Resolutions.

24 I would also like to note that the

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1 Executive Committee met for the same purpose on
2 December 7th. So this was the second of a series of
3 two meetings.

4 Next -- any questions on that? Next in
5 item No. 9, I would like to ask for a general
6 consent of the Members to consider the Project
7 Reports and Resolutions collectively and have a
8 subsequent recorded vote applied to each respective
9 and individual Project and Resolution, unless there
10 are any specific Project Reports or Resolutions that
11 require that a Member would like to consider
12 separately.

13 Okay, if there are none, then I would like
14 to ask for the staff to go ahead and project the
15 Project Reports and Resolutions.

16 EVANS: This is Patrick Evans. Good morning.
17 And today we have four beginner farmer bonds. All
18 bonds will have first mortgage position at the bank
19 to utilize FSA beginning farmer program.

20 The first beginner farmer bond is Dominic
21 A. Ginder, who is purchasing 37 acres of bare farm
22 real estate. The total cost of the purchase is
23 \$267,000 or \$7,216 per acre.

24 People's State Bank of Newton will retain
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1 a loan on 50 percent of the purchase price or
2 \$135,500.

3 MEISTER: Patrick, please speak up.

4 EVANS: Okay. Sorry about that. IFA will
5 provide a beginner farmer bond to the bank, who will
6 maintain a first position through the bank utilizing
7 the FSA 5/45/50 loan program. The terms of the bond
8 is identified in the writeup. The property is
9 located in Jasper County.

10 The next beginner farmer bond is Jacob
11 Niehaus, who is purchasing 120 acres of bare real
12 estate. The total purchase price is \$968,400, or
13 \$8,220 per acre.

14 First National Bank will retain a loan on
15 52.7 percent or \$520,000 of the purchase price. IFA
16 will provide a beginner farmer bond to the bank, who
17 will maintain a first position through the bank
18 utilizing the FSA beginner farmer program. The
19 terms of the bond is identified in write-up and the
20 property is located in Montgomery County.

21 The third beginner farmer bond is
22 Christopher M and Jessica L. Scaggs, who are
23 purchasing 56 acres of bare farm real estate. Total
24 cost of this purchase is \$385,000. People's State

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1 Bank of Newton will retain a loan on 50 percent or
2 \$192,500 of the purchase price.

3 IFA will provide a beginner farmer bond to
4 the bank, who will maintain a first position with
5 the bank, utilizing the FSA 50/50 loan product. The
6 terms of the bond are identified in the writeup, and
7 the property is located in Lawrence County.

8 The final beginner farmer bond is to Blake
 9 A. Edwards, who is purchasing 119.8 acres of bare
 10 farmland. The total cost of this purchase is
 11 \$1,062,482. The bank -- the Midwest Bank in
 12 Monmouth will retain 49.34 percent of this purchase
 13 or \$524,200. IFA will provide a beginner farmer
 14 bond to the bank, who will maintain a first mortgage
 15 position through the bank utilizing the FSA beginner
 16 farmer program.

17 The terms of the bond will be identified
 18 in the writup. The property is located in Warren
 19 County. Is there any questions? If not, I'll
 20 return it to you.

21 CHAIRMAN FUNDERBURG: Thank you, Patrick.

22 Next, please.

23 LENAME: The Director would like me to first,
 24 before we go to tab 2, bring you up to date on a
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1 pricing, which is the sale of the bonds that
 2 occurred yesterday for Edward Elmhurst Hospital,
 3 which is an A-rated hospital, and everybody was very
 4 nervous about going into the market because no one
 5 knows exactly what the market is doing.
 6 The stock market is going up. The bond
 7 market is really up and down, but the Edward
 8 Elmhurst Hospital rated A sold approximately
 9 \$198,000,000 in bonds at an all-in true interest
 10 cost of 4.21 percent, which is very good.

11 This financing will result in a present

12 value savings of approximately to the hospital
 13 \$29,000,000 over the life of the bonds, and the
 14 hospital's annual savings is approximately
 15 \$2,000,000. So it was a very nice transaction.
 16 They were very happy.

17 CHAIRMAN FUNDERBURG: That's great.
 18 LENAME: Yep. So tab 2, Franciscan
 19 Communities, Inc., is seeking a Preliminary Bond
 20 Resolution to approve the issuance of a Series of
 21 tax-exempt bonds in Illinois, Indiana and Ohio in
 22 the amount of approximately \$100,000,000.
 23 We are issuing these bonds under our
 24 multi-state authority. A portion of the bonds will

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1 be sold in a public underwriting by BB&T, and a
 2 portion will be directly purchased by one bank or
 3 several banks to be selected by Franciscan and
 4 identified to the Board when we do the final
 5 resolution.

6 The bond proceeds will be used to refund
 7 all or a portion of the Illinois Finance Authority
 8 Series 2004 B bonds, 2007 A bonds, and the 2013 B
 9 bonds. The proceeds will also be used to refund the
 10 County of Cuyahoga, Ohio, Healthcare Facility
 11 Revenue Bonds Series 2004 C and D.

12 The bond proceeds will also be used to
 13 finance or refinance or reimburse Franciscan and the
 14 University Place, which is an affiliate of theirs,
 15 for the cost of renovating a skilled nursing
 16 facility at the Village in Victory Lakes, Wheeling.

17 Illinois, for the cost of renovating portions of
18 St. Joseph's Village in Chicago, for renovating
19 portions of Franciscan Village in Lemont, Illinois,
20 and for capital improvements at St. Anthony home in
21 Crown Point, Indiana, and University Place in West
22 Lafayette, Indiana, and for construction and
23 equipment of a 11,000 square-foot addition to Mount
24 Alverna Village in Parma, Ohio.

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1 Franciscan has locations here in Chicago,
2 Lindenhurst, Lemont, Wheeling, Homer Glen, Crown
3 Point, West Lafayette, Indiana, and Parma, Ohio.
4 The eight facilities operated by the
5 Franciscans total 1,948 units consisting of 476
6 entrance fee units, independent living units, 27
7 rental independent living units, 339 assisted living
8 units, 68 memory care units and 808 skilled nursing
9 beds.

10 The bonds will be underwritten by BB&T, as
11 mentioned. Currently, Franciscan is rated BBB
12 minus, and they expect to have that rating confirmed
13 for the sale of the bond.

14 If you look at their fiscal -- at their
15 finances at the end of their fiscal year 2016,
16 Franciscan had good debt service ratio of 2.09 and
17 267 days cash on hand.

18 Are there any questions?

19 CHAIRMAN FUNDERBURG: Okay, thank you.
20 LENANE: Thank you.

21 FRAMPTON: Good morning, everyone. I'm Rich
22 Frampton. I'll be presenting two resolutions, which
23 may be found at tabs 3 and 4 in your Board book.
24

The first item is tab 3, which is a
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1 resolution relating to Piasa, although it's
2 P-i-a-s-a, I've been advised the proper
3 pronunciation is Piasa, Piasa Township Sewer
4 District, in its Series 1999 bonds, which are owned
5 by the Illinois Finance Authority.
6 The current outstanding amount is \$30,000.
7 IFA has owned these bonds since defeasing the former
8 Illinois Finance Authority, Illinois Rural Bond Bank
9 local government pool bond issues back in June of
10 2014.

11 Effectively, when IFA took out the IFA
12 pool bond bank bonds from the market, the underlying
13 securities, including this bond issue for Piasa,
14 were all taken into effectively as an IFA direct
15 portfolio investment or direct loan.

16 So we have an outstanding principal
17 balance of \$30,000. In recent years, the District
18 has been managing with tight cash flows. For the
19 last two or three years, they have been -- they've
20 been calling us in advance, just to let us know that
21 they might not be able to make the full payment.

22 They've always been able to come through.

23 One of the principal reasons for that is
24 this District is very small. It serves a rural

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1 subdivision. The District, itself, was established
2 in 1974 to serve as two or three residential
3 subdivisions located approximately five miles north
4 of Alton.

5 They've always been self-managed. A sewer
6 district like this has to deal with the
7 Environmental Protection Agency. It's a difficult
8 business to run, as a do-it-yourself project.

9 A few years ago, in connection with the
10 construction of high speed rail through a nearby
11 community, their sewer lines were disrupted,
12 resulting in the district having to replace and
13 repair the lines and undertake additional debt.

14 In addition to the IFA bond, or the bond
15 -- the \$30,000 in bonds that are due to IFA, they
16 also have a \$50,000 bank loan due to C&B Bank of
17 Jerseyville.

18 The District trustees have been thinking
19 about how to solve the problem for quite some time
20 and the challenges just managing a district. So in
21 November, the trustees of the District approved a
22 resolution that would do two things: Number one,
23 put a voter of referendum on the ballot in April to
24 dissolve the District; and secondly, to authorize
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1 the trustees of the District to negotiate the sale
2 of the system to Illinois American Water.

3 In terms of where things are now, on
4 December 20th, the Circuit Court of Jersey County,
5 the Judge of the Circuit Court issued an order
6 authorizing a voter referendum that resulted from a
7 petition, which was signed by 92 out of the 120
8 households that are customers of the District.

9 Additionally, the District and Illinois
10 American Water expect to complete negotiation of the
11 asset sale next week. And upon completion of
12 negotiating the sale contract, they will immediately
13 submit the sale contract to the Illinois Commerce
14 Commission for consideration. Their expectation is
15 that the ICC will approve the sale of the District
16 in September, at which point the IFA bonds would be
17 repaid in full.

18 In the meantime, the District, again, as I
19 reported initially, is not sure that they will be
20 able to make the full payment of \$15,810 that is due
21 on February 1st of 2017.

22 So what I have presented for your
23 consideration is a resolution, and as well as a
24 draft forbearance agreement that would waive any
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1 payment default by the District until such time as
2 -- until the sooner of the date on which they sell
3 the assets of the District to Illinois American
4 Water; or, alternatively, February 1st, 2018, which
5 is the existing final maturity date on the bonds.
6 And in addition to making full payment on
7 not just the principal that is due, but the interest
Page 20

8 that is due, associated with all three remaining
 9 payments, which totals \$31,620, pursuant to
 10 Section 2.3 of the forbearance agreement, which is
 11 on page 8 of the report, the District has also
 12 agreed to cover any out-of-pocket legal fees, as
 13 well as staff time, either by legal counsel or by
 14 general staff of the Authority.

15 They understand that the charge will be --
 16 you know, they expect the charge to be nominal. So
 17 we will be able to recover our direct costs in
 18 preparing the memo and any other -- and any other
 19 due diligence that's necessary between the time --
 20 between now and the date of the sale.

21 So given the small principal amount, we
 22 don't believe it's prudent to charge the District
 23 any penalty for late payment. In return for that
 24 consideration, they have agreed to make the full

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1 payment due -- that would otherwise be due on
 2 2-1-2018. We will not be prorating their interest
 3 to give to allow for that.

4 So we think this is a practical and
 5 pragmatic solution. Counsel for the District has
 6 reviewed the resolution and the forbearance
 7 agreement and did not have any substantive comments.

8 And with that, I'm ready to take any
 9 questions you may have.

10 MEISTER: Before the questions, I just want to
 11 quickly compliment Rich on the preparation of this

12 complex matter. As I noted in the message from the
 13 Executive Director, this is an issue far beyond the
 14 30 plus thousand dollars that is owed to the
 15 Authority.

16 I'll also just note that the Authority,
 17 several years ago, also on a project that Rich and
 18 Brad worked on, had a hand in both the payoff of the
 19 East St. Louis bonds and the ultimate dissolution
 20 and elimination of the East St. Louis Municipal
 21 Supervisory authority. I think I may be getting the
 22 name wrong.

23 I know that George Obermagel on our Board
 24 served on Lieutenant Governor Sanguinetti's

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1 commission that resulted in a lengthy report on the
 2 elimination and consolidation of Illinois units of
 3 local government. I think in that report there were
 4 probably three different estimates --

OBERMAGEL: Yes.

6 MEISTER: -- of the actual number ranging
 7 between 6800 just over 7,000. So the IFA has been
 8 involved with the elimination of at least two of
 9 these, and when we were created in '04 by the
 10 General Assembly, that resulted in the elimination
 11 of six other statutory entities.

12 And the one additional agency that has
 13 been created by the General Assembly, since we've
 14 been in existence, the Metro East Police Authority,
 15 the General Assembly asked us to be the fiscal
 16 agent, which I think cut down on costs and back

17 office work. So just to put it in a little bit of
18 context.

19 CHAIRMAN FUNDERBURG: Okay, thank you.

20 FRAMPTON: Just one other thing. The interest
21 rate borne on the bonds is 5.4 percent. So by
22 extending the \$30,000 out for a year, we're
23 effectively earning 2.7 percent, and it will be a
24 little bit more than that, if you consider the fact

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1 we're only expecting the bonds to be outstanding for
2 nine months.

3 So a 2.7 percent effective return is much
4 better than -- is still much better than we would be
5 earning in our treasury.

6 CHAIRMAN FUNDERBURG: Okay.

7 KNOX: One quick question.

8 CHAIRMAN FUNDERBURG: Please.

9 KNOX: So this is all -- I mean, obviously
10 we're helping with the workout, but is this also to
11 help with the purchase of the system from Illinois
12 Water?

13 FRAMPTON: No. I'm glad -- just Illinois
14 American Water will actually be -- they've agreed to
15 a purchase price on this equal to the -- equal to
16 the assumption of debt. So the purchase price will
17 be roughly \$82,000.

18 KNOX: Okay.

19 FRAMPTON: On the 120 connections. So that is
20 \$683 per customer. So that's the basis under which

21 Illinois American is financing this. This
22 particular sewer district does not treat any sewage.

23 They just pipe it and transport it to a
24 treatment plant that in an adjoining community that

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1 American operates. So we have had other situations
2 similar to this in the past. The City of Grafton,
3 for example.

4 Also, in the Alton District for Illinois
5 American, they sold their system to Illinois
6 American. 18 months later, IFA issued bonds for
7 Illinois American that financed a number of
8 improvements to the Grafton water system. So the
9 acquisitions cannot be bond financed by IFA, but
10 subsequent improvements can.

11 KNOX: Okay.

12 CHAIRMAN FUNDERBURG: Thank you.

13 FRAMPTON: Any other questions?

14 CHAIRMAN FUNDERBURG: Thank you.

15 FRAMPTON: Okay. Next I'll move on to tab 4,

16 which is a resolution of intent requesting an
17 initial allocation of calendar year 2017 private
18 activity bond volume cap in the amount of
19 \$100,000,000 to be used prospectively to allow IFA
20 to issue tax-exempt industrial revenue bonds and
21 beginning farmer bonds during calendar year 2017.

22 For those of you who are longer-term Board
23 Members, you'll be familiar with this drill. At the
24 beginning of each year, the Governor's Office of

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1 Management of Budget request that the governing
 2 board of each state conduit bond issuing authority
 3 file a certified resolution of intent to request a
 4 private activity volume cap for the year in order to
 5 enable the issuer to conduct business.

6 For IFA obtaining these allocations early
 7 in the years are particularly critical because the
 8 two categories of private activity bonds that IFA
 9 has focused on; namely, the beginning farmer bonds
 10 and industrial revenue bonds, are really anomalies
 11 under the Internal Revenue Code.

12 They are the only two categories of
 13 private activity bond projects that are not eligible
 14 to use volume cap that's carried forward from
 15 previous years. So unless and until IFA receives an
 16 allocation, the four beginning farmer bonds that
 17 were presented can't close, even if everything else
 18 is in order. So that's the rationale and purpose of
 19 the request.

20 Next, I'm just going to review some
 21 background and historical perspective on what volume
 22 caps is, and how demand has changed over time. First
 23 of all, what is volume cap? Volume cap was a
 24 concept introduced into the Internal Revenue Code

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1 under the Deficit Reduction Act of 1984.
 2 The whole purpose of providing volume cap

3 on a project on municipal bonds issued for projects
 4 where the underlying borrower is a tax-paying entity
 5 was to limit the loss to the -- the loss of revenue
 6 to the U.S. Treasury.

7 So going back to the mid '80s, the whole
 8 rationale for creating volume cap was to limit the
 9 amount, the dollar amount of municipal bonds issued
 10 for tax-paying corporate entities of various kinds.

11 On page 2 of the report, I have listed the
 12 various types of private activity volume cap bonds
 13 for tax-paying entities that IFA issues and has
 14 issued over time. Aside from beginning farmer bonds
 15 and industrial revenue bonds, we can issue bonds for
 16 water utilities, two of the gas utilities in the
 17 state. We can issue student loan revenue bonds,
 18 mass commuting facilities and other uses.

19 All the uses, aside from industrial
 20 revenue bonds and beginning farmer bonds, however,
 21 can be financed from unused volume cap that we have
 22 carried forward from previous years.

23 For example, from 2016, we will have
 24 roughly \$90,000,000 of unused allocation. We would

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1 be able to use that \$90,000,000 for any of the
 2 categories listed on page 2, except for industrial
 3 revenue bonds and beginning farmer bonds. So we can
 4 -- by managing our allocation, we can run -- we can
 5 run both sides of -- we can run all of our volume
 6 cap projects.

7 In terms of the allocation that's
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8 available to the State, the IRS allows each state to
 9 issue up to one \$100 per capita per year. So the
 10 state as a whole has \$1.28 billion to allocate. Out
 11 of that \$1.28 billion, the Governor's Office of
 12 Management and Budget has roughly \$234,000,000 that
 13 is available to allocate to state bond issuing
 14 authorities, which include IFA, the Housing
 15 Development Authority, the Student Assistance
 16 Commission, and the regional versions of IFA, such
 17 as the Southwestern Illinois Development Authority.
 18 So there are several other issuers who
 19 normally will be applying for allocation. For many
 20 years, student loans were the primary user of the
 21 private activity volume cap, and until roughly 10
 22 years ago, the demand was always tight.

23 And, typically, our manufacturing
 24 borrowers had to wait six to nine months for an
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1 allocation before they could actually close their
 2 deal. However, at that time because the interest
 3 rate spreads that were attributable to savings
 4 obtainable through IRBs made motivated borrowers to
 5 proceed with financings much more than now.

6 So for roughly the last 10 years, volume
 7 cap really hasn't been an issue. We've been able to
 8 finance pretty much every project as it's been
 9 ready. So it's a good news/bad news story, though.
 10 Although people don't have to wait, we're also not
 11 generating \$150,000,000 or \$250,000,000 as we did

12 many years ago. Just in terms of what IRB issuances
 13 perspective do for our bottom line, the most
 14 recent time we had a big year was 2007.

15 That year, we issued roughly \$150,000,000
 16 of IRBs for 26 projects. We charge a 77 basis-point
 17 fee on those issuances. So that \$150,000,000 in
 18 transactions generated \$1,150,000 in fees.

19 So just in terms of our business model,
 20 being able to issue these private activity bonds for
 21 corporate projects is, on a dollar-for-dollar basis,
 22 the most profitable activity the Authority has.

23 CHAIRMAN FUNDERBURG: Rich, if I may just
 24 interrupt for a second. I also, building on what
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1 you just said, it's my opinion that IRS are
 2 oftentimes the most impactful sources of funding
 3 that can be available, especially for creating jobs
 4 in the manufacturing sector.

5 Why is it that you think there's been a
 6 decrease in demand for that particular product?

7 FRAMPTON: On page 3 of the report, I've
 8 outlined some of the reasons -- some of the key
 9 reasons for the diminished demand. The fact is
 10 diminished has not just hit IFA. It's affected
 11 all our counterparts nationally.

12 And, you know, I was really kind of, you
 13 know, not exactly pleasantly surprised when I found
 14 this out, but in 2014, IFA was actually ranked as
 15 the number one issuer of industrial revenue bonds
 16 nationally. We issued 39.4 million in 2014.

17 You know, the factors that have
18 contributed to this drop in demand have been, number
19 one, the diminished taxable/tax-exempt spreads. As
20 long as we're in a low-interest rate environment,
21 those spreads will be tight.

22 Unfortunately, on the manufacturing and
23 all the corporate projects, any assets that are
24 financed with tax-exempt bonds or industrial revenue

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1 bonds are subject to straight-line depreciation.
2 That, in particular, can affect demand on equipment.
3 The other thing that adversely affects
4 demand on equipment is frequently the term of
5 financing that the banks will approve on equipment
6 is only five to seven years. So the benefit of --
7 the dollar benefit of using bonds on the equipment
8 portion of a project ends up being very marginal.

9 And most of the projects we've seen over
10 the last six or seven years have actually, with the
11 exception of one, where the principals of the
12 company formed an LLC to lease the equipment back to
13 themselves, with the exception of that equipment
14 ownership structure, every single deal we've done
15 since 2009 has just been a real estate deal.

16 So because of the \$10,000,000 issuance
17 limit on industrial revenue bonds, and the six-year
18 \$20,000,000 capital expenditure limit on any project
19 that's financed with industrial revenue bonds, at
20 least in the Chicago market, that \$20,000,000 limit

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21 is very problematic because basically what it says
22 is for any company that borrows with industrial
23 revenue bonds, the maximum amount of expenditures
24 that can be incurred corporate wide, including any

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1 affiliates within the same county, cannot exceed
2 \$20,000,000.

3 But it's not just the time the project is
4 undertaken. The limit actually extends to all
5 expenditures undertaken, irrespective of how they
6 are financed, going three years prior to the date
7 the bonds are issued and going three years forward.

8 So, for example, if we had a company that
9 where we issued \$10,000,000 in bonds, July 1, 2017,
10 pursuant to this \$20,000,000 limitation, they would
11 -- they could not invest more than an additional
12 \$10,000,000 in equipment, any other building
13 improvement, in the whole county. And in Cook
14 County, that can be problematic, because a company
15 may have more than one facility.

16 So we've been working with our national
17 organization, the Council of Development Finance
18 Agencies, to update these outmoded limits. You
19 know, Chris and I have worked with Congressman
20 Hultgren's office. We've reached out to the Ways
21 and Means Members as well, both senators to try to
22 build momentum to get these things changed.

23 And the way I see it, there are really two
24 parts to the fix. The first part is fixing the

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1 outmoded \$10,000,000 issuance limit and \$20,000,000
 2 capital expenditure limit.
 3 As a result of that \$20,000,000 limit, we
 4 really can't finance any project where the -- we
 5 can't finance any project where the anticipated
 6 spending is even over \$15,000,000, because within
 7 that six-year period, it's almost certain that they
 8 will have incurred another five. So that's one
 9 thing we have to fix.

10 CHAIRMAN FUNDERBURG: Rich, thank for you that.
 11 I would certainly encourage you and the rest of the
 12 team to continue to work towards that end.

13 FRAMPTON: And then the second thing is, you
 14 know, we need the economy to improve, and for
 15 interest rates to increase a bit because that just
 16 -- an increase in rates is not always good, but, you
 17 know, back in the mid to late '80s, when prime was
 18 11 or 12 percent, we had borrowers who were happy to
 19 get variable rates of six or six-and-a-half percent
 20 at that time.

21 You know, they wished they could fix the
 22 rate at that time. So as the spreads improve, and
 23 if the economy is good, and we fix these
 24 long-standing spending limits, some of which haven't

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1 been changed since the mid '80s, we can get this
 2 program easily back on track.

And the fact of the matter is all the
 banks out there are familiar with how bonds work as
 a tool. The same banks we work with on 501(c)(3)
 projects also have financed projects for
 manufacturers, and we believe that with those fixes,
 we'll have good viable product again that with a
 little push from us will ultimately sell itself.

CHAIRMAN FUNDERBURG: Okay. Thank you again, I
 encourage you continuing going forward with that.

FRAMPTON: Okay, thank you.

CHAIRMAN FUNDERBURG: All right. Thank you.

Ms. Burn?

FLETCHER: Mr. Chairman, for the record, I
 would like to note that Member Anderberg terminated
 his participation via audio conference at 10:10 a.m.

CHAIRMAN FUNDERBURG: Okay thank you.

BURN: In resolution No. 5, we present for your
 consideration a resolution approving contracts to be
 entered into in connection with the two successful
 RFPs that we spoke about earlier in the procurement
 report, and that is a contract with Amalgamated Bank
 of Chicago, with respect to custodian services, and

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1 a contract with Premier Staffing Source, Inc., with
 2 respect to temporary staffing services. Any
 3 questions?

CHAIRMAN FUNDERBURG: Okay, thank you.

BURN: Okay.

CHAIRMAN FUNDERBURG: Next, and under item

No. 6, I would like to and am pleased to present the

8 resolution regarding compensation of the Executive
9 Director of the Illinois Finance Authority.
10 This resolution provides for an increase
11 of 5 percent to the annual salary of the Executive
12 Director as unanimously recommended by the Executive
13 Committee.

14 I would like to ask for a request or I
15 would like to request a motion to pass and adopt the
16 following Project Reports and Resolutions: Item 1A,
17 1B, 1C, 1D, 2, 3, 4, 5 and 6. Is there such a
18 motion?

19 OBERMAGEL: I'll make a motion.

20 FUENTES: Second.

21 CHAIRMAN FUNDERBURG: Okay, second. Any

22 discussion? All in favor, please say aye.

23 (A chorus of ayes.)

24 CHAIRMAN FUNDERBURG: Any opposed?

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1 (No response.)

2 CHAIRMAN FUNDERBURG: Excuse me, roll call.

3 FLETCHER: Certainly. On the motion by

4 Mr. Obernagel and seconded by Mr. Fuentes, I'll call

5 the roll.

6 Ms. Bronner?

7 BRONNER: Yes.

8 FLETCHER: Mr. Fuentes?

9 FUENTES: Yes.

10 FLETCHER: Mr. Goetz on the phone?

11 GOETZ: Yes.

FLETCHER: Mr. Horne?

HORNE: Yes.

FLETCHER: Ms. Juracek on the phone?

JURACEK: Yes.

FLETCHER: Mr. Knox?

KNOX: Yes.

FLETCHER: Mr. McCoy on the phone?

McCOY: Yes.

FLETCHER: Mr. O'Brien?

O'BRIEN: Yes.

FLETCHER: Mr. Obernagel?

OBERMAGEL: Yes.

FLETCHER: Mr. Poole?

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1 POOLE: Yes.

2 FLETCHER: Ms. Smoots?

3 SMOOTS: Yes.

4 FLETCHER: Mr. Zeller?

5 ZELLER: Yes.

6 FLETCHER: And Chairman Funderburg?

7 CHAIRMAN FUNDERBURG: Yes.

8 FLETCHER: Mr. Chairman, the motion carries.

9 CHAIRMAN FUNDERBURG: Thank you. Next is other

10 business. I would ask if there is any business to

11 come before the Members?

12 BRONNER: Yes, Mr. Chairman. If it pleases the

13 Board, I would like to read a statement into the

14 record.

15 This statement serves as an accommodation

16 of the service of Mr. Christopher Meister during his

17 tenure as Executive Director of the Illinois Finance
18 Authority.

19 Mr. Meister executes the duties of his
20 position with exemplary levels of diligence and
21 professionalism. He has long viewed public service
22 as a privilege, and this is reflected in the
23 commitment he demonstrates in all facets of his work
24 responsibilities. He is a creative problem solver,

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1 always working to build understanding, acceptance
2 and consensus for Authority programs and
3 initiatives.

4 He has a tireless work ethic and a
5 willingness to do whatever it takes to create
6 products and effectuate solutions to transform the
7 Authority's vision into reality.

8 During this current time of serious
9 financial challenge for the State of Illinois,
10 Mr. Meister has led the Authority in providing key
11 financial assistance on life safety and financial
12 issues within its statutory mission in a transparent
13 and accountable manner.

14 More broadly, his collaborative approach
15 has enhanced the success of the Authority in
16 supporting job creation and financing capital
17 expansion projects throughout the State of Illinois.

18 As Board Members, we are privileged to
19 work closely with Mr. Meister on a regular basis.
20 We can always depend on his going the extra mile to

21 ensure that we are informed about and prepared for
22 any and all matters that might be of import to the
23 Members and the Authority in general.

24 He is also incredibly generous with his
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1 time and expertise, ensuring that each Board Member
2 has the opportunity to meet one on one with him or
3 any other member of the Authority staff.

4 It is with gratitude and enthusiasm that
5 we, the Board Members of the Illinois Finance
6 Authority, recognize and acknowledge the dedication,
7 contributions and leadership of Mr. Christopher
8 Meister.

9 CHAIRMAN FUNDERBURG: Thank you.

10 BRONNER: That ends the statement,
11 Mr. Chairman.

12 CHAIRMAN FUNDERBURG: Thank you very much. And
13 I sincerely second that.

14 O'BRIEN: Question, did Mr. Meister compose
15 that?

16 CHAIRMAN FUNDERBURG: Thank you for your
17 question, and the answer is no. I know many, many,
18 if not all of our Members, feel exactly the same or
19 very similar to the words that Gila wrote on behalf
20 of our Board and sincere thanks for that.

21 And I echo that, Chris. I also at this
22 point would like to reiterate my thanks, sincere
23 thanks, to the volunteer body of the Illinois
24 Finance Authority for all of your effort in helping

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1 us have a very positive impact on the State of
 2 Illinois.
 3 MEISTER: I would like to thank you, Mr.
 4 Chairman, and Vice-Chairman Bronner, and all the
 5 Members for that vote of confidence. It means the
 6 world to me. Thank you.

7 CHAIRMAN FUNDERBURG: You're very welcome.
 8 BRONNER: Thank you.
 9 CHAIRMAN FUNDERBURG: I next would like to ask
 10 is there any other business to come before the
 11 Board? You mentioned your report.

12 MEISTER: No, no, I'm done with my report, but
 13 I do have one piece of news for the Members of the
 14 Authority. It's my understanding that Bob Horne's
 15 senate confirmation is being considered by the floor
 16 -- on the floor of the Illinois Senate as we speak,
 17 and we anticipate an aye vote for his confirmation.
 18 Congratulations, Mr. Horne.

19 HORNE: How long was that, a year?
 20 CHAIRMAN FUNDERBURG: All right. So again,
 21 Gila, thank you so much for doing that and for
 22 having that good idea. I would like to ask then for
 23 a request a motion to excuse the absences the of the
 24 Members unable to participate. Is there such a
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1 motion?
 2 ZELLER: So moved.

3 CHAIRMAN FUNDERBURG: Second?
 4 KNOX: Second.

5 CHAIRMAN FUNDERBURG: All in favor, please say
 6 aye.

7 (A chorus of ayes.)

8 CHAIRMAN FUNDERBURG: Any opposed?
 9 (No response.)

10 CHAIRMAN FUNDERBURG: It's time for public
 11 comment. Any public comments from the group? On
 12 the phone?

13 Hearing none, then, I would like to point
 14 out that our next regular scheduled meeting is for
 15 February 9th, 2017. With that, I would like to ask
 16 for a motion to adjourn our meeting.

17 HORNE: So moved.

18 CHAIRMAN FUNDERBURG: It's a tie.

19 POOLE: Second.

20 CHAIRMAN FUNDERBURG: Who?

21 FLETCHER: Motion by Mr. Horne, seconded by
 22 Mr. Poole.

23 CHAIRMAN FUNDERBURG: Great. Thank you. All
 24 in favor?

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1 (A chorus of ayes.)

2 CHAIRMAN FUNDERBURG: Any opposed?

3 (No response.)

4 CHAIRMAN FUNDERBURG: The meeting is over.

5 FLETCHER: The time is 10:29 a.m.

6 (WHICH WERE ALL THE PROCEEDINGS HAD.)

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1 STATE OF ILLINOIS }
2 COUNTY OF COOK } SS:
3

4 PAMELA A. MARZULLO, C.S.R., being first duly sworn,
5 says that she is a court reporter doing business in the city
6 of Chicago; that she reported in shorthand the proceedings
7 had at the Proceedings of said cause; that the foregoing is
8 a true and correct transcript of her shorthand notes, so
9 taken as aforesaid, and contains all the proceedings of said
10 hearing.

11
PAMELA A. MARZULLO
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ILLINOIS FINANCE AUTHORITY
 VOICE VOTE
 APPROVAL OF REQUEST TO PARTICIPATE VIA AUDIO CONFERENCE
 ADOPTED

January 12, 2017

10 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 VOICE VOTE
 JANUARY 12, 2017 AGENDA OF THE REGULAR MEETING OF THE MEMBERS
 ADOPTED

January 12, 2017

14 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 VOICE VOTE
 DECEMBER 8, 2016 MINUTES OF THE REGULAR MEETING OF THE MEMBERS
 ADOPTED

January 12, 2017

14 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
FINANCIAL REPORTS
ACCEPTED

January 12, 2017

14 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0112-AG1A
 BEGINNING FARMER REVENUE BOND – DOMINIC A. GINDER
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

January 12, 2017

13 YEAS

0 NAYS

0 PRESENT

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

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0112-AG1B
 BEGINNING FARMER REVENUE BOND – JACOB NIEHAUS
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

January 12, 2017

13 YEAS

0 NAYS

0 PRESENT

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

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0112-AG1C
 BEGINNING FARMER REVENUE BOND – CHRISTOPHER M. & JESSICA L. SCAGGS
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

January 12, 2017

13 YEAS	0 NAYS	0 PRESENT
NV Anderberg (VIA AUDIO CONFERENCE)	Y	Juracek (VIA AUDIO CONFERENCE)
Y Bronner	Y	Y Poole
Y Fuentes	Y	Y Smoots
		E Yonover
Y Goetz (VIA AUDIO CONFERENCE)	Y	Y Zeller
Y Horne	Y	Y Mr. Chairman

* – Consent Agenda
 E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0112-AG1D
 BEGINNING FARMER REVENUE BOND – BLAKE A. EDWARDS
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

January 12, 2017

13 YEAS

0 NAYS

0 PRESENT

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

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0112-HC02
 501(c)(3) REVENUE BOND – FRANCISCAN COMMUNITIES, INC.
 PRELIMINARY
 PASSED*

January 12, 2017

13 YEAS

0 NAYS

0 PRESENT

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

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL

RESOLUTION 2017-0112-AD03

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PREPARE AND EXECUTE A WAIVER AND FORBEARANCE AGREEMENT WAIVING ANY EVENT OF DEFAULT UNTIL FEBRUARY 1, 2018 WITH RESPECT TO \$195,000 ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF SEWERAGE REFUNDING REVENUE BONDS, SERIES 1999, ISSUED BY THE PIASA TOWNSHIP SEWER DISTRICT, JERSEY COUNTY, ILLINOIS, AND OWNED BY THE AUTHORITY; AND RELATED MATTERS
 ADOPTED*

January 12, 2017

13 YEAS

0 NAYS

0 PRESENT

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

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0112-AD04
 RESOLUTION OF INTENT REQUESTING AN INITIAL ALLOCATION OF CALENDAR
 YEAR 2017 PRIVATE ACTIVITY BOND VOLUME CAP IN THE AMOUNT OF
 \$100,000,000
 ADOPTED*

January 12, 2017

13 YEAS	0 NAYS	0 PRESENT
NV Anderberg (VIA AUDIO CONFERENCE)	Y Juracek (VIA AUDIO CONFERENCE)	Y Poole
Y Bronner	Y Knox	Y Smoots
Y Fuentes	Y McCoy (VIA AUDIO CONFERENCE)	E Yonover
Y Goetz (VIA AUDIO CONFERENCE)	Y Obernagel (VIA AUDIO CONFERENCE)	Y Zeller
Y Horne	Y O'Brien	Y Mr. Chairman

* – Consent Agenda
 E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0112-AD05
 RESOLUTION APPROVING CONTRACTS WITH AMALGAMATED BANK OF CHICAGO
 AND PREMIER STAFFING SOURCE, INC.
 ADOPTED*

January 12, 2017

13 YEAS	0 NAYS	0 PRESENT
NV Anderberg (VIA AUDIO CONFERENCE)	Y	Juracek (VIA AUDIO CONFERENCE)
Y Bronner	Y	Y Poole
Y Fuentes	Y	Y Smoots
		E Yonover
Y Goetz (VIA AUDIO CONFERENCE)	Y	Y Zeller
Y Horne	Y	Y Mr. Chairman

* – Consent Agenda
 E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0112-AD06
 RESOLUTION REGARDING THE COMPENSATION OF THE EXECUTIVE DIRECTOR
 ADOPTED*

January 12, 2017

12 YEAS	0 NAYS	0 PRESENT
Y Anderberg	Y Juracek	Y Poole
Y Bronner (VIA AUDIO CONFERENCE)	E Knox	Y Smoots
Y Fuentes	Y McCoy	Y Yonover
Y Goetz	Y Obernagel (VIA AUDIO CONFERENCE)	E Zeller
E Horne	Y O'Brien	Y Mr. Chairman

* – Consent Agenda
 E – Denotes Excused Absence

Date: February 9, 2017

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

Lyle McCoy
George Obernagel
Terrence M. O'Brien
Roger Poole
Beth Smoots
John Yonover
Bradley A. Zeller

From: Ximena Granda, Controller

Subject: *Presentation and Consideration of Financial Reports as of January 31, 2017**

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

FISCAL YEAR 2017-UNAUDITED

1. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME

- a. **Estimated Total Annual Revenues** equal **\$3.7** million and are \$805 thousand or **27.8%** higher than budget due primarily to **higher** closing fees in the month of September. Closing fees year-to-date of \$2.6 million are \$600 thousand or 29.5% **higher** than budget. Annual fees of \$185 thousand are \$59 thousand higher than the budgeted amount. Administrative service fees of \$191 thousand are \$159 thousand higher than budget (which includes the \$150,000 July 2016 final exit fee in connection with the now ended 1985 Healthcare Pool financing project). Application fees total \$23 thousand and are \$6 thousand higher than the budgeted amount. Total accrued interest income from loans in connection with the former Illinois Rural Bond Bank local government borrowers and other loans totaled \$491 thousand (which represents a declining asset since 2014). Net investment income position is at \$165 thousand for the fiscal year and is \$43 thousand higher than budget,* due primarily to the accrual of interest in the aggregate amount of \$90 thousand in connection with the State Prompt Payment Act for State receivables outstanding from July 2016 to September 2016.
- b. In **January**, the Authority generated \$197 thousand in closing fees, higher than the monthly budgeted amount of \$291 thousand. Closing fees were received from: **Oak Park Residence Corporation** for \$39 thousand; **Swedish Covenant Hospital** for \$41 thousand; **Covenant Retirement Communities, Inc.** for \$107 thousand and two beginning farmer bonds for \$10 thousand. In January, **estimated** net investment gain was \$18 thousand.

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.

* Governmental Accounting Standards Board (GASB) Statement No. 31. This Statement establishes accounting and financial reporting standards for all investments held by governmental external investment pools. For most other governmental entities, it establishes fair value standards for investments in (a) participating interest-earning investment contracts, (b) external investment pools, (c) open-end mutual funds, (d) debt securities, and (e) equity securities, option contracts, stock warrants, and stock rights that have readily determinable fair values.

- Authority investment manager advises that global market conditions contribute to this
- Past performance does not direct the outcome of future outcomes, however in FY2015 investment income total \$642 thousand compared to (unaudited) FY2016 total \$ 742 thousand

- c. **Total Annual Expenses** of \$1.9 million were \$971 thousand or 33.6% lower than budget, which was mostly driven by vacant budgeted staff positions and below budget spending on professional services. Year-to-date, employee and professional services expenses total \$1.6 million; with each function at 26.6% and 49.8% under budget, respectively. Annual occupancy costs of \$103 thousand are 13.9% lower than the budget, while general and administrative costs are \$209 thousand for the year, which is 11.7% lower than budget. Total depreciation costs are \$12 thousand and 18.7% below budget. Total cash transfers in from the Primary Government Borrowing Fund (set up to track financial activity on behalf of the State of Illinois) to the General Operating Fund are \$5.1 million. Total cash transfers out of the General Operating Fund to the Primary Government Borrowing Fund are \$108 thousand (represents a transfer to the JRTC janitorial vendor; see Financial Statements and supplementary Information in Board Book)
- d. In **January**, the Authority recorded operating expenses of \$340 thousand, which was lower than the monthly budgeted amount of \$412 thousand. In January there was a slight increase in employee related expenses and professional services compared to previous months. The slight increase in employee related expenses was due to the Authority's 401(a) Plan match that begins each calendar year. The increase in professional services is due to renewals of memberships, marketing and legal fees. Even with this slight increase, the Authority is still below budget by \$72 thousand.
- e. **Estimated Total Monthly Net Loss** of \$15 thousand was driven by lower than expected closing fees.
- f. **Estimated Total Annual Net Income** is \$2.4 million. The major driver of the annual positive bottom line continues to be the level of overall spending at 33.6% below budget, as well as higher closing fees, higher administrative service fees and the accrual of the prompt payment interest.

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

The Authority, as of January 31, 2017, is a \$120.8 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 \$24.8 billion in outstanding debt.

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

In the General Fund, the Authority continues to maintain a strong balance sheet, with total net position of \$56.2 million. The total assets in the General Fund are \$56.5 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total \$37.7 million (with \$8.2 million cash). Notes receivables from the former Illinois Rural Bond Bank local governments total \$16.0 million. Participation loans, DACA (pilot medical student loans in exchange for service in medical underserved areas in Illinois) and other loans receivables are at \$2.5 million.

4. **YEAR TO DATE ACTIVITY FOR ALL OTHER FUNDS**

- a. In accordance with Governmental Accounting Standards, the "Other State of Illinois Debt Fund" is comprised of bond activity for the Illinois Environmental Protection Agency (IEPA), the Illinois Medical District Commission (IMDC) and Northern Illinois University Foundation (NIUF). The majority of the activity in this fund derives from the Clean Water Initiative (CWI) bonds for IEPA. Total assets in this fund total \$712 million (which includes the \$500 million CWI bonds that closed on September 12, 2016). Restricted investments total \$324 million with accrued investment income at \$227 thousand.

- b. The Locally Held Fire Truck and Ambulance Revolving Loan Funds have total year-to-date receipts of \$251 thousand. In Fiscal Year 2017, two new loans were disbursed for a total of \$700 thousand under the Fire Truck Revolving Loan program and thirteen new loans were disbursed for a total of \$1.3 million under the Ambulance Revolving Loan program. In January, one loan was disbursed in the amount of \$100 thousand under the Ambulance Revolving Loan program. The Net Position for Fire Truck and Ambulance Revolving Loan Funds on the Authority's balance sheet is \$22.8 million and \$4.2 million, respectively.

The Illinois Agricultural Loan Guarantee Fund and the Illinois Farmer Agribusiness Loan Guarantee Fund include restricted assets held by the State Treasurer to make payouts of losses in relation to the Authority's agricultural loan guarantee program. As of January 31, 2017, the Agricultural Loan Guarantee Fund with a Restricted Net Position of \$10.1 million includes no loss reserve, but the Agribusiness Fund with a Restricted Net Position of \$7.5 million includes a loss reserve of \$442 thousand for potential loan loss payouts. Moreover, the Industrial Revenue Bond Insurance Fund includes restricted assets held locally by the Authority to make payouts of losses in relation to the Authority's agricultural loan guarantee program (please see Senate Bill 324, Public Acct 99-0509). The Restricted Net Position for the Industrial Revenue Bond Insurance Fund is \$11.9 million as January 31, 2017.

- c. All other nonmajor funds recorded *estimated* total year-to-date revenues of \$100 thousand. Year-to-date expenses total \$6 thousand as of January 31, 2017. Total Net Position in the remaining non-major funds is \$37.6 million.
- d. The Metro East Police District Commission is reported as an agency/fiduciary fund, which has total assets of \$6 thousand in the custody of the Authority. The Illinois Finance Authority NFP Development Fund has a total net position of \$20 thousand.

5. AUTHORITY AUDITS AND REGULATORY UPDATES

- a. The Fiscal Year 2016 Financial Audit Examination conducted by RSM US LLP which began on September 6, 2016 concluded on October 28, 2016. The Authority's Fiscal Year 2016 Financial Audit Report was released on January 12, 2017. The Authority will be scheduling an Audit Plus committee meeting in the coming months.

6. OTHER SUPPLEMENTARY FINANCIAL INFORMATION

- a. The Fiscal Year Comparison of Bonds Issued, The Fiscal Year 2017 Bonds Issued, Schedule of Debt and the State of Illinois Receivables Summary are being presented as supplementary financial information, immediately following the financial reports in your Board package (or manila folder).

Respectfully submitted,

/s/ Ximena Granda
Controller



ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
GENERAL OPERATING FUND
FOR FISCAL YEAR 2017 AS OF JANUARY 31, 2017
(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	\$230,038	\$ 479,153	\$ 745,423	\$ 213,750	\$ 432,506	\$ 337,250	\$ 196,519						\$ 2,634,639	\$ 2,034,900	\$ 599,739	29.5%	
Annual Fees	26,604	22,792	30,432	27,938	25,960	26,601	24,191						184,518	125,054	59,464	47.6%	
Administrative Service Fees	161,000	-	-	-	20,000	-	10,000						191,000	32,083	158,917	495.3%	
Application Fees	200	2,000	8,700	3,700	5,600	1,400	1,600						23,200	17,325	5,875	33.9%	
Miscellaneous Fees	94	4,752	-	-	338	-	131						5,315	292	5,023	1720.2%	
Interest Income-Loans	69,733	68,858	69,694	69,615	69,169	69,203	74,988						491,260	483,799	7,461	1.5%	
Other Revenue	191	191	190	-	9,506	177	-						10,255	84,000	(73,745)	-87.8%	
Total Operating Revenue:	\$487,860	\$ 577,746	\$ 854,439	\$ 315,003	\$ 563,079	\$ 434,631	\$ 307,429	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,540,187	\$ 2,777,453	\$ 762,734	27.5%	
Operating Expenses:																	
Employee Related Expense	\$155,025	\$ 147,885	\$ 170,978	\$ 137,770	\$ 138,406	\$ 134,906	\$ 155,791						\$ 1,040,761	\$ 1,417,727	\$ (376,966)	-26.6%	
Professional Services	45,724	60,685	89,585	75,798	81,641	64,762	133,022						551,217	1,098,438	(547,221)	-49.8%	
Occupancy Costs	14,105	13,292	17,476	11,994	16,652	14,748	15,087						103,354	120,021	(16,667)	-13.9%	
General & Administrative	28,385	29,354	26,935	26,112	25,458	37,602	35,029						208,875	236,504	(27,629)	-11.7%	
Depreciation and Amortization	2,180	2,153	1,504	1,504	1,504	1,504	1,504						11,853	14,583	(2,730)	-18.7%	
Total Operating Expense	\$245,419	\$ 253,369	\$ 306,478	\$ 253,178	\$ 263,661	\$ 253,522	\$ 340,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,916,060	\$ 2,887,273	\$ (971,213)	-33.6%	
Operating Income(Loss)	\$242,441	\$ 324,377	\$ 547,961	\$ 61,825	\$ 299,418	\$ 181,109	\$ (33,004)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,624,127	\$ (109,820)	\$ 1,733,947	1578.9%	
Nonoperating Revenues (Expenses):																	
Miscellaneous Non-Operatg Rev/(Exp)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (875)	\$ 875	-100.0%
Bad Debt Adjustments (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,833	(5,833)	-100.0%
Interest and Investment Income*	15,017	21,911	123,568	15,493	17,776	21,022	20,000						234,787	183,093	51,694	28.2%	
Realized Gain (Loss) on Sale of Invests	(2,890)	(298)	(626)	(105)	(317)	(230)	(1,578)						(6,044)	3,623	(9,667)	-266.8%	
Net Appreciation (Depr) in FV of Invests	(14,294)	(20,518)	3,005	(7,744)	(26,990)	2,534	N/A						(64,007)	(69,672)	5,665	-8.1%	
Total Nonoperating Rev (Exp)	\$ (2,167)	\$ 1,095	\$ 125,947	\$ 7,644	\$ (9,531)	\$ 23,326	\$ 18,422	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 164,736	\$ 122,002	\$ 42,734	35.0%	
Net Income (Loss) Before Transfers	\$240,274	\$ 325,472	\$ 673,908	\$ 69,469	\$ 289,887	\$ 204,435	\$ (14,582)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,788,863	\$ 12,182	\$ 1,776,681	14584.5%	
Transfers:																	
Transfers in from other funds	\$107,795	\$ 1,502,594	\$ 3,030,647	\$ 6,405	\$ 828,836	\$ 227,196	\$ 8,815						\$ 5,712,288	\$ -	\$ 5,712,288	0.0%	
Transfers out to other funds	(107,795)	(1,502,594)	(3,030,647)	(6,405)	(228,358)	(227,164)	(8,815)						(5,111,778)	-	(5,111,778)	0.0%	
Total Transfers In (Out)	\$ -	\$ -	\$ -	\$ -	\$ 600,478	\$ 32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,510	\$ -	\$ 600,510	0.0%	
Net Income (Loss)	\$240,274	\$ 325,472	\$ 673,908	\$ 69,469	\$ 890,365	\$ 204,467	\$ (14,582)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,389,373	\$ 12,182	\$ 2,377,191	19514.0%	

*Interest and Investment income for the month of January are estimates
**Year to Date Net Appreciation (Depr) in FV of Invests are as of December 31, 2016



ILLINOIS FINANCE AUTHORITY
 STATEMENT OF REVENUES, EXPENSES AND NET INCOME
 IFA FUNDS AND CUSTODIAL FUND ACTIVITY
 FOR FISCAL YEAR 2017 AS OF JANUARY 31, 2017
(PRELIMINARY AND UNAUDITED)

	GENERAL FUND*	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	AGENCY FUNDS
Operating Revenues:								
Closing Fees	\$ 2,634,639	\$ -	\$ -	\$ -	\$ 2,634,639	\$ -	\$ 2,634,639	\$ -
Annual Fees	184,518	-	-	-	184,518	-	184,518	-
Administrative Service Fees	191,000	-	-	-	191,000	-	191,000	-
Application Fees	23,200	-	-	-	23,200	-	23,200	-
Miscellaneous Fees	5,315	250,984	-	-	256,299	-	256,299	-
Interest Income-Loans	491,260	8,831	-	19,954	520,045	9,037,982	9,558,027	-
Other Revenue	10,255	-	-	1,107	11,362	-	11,362	-
Total Operating Revenue:	\$ 3,540,187	\$ 259,815	\$ -	\$ 21,061	\$ 3,821,063	\$ 9,037,982	\$ 12,859,045	\$ -
Operating Expenses:								
Employee Related Expense	\$ 1,040,761	\$ -	\$ -	\$ -	\$ 1,040,761	\$ -	\$ 1,040,761	\$ -
Professional Services	551,217	161	106	4,279	555,763	-	555,763	-
Occupancy Costs	103,354	-	-	-	103,354	-	103,354	-
General & Administrative	208,875	-	-	36	208,911	-	208,911	-
Interest Expense	-	-	-	1,803	1,803	9,549,175	9,550,978	-
Depreciation and Amortization	11,853	-	-	-	11,853	-	11,853	-
Total Operating Expense	\$ 1,916,060	\$ 161	\$ 106	\$ 6,118	\$ 1,922,445	\$ 9,549,175	\$ 11,471,620	\$ -
Operating Income(Loss)	\$ 1,624,127	\$ 259,654	\$ (106)	\$ 14,943	\$ 1,898,618	\$ (511,193)	\$ 1,387,425	\$ -
Nonoperating Revenues (Expenses):								
Miscellaneous non-opertg rev/(exp)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest and investment income*	234,787	4,532	7,230	145,047	391,596	542,987	934,583	13
Realized Gain (Loss) on sale of investment	(6,044)	(12)	44	(1,692)	(7,704)	(129,691)	(137,395)	-
Net Appreciation (Depr) in fair value of investments**	(64,007)	482	615	(64,176)	(127,086)	97,897	(29,189)	-
Total Nonoperating Revenues (Expenses)	\$ 164,736	\$ 5,002	\$ 7,889	\$ 79,179	\$ 256,806	\$ 511,193	\$ 767,999	\$ 13
Net Income (Loss) Before Transfers	\$ 1,788,863	\$ 264,656	\$ 7,783	\$ 94,122	\$ 2,155,424	\$ -	\$ 2,155,424	\$ 13
Transfers:								
Transfers in from other funds	\$ 5,712,288	\$ -	\$ -	\$ -	\$ 5,712,288	\$ -	\$ 5,712,288	\$ -
Transfers out to other funds	(5,111,778)	-	-	(600,509)	(5,712,287)	-	(5,712,287)	-
Total Transfers In (Out)	\$ 600,510	\$ -	\$ -	\$ (600,509)	\$ 1	\$ -	\$ 1	\$ -
Net Income (Loss)	\$ 2,389,373	\$ 264,656	\$ 7,783	\$ (506,387)	\$ 2,155,425	\$ -	\$ 2,155,425	\$ 13

*Interest and Investment income includes estimates for the month of January

**Net Appreciation (Depr) in FV of Invests are as of December 31, 2016



ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND CUSTODIAL FUND ACTIVITY
 January 31, 2017
 (PRELIMINARY AND UNAUDITED)

	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	METRO EAST POLICE DISTRICT COMMISSION
Assets and Deferred Outflows:								
Current Assets:								
Unrestricted:								
Cash & cash equivalents	\$ 8,219,810	\$ -	\$ -	\$ 128,018	\$ 8,347,828	\$ -	\$ 8,347,828	\$ -
Investments	24,390,443	-	-	918,781	25,309,224	-	25,309,224	-
Accounts receivable, Net	221,380	-	-	-	221,380	-	221,380	-
Loans receivables, Net	3,860	-	-	-	3,860	-	3,860	-
Accrued interest receivable	732,290	-	-	5,500	737,790	-	737,790	-
Bonds and notes receivable	573,000	-	-	-	573,000	-	573,000	-
Due from other funds	25,619	-	-	-	25,619	-	25,619	-
Due from other local government agencies	-	-	-	2,333,795	2,333,795	-	2,333,795	-
Prepaid Expenses	125,467	-	-	-	125,467	-	125,467	-
Total Current Unrestricted Assets	\$ 34,291,869	\$ -	\$ -	\$ 3,386,094	\$ 37,677,963	\$ -	\$ 37,677,963	\$ -
Restricted:								
Cash & Cash Equivalents	\$ -	\$ 456,890	\$ 52,867	\$ 2,989,527	\$ 3,499,284	\$ 143,785,857	\$ 147,285,141	\$ 5,689
Investments	-	2,247,114	2,501,289	5,189,905	9,938,308	324,405,784	334,344,092	-
Accrued interest receivable	-	7,674	2,400	35,934	46,008	227,498	273,506	-
Due from other funds	-	-	-	-	-	-	-	-
Due from primary government	-	-	-	-	-	-	-	-
Bonds and notes receivable from State component units	-	-	-	-	-	243,273	243,273	-
Loans receivables, Net	-	1,796,438	-	47,560	1,843,998	-	1,843,998	-
Total Current Restricted Assets	\$ -	\$ 4,508,116	\$ 2,556,556	\$ 8,262,926	\$ 15,327,598	\$ 468,662,412	\$ 483,990,010	\$ 5,689
Total Current Assets	\$ 34,291,869	\$ 4,508,116	\$ 2,556,556	\$ 11,649,020	\$ 53,005,561	\$ 468,662,412	\$ 521,667,973	\$ 5,689
Non-current Assets:								
Unrestricted:								
Investments	\$ 5,089,342	\$ -	\$ -	\$ 810,808	\$ 5,900,150	\$ -	\$ 5,900,150	\$ -
Loans receivables, Net	1,637,414	-	-	-	1,637,414	-	1,637,414	-
Bonds and notes receivable	15,457,337	-	-	-	15,457,337	-	15,457,337	-
Total Noncurrent Unrestricted Assets	\$ 22,184,093	\$ -	\$ -	\$ 810,808	\$ 22,994,901	\$ -	\$ 22,994,901	\$ -
Restricted:								
Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	6,593,049	6,593,049	3,348,755	9,941,804	-
Funds in the custody of the Treasurer	-	61,721	11	17,999,887	18,061,619	-	18,061,619	-
Loans receivables, Net	-	18,261,413	1,672,960	1,260,235	21,194,608	-	21,194,608	-
Bonds and notes receivable from primary government	-	-	-	-	-	210,083,797	210,083,797	-
Bonds and notes receivable from State component units	-	-	-	-	-	30,087,202	30,087,202	-
Total Noncurrent Restricted Assets	\$ -	\$ 18,323,134	\$ 1,672,971	\$ 25,853,171	\$ 45,849,276	\$ 243,519,754	\$ 289,369,030	\$ -
Capital Assets								
Capital Assets	\$ 802,192	\$ -	\$ -	\$ -	\$ 802,192	\$ -	\$ 802,192	\$ -
Accumulated Depreciation	(781,285)	-	-	-	(781,285)	-	(781,285)	-
Total Capital Assets	\$ 20,907	\$ -	\$ -	\$ -	\$ 20,907	\$ -	\$ 20,907	\$ -
Total Noncurrent Assets	\$ 22,205,000	\$ 18,323,134	\$ 1,672,971	\$ 26,663,979	\$ 68,865,084	\$ 243,519,754	\$ 312,384,838	\$ -
Total Assets	\$ 56,496,869	\$ 22,831,250	\$ 4,229,527	\$ 38,312,999	\$ 121,870,645	\$ 712,182,166	\$ 834,052,811	\$ 5,689
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred loss on debt refunding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 492,935	\$ 492,935	\$ -
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 492,935	\$ 492,935	\$ -
Total Assets & Deferred Inflows of Resources	\$ 56,496,869	\$ 22,831,250	\$ 4,229,527	\$ 38,312,999	\$ 121,870,645	\$ 712,675,101	\$ 834,545,746	\$ 5,689



ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND CUSTODIAL FUND ACTIVITY
 January 31, 2017
 (PRELIMINARY AND UNAUDITED)

	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	METRO EAST POLICE DISTRICT COMMISSION
Liabilities:								
Current Liabilities:								
Payable from unrestricted current assets:								
Accounts payable	\$ 22,156	\$ -	\$ -	\$ -	\$ 22,156	\$ -	\$ 22,156	\$ -
Accrued liabilities	67,409	-	-	-	67,409	-	67,409	-
Due to employees	117,956	-	-	-	117,956	-	117,956	-
Due to primary government	85,001	-	-	-	85,001	-	85,001	-
Other liabilities	-	-	-	-	-	-	-	5,676
Unearned revenue, net of accumulated amortization	51,080	-	-	-	51,080	-	51,080	-
Total Current Liabilities Payable from Unrestricted Current Assets	\$ 343,602	\$ -	\$ -	\$ -	\$ 343,602	\$ -	\$ 343,602	\$ 5,676
Payable from restricted current assets:								
Accrued interest payable	\$ -	\$ -	\$ -	\$ 515	\$ 515	\$ 2,991,291	\$ 2,991,806	\$ -
Due to other funds	-	-	-	25,619	25,619	-	25,619	-
Bonds and notes payable from primary government	-	-	-	-	-	1,264,358	1,264,358	-
Bonds and notes payable from State component units	-	-	-	-	-	1,530,000	1,530,000	-
Current portion of long term debt	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-
Total Current Liabilities Payable from Restricted Current Assets	\$ -	\$ -	\$ -	\$ 26,134	\$ 26,134	\$ 5,785,649	\$ 5,811,783	\$ -
Total Current Liabilities	\$ 343,602	\$ -	\$ -	\$ 26,134	\$ 369,736	\$ 5,785,649	\$ 6,155,385	\$ 5,676
Noncurrent Liabilities								
Payable from unrestricted noncurrent assets:								
Noncurrent payables	\$ 585	\$ -	\$ -	\$ -	\$ 585	\$ -	\$ 585	\$ -
Assets	\$ 585	\$ -	\$ -	\$ -	\$ 585	\$ -	\$ 585	\$ -
Payable from restricted noncurrent assets:								
Bonds and notes payable from primary government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 672,731,245	\$ 672,731,245	\$ -
Bonds and notes payable from State component units	-	-	-	-	-	34,158,207	34,158,207	-
Noncurrent portion of long term debt	-	-	-	248,512	248,512	-	248,512	-
Noncurrent loan reserve	-	-	-	441,869	441,869	-	441,869	-
Total Noncurrent Liabilities Payable from Restricted Noncurrent	\$ -	\$ -	\$ -	\$ 690,381	\$ 690,381	\$ 706,889,452	\$ 707,579,833	\$ -
Total Noncurrent Liabilities	\$ 585	\$ -	\$ -	\$ 690,381	\$ 690,966	\$ 706,889,452	\$ 707,580,418	\$ -
Total Liabilities	\$ 344,187	\$ -	\$ -	\$ 716,515	\$ 1,060,702	\$ 712,675,101	\$ 713,735,803	\$ 5,676
Net Position:								
Net Investment in Capital Assets	\$ 20,907	\$ -	\$ -	\$ -	\$ 20,907	\$ -	\$ 20,907	\$ -
Restricted for Locally Held Agricultural Guarantees	-	-	-	11,857,383	11,857,383	-	11,857,383	-
Restricted for Public Safety Loans	-	22,566,594	4,221,744	-	26,788,338	-	26,788,338	-
Restricted for Agricultural Guarantees and Rural Development Loans	-	-	-	19,190,729	19,190,729	-	19,190,729	-
Restricted for Renewable Energy Development	-	-	-	2,247,513	2,247,513	-	2,247,513	-
Restricted for Credit Enhancement	-	-	-	600,000	600,000	-	600,000	-
Restricted for Low Income Community Investments	-	-	-	12,225	12,225	-	12,225	-
Unrestricted	53,742,402	-	-	4,195,021	57,937,423	-	57,937,423	-
Current Change in Net Position	2,389,373	264,656	7,783	(506,387)	2,155,425	-	2,155,425	13
Total Net Position	\$ 56,152,682	\$ 22,831,250	\$ 4,229,527	\$ 37,596,484	\$ 120,809,943	\$ -	\$ 120,809,943	\$ 13
Total Liabilities & Net Position	\$ 56,496,869	\$ 22,831,250	\$ 4,229,527	\$ 38,312,999	\$ 121,870,645	\$ -	\$ 834,545,746	\$ 5,689



STATE of ILLINOIS
DETAILED RECEIVABLES SUMMARY (UNAUDITED)
AS OF February 2, 2017

As of December 1, 2016 the Illinois Finance Authority has purchased the following receivables on behalf of the State of Illinois, pursuant to Resolutions 2015-1112-AD11 and 2016-0211-AD07:

Vendor	Payment dates	Amount
Cosgrove Distributors Inc.	12/21/2015	\$9,225.92
	Payment received by IFA	(\$9,225.92)
	Balance due from Cosgrove Distributors	\$0.00
Grayboy Building Maintenance	12/16/2015	\$15,790.36
	Payment received by IFA	(\$15,789.33)
	Balance due from Grayboy Building Maint.	\$1.03
M. J. Kellner Co. Inc.	12/28/2015	\$1,806,912.20
M. J. Kellner Co. Inc.	3/31/2016	1,929,224.10
	Payment received by IFA	(\$3,674,162.78)
	Balance due from M.J. Kellner	\$61,973.52
Smith Maintenance Company	11/25/2015	\$251,665.26
Smith Maintenance Company	12/29/2015	125,832.63
Smith Maintenance Company	2/10/2016	129,811.11
Smith Maintenance Company	3/21/2016	151,826.83
Smith Maintenance Company	4/14/2016	151,826.83
Smith Maintenance Company	5/19/2016	151,826.83
Smith Maintenance Company	6/23/2016	107,795.38
Smith Maintenance Company	7/21/2016	107,795.38
		\$1,178,380.25
	Payment received by IFA	((1,178,380.25))
	Balance due from Smith Maintenance	\$0.00
Sysco St. Louis LLC	12/16/2015	\$32,418.85
Total State of Illinois Assigned/Purchased Receivables		\$4,971,951.65
Total State of Illinois Assigned/Purchased Receivables Payment Received		\$4,877,558.25
Balance due from State of Illinois Assigned/Purchased Receivables		\$94,393.40

**ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT**

**BOARD OF DIRECTORS MEETING
February 9, 2017**

I. CONTRACTS/AMENDMENTS EXECUTED					
A. Illinois Procurement Code- Small Purchases	Vendor	Initial Term	Estimated Not to Exceed Value	Action	Services Provided
	SHI International Corp.	11/01/16 - 01/04/19	\$4,560	Amendment executed with corrected software description and new termination date.	Enterprise mobile device management software - replaces current end-of-life technology. System provides control over mobile devices.
	DropBox	02/19/17-02/18/18	\$1,670	Ordered online to continue using service.	Cloud based file sharing.
	FirstChoice Coffee Services	02/27/17-02/26/18	\$800	Extension of Services.	Water filtration annual lease for Chicago facility.
	Datalock	10/25/16-10/24/17	\$265	Extension of Services.	Shredding Services for Mt. Vernon.
B. Illinois Procurement Code- Competitive Bids/Proposals	Premier Staffing Sources, Inc.	01/20/17 - 01/19/20	\$1,000,000	Agreement executed.	Temporary Accounting and Procurement Staffing.
	Amalgamated Bank of Chicago	02/.01/17 - 01/31/20	\$60,000	Agreement executed.	Custodian safekeeping of assets, cash and securities.
C. IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals	Jenner & Block, LLP	02/11/17-02/10/19	\$350,000	Amendment executed with extension of termination date and increase in maximum amount.	Evaluation and advice on litigation matters.

**ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT**

**BOARD OF DIRECTORS MEETING
February 9, 2017**

II. SOLICITATIONS					
A. Illinois Procurement Code- Competitive Bids/Proposals	Vendor	Initial Term	Estimated Not to Exceed Value	Action	Services Provided
	TBD.	3 years	\$TBD	Request for Proposal posted. Anticipated award March 2017.	Provide personnel as needed to maintain and advise on Agency IT and phone systems.
	TBD.	3 years	\$TBD	Request for Proposal posted. Anticipated award March 2017.	Service Agency Loan portfolio and Loan Programs.
B. IFA Exemption for Professional and Artistic, Legal or Financial Services-Competitive Bids/Proposals	TBD in each of three categories of Services Provided	4 years	\$4 million for initial term of 4 years and \$4 million for subsequent term of up to 4 years	Request for Proposal in process to create an "Approved Counsel List" for various assignments. Anticipated award March 2017.	Issuer's Counsel Bond Counsel Counsel for Other Legal Services.

**ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT**

**BOARD OF DIRECTORS MEETING
February 9, 2017**

III. EXPIRING CONTRACTS					
	Vendor	Expiration Date	Estimated Not to Exceed Value	Action	Services Provided
A. Anticipation of Litigation	N/A	N/A	N/A	N/A	N/A
B. Illinois Procurement Code- Competitive Bids/Proposals	ADP Total Source, Inc.	05/31/17	N/A	To create RFP solicitation.	Employee Benefits and Payroll Services.
	Bank of America- Credit Card	06/30/17	N/A	To create RFP solicitation.	Credit Card services
	Bank of America- Depository	06/30/17	N/A	To create RFP solicitation.	Bank of America Operating Account.
	Mesirow Insurance Services	06/20/17	N/A	To create RFP solicitation.	Insurance Brokerage Services.

**ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT**

**BOARD OF DIRECTORS MEETING
February 9, 2017**

III. EXPIRING CONTRACTS (cont'd)					
	Vendor	Expiration Date	Estimated Not to Exceed Value	Action	Services Provided
A. Illinois Procurement Code-Small Purchases	Catalyst Consulting, Inc.	03/31/17	\$49,000	Short term Basic Ordering Agreement executed. RFP in process.	Provide personnel as needed to maintain and advise on Agency IT and phone systems.
	Mabsco, Inc.	03/31/17	\$10,000	Short term Basic Ordering Agreement executed. RFP in process.	Service Agency Loan portfolio and Loan Programs.
	Kanban	03/31/17	\$1,380	Will not be renewed.	Project Tracking.
	USPS	03/31/17	\$348	TBD	PO Box.
	Xerox	04/01/17	\$23,245	Replacements in process.	3 Copiers leased - Chicago.
	Xerox	04/01/17	\$5,723	Replacement in process.	1 Copier leased - Mt. Vernon.
	Hewlett Packard Enterprise Support	05/04/17	\$3,846	To renew	IT Hardware Support.
	MicroTek	05/17/17	\$9,500	Project completed. Will not be renewed.	Training Room Rentals.
	Hewlett Packard Enterprise Hardware	05/18/17	\$3,878	TBD	MailArchiva Server Hardware.
	GoDaddy	05/30/17	\$297	TBD	Standard Multiple Domain SSL Renewal (il-fa.com).
	MX Save	06/12/17	\$588	TBD	Disaster Recovery/Mailbag Service.
	GoDaddy	06/13/17	\$150	TBD	SSL Certificate for Mobile Device Management.
	ADP/EZLabor	06/30/17	\$1,008	TBD	Employee Timesheet Module.
	CDW Government LLC	06/30/17	\$264	TBD	Smart Net.

**ILLINOIS FINANCE AUTHORITY
PROCUREMENT REPORT OF ACTIVITY SINCE PRIOR BOARD REPORT**

**BOARD OF DIRECTORS MEETING
February 9, 2017**

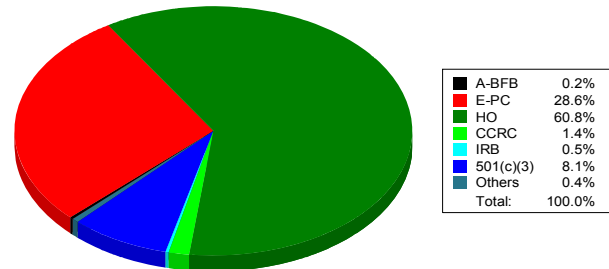
III. EXPIRING CONTRACTS (cont'd)					
C. Illinois Procurement Code-Small Purchases	Com Microfilm Company, Inc.	06/30/17	\$16,948	TBD	
	HPL & S, Inc.	06/30/17	\$5,000.	TBD	401A Plan Administrator.
	Midwest Moving & Storage	06/30/17	\$48,840	Vendor replaced. Will not be renewed.	Storage.
	Neopost USA Inc.	06/30/17	\$941	TBD	Postage; Meter Rental Services.
	Novanis IT Solutions	06/30/17	\$342	TBD	Enterprise Mobility Management.
	Pickens Kane	06/30/17	\$30,000	Vendor replaced. Will not be renewed.	Records management services.
	Presidio Networked Solutions	06/30/17	\$3,292	TBD	Production Support/subscription for VMware.
	Swift Impressions	06/30/17	\$12,000	TBD	Printing Services for the Monthly Board Book.
	The On Time Courier	06/30/17	\$5,000	TBD	Messenger Service.
	TRI Industries	06/30/17	\$986	Continue with State Master. Expires 2019.	Toner.
	United Parcel Service	06/30/17	\$12,000	TBD	Package Delivery.
	US Bank National Association	06/30/17	\$18,000	TBD	Local Gov't Paying Agent/Custodian.

Bonds Issued - Fiscal Year Comparison for the Period Ending January 31, 2017

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

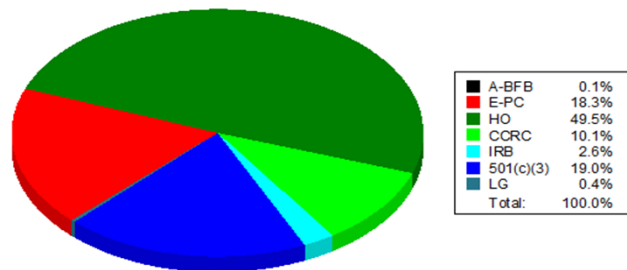
Bonds Issued in Fiscal Year 2015



Fiscal Year 2016

#	Market Sector	Principal Issued
14	Agriculture - Beginner Farmer	3,762,495
10	Education	692,515,000
13	Healthcare - Hospital	1,869,903,000
6	Healthcare - CCRC	381,762,000
1	Industrial Revenue	100,000,000
9	501(c)(3) Not-for-Profit	717,050,000
1	Local Government	14,540,000
54		\$3,779,532,495

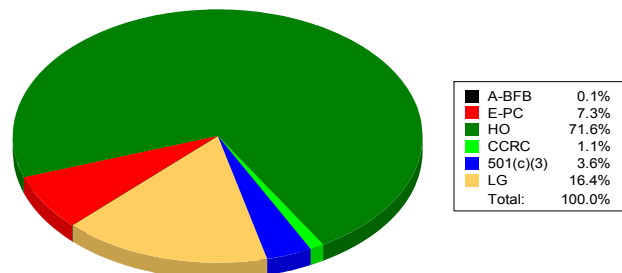
Bonds Issued in Fiscal Year 2016



Fiscal Year 2017

#	Market Sector	Principal Issued
8	Agriculture - Beginner Farmer	1,569,900
4	Education	221,755,000
11	Healthcare - Hospital	2,180,377,000
1	Healthcare - CCRC	32,500,000
5	501(c)(3) Not-for-Profit	110,810,000
1	Local Government	500,000,000
30		\$3,047,011,900

Bonds Issued in Fiscal Year 2017



Bond Issuance Analysis

The Authority issued \$20,000,000 in conduit debt during the month of January, 2017. This is 83% lower than January, 2016 at \$121,743,000. This is also 95% lower than the previous month's issuance at \$412,925,000. Total issuance for FY 2017 is \$3,047,011,900. This is 34% higher than the same period as of January 31, 2016 at \$2,007,039,775. The IFA issued the Oak Park Residence Corporation, Series 2017 in January, 2017. This bond is 7% of the total issuance for the FY 2017.



**Bonds Issued and Outstanding
as of
January 31, 2017**

Bonds Issued between July 01, 2016 and January 31, 2017

<u>Bond Issue</u>	<u>Date Issued</u>	<u>Initial Interest Rate</u>	<u>Principal Issued</u>	<u>Bonds Refunded</u>
A-BFB Beginning Farmer Bonds	07/01/2016	Variable	1,569,900	0
E-PC Illinois Wesleyan University	07/13/2016	Fixed at Schedule	56,775,000	56,775,000
501(c)(3) Better Housing Foundation	07/29/2016	Fixed at Schedule	13,560,000	0
E-PC Mount Carmel High School	08/01/2016	Variable	22,000,000	13,200,000
HO The Newman Foundation	08/02/2016	Variable	32,667,000	32,667,000
HO Presence Health	08/16/2016	Fixed at Schedule	1,000,000,000	1,000,000,000
CCRC Smith Village	08/17/2016	Variable	32,500,000	32,500,000
501(c)(3) The Art Institute of Chicago	08/25/2016	Fixed at Schedule	37,250,000	37,250,000
E-PC DePaul University	09/01/2016	Fixed at Schedule	122,780,000	115,000,000
LG Clean Water Initiative	09/12/2016	Fixed at Schedule	500,000,000	0
HO OSF HealthCare System	09/27/2016	Fixed at Schedule	114,375,000	100,710,000
HO Riverside Medical Center	09/27/2016	Fixed at Schedule	79,545,000	79,545,000
HO The Moorings of Arlington Heights, LLC	09/30/2016	Fixed at Schedule	69,615,000	0
HO The University of Chicago Medical Center	11/02/2016	Fixed at Schedule	187,320,000	187,320,000
501(c)(3) Museum of Contemporary Art Chicago	10/27/2016	Variable	30,000,000	0
HO The Carle Foundation A&B	11/08/2016	Variable	184,385,000	56,000,000
HO The Carle Foundation A&B	11/08/2016	Variable	50,000,000	0
HO Swedish Covenant Hospital Series 2016A	12/12/2016	Fixed at Schedule	107,725,000	49,525,000
HO Ness HealthCare NFP	11/10/2016	Fixed at Schedule	31,490,000	0
HO Rehabilitation Institute of Chicago	12/01/2016	Variable	274,055,000	274,055,000
E-PC Elmhurst College	12/12/2016	Variable	20,200,000	20,000,000
501(c)(3) Lake Forest Open Lands Association	12/22/2016	Fixed at Schedule	10,000,000	10,000,000

HO	Swedish Covenant Hospital - B&C	12/14/2016	Variable	49,200,000	49,200,000
501(c)(3)	Oak Park Residence Corporation	01/05/2017	Fixed at Schedule	20,000,000	17,000,000

Total Bonds Issued as of January 31, 2017 \$3,047,011,900 \$ 2,130,747,000

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.
 Beginner Farmer Bonds interest rates are shown in section below.

Beginner Farmer Bonds Funded between July 01, 2016 and January 31, 2017

<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
07/29/2016	3.25	122,400	40.00	Jasper
09/08/2016	3.00	83,750	45.00	Richland
09/08/2016	3.25	401,000	45.00	Edgar
09/15/2016	3.25	47,500	40.00	Clay
09/15/2016	3.25	47,500	40.00	Clay
11/01/2016	3.25	242,250	99.55	Richland
12/30/2016	3.25	520,000	97.17	Montgomery
12/30/2016	3.25	105,500	40.00	Richland
Total Beginner Farmer Bonds Issued		<u>\$ 1,569,900</u>	<u>446.72</u>	

ILLINOIS FINANCE AUTHORITY
Schedule of Debt ^(a)

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

Section I (a)	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2016	January 31, 2017		
Illinois Finance Authority "IFA" ^(b)				
Agriculture	\$ 48,260,274	\$ 49,830,174		
Education	4,445,960,359	4,403,694,344		
Healthcare	14,405,422,474	14,969,091,022		
Industrial Development [includes Recovery Zone/Midwest Disaster]	777,192,893	756,284,853		
Local Government	315,810,000	790,295,000		
Multifamily/Senior Housing	157,262,660	154,551,465		
501(c)(3) Not-for Profits	1,565,340,114	1,608,405,049		
Exempt Facilities Bonds	149,915,000	149,915,000		
1 Total IFA Principal Outstanding	\$ 21,865,163,774	\$ 22,882,066,907		
Illinois Development Finance Authority "IDFA" ^(b)				
Education	496,388	496,388		
Healthcare	77,000,000	77,000,000		
Industrial Development	205,383,747	196,166,744		
Local Government	263,060,103	222,677,364		
Multifamily/Senior Housing	83,679,117	82,449,117		
501(c)(3) Not-for Profits	607,654,373	551,878,265		
Exempt Facilities Bonds				
Total IDFA Principal Outstanding	\$ 1,237,273,728	\$ 1,130,667,877		
Illinois Rural Bond Bank "IRBB" ^(b)				
Total IRBB Principal Outstanding	\$ -	\$ -		
Illinois Health Facilities Authority "IHFA"	\$ 617,984,999	\$ 305,930,000		
Illinois Educational Facilities Authority "IEFA"	\$ 459,193,000	\$ 427,062,000		
Illinois Farm Development Authority "IFDA" ⁽¹⁾	\$ 13,436,353	\$ 13,436,353		
Total Illinois Finance Authority Debt	\$ 24,193,051,854	\$ 24,759,163,137	\$ 28,150,000,000	\$ 3,390,836,863

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

Section I (b)	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2016	January 31, 2017		
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	34,885,000	33,425,000		
Total General Moral Obligations	\$ 34,885,000	\$ 33,425,000	\$ 150,000,000	\$ 116,575,000
* All the Local Government bonds were defeased as of August 1, 2014.				
Financially Distressed Cities Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
Issued through IFA	\$ -	\$ -		
Issued through IDFA	-	-		
Total Financially Distressed Cities	\$ -	\$ -	\$ 50,000,000	\$ 50,000,000
State Component Unit Bonds ^(c)				
Issued through IDFA ⁽¹⁾	-	-		
Issued through IFA ⁽¹⁾	99,938,207	599,928,025		
Total State Component Unit Bonds	\$ 99,938,207	\$ 599,928,025		

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

Section I (c)	Principal Outstanding		Remaining MDAB Volume Cap
	June 30, 2016	January 31, 2017	
Midwestern Disaster Area Bonds [Flood Relief]	\$ 64,440,918	\$ 63,945,366	N/A

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

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

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

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

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

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

Section II	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2016	January 31, 2017		
Illinois Power Agency	\$ -	\$ -	\$ 4,000,000,000	\$ 4,000,000,000

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

Section III	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2016	January 31, 2017		
Clean Coal, Coal, Renewable Energy and Energy Efficiency Projects	\$ -	\$ -	\$ 3,000,000,000 ^[d]	\$ 3,000,000,000

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

Section IV	Principal Outstanding		Program Limitations	Remaining Capacity	State Exposure
	June 30, 2016	January 31, 2017			
Agri Debt Guarantees [Restructuring Existing Debt]					
Fund # 994 - Fund Balance \$10,088,490	\$ 6,824,437	\$ 6,847,493	\$ 160,000,000	\$ 153,152,507	\$ 5,820,369
AG Loan Guarantee Program					
Fund # 205 - Fund Balance \$7,911,397	\$ 7,111,930	\$ 4,478,907	\$ 225,000,000 ^[e]	\$ 220,521,094	\$ 3,807,071
Agri Industry Loan Guarantee Program	\$ 3,693,098	\$ 532,147			452,325
Farm Purchase Guarantee Program	886,805	878,248			746,511
Specialized Livestock Guarantee Program	1,681,563	2,380,880			2,023,748
Young Farmer Loan Guarantee Program	850,464	687,632			584,487
Total State Guarantees	\$ 13,936,368	\$ 11,326,399	\$ 385,000,000	\$ 373,673,601	\$ 9,627,439

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

Section V		Principal Outstanding		Cash and Investment Balance
		June 30, 2016	January 31, 2017	
132	Fire Truck Revolving Loan Program Fund # 572	\$ 21,265,564	\$ 20,057,851	\$ 2,723,039 *
8	Ambulance Revolving Loan Program Fund # 334	\$ 247,280	\$ 1,572,960	\$ 2,651,232 *

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

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

Section VI	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2016	January 31, 2017		
Environmental [Large Business]				
Issued through IFA	\$ 15,535,000	\$ 14,575,000		
Issued through IDFA	110,520,000	103,020,000		
Total Environmental [Large Business]	\$ 126,055,000	\$ 117,595,000	\$ 2,425,000,000	\$ 2,307,405,000
Environmental [Small Business]	\$ -	\$ -	\$ 75,000,000	\$ 75,000,000
Total Environment Bonds Issued under Act	\$ 126,055,000	\$ 117,595,000	\$ 2,500,000,000	\$ 2,382,405,000

Illinois Finance Authority Funds at Risk

Section VII	Original Amount	Principal Outstanding	
		June 30, 2016	January 31, 2017
Participation Loans			
Business & Industry	23,020,158	422,129	215,218
Agriculture	6,079,859		
Participation Loans excluding Defaults & Allowances	29,100,017	422,129	215,218
Plus: Legacy IDFA Loans in Default		843,173	843,173
Less: Allowance for Doubtful Accounts		960,726	960,726
Total Participation Loans		288,943	97,665
Local Government Direct Loans	1,289,750	103,000	627,638
Rural Bond Bank Local Government Note Receivable		17,179,937	16,030,337 *
FmHA Loans	963,250	185,778	169,822
Renewable Energy [RED Fund]	2,000,000	1,206,055	1,149,120
Total Loans Outstanding	34,353,017	18,963,713	18,074,582
IRBB funds were defeased and transferred into a note receivable with the IFA.			

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

Section VIII	Principal Outstanding		Statutory Debt Limitation	Remaining HELA Debt Limitation
	June 30, 2016	January 31, 2017		
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

* Loan, Cash and Investment balances are as of Dec 31, 2016.

February 9, 2017

\$40,000,000 Montgomery Place

REQUEST	<p>Purpose: Bond proceeds will be used by Montgomery Place (the “Borrower”) to (i) currently refund the Series 2006A Bonds, (ii) fund approximately \$8 million of capital improvements including infrastructure improvements, refurbishing common area and apartment renovation, (iii) fund a debt service reserve fund on the fixed rate bonds, and (iv) pay costs of issuance.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: Waiver of the \$100,000 bond denomination requirement pursuant to Section K2(c) of the Bond Program Handbook (bonds are being refunded and sold in denominations of less than \$100,000 for savings).</p>																								
BOARD ACTIONS	Preliminary Bond Resolution																								
JOB DATA	<table border="0"> <tr> <td style="padding-right: 20px;">120</td> <td style="padding-right: 20px;">Current jobs</td> <td style="padding-right: 20px;">0</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>10</td> <td>Construction jobs projected</td> </tr> </table>	120	Current jobs	0	New jobs projected	N/A	Retained jobs	10	Construction jobs projected																
120	Current jobs	0	New jobs projected																						
N/A	Retained jobs	10	Construction jobs projected																						
DESCRIPTION	<p>Illinois Location: Cook County (Chicago – Hyde Park neighborhood)</p> <ul style="list-style-type: none"> Montgomery Place was incorporated as an Illinois not-for-profit corporation in 1987. Montgomery Place opened a continuing care retirement community (the “Community”) for senior adults in the historic Hyde Park neighborhood of Chicago in October 1991. Prior to its opening, The Church Home (“The Home”), an affiliate of Montgomery Place and an agency of Episcopal Charities and Community Services in the Episcopal Diocese of Chicago, operated a small life care retirement and nursing home in Hyde Park from 1888 until September 1987. The Community presently consists of 155 independent living units, 14 assisted living beds, 8 memory support units, and 40 skilled nursing beds that offer long-term and rehabilitative care. The common areas of the Community include a dining room, a pre-dining room waiting area, a living room, a cultural and meeting center, an exercise gym with a wave resistance pool, a library, a multi-purpose activity room, a craft/woodworking room, a game room, a chapel, private gardens, storage space, residential laundry, and underground parking. The total square footage of the building is approximately 232,000. The campus overlooks Lake Michigan immediately north of the Museum of Science and Industry and just east of The University of Chicago. The first floor of the building contains administrative spaces and common areas. The second and third floors currently house the nursing facility. The upper floors house the independent living units – most with beautiful views of the lake. 																								
SECURITY/MATURITY	<ul style="list-style-type: none"> Security: The 2017 bondholders will have a gross revenue pledge of Montgomery Place under a Master Trust Indenture and a mortgage on the property. Maturity: No later than 2057 (40 years). 																								
CREDIT INDICATORS	<ul style="list-style-type: none"> The underwritten Bonds will not be rated. The bank direct purchase Bonds will not be rated. 																								
STRUCTURE	<ul style="list-style-type: none"> Montgomery Place contemplated the issuance of tax-exempt fixed rate bonds to be sold in a public underwriting by Ziegler. The Plan of Finance also contemplated a bank direct purchase series by First Midwest Bank. 																								
SOURCES AND USES	<table border="0"> <thead> <tr> <th colspan="2" style="text-align: left;">Sources:</th> <th colspan="2" style="text-align: left;">Uses:</th> </tr> </thead> <tbody> <tr> <td style="padding-right: 20px;">IFA Bonds (including bank debt) Refunding Debt Service Reserve Fund (Series 2006)</td> <td style="padding-right: 20px; text-align: right;">\$36,165,000</td> <td style="padding-right: 20px;">Payoff of Existing Debt</td> <td style="text-align: right;">\$30,180,000</td> </tr> <tr> <td style="padding-right: 20px;">Equity Contribution</td> <td style="padding-right: 20px; text-align: right;"><u>1,392,000</u></td> <td style="padding-right: 20px;">Project Fund</td> <td style="text-align: right;">7,392,000</td> </tr> <tr> <td></td> <td></td> <td style="padding-right: 20px;">New Debt Service Reserve Fund</td> <td style="text-align: right;">1,615,200</td> </tr> <tr> <td></td> <td></td> <td style="padding-right: 20px;">Cost of Issuance</td> <td style="text-align: right;"><u>812,800</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;"><u>\$40,000,000</u></td> <td>Total</td> <td style="text-align: right;"><u>\$40,000,000</u></td> </tr> </tbody> </table>	Sources:		Uses:		IFA Bonds (including bank debt) Refunding Debt Service Reserve Fund (Series 2006)	\$36,165,000	Payoff of Existing Debt	\$30,180,000	Equity Contribution	<u>1,392,000</u>	Project Fund	7,392,000			New Debt Service Reserve Fund	1,615,200			Cost of Issuance	<u>812,800</u>	Total	<u>\$40,000,000</u>	Total	<u>\$40,000,000</u>
Sources:		Uses:																							
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Total	<u>\$40,000,000</u>	Total	<u>\$40,000,000</u>																						
RECOMMENDATION	Credit Review Committee recommends approval.																								

**ILLINOIS FINANCE AUTHORITY
 BOARD SUMMARY
 February 9, 2017**

Project: Montgomery Place

STATISTICS

Project Number: 12379	Amount: \$40,000,000 (not-to-exceed)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Pam Lenane
Locations: Chicago	County/Region: Cook/Northeast

BOARD ACTION

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

Extraordinary Condition: Waiver of the \$100,000 bond denomination requirement pursuant to Section K2(c) of the Bond Program Handbook (bonds are being refunded and sold in denominations of less than \$100,000 for savings).

PURPOSE

Bond proceeds will be used by **Montgomery Place** (the “**Borrower**”) to (i) currently refund the Series 2006A Bonds, (ii) fund approximately \$8 million of capital improvements including infrastructure improvements, refurbishing common area and apartment renovation, (iii) fund a debt service reserve fund on the fixed rate bonds, and (iv) pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

Federal income tax-exempt status on bond interest.

VOLUME CAP

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Bonds	\$36,165,000	Payoff of	\$30,180,000
(including bank debt)		Existing Debt	
Refunding Debt Service	2,443,000	Project Fund	7,392,000
Reserve Fund (Series			
2006)			
Equity Contribution	<u>1,392,000</u>	New Debt Service Reserve	1,615,200
		Fund	
		Cost of Issuance	<u>812,800</u>
Total	<u>\$40,000,000</u>	Total	<u>\$40,000,000</u>

JOBS

Current employment:	120	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	10

FINANCING SUMMARY

Security:	The 2017 bondholders will have a gross revenue pledge of Montgomery Place under a Master Trust Indenture and a mortgage on the property.
Structure:	Montgomery Place contemplates the issuance of approximately \$18 million of tax-exempt bonds to be sold in a public underwriting by Ziegler. The Plan of Finance also contemplates a bank direct purchase series to be purchased by First Midwest Bank in the amount of approximately \$18 million.
Interest Rate:	To be determined at pricing based on market conditions.
Underlying Ratings:	The bonds will not be rated.
Maturity:	Not later than 2057 (40 years).
Estimated Closing Date:	March 30, 2017

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be used by **Montgomery Place** (the “**Borrower**”) to (i) currently refund the Series 2006A Bonds, (ii) fund approximately \$8 million of capital improvements including infrastructure improvements, refurbishing common area and apartment renovation, (iii) fund a debt service reserve fund on the fixed rate bonds, and (iv) pay costs of issuance.

BUSINESS SUMMARY

Montgomery Place was incorporated as an Illinois not-for-profit corporation in 1987. Montgomery Place opened a continuing care retirement community (the “**Community**”) for senior adults in the historic Hyde Park neighborhood of Chicago in October 1991. Prior to its opening, The Church Home (“**The Home**”), an affiliate of Montgomery Place and an agency of Episcopal Charities and Community Services in the Episcopal Diocese of Chicago, operated a small life care retirement and nursing home in Hyde Park from 1888 until September 1987.

The Community presently consists of 155 independent living units, 14 assisted living beds, 8 memory support units, and 40 skilled nursing beds that offer long-term and rehabilitative care. The common areas of the Community include a dining room, a pre-dining room waiting area, a living room, a cultural and meeting center, an exercise gym with a wave resistance pool, a library, a multi-purpose activity room, a craft/woodworking room, a game room, a chapel, private gardens, storage space, residential laundry, and underground parking. The total square footage of the building is approximately 232,000.

The campus overlooks Lake Michigan immediately north of the Museum of Science and Industry and just east of The University of Chicago. The first floor of the building contains administrative spaces and common areas. The second and third floors currently house the nursing facility. The upper floors house the independent living units – most with beautiful views of the lake.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Montgomery Place
Site Address:	5550 South Shore Drive Chicago, IL 60637 (773) 966-0159
Contact:	Deborah Hart, CEO

Fred Saviano, CFO

Website: www.montgomeryplace.org

Project name: Montgomery Place

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

State: Illinois

Board of Directors:

Name	Board Position	Occupation/Profession	Year Term Expires
Michael M. McGarry	Chair	President Hyde Park Bank	2019
Dr. Constance Bonbrest	Vice Chair	Retired	2018
John Juroe	Treasurer	Investment Advisor	2018
Susan Levy	Secretary	Retired	2017
Susanne Dutcher	Member	Retired	2019
Deborah C. Franczek	Member	Retired	2017
Margo Brooks-Pugh	Member	V. P. of Development/Pres. of Foundation Jackson Park Hospital	2018
Evan Freund	Member	Retired	2017
Gregory L. Gleason	Member	IT services	2019
Douglas R. Hoffman	Member	Attorney	2019
Helen M. Johnson	Member	Retired	2019
Dr. Cynthia Lindner	Member	Professor	2017
Dr. Bryon Rosner	Member	Medical Physician	2017
John Segal	Member	Investment Advisor	2019
Scott R. Williamson	Member	Governmental Investigator	2019
Rev. Nancy R. Meyer	Ex-Officio Member	Retired	

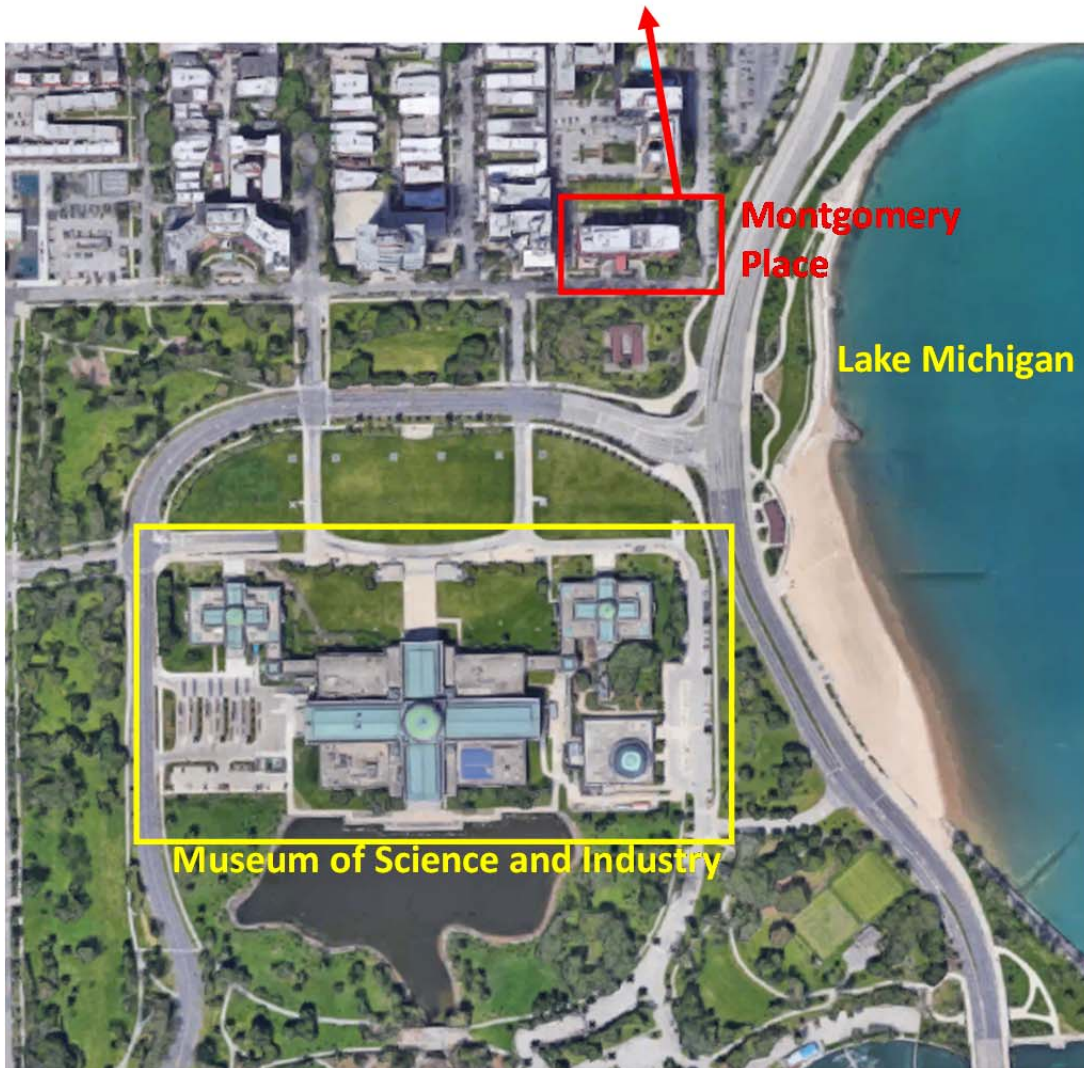
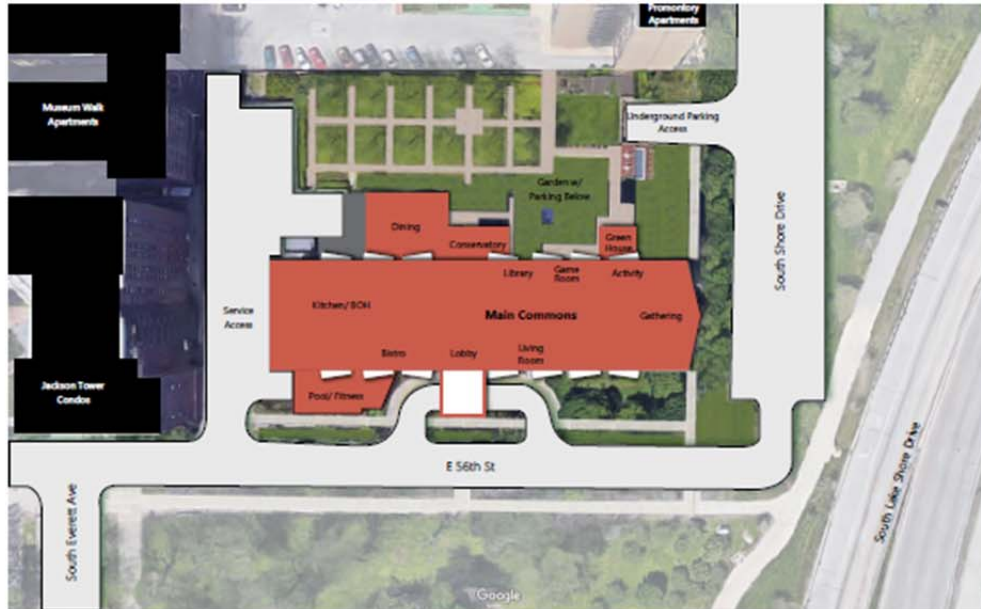
PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Katten Muchin Rosenman LLP	Chicago	Janet Goelz Hoffman
Bond Counsel:	Chapman and Cutler LLP	Chicago	John Bibby
Underwriter:	Ziegler	Chicago	Steve Johnson
Placement Agent	Ziegler	Chicago	Steve Johnson
Underwriter's Counsel:	Dentons	Chicago	Kathryn Ashton
Credit Bank:	First Midwest Bank	Chicago	Kim McMahan
Bank Counsel:	Polsinelli	Chicago	Lisa Katz
Issuer's Counsel:	Greenberg Traurig	Chicago	Thomas Smith
Issuer's Financial Advisor:	Acacia Financial Group, Inc.	Chicago	Phoebe Selden

LEGISLATIVE DISTRICTS

Congressional: 2
State Senate: 13
State House: 25

SERVICE AREA



March 9, 2017

\$45,000,000 Three Crowns Park

REQUEST	<p>Purpose: Bond proceeds will be used by Three Crowns Park (the “Borrower”) to: (i) refund the Series 2006A&B Bonds, (ii) finance approximately \$4 million of capital expenditures including renovating the lobby and reimbursement for prior capital expenditures, (iii) fund a debt service reserve fund, and (iv) pay certain expenses incurred in connection with the issuance of the Bonds.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>			
BOARD ACTIONS	Preliminary Bond Resolution			
JOB DATA	140 FTEs	Current jobs	10 FTEs	New jobs projected
	N/A	Retained jobs	20 FTEs	Construction jobs projected (6 months)
DESCRIPTION	<ul style="list-style-type: none"> • Location (Evanston/Cook County/Northeast Region) • Three Crowns Park is a not-for-profit corporation organized by the Swedish community, which owns and operates a continuing care retirement community in Evanston, Illinois. Three Crowns Park offers the full continuum of care through its residential programs and health care facilities. It is the mission of Three Crowns Park to provide high quality retirement housing and health care options that foster security, dignity, independence, and promote personal growth. • The Three Crowns Park campus includes 116 independent living units, 37 assisted living units, 17 memory support beds and 49 nursing care beds. 			
SECURITY/MATURITY	<ul style="list-style-type: none"> • Security: The 2017 bondholders will have a gross revenue pledge of The Three Crowns Park and a mortgage on the property. • Maturity: No later than 2057 (40 years). 			
CREDIT INDICATOR	<ul style="list-style-type: none"> • The Bonds will not be rated. 			
STRUCTURE	<ul style="list-style-type: none"> • The Plan of Finance contemplated the issuance of tax-exempt fixed rate bonds to be sold in public underwriting by Zeigler. • The Plan of Finance also contemplates a bank direct purchase by banks to be selected by the Borrower. 			
SOURCES AND USES	Sources:		Uses:	
	IFA Bonds (including bank debt)	\$38,530,000	2006 Refunding Escrow (Cash)	\$35,260,000
	2006A Debt Service Reserve Fund	2,660,273	Project Fund (Future CapEx)	4,000,000
	2006B Debt Service Reserve Fund	<u>270,078</u>	Debt Service Reserve Fund	1,429,488
			Costs of Issuance	<u>770,863</u>
	Total	\$ <u>41,460,351</u>	Total	\$ <u>41,460,351</u>
RECOMMENDATION	Credit Review Committee recommends approval.			

**ILLINOIS FINANCE AUTHORITY
 BOARD SUMMARY
 February 9, 2017**

Project: Three Crowns Park

STATISTICS

Project Number: 12380	Amount: \$45,000,000 (not-to-exceed)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Pam Lenane
Location: Evanston	County/Region: Cook/Northeast

BOARD ACTION

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

PURPOSE

Bond proceeds will be used by **Three Crowns Park** (the “**Borrower**”) to: (i) refund the Series 2006A&B Bonds, (ii) finance approximately \$4 million of capital expenditures including renovating the lobby and reimbursement for prior capital expenditures, (iii) fund a debt service reserve fund, and (iv) pay certain expenses incurred in connection with the issuance of the 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.

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Bonds (including bank debt)	\$38,530,000	2006 Refunding Escrow (Cash)	\$35,260,000
2006A Debt Service Reserve Fund	2,660,273	Project Fund (Future CapEx)	4,000,000
2006B Debt Service Reserve Fund	<u>270,078</u>	Debt Service Reserve Fund	1,429,488
		Costs of Issuance	<u>770,863</u>
Total	\$ <u>41,460,351</u>	Total	\$ <u>41,460,351</u>

JOBS

Current employment:	140 FTEs	Projected new jobs:	10 FTEs
Jobs retained:	N/A	Projected construction jobs:	20 FTEs

FINANCING SUMMARY

Security: The 2017 bondholders will have a gross revenue pledge of Three Crowns Park and a mortgage on the property.

Credit Enhancement: None.

Structure: Three Crowns Park contemplates the issuance of approximately \$4 million of tax-exempt fixed rate non-investment grade bonds to be sold in a public underwriting by Zeigler.

The Plan of Finance also contemplates a bank direct purchase by one or more banks to be selected by Three Crowns Park.

Interest Rate: Fixed Rate and Variable Rate

Underlying Ratings: The Bonds will not be rated.

Maturity: No later than 2057 (40 years).

Estimated Closing Date: April 2017

PROJECT SUMMARY

Bond proceeds will be used by **Three Crowns Park** (the “**Borrower**”) to: (i) refund the Series 2006A&B Bonds, (ii) finance approximately \$4 million of capital expenditures including renovating the lobby and reimbursement for prior capital expenditures, (iii) fund a debt service reserve fund, and (iv) pay certain expenses incurred in connection with the issuance of the Bonds.

BUSINESS SUMMARY

Three Crowns Park is a not-for-profit corporation organized by the Swedish community, which owns and operates a continuing care retirement community in Evanston, Illinois. Three Crowns Park offers the full continuum of care through its residential programs and health care facilities. It is the mission of Three Crowns Park to provide high quality retirement housing and health care options that foster security, dignity, independence, and promote personal growth.

The Three Crowns Park campus includes 116 independent living units, 37 assisted living units, 17 memory support beds and 49 nursing care beds.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Three Crowns Park

Site Address: Three Crowns Park
2323 McDaniel Avenue
Evanston, IL 60201

Contact: Dennis Trautvetter
Chief Financial Officer
Three Crowns Park
2323 McDaniel Avenue
Evanston, IL 60201-2570
847/328-8700
DTrautvetter@threecrownsark.com

Website: www.threecrownsark.com

Project name: Three Crowns Park
 Organization: 501(c)(3) Not-for-Profit Corporation
 State: Illinois

Board of Directors (501(c)(3)):

<u>Board Member</u>	<u>Occupation</u>
Janet Goelz Hoffman	Attorney, Katten Muchin Rosenman LLP
David Feinstein	Principal Consulting Actuary, Cheiron, Inc.
Nancy Flowers	Community Education Program Manager, Rainbow Hospice and Palliative Care
David Johnson	Vice President and Chief Operating Officer, Lake Star Consulting, Inc.
Phil Hemmer	Executive Director, Three Crowns Park
Ellen Browne	Retired, Vice President of Aging Services, Parkside Senior Services
Pricilla Andre	Retired, Librarian, Northwestern University
Kathleen Gillespie	Retired, Head of Senior Living Executive Search, Witt Kieffer
David Johnson	Vice President and Chief Operating Officer, Lake Star Consulting, Inc.
James E. Elsass	Retired, Budget Director, Northwestern University
Barbara Schleck	Retired, Executive Director, Cook County Court Watchers

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Chuhak & Tecson	Chicago	Andrew Tecson
Bond Counsel:	Chapman and Cutler LLP	Chicago	John Bibby
Underwriter	Ziegler	Chicago	Steve Johnson
Placement Agent:	Ziegler	Chicago	Steve Johnson
Underwriter's Counsel:	Dentons	Chicago	Kathryn Ashton
Bank(s) (Direct Purchase Series):	To be determined		
Bank Counsel:	To be selected by purchasing bank(s)		
Bond Trustee:	Wells Fargo	Chicago	Scott Wells
Issuer's Counsel:	Quarles & Brady LLP	Chicago	Mary Ann Murray
Issuer's Financial Advisor:	Sycamore Advisors LLC	Chicago	Diana Hamilton

LEGISLATIVE DISTRICTS

Congressional: 9
 State Senate: 9
 State House: 17

SERVICE AREA

Three Crowns Park has historically drawn its residents from a primary market area located in nine zip codes that extend five miles to the north, four miles to the south, three miles to the west, and two miles to the east of the Community in the City of Evanston. Evanston is the first suburb north of Chicago and is part of Chicago's affluent North Shore region. The zip codes included in the primary market area are 60025, 60035, 60076, 60091, 60093, 60201, 60202, and 60660.

Admission sources for both the sheltered care/assisted living units and the nursing care beds include family members, physicians, social workers, community outreach programs, local churches and area hospitals. The City of Evanston is served by the following three hospitals: Evanston Hospital, St. Francis Hospital (both located in Evanston), and Skokie Hospital (located in Skokie).

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: February 9, 2017

Re: Amendatory Resolution Increasing the Not to Exceed Principal Amount of Illinois Finance Authority Educational Facility Revenue Bond, Series 2016 (Mount Carmel High School Project) from \$22,000,000 to \$26,000,000, the Proceeds of which will be Loaned to Mount Carmel High School
IFA Series 2016 File Number: 12354

Request:

Mount Carmel High School, an Illinois not-for-profit corporation (the “**Borrower**”) and **Wintrust Bank** (the “**Bond Purchaser**”) are requesting approval of an Amendatory Resolution to increase the not-to-exceed principal amount of Illinois Finance Authority Educational Facility Revenue Bond, Series 2016 (Mount Carmel High School Project) from \$22,000,000 to \$26,000,000 (the “Series 2016 Bond”).

Background on Series 2016 Bond:

The subject Series 2016 Bond closed as of 8/1/2016 with proceeds to be used by Mount Carmel High School to (i) refund its Illinois Development Finance Authority Series 2003 Revenue Bonds (\$13.2 million), (ii) refinance certain taxable indebtedness of the Borrower, and (iii) provide for the financing of various capital improvements at Mount Carmel’s campus, including mechanical systems (HVAC, electrical), life safety improvements (fire protection), environmental remediation (asbestos removal), and other miscellaneous improvements.

The Series 2016 Bond was structured using a “draw-down” bond structure, which provides that Wintrust will advance a specified portion of the Series 2016 bond proceeds as project improvements are completed.

All payments relating to the IFA Series 2016 Bond are current and have been paid as scheduled.

Rationale for Request:

In a post-closing development, Mount Carmel High School now has a reasonable expectation of collecting targeted pledges for certain of the new capital improvement projects sooner than originally expected in connection with Phase Two of its “Campaign for a New Century of Excellence”, which would then require Mount Carmel High School to repay principal on the Series 2016 Bond more rapidly than originally contemplated. The attached Resolution would allow Wintrust to provide up to \$4,000,000 of additional tax-exempt financing for additional capital improvements projects to be undertaken by Mount Carmel High School, thereby offsetting any principal prepayments resulting from accelerated pledge collection. Wintrust has agreed to this Amendatory Resolution subject to the condition that the maximum principal amount of drawn bond proceeds that may be outstanding at any time shall not exceed \$22,000,000.

As represented by various participants in this financing, the “driver” behind this request is unexpected incoming restricted pledge collections which will be applied to pay down certain portions of the Series 2016 Bond which have already financed specified capital improvement projects on a tax-exempt basis.

The accompanying Resolution would also authorize execution and delivery of an Omnibus Amendment among the Illinois Finance Authority (the “Authority”), the Borrower, and the Bond Purchaser, which will effectuate necessary changes to various Series 2016 Bond documents in order for the maximum principal amount of the Series 2016 Bond to be increased from \$22,000,000 to \$26,000,000.

Impact of Amendatory Resolution:

This Resolution will provide for a “cure” to an issue not identified at issuance (i.e., 8/1/2016).

Approval of this Resolution will cause the terms of the Series 2016 Bond to be modified sufficiently and thus require a new public hearing to be held (as required by Section 147(f) of the Internal Revenue Code of 1986, as amended) (“TEFRA Hearing”). This transaction will be considered a refunding for tax purposes.

As of February 1, 2017, the Borrower had drawn down approximately \$2,573,895.02 of Series 2016 Bond proceeds. Accordingly, upon closing and funding of the additional \$4,000,000 increment of tax-exempt bond proceeds as contemplated herein, Mount Carmel High School will have authorization to draw-down an additional \$23,426,104.98 of tax-exempt financing for capital improvement projects (as opposed to an additional \$19,426,104.98). IFA’s estimated administrative fee will be \$7,000 in connection with this transaction which will increase the amount of cumulative tax-exempt bond proceeds issued from \$22,000,000 to a maximum of \$26,000,000.

PROFESSIONAL & FINANCIAL

Borrower’s Counsel:	Keeley, Kuenn, & Reid	Chicago, IL	Neil Kuenn
Purchasing Bank:	Wintrust Bank	Chicago, IL	Kandace Lentz Jillian Granato
Bond/Bank Counsel:	Nixon Peabody LLP	Chicago, IL	Julie K. Seymour Jim Broeking
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe S. Selden

RESOLUTION NO. 2017-0209-AD__

AMENDATORY RESOLUTION INCREASING THE NOT TO EXCEED PRINCIPAL AMOUNT OF ILLINOIS FINANCE AUTHORITY EDUCATIONAL FACILITY REVENUE BOND, SERIES 2016 (MOUNT CARMEL HIGH SCHOOL PROJECT) FROM \$22,000,000 TO \$26,000,000, THE PROCEEDS OF WHICH WILL BE LOANED TO MOUNT CARMEL HIGH SCHOOL.

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, on July 14, 2016, the Authority adopted its Resolution No. 2016-0714-NP03 (the “*Original Resolution*”) relating to the issuance of its Educational Facility Revenue Bond, Series 2016 (Mount Carmel High School Project) (the “*Bond*”); and

WHEREAS, the Bond was issued by the Authority under a Bond and Loan Agreement (the “*Bond and Loan Agreement*”), which provides that the maximum principal amount of the Bond that can be drawn down by Mount Carmel High School, an Illinois not for profit corporation (the “*Borrower*”), is \$22,000,000; and

WHEREAS, the Borrower has requested that the Authority amend the Original Resolution pursuant to the terms hereof to increase the not to exceed principal amount of the Bond from \$22,000,000 to \$26,000,000; and

WHEREAS, Wintrust Bank, as purchaser of the Bond (the “*Purchaser*”), is willing to consent to the increase in the not to exceed principal amount of the Bond from \$22,000,000 to \$26,000,000, provided that that the maximum principal amount of the Bond that may be outstanding at any time shall not exceed \$22,000,000; and

WHEREAS, any additional proceeds of the Bond will be applied to the Financing Purposes as described in the Original Resolution; and

WHEREAS, a draft of the Omnibus Amendment (the “*Omnibus Amendment*”) among the Borrower, the Authority and the Purchaser, pursuant to which the Bond and Loan Agreement and various other documents relating to the Bond will be amended to reflect an increase in the not to exceed principal amount of the Bond, has been previously provided to and is on file with the Authority;

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

Section 1. Approval of Increase in Not to Exceed Principal Amount. The Authority does hereby approve an increase in the not to exceed principal amount of the Bond from \$22,000,000 to \$26,000,000, provided that that the maximum principal amount of the Bond that may be outstanding at any time shall not exceed \$22,000,000.

Section 2. Omnibus Amendment. 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 Omnibus Amendment. The Secretary or any Assistant Secretary of the Authority is hereby

authorized to attest and to affix the official seal of the Authority to the Omnibus Amendment. The Omnibus Amendment shall be substantially in the form previously provided to and on file with the Authority and is 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 form of the Omnibus Amendment and to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the terms thereof.

Section 3. Authorization and Ratification of Subsequent Acts. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of the Original Resolution, as amended by this Resolution, the Bond and Loan Agreement, as amended by the Omnibus Amendment, and any additional transaction documents, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of the Original Resolution, as amended by this Resolution 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 Bond and Loan Agreement, as amended by the Omnibus Amendment, or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by an Authorized Officer of the Authority, or in the event of the unavailability, inability or refusal of an Authorized Officer, any two Members of the Authority, each of whom is hereby authorized, empowered, and delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the Bond and Loan Agreement, as amended by the Omnibus Amendment.

Section 4. Severability. The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 5. Original Resolution; Conflicts. Except as amended hereby, the Original Resolution shall remain in full force and effect as provided therein. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 6. Effectiveness. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: February 9, 2017

Re: Resolution Authorizing the Issuance of Not to Exceed \$19,800,000 Aggregate Principal Amount Illinois Finance Authority Recovery Zone Facility Bonds (Smart Hotels/Olympia Chicago, LLC Project) Series 2017 Issued in One or More Series; Authorizing the Execution and Delivery of an Amended and Restated Bond and Loan Agreement, and Approving the Execution of Certain Other Agreements; and Related Matters

IFA Series 2010 File Number: I-RZ-TE-CD-8424

IFA Series 2017 File Number: 12385

Request:

Smart Hotels/Olympia Chicago, LLC, a Delaware limited liability company (the “**Borrower**” or “**Company**”), and **BMO Harris Bank N.A.** (the “**Bond Purchaser**”) are requesting approval of a Final Bond Resolution to authorize the issuance of Recovery Zone Facility Bonds (Smart Hotels/Olympia Chicago, LLC Project), Series 2017 (the “**Series 2017 Bonds**”) to effectuate the refunding of the Illinois Finance Authority Recovery Zone Facility Bonds (Smart Hotels/Olympia Chicago, LLC Project), Series 2010 (the “**Prior Bonds**”). Smart Hotels/Olympia Chicago, LLC was created for the special purpose of acquiring a hotel site and developing, constructing and equipping an approximately 130-room, six-story hotel (the “**Project**” or “**Hotel**”) that was constructed as a part of the Harper Court mixed-use redevelopment project located at the northeast corner of East 52nd Place and Harper Avenue in Chicago.

The Prior Bonds are presently held by MB Financial Bank, N.A. and guaranteed by The University of Chicago. As proposed, the Prior Bonds will be refunded in whole by the issuance of the Series 2017 Bonds to be held as an investment by BMO Harris Bank N.A., which will become the Borrower’s new relationship bank. As proposed, the Bond Purchaser will not require an external (i.e., third-party) guarantor in connection with financing the Series 2017 Bonds.

The original par amount of the Prior Bonds was approximately \$21,500,000. The outstanding par amount of the Prior Bonds was approximately \$19,800,000 as of February 1, 2017.

Background:

Recovery Zone Facility Revenue Bonds provided tax-exempt financing for qualifying manufacturing, warehousing/distribution, hotel, office buildings, and other commercial real estate projects, and were authorized by the *American Recovery and Reinvestment Act of 2009* as an important economic development tool. Recovery Zone Facility Revenue Bonds enabled issuance of tax-exempt bonds for commercial projects (e.g., hotels, shopping centers, office buildings, and warehouse facilities) for the first time since the Tax Reform Act of 1986 went into effect. New Recovery Zone Facility Revenue Bond issues were authorized to close through December 31, 2010. Subsequent to December 31, 2010, existing Recovery Zone Facility Revenue Bond transactions can amend certain business terms provided that the final maturity date and principal amortization are not modified.

Impact:

Approval of this resolution will (i) authorize the issuance of a not to exceed \$19,800,000 principal amount Illinois Finance Authority Recovery Zone Facility Bonds (Smart Hotels/Olympia Chicago, LLC Project), Series 2017, and (ii) authorize the execution and delivery of an Amended and Restated Bond and Loan Agreement, a Tax Exemption Certificate and Agreement and related documents.

As the Series 2017 Bonds will be issued solely as refunding bonds (without changing the final maturity date or the “weighted average maturity” of the Prior Bonds), bond counsel (Ice Miller LLP) has determined that a new public hearing on the project (i.e., a “**TEFRA Hearing**”, as defined under Section 147(f) of the

Internal Revenue Code of 1986, as amended) will not be necessary. Nevertheless, bond counsel has determined that this transaction will be considered a refunding for tax law purposes. IFA's estimated administrative fee will be \$29,600.

Background:

On December 30, 2010, the Authority issued the Prior Bonds. Proceeds of the Prior Bonds were used by the Borrower in order to assist the Borrower in financing "recovery zone property" for a "qualified business" consisting of new capital expenditures, including the acquisition of the project site and the development, construction and equipping of an approximately 130-room, six-story hotel to be constructed at 5225 S. Harper Avenue in Chicago (i.e., the Project) as part of a multi-use redevelopment project (Harper Court) that was planned to include approximately 150,000 square feet of office space, 100,000 square feet of retail space, and residential rental and condominium units, all within and adjacent to the hotel site and located at in Chicago, Illinois, paying capitalized interest, if any, on the Prior Bonds, and paying a portion of certain expenses incurred in connection with the issuance of the Prior Bonds, all as permitted by the Act (collectively, the "**Financing Purposes**").

The Hotel is currently managed by Olympia Hotel Management Chicago LLC (see Disclosure section below for additional information). The Hotel is operated pursuant to a franchise agreement with Hyatt Hotels Corp., and the property is known as "Hyatt Place Chicago – South/University Medical Center".

All payments relating to the Prior Bonds are current as of 2/1/2017 and have been paid as scheduled.

Disclosure:

All entities or individuals holding a 7.5% or greater ownership interest in the Borrower are listed below:

Smart Hotels/Olympia Chicago LLC is a single asset/special purpose entity formed by the principals of Smart Hotels, LLC, 20600 Chagrin Blvd., Suite 705, Shaker Heights, Ohio 44122 and The Olympia Companies LLC, 7 Custom House Street, 5th Floor, Portland, Maine 04101 to develop and own the fee simple interest in the approximately 130-room hotel property located at 5225 S. Harper Avenue in Chicago, Illinois 60615.

Members include:

1. Olympia Chicago LLC: 40.0% *
2. Smart Hotels Chicago LLC: 40.0% **
3. The Olympia Companies LLC: 8.0% *
4. SHG University Chicago LLC: 8.0% **

*Note: Through membership in the above listed entities or their affiliates, Mr. Kevin P. Mahaney, President/CEO of The Olympia Companies LLC holds a collective 20.52% ownership interest in the Borrower. Olympia Hotel Management Chicago, LLC, a Delaware limited liability company, manages the Hotel and is an affiliate of The Olympia Companies LLC.

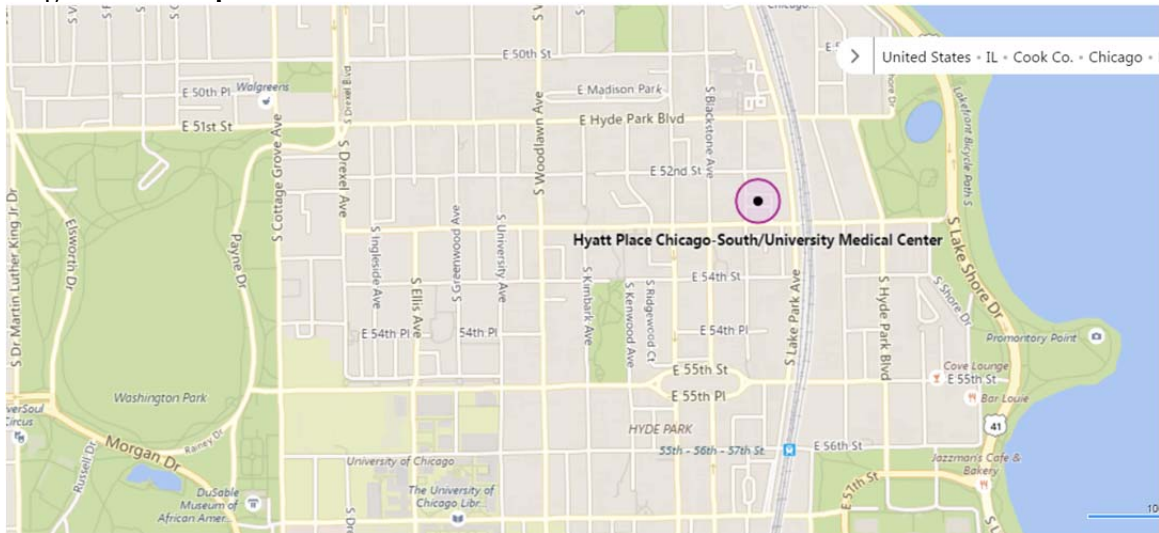
**Note: Through membership in the above listed entities or their affiliates, Mr. Jonathan Adams, CEO of Smart Hotels, LLC holds a collective 11.52% ownership interest in the Borrower.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Levenfeld Pearlstein, LLC	Chicago, IL	David Berzon
Bond Counsel:	Ice Miller LLP	Chicago, IL	Jim Snyder
Bank/Bond Purchaser:	BMO Harris Bank N.A.	Chicago, IL	Krystyn Harrell
Filing Agent:	To be determined		
Bank Counsel:	Chapman and Cutler LLP	Chicago, IL	Carol Thompson
IFA Counsel:	Greenberg Traurig LLP	Chicago, IL	Tom Smith
IFA Financial Advisor:	Sycamore Advisors LLC	Chicago, IL	Diana Hamilton, Courtney Tobin

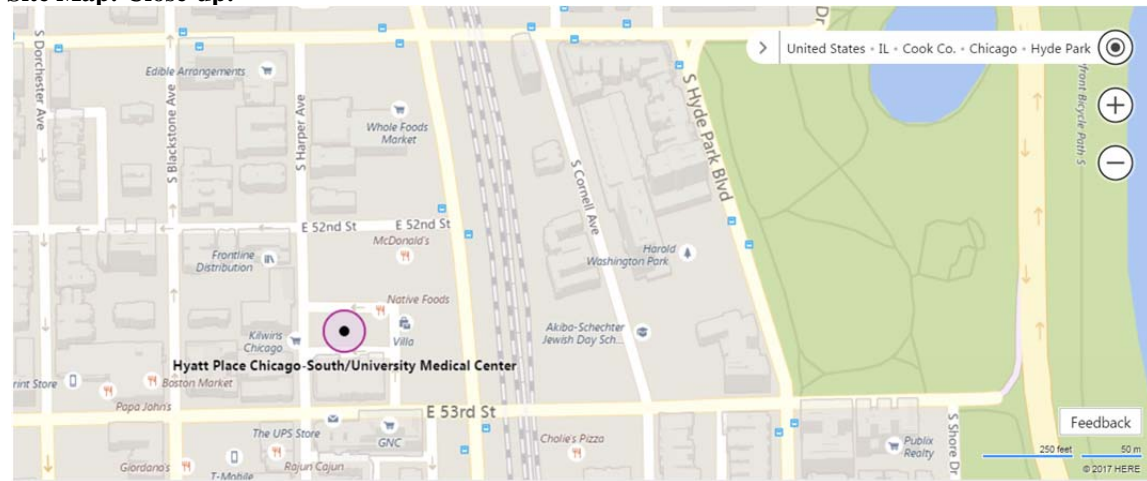
Site Maps:

Neighborhood Map:



Source: Bing Maps

Site Map: Close-up:



Source: Bing Maps

RESOLUTION NO. 2017-0209-AD__

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE ILLINOIS FINANCE AUTHORITY OF ITS RECOVERY ZONE FACILITY BONDS (SMART HOTELS/OLYMPIA CHICAGO, LLC PROJECT), SERIES 2017, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$19,800,000, ISSUED IN ONE OR MORE SERIES, THE PROCEEDS OF WHICH ARE TO BE LOANED TO SMART HOTELS/OLYMPIA CHICAGO, LLC FOR THE PURPOSES OF REFINANCING ALL OF THE AUTHORITY'S OUTSTANDING RECOVERY ZONE FACILITY BONDS (SMART HOTELS/OLYMPIA CHICAGO, LLC PROJECT), SERIES 2010; AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED BOND AND LOAN AGREEMENT UNDER WHICH THE BONDS WILL BE ISSUED AND SOLD TO BMO HARRIS BANK N.A. AND APPROVING THE EXECUTION OF CERTAIN OTHER AGREEMENTS RELATING TO THE ISSUANCE OF THE BONDS; AND RELATED MATTERS.

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, **SMART HOTELS/OLYMPIA CHICAGO, LLC**, a Delaware limited liability company (the "*Borrower*"), has requested that the Authority issue not to exceed \$19,800,000 in aggregate principal amount of revenue bonds consisting of one or more series of Recovery Zone Facility Bonds (Smart Hotels/Olympia Chicago, LLC Project), Series 2017 (the "*Bonds*") and loan the proceeds thereof to the Borrower in order to assist the Borrower in providing all or a portion of the funds necessary to current refund all or a portion of the Authority's outstanding Recovery Zone Facility Bonds (Smart Hotels/Olympia Chicago, LLC Project), Series 2010 (the "*Prior Bonds*"), which were issued in the original aggregate principal amount of \$21,500,000 to (a) assist the Borrower in financing "recovery zone property" for a "qualified business" consisting of new capital expenditures, including the acquisition of a hotel site and the development, construction and equipping of an approximately 130-room, six-story hotel to be constructed as part of a multi-use redevelopment project that was planned to include approximately 150,000 square feet of office space, 100,000 square feet of retail space, and rental and condominium units, all within and adjacent to the hotel site located at 5225 S. Harper Avenue, Chicago, Illinois 60615, (b) pay capitalized interest, if any, on the Prior Bonds and (c) pay certain of the expenses incurred in connection with the issuance of the Prior Bonds (the "*Prior Project*"), as permitted by the Act (the "*Financing Purposes*"); and

WHEREAS, a draft of the Amended and Restated Bond and Loan Agreement (the "*Restated Bond and Loan Agreement*") among the Authority, the Borrower and BMO Harris Bank N.A., as purchaser of the Bonds (the "*Purchaser*") amending and restating a Bond and Loan Agreement (the "*Original Bond and Loan Agreement*") previously entered into among the Authority, the Borrower and MB Financial Bank, N.A., 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 under which the Authority will loan the proceeds of the Bonds to the Borrower, all as more fully described in the Restated Bond and Loan Agreement, has been previously provided to and is on file with the Authority (the "*Authority Document*").

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

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

(a) The Borrower has properly filed with the Authority its request for assistance in providing funds to the Borrower and (i) the funds will be used for the Financing Purposes, and (ii) the Prior Project is included within the term "industrial project" (as defined in the Act) and will be owned by the Borrower and operated by Olympia Hotel Management Chicago, LLC as described in the Borrower's request for assistance to the Authority; and

(b) 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

(c) The indebtedness to be refinanced with the proceeds of the Bonds was issued for purposes which constitute valid purposes under the Act, all of the proceeds of such indebtedness made available to the Borrower were expended to pay, or refinance indebtedness the proceeds of which were expended to pay, a portion of the cost of a "project" (as defined in the Act) owned or operated by the Borrower, such refinancing is in the public interest, is in connection with other financings by the Authority for the Borrower and is permitted and authorized under the Act; and

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

Section 2. The Bonds. In order to obtain the funds to loan to the Borrower to be used for the Financing Purposes, the Authority hereby 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 Restated Bond and Loan Agreement in an aggregate principal amount not exceeding \$19,800,000. 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 Restated Bond and Loan Agreement.

The Bonds shall be dated their date of issuance, mature not later than January 5, 2039, bear interest at a fixed or variable rate of interest at a rate per annum not to exceed 8% per annum, and be payable as to principal of, premium, if any, and interest on the Bonds as provided in the Restated 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 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 shall be issued and sold by the Authority and purchased by the Purchaser at a purchase price of the principal amount of such Bonds, plus accrued interest, if any.

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 and as described in the Restated Bond and Loan Agreement (except such income and revenues may be derived by the Authority pursuant to the Unassigned Rights (as defined in the Restated Bond and Loan Agreement)). 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 Restated Bond and Loan Agreement 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 Prior Bonds to be refunded, the principal amount, number of series or subseries of the 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 of the Bonds, all within the parameters set forth herein.

Section 3. Authority Document. 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 Authority Document. The Secretary or any Assistant Secretary of the Authority is hereby authorized to attest and to affix the official seal of the Authority to the Authority Document. The Authority Document 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 form of the Authority Document 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. Tax Agreement. In order to provide for the excludability of interest on the Bonds from gross income for federal income tax purposes, the Authority does hereby authorize the execution by an Authorized Officer of the Authority and the delivery of the Tax Execution Certificate and Agreement (the “*Tax Agreement*”) to be entered into between the Authority and the Purchaser. The Tax Agreement shall be in substantially similar form to those previously executed by Authority in similar transactions, and hereby approved, or with such changes therein as shall be approved by special counsel to the Authority and the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such person’s approval and the Authority’s approval of any changes or revisions therein from the previous forms of such Tax Agreement.

Section 5. 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 escrow agreements or other agreements providing for the payment of the Bonds and any additional documents that may be necessary to provide for one or more additional series or subseries of the Bonds) as may be necessary to carry out and comply with the provisions of these resolutions, the Authority Document and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions 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 Document 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 Restated Bond and Loan Agreement.

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

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

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Denise Burn

Date: February 9, 2017

Re: Resolution Authorizing the Executive Director to Enter into Contracts with Various Legal Firms

On January 10, 2017 the Illinois Finance Authority (the “**Authority**” or “**Issuer**”) published a Request for Proposal (“**RFP**”) on the Illinois Procurement Bulletin requesting proposals from qualified law firms with the experience, capability and expertise to provide bond counsel, Issuer’s counsel or other legal services to the Authority.

The RFP was issued under the Authority’s Procurement Policy to enable the Authority to replace expiring legal services agreements originally entered into in early 2014. The new contracts will be for a four-year term with the Authority’s option for extensions for up to an additional four years each.

The Authority received thirty-five responses from across the state of Illinois. An internal staff evaluation committee will review and evaluate the responses for Issuer’s counsel, bond counsel and other legal services based on firm experience, key personnel/professional qualifications, ability to perform services and references.

The attached resolution provides pre-approval of the responding law firms as firms that the Authority may utilize for Issuer’s counsel, bond counsel and other various legal services, subject to award by the Executive Director after review and evaluation by the evaluation committee of the proposals and legal review of the proposals and contracts. The responding firms are:

1. Arnstein & Lehr LLP
2. Baker McKenzie
3. Burke Burns & Pinelli, Ltd.
4. Cahill Law Office
5. Chapman and Cutler LLP
6. Charity & Associates, P.C.
7. Clark Hill PLC
8. Cotillas and Associates
9. Dinsmore & Shohl LLP
10. Foley & Lardner LLP
11. Franczek Radelet P.C.
12. Freeborn & Peters LLP
13. G&R Public Law and Strategies

14. Greenberg Traurig, LLP
15. Hardwick Law Firm, LLC
16. Hart, Southworth & Witsman
17. Holland & Knight LLP
18. Ice Miller LLP
19. Katten Muchin Rosenman LLP
20. Kutak Rock LLP
21. Laner Muchin, Ltd.
22. Locke Lord LLP
23. Mayer Brown LLP
24. McGuire Woods LLP
25. Miller, Hall & Triggs, LLC
26. Nixon Peabody LLP
27. Polsinelli PC
28. Pugh Jones & Johnson, P.C.
29. Quarles & Brady LLP
30. Quintairos, Prieto, Wood & Boyer, P.A.
31. Reyes Kurson, Ltd.
32. Rock Fusco & Connelly, LLC
33. Sanchez Daniels & Hoffman LLP
34. Schiff Hardin LLP
35. Zuber Lawler & Del Luca

Annual compensation to the firms will depend on the Authority's need, the specific services performed and the firm's rates.

RESOLUTION NO. 2017-0209-AD__

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR
TO ENTER INTO CONTRACTS WITH VARIOUS LEGAL FIRMS**

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

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

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

WHEREAS, the Act further provides that such contracts shall be awarded through a competitive process authorized by the Board of the Authority; and

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

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

WHEREAS, pursuant to a competitive process, the Authority received responses from 35 law firms; and

WHEREAS, the Authority now proposes to enter into contracts for legal services for a four year term with the option for the Authority to renew for up to an additional four years: and

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

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

Section 2. Approval of Legal Services Contracts. The Authority hereby approves the terms of the contracts with the Vendors listed below as Vendors the Authority may utilize for various legal services (“Legal Services Contracts”). In furtherance thereof, the Executive Director is granted the authority to award contracts in the Executive Director’s discretion to Vendors submitting responsive proposals, meeting the other criteria set forth in the procurement process and selected by an evaluation committee and after all legal requirements are met as well as the power to enter into agreements pursuant

to emergency, small purchase or other methods allowed by procurement law, regulation and protocol to bridge any potential gaps in legal representation that may arise between reducing any Legal Services Contracts awards to contracts and the expiration of the current legal contracts.

List of Vendors:

1. Arnstein & Lehr LLP
2. Baker McKenzie
3. Burke Burns & Pinelli, Ltd.
4. Cahill Law Office
5. Chapman and Cutler LLP
6. Charity & Associates, P.C.
7. Clark Hill PLC
8. Cotillas and Associates
9. Dinsmore & Shohl LLP
10. Foley & Lardner LLP
11. Franczek Radelet P.C.
12. Freeborn & Peters LLP
13. G&R Public Law and Strategies
14. Greenberg Traurig, LLP
15. Hardwick Law Firm, LLC
16. Hart, Southworth & Witsman
17. Holland & Knight LLP
18. Ice Miller LLP
19. Katten Muchin Rosenman LLP
20. Kutak Rock LLP
21. Laner Muchin, Ltd.
22. Locke Lord LLP
23. Mayer Brown LLP
24. McGuire Woods LLP
25. Miller, Hall & Triggs, LLC
26. Nixon Peabody LLP
27. Polsinelli PC
28. Pugh Jones & Johnson, P.C.
29. Quarles & Brady LLP
30. Quintairos, Prieto, Wood & Boyer, P.A.
31. Reyes Kurson, Ltd.
32. Rock Fusco & Connelly, LLC
33. Sanchez Daniels & Hoffman LLP
34. Schiff Hardin LLP
35. Zuber Lawler & Del Luca

Section 4. Delegation to the Executive Director. The Authority hereby delegates to the Executive Director of the Authority, in conjunction with the other officers of the Authority, the power to take or cause to be taken any and all actions, including but not limited to designating the various categories for which firms are eligible to provide legal services, and to execute, acknowledge and deliver

any and all such agreements, instruments, certificates and other documents as may be required in connection with the Legal Services Contracts.

Section 5. Further Actions. The Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge and deliver all documents as may in his discretion be deemed necessary or desirable to carry out and comply with the terms and provisions of this Resolution; and all of the acts and doings of the Executive Director of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects, ratified, confirmed and approved. All prior and future acts and doing of the officers, agents and employees of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and performance of the Resolution shall be and the same hereby are in all respects approved and confirmed.

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

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

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