

**ILLINOIS FINANCE AUTHORITY**

**Tuesday, July 10, 2012**

**AGENDA**

**COMMITTEE OF THE WHOLE MEETING**

**9:30 a.m.**

**IFA Chicago Office**

**Two Prudential Plaza**

**180 North Stetson Avenue, Suite 2555**

**Chicago, Illinois 60601**

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

**BOARD MEETING**

**10:30 a.m.**

**Conference Center**

**One Prudential Plaza**

**130 East Randolph Street, Suite 750**

**Chicago, Illinois 60601**

- I. Call to Order & Roll Call
- II. Chairman's Remarks
- III. Adoption of the Minutes
- IV. Acceptance of the Financial Statements
- V. Project Approvals
- VI. Resolutions
- VII. Other Business
- VIII. Public Comment
- IX. Adjournment

**Board Meeting Agenda**

July 10, 2012

Page 2

**AGRICULTURE**

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
<b>Beginning Farmer Bonds</b>						
<i>Final</i>						
1	Scott A. & Angela D. Voumard	Foster Township (Madison County)	\$248,700	N/A	N/A	JS/LK
	George A. Chandler	Bald Bluff Township (Henderson County)	\$488,600	N/A	N/A	JS/LK
<b>TOTAL AGRICULTURE PROJECTS</b>			<b>\$737,300</b>	<b>0</b>	<b>0</b>	

**HEALTHCARE**

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
<b>501(c)(3) Revenue Bonds</b>						
<i>Preliminary</i>						
2	Hospital Sisters Services, Inc.	Springfield, Highland and other locations (8 counties)	\$550,000,000	N/A	700	PL/NO
<b>TOTAL HEALTHCARE PROJECTS</b>			<b>\$550,000,000</b>	<b>0</b>	<b>700</b>	
<b>GRAND TOTAL</b>			<b>\$550,737,300</b>	<b>-</b>	<b>700</b>	

**RESOLUTIONS**

Tab	Project Name	FM
<b>Resolution</b>		
3	Resolution to Adopt the Fiscal Year 2013 Budget of the Illinois Finance Authority	CM
4	Resolution to Adopt the Fiscal Years 2013-2015 Strategic Plan (the "Strategic Plan") of the Illinois Finance Authority and to Delegate to the Executive Director the Authority to Implement, Update and Amend the Strategic Plan	CM
5	Resolution to Authorize Amendments and Revisions to the Illinois Finance Authority Bond Program Handbook	PL/NO

July 10, 2012

TO: William A. Brandt, Jr., Chairman  
Dr. William Barclay  
Gila J. Bronner  
James J. Fuentes  
Norman M. Gold  
Edward H. Leonard, Sr.

Michael W. Goetz, Vice-Chairman  
Terrence M. O'Brien  
Heather D. Parish  
Mayor Barrett F. Pedersen  
Roger E. Poole  
Bradley A. Zeller

RE: Message from the Executive Director

Dear Members of the Authority:

***Welcome to Fiscal Year 2013***

We enter the new fiscal year with much to be proud of.

Over the past twelve months, in a time of slow economic recovery, the IFA closed 37 conduit tax-exempt bond issues totaling almost \$2 billion, including 42 Beginning Farmer Bonds totaling approximately \$9 million. It is anticipated that our efforts will support nearly 9,200 construction jobs and over 1,000 permanent jobs, and assist family farmers with the purchase of 2,600 acres of farmland.

***Stewardship of Public Assets***

Sound stewardship of public funds, both dollars held by the Authority as well as appropriated taxpayer dollars, is an important fiduciary duty of the Authority. Before looking towards the future, the Authority had to use the collective resources of its Members and Staff to resolve past issues and commitments. During fiscal year 2012, the Authority's accomplishments in this area include:

- Helped stabilize the finances of the Illinois Medical District Commission so that its new board and management team can achieve its full potential;
- Completed financial assistance in support of REG Danville, LLC, a 45 million gallon per year, commercial scale, biodiesel production facility;
- Successful financial recoveries involving troubled participation loans;
- Successful financial recoveries involving Attorney General–U.S. Securities Exchange Commission settlements and bond issues by predecessor authorities;
- Furthered a partnership with the Illinois Department of Commerce and Economic Opportunity by maximizing the use of federal stimulus funds for energy projects and funds allocated through the U.S. Economic Development Administration for a loan program;
- Worked with the Illinois General Assembly to strengthen the partnership with the Office of the State Fire Marshall to reinvigorate the Fire Truck and Ambulance loan programs;
- The sale of the Authority's legacy venture capital investments; and
- Completed fiscal year 2012 with total expenditures approximately 6 percent below budget.

## ***The Future***

Matching trends seen across the broader municipal bond market, the Authority saw the lowest aggregate dollar volume for its conduit tax-exempt bonds since its creation in 2004. This result emphasized the need for the Authority to strengthen and diversify its product offerings in support of its public mission of job creation by providing low cost financing for capital projects. Goals for fiscal year 2013 are explained further in the draft Strategic Plan presented for your consideration.

In light of global economic challenges, we present for the Board's consideration a balanced but conservative budget for the coming fiscal year. Additional programs and investment proposals may be presented for your consideration, as necessary, in the coming months.

I look forward to continue working with all of you.

Respectfully,

A handwritten signature in black ink, appearing to read 'C. Meister', with a long horizontal line extending to the right.

---

Christopher B. Meister  
Executive Director

Attachments:

Attachment 1 – Board of Directors Dashboard

Attachment 2 – Quarterly Bonds Activity Report

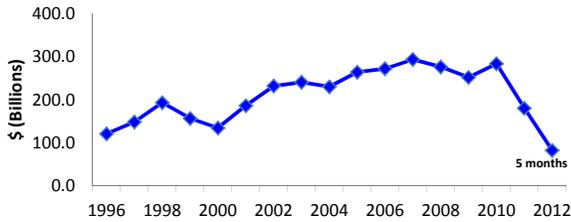
Attachment 3 – Monthly Bonds Activity Report; Schedule of Debt

Illinois Finance Authority  
Board of Directors "Dashboard"  
June 30, 2012

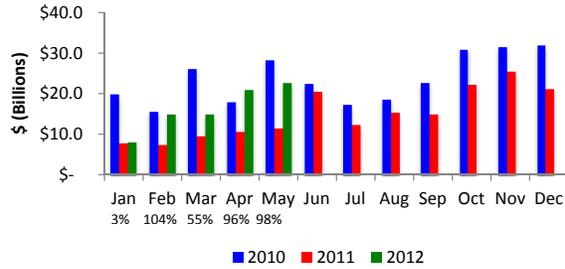
**Section 1: National Market Analysis**

- Revenue Bonds issued in Calendar Year 2012 issuances up 71% over same period in Calendar Year 2011.
- Continue to see monthly increases over the same period last year.

**National Revenue Bond Issuances  
1996 - 2012**



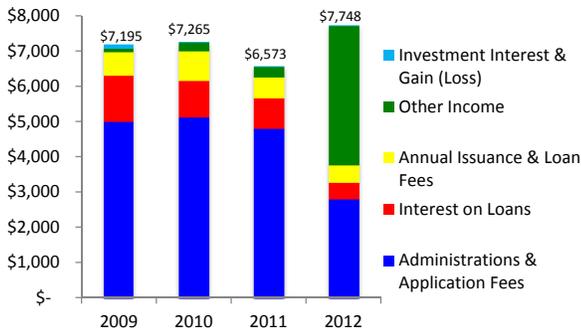
**2011 vs. 2012 Revenue Bond Issuances by Month**



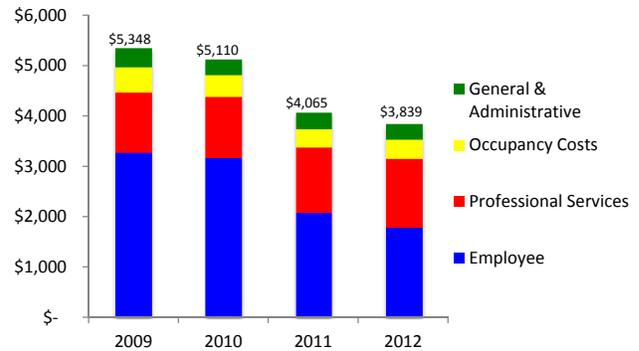
**Section 2: IFA Operational Analysis**

- Revenues increased by 17.86%, primarily due to the recovery of bad debt and the SEC settlements. Expenses declined 5.56% when compared FY11 and FY12.
- Net Income increased 55.8% due to the recovery of bad debts and the SEC settlements. Balance sheet remains strong, with an increase in cash of \$11.6 million due to loan payoffs, closing fees and recovery of bad debt and SEC settlements.
- Return on Equity increased by 4.8% in part due to an increase on Net Operating Income.

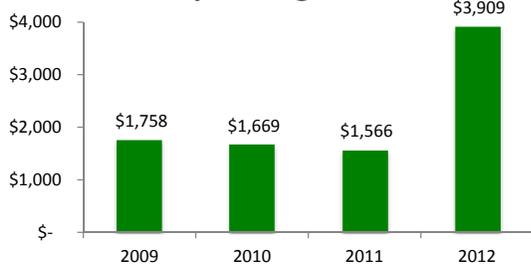
**Revenue by Category**



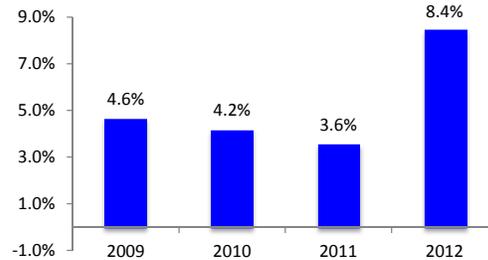
**Expense by Category**



**Net Operating Income**



**Return on Equity**

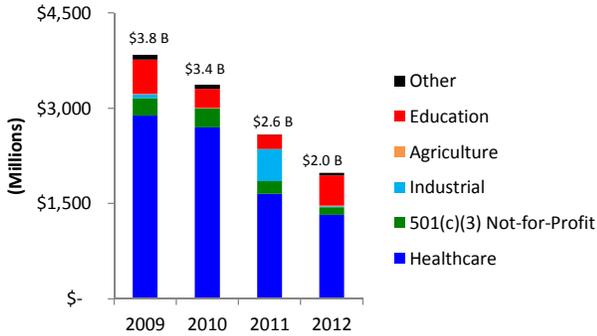


# Illinois Finance Authority Board of Directors "Dashboard" June 30, 2012

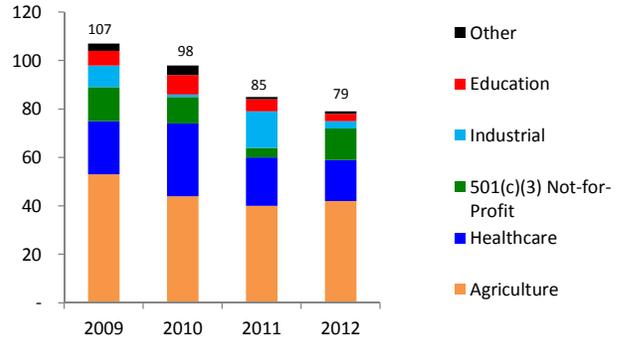
## Section 3: Revenue Analysis

- Healthcare continues to drive the largest dollar volume of issuances and total revenue by sector.

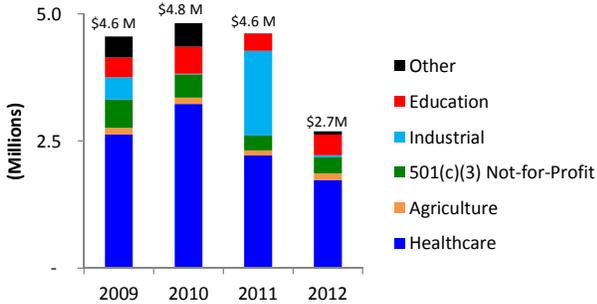
### Bond Issuance by Sector



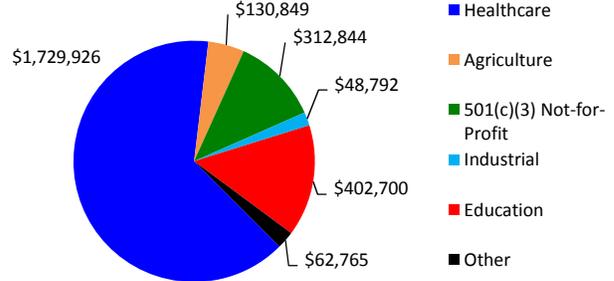
### Total Number of Issuances by Sector



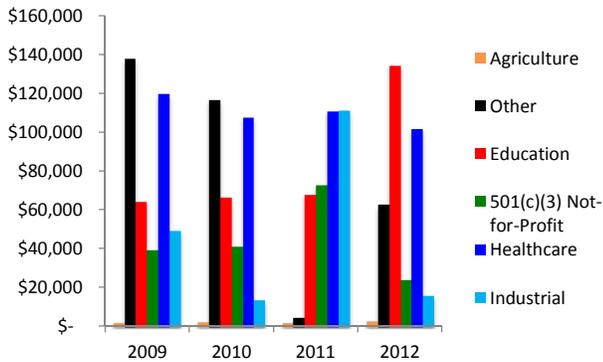
### Revenue by Sector



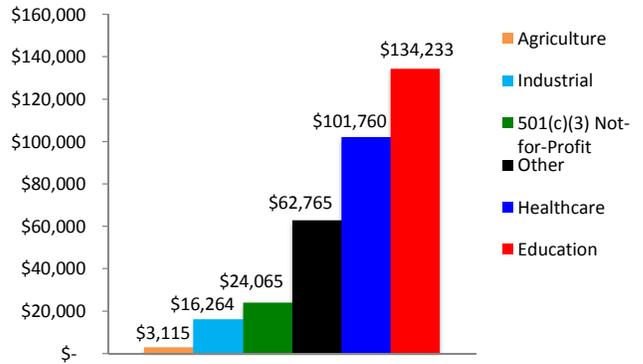
### 2012 Revenue by Sector



### Revenue per Issuance



### 2012 Revenue per Issuance



Principal Issued by Month *										
Month	Data	Year								
		2004	2005	2006	2007	2008	2009	2010	2011	2012
January	Sum of Principal	-	138,085,000	98,670,000	13,680,000	122,870,000	723,895,000	252,800,000	-	1,000,000.00
	Sum of % of Change			-28.5%	-86.1%	798.2%	489.2%	-65.1%	-100.0%	100.0%
February	Sum of Principal	22,950,000	31,714,000	85,235,000	243,775,000	57,235,000	383,520,000	233,982,400	224,050,000	437,570,000
	Sum of % of Change		38.2%	168.8%	186.0%	-76.5%	570.1%	-39.0%	-4.2%	95.3%
March	Sum of Principal	72,920,000	243,620,900	221,200,000	429,933,900	67,400,000	647,005,000	43,610,000	177,225,000	40,873,200
	Sum of % of Change		234.1%	-9.2%	94.4%	-84.3%	859.9%	-93.3%	306.4%	-76.9%
April	Sum of Principal	87,500,000	54,890,000	53,160,378	204,725,000	1,217,254,000	504,000,000	277,283,662	-	63,965,000
	Sum of % of Change		-37.3%	-3.2%	285.1%	494.6%	-58.6%	-45.0%	-100.0%	100.0%
May	Sum of Principal	1,112,926,171	374,980,000	67,930,000	239,097,750	1,168,925,000	108,194,732	405,288,433	545,185,000	368,601,000
	Sum of % of Change		-66.3%	-81.9%	252.0%	388.9%	-90.7%	274.6%	34.5%	-32.4%
June	Sum of Principal	62,305,000	137,165,000	131,900,914	394,513,530	817,587,000	475,200,000	287,150,000	120,000,000	106,695,000
	Sum of % of Change		120.2%	-3.8%	199.1%	107.2%	-41.9%	-40.1%	-58.2%	-11.1%
July	Sum of Principal	109,045,000	370,370,000	183,955,000	149,165,000	56,242,400	382,477,000	284,660,000	-	
	Sum of % of Change		239.6%	-50.3%	-18.9%	-62.3%	580.1%	-25.6%	-100.0%	
August	Sum of Principal	77,395,000	317,680,000	416,886,100	695,600,000	110,315,000	383,766,653	172,185,000	195,053,000	
	Sum of % of Change		310.5%	31.2%	66.9%	-84.1%	247.9%	-55.1%	13.3%	
September	Sum of Principal	195,595,000	199,800,000	34,525,000	65,406,650	186,705,000	-	72,000,000	225,430,000	
	Sum of % of Change		2.1%	-82.7%	89.4%	185.5%	-100.0%	100%	213%	
October	Sum of Principal	17,095,000	78,070,000	303,685,000	747,030,000	112,905,000	185,370,000	302,020,000	296,035,000	
	Sum of % of Change		356.7%	289.0%	146.0%	-84.9%	56.7%	70.8%	-2.0%	
November	Sum of Principal	674,465,000	72,530,000	134,980,000	34,691,195	90,609,000	240,000,000	314,850,000	11,540,000	
	Sum of % of Change		-89.2%	86.1%	-74.3%	161.2%	164.9%	31.2%	-96.3%	
December	Sum of Principal	275,415,000	655,400,000	435,050,000	765,246,784	431,000,000	668,404,820	363,412,184	218,053,846	
	Sum of % of Change		138.0%	-33.6%	75.9%	-43.7%	55.1%	-45.6%	-40.0%	
Total Sum of Principal		2,707,611,171	2,674,304,900	2,167,177,392	3,982,864,809	4,439,047,400	4,701,833,205	3,009,241,679	2,012,571,846	1,018,704,200

"Sum of % of Change" reflects the percent of increase/decrease over the same month in the prior year.

\* Does not include Beginner Farmer Bonds issued.

Bonds Issued by Quarter - Calendar Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012
1st Quarter	95,870,000	413,419,900	405,105,000	687,388,900	247,505,000	1,754,420,000	530,392,400	401,275,000	479,443,200
2nd Quarter	1,262,731,171	567,035,000	252,991,292	838,336,280	3,203,766,000	1,087,394,732	969,722,095	665,185,000	539,261,000
3rd Quarter	382,035,000	887,850,000	635,366,100	910,171,650	353,262,400	766,243,653	528,845,000	420,483,000	0
4th Quarter	966,975,000	806,000,000	873,715,000	1,546,967,979	634,514,000	1,093,774,820	980,282,184	525,628,846	0
<b>Total Bonds Issued - Calendar Year</b>	<b>2,707,611,171</b>	<b>2,674,304,900</b>	<b>2,167,177,392</b>	<b>3,982,864,809</b>	<b>4,439,047,400</b>	<b>4,701,833,205</b>	<b>3,009,241,679</b>	<b>2,012,571,846</b>	<b>1,018,704,200</b>
<b>% Change over Prior Calendar Year</b>		-1.2%	-19.0%	83.8%	11.5%	5.9%	-36.0%	-33.1%	-31.5%

Bonds Issued by Quarter - Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012
1st Quarter		382,035,000	887,850,000	635,366,100	910,171,650	353,262,400	766,243,653	528,845,000	420,483,000
2nd Quarter		966,975,000	806,000,000	873,715,000	1,546,967,979	634,514,000	1,093,774,820	980,282,184	525,628,846
3rd Quarter	95,870,000	413,419,900	405,105,000	687,388,900	247,505,000	1,754,420,000	530,392,400	401,275,000	479,443,200
4th Quarter	1,262,731,171	567,035,000	252,991,292	838,336,280	3,203,766,000	1,087,394,732	969,722,095	665,185,000	539,261,000
<b>Total Bonds Issued - Fiscal Year</b>	<b>1,358,601,171</b>	<b>2,329,464,900</b>	<b>2,351,946,292</b>	<b>3,034,806,280</b>	<b>5,908,410,629</b>	<b>3,829,591,132</b>	<b>3,360,132,968</b>	<b>2,575,587,184</b>	<b>1,964,816,046</b>
<b>% Change over Prior Fiscal Year</b>		71.5%	1.0%	29.0%	94.7%	-35.2%	-12.3%	-23.3%	-20.5%

Bonds Issued by Quarter - New Money - Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012
1st Quarter		332,815,000	324,575,000	374,952,100	747,011,650	288,012,400	730,989,121	308,265,000	205,958,000
2nd Quarter		648,355,000	693,465,000	448,835,000	979,927,183	541,539,000	713,342,687	887,857,184	201,690,000
3rd Quarter	41,940,000	195,919,900	221,690,000	443,963,900	125,595,000	1,180,645,000	253,995,777	308,290,000	0
4th Quarter	785,756,179	451,565,000	223,076,292	623,144,280	1,000,621,000	622,409,732	587,737,095	597,725,000	0
<b>Total Bonds Issued - Fiscal Year</b>	<b>827,696,179</b>	<b>1,628,654,900</b>	<b>1,462,806,292</b>	<b>1,890,895,280</b>	<b>2,853,154,833</b>	<b>2,632,606,132</b>	<b>2,286,064,680</b>	<b>2,102,137,184</b>	<b>407,648,000</b>
<b>% Change over Prior Fiscal Year</b>		96.8%	-10.2%	29.3%	50.9%	-7.7%	-13.2%	-8.0%	-33.2%

**Principal Issued/Bonds Refunded by Month**

Month	Year										
	2004	2005	2006	2007	2008	2009	2010	2011	2012		
January	-	138,085,000	98,670,000	13,680,000	122,870,000	723,895,000	252,800,000	-	11,540,000	Principal	
	-	25,755,000	13,285,000	-	-	205,350,000	155,775,000	-	12,740,000	Refunded	
February	22,950,000	31,714,000	85,235,000	243,775,000	57,235,000	383,520,000	233,982,400	224,050,000	218,053,846	Principal	
	-	-	52,945,000	96,220,000	45,210,000	113,100,000	90,946,623	50,600,000	169,270,000	Refunded	
March	72,920,000	243,620,900	221,200,000	429,933,900	67,400,000	647,005,000	43,610,000	177,225,000	40,873,200	Principal	
	53,930,000	191,745,000	117,185,000	147,205,000	62,800,000	255,325,000	29,675,000	42,385,000	31,935,000	Refunded	
April	87,500,000	54,890,000	53,160,378	204,725,000	1,217,254,000	504,000,000	277,283,662	-	63,965,000	Principal	
	-	11,540,000	-	62,890,000	1,141,790,000	464,985,000	70,420,000	-	69,685,000	Refunded	
May	1,112,926,171	374,980,000	67,930,000	239,097,750	1,168,925,000	108,194,732	405,288,433	545,185,000	368,601,000	Principal	
	451,164,992	93,060,000	29,915,000	99,375,000	456,397,500	-	55,940,000	67,460,000	93,290,000	Refunded	
June	62,305,000	137,165,000	131,900,914	394,513,530	817,587,000	475,200,000	287,150,000	120,000,000	106,695,000	Principal	
	28,810,000	10,870,000	-	46,427,000	605,130,000	-	255,625,000	-	101,960,000	Refunded	
July	109,045,000	370,370,000	183,955,000	149,165,000	56,242,400	382,477,000	284,660,000	-	-	Principal	
	-	238,695,000	4,749,000	34,830,000	-	-	211,395,000	-	-	Refunded	
August	77,395,000	317,680,000	416,886,100	695,600,000	110,315,000	383,766,653	172,185,000	195,053,000	-	Principal	
	43,000,000	239,225,000	255,665,000	123,830,000	65,250,000	35,254,532	9,185,000	192,190,000	-	Refunded	
September	195,595,000	199,800,000	34,525,000	65,406,650	186,705,000	-	72,000,000	225,430,000	-	Principal	
	6,220,000	92,955,000	-	4,500,000	-	-	-	22,335,000	-	Refunded	
October	17,095,000	78,070,000	303,685,000	747,030,000	112,905,000	176,870,000	302,020,000	296,035,000	-	Principal	
	-	-	254,960,000	338,880,796	2,400,000	92,425,000	90,325,000	19,680,000	-	Refunded	
November	674,465,000	72,530,000	134,980,000	34,691,195	90,609,000	240,000,000	314,850,000	11,540,000	-	Principal	
	247,055,000	36,575,000	25,095,000	14,230,000	10,275,000	102,145,000	-	12,740,000	-	Refunded	
December	275,415,000	655,400,000	435,050,000	765,246,784	431,000,000	668,404,820	363,412,184	218,053,846	-	Principal	
	71,565,000	68,360,000	144,825,000	213,930,000	80,300,000	288,007,133	2,100,000	169,270,000	-	Refunded	
<b>Total Sum of Principal</b>	<b>2,707,611,171</b>	<b>2,674,304,900</b>	<b>2,167,177,392</b>	<b>3,982,864,809</b>	<b>4,439,047,400</b>	<b>4,693,333,205</b>	<b>3,009,241,679</b>	<b>2,012,571,846</b>	<b>809,728,046</b>	<b>Principal</b>	
<b>Total Sum of Refunded</b>	<b>901,744,992</b>	<b>1,008,780,000</b>	<b>898,624,000</b>	<b>1,182,317,796</b>	<b>2,469,552,500</b>	<b>1,556,591,665</b>	<b>971,386,623</b>	<b>576,660,000</b>	<b>478,880,000</b>	<b>Refunded</b>	
<b>Net Bonds Issued</b>	<b>1,805,866,179</b>	<b>1,665,524,900</b>	<b>1,268,553,392</b>	<b>2,800,547,013</b>	<b>1,969,494,900</b>	<b>3,136,741,540</b>	<b>2,037,855,056</b>	<b>1,435,911,846</b>	<b>330,848,046</b>	<b>Issued</b>	

Bonds Issued includes the value of the Bonds Refunded.



## Bonds Issued and Outstanding as of June 30, 2012

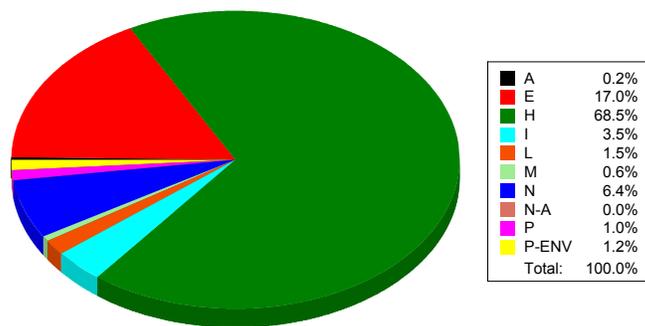
### Bonds Issued Since Inception of Illinois Finance Authority

#	Market Sector	Principal Amount (\$)
420	Agriculture **	67,268,238
86	Education	4,502,233,100
187	Healthcare *	18,312,661,708
84	Industrial	958,703,853
26	Local Government	420,155,000
16	Multifamily/Senior Housing	175,417,900
120	501(c)(3) Not-for Profits	1,757,870,041
8	Exempt Facilities Bonds	275,700,000
8	Environmental issued under 20 ILCS 3515/9	326,630,000
<b>955</b>		<b>\$ 26,796,639,839</b>

\* Includes CCRC's

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

### Bonds Issued Since Inception

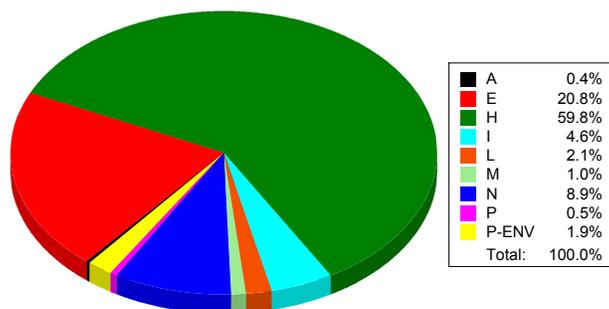


### Schedule of Bonds Outstanding by Market Sector Includes IFA and it's Predecessor Authorities

Market Sector	Amount of Original Issue	Principal Outstanding
Agriculture	305,737,944	91,259,938
Education	6,100,110,730	5,209,979,851
Healthcare *	18,493,370,159	14,767,639,576
Industrial	1,550,082,939	1,141,180,014
Local Government	1,074,849,413	514,072,144
Multifamily/Senior Housing	726,835,396	253,339,841
501(c)(3) Not-for Profits	2,853,086,842	2,204,439,699
Exempt Facilities Bonds	130,500,000	130,090,000
Environmental issued under 20 ILCS 3515/9	756,325,000	469,858,776
	<b>\$ 31,990,898,422</b>	<b>\$ 24,781,859,840</b>

\* Includes CCRC's

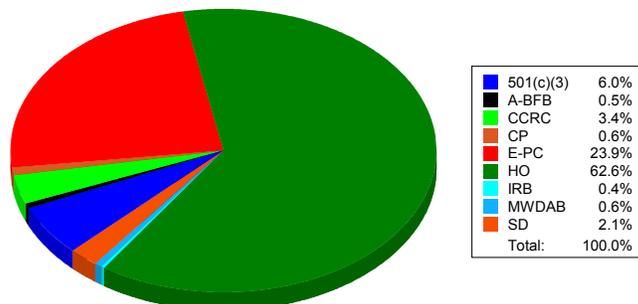
### Principal Outstanding by Market Sector



### Current Fiscal Year

#	Market Sector	Principal Issued
42	Agriculture - Beginner Farmer	8,982,289
3	Education	474,685,000
14	Healthcare - Hospital	1,242,038,200
2	Healthcare - CCRC	66,765,000
2	Industrial Revenue	7,295,000
1	Midwest Disaster Area Bonds	11,066,000
13	501(c)(3) Not-for-Profit	118,256,846
2		54,710,000
<b>79</b>		<b>\$ 1,983,798,335</b>

### Bonds Issued - Current Fiscal Year



## Bonds Issued between July 01, 2011 and June 30, 2012

<u>Bond Issue</u>	<u>Date Issued</u>	<u>Initial Interest Rate</u>	<u>Principal Issued</u>	<u>Bonds Refunded</u>
A-BFB Beginner Farmer Bonds, Series 2012A	07/01/2011	3.25% to 4.50%	5,356,070	0
501(c)(3) Learn Charter Schools, Series 2011	08/01/2011	DP-VRB	5,693,000	2,830,000
HO CDH-Delnor Health System, Series 2011A&B	08/05/2011	Variable	127,150,000	127,150,000
IRB Transparent Container Co., Inc., Series 2011	08/09/2011	DP-VRB	3,795,000	3,795,000
HO CDH-Delnor Health System, Series 2011C	08/24/2011	DP-VRB	58,415,000	58,415,000
501(c)(3) Chicago Shakespeare Theater, Series 2011	09/09/2011	DP-VRB	4,100,000	4,100,000
HO Advocate Health Care Network, Series 2011A-D	09/21/2011	DP-VRB	213,730,000	12,295,000
CCRC Chestnut Square at The Glen, Series 2011	09/30/2011	DP-VRB	7,600,000	9,195,000
501(c)(3) Siena on Brendenwood, Series 2011	10/03/2011	DP-VRB	4,400,000	4,400,000
HO Trinity Health, Series 2011A&B/IL	10/20/2011	2.00% to 5.00%	239,710,000	0
501(c)(3) UNO Charter School Network, Inc., Series 2011A&B	10/26/2011	6.875% to 7.125%	37,505,000	0
HO Southern Illinois Healthcare Enterprise, Series 2011	10/27/2011	1.857% to 2.513%	14,420,000	15,280,000
501(c)(3) Aurora Central High School, Series 2011	11/01/2011	DP-VRB	11,540,000	12,740,000
HO Northwest Community Hospital, Series 2011	12/01/2011	DP-VRB	53,100,000	53,100,000
CCRC Covenant Retirement Communities, Series 2011	12/14/2011	DP-VRB	59,165,000	15,915,000
501(c)(3) British Home for Men and Women, Series 2011	12/14/2011	DP-VRB	7,778,846	6,080,000
HO Rush University Medical Center, Series 2011	12/16/2011	DP-VRB	56,000,000	56,000,000
SD Waterloo CUSD #5, Series 2011	12/21/2011	1.75% to 4.20%	42,010,000	38,175,000
501(c)(3) Near North Montessori School, Series 2011	12/21/2011	DP 3.74%	10,000,000	10,000,000
A-BFB Beginner Farmer Bonds, Series 2012A	01/01/2012	Various-See Below	3,626,219	0
501(c)(3) Near North Montessori School, Series 2012	01/13/2012	DP 3.74%	1,000,000	1,000,000
E-PC University of Chicago, Series 2012A	02/02/2012	2.50% to 5.00%	369,570,000	292,880,000
501(c)(3) National Hellenic Museum, Series 2012	02/28/2012	DP-VRB 4.25%	8,000,000	0
HO Children's Memorial Hospital, Series 2012A&B	02/28/2012	DP-VRB 0.958%	60,000,000	0
HO Edward Hospital, Series 2012	03/02/2012	DP 1.86%	26,025,000	26,025,000
501(c)(3) United Methodist Homes and Services, Series 2012	03/20/2012	DP-VRB	8,700,000	1,910,000
501(c)(3) Solomon Schechter Day Schools, Series 2012	03/23/2012	DP-VRB 3.50%	4,200,000	4,000,000
HO Bethesda Home and Retirement Center, Series 2012	03/23/2012	DP 3.09%	1,948,200	0
HO Northwestern Medical Faculty Foundation, Series 2012	04/23/2012	DP-VRB 2.04%	63,965,000	69,685,000
HO Rockford Memorial Hospital, Series 2012	05/02/2012	DP 2.79%	35,075,000	35,530,000
HO Ascension Health Alliance, Series 2012A&E	05/10/2012	5.00%	217,345,000	0
MWDAB POB111 Development LLC, Series 2012	05/15/2012	DP-VRB 3.97%	11,066,000	0
E-PC Illinois Wesleyan University, Series 2012	05/30/2012	Variable 0.20%	12,900,000	6,275,000
E-PC Loyola University Chicago, Series 2012B	05/31/2012	2.00% to 5.00%	92,215,000	51,485,000
CP Metropolitan Family Services, Series 2012	06/01/2012	DP-VRB 1.167%	12,700,000	12,700,000
IRB US Acrylic, Inc., Series 2012	06/12/2012	DP-VRB 3.75%	3,500,000	3,555,000
501(c)(3) Wolcott School, Series 2012	06/15/2012	DP-VRB	3,000,000	0
HO University of Chicago Medical Center, Series 2012A	06/28/2012	2.00% to 5.00%	75,155,000	78,205,000
501(c)(3) De La Salle Insitute, Series 2012	06/28/2012	DP-VRB	12,340,000	7,500,000
<b>Total Bonds Issued as of June 30, 2012</b>			<b>\$ 1,983,798,335</b>	<b>\$ 1,020,220,000</b>

**Legend:** Fixed Rate Bonds as shown

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

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

Beginner Farmer Bonds interest rates are shown in section below.

## Beginner Farmer Bonds Funded between 7/1/2011 and 6/30/2012

<u>Borrower</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
Neff, Jennifer	07/15/2011	3.65%	476,449	48.90	Macoupin
Bennett, Quinn P. & Kristen N.	07/15/2011	4.50%	252,350	75.76	Shelby
Zaagman, Brent	08/11/2011	4.50%	239,828	90.00	Whiteside
Colgan, Andrew J. & Jacqueline L.	08/16/2011	4.00%	125,000	40.00	Stark
Kocher, Doug E. & Lora M.	08/19/2011	4.00%	80,000	38.00	Jasper
Sterrenberg, Casey P.	09/13/2011	4.00%	477,000	96.70	Livingston
Tarasuik, James W. Jr.	09/20/2011	4.00%	67,000	40.00	Bond
Meister, Evan T.	09/20/2011	4.00%	203,940	80.00	Iroquois
Bohnenstiehl, Daren A.	09/27/2011	4.00%	159,000	38.50	Madison
Bohnenstiehl, Joshua A.	09/27/2011	4.00%	159,000	38.50	Madison
Beals, Ronald Lee	09/30/2011	4.00%	47,500	24.00	Jasper
Billups, Nathan W.	10/14/2011	4.50%	146,000	38.00	Putnam
Ettner, Philip P. & Spring M.	10/27/2011	4.35%	264,000	58.00	Boone
Ohnesorge, Jay W.	10/27/2011	3.75%	27,500	3.50	Effingham
Adams, Joseph M.	11/02/2011	4.50%	240,000	80.00	Whiteside
Schaffer, Matthew & Kayla	11/15/2011	3.25%	141,056	37.12	Livingston
Frohning, Mathew A.	12/21/2011	3.75%	255,000	115.00	Clay
Borkgren, Chad Randall	12/28/2011	Prime+	107,369	20.00	Henry
Jordan, Alexander Colby	12/28/2011	4.00%	226,879	79.00	Montgomery
Jordan, Corey P.	12/28/2011	4.00%	226,879	79.00	Montgomery
Olson, John A.	12/28/2011	3.97%	475,000	155.00	Montgomery
Vaughan, John W. & Grace E.	12/28/2011	3.95%	143,750	40.00	Wayne
Vaughan, James & Anne	12/28/2011	3.95%	143,750	40.00	Wayne
Borkgren, Nicholas	12/28/2011	Prime+	225,720	60.00	Henry
Funk, Cory James	12/28/2011	3.75%	196,100	72.00	Lawrence
Janssen, Spencer A.	12/28/2011	3.85%	250,000	75.00	Fayette
Beals, Ronald Lee	02/28/2012	4.00%	32,500	20.00	Jasper
Gavin, Andrew M.	03/01/2012	3.90%	258,718	69.12	Warren
Poole, Jared L. & Jodi L.	03/01/2012	5.00%	273,750	80.00	White
Gavin, Paul J.	03/01/2012	3.90%	161,312	30.73	Warren
Loschen, Tyler S.	03/06/2012	3.00%	170,000	40.00	Ford
Parochetti, Daniel	03/09/2012	4.00%	488,600	119.00	Bureau
Thompson, Paul David	03/12/2012	3.90%	366,489	104.00	Henderson
Thompson, Teresa Lois	03/12/2012	3.90%	180,000	60.00	Henderson
Emmerich, Ben	03/29/2012	3.50%	28,500	10.00	Jasper
Knically, Adam	05/18/2012	3.50%	30,900	10.20	Jasper
Drew, Jesse R. & Shayna	05/22/2012	5.50%	252,850	88.50	Franklin
Doty, John C.	05/30/2012	4.50%	188,000	47.00	Coles
Kuhl, Joshua J.	06/07/2012	3.75%	267,000	20.00	Richland
Justison, Patricia	06/14/2012	3.75%	218,500	38.00	Macon
Hays, Eric T. & Elizabeth	06/14/2012	3.50%	220,500	126.00	Henry
Norman, Jason & Julie	06/14/2012	3.50%	488,600	184.00	Whiteside
<b>Total Beginner Farmer Bonds Issued</b>			<b><u>\$ 8,982,289</u></b>	<b><u>2,608.53</u></b>	

As of January 1, 2012, the amount of private activity volume cap available to the Illinois Finance Authority and allocable to Beginning Farmer Bonds is \$15,000,000. In addition, the maximum of any Beginning Farmer Bond is \$488,600.

**Agricultural Guarantees Funded between July 01, 2011 and June 30, 2012**

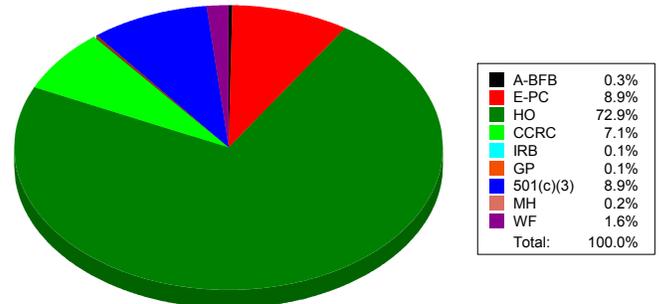
<b>AG Debt Restructuring Guarantee</b>	<b><u>Date Funded</u></b>	<b><u>Initial Interest Rate</u></b>	<b><u>Loan Proceeds</u></b>	<b><u>State Guarantee</u></b>
Bertolino, Adam	08/24/2011	5.95%	380,000	323,000
Nelson, Wayne	09/22/2011	3.43%	97,000	82,450
Bertolino, Aaron	12/29/2011	5.50%	352,000	299,200
<b>Total AG Debt Restructuring Guarantee</b>			<b>\$ 829,000</b>	<b>\$ 704,650</b>
<b>Total Agriculture Guarantees during the Period</b>			<b>\$ 829,000</b>	<b>\$ 704,650</b>

## Bonds Issued - Fiscal Year Comparison for the Period Ending June 30, 2012

### Fiscal Year 2010

#	Market Sector	Principal Issued
44	Agriculture - Beginner Farmer	8,545,250
8	Education	298,745,000
26	Healthcare - Hospital	2,458,700,628
4	Healthcare - CCRC	240,184,820
1	Industrial Revenue	2,700,000
1	Local Government - Pool	4,460,000
12	501(c)(3) Not-for-Profit	298,457,520
1	MultiFamily/Senior Housing	5,700,000
2	Water Facilities	53,500,000
<b>99</b>		<b>\$ 3,370,993,218</b>

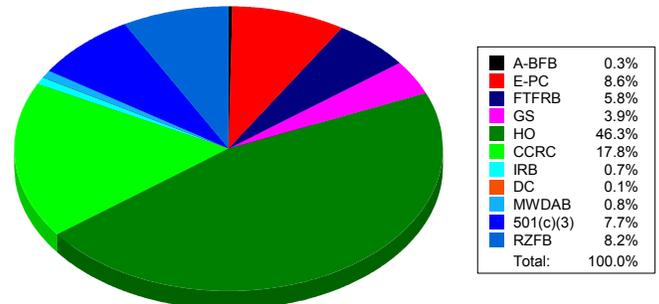
### Bonds Issued in Fiscal Year 2010



### Fiscal Year 2011

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,002,064
5	Education	221,290,000
1	Freight Transfer Facilities Bonds	150,000,000
2	Gas Supply	100,000,000
15	Healthcare - Hospital	1,195,055,000
5	Healthcare - CCRC	458,705,000
3	Industrial Revenue	17,329,184
1	Financially Distressed Cities	1,985,000
1	Midwest Disaster Area Bonds	20,200,000
4	501(c)(3) Not-for-Profit	199,535,000
8	Recovery Zone Facilities Bonds	211,488,000
<b>85</b>		<b>\$ 2,582,589,248</b>

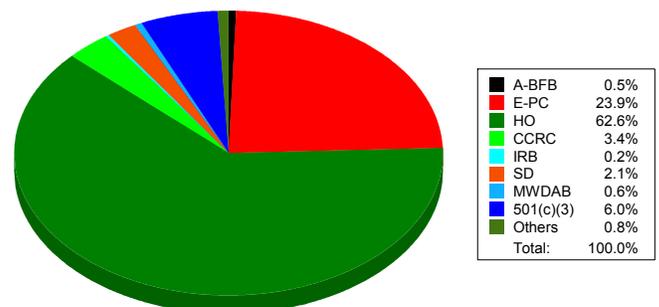
### Bonds Issued in Fiscal Year 2011



### Fiscal Year 2012

#	Market Sector	Principal Issued
42	Agriculture - Beginner Farmer	8,982,289
3	Education	474,685,000
14	Healthcare - Hospital	1,242,038,200
2	Healthcare - CCRC	66,765,000
1	Industrial Revenue	3,795,000
1	Local Government Schools	42,010,000
1	Midwest Disaster Area Bonds	11,066,000
13	501(c)(3) Not-for-Profit	118,256,846
2		16,200,000
<b>79</b>		<b>\$ 1,983,798,335</b>

### Bonds Issued in Fiscal Year 2012



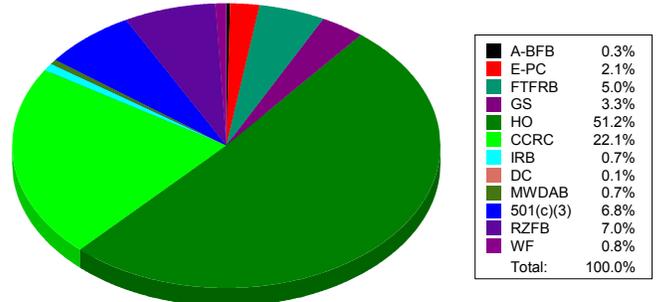


## Bonds Issued - Calendar Year Comparison as of June 30, 2012

### Calendar Year 2010

#	Market Sector	Principal Issued
52	Agriculture - Beginner Farmer	9,374,497
5	Education	64,000,000
1	Freight Transfer Facilities Bonds	150,000,000
2	Gas Supply	100,000,000
20	Healthcare - Hospital	1,545,643,433
7	Healthcare - CCRC	667,855,000
4	Industrial Revenue	20,029,184
1	Financially Distressed Cities	1,985,000
1	Midwest Disaster Area Bonds	20,200,000
9	501(c)(3) Not-for-Profit	205,356,062
8	Recovery Zone Facilities Bonds	211,488,000
1	Water Facilities	25,000,000
<b>111</b>		<b>\$ 3,020,931,176</b>

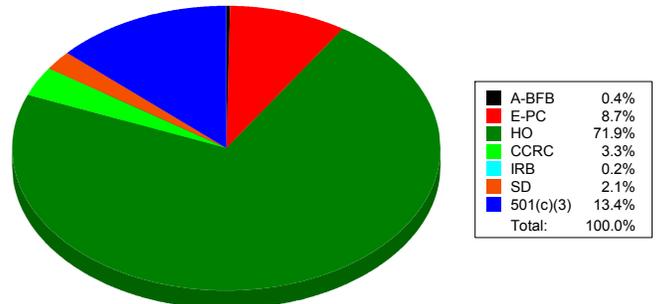
### Bonds Issued in Calendar Year 2010



### Calendar Year 2011

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,832,465
2	Education	177,390,000
13	Healthcare - Hospital	1,459,760,000
2	Healthcare - CCRC	66,765,000
1	Industrial Revenue	3,795,000
1	Local Government Schools	42,010,000
9	501(c)(3) Not-for-Profit	272,851,846
<b>68</b>		<b>\$ 2,030,404,311</b>

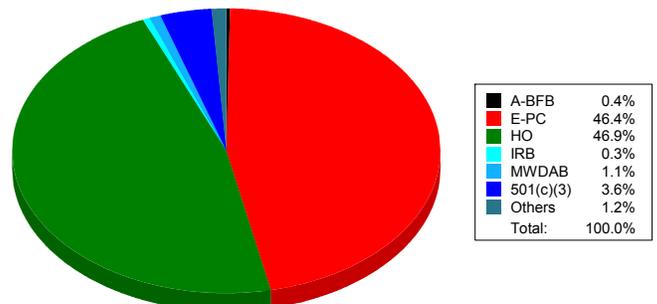
### Bonds Issued in Calendar Year 2011



### Calendar Year 2012

#	Market Sector	Principal Issued
16	Agriculture - Beginner Farmer	3,626,219
3	Education	474,685,000
7	Healthcare - Hospital	479,513,200
1	Healthcare-Community Provider	12,700,000
1	Industrial Revenue	3,500,000
1	Midwest Disaster Area Bonds	11,066,000
6	501(c)(3) Not-for-Profit	37,240,000
<b>35</b>		<b>\$ 1,022,330,419</b>

### Bonds Issued in Calendar Year 2012

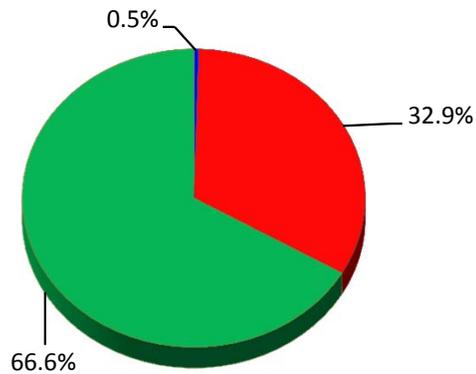




## Illinois Finance Authority Project Revenue Fiscal Year 2012

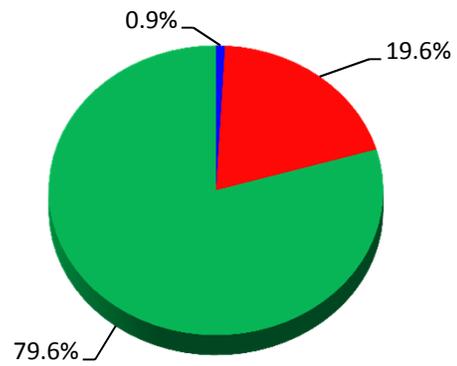
Market Sector	Principal Amount (\$)	New Money (\$)	#	Revenue (\$)
Agriculture	\$ 8,982,289.00	\$ 8,982,289.00	42	\$ 130,534.34
Business/Higher Ed/Non-Profit	653,312,845.51	203,842,845.51	20	827,101.34
Healthcare/CCRC's	1,321,503,200.00	827,998,200.00	17	1,729,926.00
	\$ 1,983,798,334.51	\$ 1,040,823,334.51	79	\$ 2,687,561.68

### Principal Amount (\$)



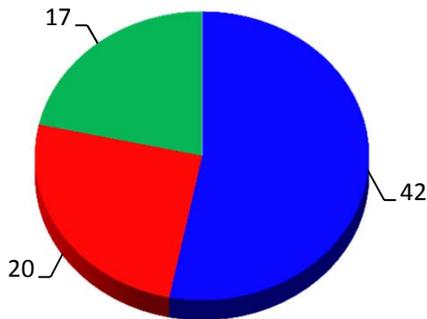
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

### New Money Principal(\$)



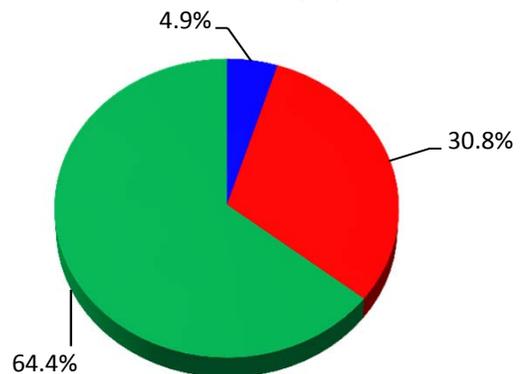
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

### # of Projects



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

### Revenue (\$)



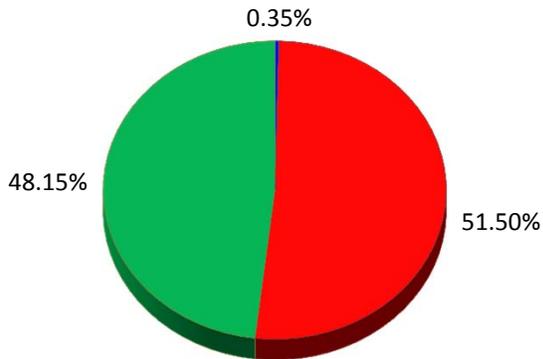
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's



## Illinois Finance Authority Project Revenue Calendar Year 2012

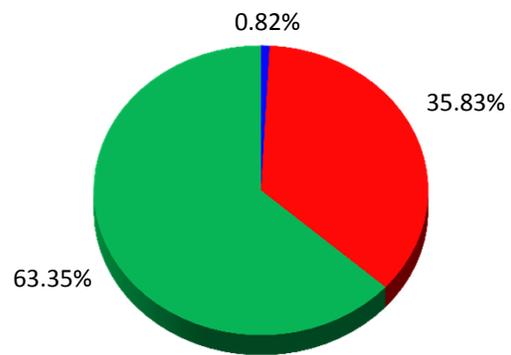
Market Sector	Principal Amount (\$)	New Money (\$)	#	Revenue (\$)
Agriculture	\$ 3,626,219.00	\$ 3,626,219.00	16	\$ 52,793.29
Business/Higher Ed/Non-Profit	526,491,000.00	157,941,000.00	11	592,304.60
Healthcare/CCRC's	492,213,200.00	279,293,200.00	8	746,244.75
	\$ 1,022,330,419.00	\$ 440,860,419.00	35	\$ 1,391,342.64

### Principal Amount (\$)



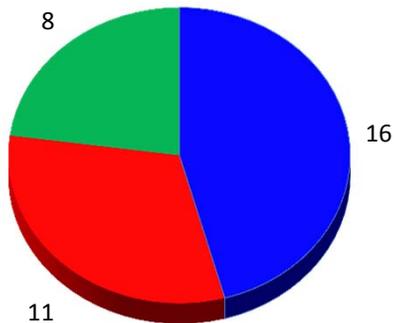
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

### New Money Principal(\$)



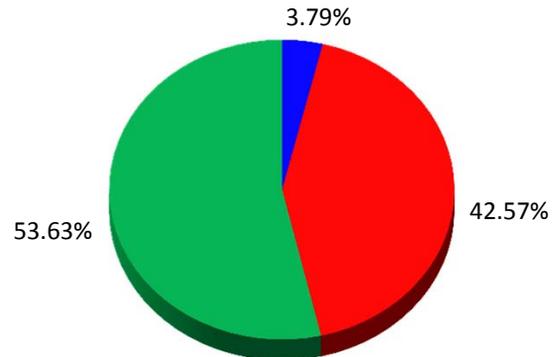
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

### # of Projects



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

### Revenue (\$)



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

**ILLINOIS FINANCE AUTHORITY**

Schedule of Debt <sup>[a]</sup>

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

**Section I (a)**

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	June 30, 2012		
<b>Illinois Finance Authority "IFA" <sup>[b]</sup></b>				
383 Agriculture	\$ 47,342,000	\$ 56,324,000		
90 Education	3,796,724,000	4,097,151,000		
257 Healthcare	12,385,257,000	12,735,869,000		
70 Industrial Development [includes Recovery Zone/Midwest Disaster]	830,969,000	803,841,000		
20 Local Government	246,460,000	235,995,000		
17 Multifamily/Senior Housing	160,222,000	157,841,000		
98 501(c)(3) Not-for Profits	1,218,793,000	1,248,773,000		
5 Exempt Facilities Bonds	130,300,000	130,090,000		
<b>940 Total IFA Principal Outstanding</b>	<b>\$ 18,816,067,000</b>	<b>\$ 19,465,884,000</b>		
<b>Illinois Development Finance Authority "IDFA" <sup>[b]</sup></b>				
3 Education	20,661,000	13,666,000		
5 Healthcare	209,185,000	198,620,000		
61 Industrial Development	502,229,000	337,339,000		
20 Local Government	322,251,000	261,252,000		
10 Multifamily/Senior Housing	130,521,000	95,499,000		
86 501(c)(3) Not-for Profits	959,280,000	881,942,000		
<b>182 Total IDFA Principal Outstanding</b>	<b>\$ 2,144,127,000</b>	<b>\$ 1,788,318,000</b>		
<b>Illinois Rural Bond Bank "IRBB" <sup>[b]</sup></b>				
14 Bond Bank Revenue Bonds	20,220,000	16,825,000		
<b>14 Total IRBB Principal Outstanding</b>	<b>\$ 20,220,000</b>	<b>\$ 16,825,000</b>		
75 Illinois Health Facilities Authority "IHFA"	\$ 2,471,488,000	\$ 1,833,151,000		
46 Illinois Educational Facilities Authority "IEFA"	\$ 1,401,337,000	\$ 1,172,887,000		
561 Illinois Farm Development Authority "IFDA" <sup>[f]</sup>	\$ 34,936,000	\$ 34,936,000		
<b>1,818 Total Illinois Finance Authority Debt</b>	<b>\$ 24,888,175,000</b>	<b>\$ 24,312,001,000</b>	<b>\$ 28,150,000,000</b>	<b>\$ 3,837,999,000</b>

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

**Section I (b)**

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	June 30, 2012		
<b>General Purpose Moral Obligations</b>				
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]				
14 Issued through IRBB - Local Government Pools	\$ 20,220,000	\$ 16,825,000		
7 Issued through IFA - Local Government Pools	26,680,000	25,305,000		
2 Issued through IFA - Illinois Medical District Commission	39,640,000	39,120,000		
<b>23 Total General Moral Obligations</b>	<b>\$ 86,540,000</b>	<b>\$ 81,250,000</b>	<b>\$ 150,000,000</b>	<b>\$ 68,750,000</b>
<b>Financially Distressed Cities Moral Obligations</b>				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
2 Issued through IFA	\$ 3,825,000	\$ 3,240,000		
1 Issued through IDFA	3,565,000	2,430,000		
<b>3 Total Financially Distressed Cities</b>	<b>\$ 7,390,000</b>	<b>\$ 5,670,000</b>	<b>\$ 50,000,000</b>	<b>\$ 44,330,000</b>
<b>State Component Unit Bonds <sup>[c]</sup></b>				
14 Issued through IRBB	\$ 20,220,000	\$ 16,825,000		
2 Issued through IDFA <sup>[j]</sup>	82,090,000	69,685,000		
2 Issued through IFA <sup>[j]</sup>	29,937,000	28,001,000		
<b>18 Total State Component Unit Bonds</b>	<b>\$ 132,247,000</b>	<b>\$ 114,511,000</b>		

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

**Section I (c)**

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	June 30, 2012		
<b>2 Midwest Disaster Bonds [Flood Relief]</b>	<b>\$ 20,200,000</b>	<b>\$ 44,761,000</b>	<b>\$ 1,515,271,000</b>	<b>\$ 1,470,510,000</b>

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

**Section I (d)**

	ARRA Act of 2009 Volume Cap Allocated <sup>[h]</sup>	City/Counties Ceded Voluntarily to IFA	Bonds Issued as of June 30, 2012	Available "Ceded" Volume Cap
	- Recovery Zone Economic Development Bonds;	\$ 666,972,000	\$ 16,940,000	\$ 12,900,000
8 Recovery Zone Facilities Bonds	\$ 1,000,457,000	\$ 292,400,000	\$ 216,593,000	\$ 75,807,000
- Qualified Energy Conservation Bonds	\$ 133,846,000	\$ -	\$ 12,500,000	\$ -

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

**Section II**

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	June 30, 2012		
<b>Illinois Power Agency</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,000,000,000</b>	<b>\$ 4,000,000,000</b>

**ILLINOIS FINANCE AUTHORITY**

Schedule of Debt <sup>[a]</sup>

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

**Section III**

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	June 30, 2012		
Clean Coal, Coal ,Renewable Energy and Energy Efficiency Projects	\$ -	\$ -	\$ 3,000,000,000 <sup>[d]</sup>	\$ 3,000,000,000

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

**Section IV**

	Principal Outstanding		Program Limitations	Remaining Capacity	State Exposure
	June 30, 2011	June 30, 2012			
<b>Agri Debt Guarantees [Restructuring Existing Debt]</b>	\$ 17,330,000	\$ 14,991,000	\$ 160,000,000	\$ 145,009,000	\$ 12,728,000
83 Fund # 994 - Fund Balance \$ 10,030,550					
<b>AG Loan Guarantee Program</b>	\$ 41,519,000	\$ 15,187,000	\$ 225,000,000 <sup>[e]</sup>	\$ 209,813,000	\$ 12,910,000
38 Fund # 205 - Fund Balance \$ 7,746,485					
10 Agri Industry Loan Guarantee Program	\$ 9,753,000	\$ 8,208,000			6,977,000
0 Renewable Fuels	22,823,000	-			-
2 Farm Purchase Guarantee Program	975,000	956,000			813,000
16 Specialized Livestock Guarantee Program	5,552,000	3,812,000			3,241,000
10 Young Farmer Loan Guarantee Program	2,416,000	2,211,000			1,879,000
121 <b>Total State Guarantees</b>	<b>\$ 58,849,000</b>	<b>\$ 30,178,000</b>	<b>\$ 385,000,000</b>	<b>\$ 354,822,000</b>	<b>\$ 25,638,000</b>

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

**Section V**

	Fund #	Principal Outstanding		Appropriation Fiscal Year 2012	Fund Balance
		June 30, 2011	June 30, 2012		
115 Fire Truck Revolving Loan Program	Fund # 572	\$ 17,486,608	\$ 16,140,930	\$ 6,003,342	\$ 4,491,324
10 Ambulance Revolving Loan Program	Fund # 334	\$ 832,213	\$ 671,227	\$ 7,006,800	\$ 3,486,761

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

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

**Section VI**

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	June 30, 2012		
<b>Environmental [Large Business]</b>				
6 Issued through IFA	315,148,000	\$ 122,989,000		
18 Issued through IDFA	356,895,000	346,870,000		
24 <b>Total Environmental [Large Business]</b>	<b>\$ 672,043,000</b>	<b>\$ 469,859,000</b>	<b>\$ 2,425,000,000</b>	<b>\$ 1,955,141,000</b>
<b>Environmental [Small Business]</b>				
24 <b>Total Environment Bonds Issued under Act</b>	<b>\$ 672,043,000</b>	<b>\$ 469,859,000</b>	<b>\$ 2,500,000,000</b>	<b>\$ 2,030,141,000</b>

**Illinois Finance Authority Funds at Risk**

**Section VII**

#	Original Amount	Principal Outstanding	
		June 30, 2011	June 30, 2012
<b>Participation Loans</b>			
22 Business & Industry	23,020,157.95	12,718,990.12	5,105,506.90
8 Agriculture	6,079,859.01	3,308,196.84	1,759,093.06
30 <b>Participation Loans excluding Defaults &amp; Allowances</b>	<b>\$ 29,100,016.96</b>	<b>\$ 16,027,186.96</b>	<b>\$ 6,864,599.96</b>
<b>Plus: Legacy IDFA Loans in Default</b>		<b>1,139,934.62</b>	<b>910,631.89</b>
<b>Less: Allowance for Doubtful Accounts</b>		<b>3,957,841.93</b>	<b>1,377,989.75</b>
<b>Total Participation Loans</b>		<b>\$ 13,209,279.65</b>	<b>\$ 6,397,242.10</b>
0 <b>Illinois Facility Fund</b>	<b>\$ 1,000,000.00</b>	<b>\$ 1,000,000.00</b>	<b>-</b>
4 <b>Local Government Direct Loans</b>	<b>\$ 1,289,750.00</b>	<b>\$ 246,526.74</b>	<b>218,423.96</b>
3 <b>FmHA Loans</b>	<b>\$ 963,250.00</b>	<b>\$ 303,781.68</b>	<b>265,068.23</b>
2 <b>Renewable Energy [RED Fund]</b>	<b>\$ 2,000,000.00</b>	<b>\$ 1,668,554.37</b>	<b>1,579,752.12</b>
39 <b>Total Loans Outstanding</b>	<b>\$ 34,353,016.96</b>	<b>\$ 16,428,142.44</b>	<b>\$ 8,460,486.41</b>

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

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

[i] IFA is working with all of the 110 entities to encourage voluntary waivers to ensure that these resources are used to support project financing before the program expires on December 31, 2010.

[j] Includes EPA Clean Water Revolving Fund

**MINUTES OF THE JUNE 12, 2012 MEETING OF THE COMMITTEE OF THE  
WHOLE OF THE BOARD OF DIRECTORS OF THE ILLINOIS FINANCE  
AUTHORITY**

The Board of Directors (the “Board”) of the Illinois Finance Authority (the “IFA”), pursuant to notice duly given, held a Committee of the Whole Meeting on June 12, 2012, at 9:30 a.m. in the Chicago Office of the IFA, 180 North Stetson Avenue, Suite 2555, Chicago, Illinois 60601.

**IFA Committee of the Whole Members Present:**

1. William A. Brandt, Jr., Chairman
2. James J. Fuentes
3. Norman M. Gold
4. Edward H. Leonard, Sr.
5. Terrence M. O’Brien
6. Heather D. Parish
7. Mayor Barrett F. Pedersen
8. Roger E. Poole
9. Bradley A. Zeller

**IFA Committee of the Whole Members Excused:**

1. Michael W. Goetz, Vice Chairman
2. Dr. William Barclay
3. Gila J. Bronner

**IFA Staff Present:**

Christopher B. Meister, Executive Director  
Richard Frampton, Vice President  
Pamela A. Lenane, Vice President and Acting General Counsel  
Joy K. Kuhn, Assistant Treasurer  
James Senica, Senior Financial Analyst  
Brad R. Fletcher, Legal/Financial Analyst  
Nora O’Brien, Legal/Financial Analyst  
Terrell Gholston, Procurement Analyst  
Sohair Omar, Policy/Operations Analyst  
Nicole Xue, Intern

**IFA Financial Advisor Present:**

Courtney Shea, Acacia Financial Group, Inc.

**Guests Present:**

None.

## **I. Call to Order & Roll Call**

The Committee of the Whole Meeting was called to order at 9:33 a.m. by Chairman Brandt. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. There being nine Members present, a quorum was reached.

## **II. Chairman's Remarks**

Chairman Brandt informed those present that the dates, times and locations for regularly scheduled meetings to be held in Fiscal Year ("FY") 2013 is now available for review by the Board Members.

Furthermore, with respect to rules and regulations concerning travel policy at IFA, Chairman Brandt expressed his desire to re-examine the reimbursement rates afforded to Board Members and IFA staff.

Chairman Brandt commended Members of the Board for their guidance in securing IFA's financial position during Fiscal Year 2012. In particular, he highlighted accomplishments in connection with REG Danville, LLC, Illinois Medical District Commission and Midway Broadcasting Corporation. While IFA does retain standard Agri-Debt Guarantees in its portfolio, there is now limited, manageable loan exposure.

Concerning the outstanding Illinois Finance Authority (Illinois Medical District Commission Project), Series 2006 Bonds, Chairman Brandt expressed his belief that Warren Ribley will responsibly manage the Illinois Medical District Commission and successfully resolve any issues that arise in connection therewith.

According to Chairman Brandt, the cash position of IFA has likely never been stronger. However, in advance of the regularly scheduled July Board Meeting, a budget is expected to be prepared that likely forecasts reduced revenues and reduced expenses due to the state of the economy. Chairman Brandt informed those present that while the venture capital portfolio was successfully sold, in part to remove the onerous expense of managing it and related audit findings, IFA may revisit its endeavors into the venture capital market sometime in the future.

Finally, Chairman Brandt welcomed the return of Mr. Gold to the Committee of the Whole Meeting and wished him the best of health.

## **III. Message from the Executive Director**

Executive Director Meister informed those present that the FY 2013 Budget will be founded on extensive strategic planning, coordinated by Ms. Parish.

Mr. Meister confirmed for the Members of the Committee of the Whole that Medicaid restructuring did occur before the end of Session with the Illinois General Assembly. While reimbursement rates to providers for covered medical care and services will see a reduction, the

standards for charity care were clarified through legislation, as was corresponding tax-exempt real estate status for health providers.

However, the outstanding issue of pension reform remains yet to be resolved. Mr. Meister explained that Governor Quinn and leaders of the Illinois General Assembly will continue to work together on pension reform. According to Mr. Meister, pension reform in Illinois has an impact on IFA as an issuer of conduit debt due to the “Illinois Penalty”, in which capital market investors demand a higher yield from borrowers located in Illinois.

To build upon Chairman Brandt’s remarks earlier concerning the Illinois Medical District Commission, Mr. Meister informed the Members of the Committee of the Whole that the enabling statues of the Commission were comprehensively revisited by the Illinois General Assembly before the end of Session, resulting in solutions that should address some of the organizational challenges heretofore thwarting the Commission’s ability to be self-sufficient.

Additionally, IFA worked diligently with Illinois State Representative Donald L. Moffitt in connection with amending the legislation that created Fire Truck Revolving Loan Program and Ambulance Revolving Loan Program.

Finally, Mr. Meister thanked Chairman Brandt for his stewardship in limiting IFA’s financial exposure with various projects across the spectrum of IFA’s portfolio.

Chairman Brandt noted that a greater percentage of IFA conduit debt was purchased directly by banks during FY 2012 than seen in recent past, resulting in a smaller volume of IFA conduit debt being brought to the capital markets by underwriters. As a result, IFA’s ability to advocate for the inclusion of minority co-managers on the issuance of conduit debt has been limited.

Furthermore, Chairman Brandt noted that Moody's Investors Service, Inc. may downgrade some banks here and abroad. This may affect banks’ ability to purchase conduit debt and therefore, represent a negative impact to IFA’s potential borrowers. According to Chairman Brandt and Mr. Meister, these downgrades coupled with tax-exempt interest rate spreads at all-time lows threaten the ability of IFA to provide economic benefits to potential borrowers. Therefore, IFA will have to explore creative opportunities to produce income.

Finally, Chairman Brandt informed the Members of the Committee of the Whole that an Internal Revenue Service audit is being conducted on Illinois Finance Authority (Versatile Card Technology, Inc. Project), Series 2007 Bonds. Chairman Brandt will have to recuse himself in any matters relating to the audit as his business partner has been appointed by the United States Bankruptcy Court to serve as trustee related to the bankruptcy of Versatile Card Technology, Inc.’s parent company.

### **Presentation and Consideration of the Financial Statements**

Ms. Kuhn explained that IFA ended the month of May with Gross Revenues of just over \$1.3 million, which included the recovery of bad debt totaling \$925,000 from Midway Broadcasting, Corporation. Moreover, Fiscal Year-To-Date (“YTD”) Gross Revenues are \$6.7 million or a

38.42% increase over the FY 2012 Budget for the first eleven months. Excluding the JP Morgan Settlement, Gross Revenues are \$5.7 million or 17.45% above the FY12 Budget primarily due to the recovery of bad debt.

Chairman Brandt and Ms. Kuhn engaged in a discussion as to how the recovery of bad debt in connection with Midway Broadcasting, Corporation and Pere Marquette, LLC was accounted for.

Ms. Kuhn further explained that operating expenses Fiscal YTD are \$3.4 million or 10.4% below budget. In comparing expenses for FY12 and FY11, not including loan loss provisions, expenses are down \$385,000 or 10.28%. The month of May ended with a Net Income of \$1.1 million, primarily due to the recovery of bad debt from Midway Broadcasting, Corporation. This increased YTD Net Income to \$3.5 million or 227.19% above the FY12 Budget. YTD Net Income not including the JP Morgan settlement is \$2.5 million or 132.35% above FY12 Budget.

The Authority's balance sheet remains strong. During the month of May, IFA had 4 loan payoffs for a total of \$924,000. Fiscal YTD, 28 loans were paid-off totaling \$7.1 million.

Ms. Kuhn reported that IFA received a draft of the Financial and Operational Internal Audit, along with a draft of the Risk Assessment for IT. IFA staff will be scheduling a meeting with the internal auditors to discuss the drafts. Once the aforementioned reports are finalized, it will be communicated to the Board.

Finally, on Wednesday, May 30<sup>th</sup>, the Entrance Conference for the FY 2012 Audit was held. The timetable for engagement was presented to IFA with an emphasis on having the Financial Audit Report available for release by December 16, 2012 as the goal. The fieldwork for the FY 2012 Audit began June 4<sup>th</sup>; the auditors remain on IFA premises. The Board will be notified accordingly as the FY 2012 Audit progresses.

Chairman Brandt engaged in a discussion with Mr. Frampton and Ms. Lenane concerning expected revenues from conduit financing closings during the remainder of FY 2012 and throughout FY 2013.

Mr. Meister informed the Members of the Committee of the Whole that IFA received approximately \$1.5 million from the United States Department of Commerce Economic Development Administration, pursuant to IFA becoming a Co-Grantee with the Illinois Department of Commerce and Economic Opportunity on a Revolving Loan Fund Grant, Project Number 06-19-01916. While the funds are not income, Mr. Meister explained that these funds may be potentially used for renewable energy projects.

Finally, Mr. Meister discussed the expiration of terms in connection with Members of the Board.

#### **IV. Committee Reports**

##### ***Agriculture Committee***

Mr. Zeller reported that the Agriculture Committee was unable to reach a quorum at its regularly scheduled meeting, where it was to review one Beginning Farmer Bond project for June's agenda.

Moreover, the Agriculture Committee was to review an Agri-Debt guarantee for Roanoke Milling Company Inc. and Nathan J. Fehr, in addition to a resolution for a request by State Bank Freeport and Bill Pigott to remove assignment of interest in commercial property as additional security for IFA Agri-Debt Guarantee Loan #A-AD-GT-8555.

Mr. Zeller reported that the IFA's internal credit review committee approved the aforementioned projects, but that the Agriculture Committee is unable to make a formal recommendation at this time.

### *Venture Capital Committee*

Mr. Fuentes and Mr. Meister reported that the sale of IFA's venture capital portfolio was successful, as stated earlier in the today's Committee of the Whole Meeting.

### *Healthcare Committee*

Ms. Parish, a Healthcare Committee Member, informed the Members of the Committee of the Whole that they will be receiving a draft document of IFA's strategic plan in the coming weeks. While the document remains a draft at this time, Ms. Parish commended IFA staff, in particular, Sohair Omar, for developing a plan that should strengthen IFA's position during the next three years and beyond. Ms. Parish welcomes everyone's review and comments.

## **V. Project Reports**

### *Agriculture – Beginning Farmer Bonds*

Mr. Senica presented Agenda Item No.1.

#### **Item No. 1: Patricia K. Justison - \$218,500**

Patricia K. Justison is requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Hundred Eighteen Thousand and Five Hundred Dollars (\$218,500). Bond proceeds will be used to re-finance an interim loan for approximately 38 acres of farmland located in Harristown Township in Macon County.

### *Agriculture – Agri-Debt Guarantee*

Mr. Senica presented Agenda Item No.2.

#### **Item No. 2: Roanoke Milling Company, Inc. and Nathan J. Fehr - \$810,237**

Roanoke Milling Company, Inc. and Nathan J. Fehr (the “Co-Borrowers”) are requesting approval of a Final Agri-Debt Guarantee Resolution in an amount not-to-exceed Eight Hundred Ten Thousand Two Hundred and Thirty-Seven Dollars (\$810,237).

Loan proceeds will be used to (i) finance the purchase of Roanoke Milling Company, Inc. stock by Mr. Nathan J. Fehr and (ii) refinance an existing IFA Guaranteed loan which was used to renovate the Company’s facility. IFA will guarantee. Eighty-five percent of the face loan, or Six Hundred Eighty Eight Thousand Seven Hundred and One Dollars (\$688,701), represents the amount of State Treasurer funds at risk.

Mr. Gold inquired as the source of repayment in connection with the project. Mr. Senica confirmed income from the Company will be the source of repayment.

### *Resolutions*

Mr. Senica presented Agenda Item No. 14.

**Item No. 14: Request by State Bank Freeport and Bill Pigott to remove assignment of interest in commercial property as additional security for IFA Agri-Debt Guarantee Loan # A-AD-GT-8555**

### *Healthcare – 501(c)(3) Revenue Bonds*

Ms. Lenane presented Agenda Item No. 8.

**Item No. 8: The University of Chicago Medical Center - \$85,000,000**

The University of Chicago Medical Center is requesting approval of a Final Bond Resolution in an amount not-to-exceed Eighty-Five Million Dollars (\$85,000,000).

Bond proceeds will be used by The University of Chicago Medical Center (“UCMC” or the “Borrower”) to: (i) refund The University of Chicago Medical Center IHFA Series 2001 Bonds and (ii) pay associated costs of issuance.

### *Resolutions*

Ms. Lenane presented Agenda Item No. 11, Agenda Item No. 12 and Agenda Item No. 13.

**Item No. 11: Resolution Confirming and Ratifying Letter Agreements Waiving Compliance and Amending Certain Covenants Related to \$3,000,000 Revenue Bond, Series 2010A, \$5,000,000 Revenue Bond, Series 2010B and \$2,000,000 Revenue Bond, Series 2010C (Saint Anthony’s Health Center)**

**Item No. 12: Resolution Authorizing Miscellaneous Amendments Relating to Various Outstanding Series of Bonds Issued on Behalf of Riverside Health System and Authorizing and Approving Related Matters**

**Item No. 13: Resolution Approving and Ratifying the Substitution of Liquidity Facility Provider for Certain Outstanding Bonds Issued on Behalf of Northwestern Memorial Hospital; Approving and Ratifying the Replacement of Remarketing Agent for Certain Outstanding Bonds Issued on Behalf of Northwestern Memorial Hospital; and Authorizing, Approving and Ratifying Certain Other Matters**

*Business & Industry*

Mr. Frampton presented Agenda Item No. 3.

**Item No. 3: ROA Riverside Development, LLC - \$10,000,000**

ROA Riverside Development, LLC and its successors or assigns is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Ten Million Dollars (\$10,000,000).

Bond proceeds will be combined with other funds and used by ROA Riverside Development, LLC and its successors or assigns (hereinafter, the “Borrower”) to finance all or a portion of the costs of (i) acquiring, renovating, and equipping, an existing, approximately 88,000 square foot medical office facility and retail mall to be located at 5825, 5875, and 5901 East Riverside Boulevard, Rockford (Winnebago County), IL 61114 to be owned by the Borrower and leased to Rockford Orthopedic Associates, Ltd. (an affiliate of the Borrower) and other retail users (the “Project”). Additionally bond proceeds will fund (ii) costs of issuance, if deemed necessary or desirable by the Borrower, (iii) capitalized interest, if deemed necessary or desirable by the Borrower, and (iv) certain reserves, if deemed necessary or desirable by the Borrower (and collectively with the Project, the “Financing Purposes”).

This Project is projected to create up to 59 new jobs and an average of 30 construction jobs over the anticipated 8 month renovation period.

*Educational, Cultural, and Non-Healthcare 501(c)(3) – 501(c)(3) Revenue Bonds*

Mr. Frampton presented Agenda Item No. 5, Agenda Item No. 6 and Agenda Item No. 7.

**Item No. 5: Lake Forest College - \$21,000,000**

Lake Forest College is requesting approval of a Final Bond Resolution in an amount not to exceed Twenty One Million Dollars (\$21,000,000).

Bonds may be issued in one or more series, prospectively including both Tax-Exempt and Taxable Bonds. Bond proceeds will be used by Lake Forest College (the “College”) to (i) finance the demolition of existing facilities and related site preparation, and the design, development, construction, furnishing, and equipping of an approximately 60,000 square foot, 235-bed student housing facility consisting of a residential building and related facilities (the “Project”) and including the costs of demolition of the existing building on the site, (ii) fund a portion of interest on the Bonds, if deemed necessary and desirable, (iii) fund a debt service reserve fund, if deemed necessary or desirable, (iv) pays expenses incurred in connection with issuance of the Bonds, if deemed necessary or desirable by the College (and, collectively, with the Project, the “Financing Purposes”).

This project is expected to create up to 3 new jobs and an average of 25 construction jobs during the anticipated construction period.

**Item No. 6: De La Salle Institute - \$12,600,000**

De La Salle Institute is requesting approval of a Final Bond Resolution in an amount not to exceed Twelve Million Six Hundred Thousand Dollars (\$12,600,000).

Bond proceeds will be loaned to De La Salle Institute (“De La Salle”, the “Institute”, or the “Borrower”), an Illinois not-for-profit corporation, and will be used to (i) refund the approximately \$4,120,000 outstanding principal amount Variable Rate Demand Revenue Bonds, Series 1997 (De La Salle Institute Project) issued by the City of Chicago, Illinois (the “1997 Bonds”), (ii) refund the \$7,500,000 outstanding principal amount IFA (De La Salle Institute Project), Series 2007 Bonds (the “2007 Bonds”), and (iii) one or more of the following New Money Projects: (a) acquiring approximately 21,750 square feet of land across the street from the Institute Campus at 100-114 East 35th Street and 3445-3455 South Michigan Avenue, Chicago, Illinois (on the Northeast corner of South Michigan Avenue and 35th Street), for the potential future expansion of the school, and/or (b) constructing a Fine Arts/Science wing including, without limitation, a 240-seat theater, music space, art space, science labs and other educational facilities located on such property, all to be owned by the Borrower and used in connection with the Borrower’s high school facilities (collectively, (a) and (b) are the “Project” and together with the 1997 Bonds and the 2007 Bonds are the “Financing Purposes”).

This project may create up to 2 new jobs.

**Item No. 7: Carmel Catholic High School - \$17,500,000**

Carmel Catholic High School is requesting approval of a Final Bond Resolution in an amount not to exceed Seventeen Million Five Hundred Thousand Dollars (\$17,500,000).

Bond proceeds will be loaned to Carmel Catholic High School (the “Borrower” or “Carmel”) and used, together with certain other funds, to (i) current refund the outstanding principal amount of the Illinois Development Finance Authority Adjustable Rate Demand Revenue Bonds, Series 2003 (Carmel High School Project) (the “Prior Bonds”), (ii) pay or reimburse the Borrower for, the payment of the costs of acquiring, constructing, renovating, remodeling and equipping certain educational facilities of the Borrower including but not limited to renovations and add-on construction to create instructional space for fine and performing arts and to create a new library (the “Project”); (iii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Authority or the Borrower; (iv) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the Borrower; (v) provide working capital, if deemed necessary or advisable by the Authority or the Borrower; and (vi) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Series 2003 Bonds (and items (iii) – (vi) together with the “Prior Bonds” and the “Project” comprising the “Financing Purposes”).

This project is expected to create up to 4 new jobs and 20 construction jobs during the anticipated 12 month construction period.

### *Local Government*

Mr. Frampton presented Agenda Item No. 4.

#### **Item No. 4: 2012 Fire Truck Revolving Loan Fund – \$4,378,189**

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

The Illinois Office of the State Fire Marshal (“OSFM”) approved twenty-nine applications on a preliminary basis that were subsequently forwarded to IFA for a due diligence financial review, including, without limitation, financial statements, certifications and assurances provided by officers of the applicant, local ordinances and resolutions, and related documents to evaluate the creditworthiness of each applicant.

IFA’s due diligence financial review is continuing. Several applicants are compiling responses and follow-up information requested by IFA to assist IFA in completing due diligence financial review of each loan. As in previous years, upon completion of IFA’s due diligence financial review, IFA will notify OSFM regarding which loan applications have been approved, so that necessary

documentation can be executed and submitted to the Illinois Office of the Comptroller prior to a June 30, 2012 administrative deadline.

Consistent with historical practice, the accompany Resolution would delegate authority to the Executive Director and authorize the Executive Director to carry out day-to-day management, such as finalizing due diligence financial review and closing loans based on rules promulgated under the Illinois Administrative Code. This delegation Resolution would authorize the Executive Director to approve individual applications and likewise authorize execution of documents necessary to close such loans subject to satisfying the Illinois Administrative Code requirements.

Mr. Meister informed the Members of the Committee of the Whole that while an extensive due diligence financial review is nearly complete, IFA needs this delegation resolution to approve loans and notify OSFM before the administrative deadline.

### ***Resolutions***

Mr. Frampton presented Agenda Item No. 9.

**Item No. 9: Resolution Authorizing and Approving Certain Amendments relating to the Loan Agreement Dated as of April 1, 1998 between the Illinois Development Finance Authority and Glenwood School for Boys (now known as "The Glenwood School for Boys and Girls" or "The Glenwood School") and the related Indenture of Trust and Authorizing and Approving Certain Related Matters (IDFA Series 1998, The Glenwood School Project)**

Mr. Meister noted that Perkins Coie LLP is serving as Bond Counsel and Borrower's Counsel. Therefore, Mr. Gold will need to abstain on this project during the Board Meeting.

Ms. Lenane presented Agenda Item No. 10.

**Item No. 10: Resolution Authorizing Amendments to certain Terms and Provisions of the Illinois Finance Authority Revenue Bonds, Series 2010 (Mercy Circle Project) and Authorizing the Execution of a First Amendment to the Bond Purchase and Loan Agreement and Related Certificates necessary to effect the Amendment; and Authorizing other actions in connection with these Amendments**

Mr. O'Brien noted that he may have a potential conflict and therefore may be abstaining, consistent with his historical practice on this financing.

### **VI. Other Business**

None.

### **VII. Public Comment**

None.

### **VIII. Adjournment**

The Committee of the Whole Meeting adjourned at 10:36 a.m.

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

**MINUTES OF THE JUNE 12, 2012 MEETING OF THE BOARD OF DIRECTORS OF  
THE ILLINOIS FINANCE AUTHORITY**

The Board of Directors (the “Board”) of the Illinois Finance Authority (the “IFA”), pursuant to notice duly given, held a Board Meeting on June 12, 2012, at 10:30 a.m. in the Conference Center, One Prudential Plaza, 130 East Randolph Avenue, Suite 750, Chicago, Illinois 60601.

**IFA Board Members Present:**

1. William A. Brandt, Jr., Chairman
2. James J. Fuentes
3. Norman M. Gold
4. Edward H. Leonard, Sr.
5. Terrence M. O’Brien
6. Heather D. Parish
7. Mayor Barrett F. Pedersen
8. Roger E. Poole
9. Bradley A. Zeller

**IFA Board Members Excused:**

1. Michael W. Goetz, Vice Chairman
2. Dr. William Barclay
3. Gila J. Bronner

**IFA Staff Present:**

Christopher B. Meister, Executive Director  
Richard Frampton, Vice President  
Pamela A. Lenane, Vice President and Acting General Counsel  
James Senica, Senior Financial Analyst  
Brad R. Fletcher, Legal/Financial Analyst  
Terrell Gholston, Procurement Analyst  
Nora O’Brien, Legal/Financial Analyst  
Sohair Omar, Policy/Operations Analyst

**IFA Financial Advisor Present:**

Courtney Shea, Acacia Financial Group, Inc.

## **Guests Present:**

Alan M. Bell, Charity & Associates, P.C.  
John F. Bibby, Jr., Jones Day  
Nancy A. Burke, Chapman & Cutler LLP  
Elizabeth Fleming Weber, Katten Muchin Rosenman LLP  
Bill Frazier, The University of Chicago Medical Center  
Aleks Granchalek, William Blair & Company, LLC  
Ann McColgan, The University of Chicago Medical Center  
Michael J. Mitchell, Jones Day  
Anthe Mitrakos, Crain Communications, Inc.  
Judith Muccheck, Carmel Catholic High School  
Richard K. Tomei, Jones Day  
James M. Watson, The University of Chicago Medical Center  
Mary G. Wilson, SNR Denton US LLP  
Timothy Wons, J.P. Morgan Securities Inc.

### **I. Call to Order & Roll Call**

The Board Meeting was called to order at 10:45 a.m. by Chairman Brandt. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. There being nine Members present, a quorum was reached.

### **II. Chairman's Remarks**

Chairman Brandt welcomed Members of the Board, IFA staff and all guests present.

### **III. Adoption of Minutes**

Chairman Brandt stated that both the Minutes of the Committee of the Whole Meeting and the Minutes of the Board Meeting, each held on May 8, 2012, were reviewed at the Committee of the Whole Meeting held earlier this morning. Additionally, Chairman Brandt stated that the Financial Statements for the Month ended May 31, 2012 were reviewed at the Committee of the Whole Meeting held earlier this morning. Chairman Brandt asked if the Members of the Board had any questions related to the Minutes of either Meeting held on May 8, 2012 or the Financial Statements for the Month ended May 31, 2012. There being none, Chairman Brandt requested a roll call vote to adopt the Minutes of both Meetings held on May 8, 2012 and the Financial Statements for the Month ended May 31, 2012. A roll call vote was taken and the motion was adopted unanimously.

### **IV. Acceptance of Financial Statements**

See Item III.

## **Project Approvals**

Chairman Brandt asked Mr. Frampton to present the projects and resolutions to the Board.

Mr. Frampton presented each of the following projects and resolutions:

### ***Agriculture – Beginning Farmer Bonds***

#### **Item No. 1A: Patricia K. Justison - \$218,500**

Patricia K. Justison is requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Hundred Eighteen Thousand and Five Hundred Dollars (\$218,500). Bond proceeds will be used to re-finance an interim loan for approximately 38 acres of farmland located in Harristown Township in Macon County.

### ***Agriculture – Agri-Debt Guarantee***

#### **Item No. 2: Roanoke Milling Company, Inc. and Nathan J. Fehr - \$810,237**

Roanoke Milling Company, Inc. and Nathan J. Fehr (the “Co-Borrowers”) are requesting approval of a Final Agri-Debt Guarantee Resolution in an amount not-to-exceed Eight Hundred Ten Thousand Two Hundred and Thirty-Seven Dollars (\$810,237).

Loan proceeds will be used to (i) finance the purchase of Roanoke Milling Company, Inc. stock by Mr. Nathan J. Fehr and (ii) refinance an existing IFA Guaranteed loan which was used to renovate the Company’s facility. IFA will guarantee Eighty-five percent of the Loan, or Six Hundred Eighty Eight Thousand Seven Hundred and One Dollars (\$688,701), which represents the amount of State Treasurer funds are at risk.

### ***Business & Industry – Midwestern Disaster Area Revenue Bonds***

#### **Item No. 3: ROA Riverside Development, LLC and its successors or assigns - \$10,000,000**

ROA Riverside Development, LLC and its successors or assigns is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Ten Million Dollars (\$10,000,000).

Bond proceeds will be combined with other funds and used by ROA Riverside Development, LLC and its successors or assigns (hereinafter, the “Borrower”) to finance all or a portion of the costs of (i) acquiring, renovating, and equipping, an existing, approximately 88,000 square foot medical office facility and retail mall to be located at 5825, 5875, and 5901 East Riverside Boulevard, Rockford (Winnebago County), IL 61114 to be owned by the Borrower and leased to

Rockford Orthopedic Associates, Ltd. (an affiliate of the Borrower) and other retail users (the “Project”). Additionally bond proceeds will fund (ii) costs of issuance, if deemed necessary or desirable by the Borrower, (iii) capitalized interest, if deemed necessary or desirable by the Borrower, and (iv) certain reserves, if deemed necessary or desirable by the Borrower (and collectively with the Project, the “Financing Purposes”).

This Project is projected to create up to 59 new jobs and an average of 30 construction jobs over the anticipated 8 month renovation period.

***Local Government – Fire Truck Revolving Loan Fund***

**Item No. 4: Fiscal Year 2012 Fire Truck Revolving Loan Fund - \$4,378,189**

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

Executive Director Meister informed those present that unlike conduit financings undertaken by IFA, the Fire Truck Revolving Loan Program is supported by a direct appropriation of the Illinois General Assembly and these funds are held by the State Treasurer. Additionally, these funds must be obligated by the end of Fiscal Year 2012.

Moreover, Mr. Meister explained that the Fire Truck Revolving Loan Program is a cooperative effort that has been jointly administered by the Office of the State Fire Marshal and IFA or its predecessor agencies since 1985. It provides loans of up to \$250,000 to allow Illinois municipalities and fire protection districts to purchase depreciable fire equipment. In fact, many Fire Districts and Fire Departments provide shared services to neighboring communities; therefore, the impact of these equipment purchases extends beyond the borders of these communities and local fire districts.

Mr. Meister stated that the Office of the State Fire Marshal is responsible for identifying the needs of the eligible borrowers, soliciting applications and undertaking a needs-based review of each application. In contrast, IFA is responsible for undertaking a financial due diligence review to assure that general revenues or pledged sources are sufficient to repay each loan. IFA has completed its review of twenty-nine loan applications forwarded by the Office of the State Fire Marshal. Finally, IFA will hereafter be working with the Office of the State Fire Marshal to close these approved loans.

***Educational, Cultural, and Non-Healthcare 501(c)(3) - 501(c)(3) Revenue Bonds***

**Item No. 5: Lake Forest College - \$21,000,000**

Lake Forest College is requesting approval of a Final Bond Resolution in an amount not to exceed Twenty One Million Dollars (\$21,000,000).

Bonds may be issued in one or more series, prospectively including both Tax-Exempt and Taxable Bonds. Bond proceeds will be used by Lake Forest College (the “College”) to (i) finance the demolition of existing facilities and related site preparation, and the design, development, construction, furnishing, and equipping of an approximately 60,000 square foot, 235-bed student housing facility consisting of a residential building and related facilities (the “Project”) and including the costs of demolition of the existing building on the site, (ii) fund a portion of interest on the Bonds, if deemed necessary and desirable, (iii) fund a debt service reserve fund, if deemed necessary or desirable, (iv) pays expenses incurred in connection with issuance of the Bonds, if deemed necessary or desirable by the College (and, collectively, with the Project, the “Financing Purposes”).

This project is expected to create up to 3 new jobs and an average of 25 construction jobs during the anticipated construction period.

**Item No. 6: De La Salle Institute - \$12,600,000**

De La Salle Institute is requesting approval of a Final Bond Resolution in an amount not to exceed Twelve Million Six Hundred Thousand Dollars (\$12,600,000).

Bond proceeds will be loaned to De La Salle Institute (“De La Salle”, the “Institute”, or the “Borrower”), an Illinois not-for-profit corporation, and will be used to (i) refund the approximately \$4,120,000 outstanding principal amount Variable Rate Demand Revenue Bonds, Series 1997 (De La Salle Institute Project) issued by the City of Chicago, Illinois (the “1997 Bonds”), (ii) refund the \$7,500,000 outstanding principal amount IFA (De La Salle Institute Project), Series 2007 Bonds (the “2007 Bonds”), and (iii) one or more of the following New Money Projects: (a) acquiring approximately 21,750 square feet of land across the street from the Institute Campus at 100-114 East 35th Street and 3445-3455 South Michigan Avenue, Chicago, Illinois (on the Northeast corner of South Michigan Avenue and 35th Street), for the potential future expansion of the school, and/or (b) constructing a Fine Arts/Science wing including, without limitation, a 240-seat theater, music space, art space, science labs and other educational facilities located on such property, all to be owned by the Borrower and used in connection with the Borrower’s high school facilities (collectively, (a) and (b) are the “Project” and together with the 1997 Bonds and the 2007 Bonds are the “Financing Purposes”).

This project may create up to 2 new jobs.

**Item No. 7: Carmel Catholic High School - \$17,500,000**

Carmel Catholic High School is requesting approval of a Final Bond Resolution in an amount not to exceed Seventeen Million Five Hundred Thousand Dollars (\$17,500,000).

Bond proceeds will be loaned to Carmel Catholic High School (the “Borrower” or “Carmel”) and used, together with certain other funds, to (i) current refund the outstanding principal amount of the Illinois Development Finance Authority Adjustable Rate Demand Revenue Bonds, Series 2003 (Carmel High School Project) (the “Prior Bonds”), (ii) pay or reimburse the Borrower for, the payment of the costs of acquiring, constructing, renovating, remodeling and equipping certain educational facilities of the Borrower including but not limited to renovations and add-on construction to create instructional space for fine and performing arts and to create a new library (the “Project”); (iii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Authority or the Borrower; (iv) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the Borrower; (v) provide working capital, if deemed necessary or advisable by the Authority or the Borrower; and (vi) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Series 2003 Bonds (and items (iii) – (vi) together with the “Prior Bonds” and the “Project” comprising the “Financing Purposes”).

This project is expected to create up to 4 new jobs and 20 construction jobs during the anticipated 12 month construction period.

Chairman Brandt asked if the Members of the Board had any questions related to any of the projects or resolutions presented. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of each project and resolution. Leave was granted unanimously.

Chairman Brandt asked Mr. Frampton to present the resolutions to the Board.

Mr. Frampton presented each of the following resolutions:

*Resolutions*

**Item No. 11: Resolution Confirming and Ratifying Letter Agreements Waiving Compliance and Amending Certain Covenants Related to \$3,000,000 Revenue Bond, Series 2010A, \$5,000,000 Revenue Bond, Series 2010B and \$2,000,000 Revenue Bond, Series 2010C (Saint Anthony’s Health Center)**

**Item No. 12: Resolution Authorizing Miscellaneous Amendments Relating to Various Outstanding Series of Bonds Issued on Behalf of Riverside Health System and Authorizing and Approving Related Matters**

**Item No. 13: Resolution Approving and Ratifying the Substitution of Liquidity Facility Provider for Certain Outstanding Bonds Issued on Behalf of Northwestern**

**Memorial Hospital; Approving and Ratifying the Replacement of Remarketing Agent for Certain Outstanding Bonds Issued on Behalf of Northwestern Memorial Hospital; and Authorizing, Approving and Ratifying Certain Other Matters**

**Item No. 14: Request by State Bank Freeport and Bill Pigott to Remove Assignment of Interest in Commercial Property as Additional Security for IFA Agri-Debt Guarantee Loan # A-AD-GT-8555**

Chairman Brandt asked if the Members of the Board had any questions related to any of the resolutions presented. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of each resolution. Leave was granted unanimously.

Chairman Brandt asked Mr. Frampton to present the projects which have guests present whom wish to speak in support of their respective project.

Mr. Frampton presented the following project:

***Healthcare – 501(c)(3) Revenue Bonds***

**Item No. 8: The University of Chicago Medical Center - \$85,000,000**

The University of Chicago Medical Center is requesting approval of a Final Bond Resolution in an amount not-to-exceed Eighty-Five Million Dollars (\$85,000,000).

Bond proceeds will be used by The University of Chicago Medical Center (“UCMC” or the “Borrower”) to: (i) refund The University of Chicago Medical Center IHFA Series 2001 Bonds and (ii) pay associated costs of issuance.

James M. Watson, Chief Financial Officer of The University of Chicago Medical Center, thanked the Members of the Board for their consideration of this financing.

Chairman Brandt thanked Mr. Watson for his appearance before the Board. Chairman Brandt asked if the Members of the Board had any questions related to this project. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of this project. Leave was granted unanimously.

Chairman Brandt asked Mr. Frampton to present the resolutions which may have abstentions and require separate roll call votes of the Board.

Mr. Frampton presented each of the following resolutions:

***Resolutions***

**Item No. 9: Resolution Authorizing and Approving Certain Amendments relating to the Loan Agreement Dated as of April 1, 1998 between the Illinois Development Finance Authority and Glenwood School for Boys (now known as "The Glenwood School for Boys and Girls" or "The Glenwood School") and the related Indenture of Trust and Authorizing and Approving Certain Related Matters (IDFA Series 1998, The Glenwood School Project)**

In anticipation of an abstention, Chairman Brandt requested a roll call vote in favor of the resolution. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. With eight yeas, zero nays and one abstention by Mr. Gold, the resolution was granted approval. Mr. Gold abstained due to his employment relationship with one of the law firms associated with this transaction.

**Item No. 10: Resolution Authorizing Amendments to certain Terms and Provisions of the Illinois Finance Authority Revenue Bonds, Series 2010 (Mercy Circle Project) and Authorizing the Execution of a First Amendment to the Bond Purchase and Loan Agreement and Related Certificates necessary to effect the Amendment; and Authorizing other actions in connection with these Amendments**

In anticipation of an abstention, Chairman Brandt requested a roll call vote in favor of the resolution. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. With eight yeas, zero nays and one abstention by Mr. O'Brien, the resolution was granted approval. Mr. O'Brien abstained due to his professional relationship with the Borrower, consistent with his historical practice.

**VII. Other Business**

None.

**VIII. Public Comment**

None.

**IX. Adjournment**

Chairman Brandt requested a motion to adjourn the Board Meeting. A motion to adjourn was made by Mr. Leonard and seconded by Ms. Parish. The motion was adopted unanimously.

The Board Meeting adjourned at 11:03 a.m.

Minutes submitted by:

Brad R. Fletcher

Assistant Secretary of the Board

**Illinois Finance Authority**  
**General Fund - Actual to Budget**  
**Statement of Activities**  
**for Period Ending**  
**June 30, 2012**

	Actual June 2012	Budget June 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
<b>REVENUE</b>										
INTEREST ON LOANS	21,526	33,695	(12,169)	-36.12%	465,282	538,836	(73,554)	-13.65%	538,836	86.35%
INVESTMENT INTEREST & GAIN(LOSS)	(2,939)	2,087	(5,026)	-240.82%	30,514	25,000	5,514	22.06%	25,000	122.06%
ADMINISTRATIONS & APPLICATION FEES	189,927	450,700	(260,773)	-57.86%	2,814,180	4,194,325	(1,380,145)	-32.91%	4,194,325	67.09%
ANNUAL ISSUANCE & LOAN FEES	49,464	36,571	12,893	35.25%	480,247	425,670	54,577	12.82%	425,670	112.82%
OTHER INCOME	831,271	13,595	817,676	6014.53%	3,957,534	163,250	3,794,284	2324.22%	163,250	2424.22%
<b>TOTAL REVENUE</b>	<b>1,089,249</b>	<b>536,648</b>	<b>552,601</b>	<b>102.97%</b>	<b>7,747,757</b>	<b>5,347,081</b>	<b>2,400,676</b>	<b>44.90%</b>	<b>5,347,081</b>	<b>144.90%</b>
<b>EXPENSES</b>										
<b>EMPLOYEE RELATED EXPENSES</b>										
COMPENSATION & TAXES	99,251	141,714	(42,463)	-29.96%	1,490,881	1,730,791	(239,910)	-13.86%	1,730,791	86.14%
BENEFITS	19,963	22,068	(2,105)	-9.54%	242,582	265,728	(23,146)	-8.71%	265,728	91.29%
TEMPORARY HELP	-	-	-	0.00%	778	-	778	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	-	837	(837)	-100.00%	413	10,000	(9,587)	-95.87%	10,000	4.13%
TRAVEL & AUTO	6,391	5,837	554	9.49%	55,128	70,000	(14,872)	-21.25%	70,000	78.75%
<b>TOTAL EMPLOYEE RELATED EXPENSES</b>	<b>125,605</b>	<b>170,456</b>	<b>(44,851)</b>	<b>-26.31%</b>	<b>1,789,782</b>	<b>2,076,519</b>	<b>(286,737)</b>	<b>-13.81%</b>	<b>2,076,519</b>	<b>86.19%</b>
<b>PROFESSIONAL SERVICES</b>										
CONSULTING, LEGAL & ADMIN	209,040	41,663	167,377	401.74%	706,854	500,000	206,854	41.37%	500,000	141.37%
LOAN EXPENSE & BANK FEE	3,893	9,250	(5,357)	-57.91%	168,265	111,000	57,265	51.59%	111,000	151.59%
ACCOUNTING & AUDITING	67,513	21,954	45,559	207.52%	312,454	263,536	48,918	18.56%	263,536	118.56%
MARKETING GENERAL	5,510	1,250	4,260	340.80%	10,523	15,000	(4,477)	-29.85%	15,000	70.15%
FINANCIAL ADVISORY	(8,666)	16,663	(25,329)	-152.01%	57,519	200,000	(142,481)	-71.24%	200,000	28.76%
CONFERENCE/TRAINING	35	2,500	(2,465)	-98.60%	24,520	30,000	(5,480)	-18.27%	30,000	81.73%
MISC. PROFESSIONAL SERVICES	23,328	9,163	14,165	154.59%	48,341	110,000	(61,659)	-56.05%	110,000	43.95%
DATA PROCESSING	592	4,587	(3,995)	-87.09%	38,702	55,000	(16,298)	-29.63%	55,000	70.37%
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>301,245</b>	<b>107,030</b>	<b>194,215</b>	<b>181.46%</b>	<b>1,367,178</b>	<b>1,284,536</b>	<b>82,642</b>	<b>6.43%</b>	<b>1,284,536</b>	<b>106.43%</b>
<b>OCCUPANCY COSTS</b>										
OFFICE RENT	21,603	22,357	(754)	-3.37%	250,040	268,284	(18,244)	-6.80%	268,284	93.20%
EQUIPMENT RENTAL AND PURCHASES	1,207	1,300	(93)	-7.15%	16,924	15,600	1,324	8.49%	15,600	108.49%
TELECOMMUNICATIONS	3,398	3,500	(102)	-2.91%	32,430	42,000	(9,570)	-22.79%	42,000	77.21%
UTILITIES	888	1,000	(112)	-11.20%	12,068	12,000	68	0.57%	12,000	100.57%
DEPRECIATION	3,730	5,612	(1,882)	-33.54%	44,470	52,649	(8,179)	-15.53%	52,649	84.47%
INSURANCE	681	1,950	(1,269)	-65.08%	19,552	23,400	(3,848)	-16.44%	23,400	83.56%
<b>TOTAL OCCUPANCY COSTS</b>	<b>31,507</b>	<b>35,719</b>	<b>(4,212)</b>	<b>-11.79%</b>	<b>375,484</b>	<b>413,933</b>	<b>(38,449)</b>	<b>-9.29%</b>	<b>413,933</b>	<b>90.71%</b>

**Illinois Finance Authority  
General Fund - Actual to Budget  
Statement of Activities  
for Period Ending  
June 30, 2012**

	Actual June 2012	Budget June 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	3,158	2,900	258	8.90%	36,468	34,800	1,668	4.79%	34,800	104.79%
BOARD MEETING - EXPENSES	3,023	2,674	349	13.05%	28,662	32,000	(3,338)	-10.43%	32,000	89.57%
PRINTING	497	875	(378)	-43.20%	6,621	10,500	(3,879)	-36.94%	10,500	63.06%
POSTAGE & FREIGHT	1,061	1,250	(189)	-15.12%	13,743	15,000	(1,257)	-8.38%	15,000	91.62%
MEMBERSHIP, DUES & CONTRIBUTIONS	-	1,910	(1,910)	-100.00%	31,384	32,000	(616)	-1.93%	32,000	98.08%
PUBLICATIONS	148	250	(102)	-40.80%	6,370	3,000	3,370	112.33%	3,000	212.33%
OFFICERS & DIRECTORS INSURANCE	15,484	15,261	223	1.46%	182,982	183,132	(150)	-0.08%	183,132	99.92%
MISCELLANEOUS	-	-	-	0.00%	400	-	400	0.00%	-	0.00%
<b>TOTAL GENL &amp; ADMIN EXPENSES</b>	<b>23,371</b>	<b>25,120</b>	<b>(1,749)</b>	<b>-6.96%</b>	<b>306,630</b>	<b>310,432</b>	<b>(3,802)</b>	<b>-1.22%</b>	<b>310,432</b>	<b>98.78%</b>
LOAN LOSS PROVISION/BAD DEBT	-	-	-	-	-	-	-	0.00%	-	0.00%
OTHER										
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
<b>TOTAL OTHER</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>
<b>TOTAL EXPENSES</b>	<b>481,728</b>	<b>338,325</b>	<b>143,403</b>	<b>42.39%</b>	<b>3,839,074</b>	<b>4,085,420</b>	<b>(246,346)</b>	<b>-6.03%</b>	<b>4,085,420</b>	<b>93.97%</b>
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	607,521	198,323	409,198	206.33%	3,908,683	1,261,661	2,647,022	209.80%	1,261,661	309.80%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TRANSFER	12,100	-	12,100	0.00%	190,089	-	190,089	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%	-	-
<b>NET INCOME/(LOSS)</b>	<b>619,621</b>	<b>198,323</b>	<b>421,298</b>	<b>212.43%</b>	<b>4,098,772</b>	<b>1,261,661</b>	<b>2,837,111</b>	<b>224.87%</b>	<b>1,261,661</b>	<b>324.87%</b>

**Illinois Finance Authority**  
**General Fund - Actual to Actual**  
**Statement of Activities**  
**for Period Ending**  
**June 30, 2012**

	Actual June 2012	Actual June 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
<b>REVENUE</b>								
INTEREST ON LOANS	21,526	(16,079)	37,605	-233.88%	465,282	862,431	(397,149)	-46.05%
INVESTMENT INTEREST & GAIN(LOSS)	(2,939)	(15,448)	12,509	-80.97%	30,514	29,208	1,306	4.47%
ADMINISTRATIONS & APPLICATION FEES	189,927	44,718	145,209	324.72%	2,814,180	4,810,292	(1,996,112)	-41.50%
ANNUAL ISSUANCE & LOAN FEES	49,464	65,921	(16,457)	-24.96%	480,247	576,217	(95,970)	-16.66%
OTHER INCOME	831,271	21,895	809,376	3696.62%	3,957,534	295,328	3,662,206	1240.05%
<b>TOTAL REVENUE</b>	<b>1,089,249</b>	<b>101,007</b>	<b>988,242</b>	<b>978.39%</b>	<b>7,747,757</b>	<b>6,573,476</b>	<b>1,174,281</b>	<b>17.86%</b>
<b>EXPENSES</b>								
<b>EMPLOYEE RELATED EXPENSES</b>								
COMPENSATION & TAXES	99,251	160,489	(61,238)	-38.16%	1,490,881	1,776,596	(285,715)	-16.08%
BENEFITS	19,963	21,260	(1,297)	-6.10%	242,582	241,558	1,024	0.42%
TEMPORARY HELP	-	-	-	0.00%	778	1,382	(604)	0.00%
EDUCATION & DEVELOPMENT	-	793	(793)	0.00%	413	7,087	(6,674)	-94.17%
TRAVEL & AUTO	6,391	4,053	2,338	57.69%	55,128	52,462	2,666	5.08%
<b>TOTAL EMPLOYEE RELATED EXPENSES</b>	<b>125,605</b>	<b>186,595</b>	<b>(60,990)</b>	<b>-32.69%</b>	<b>1,789,782</b>	<b>2,079,085</b>	<b>(289,303)</b>	<b>-13.91%</b>
<b>PROFESSIONAL SERVICES</b>								
CONSULTING, LEGAL & ADMIN	209,040	180,538	28,502	15.79%	706,854	585,702	121,152	20.68%
LOAN EXPENSE & BANK FEE	3,893	8,866	(4,973)	-56.09%	168,265	113,250	55,015	48.58%
ACCOUNTING & AUDITING	67,513	(79,012)	146,525	-185.45%	312,454	217,974	94,480	43.34%
MARKETING GENERAL	5,510	906	4,604	508.17%	10,523	14,268	(3,745)	-26.25%
FINANCIAL ADVISORY	(8,666)	-	(8,666)	#DIV/0!	57,519	183,958	(126,439)	-68.73%
CONFERENCE/TRAINING	35	1,099	(1,064)	-96.82%	24,520	17,258	7,262	42.08%
MISC. PROFESSIONAL SERVICES	23,328	(31,063)	54,391	-175.10%	48,341	108,211	(59,870)	-55.33%
DATA PROCESSING	592	2,227	(1,635)	-73.42%	38,702	45,177	(6,475)	-14.33%
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>301,245</b>	<b>83,561</b>	<b>217,684</b>	<b>260.51%</b>	<b>1,367,178</b>	<b>1,285,798</b>	<b>81,380</b>	<b>6.33%</b>
<b>OCCUPANCY COSTS</b>								
OFFICE RENT	21,603	21,992	(389)	-1.77%	250,040	254,848	(4,808)	-1.89%
EQUIPMENT RENTAL AND PURCHASES	1,207	1,315	(108)	-8.21%	16,924	19,731	(2,807)	-14.23%
TELECOMMUNICATIONS	3,398	2,965	433	14.60%	32,430	36,248	(3,818)	-10.53%
UTILITIES	888	709	179	25.25%	12,068	11,229	839	7.47%
DEPRECIATION	3,730	389	3,341	858.87%	44,470	29,446	15,024	51.02%
INSURANCE	681	1,944	(1,263)	-64.97%	19,552	23,192	(3,640)	-15.70%
<b>TOTAL OCCUPANCY COSTS</b>	<b>31,507</b>	<b>29,314</b>	<b>2,193</b>	<b>7.48%</b>	<b>375,484</b>	<b>374,694</b>	<b>790</b>	<b>0.21%</b>

**Illinois Finance Authority  
General Fund - Actual to Actual  
Statement of Activities  
for Period Ending  
June 30, 2012**

	Actual June 2012	Actual June 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	3,158	4,114	(956)	-23.24%	36,468	39,031	(2,563)	-6.57%
BOARD MEETING - EXPENSES	3,023	1,731	1,292	74.64%	28,662	32,709	(4,047)	-12.37%
PRINTING	497	1,037	(540)	-52.07%	6,621	9,912	(3,291)	-33.20%
POSTAGE & FREIGHT	1,061	1,693	(632)	-37.33%	13,743	16,618	(2,875)	-17.30%
MEMBERSHIP, DUES & CONTRIBUTIONS	-	729	(729)	-100.00%	31,384	32,272	(888)	-2.75%
PUBLICATIONS	148	157	(9)	-5.73%	6,370	2,391	3,979	166.42%
OFFICERS & DIRECTORS INSURANCE	15,484	14,125	1,359	9.62%	182,982	192,445	(9,463)	-4.92%
MISCELLANEOUS	-	-	-	0.00%	400	-	400	0.00%
TOTAL GENL & ADMIN EXPENSES	23,371	23,586	(215)	-0.91%	306,630	325,378	(18,748)	-5.76%
LOAN LOSS PROVISION/BAD DEBT	-	341,579	(341,579)	-	-	942,147	(942,147)	0.00%
OTHER								
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%
TOTAL EXPENSES	481,728	664,635	(182,907)	-27.52%	3,839,074	5,007,102	(1,168,028)	-23.33%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	607,521	(563,628)	1,171,149	-207.79%	3,908,683	1,566,374	2,342,309	149.54%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%
TRANSFER	12,100	49,539	(37,439)	0.00%	190,089	1,175,543	(985,454)	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%
NET INCOME/(LOSS)	619,621	(514,089)	1,133,710	-220.53%	4,098,772	2,741,917	1,356,855	49.49%

**Illinois Finance Authority  
General Fund  
Unaudited  
Balance Sheet  
for the Twelve Months Ending June 30, 2012**

	<u>Actual June 2012</u>
<b>ASSETS</b>	
CASH & INVESTMENTS, UNRESTRICTED	\$ 41,700,362
RECEIVABLES, NET	43,821
LOAN RECEIVABLE, NET	6,397,241
OTHER RECEIVABLES	42,449
PREPAID EXPENSES	<u>34,187</u>
 TOTAL CURRENT ASSETS	 48,218,060
 FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	 108,333
 DEFERRED ISSUANCE COSTS	 246,607
<b>OTHER ASSETS</b>	
CASH RESTRICTED, INVESTMENTS & RESERVES	874,934
VENTURE CAPITAL INVESTMENTS	-
OTHER	<u>562,528</u>
 TOTAL OTHER ASSETS	 1,437,462
 TOTAL ASSETS	 <u><u>\$ 50,010,462</u></u>
 <b>LIABILITIES</b>	
CURRENT LIABILITIES	\$ 1,963,994
LONG-TERM LIABILITIES	<u>363,636</u>
 TOTAL LIABILITIES	 2,327,630
<b>EQUITY</b>	
CONTRIBUTED CAPITAL	4,111,479
RETAINED EARNINGS	27,501,283
NET INCOME / (LOSS)	4,098,772
RESERVED/RESTRICTED FUND BALANCE	1,732,164
UNRESERVED FUND BALANCE	<u>10,239,134</u>
 TOTAL EQUITY	 47,682,832
 TOTAL LIABILITIES & EQUITY	 <u><u>\$ 50,010,462</u></u>

**Illinois Finance Authority**  
**Consolidated - Actual to Budget**  
**Statement of Activities**  
**for Period Ending**  
**June 30, 2012**

	Actual June 2012	Budget June 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
<b>REVENUE</b>										
INTEREST ON LOANS	174,490	190,966	(16,476)	-8.63%	2,258,747	2,377,527	(118,780)	-5.00%	2,377,527	95.00%
INVESTMENT INTEREST & GAIN(LOSS)	54,107	50,697	3,410	6.73%	618,664	608,320	10,344	1.70%	608,320	101.70%
ADMINISTRATIONS & APPLICATION FEES	189,927	450,700	(260,773)	-57.86%	2,814,180	4,194,325	(1,380,145)	-32.91%	4,194,325	67.09%
ANNUAL ISSUANCE & LOAN FEES	49,464	36,571	12,893	35.25%	480,247	425,670	54,577	12.82%	425,670	112.82%
OTHER INCOME	896,071	38,595	857,476	2221.73%	4,426,490	463,250	3,963,240	855.53%	463,250	955.53%
<b>TOTAL REVENUE</b>	<b>1,364,059</b>	<b>767,529</b>	<b>596,530</b>	<b>77.72%</b>	<b>10,598,328</b>	<b>8,069,092</b>	<b>2,529,236</b>	<b>31.34%</b>	<b>8,069,092</b>	<b>131.34%</b>
<b>EXPENSES</b>										
<b>EMPLOYEE RELATED EXPENSES</b>										
COMPENSATION & TAXES	99,251	141,714	(42,463)	-29.96%	1,490,881	1,730,791	(239,910)	-13.86%	1,730,791	86.14%
BENEFITS	19,963	22,068	(2,105)	-9.54%	242,582	265,728	(23,146)	-8.71%	265,728	91.29%
TEMPORARY HELP	-	-	-	0.00%	778	-	778	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	-	837	(837)	-100.00%	413	10,000	(9,587)	-95.87%	10,000	4.13%
TRAVEL & AUTO	6,391	5,837	554	9.49%	55,128	70,000	(14,872)	-21.25%	70,000	78.75%
<b>TOTAL EMPLOYEE RELATED EXPENSES</b>	<b>125,605</b>	<b>170,456</b>	<b>(44,851)</b>	<b>-26.31%</b>	<b>1,789,782</b>	<b>2,076,519</b>	<b>(286,737)</b>	<b>-13.81%</b>	<b>2,076,519</b>	<b>86.19%</b>
<b>PROFESSIONAL SERVICES</b>										
CONSULTING, LEGAL & ADMIN	211,127	43,750	167,377	382.58%	731,854	525,000	206,854	39.40%	525,000	139.40%
LOAN EXPENSE & BANK FEE	218,091	223,448	(5,357)	-2.40%	2,368,560	2,254,446	114,114	5.06%	2,254,446	105.06%
ACCOUNTING & AUDITING	69,058	24,336	44,722	183.77%	331,035	292,120	38,915	13.32%	292,120	113.32%
MARKETING GENERAL	5,510	1,250	4,260	340.80%	10,523	15,000	(4,477)	-29.85%	15,000	70.15%
FINANCIAL ADVISORY	(8,666)	16,663	(25,329)	-152.01%	57,519	200,000	(142,481)	-71.24%	200,000	28.76%
CONFERENCE/TRAINING	35	2,500	(2,465)	-98.60%	24,520	30,000	(5,480)	-18.27%	30,000	81.73%
MISC. PROFESSIONAL SERVICES	26,661	12,500	14,161	113.29%	87,675	150,000	(62,325)	-41.55%	150,000	58.45%
DATA PROCESSING	592	4,587	(3,995)	-87.09%	38,702	55,000	(16,298)	-29.63%	55,000	70.37%
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>522,408</b>	<b>329,034</b>	<b>193,374</b>	<b>58.77%</b>	<b>3,650,388</b>	<b>3,521,566</b>	<b>128,822</b>	<b>3.66%</b>	<b>3,521,566</b>	<b>103.66%</b>
<b>OCCUPANCY COSTS</b>										
OFFICE RENT	21,603	22,357	(754)	-3.37%	250,040	268,284	(18,244)	-6.80%	268,284	93.20%
EQUIPMENT RENTAL AND PURCHASES	1,207	1,300	(93)	-7.15%	16,924	15,600	1,324	8.49%	15,600	108.49%
TELECOMMUNICATIONS	3,398	3,500	(102)	-2.91%	32,430	42,000	(9,570)	-22.79%	42,000	77.21%
UTILITIES	888	1,000	(112)	-11.20%	12,068	12,000	68	0.57%	12,000	100.57%
DEPRECIATION	3,730	5,612	(1,882)	-33.54%	44,470	52,649	(8,179)	-15.53%	52,649	84.47%
INSURANCE	681	1,950	(1,269)	-65.08%	19,552	23,400	(3,848)	-16.44%	23,400	83.56%
<b>TOTAL OCCUPANCY COSTS</b>	<b>31,507</b>	<b>35,719</b>	<b>(4,212)</b>	<b>-11.79%</b>	<b>375,484</b>	<b>413,933</b>	<b>(38,449)</b>	<b>-9.29%</b>	<b>413,933</b>	<b>90.71%</b>

**Illinois Finance Authority  
Consolidated - Actual to Budget  
Statement of Activities  
for Period Ending  
June 30, 2012**

	Actual June 2012	Budget June 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	3,156	2,900	256	8.83%	36,470	34,800	1,670	4.80%	34,800	104.80%
BOARD MEETING - EXPENSES	3,023	2,674	349	13.05%	28,662	32,000	(3,338)	-10.43%	32,000	89.57%
PRINTING	497	875	(378)	-43.20%	6,621	10,500	(3,879)	-36.94%	10,500	63.06%
POSTAGE & FREIGHT	1,060	1,250	(190)	-15.20%	13,741	15,000	(1,259)	-8.39%	15,000	91.61%
MEMBERSHIP, DUES & CONTRIBUTIONS	-	1,900	(1,900)	-100.00%	31,383	32,000	(617)	-1.93%	32,000	98.07%
PUBLICATIONS	148	250	(102)	-40.80%	6,370	3,000	3,370	112.33%	3,000	212.33%
OFFICERS & DIRECTORS INSURANCE	15,484	15,261	223	1.46%	182,982	183,132	(150)	-0.08%	183,132	99.92%
MISCELLANEOUS	-	-	-	0.00%	400	-	400	0.00%	-	0.00%
<b>TOTAL GENL &amp; ADMIN EXPENSES</b>	<b>23,368</b>	<b>25,110</b>	<b>(1,742)</b>	<b>-6.94%</b>	<b>306,629</b>	<b>310,432</b>	<b>(3,803)</b>	<b>-1.23%</b>	<b>310,432</b>	<b>98.77%</b>
LOAN LOSS PROVISION/BAD DEBT	-	-	-	-	-	-	-	0.00%	-	0.00%
OTHER										
INTEREST EXPENSE	455	455	-	0.00%	5,743	5,748	(5)	-0.09%	5,748	99.91%
<b>TOTAL OTHER</b>	<b>455</b>	<b>455</b>	<b>-</b>	<b>0.00%</b>	<b>5,743</b>	<b>5,748</b>	<b>(5)</b>	<b>-0.09%</b>	<b>5,748</b>	<b>0.00%</b>
<b>TOTAL EXPENSES</b>	<b>703,343</b>	<b>560,774</b>	<b>142,569</b>	<b>25.42%</b>	<b>6,128,026</b>	<b>6,328,198</b>	<b>(200,172)</b>	<b>-3.16%</b>	<b>6,328,198</b>	<b>96.84%</b>
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	660,716	206,755	453,961	219.56%	4,470,302	1,740,894	2,729,408	156.78%	1,740,894	256.78%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	(1,939,111)	-	(1,939,111)	0.00%	(2,079,111)	-	(2,079,111)	0.00%	-	0.00%
TRANSFER	(561,795)	-	(561,795)	0.00%	(1,561,795)	-	(1,561,795)	0.00%	-	0.00%
REVENUE GRANT	1,500,000	-	1,500,000	0.00%	1,500,000	-	1,500,000	0.00%	-	0.00%
TRANSFER FROM STATE	-	-	-	0.00%	3,321,030	-	3,321,030	0.00%	-	-
<b>NET INCOME/(LOSS)</b>	<b>(340,190)</b>	<b>206,755</b>	<b>(546,945)</b>	<b>-264.54%</b>	<b>5,650,426</b>	<b>1,740,894</b>	<b>3,909,532</b>	<b>224.57%</b>	<b>1,740,894</b>	<b>324.57%</b>

**Illinois Finance Authority**  
**Consolidated Statement of Activities**  
**Comparison**  
**for Period Ending**  
**June 30, 2012**

	Actual June 2012	Actual June 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
<b>REVENUE</b>								
INTEREST ON LOANS	174,490	89,788	84,702	94.34%	2,258,747	2,864,632	(605,885)	-21.15%
INVESTMENT INTEREST & GAIN(LOSS)	54,107	40,905	13,202	32.27%	618,664	702,692	(84,028)	-11.96%
ADMINISTRATIONS & APPLICATION FEES	189,927	44,718	145,209	324.72%	2,814,180	4,810,291	(1,996,111)	-41.50%
ANNUAL ISSUANCE & LOAN FEES	49,464	65,921	(16,457)	-24.96%	480,247	576,217	(95,970)	-16.66%
OTHER INCOME	896,071	148,063	748,008	505.20%	4,426,490	1,534,342	2,892,148	188.49%
<b>TOTAL REVENUE</b>	<b>1,364,059</b>	<b>389,395</b>	<b>974,664</b>	<b>250.30%</b>	<b>10,598,328</b>	<b>10,488,174</b>	<b>110,154</b>	<b>1.05%</b>
<b>EXPENSES</b>								
<b>EMPLOYEE RELATED EXPENSES</b>								
COMPENSATION & TAXES	99,251	160,489	(61,238)	-38.16%	1,490,881	1,776,596	(285,715)	-16.08%
BENEFITS	19,963	21,260	(1,297)	-6.10%	242,582	241,821	761	0.31%
TEMPORARY HELP	-	-	-	0.00%	778	1,382	(604)	0.00%
EDUCATION & DEVELOPMENT	-	793	(793)	0.00%	413	7,087	(6,674)	-94.17%
TRAVEL & AUTO	6,391	4,053	2,338	57.69%	55,128	52,462	2,666	5.08%
<b>TOTAL EMPLOYEE RELATED EXPENSES</b>	<b>125,605</b>	<b>186,595</b>	<b>(60,990)</b>	<b>-32.69%</b>	<b>1,789,782</b>	<b>2,079,348</b>	<b>(289,566)</b>	<b>-13.93%</b>
<b>PROFESSIONAL SERVICES</b>								
CONSULTING, LEGAL & ADMIN	211,127	182,621	28,506	15.61%	731,854	611,792	120,062	19.62%
LOAN EXPENSE & BANK FEE	218,091	38,401	179,690	467.93%	2,368,560	2,428,551	(59,991)	-2.47%
ACCOUNTING & AUDITING	69,058	(77,937)	146,995	-188.61%	331,035	249,133	81,902	32.87%
MARKETING GENERAL	5,510	906	4,604	508.17%	10,523	14,268	(3,745)	-26.25%
FINANCIAL ADVISORY	(8,666)	-	(8,666)	#DIV/0!	57,519	183,958	(126,439)	-68.73%
CONFERENCE/TRAINING	35	1,099	(1,064)	-96.82%	24,520	17,258	7,262	42.08%
MISC. PROFESSIONAL SERVICES	26,661	(45,391)	72,052	-158.74%	87,675	141,382	(53,707)	-37.99%
DATA PROCESSING	592	2,227	(1,635)	-73.42%	38,702	45,177	(6,475)	-14.33%
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>522,408</b>	<b>101,926</b>	<b>420,482</b>	<b>412.54%</b>	<b>3,650,388</b>	<b>3,691,519</b>	<b>(41,131)</b>	<b>-1.11%</b>
<b>OCCUPANCY COSTS</b>								
OFFICE RENT	21,603	21,992	(389)	-1.77%	250,040	254,848	(4,808)	-1.89%
EQUIPMENT RENTAL AND PURCHASES	1,207	1,315	(108)	-8.21%	16,924	19,731	(2,807)	-14.23%
TELECOMMUNICATIONS	3,398	2,965	433	14.60%	32,430	36,248	(3,818)	-10.53%
UTILITIES	888	709	179	25.25%	12,068	11,229	839	7.47%
DEPRECIATION	3,730	389	3,341	858.87%	44,470	29,446	15,024	51.02%
INSURANCE	681	1,944	(1,263)	-64.97%	19,552	23,192	(3,640)	-15.70%
<b>TOTAL OCCUPANCY COSTS</b>	<b>31,507</b>	<b>29,314</b>	<b>2,193</b>	<b>7.48%</b>	<b>375,484</b>	<b>374,694</b>	<b>790</b>	<b>0.21%</b>

**Illinois Finance Authority  
Consolidated Statement of Activities  
Comparison  
for Period Ending  
June 30, 2012**

	Actual June 2012	Actual June 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	3,156	4,114	(958)	-23.29%	36,470	39,032	(2,562)	-6.56%
BOARD MEETING - EXPENSES	3,023	1,731	1,292	74.64%	28,662	32,709	(4,047)	-12.37%
PRINTING	497	1,037	(540)	-52.07%	6,621	9,912	(3,291)	-33.20%
POSTAGE & FREIGHT	1,060	1,693	(633)	-37.39%	13,741	16,618	(2,877)	-17.31%
MEMBERSHIP, DUES & CONTRIBUTIONS	-	729	(729)	-100.00%	31,383	32,272	(889)	-2.75%
PUBLICATIONS	148	157	(9)	-5.73%	6,370	2,391	3,979	166.42%
OFFICERS & DIRECTORS INSURANCE	15,484	14,125	1,359	9.62%	182,982	192,445	(9,463)	-4.92%
MISCELLANEOUS	-	-	-	0.00%	400	-	400	0.00%
TOTAL GENL & ADMIN EXPENSES	23,368	23,586	(218)	-0.92%	306,629	325,379	(18,750)	-5.76%
LOAN LOSS PROVISION/BAD DEBT	-	365,739	(365,739)	-100.00%	-	961,722	(961,722)	-100.00%
OTHER								
INTEREST EXPENSE	455	503	(48)	-9.54%	5,743	6,317	(574)	-9.09%
TOTAL OTHER	455	503	(48)	0.00%	5,743	6,317	(574)	0.00%
TOTAL EXPENSES	703,343	707,663	(4,320)	-0.61%	6,128,026	7,438,979	(1,310,953)	-17.62%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	660,716	(318,268)	978,984	-307.60%	4,470,302	3,049,195	1,421,107	46.61%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	(1,939,111)	-	(1,939,111)	0.00%	(2,079,111)	-	(2,079,111)	0.00%
TRANSFER	(561,795)	-	(561,795)	0.00%	(1,561,795)	-	(1,561,795)	0.00%
REVENUE GRANT	1,500,000	-	1,500,000	0.00%	1,500,000	-	1,500,000	0.00%
TRANSFERS FROM STATE	-	-	-	0.00%	3,321,030	(3,302,000)	6,623,030	0.00%
NET INCOME/(LOSS)	(340,190)	(318,268)	(21,922)	6.89%	5,650,426	(252,805)	5,903,231	-2335.09%

**Illinois Finance Authority  
Consolidated  
Unaudited  
Balance Sheet  
for the Twelve Months Ending June 30, 2012**

	Actual June 2011	Actual June 2012
<b>ASSETS</b>		
CASH & INVESTMENTS, UNRESTRICTED	\$ 30,085,762	\$ 41,700,362
RECEIVABLES, NET	39,667	43,821
LOAN RECEIVABLE, NET	34,726,044	25,256,737
NOTES RECEIVABLE	38,659,874	34,895,113
OTHER RECEIVABLES	922,036	960,369
PREPAID EXPENSES	228,011	34,187
<b>TOTAL CURRENT ASSETS</b>	<b>104,661,394</b>	<b>102,890,589</b>
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	113,081	108,333
DEFERRED ISSUANCE COSTS	399,174	334,499
<b>OTHER ASSETS</b>		
CASH RESTRICTED, INVESTMENTS & RESERVES	58,296,990	55,932,781
VENTURE CAPITAL INVESTMENTS	2,247,981	-
OTHER	3,000,000	3,000,000
<b>TOTAL OTHER ASSETS</b>	<b>63,544,971</b>	<b>58,932,781</b>
<b>TOTAL ASSETS</b>	<b>\$ 168,718,620</b>	<b>\$162,266,202</b>
<b>LIABILITIES</b>		
CURRENT LIABILITIES	998,502	595,891
BONDS PAYABLE	46,900,000	42,130,000
OTHER LIABILITIES	8,793,700	1,863,468
<b>TOTAL LIABILITIES</b>	<b>56,692,202</b>	<b>44,589,359</b>
<b>EQUITY</b>		
CONTRIBUTED CAPITAL	35,608,692	35,608,692
RETAINED EARNINGS	26,144,175	28,655,414
NET INCOME / (LOSS)	(252,805)	5,650,426
RESERVED/RESTRICTED FUND BALANCE	37,878,185	35,114,140
UNRESERVED FUND BALANCE	12,648,171	12,648,171
<b>TOTAL EQUITY</b>	<b>112,026,418</b>	<b>117,676,843</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 168,718,620</b>	<b>\$162,266,202</b>

# ILLINOIS FINANCE AUTHORITY

## Memorandum

To: IFA Board of Directors  
From: Jim Senica and Lorrie Karcher  
Date: July 10, 2012  
Re: Overview Memo for Beginning Farmer Bonds

---

- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolution for the attached projects
- **Amount:** Up to \$488,600 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **Total Requested: \$737,300**
- **Calendar Year Summary:** (as of July 10, 2012)
  - Volume Cap: \$15,000,000
  - Volume Cap Committed: \$3,862,739
  - Volume Cap Remaining: \$11,137,261
  - Average Farm Acreage: 75
  - Number of Farms Financed: 16
- **IFA Benefits:**
  - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
  - **New Money Bonds:**
    - Convey tax-exempt status
    - Will use dedicated 2012 IFA Volume Cap set-aside for Beginning Farmer Bond transactions
- **IFA Fees:**
  - One-time closing fee will total 1.50% of the bond amount for each project
- **Structure/Ratings:**
  - Bonds to be purchased directly as a nonrated investment held until maturity by the Borrower's bank (the "Bank")
  - The Bank will be secured by the Borrower's assets, as on a commercial loan
  - Interest rates, terms, and collateral are negotiated between the Borrower and the Bank, just as with any commercial loan
  - Workouts are negotiated directly between each Borrower and Bank, just as on any secured commercial loan
- **Bond Counsel: Burke, Burns & Pinelli, Ltd.**
  - Stephen F. Welcome, Esq.
  - Three First National Plaza, Suite 4300
  - Chicago, IL 60602

**A.**

<b>Project Number:</b>	<b>A-FB-TE-CD-8562</b>
<b>Borrower(s):</b>	<b>Voumard, Scott A. &amp; Angela D.</b>
Borrower Benefit:	First Time Land Buyer
Town:	Alton, IL
<b>IFA Bond Amount:</b>	<b>\$248,700</b>
Use of Funds:	Farmland – 89.26 acres of farmland
Purchase Price:	\$248,700 / (\$2,786 per ac)
% Borrower Equity	0%
% Other	0%
% IFA	100%
Township:	Foster
County/Region:	Madison / Southwestern
Lender/Bond Purchaser	First National Bank of Litchfield / Kevin Niemann
<b>Legislative Districts:</b>	Congressional: 19 <sup>th</sup> , John Shimkus State Senate: 56 <sup>th</sup> , William Haine State House: 111 <sup>th</sup> , Daniel Beiser

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

**B.**

<b>Project Number:</b>	<b>A-FB-TE-CD-8563</b>
<b>Borrower(s):</b>	<b>Chandler, George A.</b>
Borrower Benefit:	First Time Land Buyer
Town:	Oquawka, IL
<b>IFA Bond Amount:</b>	<b>\$488,600</b>
Use of Funds:	Farmland – 160 acres of farmland
Purchase Price:	\$804,000 / (\$5,025 per ac)
% Borrower Equity	11%
% USDA Farm Service Agency	28% ( <i>Subordinate Financing</i> )
% IFA	61%
Township:	Bald Bluff
County/Region:	Henderson / West Central
Lender/Bond Purchaser	Security Savings Bank / Terri Vary
<b>Legislative Districts:</b>	Congressional: 17 <sup>th</sup> , Bobby Schilling State Senate: 47 <sup>th</sup> , John Sullivan State House: 94 <sup>th</sup> , Norine Hammond

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



July 10, 2012

**\$550,000,000**  
**Hospital Sisters Services, Inc.**

<b>REQUEST</b>	<p><b>Purpose:</b> Bond proceeds will be used by <b>Hospital Sisters Services, Inc.</b> (“HSSI” or the “Borrower”) to: (i) pay or reimburse the Borrower the payment of the costs of acquiring, constructing, renovating, remodeling and equipping certain of their health facilities, including, but not limited to, acquiring, constructing and equipping an approximately 25 bed critical access replacement hospital in Highland, Illinois, and the renovation of a surgery department at St. John’s Hospital in Springfield, Illinois, (ii) refund the outstanding principal amount of IHFA Series 2003A Bonds, IFA Series 2007C Bonds and IFA Series 2008A Bonds that financed prior projects at multiple locations in Illinois, (iii) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable, (iv) fund working capital, if deemed necessary or advisable, and (v) pay certain expenses incurred in connection with the issuance of the Bonds.</p> <p><b>Program:</b> Conduit 501(c)(3) Revenue Bonds</p> <p><b>Extraordinary Conditions:</b> None.</p>																															
<b>BOARD ACTIONS</b>	Preliminary Bond Resolution																															
<b>MATERIAL CHANGES</b>	None. This is the first time this project has been presented to the IFA Board of Directors.																															
<b>JOB DATA</b>	13,929	Current jobs	0	New jobs projected																												
	13,929	Retained jobs	700	Construction jobs projected																												
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>Locations: Belleville/St. Clair County / Southwestern Region, Breese/Clinton County/Southwestern Region, Decatur/Macon County/Central Region, Effingham/Effingham County/Southeastern Region, Highland/Madison County/Southwestern Region, Litchfield/Macoupin County/Central Region, Springfield/Sangamon County/Central Region, Streator/Livingston County/North Central Region</li> </ul>																															
<b>SECURITY</b>	<ul style="list-style-type: none"> <li>HSSI is an Obligated Group. All members of the Group (the thirteen hospitals in Illinois and Wisconsin) are liable for this debt. These bonds will be issued on a parity basis with the existing indebtedness of HSSI, with covenants relating to additional debt; consolidation, merger, sale or disposition of property; and senior liens.</li> </ul>																															
<b>CREDIT INDICATORS</b>	<ul style="list-style-type: none"> <li>A1/AA-/AA- (Moody’s/S&amp;P/Fitch)</li> </ul>																															
<b>STRUCTURE</b>	<ul style="list-style-type: none"> <li>\$160,000,000 Direct Purchase with JPMorgan Chase Bank, N.A.</li> <li>\$101,440,000 VRDN’s with BMO Harris Bank Direct Pay LOC</li> <li>\$66,215,000 VRDN’s with BNY Mellon Direct Pay LOC</li> <li>\$89,905,000 VRDN’s with Self-Liquidity</li> </ul>																															
<b>SOURCES AND USES</b>	<table style="width:100%; border:none;"> <tr> <td style="width:30%;"><b>Sources:</b></td> <td style="width:30%;"></td> <td style="width:30%;"><b>Uses:</b></td> <td style="width:10%;"></td> </tr> <tr> <td>IFA Bonds</td> <td style="text-align:right">\$417,560,000</td> <td>Project Fund</td> <td style="text-align:right">\$157,600,000</td> </tr> <tr> <td>Premium</td> <td style="text-align:center">=</td> <td>Refund Series 2007C Bonds</td> <td style="text-align:right">100,425,000</td> </tr> <tr> <td></td> <td></td> <td>Refund Series 2003A Bonds</td> <td style="text-align:right">65,550,000</td> </tr> <tr> <td></td> <td></td> <td>Refund Series 2008A Bonds</td> <td style="text-align:right">89,005,000</td> </tr> <tr> <td></td> <td></td> <td>Cost of Issuance (<i>estimated</i>)</td> <td style="text-align:right"><u>4,980,000</u></td> </tr> <tr> <td><b>Total</b></td> <td style="text-align:right"><b><u>\$417,560,000</u></b></td> <td><b>Total</b></td> <td style="text-align:right"><b><u>\$417,560,000</u></b></td> </tr> </table>				<b>Sources:</b>		<b>Uses:</b>		IFA Bonds	\$417,560,000	Project Fund	\$157,600,000	Premium	=	Refund Series 2007C Bonds	100,425,000			Refund Series 2003A Bonds	65,550,000			Refund Series 2008A Bonds	89,005,000			Cost of Issuance ( <i>estimated</i> )	<u>4,980,000</u>	<b>Total</b>	<b><u>\$417,560,000</u></b>	<b>Total</b>	<b><u>\$417,560,000</u></b>
<b>Sources:</b>		<b>Uses:</b>																														
IFA Bonds	\$417,560,000	Project Fund	\$157,600,000																													
Premium	=	Refund Series 2007C Bonds	100,425,000																													
		Refund Series 2003A Bonds	65,550,000																													
		Refund Series 2008A Bonds	89,005,000																													
		Cost of Issuance ( <i>estimated</i> )	<u>4,980,000</u>																													
<b>Total</b>	<b><u>\$417,560,000</u></b>	<b>Total</b>	<b><u>\$417,560,000</u></b>																													
<b>RECOMMENDATION</b>	Credit Review Committee recommends approval																															

**ILLINOIS FINANCE AUTHORITY  
BOARD SUMMARY  
July 10, 2012**

**Project: Hospital Sisters Services, Inc.**

---

**STATISTICS**

Project Number:	H-HO-TE-CD-8564	Amount:	\$550,000,000.00 (Not-to-Exceed)
Type:	501(c)(3) Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
Cities:	Springfield and Highland (new projects only); Refundings include multiple locations in Illinois (see page1)	County/Region:	Sangamon/Central Madison/Southwestern

---

**BOARD ACTION**

Preliminary Bond Resolution	No IFA Funds at Risk
Conduit 501(c)(3) Revenue Bonds	No Extraordinary Conditions
Credit Review Committee recommends approval	

---

**VOTING RECORD**

This is the first time this project is being presented to the IFA Board of Directors.

---

**PURPOSE**

Bond proceeds will be used to: (i) pay or reimburse the Borrower and/or the other tax-exempt affiliates of the Borrower for, or refinancing outstanding indebtedness the proceeds of which were used for, the payment of the costs of acquiring, constructing, renovating, remodeling and equipping certain of their health facilities, including but not limited to, acquiring, constructing and equipping a critical access replacement hospital consisting of approximately 25 beds and the renovation of a surgery department (collectively, the "Project"), (ii) currently refund the outstanding principal amount of the \$65,550,000 Illinois Health Facilities Authority Revenue Bonds, Series 2003A (Hospital Sisters Services, Inc. – Obligated Group) (the "Series 2003A Bonds"), (iii) currently refund the outstanding principal amount of the \$100,425,000 Illinois Finance Authority Revenue Bonds, Series 2007C (Hospital Sisters Services, Inc. – Obligated Group) (the "Series 2007C Bonds") (iv) currently refund the outstanding principal amount of the \$127,410,000 Illinois Finance Authority Revenue Refunding Bonds, Series 2008A (Hospital Sisters Services, Inc. – Obligated Group) (the "Series 2008A Bonds" and, together with the Series 2003A Bonds and the Series 2007C Bonds, the "Prior Bonds"), (v) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable by the Authority and the Borrower, (vi) fund one or more debt service reserve funds, if deemed necessary or advisable by the Authority and the Borrower, (vii) fund working capital, if deemed necessary or advisable by the Authority and the Borrower, and (viii) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds, including, but not limited to, fees for credit enhancement or liquidity facilities for the Bonds, all as permitted by the Act (collectively, the "Financing Purposes").

---

**IFA PROGRAM AND CONTRIBUTION**

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

---

**VOLUME CAP**

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

---

**JOBS**

Current employment:	13,929	New jobs projected:	0
		Construction jobs projected:	700

---

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

<b>Sources:</b>		<b>Uses:</b>	
IFA Bonds	\$417,560,000	Project Fund	\$157,600,000
Premium	-	Refund Series 2007C Bonds	100,425,000
		Refund Series 2003A Bonds	65,550,000
		Refund Series 2008A Bonds	89,005,000
		Cost of Issuance ( <i>estimated</i> )	<u>4,980,000</u>
<b>Total</b>	<b><u>\$417,560,000</u></b>	<b>Total</b>	<b><u>\$417,560,000</u></b>

---

**FINANCING SUMMARY**

Security: HSSI is an Obligated Group. All members of the Group (the thirteen hospitals in Illinois and Wisconsin), are liable for this debt. These bonds will be issued on a parity basis with the existing indebtedness of Hospital Sisters Services, Inc., with covenants relating to additional debt; consolidation, merger, sale or disposition of property; and senior liens.

Structure: The plan of finance contemplates: \$160,000,000 Direct Purchase with JPMorgan Chase Bank, N.A. and \$257,560,000 in Variable Rate bonds.

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

Interest Mode: VRDB's (Self Liquidity and 7-day resets) and Fixed Rate Bonds

Credit Enhancement: None

Maturity: 2052 (40 years)

Rating: A1/AA-/AA- (Moody's/S&P/Fitch)

Estimated Closing Date: October 1, 2012

---

**PROJECT SUMMARY**

The project at St. Joseph's-Highland includes the construction of a new 25 bed Critical Access Hospital to replace the current 25 bed Critical Access Hospital with a total cost of \$52.7 million on a new site of approximately 60 acres. The building cost is \$36 million and equipment costs will be \$12.9 million. The purchase of land was \$1.2 million and other costs total \$3.6 million (asbestos abatement, demolition of existing facility, financing, and legal). The new hospital will accommodate ambulatory services sized for future growth and expansion.

The project at St. John's-Springfield includes renovation of the existing surgery unit for a total of \$115.1 million, including the replacement of the inpatient surgery facilities and related ancillary support functions. The project includes the demolition of three buildings and the relocation of critical utilities and infrastructure. The project also includes sequential renovation of four floors of the existing patient tower to create private patient rooms for a total of \$46.9 million. The redesign will reorient the hospital to Madison Street. Support and infrastructure space will be segregated from the patient care environment. The design facilitates efficient access to patients and improved work flow and will create smaller units that focus on specific disease states such as oncology, neuroscience, and other specialties.

---

**BUSINESS SUMMARY**

**Background:** Hospital Sisters Services, Inc. (HSSI), an Illinois not for profit corporation, was incorporated on November 4, 1983, when the Hospital Sisters Health System (HSHS), an Illinois not for profit corporation, reorganized its corporate structure. HSSI is the sole member of thirteen nonprofit corporations that own and operate acute care hospitals, with eight located in Illinois and five located in Wisconsin.

Each hospital is separately incorporated and has a seven to nine member Board of Directors, composed of members of the Hospital Sisters of the Third Order of St. Francis (the Order), an order of the Roman Catholic Church, HSHS employees and local citizens. The hospitals located in Illinois are currently licensed to operate 2,372 acute care beds, while the hospitals located in Wisconsin are currently approved for 1,451 acute care beds. HSSI and all of the hospitals are Members of the Obligated Group established under the Master Indenture (see service area on page 5 for a listing of individual hospitals).

The Order was founded in Germany in 1844 and is dedicated to the service of the sick and those in need. In 1875, twenty Sisters of the Order arrived in the United States and several years later established their Motherhouse in Springfield, Illinois. The residents of Illinois and Wisconsin were among the first served by the Order.

**Description:** The primary mission of Hospital Sisters Health System is to provide a structure and the means whereby the Hospital Sisters of the Third Order of St. Francis continue their healing mission in the Roman Catholic Church. Hospitals and other institutionally-based programs are the primary means of responding to those in need. Service is regarded as a ministry of healing which exemplifies the Gospel values of compassion, justice, and reverence for life throughout its continuum.

---

**ECONOMIC DISCLOSURE STATEMENT**

Applicant: Hospital Sisters Services, Inc.  
4936 LaVerna Road  
Springfield (Sangamon County), IL  
62707-9456

Project Locations – New  
Projects: St. Joseph’s - Highland  
1515 Main Street  
Highland, IL 62249  
  
St. John’s – Springfield  
800 East Carpenter Street  
Springfield, IL 62769

Borrower: Hospital Sisters Services, Inc.

Board Members:  
Sister Mary Ann Minor.....Chairperson  
Sister Maureen O’Connor.....Secretary  
Mary Starmann-Harrison.....President/CEO  
Sister Bernice Coreil, DC.....Member  
Sister Mary Mollison, CSA.....Vice Chairperson  
Sister Gertrude O’Connor.....Member  
John R. Combes, MD.....Member  
Stephen J. Bochenek, Esq.....Member  
John Staudt.....Member  
Robert B. Atwell.....Member  
Steven Hassebrock, MBA, CPA.....Member

---

**PROFESSIONAL & FINANCIAL**

Borrower's Counsel:	SNR Denton	Chicago	Mary Wilson
Bond Counsel:	Jones Day	Boston, MA	Lynn Coe
Accountant:	KPMG LLP	Peoria	Butch Klescewski
Financial Advisor:	Ponder & Co.	Evergreen, CO	Christopher Payne
Underwriter:	Bank of America Merrill Lynch	New York, NY	Ed Malmstrom
	BMO Capital Markets	Chicago	Kerry Rudy
Underwriter's Counsel:	Foley & Lardner LLP	Chicago	Heidi Jeffery
Direct Purchase Bank:	JPMorgan Chase Bank	Chicago	Sara May
Bank Counsel:	Ungaretti & Harris	Chicago	Julie Seymour
LOC Banks:	BMO Harris Bank	Chicago	Geraldine Rudig
	BNY Mellon	Pittsburgh, PA	John M. DiMarsico
BMO Harris Counsel:	Chapman & Cutler LLP	Chicago	Carol Thompson
BNY Mellon Counsel:	TBD		
IFA Counsel:	Pugh Jones & Johnson, P.C.	Chicago	Lorraine Tyson
IFA Financial Advisor:	The PFM Group	Chicago	Shannon Williams, Julia Harris

---

**LEGISLATIVE DISTRICTS (NEW PROJECTS)**

**St. Joseph's – Highland**

Congressional: 18- John M. Shimkus  
State Senate: 51- Kyle McCarter  
State House: 102- Paul J Evans

**St. John's - Springfield**

Congressional: 17- Bobby Schilling  
State Senate: 50- Larry K. Bomke  
State House: 99- Raymond Poe

---

**SERVICE AREA**

The Hospital Facilities in Illinois have as their primary market service area St. Clair County (St. Elizabeth's-Belleville), Clinton County (St. Joseph's-Breese), Macon County (St. Mary's-Decatur), Effingham County (St. Anthony's-Effingham), Madison County (St. Joseph's-Highland), Montgomery and Macoupin Counties (St. Francis-Litchfield), Sangamon County (St. John's-Springfield), and LaSalle County (St. Mary's-Streator). As of March 31, 2012, St. Francis Litchfield, St. Mary's Decatur, and St. John's Springfield (Central Illinois Region) had a market share of 33.4%. Memorial Medical Center of Springfield had a market share of 34.4%. St. Mary's Streator has a market share of 25.0%, while Ottawa Regional Hospital's market share is 28.5%. St. Anthony's Effingham has the majority market share of 38.4%. St. Joseph's Breese, St. Joseph's Highland, and St. Elizabeth's Belleville comprise the Southern Illinois Region. They have the largest market share at 70.7%. (The source of this market data information was IHA Compdata, DataBay 2012.)

**IFA RESOLUTION NO. 2012-0710-AD\_\_**

**RESOLUTION ADOPTING THE BUDGET OF  
THE ILLINOIS FINANCE AUTHORITY FOR FISCAL YEAR 2013**

**WHEREAS**, pursuant to Section 801-30(e) of the Illinois Finance Authority Act, 20 Illinois Compiled Statutes 3501/801-1 et seq. (the "Act") and Article VI, Section 3 of Resolution No. 2007-07-21, Resolution Adopting the Amended and Restated By-Laws of the Illinois Finance Authority, the Illinois Finance Authority created and existing as a body corporate and politic under the laws of the State of Illinois, particularly the Act (the "Authority") is authorized to adopt a budget reflecting the revenues and expenses of the Authority for Fiscal Year 2013; and

**WHEREAS**, the Executive Director, with the assistance of the Staff of the Authority, has, based upon review and analysis, prepared a Budget for Fiscal Year 2013, which Budget is attached hereto as Exhibit A (the "Budget") to support the operations of the Authority during Fiscal Year 2013 pursuant to the various purposes set forth in the Act; and

**WHEREAS**, the Authority has determined that the adoption of the Budget is in the best interest of the Authority;

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

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

**Section 2. Adoption of Fiscal Year 2013 Budget.** The revenues, receipts and other available funds set forth in the Budget for Fiscal Year 2013, commencing July 1, 2012, and ending June 30, 2014, are hereby appropriated to meet the purposes of the Act. The Executive Director, in conjunction with the other officers of the Authority, is authorized to expend funds during Fiscal Year 2013 in accordance with the Budget. Nothing in this Resolution prohibits the Members of the Authority or the Executive Director from revising or supplementing the Budget during Fiscal Year 2013 if necessary and in accordance with the Act and the By-Laws of the Authority.

**Section 3. Implementation.** The Authority hereby authorizes, empowers and directs the Executive Director of the Authority, or his designee(s), to take or cause to be taken any and all such other and further actions, and to execute, acknowledge and deliver any and all such agreements, instruments, certificates and other documents, and to pay all such fees and expenses, as he may deem necessary, appropriate or advisable in order to carry out the purpose and intent of this Resolution.

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

**Section 5. Enactment.** This Resolution shall take effect immediately.

This Resolution shall be retroactive to July 1, 2012.

This Resolution No. 2012-0710-AD\_\_ is adopted this 10th day of July 2012, by the following vote:

Ayes:

Nays:

Abstain:

Absent:

**ILLINOIS FINANCE AUTHORITY**

\_\_\_\_\_  
Chairman

**ATTEST:**

\_\_\_\_\_  
Assistant Board Secretary

[SEAL]

**Illinois Finance Authority**  
**GENERAL - BUDGET SUMMARY**  
**BUDGET FY 2013**

	Actual FY 2012	Budget FY 2013	\$ Change	% Change
<b>REVENUE</b>				
INTEREST ON LOANS	465,282	269,742	(195,540)	-42.03%
INVESTMENT INTEREST & GAIN(LOSS)	30,514	25,000	(5,514)	-18.07%
ADMINISTRATIONS & APPLICATION FEES	2,814,180	3,789,504	975,324	34.66%
ANNUAL ISSUANCE & LOAN FEES	480,247	386,222	(94,025)	-19.58%
OTHER INCOME	3,957,534	206,375	(3,751,159)	-94.79%
<b>TOTAL REVENUE</b>	<b>7,747,757</b>	<b>4,676,843</b>	<b>(3,070,914)</b>	<b>-39.64%</b>
<b>EXPENSES</b>				
<b>EMPLOYEE RELATED EXPENSES</b>				
COMPENSATION & TAXES	1,490,881	1,462,277	(28,604)	-1.92%
BENEFITS	242,582	244,896	2,314	0.95%
TEMPORARY HELP	778	-	(778)	-100.00%
EDUCATION & DEVELOPMENT	413	5,500	5,087	1231.72%
TRAVEL & AUTO	55,128	60,000	4,872	8.84%
<b>TOTAL EMPLOYEE RELATED EXPENSES</b>	<b>1,789,782</b>	<b>1,772,673</b>	<b>(17,109)</b>	<b>-0.96%</b>
<b>PROFESSIONAL SERVICES</b>				
CONSULTING, LEGAL & ADMIN	706,854	450,000	(256,854)	-36.34%
LOAN EXPENSE & BANK FEE	168,265	105,000	(63,265)	-37.60%
ACCOUNTING & AUDITING	312,454	297,000	(15,454)	-4.95%
MARKETING GENERAL	10,523	15,000	4,477	42.54%
FINANCIAL ADVISORY	57,519	100,000	42,481	73.86%
CONFERENCE/TRAINING	24,520	30,000	5,480	22.35%
MISCELLANEOUS PROFESSIONAL SERVICES	48,341	75,000	26,659	55.15%
DATA PROCESSING	38,702	70,000	31,298	80.87%
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>1,367,178</b>	<b>1,142,000</b>	<b>(225,178)</b>	<b>-16.47%</b>
<b>OCCUPANCY COSTS</b>				
OFFICE RENT	250,040	268,872	18,832	7.53%
EQUIPMENT RENTAL AND PURCHASES	16,924	16,000	(924)	-5.46%
TELECOMMUNICATIONS	32,430	35,000	2,570	7.92%
UTILITIES	12,068	12,000	(68)	-0.56%
DEPRECIATION	44,470	32,500	(11,970)	-26.92%
INSURANCE	19,552	25,000	5,448	27.86%
<b>TOTAL OCCUPANCY COSTS</b>	<b>375,484</b>	<b>389,372</b>	<b>13,888</b>	<b>3.70%</b>
<b>GENERAL &amp; ADMINISTRATION</b>				
OFFICE SUPPLIES	36,468	35,800	(668)	-1.83%
BOARD MEETING - EXPENSES	28,662	35,000	6,338	22.11%
PRINTING	6,621	10,000	3,379	51.03%
POSTAGE & FREIGHT	13,743	15,000	1,257	9.15%
MEMBERSHIP, DUES & CONTRIBUTIONS	31,384	34,000	2,616	8.34%
PUBLICATIONS	6,370	7,000	630	9.89%
OFFICERS & DIRECTORS INSURANCE	182,982	200,000	17,018	9.30%
MISCELLANEOUS	400	-	(400)	0.00%
<b>TOTAL GENERAL &amp; ADMINISTRATION EXPENSES</b>	<b>306,630</b>	<b>336,800</b>	<b>30,170</b>	<b>9.84%</b>
LOAN LOSS PROVISION/BAD DEBT	-	-	-	0.00%
<b>OTHER</b>				
INTEREST EXPENSE	-	-	-	0.00%
<b>TOTAL OTHER</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>TOTAL EXPENSES</b>	<b>3,839,074</b>	<b>3,640,845</b>	<b>(198,229)</b>	<b>-5.16%</b>
<b>NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS)</b>	<b>3,908,683</b>	<b>1,035,998</b>	<b>(2,872,685)</b>	<b>-73.49%</b>
<b>NET UNREALIZED GAIN/(LOSS) ON INVESTMENT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>TRANFERS</b>	<b>190,089</b>	<b>-</b>	<b>(190,089)</b>	<b>-100.00%</b>
<b>NET INCOME/(LOSS)</b>	<b>4,098,772</b>	<b>1,035,998</b>	<b>(3,062,774)</b>	<b>-74.72%</b>

**IFA RESOLUTION NO. 2012-0710-AD\_\_**

**RESOLUTION ADOPTING THE STRATEGIC PLAN OF  
THE ILLINOIS FINANCE AUTHORITY FOR FISCAL YEAR  
2013 THROUGH FISCAL YEAR 2015 AND DELEGATING  
TO THE EXECUTIVE DIRECTOR THE AUTHORITY TO  
IMPLEMENT, UPDATE AND AMEND THE STRATEGIC  
PLAN**

**WHEREAS**, pursuant to Section 801-30 of the Illinois Finance Authority Act, 20 Illinois Compiled Statutes 3501/801-1 et seq. (the "Act") and grants generally the Illinois Finance Authority (the "Authority") all the "powers as a body corporate necessary and convenient to accomplish the purposes of the Act"; and

**WHEREAS**, the Chairman of the Authority initiated a strategic planning process in July of 2011, based on the recommendation of the Executive Director, and designated Heather D. Parish to lead the said process; and

**WHEREAS**, Heather D. Parish and the Executive Director, with the assistance of the Staff of the Authority, have, based upon review and analysis, prepared a Strategic Plan for Fiscal Year 2013 through Fiscal Year 2015, which Strategic Plan is attached hereto as Exhibit A; and

**WHEREAS**, the Authority has determined that the adoption of the Strategic Plan is in the best interest of the Authority;

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

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

**Section 2. Adoption of Fiscal Years 2013-2015 Strategic Plan.** The vision and goals set forth in the Strategic Plan are hereby adopted to guide the Authority in Fiscal Year 2013, beginning July 1, 2012, through Fiscal Year 2015, ending June 30, 2012. Nothing in this Resolution prohibits the Members of the Authority or the Executive Director from updating or amending the Strategic Plan.

**Section 3. Implementation.** The Authority hereby authorizes, empowers and directs the Executive Director of the Authority, or his designee(s), to take or cause to be taken any and all such other and further actions, and to execute, acknowledge and deliver any and all such agreements, instruments, certificates and other documents, and to pay all such fees and expenses, as he may deem necessary, appropriate or advisable in order to carry out the purpose and intent of this Resolution.

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

**Section 5. Enactment.** This Resolution shall take effect immediately.

This Resolution shall be retroactive to July 1, 2012.

This Resolution No. 2012-0710-AD\_\_ is adopted this 10th day of July 2012, by the following vote:

Ayes:

Nays:

Abstain:

Absent:

**ILLINOIS FINANCE AUTHORITY**

---

Chairman

**ATTEST:**

---

Assistant Board Secretary

[SEAL]

# ILLINOIS FINANCE AUTHORITY

## Memorandum

To: IFA Board of Directors

From: Pam Lenane & Nora O'Brien

Date: July 10, 2012

Re: Resolution Authorizing the Amendment and Restatement of the Bond Program Handbook of the Illinois Finance Authority

---

The Illinois Finance Authority (the “**Authority**”) Bond Program Handbook (the “**Original Bond Handbook**”) was adopted on November 4, 2004. It set forth policies and procedures applicable to all Authority bond issuances, except those related to its Beginning Farm Bond, which has its own guidelines. Each section of the Handbook contains requirements and guidelines applicable to financing a project under an Authority bond program. Section IV sets forth certain standard provisions that must appear in the basic bond documents for each financing to facilitate the uniform documentation and closing of Authority bond transactions. Improving consistency of bond documents and related exhibits enhances the Authority’s efficiency and effectiveness as an Issuer.

The Original Bond Handbook stated “this Handbook reflects the current policies and thinking of the Authority, and like any policy it is subject to modification, revision and amendment at the sole discretion of the Authority.” Since the commencement of use of the Original Bond Handbook there have been changes and trends in the bond industry and securities market. Certain provisions of the Original Bond Handbook have not been aligned to conform to such changes and trends. The Authority acknowledges the need to modify and restate the Original Bond Handbook (the “**Updated Bond Handbook**”) to ensure that it is and remains aligned with changes and trends in the bond industry and securities market, and to facilitate the approval, documentation and closing of bonds issued by the Authority. The major points being addressed by the Updated Bond Handbook include, but are not limited to the following:

- Redrafting and Streamlining of Lengthy Provisions and Elimination of Redundant Provisions
- Incorporation by Reference to 2012 Omnibus Resolution relating to IFA Conduit Bond Transactions
- Clarification of Provision Requirements for Transactions with Pre-Existing Master Trust Indentures and other Documentation
- Clarification of Provision Requirements for Private Placement and Direct Bank Purchase Bond Transactions
- Clarification of Allowable Roles of Counsels and Advisors involved in IFA Conduit Bond Transactions
- Clarification of Due Diligence and Rule 10b-5 Obligations of Counsels and Advisors involved in IFA Conduit Bond Transactions
- Clarification of Requirements for filing of Form 8038, Arbitrage Matters and other matters required by the Internal Revenue Code
- Clarification of Requirements and Policies relating to Multi-State IFA Conduit Bond Transactions
- Clarification of IFA Post-Closing Monitoring Obligations, Borrower Reporting Requirements and Auditing Compliance
- Revisions to various Closing Forms and related documentation, including the Certificate of the Authority, TEFRA Notice and Opinion Forms

In addition to the amendments to be contained in the Updated Bond Handbook, the Authority desires to delegate to certain Authorized Officers the power to make additional modifications to the Updated Bond Handbook, as each such Authorized Officer may deem necessary and appropriate, within the parameters of the Resolution and in accordance with the provisions of the Illinois Finance Authority Act (the “**Act**”).

**IFA RESOLUTION NO. 2012-0710-\_\_04**

**RESOLUTION AUTHORIZING THE AMENDMENT AND  
RESTATEMENT OF THE BOND PROGRAM HANDBOOK OF THE  
ILLINOIS FINANCE AUTHORITY**

**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*”);

**WHEREAS**, on November 1, 2004, the Authority approved the use of a Bond Program Handbook (the “*Original Bond Handbook*”) to facilitate the uniform documentation and closing of Authority bond transactions;

**WHEREAS**, since the commencement of use of the Original Bond Handbook and changes and trends in the bond industry and securities market, certain provisions of the Original Bond Handbook have not been aligned with such changes and trends;

**WHEREAS**, the Authority acknowledges the need to modify and restate the Original Bond Handbook (the “*Updated Bond Handbook*”) to ensure that it is and remains aligned with changes and trends in the bond industry and securities market and to delegate to certain Authorized Officers (defined herein) the power to make additional modifications to the Updated Bond Handbook, as each such Authorized Officer may deem necessary and appropriate, within the parameters of this Resolution and in accordance with the provisions of the Act; and

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

**Section 1. Amendments and Restatement of the Original Bond Handbook.** The Authority hereby approves the amendments and restatement of the Original Bond Handbook, as reflected in the Summary of Proposed Amendments to the Original Bond Program Handbook on file with the General Counsel of the Authority, with such changes with such changes therein as shall be approved by any Authorized Officer of the Authority.

**Section 2. Updated Bond Handbook Form.** The Authority hereby authorizes the preparation and use of a form of Updated Bond Handbook (in hard and digital formats), which reflects the amendments and restatement approved hereby, to be utilized in connection with Authority bond transactions, and with such changes therein as shall be approved by any Authorized Officer of the Authority.

**Section 3. Delegation of Authority; Further Modifications.** The Authority hereby delegates to the Executive Director or the General Counsel of the Authority or any person duly appointed by the Members to serve in any such office on an interim basis, any officer, employee or agent of the Authority delegated and authorized by the Members the requisite powers of such office, or any two Members of the Authority (each an “*Authorized Officer*”), the power and duty to amend, modify, supplement, restate or replace the Updated Bond Handbook, all within the parameters set forth herein and in accordance with the provisions of the Act.

**Section 4. Authorization and Ratification of Subsequent Acts.** The Authorized Officers are hereby authorized and directed to do all such acts and things and to execute or accept all such documents, as may be necessary to carry out and comply with the provisions of these resolutions, and all of the acts and doings of the Authorized Officers, Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of 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.

**Adopted** this 10<sup>th</sup> day of July, 2012 by vote as follows:

Ayes:

Nays:

Abstain:

Absent:

Vacant:

**ILLINOIS FINANCE AUTHORITY**

By: \_\_\_\_\_  
Chairman

ATTEST:

By: \_\_\_\_\_  
Assistant Secretary

[SEAL]