

ILLINOIS FINANCE AUTHORITY

Tuesday, July 9, 2013

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 and Resolutions
- 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. Approval of Project Reports and Resolutions
- VI. Other Business
- VII. Public Comment
- VIII. Adjournment

Board Meeting Agenda

July 9, 2013

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PROJECT REPORTS AND RESOLUTIONS

AGRICULTURE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
Agri-Debt Guarantee						
<i>Final (One-Time Consideration)</i>						
1	Edward L. King	Steward (Lee County)	\$970,000	N/A	10	JS/LK
TOTAL AGRICULTURE PROJECTS			\$970,000	N/A	10	

HEALTHCARE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
501(c)(3) Revenue Bonds						
<i>Final (One-Time Consideration)</i>						
2	Advocate Health and Hospitals Corporation	Cook, DuPage, Lake, McLean, Kane & Woodford Counties	\$305,000,000	224	634	PL/NO
TOTAL HEALTHCARE PROJECTS			\$305,000,000	224	634	
GRAND TOTAL			\$305,970,000	224	644	

RESOLUTIONS

Tab	Action	Staff
Resolutions		
3	Resolution Approving Release of Approximately Two Acres of Farmland in Connection with Existing Beginning Farmer Bond Loan #1997-02-0006	JS/LK
4	Resolution Providing for the Issuance of Not-To-Exceed \$23,000,000 Principal Amount Illinois Finance Authority Revenue Refunding Bond, Series 2013 (Lake Forest Country Day School); Authorizing the Execution and Delivery of a Bond and Loan Agreement, a Tax Exemption Certificate and Agreement and Related Documents; and Approving Related Matters	RF/BF
5	Resolution Delegating to the Executive Director of the Illinois Finance Authority the Power to Fund and Administer a Loan Program for Deferred Action for Childhood Arrivals ("DACA") Applicants to Medical and Dental Schools in Illinois (the "DACA Loan Program")	NO
6	Resolution Delegating to the Executive Director of the Illinois Finance Authority the Power to Fund and Administer a Grant Anticipation Note in an Amount Not-To-Exceed \$175,000 to the Joliet Arsenal Development Authority ("JADA") and Ratifying Certain Matters Related Thereto	RF
7	Resolution to Adopt the Fiscal Year 2014 Budget of the Illinois Finance Authority	CM
8	Resolution to Adopt the Report of the Compensation Committee of the Illinois Finance Authority	CM
9	Withdrawn	

July 9, 2013

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

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

RE: Message from the Executive Director

Dear Members of the Authority:

The Illinois Finance Authority opened Fiscal Year 2014 with an auspicious event – the groundbreaking of the Rehabilitation Institute of Chicago's (RIC's) new hospital. The event also announced a name change for the hospital: The Ability Institute of RIC. It is estimated that the RIC project will create up to 1,460 construction jobs and create up to 330 new jobs (full time equivalent). RIC's bond financing through the Authority is expected to close this month. The Authority is proud to assist RIC in its new beginning.

In keeping with the theme of new beginnings, on this month's agenda, the Board considers action on a new program that will allow talented students who have DACA (Deferred Action for Early Childhood Development) U.S. immigration status to afford medical and dental school through an innovative re-lending program in partnership with Illinois medical and dental schools and service by the students after receiving their medical and dental licenses in medically underserved Illinois communities.

In other developments, we have monitored recent volatility in the bond market with great interest. In uncertain times, it is vital that the Authority fulfill its role as a reliable issuer for tax-exempt conduit borrowers across Illinois. The Authority recognizes that as markets change, borrowers need an issuer that is a responsive partner for both new money projects and refinancings more than ever. This month, we are pleased to work with Advocate Health Care Network in its proposed \$305 million bond transaction that will modernize Advocate Trinity Hospital in Chicago, Advocate Good Shepard Hospital in Barrington, and Advocate Lutheran General Hospital in Park Ridge. The Authority values its long working relationship with Advocate. We are also pleased to assist Lake Forest Country Day School in its financing.

Finally, we welcome Carmen Lonstein to the Authority. With Ms. Lonstein's appointment by Governor Quinn on June 21, 2013, the Authority is at its full statutory strength of fifteen Members. Thank you for your commitment to public service in Illinois, Ms. Lonstein.

I look forward to continuing to work with all of you in support of job creation and job retention capital financing projects throughout Illinois.

Respectfully,

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

Christopher B. Meister
Executive Director

Attachments:

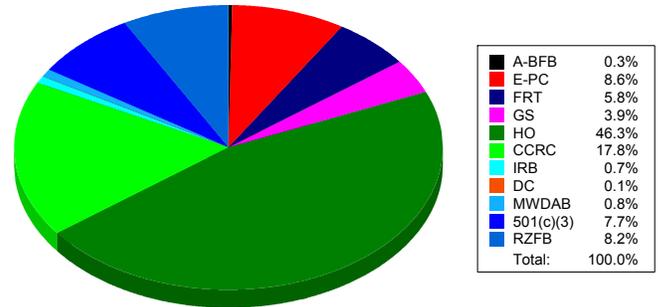
Attachment 1 - Monthly Bonds Activity Report

Bonds Issued - Fiscal Year Comparison for the Period Ending June 30, 2013

Fiscal Year 2011

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,002,064
5	Education	221,290,000
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
1	Freight Transfer Facilities Bonds	150,000,000
85		\$ 2,582,589,248

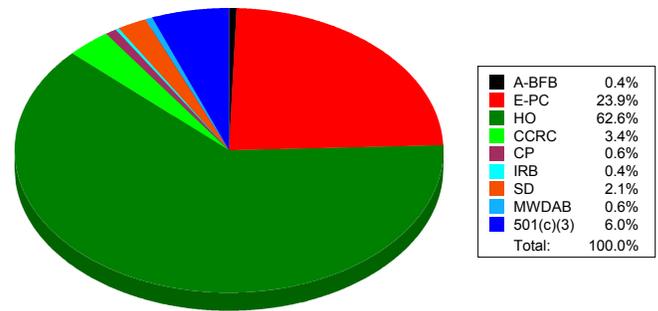
Bonds Issued in Fiscal Year 2011



Fiscal Year 2012

#	Market Sector	Principal Issued
41	Agriculture - Beginner Farmer	8,784,789
3	Education	474,685,000
14	Healthcare - Hospital	1,242,038,200
2	Healthcare - CCRC	66,765,000
1	Healthcare-Community Provider	12,700,000
2	Industrial Revenue	7,295,000
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
78		\$ 1,983,600,835

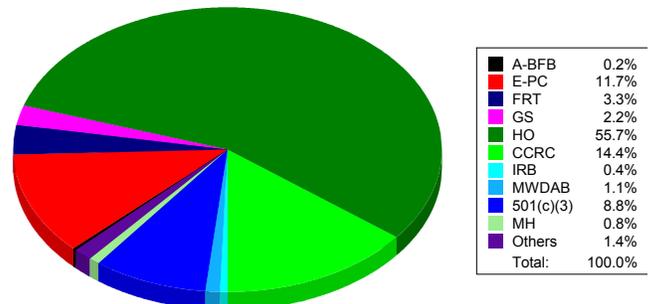
Bonds Issued in Fiscal Year 2012



Fiscal Year 2013

#	Market Sector	Principal Issued
14	Agriculture - Beginner Farmer	4,461,655
8	Education	264,865,000
1	Gas Supply	50,000,000
10	Healthcare - Hospital	1,262,625,000
5	Healthcare - CCRC	326,840,068
2	Industrial Revenue	8,112,280
3	Midwest Disaster Area Bonds	25,700,000
11	501(c)(3) Not-for-Profit	198,592,750
1	MultiFamily/Senior Housing	18,630,000
1	Freight Transfer Facilities Bonds	75,000,000
2	Local Government	15,025,000
1	Environmental issued under 20 ILCS 3515/9	10,935,000
60		\$ 2,260,786,753

Bonds Issued in Fiscal Year 2013



Bonds Issued between July 01, 2012 and June 30, 2013

<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 2013A	07/01/2012	Various-See Below	2,557,005	0
501(c)(3) Carmel Catholic High School, Series 2012	07/10/2012	DP-VRB 1.23%	17,000,000	8,500,000
MH St. Anthony of Lansing, Series 2012	07/13/2012	6.50%	18,630,000	0
E-PC Lake Forest College, Series 2012	07/24/2012	4.25% to 5.75%	15,960,000	0
IRB Freedman Seating Company, Series 2012	09/06/2012	DP-VRB 1.60434%	6,045,000	1,085,000
HO OSF Healthcare System, Series 2012A	09/26/2012	3.00% to 5.00%	179,845,000	151,408,939
HO SwedishAmerican Hospital, Series 2012	09/27/2012	4.00% to 5.00%	41,445,000	0
FRT CenterPoint Joliet Terminal Railroad, Series 2012	09/28/2012	DP-VRB 1.286625%	75,000,000	0
HO Hospital Sisters Services, Inc., Series 2012A,C,F-I	10/01/2012	DP-VRB 0.8732%	407,835,000	254,980,000
HO Rosecrance, Inc., Series 2012A&B	10/01/2012	DP-VRB 2.48%	17,360,000	8,200,000
E-PC Rosalind Franklin University of Medicine & Science, Series 2012	10/02/2012	DP-VRB 1.232%	15,500,000	0
501(c)(3) Sacred Heart Schools, Series 2012	10/11/2012	DP-VRB 0.91%	20,000,000	20,000,000
MWDAB ROA Riverside Development, LLC, Series 2012	10/15/2012	DP-VRB 1.87%	10,000,000	0
E-PC North Park University, Series 2012	10/17/2012	DP-VRB 2.10%	30,000,000	0
501(c)(3) Art Institute of Chicago, Series 2012A	10/18/2012	3.00% to 5.00%	59,940,000	69,240,000
CCRC Lutheran Home and Services, Series 2012	10/30/2012	3.00% to 5.75%	98,500,000	23,355,000
IRB Jonchris, LLC, Series 2012	11/15/2012	DP-VRB 2.20%	2,067,280	2,067,280
HO Centegra Health System, Series 2012	11/20/2012	4.00% to 5.00%	190,425,000	99,055,000
HO Advocate Health Care Network, Series 2012	11/29/2012	4.00% to 5.00%	145,620,000	0
MWDAB Cargill, Incorporated, Series 2012	11/29/2012	VRB 1.55%	11,300,000	0
501(c)(3) Big Ten Conference, Inc., Series 2012	12/20/2012	DP 2.10%	13,000,000	0
MWDAB Practice Velocity Holdings, LLC, Series 2012	12/28/2012	DP-VRB LIBOR	4,400,000	0
A-BFB Beginner Farmer Bonds, Series 2013A	01/01/2013	various	1,904,650	0
CCRC Clare Oaks Project, Series 2012A-C	12/31/2012	7.00%	89,000,068	89,000,068
E-PC Chicago School of Professional Psychology, Series 2013	01/02/2013	DP-VRB LIBOR	10,000,000	10,000,000
HO University of Chicago Medical Center, Series 2013A	01/24/2013	DP-VRB LIBOR	75,000,000	0
501(c)(3) Helping Hand Center, Series 2013	02/01/2013	DP-VRB 3.95%	7,000,000	4,395,000
501(c)(3) Chicago Academy of Sciences, Series 2013	01/28/2013	Variable	5,519,750	5,480,000
HO Ingalls Health System, Series 2013	02/06/2013	Fixed at Schedule	61,860,000	40,320,000
E-PC Catherine Cook School, Series 2013	02/16/2013	Fixed at Constant	4,000,000	5,820,000
HO Northwestern Memorial Healthcare, Series 2013	02/27/2013	Fixed at Schedule	111,235,000	52,917,058
501(c)(3) Steppenwolf Theatre Company, Series 2013	02/28/2013	Variable	17,000,000	6,100,000
501(c)(3) American College of Chest Physicians, Series 2013	03/07/2013	Variable	18,000,000	0
CCRC Franciscan Communities, Inc., Series 2013A&B	03/13/2013	Fixed at Schedule	111,540,000	0
501(c)(3) Concordia Place Apartments, Series 2013A&B	03/21/2013	Variable	14,385,000	0
E-PC Northern Illinois University Foundation, Series 2013	03/22/2013	Fixed at Schedule	6,100,000	0
L City of Elgin, Series 2013C	04/01/2013	Fixed at Schedule	5,025,000	0
CCRC Three Crowns Park, Series 2013	04/01/2013	Fixed at Schedule	3,035,000	0
L Elgin Community College District No. 509, Series 2013B	04/16/2013	Fixed at Schedule	10,000,000	0
GS Peoples Gas Light and Coke Co., Series 2013A	04/18/2013	Fixed at Schedule	50,000,000	50,000,000
501(c)(3) Countryside Montessori Schools, Inc., Series 2013	05/13/2013	Variable	2,500,000	0
E-PC DePaul University, Series 2013	05/15/2013	4.00-5.000%	34,215,000	34,215,000
E-PC The University of Chicago, Series 2013	05/15/2013	4.00-5.25%	149,090,000	58,586,788
CCRC Plymouth Place, Series 2013	05/13/2013	6.00%	24,765,000	24,765,000
HO Riverside Medical Center	05/15/2013	Fixed at Schedule	32,000,000	0
501(c)(3) University of St. Francis	06/01/2013	Variable	24,248,000	24,248,000
SW Kuusakoski US LLC	06/05/2013	Variable	10,935,000	0
Total Bonds Issued as of June 30, 2013			\$ 2,260,786,753	\$ 1,043,738,132

Legend: Fixed Rate Bonds as shown

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

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

Beginner Farmer Bonds interest rates are shown in section below.

Beginner Farmer Bonds Funded between July 01, 2012 and June 30, 2013

<u>Borrower</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
Justison, Patricia	07/25/2012	3.75%	209,000	38.00	Macon
Voumard, Scott & Angela	08/08/2012	3.75%	248,700	89.26	Madison
Barth, Brian C.	08/24/2012	3.75%	185,000	97.00	Bond
Dolder, Jonathan	10/02/2012	3.00%	446,650	122.00	LaSalle
Chandler, George	11/01/2012	3.40%	488,600	160.00	Henderson
Ellinger, Dustin & Dee	11/13/2012	3.75%	118,000	33.74	Montgomery
Wilson, Matthew D.	12/07/2012	3.25%	75,000	290.00	Jasper & Richland
Landheer, Arian A.	12/07/2012	3.25%	330,000	34.48	Whiteside
Ruppert, Jordan	12/28/2012	4.00%	456,055	157.00	Perry
Niemann, Caleb P.	03/15/2013	2.75%	240,000	40.00	Macoupin
Kabala, Keeley & Michael	03/15/2013	3.75%	346,800	57.50	Henry
Bergmann, Richard and Danielle	04/02/2013	2.50%	95,000	20.00	Clinton
Hopper, Cyrus	04/05/2013	3.50%	273,750	50.00	Moultrie
Pool, Brian	04/05/2013	3.25%	240,000	40.00	Iroquois
Herrington, Steven R.	05/17/2013	3.50%	337,500	45.00	Edgar
Dotterer, Alex & Carmen	06/28/2013	2.75	371,600	40.83	McLean
Total Beginner Farmer Bonds Issued			\$ 4,461,655	1,314.81	

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, 2012 and June 30, 2013

	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>State Guarantee</u>
Agri Industry Guarantee				
Roanoke Milling Co.	09/27/2012	5.25%	796,906	677,370
Total Agri Industry Guarantee			\$ 796,906	\$ 677,370
AG Debt Restructuring Guarantee				
Bastert, Mildred	05/08/2013	5.75%	500,000	425,000
Stock Farms, Inc.	05/30/2013	4.90%	500,000	425,000
Total AG Debt Restructuring Guarantee			\$ 1,000,000	\$ 850,000
Specialized Livestock				
Duncan, Brian & Kelly	10/01/2012	3.71%	423,000	359,550
J Double R, LLC	10/19/2012	3.75%	1,000,000	850,000
Total Specialized Livestock			\$ 1,423,000	\$ 1,209,550
Total Agriculture Guarantees during the Period			\$ 3,219,906	\$ 2,736,920



COMMITTEE MINUTES

**ILLINOIS FINANCE AUTHORITY
COMMITTEE OF THE WHOLE
REGULAR MEETING
TUESDAY, JUNE 11, 2013
9:30 A.M.**

I. Call to Order & Roll Call

At the regular meeting of the Committee of the Whole of the Illinois Finance Authority (the “Committee” or “COW”), begun and held at Two Prudential Plaza, 180 North Stetson Avenue, Suite 2555, Chicago, Illinois 60601, on the second Tuesday of June in the year 2013, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the “Act”), William A. Brandt, Jr., Chairman of the Committee, called the Committee to order and presided over deliberations.

By direction of the Chairman, a roll call was taken to ascertain the attendance of Members, as follows: 8 Present.

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

Having been absent when the Quorum Roll Call for Attendance was taken, Member Bronner was recorded as present at the time of 9:35 a.m.

**ILLINOIS FINANCE AUTHORITY
COMMITTEE OF THE WHOLE
COMMITTEE ROLL CALL
QUORUM ROLL CALL FOR ATTENDANCE**

June 11, 2013

0 YEAS

0 NAYS

9 PRESENT

E	Barclay	P	Knox	E	Poole
P	Bronner (ADDED)	E	Leonard	P	Tessler
P	Fuentes	P	O’Brien	P	Zeller
E	Goetz	E	Parish	P	Mr. Chairman
P	Gold	P	Pedersen		

E – Denotes Excused Absence

II. Chairman's Remarks

Chairman Brandt informed the Committee that he has reviewed a proposed calendar of regularly scheduled meetings for the various committees and regularly scheduled meetings of the Board of Directors for Fiscal Year 2014. It will be circulated to Members of the Committee during the week. At this time, all COW meetings and meetings of the Board of Directors have been scheduled to originate in Chicago; however, it remains Chairman Brandt's desire to have a meeting or meetings outside of the metropolitan Chicago area.

Chairman Brandt explained that he has spoken further with Loyola University Chicago concerning the Dream Act, which allows undocumented students to attend college at the same tuition rate as documented students. As it does not currently allow undocumented students to attend medical school and utilize federal student aid programs, Loyola University Chicago has indicated to Chairman Brandt that the proposed idea of the Illinois Finance Authority ("IFA" or "Authority") creating a program that will assist these undocumented students in securing loans at affordable interest rates to attend one of the several area medical or dental schools has gone viral. Loyola University Chicago expects approximately 300 applications in connection with the proposed IFA program. Furthermore, Rush University Medical Center is also attempting at this time to amend its application process to allow for application to be made by undocumented students. Finally, Chairman Brandt explained that he expects immigration reform to take place in the U.S. Senate in the near future so this IFA program may be short-lived but well worth the effort on an interim basis.

Discussing the venture capital industry, Chairman Brandt explained that a civic group led by J.B. Pritzker has approached IFA and requested that it serve as a liaison with the Office of the Governor concerning more bio-science and clean-tech startups. Pritzker intends to push the bio-science and clean-tech growth agenda in his role as co-chair of Mayor Rahm Emanuel's ChicagoNEXT, a committee designed to create jobs and boost investment in digital technology. The group is presently seeking approximately 40,000 square feet to serve as an incubator, preferably in the Near North Side of Chicago, similar in fashion to 1871 at Merchandise Mart.

Member Fuentes, Chairman of the Venture Capital Committee, inquired as the possibility of utilizing property in the Illinois Medical District for the biotech incubator. Chairman Brandt explained that the civic committee is seeking a location which is highly accessible via public transportation.

III. Message from the Executive Director

Executive Director Meister stated that he is pleased to welcome two new borrowers to the Authority: University of St. Francis ("St. Francis") and Township High School District Number 113 ("Highland Park High School and Deerfield High School District").

St. Francis, a non-profit higher educational institution operating continuously in the City of Joliet since 1920, is refinancing debt through the Authority that was originally issued locally. The bond issue for the Highland Park and Deerfield High School District will be the third and largest local government bond issuance through the Authority this calendar year. Local government bonds issued through the Authority are exempt from both federal income taxes and State of Illinois income taxes. Double tax exemption on behalf of local governments can help reduce the burden on local property taxpayers.

In the opinion of Executive Director Meister, this Township High School District Number 113 financing, as well as the recent financings for the City of Elgin and Community College District No. 509, represents a trend in Local Government financing by the IFA – especially when considering the continued work on

the Governor's Clean Water Initiative through the State Revolving Loan Fund and the State Fire Marshal's Fire Truck and Ambulance loan programs.

Executive Director Meister thanked Legislative Affairs Committee Chairman O'Brien for his stewardship in the recent legislative success of IFA in Springfield. Governor Quinn and the Illinois General Assembly have long-supported the Authority's public mission to finance capital projects that retain and create good jobs primarily through the issuance of tax-exempt bonds. In the face of changing market conditions and continuing economic challenges, the Illinois General Assembly has been receptive to the Authority's requests to add tools to meet IFA's job retention/creation mission while continuing to operate on a self-supporting basis, without one penny of appropriated State taxpayer dollars. In the Spring 2013 Legislative Session, this support continued with the passage of House Committee Amendment 1 and House Floor Amendment 3 to Senate Bill 1603 ("SB 1603").

From an economic development perspective, SB 1603:

- expands the Authority's ability to issue bonds for multi-state projects to for-profit businesses as long as there is an Illinois headquarters or an Illinois project. The Authority has been a good steward of multi-state issuance on behalf of 501(c)(3) non-profit entities such as Ascension, Covenant Communities and Franciscan Communities since 2010;
- allows the Authority to develop a program to help smaller bond borrowers take advantage of the current low interest rate environment through pooled refinancing;
- modernizes the as yet unfunded Emerald Ash Borer Revolving Loan program to include treatment as well as replacement of diseased trees;
- includes geothermal ("total btu's of electricity and natural gas") in the statutory definition of Energy Efficiency Projects and allows the Department of Commerce and Economic Opportunity up to three years to fund energy efficiency projects; and
- restores the Authority's ability to finance development of new student housing on the campuses of public universities via public-private partnerships. The Authority has successfully financed two student housing projects on the campus of Northern Illinois University and one student housing project at Illinois State University since 2006.

From an efficiency perspective, SB 1603 recognizes the role of the Authority's volunteer Board Members in overseeing Authority operations relating to procurement matters while maintaining the transparency and accountability policies of recent State procurement reforms. The Authority appreciates the Legislature's recognition that from a revenue perspective the Authority operations more closely resemble a small private business than a taxpayer supported State agency.

Executive Director Meister explained that the Authority is very grateful to SB 1603's lead sponsors, Senator Michael Hastings and Representative Kelly Burke, as well as all of the bill's bipartisan co-sponsors: Senator Pam Althoff and Representatives Naomi Jakobsson, Joe Sosnowski, Tom Demmer, Pat Verschoore, Jim Sacia, Deborah Mell, Bob Pritchard, Ken Dunkin, Ron Sandack, Jim Durkin, Ann Williams and Robyn Gabel. The Authority is particularly appreciative of the favorable consideration and support of SB 1603 by the four legislative leaders: Speaker Madigan, President Cullerton, Leader Radogno and Leader Cross.

Member Bronner explained that these reforms will serve the Authority well as new student housing on the campuses of public universities is in demand across the state.

Executive Director Meister engaged the Committee in a conversation concerning House Bill 2748 (Representative Josh Harms; Senator Jason Barickman) which also passed both houses of the General Assembly. This bill memorializes the intent of the late Senator Vince Demuzio and former Representative Gary Hannig, the sponsors of Senate Bill 1075 (P.A. 93-205) which was the bill that created the Authority in the 93rd General Assembly, that at any point in time at least two members of the Authority have expertise in agribusiness or production agriculture.

The Authority recommends that Governor Quinn favorably consider HB 2748 and SB 1603.

Next, Executive Director Meister stated that on the agenda is a resolution to formalize the Authority's partnership with the Metro East Police District Commission ("Commission") to assist the Commission's efforts to improve public safety in the City of East St. Louis and the Villages of Washington Park, Alorton and Brooklyn.

Then, Executive Director Meister reiterated the sentiments of Chairman Brandt of having regularly scheduled meetings for the various committees and regularly scheduled meetings of the Board of Directors for Fiscal Year 2014 outside of the metropolitan Chicago area.

Member Bronner reported that the Treasurer of East St. Louis did attend the Government Finance Officers Association conference held last week and they spoke briefly.

Finally, Executive Director Meister informed Members of the Committee that the Fiscal Year 2014 Budget will be adopted at the next regularly scheduled meeting of the Board of Directors in July. At this time, a draft business plan and financial projections have been provided to Members of the Committee for their preliminary review.

IV. Consideration of the Minutes

Chairman Brandt asked if the Members wished to direct the Assistant Secretary of the Board to correct any errors in the Minutes of the regular meeting of the Committee held on May 14, 2013 or any errors in the Minutes of the regular meeting of the Board held on May 14, 2013.

Member Bronner moved for the adoption of the Minutes of the regular meeting of the Committee held on May 14, 2013.

Member Pedersen seconded the motion.

The motion prevailed and the Minutes were adopted.

V. Presentation and Consideration of the Financial Statements

Revenue

Mr. Bailey explained that Revenues for May 2013 were 65% higher than budgeted due to increases in application and closing fees. General fund revenues were \$445,930 against a monthly budget of \$270,595. For May, there were four closings on bond issuances totaling \$210.6 million – two in the education sector, one in healthcare, and one nonprofit generating closing fees of \$319,245. Year to Date Total Revenues were \$4,657,297 or 5.6% above the budget of \$4,411,481.

Revenues for May 2013 were not fully comparable with May 2012 due to other income of \$932,253 that was received in May 2012. However, Year to Date application and closing fees through May 2013 were \$1.1 million higher than the fees collected through May 2012, a 44% increase.

On the consolidated statements, which incorporate data from 16 additional IFA funds, revenues totaled \$696,590 and exceeded the budget for the month of May by 46.3%. This was due to increases in both investment interest income and closing fees for the month. Year to date revenues of \$7,278,590 were higher than budget by \$597,472 or 8.9%.

Chairman Brandt expressed his pleasure that Revenues were derived from more traditional, sustainable sources as opposed to litigation settlements as in the fiscal year prior.

Expenses

Total Expenses for May 2013 were \$295,635 or 1.7% lower than the budgeted level of \$300,885 for the general fund. Year to Date Total Expenses through May were \$3,343,344, which are in line with the budget of \$3,340,624.

Comparing Total Expenses for May 2013 to May 2012, the 2013 levels were \$2,129 lower than 2012 levels. Year to Date expenses were 9.5% above May 2012 levels due in part to increases in professional services.

On the consolidated statements, expenses for the month were \$470,612, which were at budget. Year to Date expenses of \$5,162,778 were slightly lower than budget.

Net Income (Loss)

May 2013 ended with a Net Profit of \$150,294, \$180,584 better than the budgeted net loss of \$30,290. This positive variance was primarily due to increases in application and closing fee revenues. Year to Date Net Income was \$1,770,727 or 59% above the FY13 budget of \$1,070,857. This increase in FY13 annual net income was due to increases in closing fees, other income and transfers recorded in previous months.

On the consolidated statements, Net Income for the month was \$225,978 as compared to \$5,902 budgeted, a positive variance of \$220,076. Year to date Net Income was \$2,957,211 against a budget of \$1,478,916, primarily due to the recording of grant revenues.

Balance Sheet

The Authority's general fund balance sheet remains strong. At May 31, 2013 Total Assets were \$50.7 million as compared with \$48.8 million in assets one year ago. Cash and investments increased \$4 million from 2012 to 2013 while loan receivables decreased by \$2.2 million.

The consolidated balance sheet as of May 31, 2013 reflects \$160.5 million in Total Assets, a 1.7% decrease over 2012.

Again, Chairman Brandt expressed his pleasure that Revenues were derived from more traditional, sustainable sources as opposed to litigation settlements as in the fiscal year prior. It is his hope that a recovering economy will result in a more robust volume of municipal bonds being issued by the Authority.

Executive Director Meister explained, however, that the various financings the Authority are a party to have become more complicated and require more staff time.

Chairman Brandt and Executive Director Meister engaged in a conversation regarding Roseland Community Hospital, a Far South Side safety-net hospital.

Chairman Brandt's firm, Development Specialists Inc., is examining Roseland's books pro bono at the request of Governor Pat Quinn to get a complete picture of the hospital's finances. The goal is to discover whether there is any way to keep Roseland alive in some form though perhaps not as an inpatient hospital. Chairman Brandt reported that the goal is to get them under someone else's stewardship.

Member Knox inquired as to when Roseland Community Hospital will be forced to close given the current financial situation. Chairman Brandt informed Member Knox that the situation is evolving.

Next, Executive Director Meister informed the Committee that he and Member Parish visited St. Anthony Hospital, part of the Sinai Health System, to discuss their development of a financially self-sustaining campus, which will deliver a combination of retail, wellness, education, arts and recreation elements, customized to meet the needs of its community at an almost 11-acre lot at 31st and Kedzie in the Southwest side of the city where the nearly 1 million square-foot complex is planned for the campus.

VI. Committee Reports

Agriculture Committee

Member Zeller reported that the Agriculture Committee reviewed two Beginning Farmer Bond projects. The Agricultural Committee recommended approval of both projects.

Healthcare Committee

Ms. Lenane reported that the Healthcare Committee reviewed one project for Preliminary Bond Resolution consideration and an Amendment Resolution for consideration. The Healthcare Committee recommended approval of the project and the amendment resolution.

Furthermore, a forecast Fiscal Year 2014 budget was presented to the Healthcare Committee.

VII. Project Reports and Resolutions

Mr. Senica presented the following projects:

Agriculture Projects

Item 1(A): Item 1(A) is a request for Beginning Farmer Revenue Bond financing.

Wade David Hugh Scrivner is requesting approval of a **Final Bond Resolution** in an amount not-to-exceed **Four Hundred Forty Thousand Dollars** (\$440,000). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 165 acres of farmland located in Moores Prairie Township in Jefferson County.

Item 1(B): Item 1(B) is a request for Beginning Farmer Revenue Bond financing.

Alex and Carmen Dotterer are requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Three Hundred Seventy-One Thousand Six Hundred Dollars** (\$371,600). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 41 acres of farmland located in Martin Township in McLean County.

Local Government Projects

Item 2: Item 2 is a request for Local Government Revenue Bond financing.

Township High School District Number 113 (hereinafter, the “District”) is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Fifty Million Dollars** (\$50,000,000). This project is being presented for one-time consideration.

IFA’s Bonds will, technically, purchase an amount of not-to-exceed \$50.0 Million of the District’s Bonds (hereinafter, the IFA Series 2013A Bonds) under the Authority’s Illinois Local Government Financing Assistance Program (hereinafter, the “Program”) to purchase certain local government securities of the District in order to accomplish the purposes of the Program.

In addition to the IFA Series 2013A Bonds, the District will be issuing Series 2013B Bonds that will be issued by the District sold via competitive sale. The combined issuance amounts of the IFA Series 2013A and the District’s Series 2013B Bonds is expected to equal the \$89.0 Million amount authorized in a voter-approved referendum in April 2013.

Both series of Bonds are expected to finance a series of capital improvement projects at the District’s two high school facilities, which include Highland Park High School in Highland Park and at Deerfield High School in Deerfield. Additionally, a portion of the IFA Series 2013A and the District’s Series 2013B Bond proceeds may be used to finance capitalized interest and bond issuance costs.

Mr. Frampton presented the following projects:

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

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

Concordia University is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Twenty Million Dollars** (\$20,000,000).

Concordia University (hereinafter, the “**University**”) will apply the proceeds from the sale of the Series 2013 Bond and other available funds, including the proceeds of certain taxable indebtedness to be incurred by the University, to (i) the refunding of the outstanding IFA Adjustable Rate Demand Revenue Bonds, Series 2009 (Concordia University Project) and (ii) the payment of certain costs relating to the issuance of the Series 2013 Bond (collectively, the “**Financing Purposes**”).

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

Rogers Park Montessori School is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Twenty-Six Million Dollars** (\$26,000,000). This financing is being presented for one-time consideration.

Bond proceeds will be loaned to **Rogers Park Montessori School** (the “**Borrower**”), an Illinois not for profit corporation, to be used, together with certain other funds, to (i) pay or reimburse the Borrower, or refinance certain indebtedness the proceeds of which were used to pay or reimburse the Borrower, for the costs of acquiring, constructing, renovating, remodeling, expanding and equipping certain of the Borrower’s school facilities, located at 1800 W. Balmoral Ave., Chicago, Illinois 60640 (the “**School Facility**”), including without limitation, an approximately 13,000 square foot expansion of the existing, approximately 47,000 square foot School Facility; the addition of classrooms, rooms, science spaces, science laboratories, presentation spaces, group work spaces, tutoring alcoves, and co-curricular spaces to the School Facility; and renovating, remodeling, expanding and equipping the gymnasium of the School Facility (and together with the School Facility, the “**Project**”); (ii) advance refund or if deemed necessary or advisable by the Borrower, defease all or a portion of the outstanding principal amount of the \$11,750,000 original principal amount Illinois Finance Authority Educational Facility Revenue Bonds, (Rogers Park Montessori School Project) Series 2004 (the “**Prior Bonds**”); (iii) fund a debt service reserve fund for the Bonds, if deemed necessary or advisable by the Borrower; (iv) fund a capitalized interest fund for the Bonds, if deemed necessary or advisable by the Borrower; and (v) pay certain costs incurred in connection with the issuance of the Bonds, and the costs of refunding the Prior Bonds (collectively with the Project, the “**Financing Purposes**”).

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

University of St. Francis is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Twenty-Six Million Dollars** (\$26,000,000). This financing is being presented for one-time consideration.

Bond proceeds, together with certain other funds, will be used by **University of St. Francis** for the purposes of (i) currently refunding and redeeming all of the outstanding Will County Adjustable Rate Demand Revenue Bonds, University of St. Francis, Series 2005 (the “**Series 2005 Bonds**”), (ii) currently refunding and redeeming all of the outstanding Will County Tax-Exempt Variable Rate Demand Revenue Bonds (University of St. Francis Project), Series 2007 (the “**Series 2007 Bonds**”, and together with the Series 2005 Bonds, the “**Prior Bonds**”), and (iii) paying a portion of Bond issuance costs (collectively, the “**Financing Purposes**”).

Ms. O’Brien presented the following projects:

Healthcare Projects

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

Washington and Jane Smith Community - Orland Park d/b/a Smith Crossing is requesting approval of a **Preliminary** Bond Resolution in an amount not-to-exceed **Fifty Million Dollars** (\$50,000,000).

Bond proceeds will be used by **Washington and Jane Smith Community - Orland Park d/b/a Smith Crossing** (hereinafter, the “**Borrower**”) to (i) pay or reimburse the Borrower for, or refinance certain indebtedness the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain “projects” (as such term is defined in the Illinois Finance Authority Act) for the Borrower’s senior living community; (ii) refund all or a portion of the \$20,110,000 Illinois Health Facilities Authority Revenue Bonds, Series 2003A (Smith Crossing Project) (the “**Series 2003A Bonds**”); (iii) refund all or a portion of the \$4,250,000 Illinois Health Facilities Authority Revenue Bonds, Series 2003B-2 (Smith Crossing Project) Extendable Rate Adjustable Securities (the “**Series 2003B-2 Bonds**” and, together with the Series 2003A Bonds, the “**Prior Bonds**”); (iv) refinance all or a portion of a construction loan, the proceeds of which were used by the Borrower for the payment of the costs of the acquisition, construction, renovation, remodeling and equipping of approximately 76 independent living units and 30 assisted living units, the conversion of approximately 16 assisted living units to skilled nursing units and the renovation, remodeling and equipping of certain other portions of the Borrower’s existing campus, all located in Orland Park, Illinois (hereinafter, the “**Construction Loan**”); (v) provide working capital to the Borrower, if deemed necessary or advisable by the Borrower; (vi) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Borrower; (vii) fund a debt service reserve fund, if deemed necessary or advisable by the Borrower; and (viii) pay certain expenses incurred in connection with the issuance of the Bonds, the refunding of the Prior Bonds and the refinancing of the Construction Loan, all as permitted by the Act (and collectively, the “**Financing Purposes**”).

Mr. Frampton presented the following resolution:

Resolutions

Item 7: Resolution Authorizing the Execution and Delivery of an Amended and Restated Bond and Loan Agreement in Connection with the Outstanding Revenue Refunding Bonds (Elgin Academy Project) Series 2009; and Related Matters

Mr. Senica presented the following resolution:

Resolutions

Item 8: Resolution Approving Release of One Acre of Farmland in Connection with Existing Beginning Farmer Bond Loan #2011-02-0003

Chairman Brandt and Member Zeller engaged in a conversation concerning the value of the land.

Ms. O’Brien presented the following resolutions:

Resolutions

Item 9: Resolution Authorizing and Approving Certain Actions of the Illinois Finance Authority in Connection with Appointment of Successor Bond Trustee for the Illinois Finance Authority Revenue Refunding Bonds, Series 2006A (Proctor Hospital)

Item 10: Resolution Authorizing and Approving an Intergovernmental Agreement between the Illinois Finance Authority and the Metro East Police District Commission Regarding the Metro East Police District Fund

Ms. O'Brien informed the Committee that a copy of the proposed Intergovernmental Agreement with the Metro East Police District Commission (the "Commission") has been provided to them. The Intergovernmental Agreement provides for a 3% fee to be paid to the Authority for its role in performing oversight of the monies received by the Commission and deposited into Metro East Police District Fund. Ms. O'Brien stated that the Commission will certify as to the use of proceeds when disbursements are made and the Commission will provide supporting documentation.

VIII. Other Business

Ms. O'Brien informed the Committee that discussions are ongoing with Dr. Linda Brubaker, Dean and Chief Diversity Officer of the Stritch School of Medicine for Loyola University Chicago concerning the Loan Program for Deferred Action for Childhood Arrivals ("DACA") applicants to medical and dental schools in Illinois (the "DACA Loan Program").

IX. Public Comment

None.

X. Adjournment

At the time of 10:25 a.m., Member Knox moved that the Committee do now adjourn until July 9, 2013, at 9:30 a.m.

Member Zeller seconded the motion.

The motion prevailed.

And the Committee stood adjourned.

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



BOARD MINUTES

**ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
TUESDAY, JUNE 11, 2013
10:37 A.M.**

I. Call to Order & Roll Call

At the regular meeting of the Board of Directors of the Illinois Finance Authority (the “Board”), begun and held at One Prudential Plaza, 130 East Randolph Avenue, Suite 750, Chicago, Illinois 60601, on the second Tuesday of June in the year 2013, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the “Act”), William A. Brandt, Jr., Chairman of the Board, called the Board to order and presided over deliberations.

By direction of the Chairman, a roll call was taken to ascertain the attendance of Members, as follows: 9 Present.

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

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

June 11, 2013

0 YEAS

0 NAYS

9 PRESENT

E	Barclay	P	Knox	E	Poole
P	Bronner	E	Leonard	P	Tessler
P	Fuentes	P	O’Brien	E	Zeller (VIA AUDIO CONFERENCE)
P	Goetz (VIA AUDIO CONFERENCE)	E	Parish	P	Mr. Chairman
P	Gold	P	Pedersen		

E – Denotes Excused Absence

II. Chairman's Remarks

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

Chairman Brandt, Chairman, from the Committee of the Whole to which all items of this meeting's agenda were referred, action taken earlier on June 11, 2013, reported the same back and that all items were thoroughly reviewed.

III. Adoption of the Minutes

Minutes of the regular meeting of the Board held on May 14, 2013 and the Financial Statements for the Month Ended May 31, 2013 will be taken up for consideration.

Member Pedersen moved for the adoption of the Minutes and the Financial Statements.

Member Knox seconded the motion.

And on that motion, a vote was taken resulting as follows: 9 yeas; 0 Nays; 0 Answering Present.

The motion prevailed and the Minutes and Financial Statements were adopted.

IV. Acceptance of the Financial Statements

See Agenda Item III.

V. Approval of Project Reports and Resolutions

Chairman Brandt directed Mr. Frampton to present the projects without guests or abstentions to the Board.

Mr. Frampton presented the following projects:

Agriculture Projects

Item 1(A): Item 1(A) is a request for Beginning Farmer Revenue Bond financing.

Wade David Hugh Scrivner is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Four Hundred Forty Thousand Dollars** (\$440,000). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 165 acres of farmland located in Moores Prairie Township in Jefferson County.

Item 1(B): Item 1(B) is a request for Beginning Farmer Revenue Bond financing.

Alex and Carmen Dotterer are requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Three Hundred Seventy-One Thousand Six Hundred Dollars** (\$371,600). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 41 acres of farmland located in Martin Township in McLean County.

Chairman Brandt moved for the adoption of the following projects: Items 1(A) and 1(B).

Member Knox seconded the motion.

And on that motion, a vote was taken, resulting as follows: 9 yeas; 0 Nays; 0 Answering Present.

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

Chairman Brandt directed Mr. Frampton to present the remaining projects without guests or abstentions to the Board.

Mr. Frampton presented the following projects:

Local Government Projects

Item 2: Item 2 is a request for Local Government Revenue Bond financing.

Township High School District Number 113 (hereinafter, the “District”) is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Fifty Million Dollars** (\$50,000,000). This project is being presented for one-time consideration.

IFA’s Bonds will, technically, purchase an amount of not-to-exceed \$50.0 Million of the District’s Bonds (hereinafter, the IFA Series 2013A Bonds) under the Authority’s Illinois Local Government Financing Assistance Program (hereinafter, the “Program”) to purchase certain local government securities of the District in order to accomplish the purposes of the Program.

In addition to the IFA Series 2013A Bonds, the District will be issuing Series 2013B Bonds that will be issued by the District sold via competitive sale. The combined issuance amounts of the IFA Series 2013A and the District’s Series 2013B Bonds is expected to equal the \$89.0 Million amount authorized in a voter-approved referendum in April 2013.

Both series of Bonds are expected to finance a series of capital improvement projects at the District’s two high school facilities, which include Highland Park High School in Highland Park and at Deerfield High School in Deerfield. Additionally, a portion of the IFA Series 2013A and the District’s Series 2013B Bond proceeds may be used to finance capitalized interest and bond issuance costs.

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

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

Concordia University is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Twenty Million Dollars** (\$20,000,000).

Concordia University (hereinafter, the “**University**”) will apply the proceeds from the sale of the Series 2013 Bond and other available funds, including the proceeds of certain taxable indebtedness to be incurred by the University, to (i) the refunding of the outstanding IFA Adjustable Rate Demand Revenue Bonds, Series 2009 (Concordia University Project) and (ii) the payment of certain costs relating to the issuance of the Series 2013 Bond (collectively, the “**Financing Purposes**”).

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

University of St. Francis is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Twenty-Six Million Dollars** (\$26,000,000). This financing is being presented for one-time consideration.

Bond proceeds, together with certain other funds, will be used by **University of St. Francis** for the purposes of (i) currently refunding and redeeming all of the outstanding Will County Adjustable Rate Demand Revenue Bonds, University of St. Francis, Series 2005 (the “**Series 2005 Bonds**”), (ii) currently refunding and redeeming all of the outstanding Will County Tax-Exempt Variable Rate Demand Revenue Bonds (University of St. Francis Project), Series 2007 (the “**Series 2007 Bonds**”, and together with the Series 2005 Bonds, the “**Prior Bonds**”), and (iii) paying a portion of Bond issuance costs (collectively, the “**Financing Purposes**”).

Chairman Brandt requested leave of the Board to use the last unanimous vote for the adoption of the following projects: Items 2, 3 and 5.

Leave was granted.

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

Chairman Brandt directed Mr. Frampton to present the resolutions without guests or abstentions to the Board.

Mr. Frampton presented the following resolutions:

Resolutions

Item 7: Resolution Authorizing the Execution and Delivery of an Amended and Restated Bond and Loan Agreement in Connection with the Outstanding Revenue Refunding Bonds (Elgin Academy Project) Series 2009; and Related Matters

Item 8: Resolution Approving Release of One Acre of Farmland in Connection with Existing Beginning Farmer Bond Loan #2011-02-0003

Item 9: Resolution Authorizing and Approving Certain Actions of the Illinois Finance Authority in Connection with Appointment of Successor Bond Trustee for the Illinois Finance Authority Revenue Refunding Bonds, Series 2006A (Proctor Hospital)

Item 10: Resolution Authorizing and Approving an Intergovernmental Agreement Between the Illinois Finance Authority and the Metro East Police District Commission Regarding the Metro East Police District Fund

Chairman Brandt requested leave of the Board to use the last unanimous vote for the adoption of the following resolutions: Items 7, 8, 9 and 10.

Leave was granted.

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

Chairman Brandt directed Mr. Frampton to present the projects with guests to the Board.

Mr. Frampton presented the following projects:

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

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

Rogers Park Montessori School is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Twenty-Six Million Dollars** (\$26,000,000). This financing is being presented for one-time consideration.

Bond proceeds will be loaned to **Rogers Park Montessori School** (the “**Borrower**”), an Illinois not for profit corporation, to be used, together with certain other funds, to (i) pay or reimburse the Borrower, or refinance certain indebtedness the proceeds of which were used to pay or reimburse the Borrower, for the costs of acquiring, constructing, renovating, remodeling, expanding and equipping certain of the Borrower’s school facilities, located at 1800 W. Balmoral Ave., Chicago, Illinois 60640 (the “**School Facility**”), including without limitation, an approximately 13,000 square foot expansion of the existing, approximately 47,000 square foot School Facility; the addition of classrooms, rooms, science spaces, science laboratories, presentation spaces, group work spaces, tutoring alcoves, and co-curricular spaces to the School Facility; and renovating, remodeling, expanding and equipping the gymnasium of the School Facility (and together with the School Facility, the “**Project**”); (ii) advance refund or if deemed necessary or advisable by the Borrower, defease all or a portion of the outstanding principal amount of the \$11,750,000 original principal amount Illinois Finance Authority Educational Facility Revenue Bonds, (Rogers Park Montessori School Project) Series 2004 (the “**Prior Bonds**”); (iii) fund a debt service reserve fund for the Bonds, if deemed necessary or advisable by the Borrower; (iv) fund a capitalized interest fund for the Bonds, if deemed necessary or advisable by the Borrower; and (v) pay certain costs incurred in connection with the issuance of the Bonds, and the costs of refunding the Prior Bonds (collectively with the Project, the “**Financing Purposes**”).

Chairman Brandt announced that Ms. Debbie Senoff-Langford and Ms. Karen Salmon, Principal and Board President of Rogers Park Montessori School, respectively, were present and ready to speak on behalf of the project.

Ms. Senoff-Langford thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Ms. Senoff-Langford.

Chairman Brandt directed Mr. Frampton to present the remaining project to the Board with guests.

Mr. Frampton presented the following project:

Healthcare Projects

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

Washington and Jane Smith Community - Orland Park d/b/a Smith Crossing is requesting approval of a **Preliminary** Bond Resolution in an amount not-to-exceed **Fifty Million Dollars** (\$50,000,000).

Bond proceeds will be used by **Washington and Jane Smith Community - Orland Park d/b/a Smith Crossing** (hereinafter, the “**Borrower**”) to (i) pay or reimburse the Borrower for, or refinance certain indebtedness the proceeds of which were used for, the

payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain “projects” (as such term is defined in the Illinois Finance Authority Act) for the Borrower’s senior living community; (ii) refund all or a portion of the \$20,110,000 Illinois Health Facilities Authority Revenue Bonds, Series 2003A (Smith Crossing Project) (the “**Series 2003A Bonds**”); (iii) refund all or a portion of the \$4,250,000 Illinois Health Facilities Authority Revenue Bonds, Series 2003B-2 (Smith Crossing Project) Extendable Rate Adjustable Securities (the “**Series 2003B-2 Bonds**” and, together with the Series 2003A Bonds, the “**Prior Bonds**”); (iv) refinance all or a portion of a construction loan, the proceeds of which were used by the Borrower for the payment of the costs of the acquisition, construction, renovation, remodeling and equipping of approximately 76 independent living units and 30 assisted living units, the conversion of approximately 16 assisted living units to skilled nursing units and the renovation, remodeling and equipping of certain other portions of the Borrower’s existing campus, all located in Orland Park, Illinois (hereinafter, the “**Construction Loan**”); (v) provide working capital to the Borrower, if deemed necessary or advisable by the Borrower; (vi) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Borrower; (vii) fund a debt service reserve fund, if deemed necessary or advisable by the Borrower; and (viii) pay certain expenses incurred in connection with the issuance of the Bonds, the refunding of the Prior Bonds and the refinancing of the Construction Loan, all as permitted by the Act (and collectively, the “**Financing Purposes**”).

Chairman Brandt announced that Mr. Ray Marneris, Chief Financial Officer of Smith Senior Living was present and ready to speak on behalf of the project.

Mr. Marneris thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Mr. Marneris.

Chairman Brandt requested leave of the Board to use the last unanimous vote for the adoption of the following projects: Items 4 and 6.

Leave was granted.

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

VI. Other Business

None.

VII. Public Comment

None.

VIII. Adjournment

At the time of 10:56 a.m., Member Knox moved that the Board do now adjourn until July 9, 2013, at 10:30 a.m.

Member O'Brien seconded the motion.

The motion prevailed.

And the Board stood adjourned.

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

Illinois Finance Authority
Financial Analysis
As of June 30, 2013

1. Revenue

Revenues for June 2013 were 6.2% lower than budgeted due to decreases in Other Income. Application and closing fees were in line with budget. General fund revenues were \$248,819 against a monthly budget of \$265,362. For June, there were three closings on bond issuances totaling \$67.2 million – one in the healthcare sector, one nonprofit, and one environmental generating closing fees of \$203,545. Year to Date Total Revenues were \$4,906,116 or 4.9% above the budget of \$4,676,843. See Page 1, Financial Statements.

Revenues for June 2013 were not fully comparable with June 2012 due to Other Income of \$570,264 that was received in June 2012. However, Year to Date application and closing fees through June 2013 were \$1.16 million higher than the fees collected through June 2012, a 41% increase. See page 3, Financial Statements.

On the consolidated statements, which incorporate data from 16 additional IFA funds, revenues totaled \$481,656 and exceeded the budget for the month of June by 1.2%. Year to date revenues of \$7,760,245 were higher than budget by \$603,333 or 8.4%. See page 6, Financial Statements.

2. Expenses

Total Expenses for June 2013 were \$430,988 or 43.6% higher than the budgeted level of \$300,221 for the general fund. This increase is due to the recording of legal fees after a push to get invoices submitted by June 30. It should be noted that while legal fees recorded in June 2013 exceeded budget, they were 22% less than the legal fees recorded in June 2012. Year to Date Total Expenses through June were \$3,774,332 or 3.7% above the budget of \$3,640,845. See page 2, Financial Statements.

Comparing Total Expenses for June 2013 to June 2012, the 2013 levels were \$217,672 higher than 2012 levels. This difference was primarily due to adjustments in the loan loss provisions of \$261,007 recorded in June 2012. Year to Date expenses were 15.5% above June 2012 levels due to adjustments in the loan loss provisions. See page 4, Financial Statements.

On the consolidated statements, expenses for the month were \$598,303, which were 27.5% higher than budgeted due to the recording of legal fees. Year to Date expenses of \$5,761,081 were slightly higher than budget. See page 7, Financial Statements.

3. Net Income (Loss)

June 2013 ended with a Net Loss of \$182,169 as compared with a budgeted net loss of \$34,859. This difference was primarily due to the recording of additional legal fees. Year to Date Net Income was \$1,518,558 or 47% above the FY13 budget of \$1,035,998. This increase in FY13 annual net income was primarily due to increases in closing fees, other income and transfers recorded in previous months. See page 2, Financial Statements.

On the consolidated statements, the Net Loss for the month was \$116,648 as compared to a budgeted Net Profit of \$6,362 budgeted, a negative variance of \$123,010. Year to date Net Income was \$2,840,563 against a budget of \$1,485,278 primarily due to increases in operating revenues and the recording of revenues from a DCEO grant. See page 7, Financial Statements.

4. Balance Sheet

The Authority's general fund balance sheet remains strong. At June 30, 2013 Total Assets were \$50.4 million as compared with \$48.6 million in assets one year ago. Cash and investments increased \$3 million from 2012 to 2013 while loan receivables decreased by \$2.2 million. See page 5, Financial Statements.

The consolidated balance sheet as of June 30, 2013 reflects \$160.5 million in Total Assets, a 5.9% decrease over 2012 due to decreases in both cash and loan receivables. See page 10, Financial Statements.

Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
For the Period Ending June 30, 2013

	Actual June 2013	Budget June 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
REVENUE										
INTEREST ON LOANS	11,549	14,780	(3,231)	-21.9%	209,752	269,742	(59,990)	-22.2%	269,742	77.8%
INVESTMENT INTEREST & GAIN(LOSS)	1,462	2,087	(625)	-29.9%	44,027	25,000	19,027	76.1%	25,000	176.1%
ADMINISTRATIONS & APPLICATION FEES	196,242	195,821	421	0.2%	3,970,011	3,789,504	180,507	4.8%	3,789,504	104.8%
ANNUAL ISSUANCE & LOAN FEES	34,452	35,477	(1,026)	-2.9%	362,085	386,222	(24,137)	-6.2%	386,222	93.8%
OTHER INCOME	5,115	17,197	(12,082)	-70.3%	320,242	206,375	113,867	55.2%	206,375	155.2%
TOTAL REVENUE	248,819	265,362	(16,543)	-6.2%	4,906,116	4,676,843	229,273	4.9%	4,676,843	104.9%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	131,058	119,279	11,779	9.9%	1,478,011	1,462,277	15,734	1.1%	1,462,277	101.1%
BENEFITS	17,413	20,658	(3,245)	-15.7%	243,399	244,896	(1,497)	-0.6%	244,896	99.4%
EDUCATION & DEVELOPMENT	6,030	500	5,530	1106.0%	6,885	6,000	885	14.8%	6,000	114.8%
TRAVEL & AUTO	8,108	5,000	3,108	62.2%	49,896	60,000	(10,104)	-16.8%	60,000	83.2%
TOTAL EMPLOYEE RELATED EXPENSES	162,609	145,437	17,172	11.8%	1,778,191	1,773,173	5,018	0.3%	1,773,173	100.3%
PROFESSIONAL SERVICES										
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	162,841	37,462	125,379	334.7%	670,102	449,500	220,602	49.1%	449,500	149.1%
LOAN EXPENSE & BANK FEE	8,054	8,750	(696)	-7.9%	93,871	105,000	(11,129)	-10.6%	105,000	89.4%
ACCOUNTING & AUDITING	17,266	24,706	(7,440)	-30.1%	311,209	297,000	14,209	4.8%	297,000	104.8%
MARKETING GENERAL	6,250	1,250	5,000	400.0%	8,707	15,000	(6,293)	-42.0%	15,000	58.0%
FINANCIAL ADVISORY	8,333	8,337	(4)	0.0%	135,940	100,000	35,940	35.9%	100,000	135.9%
CONFERENCE/TRAINING	335	2,500	(2,165)	-86.6%	14,139	30,000	(15,861)	-52.9%	30,000	47.1%
MISC. PROFESSIONAL SERVICES	6,250	6,250	-	0.0%	103,671	75,000	28,671	38.2%	75,000	138.2%
DATA PROCESSING	3,935	5,837	(1,902)	-32.6%	70,817	70,000	817	1.2%	70,000	101.2%
TOTAL PROFESSIONAL SERVICES	213,265	95,092	118,173	124.3%	1,408,455	1,141,500	266,955	23.4%	1,141,500	123.4%
OCCUPANCY COSTS										
OCCUPANCY COSTS										
OFFICE RENT	22,279	22,406	(127)	-0.6%	247,938	268,872	(20,934)	-7.8%	268,872	92.2%
EQUIPMENT RENTAL AND PURCHASES	967	1,337	(370)	-27.7%	13,657	16,000	(2,343)	-14.6%	16,000	85.4%
TELECOMMUNICATIONS	2,901	2,913	(12)	-0.4%	33,694	35,000	(1,306)	-3.7%	35,000	96.3%
UTILITIES	475	1,000	(525)	-52.5%	10,366	12,000	(1,634)	-13.6%	12,000	86.4%
DEPRECIATION	4,063	2,712	1,351	49.8%	48,453	32,500	15,953	49.1%	32,500	149.1%
INSURANCE	504	2,087	(1,583)	-75.9%	16,186	25,000	(8,814)	-35.3%	25,000	64.7%
TOTAL OCCUPANCY COSTS	31,190	32,455	(1,265)	-3.9%	370,294	389,372	(19,078)	-4.9%	389,372	95.1%

**Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
For the Period Ending June 30, 2013**

	Actual June 2013	Budget June 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	2,223	2,987	(764)	-25.6%	37,528	35,800	1,728	4.8%	35,800	104.8%
BOARD MEETING - EXPENSES	2,093	2,913	(820)	-28.1%	28,202	35,000	(6,798)	-19.4%	35,000	80.6%
PRINTING	519	837	(318)	-38.0%	7,421	10,000	(2,579)	-25.8%	10,000	74.2%
POSTAGE & FREIGHT	655	1,250	(595)	-47.6%	14,769	15,000	(231)	-1.5%	15,000	98.5%
MEMBERSHIP, DUES & CONTRIBUTIONS	270	2,000	(1,730)	-86.5%	25,531	34,000	(8,469)	-24.9%	34,000	75.1%
PUBLICATIONS	195	587	(392)	-66.8%	990	7,000	(6,010)	-85.9%	7,000	14.1%
OFFICERS & DIRECTORS INSURANCE	17,969	16,663	1,306	7.8%	203,963	200,000	3,963	2.0%	200,000	102.0%
TOTAL GENL & ADMIN EXPENSES	23,924	27,237	(3,313)	-12.2%	318,403	336,800	(18,397)	-5.5%	336,800	94.5%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	-	(101,012)	-	(101,012)	0.0%	-	0.0%
OTHER										
INTEREST EXPENSE	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
TOTAL OTHER	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
TOTAL EXPENSES	430,988	300,221	130,767	43.6%	3,774,332	3,640,845	133,487	3.7%	3,640,845	103.7%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	(182,169)	(34,859)	(147,310)	422.6%	1,131,784	1,035,998	95,786	9.2%	1,035,998	109.2%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
TRANSFER	-	-	-	0.0%	386,774	-	386,774	0.0%	-	0.0%
REVENUE GRANT	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
APPROPRIATIONS FROM STATE	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
NET INCOME/(LOSS)	(182,169)	(34,859)	(147,310)	422.6%	1,518,558	1,035,998	482,560	46.6%	1,035,998	146.6%

Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
For the Period Ending June 30, 2013

	Actual June 2013	Actual June 2012	Current Month Variance Actual vs. Actual	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Actual	YTD % Variance
REVENUE								
INTEREST ON LOANS	11,549	21,526	(9,977)	-46.3%	209,752	465,282	(255,530)	-54.9%
INVESTMENT INTEREST & GAIN(LOSS)	1,462	(12,979)	14,441	-111.3%	44,027	20,474	23,553	115.0%
ADMINISTRATIONS & APPLICATION FEES	196,242	189,927	6,314	3.3%	3,970,011	2,814,180	1,155,831	41.1%
ANNUAL ISSUANCE & LOAN FEES	34,452	49,464	(15,012)	-30.3%	362,085	480,247	(118,162)	-24.6%
OTHER INCOME	5,115	570,264	(565,149)	-99.1%	320,242	3,393,741	(3,073,499)	-90.6%
TOTAL REVENUE	248,819	818,202	(569,383)	-69.6%	4,906,116	7,173,925	(2,267,808)	-31.6%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	131,058	99,251	31,806	32.0%	1,478,011	1,490,881	(12,869)	-0.9%
BENEFITS	17,413	19,963	(2,550)	-12.8%	243,399	242,582	817	0.3%
TEMPORARY HELP	-	-	-	0.0%	-	778	(778)	-100.0%
EDUCATION & DEVELOPMENT	6,030	-	6,030	0.0%	6,885	413	6,472	1567.7%
TRAVEL & AUTO	8,108	6,656	1,452	21.8%	49,896	55,393	(5,497)	-9.9%
TOTAL EMPLOYEE RELATED EXPENSES	162,609	125,870	36,738	29.2%	1,778,191	1,790,047	(11,855)	-0.7%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	162,841	209,040	(46,199)	-22.1%	670,102	706,854	(36,752)	-5.2%
LOAN EXPENSE & BANK FEE	8,054	3,893	4,162	106.9%	93,871	168,265	(74,394)	-44.2%
ACCOUNTING & AUDITING	17,266	59,844	(42,578)	-71.1%	311,209	304,785	6,424	2.1%
MARKETING GENERAL	6,250	5,510	740	13.4%	8,707	10,523	(1,816)	-17.3%
FINANCIAL ADVISORY	8,333	(8,666)	16,999	-196.2%	135,940	57,519	78,420	136.3%
CONFERENCE/TRAINING	335	35	300	857.1%	14,139	24,520	(10,381)	-42.3%
MISC. PROFESSIONAL SERVICES	6,250	23,328	(17,078)	-73.2%	103,671	48,341	55,330	114.5%
DATA PROCESSING	3,935	592	3,343	564.9%	70,817	38,701	32,116	83.0%
TOTAL PROFESSIONAL SERVICES	213,265	293,576	(80,311)	-27.4%	1,408,455	1,359,509	48,946	3.6%
OCCUPANCY COSTS								
OFFICE RENT	22,279	21,603	676	3.1%	247,938	250,040	(2,102)	-0.8%
EQUIPMENT RENTAL AND PURCHASES	967	1,207	(241)	-19.9%	13,657	16,924	(3,268)	-19.3%
TELECOMMUNICATIONS	2,901	3,398	(497)	-14.6%	33,694	32,430	1,264	3.9%
UTILITIES	475	888	(413)	-46.5%	10,366	12,068	(1,702)	-14.1%
DEPRECIATION	4,063	3,730	333	8.9%	48,453	44,470	3,984	9.0%
INSURANCE	504	681	(178)	-26.1%	16,186	19,552	(3,366)	-17.2%
TOTAL OCCUPANCY COSTS	31,190	31,508	(318)	-1.0%	370,294	375,484	(5,190)	-1.4%

Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
For the Period Ending June 30, 2013

	Actual June 2013	Actual June 2012	Current Month Variance Actual vs. Actual	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Actual	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	2,223	3,156	(933)	-29.6%	37,528	36,469	1,058	2.9%
BOARD MEETING - EXPENSES	2,093	3,023	(930)	-30.8%	28,202	28,662	(460)	-1.6%
PRINTING	519	497	22	4.5%	7,421	6,621	800	12.1%
POSTAGE & FREIGHT	655	1,060	(404)	-38.2%	14,769	13,742	1,027	7.5%
MEMBERSHIP, DUES & CONTRIBUTIONS	270	-	270	0.0%	25,531	31,384	(5,853)	-18.6%
PUBLICATIONS	195	148	47	31.8%	990	6,370	(5,381)	-84.5%
OFFICERS & DIRECTORS INSURANCE	17,969	15,484	2,484	16.0%	203,963	182,982	20,981	11.5%
MISCELLANEOUS	-	-	-	0.0%	-	400	(400)	-100.0%
TOTAL GENL & ADMIN EXPENSES	23,924	23,369	556	2.4%	318,403	306,630	11,773	3.8%
LOAN LOSS PROVISION/BAD DEBT	-	(261,007)	261,007	-100.0%	(101,012)	(563,793)	462,781	-82.1%
OTHER								
INTEREST EXPENSE	-	-	-	0.0%	-	-	-	0.0%
TOTAL OTHER	-	-	-	0.0%	-	-	-	0.0%
TOTAL EXPENSES	430,988	213,316	217,672	102.0%	3,774,332	3,267,877	506,455	15.5%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	(182,169)	604,886	(787,055)	-130.1%	1,131,784	3,906,047	(2,774,263)	-71.0%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.0%	-	-	-	0.0%
TRANSFER	-	55,235	(55,235)	-100.0%	386,774	233,224	153,550	65.8%
REVENUE GRANT	-	-	-	0.0%	-	-	-	0.0%
APPROPRIATIONS FROM STATE	-	-	-	0.0%	-	-	-	0.0%
NET INCOME/(LOSS)	(182,169)	660,121	(842,290)	-127.6%	1,518,558	4,139,271	(2,620,714)	-63.3%

**Illinois Finance Authority
General Fund
Balance Sheet [unaudited]
For the Twelve Months Ended June 30, 2013**

	June 2013	June 2012
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	\$ 44,807,055	\$ 41,733,457
RECEIVABLES, NET	95,085	43,821
LOAN RECEIVABLE, NET	4,228,629	6,397,241
OTHER RECEIVABLES	30,570	42,449
PREPAID EXPENSES	68,441	34,187
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	49,229,780	48,251,156
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	109,879	108,333
DEFERRED ISSUANCE COSTS	203,545	246,607
OTHER ASSETS		
CASH RESTRICTED, INVESTMENTS & RESERVES	875,588	874,934
OTHER	(7,599)	(929,804)
	<hr/>	<hr/>
TOTAL OTHER ASSETS	867,989	(54,870)
TOTAL ASSETS	<u>\$ 50,411,193</u>	<u>\$ 48,551,225</u>
LIABILITIES		
CURRENT LIABILITIES	\$ 866,779	\$ 463,994
LONG-TERM LIABILITIES	302,261	363,636
	<hr/>	<hr/>
TOTAL LIABILITIES	1,169,040	827,630
EQUITY		
CONTRIBUTED CAPITAL	4,111,479	4,111,479
RETAINED EARNINGS	31,640,819	27,501,548
NET INCOME / (LOSS)	1,518,558	4,139,271
RESERVED/RESTRICTED FUND BALANCE	1,732,164	1,732,164
UNRESERVED FUND BALANCE	10,239,134	10,239,134
	<hr/>	<hr/>
TOTAL EQUITY	49,242,153	47,723,596
TOTAL LIABILITIES & EQUITY	<u>\$ 50,411,193</u>	<u>\$ 48,551,225</u>

Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
For the Period Ending June 30, 2013

	Actual June 2013	Budget June 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
REVENUE										
INTEREST ON LOANS	149,787	156,893	(7,106)	-4.5%	1,811,783	1,931,461	(119,678)	-6.2%	1,931,461	93.8%
INVESTMENT INTEREST & GAIN(LOSS)	91,897	45,406	46,491	102.4%	954,458	543,350	411,108	75.7%	543,350	175.7%
ADMINISTRATIONS & APPLICATION FEES	196,242	195,821	421	0.2%	3,970,011	3,789,504	180,507	4.8%	3,789,504	104.8%
ANNUAL ISSUANCE & LOAN FEES	34,452	35,477	(1,026)	-2.9%	362,085	386,222	(24,137)	-6.2%	386,222	93.8%
OTHER INCOME	9,278	42,197	(32,919)	-78.0%	661,909	506,375	155,534	30.7%	506,375	130.7%
TOTAL REVENUE	481,656	475,794	5,862	1.2%	7,760,245	7,156,912	603,333	8.4%	7,156,912	108.4%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	131,058	119,279	11,779	9.9%	1,478,011	1,462,277	15,734	1.1%	1,462,277	101.1%
BENEFITS	17,413	20,658	(3,245)	-15.7%	243,399	244,896	(1,497)	-0.6%	244,896	99.4%
EDUCATION & DEVELOPMENT	6,030	500	5,530	1106.0%	6,885	6,000	885	14.8%	6,000	114.8%
TRAVEL & AUTO	8,108	5,000	3,108	62.2%	49,896	60,000	(10,104)	-16.8%	60,000	83.2%
TOTAL EMPLOYEE RELATED EXPENSES	162,609	145,437	17,172	11.8%	1,778,191	1,773,173	5,018	0.3%	1,773,173	100.3%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	164,928	39,542	125,386	317.1%	695,102	474,500	220,602	46.5%	474,500	146.5%
LOAN EXPENSE & BANK FEE	169,542	170,236	(694)	-0.4%	2,009,039	2,042,832	(33,793)	-1.7%	2,042,832	98.3%
ACCOUNTING & AUDITING	17,266	26,608	(9,342)	-35.1%	317,244	319,791	(2,547)	-0.8%	319,791	99.2%
MARKETING GENERAL	6,250	1,250	5,000	400.0%	8,707	15,000	(6,293)	-42.0%	15,000	58.0%
FINANCIAL ADVISORY	8,333	8,337	(4)	0.0%	135,940	100,000	35,940	35.9%	100,000	135.9%
CONFERENCE/TRAINING	335	2,500	(2,165)	-86.6%	14,139	30,000	(15,861)	-52.9%	30,000	47.1%
MISC. PROFESSIONAL SERVICES	9,584	9,587	(3)	0.0%	139,673	115,000	24,673	21.5%	115,000	121.5%
DATA PROCESSING	3,935	5,837	(1,902)	-32.6%	70,817	70,000	817	1.2%	70,000	101.2%
TOTAL PROFESSIONAL SERVICES	380,174	263,897	116,277	44.1%	3,390,660	3,167,123	223,537	7.1%	3,167,123	107.1%
OCCUPANCY COSTS										
OFFICE RENT	22,279	22,406	(127)	-0.6%	247,938	268,872	(20,934)	-7.8%	268,872	92.2%
EQUIPMENT RENTAL AND PURCHASES	967	1,337	(370)	-27.7%	13,657	16,000	(2,343)	-14.6%	16,000	85.4%
TELECOMMUNICATIONS	2,901	2,913	(12)	-0.4%	33,694	35,000	(1,306)	-3.7%	35,000	96.3%
UTILITIES	475	1,000	(525)	-52.5%	10,366	12,000	(1,634)	-13.6%	12,000	86.4%
DEPRECIATION	4,063	2,712	1,351	49.8%	48,453	32,500	15,953	49.1%	32,500	149.1%
INSURANCE	504	2,087	(1,583)	-75.9%	16,186	25,000	(8,814)	-35.3%	25,000	64.7%
TOTAL OCCUPANCY COSTS	31,190	32,455	(1,265)	-3.9%	370,294	389,372	(19,078)	-4.9%	389,372	95.1%

**Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
For the Period Ending June 30, 2013**

	Actual June 2013	Budget June 2013	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	2,223	2,987	(764)	-25.6%	37,528	35,800	1,728	4.8%	35,800	104.8%
BOARD MEETING - EXPENSES	2,093	2,913	(820)	-28.1%	28,202	35,000	(6,798)	-19.4%	35,000	80.6%
PRINTING	519	837	(318)	-38.0%	7,421	10,000	(2,579)	-25.8%	10,000	74.2%
POSTAGE & FREIGHT	655	1,250	(595)	-47.6%	14,769	15,000	(231)	-1.5%	15,000	98.5%
MEMBERSHIP, DUES & CONTRIBUTIONS	270	2,000	(1,730)	-86.5%	25,531	34,000	(8,469)	-24.9%	34,000	75.1%
PUBLICATIONS	195	587	(392)	-66.8%	990	7,000	(6,010)	-85.9%	7,000	14.1%
OFFICERS & DIRECTORS INSURANCE	17,969	16,663	1,306	7.8%	203,963	200,000	3,963	2.0%	200,000	102.0%
TOTAL GENL & ADMIN EXPENSES	23,924	27,237	(3,313)	-12.2%	318,403	336,800	(18,397)	-5.5%	336,800	94.5%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	-	(102,086)	-	(102,086)	0.0%	-	0.0%
OTHER										
INTEREST EXPENSE	406	406	0	0.0%	5,618	5,166	452	8.8%	5,166	108.8%
TOTAL OTHER	406	406	0	0.0%	5,618	5,166	452	8.8%	5,166	108.8%
TOTAL EXPENSES	598,303	469,432	128,871	27.5%	5,761,081	5,671,634	89,447	1.6%	5,671,634	101.6%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	(116,648)	6,362	(123,010)	-1933.5%	1,999,164	1,485,278	513,886	34.6%	1,485,278	134.6%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
TRANSFER	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
REVENUE GRANT	-	-	-	0.0%	841,399	-	841,399	0.0%	-	0.0%
TRANSFER FROM STATE	-	-	-	0.0%	-	-	-	0.0%	-	0.0%
NET INCOME/(LOSS)	(116,648)	6,362	(123,010)	-1933.5%	2,840,563	1,485,278	1,355,285	91.2%	1,485,278	191.2%

**Illinois Finance Authority
Consolidated Statement of Activities
Actual to Actual Comparison
For the Period Ending June 30, 2013**

	Actual June 2013	Actual June 2012	Current Month Variance Actual vs. Actual	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Actual	YTD % Variance
REVENUE								
INTEREST ON LOANS	149,787	174,750	(24,963)	-14.3%	1,811,783	2,259,007	(447,225)	-19.8%
INVESTMENT INTEREST & GAIN(LOSS)	91,897	23,129	68,769	297.3%	954,458	587,686	366,772	62.4%
ADMINISTRATIONS & APPLICATION FEES	196,242	189,927	6,314	3.3%	3,970,011	2,814,180	1,155,831	41.1%
ANNUAL ISSUANCE & LOAN FEES	34,452	49,464	(15,012)	-30.3%	362,085	480,247	(118,162)	-24.6%
OTHER INCOME	9,278	635,427	(626,149)	-98.5%	661,909	3,858,102	(3,196,193)	-82.8%
TOTAL REVENUE	481,656	1,072,697	(591,042)	-55.1%	7,760,245	9,999,222	(2,238,977)	-22.4%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	131,058	99,251	31,806	32.0%	1,478,011	1,490,881	(12,869)	-0.9%
BENEFITS	17,413	19,963	(2,550)	-12.8%	243,399	242,582	817	0.3%
TEMPORARY HELP	-	-	-	0.0%	-	778	(778)	-100.0%
EDUCATION & DEVELOPMENT	6,030	-	6,030	0.0%	6,885	413	6,472	1567.7%
TRAVEL & AUTO	8,108	6,656	1,452	21.8%	49,896	55,393	(5,497)	-9.9%
TOTAL EMPLOYEE RELATED EXPENSES	162,609	125,870	36,738	29.2%	1,778,191	1,790,047	(11,855)	-0.7%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	164,928	208,526	(43,598)	-20.9%	695,102	729,253	(34,151)	-4.7%
LOAN EXPENSE & BANK FEE	169,542	57,677	111,865	193.9%	2,009,039	2,208,147	(199,108)	-9.0%
ACCOUNTING & AUDITING	17,266	69,061	(51,795)	-75.0%	317,244	331,038	(13,794)	-4.2%
MARKETING GENERAL	6,250	5,510	740	13.4%	8,707	10,523	(1,816)	-17.3%
FINANCIAL ADVISORY	8,333	(8,666)	16,999	-196.2%	135,940	57,519	78,420	136.3%
CONFERENCE/TRAINING	335	35	300	857.1%	14,139	24,520	(10,381)	-42.3%
MISC. PROFESSIONAL SERVICES	9,584	26,661	(17,077)	-64.1%	139,673	87,675	51,998	59.3%
DATA PROCESSING	3,935	592	3,343	564.9%	70,817	38,701	32,116	83.0%
TOTAL PROFESSIONAL SERVICES	380,174	359,397	20,778	5.8%	3,390,660	3,487,376	(96,716)	-2.8%
OCCUPANCY COSTS								
OFFICE RENT	22,279	21,603	676	3.1%	247,938	250,040	(2,102)	-0.8%
EQUIPMENT RENTAL AND PURCHASES	967	1,207	(241)	-19.9%	13,657	16,924	(3,268)	-19.3%
TELECOMMUNICATIONS	2,901	3,398	(497)	-14.6%	33,694	32,430	1,264	3.9%
UTILITIES	475	888	(413)	-46.5%	10,366	12,068	(1,702)	-14.1%
DEPRECIATION	4,063	3,730	333	8.9%	48,453	44,470	3,984	9.0%
INSURANCE	504	681	(178)	-26.1%	16,186	19,552	(3,366)	-17.2%
TOTAL OCCUPANCY COSTS	31,190	31,508	(318)	-1.0%	370,294	375,484	(5,190)	-1.4%

**Illinois Finance Authority
Consolidated Statement of Activities
Actual to Actual Comparison
For the Period Ending June 30, 2013**

	Actual June 2013	Actual June 2012	Current Month Variance Actual vs. Actual	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Actual	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	2,223	3,156	(933)	-29.6%	37,528	36,469	1,058	2.9%
BOARD MEETING - EXPENSES	2,093	3,023	(930)	-30.8%	28,202	28,662	(460)	-1.6%
PRINTING	519	497	22	4.5%	7,421	6,621	800	12.1%
POSTAGE & FREIGHT	655	1,060	(404)	-38.2%	14,769	13,742	1,027	7.5%
MEMBERSHIP, DUES & CONTRIBUTIONS	270	-	270	0.0%	25,531	31,384	(5,853)	-18.6%
PUBLICATIONS	195	148	47	31.8%	990	6,370	(5,381)	-84.5%
OFFICERS & DIRECTORS INSURANCE	17,969	15,484	2,484	16.0%	203,963	182,982	20,981	11.5%
MISCELLANEOUS	-	-	-	0.0%	-	400	(400)	-100.0%
TOTAL GENL & ADMIN EXPENSES	23,924	23,369	556	2.4%	318,403	306,630	11,773	3.8%
LOAN LOSS PROVISION/BAD DEBT	-	(261,064)	261,064	-100.0%	(102,086)	(568,808)	466,722	-82.1%
OTHER								
INTEREST EXPENSE	406	455	(49)	-10.7%	5,618	5,743	(125)	-2.2%
TOTAL OTHER	406	455	(49)	-10.7%	5,618	5,743	(125)	-2.2%
TOTAL EXPENSES	598,303	279,533	318,770	114.0%	5,761,081	5,396,472	364,609	6.8%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	(116,648)	793,164	(909,812)	-114.7%	1,999,164	4,602,750	(2,603,586)	-56.6%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	(1,939,111)	1,939,111	-100.0%	-	(2,079,111)	2,079,111	-100.0%
TRANSFER		1,000,000	(1,000,000)	-100.0%	-	3,321,030	(3,321,030)	-100.0%
REVENUE GRANT	-	1,500,000	(1,500,000)	-100.0%	841,399	1,500,000	(658,601)	-43.9%
TRANSFERS FROM STATE		-	-	0.0%		-	-	0.0%
NET INCOME/(LOSS)	(116,648)	1,354,053	(1,470,701)	-108.6%	2,840,563	7,344,670	(4,504,106)	-61.3%

Illinois Finance Authority
Consolidated [Unaudited]
Balance Sheet
For the Twelve Months Ending June 30, 2013

	June 2013	June 2012
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	\$ 60,645,223	\$ 63,564,409
RECEIVABLES, NET	95,085	43,821
LOAN RECEIVABLE, NET	55,214,429	59,900,674
OTHER RECEIVABLES	921,221	742,943
PREPAID EXPENSES	<u>68,441</u>	<u>34,187</u>
TOTAL CURRENT ASSETS	116,944,399	124,286,033
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	109,879	108,333
DEFERRED ISSUANCE COSTS	275,099	329,853
OTHER ASSETS		
CASH RESTRICTED, INVESTMENTS & RESERVES	40,144,785	42,857,037
OTHER	<u>3,000,000</u>	<u>3,000,000</u>
TOTAL OTHER ASSETS	43,144,785	45,857,037
TOTAL ASSETS	<u>\$ 160,474,162</u>	<u>\$ 170,581,257</u>
LIABILITIES		
CURRENT LIABILITIES	\$922,651	\$566,247
LONG TERM LIABILITIES	<u>38,901,390</u>	<u>52,205,452</u>
TOTAL LIABILITIES	39,824,041	52,771,699
EQUITY		
CONTRIBUTED CAPITAL	35,608,692	35,608,692
RETAINED EARNINGS	30,492,093	28,655,681
NET INCOME / (LOSS)	2,840,563	5,782,875
RESERVED/RESTRICTED FUND BALANCE	39,060,603	35,114,140
UNRESERVED FUND BALANCE	<u>12,648,171</u>	<u>12,648,171</u>
TOTAL EQUITY	120,650,121	117,809,558
TOTAL LIABILITIES & EQUITY	<u>\$ 160,474,162</u>	<u>\$ 170,581,257</u>



NON-CONDUIT

\$970,000
EDWARD L. KING
SPECIALIZED LIVESTOCK GUARANTEE

July 9, 2013

REQUEST	<p>Purpose: To provide 85% loan guarantee in favor of Resource Bank (the “Bank” or “Lender”).</p> <p>Project Description: The proposed loan of \$970,000 will finance the construction of a cattle finishing barn and refinance existing real estate debt in the amount of \$308,000.</p> <p>Program Product Type: Specialized Livestock Guarantee</p> <p>State Treasurer’s Funds at Risk: \$824,500</p> <p>Conditions: (1) Annual personal financial statement for Edward L. and Kimberly King, (2) annual tax return of Edward L. and Kimberly King, and (3) annual farm projections for Edward L. King</p>												
BOARD ACTIONS	<p>Final Resolution-85% Loan Guarantee (One-Time Consideration) Voting Record: No prior IFA Board actions</p>												
MATERIAL CHANGES	<p>N/A</p>												
JOB DATA	<table border="0"> <tr> <td style="padding-right: 20px;">4</td> <td style="padding-right: 20px;">Current jobs</td> <td style="padding-right: 20px;">N/A</td> <td>New jobs projected</td> </tr> <tr> <td>4</td> <td>Retained jobs</td> <td>10</td> <td>Construction jobs projected</td> </tr> </table>	4	Current jobs	N/A	New jobs projected	4	Retained jobs	10	Construction jobs projected				
4	Current jobs	N/A	New jobs projected										
4	Retained jobs	10	Construction jobs projected										
BORROWER DESCRIPTION	<ul style="list-style-type: none"> ● Type of entity: Sole Proprietorship ● Location: Steward (Lee County), Illinois ● When was it established: 1974 ● What does the entity do: Grain and Cattle Farming ● What will new project facilitate: Building construction and debt refinancing 												
PROPOSED STRUCTURE	<p>Collateral: 80 acres of farmland & improvements Collateral Position: 1st Maturity: 30 years Interest Rate: Fixed for initial 3 years (See confidential Section)</p>												
SOURCES AND USES	<table border="0"> <tr> <td style="padding-right: 20px;">IFA/Bank Loan:</td> <td style="padding-right: 20px;"><u>\$970,000</u></td> <td style="padding-right: 20px;">Bldg. Construction</td> <td>\$662,000</td> </tr> <tr> <td></td> <td></td> <td>Refinancing Debt:</td> <td><u>308,000</u></td> </tr> <tr> <td style="text-align: right;">Total</td> <td><u>\$970,000</u></td> <td style="text-align: right;">Total</td> <td><u>\$970,000</u></td> </tr> </table>	IFA/Bank Loan:	<u>\$970,000</u>	Bldg. Construction	\$662,000			Refinancing Debt:	<u>308,000</u>	Total	<u>\$970,000</u>	Total	<u>\$970,000</u>
IFA/Bank Loan:	<u>\$970,000</u>	Bldg. Construction	\$662,000										
		Refinancing Debt:	<u>308,000</u>										
Total	<u>\$970,000</u>	Total	<u>\$970,000</u>										
RECOMMENDATION	<p>Credit Review Committee recommends approval subject to the conditions noted above.</p>												

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
July 9, 2013**

Project: Edward L. King

STATISTICS

Project Number: A-SL-GT-8631	Amount: \$970,000
Type: Specialized Livestock Guarantee	IFA Staff: Jim Senica
County/Region: Lee/Northwest	City: Steward

BOARD ACTION

Final Resolution-85% Loan Guarantee	Credit Review Committee recommends approval subject to the conditions noted on page 1.
State Treasurer's Reserve Funds at risk: \$824,500	Extraordinary conditions: None

VOTING RECORD

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

PURPOSE

Use of proceeds: Proceeds from the proposed loan will finance the construction of a cattle finishing barn and refinance an existing real estate loan in the amount of \$308,000 (that closed in 1996).

IFA PROGRAM AND CONTRIBUTION

The Authority's Agriculture Guarantee Program guarantees up to 85% of a Bank's loans to Illinois farmers and agribusiness owners. The Specialized Livestock Guarantee Program is designed to provide family-owned livestock operations the access to capital needed to enter, upgrade, or expand their livestock business. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve capitalized for this program. These guarantees are also full faith and credit obligations of the State of Illinois. IFA's issuance of guarantees helps Borrowers obtain debt financing at reduced rates of interest and improved terms.

VOLUME CAP

N/A

JOBS

Current employment: 4	Projected new jobs: N/A
Jobs retained: 4	Construction jobs: 10

ESTIMATED SOURCES AND USES OF FUNDS

Sources: IFA /Bank Loan:	<u>\$970,000</u>	Uses: Bldg, Construction	\$662,000
		Refinancing Debt	<u>308,000</u>
Total	<u>\$970,000</u>		<u>\$970,000</u>

FINANCING SUMMARY/STRUCTURE

Security: 1st Mortgage on real estate
Structure: 30-year term and 30-year amortization
Interest Mode: Fixed for initial 3 years
Credit Enhancement: IFA 85% Guarantee of Principal Amount
Personal Guarantees: N/A
Maturity: 30 years
Estimated Closing Date: June 14, 2013

PROJECT/BUSINESS BACKGROUND

Summary: The King family has been involved in grain and cattle farming for nearly 60 years (spanning three generations). **Edward L. King** is the Applicant/Borrower ("**Edward L.**", "**Mr. King**", or the "**Borrower**") for this proposed IFA Specialized Livestock Guarantee Loan.

Mr. King's grandfather originally established the family's farming operations in the early 1950's. Mr. King's father, **L.E. ("Louie") King** subsequently took over management and expanded the scope of operations through the timely acquisition of nearby farmland. Louie and his wife, Darlene, now own approximately 900 acres of tillable farmland that Edward L. has been farming, with their assistance.

Two of Louie's sons, Edward L. and Paul, started their own operations, with Edward L. beginning by finishing cattle at his farm while Paul focused solely on grain production. To date, Edward L. has acquired approximately 250 acres of farmland, and although Edward L. has been able to successfully manage his operation for over 30 years, Paul chose to discontinue his operation and now assists his brother (Edward L.) and father, (Louie), with labor and day-to-day management of the farms.

The Borrower, with assistance from his father and brother, finishes approximately 1,000 head of cattle annually but will increase that number to 1,500 in connection with this project. In anticipation of the new cattle barn completion, the Borrower has been purchasing additional cattle throughout the year to be able to market them by the end of 2013. Although the Borrower does maintain some breeding stock, the typical procedure is to purchase 700 to 800 pound cattle, feed them to 1,300 to 1,400 pounds and then market them, which is an approximate 9-month cycle. Nearly all buying and selling by the Kings is done through the Walnut, Illinois Sale Barn, a fairly sizable selling operation for the surrounding area.

The Kings only finish their own livestock. They provide no custom feeding for third party cattle operations. Likewise, the Kings grow corn and soybeans only on the land owned by the King family. The Kings have sufficient land under family control to enable them to operate without the need to cash rent additional land from unrelated third parties (i.e., non-family members).

Project Description: Edward L. King constructed a 1,500 head, cattle finishing building on land he owns. The building is of concrete and metal construction and includes a complete manure handling system, fan ventilation system (for air replacement, removal of moisture and excess heat), and the installation of a curtain system to prevent drafts and to provide protection against rapid changes of temperature during inclement weather. Concrete slotted flooring for the structure will feature slats that will allow the manure to drop or be forced through the slats into 10 foot deep manure pits thereby reducing direct contact with the animals (and minimizing contact with wastes potentially containing pathogenic organisms and/or parasites) and reducing waste handling labor costs. The interior of the building is divided into 5 separate holding pens and feeding alleys.

Project Rationale: Construction of the new cattle finishing building will replace an older structure with a new facility on Edward L.'s farm designed to minimize disease and handling difficulties and increase operating efficiencies. Refinancing the existing real estate loan will provide the Borrower with a reduced interest rate and a longer amortization period. IFA and the Bank would be secured by a 1st Mortgage on the 80-acre property on which the cattle finishing building has been constructed. The proposed IFA Guaranteed Loan would be the only debt outstanding against this 80-acre property. (Note: The Borrower's remaining acreage is financed separately.)

Additionally, the proposed financing will help the Bank remain within its lending limit requirements thereby enabling the Bank to provide additional financing to the Borrower if needed.

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

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicant: Edward L. King
Project Location: 1991 Woodland Road
Steward, IL 60553
Collateral: First Real Estate Mortgage
Ownership: Edward L. King

PROFESSIONAL & FINANCIAL

Borrower's Counsel: N/A
Borrower's Accountants: Winebaugh & Associates Rochelle
Originating Bank: Resource Bank Malta Tim Funfsinn
Bank Counsel: N/A
IFA Counsel: N/A
IFA Advisors: Public Financial Management, Inc. Chicago Shannon Williams

LEGISLATIVE DISTRICTS

Congressional: 14
State Senate: 45
State House: 90



\$305,000,000

Advocate Health and Hospitals Corporation

July 9, 2013

REQUEST	<p>Purpose: Bond proceeds will be used by Advocate Health and Hospitals Corporation (“Advocate”, the “Borrower”, “Advocate Health Care Network” or the “System”) to (i) fund new money projects (including capitalized interest, if deemed necessary or advisable) at Advocate hospital campuses, including an ICU expansion project at Advocate Trinity Hospital in Chicago Illinois, a campus modernization project at Advocate Good Shepherd Hospital in Barrington, Illinois, and an Emergency Department/surgery expansion project at Advocate Lutheran General Hospital in Park Ridge, Illinois; (ii) refinance, either through a tender for purchase or as a refunding, all or a portion of the Authority’s Revenue Bonds, Series 2007A (Sherman Health Systems), if deemed necessary or advisable by the Borrower; (iii) fund a debt service reserve fund, if deemed necessary or advisable; (iv) finance certain working capital expenditures, if deemed necessary or advisable, (v) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable by the Borrower; and (vi) pay costs of issuance.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																				
BOARD ACTIONS	Final Bond Resolution (<i>one-time consideration</i>)																				
MATERIAL CHANGES	This is the first time this project is being presented to the Board.																				
JOB DATA	<table border="0"> <tr> <td style="text-align: right;">28,200</td> <td>Current jobs</td> <td style="text-align: right;">224</td> <td>New jobs projected</td> </tr> <tr> <td style="text-align: right;">N/A</td> <td>Retained jobs</td> <td style="text-align: right;">634</td> <td>Construction jobs projected</td> </tr> </table>	28,200	Current jobs	224	New jobs projected	N/A	Retained jobs	634	Construction jobs projected												
28,200	Current jobs	224	New jobs projected																		
N/A	Retained jobs	634	Construction jobs projected																		
DESCRIPTION	<ul style="list-style-type: none"> • Locations: Cook, DuPage, Lake, McLean, Kane and Woodford Counties • As a faith-based health care organization, affiliated with both the United Church of Christ and Evangelical Lutheran Church in America, the mission, values and philosophy of the System form the foundation for its strategic priorities. The System’s mission is to serve the health care needs of individuals, families and communities through a holistic philosophy. • The System provides a continuum of care through its eleven acute care hospitals with two integrated children’s hospitals, with approximately 3,500 licensed beds, primary and specialty physician services, outpatient centers, physician office buildings, home health and hospice care throughout metropolitan Chicago, Bloomington-Normal (McLean County) and Eureka (Woodford County) areas. 																				
CREDIT INDICATORS	<ul style="list-style-type: none"> • A combination of modes and structures, including Fixed Rate Debt, is anticipated (flexibility to issue in different modes, as variable or fixed rate or combination of both), either public or privately placed (including one or more bank purchases), all dependent upon prevailing market conditions). • Expected underlying ratings of Aa2/AA/AA (Moody’s/S&P/Fitch) 																				
MATURITY	<ul style="list-style-type: none"> • Bonds will mature no later than 2052. 																				
SOURCES AND USES	<table border="0"> <tr> <td colspan="2">Sources:</td> <td colspan="2">Uses:</td> </tr> <tr> <td>IFA Bonds</td> <td style="text-align: right;"><u>\$305,000,000</u></td> <td>Acquisition and Project Cost</td> <td style="text-align: right;">\$100,000,000</td> </tr> <tr> <td></td> <td></td> <td>Restructuring of Existing Debt</td> <td style="text-align: right;">\$200,000,000</td> </tr> <tr> <td></td> <td></td> <td>Costs of Issuance</td> <td style="text-align: right;"><u>5,000,000</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;"><u>\$305,000,000</u></td> <td>Total</td> <td style="text-align: right;"><u>\$305,000,000</u></td> </tr> </table>	Sources:		Uses:		IFA Bonds	<u>\$305,000,000</u>	Acquisition and Project Cost	\$100,000,000			Restructuring of Existing Debt	\$200,000,000			Costs of Issuance	<u>5,000,000</u>	Total	<u>\$305,000,000</u>	Total	<u>\$305,000,000</u>
Sources:		Uses:																			
IFA Bonds	<u>\$305,000,000</u>	Acquisition and Project Cost	\$100,000,000																		
		Restructuring of Existing Debt	\$200,000,000																		
		Costs of Issuance	<u>5,000,000</u>																		
Total	<u>\$305,000,000</u>	Total	<u>\$305,000,000</u>																		
RECOMMENDATION	Credit Review Committee recommends approval.																				

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
July 9, 2013**

Project: Advocate Health and Hospitals Corporation

STATISTICS

Project Number: H-HO-TE-CD-8585	Amount: \$305,000,000 (not-to-exceed)
Type: 501(c)(3) Bonds	IFA Staff: Pam Lenane and Nora O'Brien
County/Region: Cook, DuPage, Lake, McLean, Kane and Woodford counties	City: Bloomington-Normal – McLean Eureka - Woodford Chicago – Cook Oak Lawn – Cook Park Ridge – Cook Hazel Crest – Cook Barrington – Lake Libertyville – Lake Downers Grove – DuPage Elgin - Kane

BOARD ACTION

Final Bond Resolution (<i>one-time consideration</i>)	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 has been presented to the Board.

PURPOSE

Bond proceeds will finance approximately \$100 million of new money capital projects including, but not limited to the an ICU expansion project at Advocate Trinity Hospital in Chicago Illinois, a campus modernization project at Advocate Good Shepherd Hospital in Barrington, Illinois, and an Emergency Department/surgery expansion project at Advocate Lutheran General Hospital in Park Ridge, Illinois. The Illinois Health Facilities Planning Board approved the ICU expansion and campus modernization on June 25, 2013. The Emergency Department/surgery expansion project is scheduled for certificate of need review by the Illinois Health Facilities Planning Board on August 13, 2013. Further, AHCN desires to finance expenditures made on its various hospital campuses.

On June 1, 2013, **Sherman Health Systems and Sherman Hospital** (collectively "**Sherman**") and AHCN executed an agreement pursuant to which AHCN became the sole corporate member of Sherman Hospital. The name of the corporation was then changed to be Advocate Sherman Hospital. Advocate is also considering the refinancing, either through a tender for purchase or as a refunding (or both), of all or a portion of the Authority's Revenue Bonds, Series 2007A (Sherman Health Systems) (the "Series 2007A Bonds") issued for the benefit of Sherman, if deemed necessary or advisable by Advocate.

The Series 2007A Bonds are secured by an obligation issued by Sherman under a Master Trust Indenture dated as of August 1, 1991, as supplemented and amended (the "SH MTI"), between the Members of the Obligated Group identified in the SH MTI and a master trustee. Advocate did not assume the liability for or otherwise guarantee the Series 2007A Bonds as part of the affiliation with Sherman. The Series 2007A Bonds are subject to optional redemption on and after August 1, 2017.

Advocate is evaluating a possible offer to purchase any or all of the Series 2007A Bonds. If Advocate undertakes the tender offer, and if the tender offer is successful, then Advocate intends to use a portion of the proceeds of the Series 2013 Bonds to finance the tender price of the tendered Series 2007A Bonds. Advocate may also decide to provide for the refunding of the portion of the Series 2007A Bonds that are not tendered for purchase in a tender offer. In

that event, Advocate would use a portion of the proceeds of the Series 2013 Bonds to provide for the refunding of those Series 2007A Bonds.

Any offer to purchase the Series 2007A Bonds would be made pursuant to a formal tender process, and any offer to purchase, and any decision to provide for any refunding of the Series 2007A Bonds, will be dependent on market conditions, management considerations, and other factors. There can be no assurance that an offer to purchase or refunding will be made with respect to any or all of the Series 2007A Bonds, and the Series 2007A Bonds may remain outstanding until their optional redemption date or final maturity.

If all of the Series 2007A Bonds are purchased and/or defeased, then Advocate presently intends that Advocate Sherman Hospital would become a Member of the Obligated Group.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

JOBS

Current employment:	28,200	Projected new jobs:	224
Jobs retained:	N/A	Construction jobs:	634

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	<u>\$305,000,000</u>	Uses:	New money projects	\$100,000,000
				Restructuring of existing debt	\$200,000,000
				Costs of issuance	<u>5,000,000</u>
	Total	<u>\$305,000,000</u>	Total		<u>\$305,000,000</u>

FINANCING SUMMARY/STRUCTURE

Security:	General, unsecured obligations of the Members of the Obligated Group and any future Members of the Obligated Group. (Current members of the Obligated Group are: Advocate Health Care Network, Advocate Health and Hospital Corporation, Advocate Northside Health Network, and Advocate Condell Medical Center.)
Structure:	A combination of modes and structures, including Fixed Rate Debt is anticipated (with flexibility to issue in different modes, as variable rate or fixed rate or combination of both), either publicly or by private placement (including one or more bank purchases), all dependent based on an evaluation of prevailing market conditions).
Interest Rate:	To be determined on the day of pricing.
Interest Mode:	Fixed Rate Bonds and/or weekly/Windows/annual/multi-annual/indexed/floating rate uninsured Variable Rate Bonds (i.e., multi-modal bonds) and/or one or more private placements (including one or more bank purchases) where interest rate structure may be fixed or variable rate (including tied to an index) or a combination of both.
Credit Enhancement:	Fixed Rate Bonds and Bonds privately placed with one or more banks or other entities would be sold based on the underlying rating(s) of Advocate Health Care Network. If uninsured Variable Rate Demand Bonds are issued, they will be secured by either a Standby Bond Purchase Agreement or Letter of Credit (bank(s) to be determined, but with a minimum long-term rating of A- or better) unless in Windows mode, which does

not require bank support. Annual/indexed/floating rate and/or multi-annual uninsured variable rate demand bonds in a long-term mode would have the rating of Advocate Health Care Network.

Maturity: Not later than 2052

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

Estimated Closing Date: August 8, 2013

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be used by **Advocate Health and Hospitals Corporation** ("**Advocate**", the "**Borrower**", "**Advocate Health Care Network**" or the "**System**") to: (a) finance, refinance or reimburse the Borrower for the costs of acquiring, constructing, furnishing and equipping certain health care and related facilities (the "Projects") of the Borrower and/or Advocate Health Care Network ("**Advocate Network**"), Advocate Condell Medical Center ("**Advocate Condell**"), Advocate Northside Health Network ("**Advocate Northside**") and/or Advocate Sherman Hospital ("**Advocate Sherman**" and, together with the Borrower, Advocate Network, Advocate Condell and Advocate Northside, the "**Advocate Corporations**"), each an Illinois not for profit corporation, (b) refund all or a portion of the Authority's Revenue Bonds, Series 2007 (Sherman Health Systems) (the "**Series 2007 Bonds**"), if deemed necessary or advisable by the Borrower, (c) provide one or more debt service reserve funds for the benefit of all or a portion of the Bonds, if deemed necessary or desirable by the Borrower, (d) pay a portion of the interest to accrue on the Bonds, if deemed necessary or desirable by the Borrower, (e) pay certain working capital expenditures, if deemed necessary or desirable by the Borrower, and (f) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Series 2007 Bonds, including costs of credit or liquidity enhancement, if deemed necessary or desirable by the Borrower (collectively, the "**Financing Purposes**").

BUSINESS SUMMARY

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

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

The System, named among the nation's top health systems, is the largest health system in Illinois and one of the largest health care providers in the Midwest. The System operates more than 250 sites of care, including 11 acute care hospitals, the state's largest integrated children's network, five Level I trauma centers (the state's highest designation in trauma care), three Level II trauma centers, one of the area's largest home health care companies and one of the region's largest medical groups. The System trains more primary care physicians and residents at its four teaching hospitals than any other health system in the state. As a not-for-profit, mission-based health system affiliated with the Evangelical Lutheran Church in America and the United Church of Christ, the System contributed \$571 million in charitable care and services to communities across the Chicago metropolitan area and Central Illinois in 2011.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicant: Advocate Health Care Network
Project Location: Multiple
Borrower: Advocate Health Care Network
3075 Highland Parkway Suite 600
Downers Grove, IL 60515

Board Members
(Advocate Health Care
Network): Michele Richardson, *Chairperson*
Laurie L. Meyer, *Vice Chairperson*
James Skogsbergh, *President and Chief Executive Officer*
David B. Anderson
Alejandro Aparicio, M.D.
Lynn Crump-Caine
Rev. Dr. Nathaniel L. Edmond
Terry Graber
Ronald R. Greene
Mark M. Harris
Richard Jakle
Bishop Wayne N. Miller
Rev. Dr. Jorge L. Morales
Clarence Nixon, Jr., Ph.D.
Gary D. Stuck, D.O.
John Timmer

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Polsinelli PC	Chicago	Janet Zeigler
Auditor:	Ernst & Young	Chicago	Tadd Ingles
Bond Counsel:	Jones Day	Chicago	Michael Mitchell
		Chicago	David Kates
Senior Underwriter:	JPMorgan Securities LLC	Chicago	Timothy Wons
		Chicago	Meghan Armstrong
Co-Manager:	Loop Capital Markets, LLC	Chicago	Prakash Ramani
Co-Manager:	Cabrera Capital Markets, LLC	Chicago	Santino Bibbo
Underwriter's Counsel:	Dentons	Chicago	Katie Ashton
Bond Trustee:	Wells Fargo Corporate Trust Services	Chicago	Gail Klewin
Issuer's Counsel:	Burke, Burns & Pinelli, Ltd.	Chicago	Mary Ann Murray
IFA Financial Advisor:	Public Financial Management, Inc.	Chicago	Shannon Williams

LEGISLATIVE DISTRICTS

Congressional: 2, 3, 5, 6, 9, 10, 13, 18
State Senate: 6, 10, 13, 19, 24, 26, 33, 35, 45, 53
State House: 12, 20, 25, 36, 38, 47, 51, 52, 66, 88, 106

SERVICE AREA

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

ILLINOIS FINANCE AUTHORITY
Memorandum

To: IFA Board of Directors

Date: July 9, 2013

From: Lorrie Karcher

Re: Request for approval allowing release of acreage:

1) Approximately two acres of farmland on IFA Beginning Farmer Bond loan listed below.

Loan #: 1997-02-0006 (*Beginning Farmer Bond*)

Original Amount: \$226,200.00

Current Balance: \$69,331.91

IFA Exposure: \$0 (*Conduit Bonds*)

The First National Bank (“Bank”) and **Dennis Rosenthal and Julie Rosenthal (“Borrowers”)** have requested IFA concurrence of approval of release of approximately two acres of farmland from an existing Beginning Farmer Bond loan, originated February 1997. The Borrowers originally purchased 75 acres of farmland, pledging an additional 19 acres at closing and now would like to deed to their son so that he can build a home on approximately 2.0 acres. Their son is the third generation on this family farm. The son is active in the operation full-time and also operates a seed sales business to complement the farm activities.

The property is located in Montgomery County, Zanesville Township, Illinois.

Due to the Borrowers’ repayment history and the collateral coverage, the Bank has already approved the Borrowers’ request; however, because IFA has an existing bond in place, the Bank is requesting IFA’s concurrence on the above loan.

Because IFA is solely an issuer of conduit revenue bonds on the current financing (and, as a result, the Bank is the secured lender/bond investor and bears 100% of any default risk), the Credit Review Committee recommends approval of the requested collateral release.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: July 9, 2013

Re: Resolution Providing for the Issuance of Not-To-Exceed \$23,000,000 Principal Amount Illinois Finance Authority Revenue Refunding Bond, Series 2013 (Lake Forest Country Day School); Authorizing the Execution and Delivery of a Bond and Loan Agreement, a Tax Exemption Certificate and Agreement and Related Documents; and Approving Related Matters.
IFA Series 2005 File Number: E-PS-TE-CD-538

Request:

Lake Forest Country Day School (the “**Borrower**”), an Illinois not for profit corporation, and **Lake Forest Bank & Trust Company**, an Illinois banking association (the “**Bank**” or “**Bond Purchaser**”), are requesting approval of a Resolution to (i) authorize execution and delivery of a Bond and Loan Agreement, a Tax Exemption Certificate and Agreement and related documents and (ii) approve related matters to effectuate the refinancing of all of the outstanding Illinois Finance Authority (“**IFA**”) Adjustable Rate Demand Revenue Bonds, Series 2005 Bonds (Lake Forest Country Day School Project) (the “**Series 2005 Bonds**”) by issuing a Bond in an amount not to exceed \$23,000,000 in aggregate principal amount (the “**Series 2013 Bond**”).

The Series 2005 Bonds are currently secured by a Direct Pay Letter of Credit from The Northern Trust Company; the Series 2013 Bond will be directly purchased by Lake Forest Bank & Trust Company, which is a wholly owned subsidiary of Wintrust Financial Corporation.

The original par amount of the Series 2005 Bonds was approximately \$23,000,000. The outstanding par amount of the Series 2005 Bonds remained \$23,000,000 as of July 1, 2013. This transaction will be considered a refunding for tax purposes. IFA’s estimated administrative fee will be \$36,000.

Background:

The proceeds of the Series 2005 Bonds, together with other available funds of the Borrower, were used to (i) finance, refinance and be reimbursed for all or a portion of the costs of the acquisition, construction, renovation, improvement and equipping of certain of its facilities, including the construction and equipping of two new buildings and other related capital improvements (the “**Series 2005 Project**”), (ii) refinance certain taxable indebtedness of the Corporation, the proceeds of which were used to finance certain preliminary costs of the Series 2005 Project, (iii) refund the then outstanding Village of Lake Bluff, Illinois Industrial Project Revenue Bond (Lake Forest Country Day School Project), Series 1998, (iv) pay a portion of the interest on the Series 2005 Bonds, and (v) pay certain costs relating to the issuance of the Series 2005 Bonds.

All payments relating to the Series 2005 Bonds are current and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Borrower Counsel:	Chapman & Cutler LLP	Chicago, IL	Chris Walrath
Bond Counsel:	Chapman & Cutler LLP	Chicago, IL	Nancy Burke
Bond Purchaser:	Lake Forest Bank & Trust Co. (Wintrust Financial Corp.)	Chicago, IL	Kandace Lenti Melissa Mancini
Bank Counsel:	Foley & Lardner LLP	Chicago, IL	Laura Bilas
Exiting Direct-Pay Letter of Credit Bank:	The Northern Trust Company	Chicago, IL	
Exiting Remarketing Agent:	William Blair & Company, LLC	Chicago, IL	

Exiting Trustee:	Amalgamated Bank of Chicago	Chicago, IL	
IFA Counsel:	Sanchez Daniels & Hoffman LLP	Chicago, IL	John Cummins
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Jim Beck

RESOLUTION NO. 2013-0709-AD04

A RESOLUTION PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$23,000,000 PRINCIPAL AMOUNT ILLINOIS FINANCE AUTHORITY REVENUE REFUNDING BOND, SERIES 2013 (LAKE FOREST COUNTRY DAY SCHOOL); AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND AND LOAN AGREEMENT, A TAX EXEMPTION CERTIFICATE AND AGREEMENT AND RELATED DOCUMENTS; AND APPROVING RELATED MATTERS.

WHEREAS, the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the "Authority"), including without limitation the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. (as supplemented and amended, the "Act"), is authorized by the laws of the State of Illinois, including without limitation, the Act, to issue its revenue bonds for the purposes set forth in the Act and to permit the expenditure of the proceeds thereof to finance or refinance the cost of "industrial projects" (as such term is defined in the Act), including the refunding of any outstanding bonds previously issued for such purpose; and

WHEREAS, the Authority has heretofore issued its Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Series 2005 (Lake Forest Country Day School Project) (the "Series 2005 Bonds") in the original aggregate principal amount of \$23,000,000, all of which remain outstanding; and

WHEREAS, the proceeds from the sale of the Series 2005 Bonds were used to (a) finance, refinance or reimburse Lake Forest Country Day School, Lake Forest, Illinois, an Illinois not for profit corporation (the "Corporation"), for all or a portion of the costs of the acquisition, construction, renovation, improvement and equipping of certain of its facilities, including the construction and equipping of two new buildings and other related capital improvements (the "Series 2005 Project"), (b) refinance certain taxable indebtedness the proceeds of which were used to finance certain preliminary costs of the Series 2005 Project, (c) refund the then outstanding Village of Lake Bluff, Illinois, Industrial Project Revenue Bond (Lake Forest Country Day School Project), Series 1998, (d) pay a portion of the interest on the Series 2005 Bonds, and (e) pay certain costs relating to issuance of the Series 2005 Bonds, all as permitted by the Act; and

WHEREAS, the Corporation has requested that the Authority issue its Revenue Refunding Bond, Series 2013 (Lake Forest Country Day School) in a principal amount not to exceed \$23,000,000 (the "Series 2013 Bond") and loan the proceeds from the sale thereof to the Corporation pursuant to a Bond and Loan Agreement (the "Bond and Loan Agreement") among the Authority, the Corporation and Lake Forest Bank & Trust Company (the "Purchaser"), pursuant to which the Purchaser will purchase the Series 2013 Bond from the Authority; and

WHEREAS, the Corporation will apply the proceeds from the sale of the Series 2013 Bond to the refunding and redemption of the Series 2005 Bonds (the "Series 2005 Refunding"); and

WHEREAS, in furtherance of the purposes set forth in the Act, the Authority wishes to issue the Series 2013 Bond and loan the proceeds from the sale thereof to the Corporation pursuant to the Bond and Loan Agreement in order to carry out the Series 2005 Refunding; and

WHEREAS, the Series 2013 Bond and the obligation to pay principal, premium, if any, and interest thereon are special, limited obligations of the Authority, payable solely out of the revenues and income derived from the Bond and Loan Agreement; the Series 2013 Bond and the obligation to pay interest thereon shall not be deemed to constitute an indebtedness, a general or moral obligation, or a pledge of the full faith and credit of the Authority, the State of Illinois or any political subdivision thereof within the purview of any constitutional limitation or statutory provision or a charge against the general credit or taxing powers, if any, of any of them; and neither the Purchaser nor any future owner of the Series 2013 Bond shall have the right to compel any exercise of the taxing power, if any, of the Authority, the State of Illinois or any political subdivision thereof to pay any principal or purchase price of, premium, if any, or interest on the Series 2013 Bond; and

WHEREAS, in connection therewith, the Corporation and the Purchaser will execute and deliver an Additional Covenant Agreement (the "Covenant Agreement") containing certain additional covenants to be made by the Corporation to the Purchaser; and

WHEREAS, in connection with the issuance of the Series 2013 Bond, it is now necessary and proper to authorize the execution and delivery of the Bond and Loan Agreement and a Tax Exemption Certificate and Agreement (the "Tax Agreement" and, collectively with the Bond and Loan Agreement, the "Authority Documents") between the Authority and the Corporation; and

WHEREAS, the Authority has caused to be prepared and presented to its members a form of the Bond and Loan Agreement, including the form of Series 2013 Bond attached thereto as Exhibit A;

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

Section 1. Recitals. That the foregoing recitals are incorporated in and made a part of this Resolution by this reference.

Section 2. Approval of Financing. That issuance of the Series 2013 Bond and the use of the proceeds from the sale thereof to carry out the Series 2005 Refunding in accordance with the terms of the Bond and Loan Agreement is hereby authorized and approved and is in furtherance of the public purposes set forth in the Act.

Section 3. Series 2013 Bond. That, in order to provide funds to carry out the Series 2005 Refunding, the Authority hereby authorizes and approves the issuance of the Series 2013 Bond in a principal amount not to exceed \$23,000,000, to be designated the "Illinois Finance Authority Revenue Refunding Bond, Series 2013 (Lake Forest Country Day School)"; that the form of Series 2013 Bond now before the Authority, subject to appropriate insertions and revisions in order to comply with the provisions of the Bond and Loan Agreement be, and the same hereby is, approved; that the Series 2013 Bond shall be executed in the name, for and on behalf of the Authority with the manual or facsimile signature of its Chairman or Vice Chairman (and for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis) and attested with the manual or facsimile signature of its Secretary or any Assistant Secretary and the seal of the Authority shall be impressed or imprinted thereon; that the

Chairman, the Vice Chairman or any other officer of the Authority shall cause the Series 2013 Bond, as so executed and attested, to be delivered to the Purchaser, as bond registrar under the Bond and Loan Agreement, for authentication; and that when the Series 2013 Bond is executed on behalf of the Authority in the manner contemplated by the Bond and Loan Agreement and this Resolution, it shall represent the approved form of the Series 2013 Bond; *provided* that the Series 2013 Bond shall bear interest at variable rates established pursuant to the Bond and Loan Agreement (with an initial variable rate of interest for the initial monthly interest rate period commencing on the date of issuance of the Bond of not to exceed 8%, subject to adjustment as provided for in the Bond and Loan Agreement), shall be payable over a term not exceeding forty (40) years from its date of issuance and shall be privately placed with the Purchaser.

The interest rate on the Series 2013 Bond may be subject to adjustment to (i) a higher or lower rate per annum under certain conditions, as further described in the Bond and Loan Agreement, or (ii) a taxable rate after the occurrence of a Determination of Taxability, as defined and further described in the Bond and Loan Agreement.

The Authority hereby authorizes each of the Chairman, Vice Chairman or Executive Director (and, for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis) of the Authority (each, an "Authorized Officer") to make a final determination as to the principal amount, initial interest rate, maturity, uses of proceeds, mandatory sinking fund redemption dates and amounts (if any), optional and extraordinary redemption provisions (if any), optional or mandatory tender provisions and the purchase price and uses of the proceeds from the sale of the Series 2013 Bond. The execution by an Authorized Officer of the Bond and Loan Agreement shall constitute such Authorized Officer's approval and the Authority's approval of the final terms and provisions of the Series 2013 Bond.

The Series 2013 Bond, including the interest and any redemption premium payable thereon, shall be a limited obligation of the Authority, payable solely from the income and revenues to be derived by the Authority pursuant to the Bond and Loan Agreement (except pursuant to Unassigned Rights (as defined in the Bond and Loan Agreement)). The Series 2013 Bond and the interest thereon shall never constitute a general obligation or commitment by the Authority to expend any of its funds other than (i) the proceeds from the sale of the Series 2013 Bond, (ii) the income and revenues derived by the Authority pursuant to the Bond and Loan Agreement (except pursuant to Unassigned Rights), (iii) other amounts available under the Bond and Loan Agreement and (iv) moneys arising out of the investment or reinvestment of such proceeds, income, revenues or receipts.

Section 4. Bond and Loan Agreement. That the Authority is hereby authorized to enter into the Bond and Loan Agreement with the Corporation and the Purchaser; that the form, terms and provisions of the Bond and Loan Agreement be, and they hereby are, in all respects approved; that the Authorized Officers of the Authority be, and each of them hereby is, authorized, empowered and directed to execute, and the Secretary or any Assistant Secretary of the Authority be, and each of them hereby is, authorized, empowered and directed to attest to and to affix the official seal of the Authority to, the Bond and Loan Agreement in the name, for and on behalf of the Authority, and thereupon to cause the Bond and Loan Agreement to be delivered to the Corporation, such Bond and Loan Agreement (as executed) to provide for the loan of the proceeds from the sale of the Series 2013 Bond to the Corporation and the use of such proceeds to carry out the Series 2005 Refunding, in the manner and with the effect therein provided; that the Bond and Loan Agreement shall be in substantially the same form previously provided to and on file with the Authority and hereby approved, or with such changes therein as any Authorized Officer of the Authority shall approve, the execution thereof to constitute conclusive evidence of such approval of any

and all changes or revisions from such form of the Bond and Loan Agreement; that when the Bond and Loan Agreement is executed, attested, sealed and delivered on behalf of the Authority as herein provided, the Bond and Loan Agreement will be binding on the Authority; that from and after the execution and delivery of the Bond and Loan Agreement, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary or desirable to carry out and comply with the provisions of the Bond and Loan Agreement as executed; and that the Bond and Loan Agreement shall constitute, and hereby is made, a part of this Resolution, and a copy of the Bond and Loan Agreement shall be placed in the official records of the Authority and shall be available for public inspection at the office of the Authority.

Section 5. Tax Agreement. That the Authority is hereby authorized to enter into the Tax Agreement with the Corporation in the form to be approved by bond counsel; by counsel for the Corporation and by counsel to the Authority; that the Authorized Officers of the Authority be, and each of them hereby is, authorized, empowered and directed to execute and deliver the Tax Agreement as so approved; that when the Tax Agreement is executed and delivered on behalf of the Authority as herein provided, the Tax Agreement will be binding on the Authority; and that from and after the execution and delivery of the Tax Agreement, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary or desirable to carry out and comply with the provisions of the Tax Agreement as executed.

The Tax Agreement may contain, among other things, provisions establishing the status of any interest rate swap agreement (the "Swap Agreement") that may be entered into by the Corporation with respect to the Series 2013 Bond as a "qualified hedge" under the Internal Revenue Code of 1986, as amended (the "Code"), which status shall be solely the responsibility of the Corporation.

Section 6. Covenant Agreement. That the Authority hereby approves the execution and delivery by the parties thereto of the Covenant Agreement in the form to be approved by the counsel to the Authority; and that the execution and delivery of the Bond and Loan Agreement shall constitute conclusive evidence of the approval of the counsel to the Authority and the approval of the Authority of the final form thereof.

Section 7. Other Documents. That the Authorized Officers and any other officer of the Authority be, and each of them hereby is, authorized to (i) execute and deliver such documents, certificates and undertakings of the Authority, including but not limited to any documentation necessary to identify the Swap Agreement as a "qualified hedge" under the Code, (ii) approve the execution and delivery of such other documents, certificates and undertakings of other parties, including, without limitation, the Corporation and the Purchaser, and (iii) take such other actions as may be necessary or required in connection with carrying out and complying with this Resolution and the issuance and sale of the Series 2013 Bond and/or the execution, delivery and performance of the Authority Documents, the Covenant Agreement and such other documents, certificates and undertakings, all as authorized by this Resolution; and that all of the acts and doings of the Authorized Officers which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and hereby are authorized, ratified, approved and confirmed.

Section 8. Private Placement; Investment Letter; Restrictions on Transfers. That the Authority hereby authorizes the issuance and sale of the Series 2013 Bond to the Purchaser on a private placement basis pursuant to the Bond and Loan Agreement; that the Purchaser shall deliver an investment

letter to the Authority (in the form approved by counsel to the Authority) stating, among other things, that the Purchaser is either an “accredited investor” within the meaning of Regulation D, or a “qualified institutional buyer” within the meaning of Rule 144A, under the Securities Act of 1933, as amended; and that the Bond and Loan Agreement shall contain such restrictions, as counsel to the Authority shall reasonably determine are necessary or advisable, on the transfer of the Series 2013 Bond by the Purchaser or by any accredited investor or qualified institutional buyer to which the Purchaser transfers the Series 2013 Bond.

Section 9. Conditions to Effectiveness. That the approvals granted by the Authority pursuant to this Resolution are subject to the Authority Documents and any other document required to carry out and comply with this Resolution being in full conformance with the requirements of the Authority (including the Authority’s Bond Program Handbook), except as expressly approved by counsel to the Authority or the Executive Director (and, for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis) of the Authority, the satisfaction of such condition to be evidenced by an Authorized Officer’s execution and delivery of such documents.

Section 10. Public Hearing. That the Authority is not required to hold a Public Hearing since the Bond will satisfy the exception set forth in Section 147(f)(2)(D) of the Code.

Section 11. Other Acts. That all acts of the officers, employees and agents of the Authority which are in conformity with the purposes and intent of this Resolution be, and the same hereby are, in all respects, ratified, approved and confirmed.

Section 12. Severability. That the provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 13. No Conflict. That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 14. Effective Date. That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

ILLINOIS FINANCE AUTHORITY
Memorandum

To: IFA Board of Directors

From: Nora O'Brien, Associate General Counsel

Date: July 9, 2013

Re: Resolution Delegating to the Executive Director of the Illinois Finance Authority the Power to Fund and Administer a Loan Program for Deferred Action for Childhood Arrivals ("DACA") Applicants to Medical and Dental Schools in Illinois (the "DACA Loan Program")

The Illinois Finance Authority (the "Authority") proposes a re-lending program that will enable talented children who have DACA (Deferred Action for Early Childhood Development) status to afford a medical/dental school education in Illinois by lending money to the medical and dental schools, which can in turn lend it to eligible students and administer the loans. These DACA students would not be able to attend medical school or dental school, but for this program. In return, they will agree to practice medicine in underserved areas. The terms of these loans will not be more favorable than loans made to U.S. citizens under existing loan programs.

This re-lending program will cover tuition and fees (currently approximately \$50,000 annually). Once admitted into the medical/dental school, the DACA students in the DACA Loan Program (the "Program") would agree to work in an underserved community in Illinois after they complete medical/dental school. For every year the student receives the loan, they must practice full-time as a physician/dentist in a community in Illinois designated by the Illinois Department of Public Health ("IDPH") as being an underserved area.

Last June, Dean Linda Brubaker and Mark Kuczewski of Loyola University's Stritch School of Medicine decided to open their school to DACA students and waive legal residency as an admissions requirement for applicants. Other medical and dental schools in Illinois are expected to do the same. Although there are many DACA students with excellent credentials, their inability to receive federal loans to pay for medical and dental school limits their access. Therefore, most DACA students need other sources of funding to complete their professional education and serve Illinois residents.

Loyola has received over 100 inquiries in the past six months and believes it will generate an increase in the 10,000 applications the school receives annually. They expect that the school will receive 10 to 12 DACA applications that meet the standards for admission. Enrollment would start in July 2014.

A draft of the DACA Loan Program is in your folders.

ILLINOIS FINANCE AUTHORITY
Memorandum

To: IFA Board of Directors

From: Rich Frampton, Vice President

Date: July 9, 2013

Re: Resolution Delegating to the Executive Director of the Illinois Finance Authority the Power to Fund and Administer a Grant Anticipation Note in an Amount Not-To-Exceed \$175,000 to the Joliet Arsenal Development Authority (“JADA”) and Ratifying Certain Matters Related Thereto

Request:

The **Joliet Arsenal Development Authority (“JADA”)** is a political subdivision, body politic, and municipal corporation established under Illinois law (70 ILCS 508/, et seq.) (the “JADA Act”).

JADA has requested the Illinois Finance Authority (“**IFA**”) to consider the accompanying Resolution that would authorize the Executive Director of the IFA to execute a short-term Grant Anticipation Note Agreement with JADA in an amount not-to-exceed \$175,000. JADA and the Illinois Department of Commerce and Economic Opportunity (“**DCEO**”) are currently negotiating a Grant Agreement to enable JADA to cover operating expenses and certain accrued expenses during Fiscal Year 2014.

As proposed by JADA, the IFA \$175,000 Grant Anticipation Note would enable JADA to cover operating expenses and certain accrued expenses for an anticipated term of up to six months. Release of IFA funds under any contemplated Grant Anticipation Note Agreement between IFA, JADA, and DCEO would be subject to requisition requests pre-approved by DCEO that conform to terms of the Grant Agreement between DCEO and JADA. Repayment of the Grant Anticipation Note would be subject to a Grant Intercept Agreement between IFA, DCEO and JADA.

The accompanying Resolution would authorize a maximum loan term of up to eight months (i.e., through March 31, 2014). Negotiation of other terms and conditions precedent to closing of the Grant Anticipation Note financing would be delegated to IFA’s Executive Director and reported to the IFA Board of Directors (including, but not limited to, the interest rate, obtaining a collateral assignment of Grant Revenues up to the outstanding amount of the Note and prospectively assigning a portion of the anticipated grant payments, etc.).

Proposed Conditions:

1. **Maximum IFA Grant Anticipation Note Amount and Term:** The proposed Grant Anticipation Note may take the form of a loan structured with a maximum term of eight months and for a maximum principal amount of \$175,000.
2. **IFA Grant Anticipation Note Proceeds shall be Limited to Eligible Grant Funded Expenses:** Funding of any Grant Anticipation Note to JADA will be limited to expenses authorized under a final Grant Agreement executed between JADA and DCEO.
3. **Condition Precedent to Drafting IFA Grant Anticipation Note Agreement:** Drafting of a proposed IFA Grant Anticipation Note Agreement will not be initiated by IFA or its counsel until a final form Grant Agreement between DCEO and JADA (the “Grant Agreement”) is executed. The Grant Agreement shall precisely specify authorized working capital expenses eligible for funding under the Grant.
4. **IFA Grant Anticipation Note Terms to be Derived from the DCEO-JADA Grant Agreement:** Terms and uses of funds authorized under the IFA Grant Anticipation Note Agreement will be derived from the Grant Agreement and any additional terms deemed necessary or advisable by IFA or its counsel.

5. **Security for IFA Grant Anticipation Note Agreement:** Repayment of the Grant Anticipation Note would be subject to a Grant Intercept Agreement between IFA, DCEO, and JADA. To further secure IFA's Grant Anticipation Note Agreement, IFA may also require a collateral assignment of any Grant Payments under the Grant Agreement from DCEO to JADA, if deemed necessary or advisable.
6. **IFA Grant Anticipation Note Advances:** IFA's Grant Anticipation Note Agreement shall advance payment to JADA no more frequently than once monthly for the duration of the Note.
7. **Closing of IFA Grant Anticipation Note:** Closing of the IFA Grant Anticipation Note shall not occur until after the Grant Agreement between JADA and DCEO is executed.
8. **Funding of IFA Grant Anticipation Note:** Any release of funds authorized under the IFA Grant Anticipation Note to JADA shall be subject to requisition requests pre-approved by DCEO based on requisition procedures ("Requisition Procedures") that shall be specified in the final Grant Anticipation Note Agreement executed by JADA, DCEO, and IFA.
9. **Mandatory Redemption:** 100% of the advanced principal balance (up to \$175,000) on IFA's Grant Anticipation Note shall become immediately due and payable on the earlier of (i) funding of the Grant by DCEO to JADA or (ii) the final maturity date of March 31, 2014. The proposed IFA Grant Anticipation Note shall not serve as an ongoing Line of Credit. Accordingly, the Note cannot be renewed after it is redeemed.
10. **Right to Impose Additional Terms and Conditions:** IFA's Executive Director is authorized to negotiate and impose any additional terms and conditions deemed necessary or advisable in order to assure that (i) IFA Grant Anticipation Note proceeds are expended in a manner consistent with the Grant Agreement between JADA and DCEP and (ii) the IFA Grant Anticipation Note is promptly repaid in full upon the availability of DCEO Grant Funds to JADA.
11. **Interest and Reimbursement for Reasonable Fees, and Expenses:** IFA's Executive Director is authorized to determine applicable interest rate and fees, if deemed necessary or desirable. Additionally, IFA's Executive Director may request reimbursement for reasonable out-of-pocket expenses and professional services incurred in connection with this Grant Anticipation Note, if deemed necessary or advisable.

Background Information on JADA

JADA was established in 1995 to facilitate the adaptive reuse and transformation of 3,000 acres of land donated to JADA as part of the decommissioning of the former Joliet Arsenal facility. Portions of the original 3,000 acre site have been subdivided, sold, and redeveloped as CenterPoint Intermodal Center – Elwood, Prologis Park – Arsenal, and the Operating Engineers Apprenticeship & Skill Improvement Training Facility.

JADA is governed by a 10-member board comprised of 4 members appointed by the Governor of Illinois and 6 members appointed by the Will County Board Executive.

Prior IFA Short-Term Loan to Entity Established by Illinois Statute

The proposed Grant Anticipation Note to JADA would be similar in scope and purpose to a short-term \$80,000 Appropriation Anticipation Loan approved by the IFA Board of Directors in June 2011 on behalf of the East St. Louis Financial Advisory Authority. As with JADA, the East St. Louis Financial Advisory Authority is an agency established under Illinois law. The 2011 Note was to fund operating expenses of the East St. Louis Financial Advisory Authority in advance of receiving an operating appropriation from the State of Illinois.

IFA RESOLUTION NO. 2013-0719-AD06

RESOLUTION DELEGATING TO THE EXECUTIVE DIRECTOR OF THE ILLINOIS FINANCE AUTHORITY THE POWER TO FUND AND ADMINISTER A GRANT ANTICIPATION NOTE IN AN AMOUNT NOT-TO-EXCEED \$175,000 TO THE JOLIET ARSENAL DEVELOPMENT AUTHORITY (“JADA”) AND RATIFYING CERTAIN MATTERS RELATED THERETO

WHEREAS, the Joliet Arsenal Development Authority (“JADA”) is a political subdivision, body politic, and municipal corporation created pursuant to provisions of the Joliet Arsenal Development Authority Act, 70 ILCS 508/, et seq. (the “JADA Act”) to facilitate the adaptive reuse and transformation of land donated to JADA as part of the decommissioning of the former Joliet Arsenal Facility; and

WHEREAS, JADA is in the process of negotiating terms of an operating grant to meet its statutory purposes and fund operations during Fiscal Year 2014; and

WHEREAS, JADA has requested the Illinois Finance Authority to make an interim loan in an amount not to exceed \$175,000 (the “Grant Anticipation Note” or “Loan”) to JADA (the “Borrower”) for the purposes of, among other things, the day-to-day continued operations of JADA in order to carry out its mission governed by the Joliet Arsenal Development Authority Act; and

NOW THEREFORE, BE IT RESOLVED that the foregoing WHEREAS clauses are incorporated herein; and

BE IT FURTHER RESOLVED THAT the Illinois Finance Authority hereby approves the proposed terms and conditions of the Loan and the Note in substantially the form immediately below:

- 1. Maximum IFA Grant Anticipation Note Amount and Term:** The proposed Grant Anticipation Note may take the form of a loan structured with a maximum term of eight months and for a maximum principal amount of \$175,000.
- 2. IFA Grant Anticipation Note Proceeds shall be Limited to Eligible Grant Funded Expenses:** Funding of any Grant Anticipation Note to JADA will be limited to expenses authorized under a final Grant Agreement executed between JADA and DCEO.
- 3. Condition Precedent to Drafting IFA Grant Anticipation Note Agreement:** Drafting of a proposed IFA Grant Anticipation Note Agreement will not be initiated by IFA or its counsel until a final form Grant Agreement between DCEO and JADA (the “Grant Agreement”) is executed. The Grant Agreement shall precisely specify authorized working capital expenses eligible for funding under the Grant.
- 4. IFA Grant Anticipation Note Terms to be Derived from the DCEO-JADA Grant Agreement:** Terms and uses of funds authorized under the IFA Grant Anticipation Note Agreement will be derived from the Grant Agreement and any additional terms deemed necessary or advisable by IFA or its counsel.

5. **Security for IFA Grant Anticipation Note Agreement:** Repayment of the Grant Anticipation Note would be subject to a Grant Intercept Agreement between IFA, DCEO, and JADA. To further secure IFA's Grant Anticipation Note Agreement, IFA may also require a collateral assignment of any Grant Payments under the Grant Agreement from DCEO to JADA, if deemed necessary or advisable.
6. **IFA Grant Anticipation Note Advances:** IFA's Grant Anticipation Note Agreement shall advance payment to JADA no more frequently than once monthly for the duration of the Note.
7. **Closing of IFA Grant Anticipation Note:** Closing of the IFA Grant Anticipation Note shall not occur until after the Grant Agreement between JADA and DCEO is executed.
8. **Funding of IFA Grant Anticipation Note:** Any release of funds authorized under the IFA Grant Anticipation Note to JADA shall be subject to requisition requests pre-approved by DCEO based on requisition procedures ("Requisition Procedures") that shall be specified in the final Grant Anticipation Note Agreement executed by JADA, DCEO, and IFA.
9. **Mandatory Redemption:** 100% of the advanced principal balance (up to \$175,000) on IFA's Grant Anticipation Note shall become immediately due and payable on the earlier of (i) funding of the Grant by DCEO to JADA or (ii) the final maturity date of March 31, 2014. The proposed IFA Grant Anticipation Note shall not serve as an ongoing Line of Credit. Accordingly, the Note cannot be renewed after it is redeemed.
10. **Right to Impose Additional Terms and Conditions:** IFA's Executive Director is authorized to negotiate and impose any additional terms and conditions deemed necessary or advisable in order to assure that (i) IFA Grant Anticipation Note proceeds are expended in a manner consistent with the Grant Agreement between JADA and DCEP and (ii) the IFA Grant Anticipation Note is promptly repaid in full upon the availability of DCEO Grant Funds to JADA.
11. **Interest and Reimbursement for Reasonable Fees, and Expenses:** IFA's Executive Director is authorized to determine applicable interest rate and fees, if deemed necessary or desirable. Additionally, IFA's Executive Director may request reimbursement for reasonable out-of-pocket expenses and professional services incurred in connection with this Grant Anticipation Note, if deemed necessary or advisable.

BE IT FURTHER RESOLVED THAT the Illinois Finance Authority hereby approves the terms and conditions of the Loan and the Note in substantially the form set forth at this meeting, with such changes as the Executive Director and the officer executing such documents and certificates agree to in writing; and

BE IT FURTHER RESOLVED THAT, the Executive Director of the Authority (and any designee of such Executive Director) are authorized, empowered and directed to do all such acts and things and to execute all such documents and certificates as may be necessary to further the purposes and intent of this Resolution; and

BE IT FURTHER RESOLVED THAT all such actions heretofore taken by the Executive Director (or any designee of such Executive Director) in furtherance of the purposes of this Resolution, whether upon oral or written direction of the Authority, are hereby approved, confirmed and ratified; and

BE IT FURTHER RESOLVED THAT this Resolution shall be effective immediately upon adoption.

APPROVED this 9th day of July, 2013.

IFA RESOLUTION NO. 2013-0709-AD__

**RESOLUTION ADOPTING THE BUDGET OF
THE ILLINOIS FINANCE AUTHORITY FOR FISCAL YEAR 2014**

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 2014; 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 2014, which Budget is attached hereto as Exhibit A (the "Budget") to support the operations of the Authority during Fiscal Year 2014 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 2014 Budget. The revenues, receipts and other available funds set forth in the Budget for Fiscal Year 2014, commencing July 1, 2013, 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 2014 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 2014 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, 2013.

This Resolution No. 2013-0709-AD__ is adopted this 9th day of July 2013, 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 2014**

	Unaudited FY 2013	Budget FY 2014	\$ Change	% Change
REVENUE				
INTEREST ON LOANS	209,752	161,148	(48,604)	-23.17%
INVESTMENT INTEREST & GAIN(LOSS)	44,027	200,000	155,973	354.27%
ADMINISTRATIONS & APPLICATION FEES	3,970,011	3,638,400	(331,611)	-8.35%
ANNUAL ISSUANCE & LOAN FEES	362,085	73,545	(288,540)	-79.69%
OTHER INCOME	320,242	63,601	(256,641)	-80.14%
TOTAL REVENUE	4,906,117	4,136,694	(769,423)	-15.68%
EXPENSES				
EMPLOYEE RELATED EXPENSES				
COMPENSATION & TAXES	1,478,011	1,710,974	232,963	15.76%
BENEFITS	243,399	272,537	29,138	11.97%
EDUCATION & DEVELOPMENT	6,885	6,000	(885)	-12.85%
TRAVEL & AUTO	49,896	55,000	5,104	10.23%
TOTAL EMPLOYEE RELATED EXPENSES	1,778,191	2,044,511	266,320	14.98%
PROFESSIONAL SERVICES				
CONSULTING, LEGAL & ADMIN	670,102	500,000	(170,102)	-25.38%
LOAN EXPENSE & BANK FEE	93,871	100,000	6,129	6.53%
ACCOUNTING & AUDITING	311,209	310,000	(1,209)	-0.39%
MARKETING GENERAL	8,707	10,000	1,293	14.85%
FINANCIAL ADVISORY	135,940	100,000	(35,940)	-26.44%
CONFERENCE/TRAINING	14,139	25,000	10,861	76.82%
MISCELLANEOUS PROFESSIONAL SERVICES	103,671	80,000	(23,671)	-22.83%
DATA PROCESSING	70,817	170,000	99,183	140.06%
TOTAL PROFESSIONAL SERVICES	1,408,456	1,295,000	(113,456)	-8.06%
OCCUPANCY COSTS				
OFFICE RENT	247,938	260,000	12,062	4.86%
EQUIPMENT RENTAL AND PURCHASES	13,657	15,000	1,343	9.83%
TELECOMMUNICATIONS	33,694	35,000	1,306	3.88%
UTILITIES	10,366	12,000	1,634	15.76%
DEPRECIATION	48,453	45,500	(2,953)	-6.09%
INSURANCE	16,186	25,000	8,814	54.45%
TOTAL OCCUPANCY COSTS	370,294	392,500	22,206	6.00%
GENERAL & ADMINISTRATION				
OFFICE SUPPLIES	37,528	35,800	(1,728)	-4.60%
BOARD MEETING - EXPENSES	28,202	30,000	1,798	6.38%
PRINTING	7,421	8,000	579	7.80%
POSTAGE & FREIGHT	14,769	15,000	231	1.56%
MEMBERSHIP, DUES & CONTRIBUTIONS	25,531	30,000	4,469	17.50%
PUBLICATIONS	990	2,500	1,510	152.53%
OFFICERS & DIRECTORS INSURANCE	203,963	208,000	4,037	1.98%
MISCELLANEOUS	-	-	-	0.00%
TOTAL GENERAL & ADMINISTRATION EXPENSES	318,404	329,300	10,896	3.42%
LOAN LOSS PROVISION/BAD DEBT	(101,012)	-	101,012	0.00%
OTHER				
INTEREST EXPENSE	-	-	-	0.00%
TOTAL OTHER	-	-	-	0.00%
TOTAL EXPENSES	3,774,333	4,061,311	286,978	7.60%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS)	1,131,784	75,383	(1,056,401)	-93.34%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%
TRANFERS	386,774	-	(386,774)	-100.00%
NET INCOME/(LOSS)	1,518,558	75,383	(1,443,175)	-95.04%

IFA RESOLUTION NO. 2013-0709-AD08

**ADOPTING REPORT OF THE COMPENSATION COMMITTEE
OF THE ILLINOIS FINANCE AUTHORITY**

WHEREAS, the Illinois Finance Authority (the "Authority") is a body corporate and politic duly organized and existing under the laws of the State of Illinois, particularly the Illinois Finance Authority Act, 20 ILCS 3501/801-1, *et seq.* (the "Act"); and

WHEREAS, pursuant to the Act, particularly the provisions of Section 801-30 thereof, the Authority possesses all the powers as a body corporate necessary and convenient to accomplish the purposes of the Act, including, but not limited to, power "(c) to employ agents and employees and independent contractors necessary to carry out its purposes and to fix their compensation, benefits and terms and conditions of their employment;" and

WHEREAS, the Authority has heretofore implemented certain compensation and benefit plans in the form of certain resolutions, including but not limited to, Resolution 2004-13, adopted on June 22, 2004; Resolution 2004-23, adopted on October 12, 2004; Resolution 2007-02, adopted on July 11, 2006; a Resolution adopted on February 12, 2008; Resolution 2010-1214-AD23, adopted on December 14, 2010; Resolution 2011-0719-AD9, adopted on July 19, 2011; and Resolution 2012-1211-AD10, adopted on December 11, 2012 (collectively and together with any other resolutions heretofore adopted by the Authority relating to compensation matters for employees of the Authority, the "Prior Resolutions"); and

WHEREAS, on July 9, 2013, the Compensation Committee of the Board of Directors of the Authority met and reviewed its management and compensation plan for employees and agents of the Authority, and made revisions to the information contained in the Prior Resolution (the "Prior Compensation Plan"); and

WHEREAS, the Authority has determined that it will advance the purposes of the Act and will be in the best interests of the citizens of the State to adopt the Fiscal Year 2014 Compensation Plan;

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

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

Section 2. Approval of Fiscal Year 2014 Compensation Plan for IFA Employees. The Fiscal Year 2014 Compensation Plan as heretofore delivered to the Board is hereby accepted and approved.

Section 3. Delegation of Authority to Administer and Implement the Plan. The Authority hereby authorizes, empowers and directs the Executive Director to take the necessary actions to administer and implement the Fiscal Year 2014 Compensation Plan within the parameters established in this Resolution in the name and on behalf of the Authority.

Section 4. Additional Actions. The Authority hereby authorizes, empowers and directs the Executive Director of the Authority or his designee, including, but not limited to, the Chief Financial Officer of the Authority and the General Counsel of the Authority, to take or cause to be taken any and all such other 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 each, in his or her discretion, may deem necessary, appropriate or advisable in order to carry out the purpose and intent of this Resolution.

Section 5. Repeal of Prior Resolutions. All resolutions and actions in conflict with the provisions hereof, including, but not limited to, the Prior Resolutions, are hereby repealed to the extent of such conflict.

Section 6. Prior Actions. All prior actions taken by the Executive Director, the Chief Financial Officer and the General Counsel of the Authority, including any designees thereof, in conformity with the purposes of this resolution and the Fiscal Year 2014 Compensation Plan, are, in all respects, ratified, approved and confirmed.

Section 7. Severability. All provisions of this resolution are hereby declared to be separate and severable; 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 sections, paragraphs or provisions of this resolution.

Section 8. Enactment and Effective Date. This Resolution is *effective* immediately upon its adoption.

This Resolution 2013-0709-AD08 is adopted this 9th day of July 2013, by the following vote:

Ayes:

Nays:

Abstain:

Absent:

Chairman

Attested to:

Assistant Secretary

Tab 9 – Withdrawn

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