

1 ILLINOIS FINANCE AUTHORITY  
2 REGULAR MEETING OF THE MEMBERS

3 April 9, 2019, at 9:31 a.m.

4 REPORT OF PROCEEDINGS had at the Regular  
5 Meeting of the Illinois Finance Authority on April 9,  
6 2019, at the hour of 9:30 a.m., pursuant to notice,  
7 at 160 North LaSalle Street, Suite S-1000, Chicago,  
8 Illinois.

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## 1 APPEARANCES:

2 CHAIRMAN ERIC ANDERBERG

MR. JAMES J. FUENTES

3 MS. ARLENE A. JURACEK

MR. LERRY KNOX

4 MR. E. LYLE McCOY

MR. TERRENCE M. O'BRIEN

5 MR. ROGER POOLE

MS. BETH SMOOTS

6 MR. JEFFREY WRIGHT

MR. GEORGE OBERNAGEL (via audio conference)

7 MR. BRADLEY A. ZELLER (via audio conference)

8 ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

9 MR. CHRISTOPHER B. MEISTER, Executive Director

MR. JACOB STUCKEY, Deputy Executive Director

10 MR. RICH FRAMPTON, Executive Vice President

MR. BRAD FLETCHER, Vice President

11 MR. RYAN OECHSLER, Associate General Counsel

MR. TERRY FRANZEN, Procurement

12 MS. XIMENA GRANDA, Senior Controller

MS. ELIZABETH WEBER, General Counsel and Legal

13 Adviser to the Board

## 14 GUESTS:

MR. LeMONTE BOOKER, CFO, Field Museum

15 MS. MARTHA ALEXANDER, Budge & Treasury Services  
Director, Field Museum

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1           CHAIRMAN ANDERBERG: Okay. I'd like to call  
2 the meeting to order.

3                     Will the Assistant Secretary please  
4 call the roll?

5           FLETCHER: Certainly. The time is 9:31 a.m.  
6 I'll call the roll of Members physically present  
7 first.

8                     Mr. Fuentes?

9           FUENTES: Here.

10          FLETCHER: Ms. Juracek?

11          JURACEK: Here.

12          FLETCHER: Mr. Knox?

13          KNOX: Here.

14          FLETCHER: Mr. McCoy?

15          MCCOY: Here.

16          FLETCHER: Mr. O'Brien?

17          O'BRIEN: Here.

18          FLETCHER: Mr. Poole?

19          POOLE: Here.

20          FLETCHER: Ms. Smoots?

21          SMOOTS: Here.

22          FLETCHER: Mr. Wright?

23          WRIGHT: Here.

24          FLETCHER: And Mr. Chairman?

1 CHAIRMAN ANDERBERG: Here.

2 FLETCHER: Mr. Chairman, quorum of Committee  
3 Mem- -- excuse me. A quorum of Members physically  
4 present in the room has been constituted.

5 At this time, I'd like to ask if any  
6 Members would like to attend via audio conference.

7 OBERNAGEL: Yes. This is George Obernagel.  
8 I'm requesting to attend the audio conference due to  
9 personal illness or disability.

10 ZELLER: And this is Brad Zeller. I'd like to  
11 attend the conference by video also, but for  
12 work-related reasons.

13 CHAIRMAN ANDERBERG: Okay. Is there a motion  
14 to approve this request pursuant to the bylaws and  
15 policies of the Authority?

16 FUENTES: So moved.

17 KNOX: Second.

18 CHAIRMAN ANDERBERG: A motion and a second.

19 All those in favor?

20 (Chorus of ayes.)

21 CHAIRMAN ANDERBERG: Opposed?

22 (No response.)

23 CHAIRMAN ANDERBERG: The ayes have it.

24 FLETCHER: Mr. Chairman, Members Obernagel and

1 Zeller have been added to the initial quorum roll  
2 call.

3 CHAIRMAN ANDERBERG: Okay. Thank you.

4 Does anyone wish to make any  
5 additions, edits, or corrections to today's Agenda?

6 (No response.)

7 CHAIRMAN ANDERBERG: Hearing none, I'd like to  
8 request a motion to approve the Agenda.

9 Is there such a motion?

10 O'BRIEN: So moved.

11 POOLE: Second.

12 CHAIRMAN ANDERBERG: We have a motion and a  
13 second.

14 All those in favor?

15 (Chorus of ayes.)

16 CHAIRMAN ANDERBERG: Opposed?

17 (No response.)

18 CHAIRMAN ANDERBERG: The ayes have it.

19 Public Comment: Is there any public  
20 comment for the Members this morning?

21 (No response.)

22 CHAIRMAN ANDERBERG: Okay. Remarks today: we  
23 have some nice resolutions, some resolutions to look  
24 at today and a couple projects, and I'm not going to

1 steal Chris's thunder, but we had a -- last week, a  
2 very Successful State Revolving fund issuance for the  
3 Clean Water Initiative, and -- and that's all I'm  
4 going to say so Chris has something to talk about.

5 MEISTER: Thank you, Mr. Chairman.

6 CHAIRMAN ANDERBERG: You're welcome.

7 MEISTER: On April 2nd and 3rd, the Authority  
8 successfully priced our inaugural and the State's  
9 inaugural green bond issuance of the joint Authority-  
10 Illinois Environmental Protection Agency Clean Water  
11 Initiative State Revolving Fund Series 2019. These  
12 bonds are rated AAA by both Fitch and S&P. This is  
13 the fourth issuance since the program was  
14 restructured in 2013, and this -- the green bond  
15 designation is consistent with Governor Pritzker's  
16 Executive Order No. 6, joining the U.S. Climate  
17 Alliance.

18 We achieved impressive pricing results  
19 during a challenging day in the bond markets,  
20 achieving a true interest cost, or TIC, of 2.8  
21 percent, with over \$674 million in orders. We were  
22 oversubscribed 1.5 times for the \$450 million  
23 transaction.

24 The Bond issue saw interest from a

1 brood spectrum of investors, including those new to  
2 and returning to the credit. The financing was  
3 anchored by a very robust retail order period on  
4 April 2nd with approximately \$300 million in orders,  
5 and that's a rarity for Illinois paper. Without  
6 tax-exemp- -- without the state tax-exemption  
7 that most states offer.

8           There was also strong interest by a  
9 particular green bond investor. And, overall I  
10 believe that the sale benefitted from the green  
11 designation, and that once closed this transaction  
12 will positively contribute to the development of the  
13 green bond market here in the U.S.

14           And then we'll have more on this point  
15 after the transaction closes on April the 16th during  
16 a report at the May 2019 meeting.

17           With a premium or additional proceeds  
18 of \$85 million less cost of issuance, there will be  
19 \$533 million in proceeds. And that will be used to  
20 make over \$254 million in wastewater projects and  
21 \$278 million in drinking water projects through  
22 low-interest loans to Illinois communities.

23           The transaction had strong  
24 participation by minority-owned, women-owned, and

1 veteran-owned businesses on the transaction team.  
2 The transaction team was led by Bank of America  
3 Merrill Lynch; co-senior management was Citibank.  
4 And then the five co-managers were Loop, Cabrera, and  
5 Mesirov, all based here in Chicago; Janney, based on  
6 the East Coast; and Academy Securities.

7           The financial advisors, both  
8 women-owned firms: Academy -- or, I'm sorry -- Acacia  
9 and Sycamore. And then the lawyers were Katten  
10 Muchin, Bond Counsel; Issuer's Counsel, Schiff; and  
11 Underwriter's Counsel, Chapman & Cutler and Pugh  
12 Jones.

13           These results were executed within a  
14 compressed time period to meet the needs of the IEPA  
15 and local government borrowers in advance of  
16 construction season. We began with Authority Board  
17 approval on February 2nd, and the transaction will  
18 close on April the 16th. So that's seven -- about  
19 seven weeks to pricing and -- with two extra weeks to  
20 close, nine from start to finish of the transaction.  
21 So this was impressive execution.

22           In your red folders labeled  
23 "Financial" with -- or, I'm sorry -- the manila  
24 folders, we've got two -- we've got the Investor

1 Roadshow, which is about 35 pages. That was the  
2 pre-pricing packaging mater- -- marketing materials.  
3 And then there were two Bond Buyer articles that are  
4 very positive: "Green Bond [sic] Label Backs Retail  
5 Push on Illinois Revolving Fund Deal," March 29th,  
6 that was pre-pricing, and I think that helped us  
7 going into market. And "Illinois Finance Authority  
8 Says Sale Benefitted from Green Bond Label," that was  
9 April the 4th.

10 In a confidential red folder, there is  
11 a three-page confidential document. Subject to  
12 competitive harm and preliminary policymaking, it  
13 gives the initial preliminary overview for the  
14 Authority Members in greater detail, but these are  
15 competitive harm.

16 And, again, nine weeks from approval  
17 to close and seven weeks to pricing, this is a  
18 stellar accomplishment for an organization of our  
19 size. There are many people to thank. I've already  
20 mentioned the transaction team that performed in an  
21 extraordinary fashion, especially the Bank of America  
22 Merrill Lynch desk that was led by Dave Anderson who  
23 has handled our transactions in the past. He was the  
24 one who developed and executed the strategy. But I

1 think that Bank of America Merrill Lynch will tell  
2 you that in this circumstance with a difficult bond  
3 market, the entire syndicate, the entire team really  
4 contributed to the success.

5 I do want to highlight some of the  
6 members of our staff team: Elizabeth Weber and Ryan  
7 Oechsler working with the team of lawyers; Brad  
8 Fletcher and especially Six Granda, because we carry  
9 what is going to be \$1.5 billion in the IEPA bonds on  
10 our balance sheet and are audited by the Auditor  
11 General accordingly once these close. We're  
12 currently at a level of about \$1.1 billion. But  
13 really -- and, again, I also want to mention, you  
14 know, Rich Frampton who was involved with the 02s and  
15 the 04s, whose knowledge, institutional knowledge was  
16 a great contribution. But Six and Brad have been the  
17 primary sort of relationship folks with IEPA.

18 Acting Director John Kim, Kevin  
19 Bryant, and Gary Bingenheimer, and their CFO, whose  
20 name escapes me. Elizabeth --

21 WEBER: Courtney Bott.

22 MEISTER: Courtney, the CFO.

23 But I do want to highlight for special  
24 mention, Lisa Bonnett joined us in connection with

1 the Transformation Initiative. And Lisa's depth and  
2 breadth of experience at IEPA bears special mention.  
3 She was Director, she was Deputy Director, she was  
4 CFO, she was working in finance during the '02s and  
5 the '04s. But most importantly, she was the one that  
6 developed the road map that we followed that led to  
7 the 2013 reworking of the State Revolving Fund that  
8 led to, what I would call, the modern Authority and  
9 IEPA State Revolving Fund.

10 And that also set up this situation  
11 that we were able to go forward and make the case  
12 very effectively for the green bond designation. And  
13 the green bond designation was an important  
14 contributor to the success.

15 In the red folders, we were hoping to  
16 have some additional confidential documents, but we  
17 had printer op- -- printer issues with them. So that  
18 will probably be on the May -- the May meeting.

19 So, I'll take any questions.

20 (No response.)

21 MEISTER: Thank you, Mr. Chairman. Thanks,  
22 Lisa. Thanks, team. Thanks to the IFA team and the  
23 entire IEPA and transaction team.

24 CHAIRMAN ANDERBERG: Thank you, Chris.

1                   And, I'm sorry, I forgot to mention we  
2                   have a new board member here today, Mr. Jeff Wright.  
3                   Thank you very -- thank you for joining.

4                   WRIGHT: Thank you.

5                   CHAIRMAN ANDERBERG: Okay. Committee Reports.

6                   Mr. McCoy?

7                   MCCOY: Thank you Mr. Chairman.

8                   The Tax-Exempt Conduit Transaction  
9                   Committee met earlier this morning and voted  
10                  unanimously to recommend for approval the following  
11                  New Business items on today's Agenda: Provident  
12                  Group - UIUC Properties LLC; Field Museum of Natural  
13                  History; one Beginning Farmer Bond; an amendatory  
14                  resolution for Goodman Theatre; an amendatory  
15                  resolution for C&L Tiling, Inc.; a resolution for  
16                  Advocate Health and Hospitals Corporation; and a  
17                  resolution updating the Authority's Bond Handbook.

18                  CHAIRMAN ANDERBERG: Thank you.

19                  SMOOTS: The Governance, Personnel, Legislation  
20                  and Ethics Committee also met earlier this morning.  
21                  And we voted unanimously to recommend for approval  
22                  the following New Business item on today's agenda: a  
23                  Resolution authorizing and delegating powers to a  
24                  deputy executive director.

1 CHAIRMAN ANDERBERG: Thank you.

2 I'd like to ask for the general  
3 consent of the Members to consider New Business items  
4 collectively and to have the subsequent recorded vote  
5 applied to each respective, individual item, unless  
6 there are any other New Business items that a Member  
7 would like to consider separately.

8 Are there any?

9 (No response.)

10 CHAIRMAN ANDERBERG: No? Okay.

11 FLETCHER: If there are none, I'll proceed.

12 At this time, I'd like to note that  
13 for each Conduit New Business item presented on  
14 today's Agenda, including Items 1, 2, and 3, the  
15 Members are considering approval only of the  
16 resolution and the not-to-exceed amount contained  
17 therein.

18 Item 1, Provident Group - UIUC  
19 Properties LLC.

20 Item 1 is a 501(c)(3) Bond request.

21 Staff requests approval of a Final Bond Resolution  
22 for Provident Group - UIUC Properties LLC in an  
23 amount not to exceed \$100 million.

24 The Authority unanimously approved the

1 preliminary bond resolution for this project at its  
2 March 12, 2019, meeting.

3 Bond Proceeds will be used by the  
4 Borrower to finance the costs of designing,  
5 developing, constructing, and equipping two new  
6 facilities located on the main campus of the  
7 University of Illinois at Urbana-Champaign.

8 The first project involves development  
9 of a new, 124,000-square-foot Campus Instructional  
10 Facility, which will expand instructional space to  
11 accommodate planned enrollment growth over the next  
12 decade in the University's College of Engineering.

13 The second project involves  
14 construction of a new Feed Technology Center, which  
15 will replace the College of Agricultural, Consumer,  
16 and Environmental Sciences', or "College of ACES',"  
17 existing Feed Mill originally constructed in 1927 and  
18 located adjacent to the University's Technology Park.

19 The Bonds will be publicly offered by  
20 RBC Capital Markets, LLC, and it is anticipated that  
21 the Bonds will be investment-grade rated by Moody's.  
22 The Bonds will have a 32-year final maturity date,  
23 are expected to bear a fixed interest rate, and  
24 feature approximately level debt service payments

1 over 30 years, following a two-year construction  
2 financing period.

3 From among those responding to the RFP  
4 for the financing and development of the projects,  
5 the University selected the proposal submitted by  
6 Vermilion Enterprises, LLC, and its affiliates,  
7 successors, and assigns as Developer; and with  
8 Provident Resources Group, Inc., and its successors,  
9 affiliates, and assigns as Owner.

10 Details regarding the University's  
11 procurement are noted on pages 7 through 8 of the  
12 report while the roster of participants on the  
13 development and financing of the projects are  
14 identified on pages 10 through 12 of the report.

15 As presently contemplated, the Bonds  
16 are expected to close in late May.

17 Does any Member have any questions or  
18 Comments?

19 (No response.)

20 FLETCHER: Item 2, Field Museum of Natural  
21 History.

22 Item 2 is a 501(c)(3) Bond request.

23 Staff requests approval of a one-time Final Bond

24 Resolution for the Field Museum in an amount not to

1 exceed \$90 million.

2 Bond proceeds will be used to refund  
3 all or a portion of the outstanding Series 2015A  
4 Bond, the Series 2015B Bond, and the Series 2015C  
5 Bond previously issued by the Authority on behalf of  
6 the Field Museum and to pay costs of issuance.

7 The contemplated Series 2019 Bonds  
8 will be publically offered by JP Morgan Securities  
9 and bear interest at variable rates.

10 Initially, the Bonds are expected to  
11 bear interest in a floating rate note mode. If the  
12 Series 2019 Bonds are subsequently converted to  
13 operate in a different interest rate mode or in a new  
14 floating rate mode, the Series 2019 Bonds will be  
15 subject to mandatory tender and purchase. And at  
16 that time it is expected that a reoffering circular  
17 or a supplement to the Official Statement or other  
18 disclosure document will be prepared for such Series  
19 2019 Bonds.

20 The Series 2019 Bonds will be seeking  
21 ratings from both Moody's and S&P. The Field Museum  
22 is currently rated A2 by Moody's and is applying to  
23 S&P for a rating.

24 Does any Member have any questions or

1 comments?

2 O'BRIEN: The only question that I have is  
3 pertaining to their revenue stream, which is on  
4 page 7, and they talk to the most recent was 2017.  
5 Seems like it's substantially below the prior year,  
6 and I just wondered --

7 FRAMPTON: Yeah. Mr. O'Brien, if you refer to  
8 page 3 of the report, you can see how admission  
9 revenues have been tracking. And one of the key  
10 things that the university [sic] has done has been to  
11 deemphasize memberships where admission fees are not  
12 paid.

13 O'BRIEN: Did you mean the museum, not the  
14 university?

15 FLETCHER: Yes.

16 FRAMPTON: Yes. The museum rath- -- I'm  
17 accustomed to talking about the university.

18 The museum has been shifting from a  
19 membership model where they have relied on nominal --  
20 where they've relied on membership payments to  
21 provide free or low-cost admission, and they've  
22 switched to emphasizing admission revenues. So you  
23 can see how those have increased from 2014 through  
24 '16.

1                   In 2016, they had a blockbuster --  
2 they had a blockbuster year due to a number of  
3 special exhibits. So that's the explanation.

4           O'BRIEN: Okay. Thank you.

5           FLETCHER: And, Rich, I believe we have a guest  
6 for that transaction.

7           FRAMPTON: Yes, we do.

8                   It's my pleasure to just give a quick  
9 welcome to LeMonte Booker and Martha Alexander from  
10 the Field Museum. We welcome them and appreciate the  
11 opportunity to work with them again.

12           CHAIRMAN ANDERBERG: Thank you.

13           FRAMPTON: So thank you.

14           FLETCHER: Are there any other questions or  
15 comments from the Members?

16                   (No response.)

17           FLETCHER: Moving along to Item 3, Dane J. And  
18 Brittney L. Fletcher:

19                   Item 3 is a one-time Final Bond  
20 Resolution requesting approval for a Beginning  
21 Farmer Bond for Dane J. and Brittney L. Fletcher,  
22 who are purchasing 64 acres of farmland located in  
23 Montgomery County, in the not-to-exceed amount of  
24 \$356,000. First National Bank is the purchasing

1 bank for this conduit transaction.

2 I'll also note, for the record,  
3 there's no relation to the Fletcher family, my  
4 family.

5 Does any Member have any questions or  
6 comments?

7 (No response.)

8 FLETCHER: Thank you.

9 Moving along to Direct and Alternative  
10 Financing projects, Item 4: Fire Truck Revolving Loan  
11 Program Authorization:

12 Item 4 is a resolution granting the  
13 Executive Director continued authorization to  
14 administer the Authority's Fire Truck Revolving Loan  
15 Program, including the Executive Director's approval  
16 of the applications from the 26 applicants described  
17 in Attachment A on page 6 of the report and attached  
18 to the resolution in furtherance of making  
19 zero-interest or low-interest loans under the  
20 Program to those applicants for the purchase of fire  
21 trucks or brush trucks.

22 Does any Member have any questions or  
23 comments?

24 MEISTER: Mr. Chairman, if I may, for the

1 Members, this is one of the few intersections between  
2 the Authority's balance sheet and state  
3 appropriations and state revenues. These are funded  
4 by special statutory streams of revenue. It is done  
5 in partnership with the Office of State Fire  
6 Marshall. I would characterize this as more of a  
7 programatic duty of the Authority rather than an  
8 impact and business line like our Conduit bonds.

9           There are -- we have worked over time  
10 to streamline this, both with the General Assembly  
11 and with our partners at the Office of the Fire  
12 Marshall. I will note for the Members that the  
13 underwriting of these takes an extraordinary amount  
14 of staff time. This burden has been embraced by Rich  
15 Frampton, who has developed -- who has devoted many,  
16 many hours to the background of the documents in your  
17 Board book.

18           And, again, I mean, both with Rich,  
19 with Six, and then also one person I left off on the  
20 State Revolving Fund was Pam, because she was served  
21 roles as general counsel and in procurement at  
22 various times for the State Revolving Fund. It  
23 really is indicative of the team effort that we have  
24 to accomplish these things. But to the Ambulance and

1 Fire Truck Funds, it was an extraordinary amount of  
2 work.

3 And, again, it's important. Its life  
4 safety resources for generally underserved smaller  
5 communities.

6 So, thank you, Rich.

7 FLETCHER: Moving along, Item 5 is the  
8 Ambulance Revolving Loan Program Authorization.

9 Item 5 is a resolution granting the  
10 Executive Director continued authorization to  
11 administer the Authority's Ambulance Revolving Loan  
12 Program, including the Executive Director's approval  
13 of applications from the 16 applicants described in  
14 Attachment A on page 6 of the report and attached to  
15 the resolution in furtherance of making  
16 zero-interest or low-interest loans under the  
17 Program to those applicants for the purchase of  
18 ambulances.

19 Does any Member have any questions or  
20 comments?

21 (No response.)

22 FLETCHER: Moving onto Resolutions, Item 6:  
23 Resolution relating to Goodman Theatre's Series 2015  
24 Bonds.

1                   Item 6 is a resolution relating to the  
2           Series 2015 Bonds previously issued in three series  
3           by the Authority on behalf of Goodman Theatre.

4           The resolution authorizes the execution and delivery  
5           of an Amended and Restated Bond and Loan Agreement  
6           and related documents to effectuate the transfer of  
7           the Series 2015 Bonds from Fifth Third Commercial  
8           Funding, Inc., to PNC Bank.

9                   PNC Bank will purchase the 2015 Bonds  
10          in a single series, with a reset interest rate for an  
11          initial 5-year term and modified final maturity date  
12          resulting in an extended weighted average maturity.  
13          Bond counsel determined that a new TEFRA hearing was  
14          necessary, which the Authority held this past Friday.

15                   Does any Member have any questions or  
16          comments?

17                   (No response.)

18                   FLETCHER: Item 7, Resolution relating to C&L  
19          Tiling, Inc., Series 2009 Bond.

20                   Item 7 is a resolution relating to the  
21          Series 2009 Industrial Revenue Bond previously  
22          issued by the Authority on behalf of C&L Tiling,  
23          Inc.

24                   This resolution authorizes the

1 execution and delivery of a First Supplement to Trust  
2 Indenture and approves related documents to provide  
3 the Authority's consent to a modification of the  
4 amortization schedule for principal payments on the  
5 Series 2009 Bond as agreed to by the Borrower and  
6 Bank of Springfield as the owner of the Series 2009  
7 Bond.

8                   This modification will not extend the  
9 final maturity date of the Bond. Bond Counsel  
10 determined that a new public TEFRA hearing was not  
11 required accordingly.

12                   Does any Member have any questions or  
13 comments?

14                   (No response.)

15                   FLETCHER: Next is Item 8: Resolution relating  
16 to Advocate Health Care Network Series 2008A-3 Bonds.

17                   Item 8 is a resolution relating to the  
18 Series 2008A-3 Bonds previously issued by the  
19 Authority on behalf of Advocate Health and Hospitals  
20 Corporation.

21                   The Series 2008A-3 Bonds currently  
22 operate in a long-term interest rate period that ends  
23 April 30, 2019. On May 1, 2019, the Borrower expects  
24 to remarket and convert the Bonds to a new

1 long-term interest rate period. New 2008A-3 Bonds  
2 will need to be executed and delivered by the  
3 Authority in connection with the conversion.

4           Additionally, the Borrower may decide  
5 to waive its right to call the Bonds for optional  
6 redemption prior to maturity. This call waiver may  
7 constitute a reissuance of the Bonds for tax purposes  
8 in which case a new Tax Exemption Certificate and  
9 Agreement would need to be executed and delivered by  
10 the Authority.

11           This resolution authorizes the  
12 execution and delivery of new Series 2008A-3 Bonds,  
13 the new Tax Exemption Certificate and Agreement, and  
14 other documents related thereto as necessary.

15           Does any Member have any questions or  
16 comments?

17           (No response.)

18           FLETCHER: Next is Item 9: Resolution Approving  
19 Updates to the Bond Handbook.

20           Item 9 is a resolution approving  
21 certain updates to the Authority's Bond Handbook to  
22 reflect recent changes to the Federal TEFRA  
23 Regulations.

24           Under federal tax law, tax-exempt

1 private activity bond issues are subject to approval  
2 by an elected -- by an applicable elected  
3 representative, in the case of Authority conduit  
4 bonds, the Governor of Illinois. This approval is  
5 preceded by a public hearing, of which reasonable  
6 notice must be given.

7           Until recent changes to the federal  
8 TEFRA regulations, notice for the TEFRA hearing was  
9 required to be published in certain newspapers at  
10 least 14 days before the hearing. The revised  
11 Federal TEFRA regulations now allow notice to be  
12 given 7 days before the hearing and permit certain  
13 conduit issuers, including the Authority, to post  
14 TEFRA hearing notices on its own websites as an  
15 alternative to newspaper publication.

16           The Authority is currently working  
17 with the Governor's Office regarding the best way to  
18 respond to the revised federal TEFRA regulations.  
19 The updates to the Bond Handbook authorized by this  
20 resolution would enable the Authority to allow its  
21 borrowers to post TEFRA hearing notices on the  
22 Authority's website. The Authority expects that this  
23 would save its borrowers anywhere from several  
24 hundred to over \$10,000 in publication fees for each

1 bond issue.

2 Does any Member have any questions or  
3 comments?

4 (No response.)

5 FLETCHER: Moving on to Item 10: Resolution  
6 Amending the Authority's State Revolving Fund Series  
7 2019 Bond Resolution.

8 Item 10 is a resolution amending the  
9 State Revolving Fund Series 2019 Bond Resolution,  
10 No. 2019-0214-DA03. This resolution was previously  
11 issued and approved by -- excuse me -- was  
12 previously approved by the Authority at its  
13 February 14th, 2019, meeting.

14 This resolution makes a minor change  
15 to the February resolution to clarify that the  
16 proceeds of the Series 2019 SRF Bonds may also be  
17 used for the state match required by IEPA under both  
18 the Clean Water Program and the Drinking Water  
19 Program for federal fiscal year 2020.

20 Does any Member have any questions or  
21 comments?

22 (No response.)

23 FLETCHER: Next is Item 11. Item 11 is a  
24 Resolution Authorizing Certain Assignments of Loans

1 Made under Fire Truck Revolving Loan Program and the  
2 Ambulance Revolving Loan Program.

3 Item 11 is a resolution authorizing  
4 certain assignments of loans made under the Fire  
5 Truck Revolving Loan Program and the Ambulance  
6 Revolving Loan Program.

7 Such assignments would be permitted  
8 where the original borrower discontinues its fire  
9 protection or ambulance services and successor  
10 borrower, who is a qualified governmental borrower  
11 under the Act, assumes responsibility for the  
12 provision of those services and where transfer of the  
13 fire truck or ambulance would facilitate the  
14 continued provision of services.

15 In particular, this Resolution  
16 authorizes the assignment of a fire truck loan from  
17 the City of Chillicothe to the Chillicothe Community  
18 Fire Protection District and the assignment of an  
19 ambulance loan from Eastern McLean County Ambulance  
20 Association to the Octavia Fire Protection District.

21 In each case, the original borrower is discontinuing  
22 its operations and the successor borrower will  
23 provide services in its place.

24 Does any Member have any questions or

1 comments?

2 (No response.)

3 FLETCHER: Next is Item 12. Item 12 is a  
4 Resolution Authorizing and Delegating Powers to a  
5 Deputy Executive Director.

6 Item 12 is a resolution authorizing  
7 the employment of a Deputy Executive Director and  
8 delegating signature authority to the Deputy  
9 Executive Director in certain specified  
10 circumstances where the Executive Director is  
11 unavailable to sign.

12 Does any Member have any questions or  
13 comments?

14 (No response.)

15 FLETCHER: Thank you.

16 CHAIRMAN ANDERBERG: Thank you, Brad.

17 Okay. I would like to request a  
18 motion to pass and adopt the following New Business  
19 items: Items 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and  
20 12.

21 Is there such a motion?

22 McCOY: So moved.

23 CHAIRMAN ANDERBERG: Motion by Mr. McCoy.

24 A second?

1 FUENTES: Second.

2 CHAIRMAN ANDERBERG: It was Fuentes? I'm  
3 sorry. I didn't hear that. A second by Mr. Fuentes.

4 Will the Assistant Secretary please  
5 call the roll?

6 FLETCHER: On the motion and second, I will  
7 call the roll.

8 Mr. Fuentes?

9 FUENTES: Yes.

10 FLETCHER: Ms. Juracek?

11 JURACEK: Yes.

12 FLETCHER: Mr. Knox?

13 KNOX: Yes.

14 FLETCHER: Mr. McCoy?

15 McCOY: Yes.

16 FLETCHER: Mr. Obernagel?

17 OBERNAGEL: Yes.

18 FLETCHER: Mr. O'Brien?

19 O'BRIEN: Yes.

20 FLETCHER: Mr. Poole?

21 POOLE: Yes.

22 FLETCHER: Ms. Smoots?

23 SMOOTS: Yes.

24 FLETCHER: Mr. Wright?

1           WRIGHT:  Yes.

2           FLETCHER:  Mr. Zeller?

3           ZELLER:  Yes.

4           FLETCHER:  And Mr. Chairman?

5           CHAIRMAN ANDERBERG:  Yes.

6           FLETCHER:  Mr. Chairman, the motion carries.

7           CHAIRMAN ANDERBERG:  Thank you, Brad.

8                         And with that I'll have Mr. Meister  
9     introduce Mr. Stuckey.

10          MEISTER:  Yes.

11                         And Members of the Authority and  
12     audience, I'm pleased to introduce a new addition to  
13     the team of the Authority.  Jacob Stuckey, I've asked  
14     to come on board and sought authority from the  
15     Members to serve as Deputy Executive Director.  
16     Mr. Stuckey has served with distinction at the Office  
17     of the Illinois Treasurer, at the Governor's Office  
18     of Management and Budget, and in Central Management  
19     Services.  And he's also a combat veteran of the  
20     United States Army.

21                         Jacob, could you stand up?  So  
22     welcome, Mr. Stuckey, to the Authority.  Thank you.

23                                 (Applause.)

24          CHAIRMAN ANDERBERG:  Thank you.

1                   Okay. Financial reports. Ms. Granda?

2                   GRANDA: Good morning, everyone. I will be  
3 presenting the financial information for the period  
4 ending March 31st, 2019. The Financial Statements  
5 along with the Financial Analysis Memo is in your red  
6 folders in your left-hand side.

7                   Also, for your information, we  
8 included the listing of the -- of loans under the  
9 local government, the Fire Truck and Ambulance Loan  
10 Program.

11                   The General Fund financial highlights  
12 are as follows: In March, the Authority reported  
13 \$136,000 in net investment income. This was  
14 attributable to changes in the federal economic  
15 policy during the first quarter in 2019 consistent  
16 with market expectations, which resulted in a  
17 continuation of relatively low interest rates and  
18 positioning certain investments for a positive gain.

19                   Our year-to-date investment income is  
20 at \$867,000, or \$659,000 or 317 percent higher than  
21 budget.

22                   The budget presented in June 2018  
23 under this category was conservative, and it was  
24 based on prior year's historical data. In our next

1 board meeting, the Authority will provide an  
2 executive summary of the investment portfolio.

3           Moving on to Operating Revenues and  
4 Expenses, our total annual revenue equals \$3.1  
5 million and are \$148,000, or 5.1 percent, higher than  
6 budget. This is primarily due to higher  
7 administrative fees and interest and investment  
8 income.

9           Our total expenses equals \$3.2 million  
10 and are \$494,000, or 13.3 percent, lower than budget.  
11 This was driven by below-budget spending on  
12 employee-related expenses due to vacancies.

13           In March, the Authority generated  
14 \$30,000 in closing fees, which is \$191,000 lower than  
15 our monthly budgeted amount of \$221,000.

16           In March, the Authority recorded  
17 operating expenses of \$369,000, which is \$44,000  
18 lower than the monthly budgeted amount of \$413,000.  
19 The monthly operating expenses continue to be better  
20 than the forecast operating expenses due to an  
21 effective expense control.

22           In March, there was a slight increase  
23 under Professional Services and Legal Fees resulting  
24 from the continued development of the Authority's new

1 Property -- Property Assessed Clean Energy business  
2 line. Also, occupancy costs were a slight lower due  
3 to a reduction on rent expense.

4 Our total monthly let- -- I'm sorry.  
5 Our total monthly net loss for March is \$122,000,  
6 which is attributable to lower than expected closing  
7 fees.

8 Our total annual net loss is at  
9 \$152,000, which is better than the forecast operating  
10 loss of \$796,000. This is due to higher than  
11 expected interest and investment income in addition  
12 to an effective expense control.

13 Moving on to audit. As mentioned in  
14 the last Board meeting, the Authority has scheduled  
15 the entrance conference with the external auditors.  
16 The conference is scheduled to be on April 12th. The  
17 external auditors will be performing our Fiscal Year  
18 2019 financial audit and our Fiscal Year -- excuse  
19 me -- our Fiscal Year 2018 and Fiscal Year 2019  
20 compliance examination.

21 Also, moving now on to our internal  
22 audit. On April 2nd, the internal auditors released  
23 the final 2019 Statutory Mandates Audit. A copy of  
24 the report is in your red folders for your review.

1 There was one immaterial finding and four  
2 observations. The Authority had a corrective action  
3 plan for the findings and the observations, which the  
4 Authority has already implemented.

5 On March 22nd and March 28th, the  
6 Authority had an entrance conference for our bond  
7 audit and expenditures payable and equipment audit.  
8 Each of these two audits need to be completed under  
9 the Fiscal Year 2019 Audit Plan. We are on schedule,  
10 and we will finalize these two audits by June 30th.

11 Just looking forward, as Director  
12 Meister mentioned, the Authority anticipates the  
13 closing of the Series 2019 Clean Water Initiative  
14 Bond Issue will be the first Illinois transaction  
15 self-designated as green bonds upon its forthcoming  
16 closing on April 16th. The issue par amount of the  
17 Series 2019 Clean Water Initiative Bonds is \$450  
18 million. The Authority will be providing quarterly  
19 updates on the disbursements of the bond proceeds.

20 Also looking forward, our estimated  
21 closings for the last quarter in Fiscal Year 2019 is  
22 roughly going to be about \$654,000.

23 Is there any questions?

24 (No response.)

1 GRANDA: Thank you.

2 CHAIRMAN ANDERBERG: Thank you.

3 Are there more questions for  
4 Ms. Granda?

5 (No response.)

6 CHAIRMAN ANDERBERG: Hearing none, I'd like to  
7 make a -- request a motion to accept the Financial  
8 Reports.

9 Is there such a motion?

10 O'BRIEN: So moved.

11 POOLE: Second.

12 CHAIRMAN ANDERBERG: Motion from Mr. O'Brien  
13 and a second from Mr. Poole.

14 All those in favor?

15 (Chorus of ayes.)

16 CHAIRMAN ANDERBERG: Opposed?

17 (No response.)

18 CHAIRMAN ANDERBERG: The ayes have it.

19 Procurement?

20 FRANZEN: Good morning, Mr. Chairman and  
21 Members of the Board. And the items on page 1 of the  
22 Procurement Report support the Authority operations,  
23 and the remainder of the report includes all the  
24 expiring projects through the rest of this calendar

1 year.

2 Any questions?

3 MEISTER: Expiring contracts.

4 CHAIRMAN ANDERBERG: Expired. Yes. Thank you.

5 Okay. Does anyone wish to make any  
6 additions, edits, or corrections to the Minutes from  
7 March 12th?

8 (No response.)

9 CHAIRMAN ANDERBERG: Hearing none, I'd like to  
10 request a motion to approve the Minutes.

11 Is there such a motion?

12 OBERNAGEL: Obernagel mo- --

13 McCOY: Second.

14 CHAIRMAN ANDERBERG: Mr. Obernagel moves;  
15 second from Mr. McCoy.

16 All those in favor?

17 (Chorus of ayes.)

18 CHAIRMAN ANDERBERG: Opposed?

19 (No response.)

20 CHAIRMAN ANDERBERG: The ayes have it.

21 Is there any other business to come  
22 before the Members?

23 WEBER: Mr. Chairman, I would like to remind  
24 the Members to please drop off their completed

1 Statements of Economic Interest with Mari before  
2 leaving today, and let me know if you have any  
3 questions about the required disclosures in those  
4 statements. For those members who've already turned  
5 in their forms, I thank you.

6 Also, I'd like to note that this is  
7 time for the annual ethics training, a copy of which  
8 can be found in your manila folder. Please complete  
9 the training and return the signed acknowledgement to  
10 Mari by April 30th.

11 Any questions?

12 (No response.)

13 WEBER: Thank you.

14 FLETCHER: Mr. Chairman, if I may, can we  
15 request a motion to excuse the absence of Members  
16 unable to participate today, in particular Mr. Goetz?

17 CHAIRMAN ANDERBERG: Yes.

18 Is there such a motion to excuse the  
19 absences?

20 KNOX: So moved.

21 JURACEK: Second.

22 CHAIRMAN ANDERBERG: A motion and a second.

23 All those in favor?

24 (Chorus of ayes.)

1 CHAIRMAN ANDERBERG: Opposed?

2 (No response.)

3 CHAIRMAN ANDERBERG: The ayes have it.

4 FLETCHER: Thank you.

5 CHAIRMAN ANDERBERG: Is there any matter for  
6 discussion in closed session?

7 (No response.)

8 CHAIRMAN ANDERBERG: Good.

9 Before I adjourn, I'd like to make a  
10 comment. This is -- technically, this is supposed to  
11 be my last meeting as Chairman of the IFA, and  
12 probably in the next month or whichever. I just want  
13 to thank the Board for their dedication and service,  
14 and it's been a pleasure. I just -- you know,  
15 everybody coming here, the cake's already baked  
16 before we get here for the most part. Your  
17 dedication and your input and -- of being here in  
18 trying to do something good for the state of Illinois  
19 and to improve the economy is -- I hold in high  
20 regard, and for the staff too. Professional people,  
21 I just -- it's been a pleasure.

22 So with that -- I might be here next  
23 month. We don't know. We don't know. That's how it  
24 goes.

1                   So any other comments before we ask  
2 for adjournment?

3           O'BRIEN: I'd just like to congratulate you on  
4 the work that you've done as Chairman, and I would  
5 hope that you -- we will see you next month.

6           CHAIRMAN ANDERBERG: Thank you, Terry.

7           KNOX: Agreed.

8                   (Applause.)

9           CHAIRMAN ANDERBERG: All right. The next  
10 regularly scheduled meeting will be May 14th.

11                   I'd like to request a motion to  
12 adjourn.

13                   Is there such a motion?

14           McCOY: So moved.

15           CHAIRMAN ANDERBERG: A motion --

16           KNOX: Second.

17           CHAIRMAN ANDERBERG: A motion and second by  
18 Mr. Knox.

19                   All those in favor?

20                   (Chorus of ayes.)

21           CHAIRMAN ANDERBERG: Opposed?

22                   (No response.)

23           CHAIRMAN ANDERBERG: The ayes have it. Thank  
24 you.

