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ILLINOIS FINANCE AUTHORITY  
REGULAR MEETING  
August 11th, 2016, at 9:32 a.m.

Report of Proceedings had at the Regular Meeting of the  
Illinois Finance Authority on August 11th, 2016, at the hour  
of 9:30 a.m., pursuant to notice, at 160 North LaSalle  
Street, Suite S1000, Chicago, Illinois.

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1 APPEARANCE:  
2 ILLINOIS FINANCE AUTHORITY MEMBERS

- 3 MR. R. ROBERT FUNDERBURG, Chairman (Via audio conference)
- 4 MR. ERIC ANDERBERG
- 5 MR. JAMES J. FUENTES
- 6 MR. ROBERT HORNE (Via audio conference)
- 7 MS. ARLENE JURACEK
- 8 MR. LERRY KNOX
- 9 MS. GILA J. BRONNER, Vice-Chair
- 10 MR. MICHAEL W. GOETZ
- 11 MR. ROGER POOLE
- 12 MR. BRADLEY A. ZELLER (Via audio conference)
- 13 MR. LYLE McCOY
- 14 MR. JOHN YONOVER
- 15 MR. GEORGE OBERNAGEL
- 16 MS. BETH SMOOTS
- 17 ILLINOIS FINANCE AUTHORITY STAFF MEMBERS
- 18 MR. BRAD FLETCHER, Assistant Vice-President
- 19 MR. RICH FRAMPTON, Vice-President
- 20 MS. MELINDA GILDART, CFO
- 21 MS. PAMELA LENANE, Vice-President
- 22 MS. ELIZABETH WEBER, General Counsel
- 23 MR. CHRISTOPHER B. MEISTER, Executive Director
- 24 MR. PATRICK EVANS, Agricultural Banker
- FINANCIAL ADVISORS
- MS. MELANIE SHAKER
- MS. PHOEBE SELDEN

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- 1 VICE-CHAIR BRONNER: Good morning. I would
- 2 like to call the meeting to order. Will the
- 3 Assistant Secretary please call the roll?
- 4 FLETCHER: Certainly. The time is 9:32 a.m.
- 5 I'll call the roll. Mr. Anderberg?
- 6 ANDERBERG: Here.
- 7 FLETCHER: Mr. Fuentes?

8 FUENTES: Here.  
9 FLETCHER: Mr. Goetz?  
10 GOETZ: Here.  
11 FLETCHER: Ms. Juracek?  
12 JURACEK: Here.  
13 FLETCHER: Knox?  
14 KNOX: Here.  
15 FLETCHER: Mr. McCoy?  
16 McCOY: Here.  
17 FLETCHER: Mr. Obernagel ?  
18 OBERNAGEL: Here.  
19 FLETCHER: Mr. Pool e?  
20 POOLE: Here.  
21 FLETCHER: Ms. Smoots?  
22 SMOOTS: Here.  
23 FLETCHER: Mr. Yonover?  
24 YONOVER: Here.  
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1 FLETCHER: And Vi ce-Chai r Bronner?  
2 VICE-CHAIR BRONNER: Here.  
3 FLETCHER: Ms. Vi ce-Chai r, a quorum of Members  
4 physically present in the room a quorum has been  
5 constituted. At this time I would to ask if any  
6 Members would like to attend via audio conference?  
7 HORNE: Yes.  
8 CHAIRMAN FUNDERBURG: Go ahead.  
9 HORNE: Thi s is Robert Horne attending by  
10 audi o.  
11 FLETCHER: For empl oyment purposes?

12 HORNE: Yes, I'm out of the town for employment  
13 purposes.

14 CHAIRMAN FUNDERBURG: I'm out of town on  
15 vacati on.

16 FLETCHER: Duly noted, Mr. Funderburg.

17 VICE-CHAIR BRONNER: Chair man Funderburg?

18 CHAIRMAN FUNDERBURG: Yes.

19 FLETCHER: Would you like to attend by audio  
20 conference for employment purposes as well?

21 CHAIRMAN FUNDERBURG: You know, I am on  
22 vacati on. I talked to shareholders on our trip. I  
23 talked to people germane to business that I  
24 otherwise would not have met with, but the fact of  
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1 the matter is I'm on vacati on.

2 FLETCHER: Okay.

3 MEISTER: So I think that the way we'll handle  
4 it is you are attending, but you will not be voting.

5 CHAIRMAN FUNDERBURG: Yes, that's fine.

6 VICE-CHAIR BRONNER: Okay. Are there any other  
7 Board Members on the telephone?

8 Is there a moti on to approve these  
9 requests, pursuant to the bylaws and policies of the  
10 Authori ty?

11 GOETZ: So moved.

12 FLETCHER: Mr. Goetz moved. Is there a second?

13 FUENTES: Second.

14 VICE-CHAIR BRONNER: Thank you. All those in  
15 favor?

16 (A chorus of ayes.)  
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17 VICE-CHAIR BRONNER: Opposed?

18 (No response.)

19 VICE-CHAIR BRONNER: The ayes have it.

20 FLETCHER: Ms. Vice-Chair, Member Horne has  
21 been added to the initial quorum roll call pursuant  
22 to the motion.

23 VICE-CHAIR BRONNER: Thank you. I would like  
24 to move on to Item No. 2, Approval of the Agenda.

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1 Does anyone wish to make any additions, edits or  
2 corrections to today's agenda?

3 Hearing none, I would like to request a  
4 motion to approve the agenda.

5 JURACEK: So moved.

6 FLETCHER: Ms. Juracek moved.

7 FUENTES: Second.

8 FLETCHER: Mr. Fuentes seconded.

9 VICE-CHAIR BRONNER: All those in favor?

10 (A chorus of ayes.)

11 VICE-CHAIR BRONNER: Opposed?

12 (No response.)

13 VICE-CHAIR BRONNER: The ayes have it. All  
14 right. We now move on to Chairman's remarks. I am  
15 but the Vice-Chair of this esteemed body. So I  
16 would defer to Chairman Funderburg, should he wish  
17 to share with us any Chairman's remarks.

18 CHAIRMAN FUNDERBURG: Thank you, Ms. Bronner.  
19 But, no, I really don't have any other remarks other  
20 than we had a good month. We are moving forward as

21 an organization. Any remarks, since you're chairing  
22 the meeting, please feel free to do so.

23 VICE-CHAIR BRONNER: Okay. Thank you very  
24 much. The only thing I would like to do is welcome  
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1 Beth Smoots.

2 SMOOTS: Thank you.

3 VICE-CHAIR BRONNER: Thank you. Who is a new  
4 Member of the Board. Mr. Zeller, have you joined?

5 ZELLER: I have.

6 VICE-CHAIR BRONNER: Welcome. Mr. Assistant  
7 Secretary?

8 FLETCHER: Is there a motion to approve  
9 Mr. Zeller participating by audio conference for  
10 employment purposes?

11 POOLE: So moved.

12 FLETCHER: Is there a second?

13 ANDERBERG: Second.

14 FLETCHER: All those in favor?

15 (A chorus of ayes.)

16 FLETCHER: The ayes have it.

17 VICE-CHAIR BRONNER: Thank you. At this time,  
18 then, I would like to move to Agenda Item No. 4, the  
19 message from the Executive Director.

20 MEISTER: Thank you very much, Vice-Chair  
21 Bronner. The matter that I wish to highlight is the  
22 upcoming Illinois Environmental Protection Agency  
23 State Revolving Fund financing that you will  
24 consider later on in the agenda.

1           It will be presented by Mr. Fletcher.  
2 This is a very significant step for the Authority  
3 for the State of Illinois and for the Illinois  
4 Environmental Protection Agency. We have members of  
5 the financing team who will be introduced; and then  
6 we also hopefully have on the line Mr. Kevin Bryant,  
7 who runs our State Revolving Fund Programs from  
8 Springfield on behalf the Illinois Environmental  
9 Protection Agency.

10           In connection with this, over the past  
11 several months, I was recently appointed to the  
12 USEPA Environmental Finance Advisory Board, which  
13 just concluded two days of meetings in Denver where  
14 I participated.

15           And so we look forward to continuing our  
16 partnership with IEPA and making this, frankly,  
17 extraordinary financial resource more accessible and  
18 more broadly used by Illinois communities to develop  
19 or to deliver clean -- the responsible use of water  
20 and clean drinking water for our citizens. Thank  
21 you.

22           VICE-CHAIR BRONNER: Thank you. At this time I  
23 would like to move to consideration of the minutes.  
24 Does anyone wish to make any additions, edits or

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1 corrections to the minutes from the July 14th, 2016,  
2 meeting?

3                   Hearing none, I would like to request a  
4 motion to approve the minutes.

5           GOETZ: So moved.

6           KNOX: Second.

7           FLETCHER: Mr. Goetz moved. Mr. Knox seconded.

8           VICE-CHAIR BRONNER: Thank you. All those in  
9 favor?

10                                   (A chorus of ayes.)

11           VICE-CHAIR BRONNER: Opposed.

12                                   (No response.)

13           VICE-CHAIR BRONNER: The ayes have it. Now for  
14 Presentation and Consideration of the Financial  
15 Report, I would like to ask Ms. Gildart to come  
16 forward.

17           GILDART: Good morning. I'm Melinda Gildart,  
18 Chief Financial Officer of the Illinois Finance  
19 Authority, and this month's financial presentation  
20 is as follows: For fiscal year 2016, unaudited  
21 results in the general operating fund, the Authority  
22 generated \$5.3 million in revenues, and that's  
23 \$368,000 or 7 percent higher than what we budgeted.

24                                   Closing fees ended at \$3.7 million, and  
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1 that's \$399,000 or 12 percent higher than budget.

2 In fiscal year 2015, we ended \$2.4 million in  
3 closing fees. So that was a substantial increase.

4                                   Interest income on loans is \$922,000, and  
5 that category includes interest received from the  
6 local government pool, and that was down \$148,000  
7 from 2015. We had some early payoffs on those



8 loans, and also revenues are declining in that  
9 category as the loans are paying off.

10 Other fees and revenues, we generated  
11 about \$538,000 in application, annual and  
12 administrative and other miscellaneous fees. For  
13 interest and investment income, we generated about  
14 \$196,000, and that's down just \$4,000 from fiscal  
15 year 2015.

16 We did incur some bad debt adjustments,  
17 bad debt write-offs of about \$24,000. So, overall,  
18 our fiscal year 2016 budget for revenue was  
19 \$4.9 million, and we were again \$368,000 above that.

20 On the expense side, the Authority  
21 generated \$4.4 million in expenses. That's about  
22 \$573,000 or 12 percent lower than budget. In the  
23 employee-related expense category, we incurred  
24 \$1.8 million in employee-related expenses, and

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1 that's 23 percent lower than budget. We filled just  
2 one of eight vacancy positions -- vacant positions  
3 that were budgeted.

4 For professional services, we incurred  
5 \$1.9 million in professional service fees, and  
6 that's 6 percent higher than budget, mostly driven  
7 by higher legal and professional service fees on  
8 behalf the State of Illinois.

9 We also had a full year of temporary  
10 staffing cost. Occupancy cost, we're just about  
11 flat with 2015, just 2 percent lower than budget.

12 The Chicago office had a full year in the Michael  
13 Bilandic Building.

14 So, overall, in fiscal year 2016, we  
15 budgeted just under \$5,000,000 in expenses, and  
16 again, we are about \$573,000 below that. For the  
17 year unaudited annual net income is \$954,000, and  
18 compared to fiscal year 2015, we ended last year at  
19 \$621,000. So we also had an increase in projected  
20 net income.

21 As a whole, the Authority's balance sheet,  
22 we are about \$125,000,000 agency, which also  
23 accounts for \$271,000,000 when you include the other  
24 State of Illinois component units, and we also

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1 comply with regulations for \$25,000,000,000 in  
2 outstanding conduit debt.

3 In accordance with the Master Loan  
4 agreement with the City of Chicago, in regards to  
5 Illinois Housing Partnership Fund, the Authority  
6 formally invoiced the city for the \$3,000,000 last  
7 payment on their loan for the Illinois Housing  
8 Partnership, which was due on or before August 1st,  
9 2016. Both parties have agreed to extend that due  
10 date to the winter of 2017.

11 MEISTER: And on that point, there will be a  
12 confirmation of that action later on in the agenda.

13 GILDART: Financial information for July and  
14 August of 2016 will be presented at the September  
15 Board meeting. But July 2016 closings include  
16 Illinois Wesleyan University for \$112,000, and

17 Lindran Better Housing for \$56,000, and we have  
18 various agri-related closings of \$4,000.

19 The Authority also collected an  
20 administrative service fee of \$150,000 on behalf of  
21 the 1985 Revolving Loan Pool.

22 Are there any questions on the financials?

23 MEISTER: Melinda, I know this post dates  
24 printing, and it's unaudited and preliminary, but we

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1 did receive some good news on payments in connection  
2 with some items during the first week of August.

3 GILDART: The loan that the Authority initiated  
4 last July for SWIDA was repaid at \$1.4 million.

5 MEISTER: And then also some outstanding annual  
6 fees with the Illinois Medical District connection.

7 GILDART: The Illinois Medical District  
8 basically trued up their tab with us and sent us a  
9 check for \$90,000, which is the full amount that was  
10 owed.

11 MEISTER: And then you and Elizabeth, or  
12 Elizabeth is in communication with the State on the  
13 receivables portion?

14 WEBER: Yes.

15 GOETZ: Have we got any of that?

16 GILDART: We have not, and we are working with  
17 the State now to receive support to continue to  
18 carry those amounts on our financial statements.

19 GOETZ: Okay.

20 VICE-CHAIR BRONNER: Great. Any other

21 questions for Ms. Gildart?

22 Hearing none, I would like to request a  
23 motion to accept the Financial Reports.

24 GOETZ: So moved.

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1 FUENTES: Second.

2 FLETCHER: Moved by Mr. Goetz and seconded by  
3 Mr. Fuentes.

4 VICE-CHAIR BRONNER: All those in favor?

5 (A chorus of ayes.)

6 VICE-CHAIR BRONNER: Opposed?

7 (No response.)

8 VICE-CHAIR BRONNER: The ayes have it. Thank  
9 you. We will now move on again with Ms. Gildart to  
10 the monthly Procurement Report.

11 GILDART: The Authority has executed contract  
12 amendments for 9 of the 11 underwriter contracts in  
13 regards to the State Revolving Fund for the Clean  
14 Water Initiative; and we also executed an agreement  
15 with Kerber Eck and Braeckel, certified public  
16 accountants, to assist the Authority with its  
17 implementation of GASB statement No. 72, which has  
18 to do with the expanded financial reporting for  
19 investments.

20 VICE-CHAIR BRONNER: Thank you. I would like  
21 to move on to Item No. 8 now, Committee Reports, and  
22 begin with the Governance Personnel Legislation and  
23 Ethics Committee. Member Anderberg?

24 ANDERBERG: Thank you, Vice-Chairman. The

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1 Governance Plus Committee met last Thursday. In a  
2 separate folder that's been handed out, you'll find  
3 a confidential memo regarding the Executive  
4 Director's recommendations regarding salary and  
5 title changes that were discussed and adopted at the  
6 time.

7           However, there have been some subsequent  
8 discussions and a revision from the August 4th  
9 recommendations. These revisions have been shared  
10 with Members of the Governance Committee; and  
11 accordingly, I recommend that the Members adopt the  
12 Executive Director's recommendation regarding salary  
13 and title changes as revised and found in the  
14 separate folder.

15           VICE-CHAIR BRONNER: Thank you. And I believe  
16 we will be considering that later.

17           MEISTER: Yes, later in the agenda.

18           VICE-CHAIR BRONNER: Thank you very much. And  
19 now for the Direct and Alternative Financing  
20 Committee. Member Knox?

21           KNOX: Thank you. The Direct and Alternative  
22 Financing Committee met this Monday and voted  
23 unanimously to recommend for approval the State  
24 Revolving Fund transaction, the resolution

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1 authorizing consent to a deferral of scheduled  
2 payments and waiver of events of default for the

3 agri-debt guarantee, and the resolution confirming  
4 the execution and delivery of the First Amendment  
5 with the City of Chicago to extend the final  
6 principal payment, each of which are on today's  
7 agenda.

8 VICE-CHAIR BRONNER: Great. Thank you very  
9 much. And finally, the Tax-Exempt Conduit  
10 Transactions Committee, I believe Member McCoy will  
11 be delivering the report.

12 McCOY: Thank you, Vice-Chair. The Tax-Exempt  
13 Conduit Transaction Committee met earlier this  
14 morning and voted unanimously to recommend for  
15 approval each of the tax-exempt conduit transaction  
16 matters on today's agenda, including: One, the  
17 beginning farmer bonds; two, DePaul University;  
18 three, The Moorings of Arlington Heights; and the  
19 resolutions relating to the Community Action  
20 Partnership of Lake County and Swedish American  
21 Hospital. Thank you.

22 VICE-CHAIR BRONNER: Thank you very much.  
23 Moving on to item No. 9, the Presentation and  
24 Consideration of Project Reports and Resolutions.

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1 I would like to ask for the general  
2 consent of the Members to consider the Project  
3 Reports and Resolutions collectively, and to have  
4 the subsequent recorded vote apply to each  
5 respective individual Project and Resolution, unless  
6 there are any specific Project Reports and  
7 Resolutions that a member would like to consider

8 separately. Chairman Funderburg?

9 CHAIRMAN FUNDERBURG: Yes. At this point, I  
10 would like to ask Executive Director Meister and  
11 General Counsel Weber, how should we handle the  
12 Swedish American proposal.

13 MEISTER: Chairman Funderburg will not be  
14 officially voting. However, I think that the best  
15 way to handle both Swedish American and the State  
16 Revolving Fund is to put them to the end of the  
17 consideration. That way, the project matters that  
18 will not have abstentions because also we've had --  
19 I've had discussions with Member Juracek, who will  
20 also be abstaining from the State Revolving Fund,  
21 due to some loans under that program that her  
22 municipality has.

23 So the recommended course of action is  
24 that everything other than Items 4 and Item --

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1 VICE-CHAIR BRONNER: 7.

2 FLETCHER: 7.

3 MEISTER: 7. Will be deferred to the end.

4 That will allow Member Juracek to exit the right for  
5 the State Revolving Fund, and it will also allow  
6 Chairman Funderburg to ring off the line, and Member  
7 Horne as well.

8 VICE-CHAIR BRONNER: So we will now turn to  
9 Member Horne.

10 MEISTER: Yes.

11 HORNE: Yes. I was actually trying to figure

12 out why I was recusing myself, but it occurred to me  
13 that my daughter -- I think this is why I'm recusing  
14 myself. My daughter has a summer internship with  
15 Merrill Lynch, which is affiliated with a financial  
16 advisor on the revolving fund. Is that the reason  
17 I'm recusing myself?

18 MEISTER: Yes, it is, and Bank of America  
19 Merrill Lynch is actually the senior manager and  
20 book runner on that transaction. So, yes, we  
21 will -- also, Mr. Horne, will ring off.

22 VICE-CHAIR BRONNER: At that time.

23 MEISTER: At that time.

24 VICE-CHAIR BRONNER: Great. And Member  
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1 Juracek?

2 JURACEK: Right. So confirming my reason for  
3 recusal on Item 4, the Village of Mount Prospect  
4 does have a couple of outstanding loans almost 30  
5 years old under this program.

6 Nevertheless, they are not due until next  
7 year and the following year. So I will recuse  
8 myself from consideration of Item No. 4.

9 MEISTER: And also just to note Mayor Juracek's  
10 recusal is that these are among many loans that will  
11 be pledged as part of the security for the State  
12 Revolving Fund Clean Water Initiative.

13 VICE-CHAIR BRONNER: Okay. Would anyone else  
14 like to recuse themselves on any of the items?  
15 Going once. If not, I would like to ask the staff  
16 to now present the Project Reports and Resolutions,



17 which will be considered collectively. So we will  
18 consider item No. 7, and then item No. 4 separately  
19 at the end.

20 EVANS: Good morning. I'm Patrick Evans.  
21 Today IFA has two beginning farmer bonds. Both  
22 bonds will be purchased by the bank and have senior  
23 mortgage debt. The IFA will retain no risk in these  
24 loans. However, they will provide a tax-exempt

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1 status.

2 The first loan is to Blake and Allyson  
3 Marrs, who are purchasing 45 acres of farmland for  
4 \$422,137 or \$9,381 per acre. First Bank and Trust  
5 of Paris is requesting a beginning farmer bond loan.

6 The borrow will inject 5 percent into this  
7 purchase, with the bank financing the remaining  
8 95 percent or \$401,000. The bank will have a first  
9 position on the loan. The terms of this loan are  
10 identified in the write-up.

11 The second loan is to Mason and Victoria  
12 Dehlinger. First Financial Bank of Olney is  
13 requesting a beginning farmer bond for the  
14 Dehlingers who is purchasing 45 acres of ground for  
15 \$108,000 or \$2400 per acre, plus buildings of 39.5  
16 and residents of 20,000.

17 Total loan is \$167,000. This loan will be  
18 originated with FSA 50/50 program. FSA will finance  
19 50 percent, and the bank will finance the remaining  
20 50 percent. The bank will retain a first mortgage

21 on the property. The terms of the loan are  
22 identified in the write-up.

23 VICE-CHAIR BRONNER: Thank you. Are there any  
24 questions? In that case, we will move on to

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1 Educational, Cultural and Non-Healthcare Projects.

2 Mr. Frampton?

3 FRAMPTON: Thank you, Ms. Bronner. We will  
4 turn to tab 2 in your Board book, which is for  
5 DePaul University. DePaul is requesting a Final  
6 Bond Resolution. It's actually a one-time  
7 consideration. The not to exceed amount of DePaul's  
8 Bond Resolution is \$125,000,000.

9 I should note the estimated or likely  
10 issuance amount will be somewhere around  
11 \$115,000,000. Bond proceeds will be used to advance  
12 refund DePaul Series 2011A bonds. This advance  
13 refunding is being undertaken to realize interest  
14 rate savings and to reduce average annual debt  
15 service payments.

16 The Board last reviewed a financing for  
17 DePaul back in March. That was in connection with a  
18 \$68,000,000 financing that involved construction of  
19 a new music building on campus. That transaction  
20 closed in April.

21 The bonds were rated at that time by  
22 Moody's, S&P and Fitch at A2, A- and A,  
23 respectively, DePaul expects the rating agency  
24 reports in connection with this advance refunding

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1 transaction to be delivered over the next two weeks.

2 From there, DePaul hopes to price later in  
3 the month and to close in early September. With  
4 that, I would like to welcome and introduce  
5 Mr. Santino Caringella, who is Treasurer of DePaul,  
6 who has just a few brief remarks.

7 CARINGELLA: Good morning. On behalf the  
8 DePaul University, I would like to thank the Board  
9 for considering this transaction. It's very  
10 important to DePaul University.

11 This specific transaction really reduces  
12 our debt load and obviously offers more flexibility  
13 for our operation to DePaul University. I would  
14 also like to thank the staff of the IFA as well for,  
15 you know, quickly getting it to this spot today. It  
16 was kind of a last-minute thing.

17 We're trying to do a refinancing as the  
18 market turned to our benefit. So they were very  
19 instrumental in getting it done for us at this time.

20 VICE-CHAIR BRONNER: Thank you. Ms. Lenane,  
21 Healthcare projects?

22 LENANE: Good morning, Board Members, Madam  
23 Co-Chairman. The Moorings is No. 3 in your book,  
24 The Moorings of Arlington Heights. The Moorings is

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1 requesting a Final Bond Resolution to approve a  
2 series of tax-exempt bonds in the amount of

3 approximately \$70,000,000 to fund construction of  
4 Fellowship Hall, a 27,000 square foot resident  
5 common area, fund the construction of 73 units,  
6 assisted living expansion, and to fund the  
7 construction of a 20-unit memory care expansion, and  
8 to fund interest on the bond for a period of  
9 approximately 24 months, the construction period.

10 The project will create 85 construction  
11 jobs and 50 new jobs. The Moorings is contributing  
12 a little over \$9,000,000 of equity to the project,  
13 and also \$3.5 million from their Foundation capital  
14 campaign.

15 The Moorings is a life-plan community  
16 located in Arlington Heights and occupies 55-acre  
17 parcel at 811 East Central Road just east of  
18 Northwest Community Hospital. The Moorings consists  
19 of 273 independent living units, 42 assisted living  
20 units, and the balance includes 60 skilled Medicare  
21 licensed nursing beds for skilled nursing care or  
22 short-term rehabilitation services.

23 Also, 39 intermediate and memory care beds  
24 for those needing less intense nursing care memory

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1 support. The common areas include formal and casual  
2 dining rooms, exercise equipment, swimming pool,  
3 whirlpool, library, business center, et cetera. The  
4 bonds will be purchased directly from by First  
5 Midwest Bank and Huntington Bank and Ohio Bank that  
6 just recently purchased First Merit Bank.

7 The bonds will have a variable rate of  
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8 interest to be determined on the date of pricing.  
9 Since The Moorings is a nonrated entity, the bonds  
10 will be sold in \$100,000 denominations. If you look  
11 at the financials on page 6, the table provides  
12 financial results for Presbyterian Homes for the  
13 past three fiscal years, an unaudited FY16 for The  
14 Moorings for the past fiscal year, along with The  
15 Moorings projections for the next four years.

16 Since we passed preliminary resolution  
17 last month, The Moorings has added projections for  
18 FY017 through 2020 showing good debt service  
19 coverage and days cash on hand through the  
20 construction period and fill-up.

21 And now I would like to introduce --  
22 unless you have questions for me, Mark Havrilka, who  
23 is the CFO of Presbyterian Homes and The Moorings.

24 HAVRI LKA: Good morning.

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1 VICE-CHAIR BRONNER: Good morning.

2 HAVRI LKA: I would like to thank the Committee  
3 on behalf of The Moorings of Arlington Heights for  
4 the consideration for the financing, and Pam went  
5 over most of the things I wanted to mention.

6 One thing I did want to reiterate is the  
7 fact that we are putting about 12-and-a-half million  
8 dollars of equity in the project, including  
9 three-and-a-half million dollars which was raised  
10 from our donors, and most of that was from existing  
11 residents on the campus.

12 And in addition, we serve about 425  
13 seniors a day, and after the expansion we will be  
14 serving anywhere between 475 and 500 seniors on any  
15 different day.

16 I know there were some artists renditions  
17 in your packet. If you care to go over them for  
18 just a second, I could possibly point out the new  
19 areas on the campus. On the first page on left-hand  
20 side --

21 MEISTER: It's in the manila folder.

22 HAVRI LKA: They are in the folder tab 3, I  
23 believe.

24 LENANE: Yes, I think they are.

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1 HAVRI LKA: On the left-hand side of the pond  
2 there, the building, the assisted living building,  
3 which will be new construction. In middle of the  
4 pond where you see a couple of little steeples, it  
5 will be the Fellowship Center, and directly behind  
6 that is a memory care center, and the rest of the  
7 campus, including the cottages on the bottom and the  
8 apartment building on the right are existing  
9 properties there.

10 There is some other renditions as well. I  
11 would be more than happy to answer any questions or  
12 any other things you have for me.

13 VICE-CHAIR BRONNER: Any questions? Thank you  
14 very much.

15 LENANE: Any questions for me?

16 VICE-CHAIR BRONNER: Any questions for Pam?

17 LENANE: Thank you.

18 VICE-CHAIR BRONNER: Thank you. So we will now  
19 skip Item No. 4 and move to resolutions. Mr. Evans,  
20 Item No. 5.

21 EVANS: Thank you. I'm presenting a resolution  
22 for Mark and Karen Donoho and People's State Bank  
23 request for a defer of the combined principal and  
24 interest payment that was due on June 11th, 2016, to  
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1 November 11, 2016.

2 This request relates to an IFA ag credit  
3 restructuring a guaranteed loan that was originated  
4 in 2009. This loan was originated with a \$487,000  
5 balance. Currently, it has a balance of \$425,000.  
6 The IFA original exposure was \$414,000. The current  
7 exposure is \$361.

8 All collateral and terms of this original  
9 loan will remain the same, except for this one-time  
10 deferred -- deferment of payment. Both financial  
11 statement and the income statement are considered to  
12 be marginal.

13 As stated, the collateral will remain the  
14 same. A first mortgage on 160 acres of real estate  
15 and improvements. On page 9 of the writeup, you can  
16 see a very conservative collateral analysis  
17 reflecting that the loan is actively secured.

18 In conclusion, by deferring this combined  
19 principal and interest payment that is due  
20 June 11th, 2016, to November 11th, 2016, this will

21 allow the bank to defer potential demand on the IFA  
22 85-percent guaranteed loan, in which they are  
23 required to absorb the first 15 percent.

24 The bank will also have additional time to  
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1 assess the situation and ultimately propose a  
2 suitable forbearance restructuring or asset  
3 distribution plan. This will also provide IFA more  
4 time to assess the situation and optimize the  
5 results.

6 And, finally, this will also allow the  
7 bank, the borrower, the time to convert crops into  
8 cash and make the required payment to the bank. The  
9 approval of this request will be subject to the bank  
10 waiving the payment default with -- associated with  
11 the past due of June 11th, 2016, and any other event  
12 of default under the promissory note between the  
13 bank and the borrower. Any questions?

14 GOETZ: We're just kind of delaying the  
15 inevitable.

16 EVANS: It's possible. We might get payment.

17 GOETZ: Give us time to see if it can be  
18 restructured.

19 EVANS: And with the sale of crops, they might  
20 be able to make another payment or restructure.

21 GOETZ: Yes.

22 VICE-CHAIR BRONNER: Thank you. Mr. Fletcher,  
23 Item No. 6.

24 FLETCHER: Ms. Vice-Chair, Members, next is  
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1 No. 6 is next in your Board books. No. 6 is a  
 2 resolution on behalf of Community Action Partnership  
 3 of Lake County, which is an Illinois non-for-profit  
 4 corporation located in Waukegan.

5 In 2004 we closed on a variable rate debt  
 6 transaction to finance construction of a 31,000  
 7 square foot Early Childhood Development Center  
 8 located in Waukegan.

9 At the time the transaction closed, the  
 10 principal user of the facility, the lessee, was the  
 11 Lake County Head Start Program. As of this past  
 12 July, the lessee has changed to the Lawndale  
 13 Educational and Regional Network Charter School.

14 We're simply being asked to conform and  
 15 update the bond documents to conform with the new  
 16 principal user. This is simply a technical  
 17 amendment, IFA providing customer service.  
 18 Accordingly, we will not take a fee for this  
 19 amendment. Any questions?

20 VICE-CHAIR BRONNER: Thank you. We are going  
 21 to skip Item No. 7 and move to item No. 8.

22 Ms. Weber?

23 WEBER: Ms. Vice-Chair, Members, as General  
 24 Counsel, I'm presenting tab 8 in your Board book,  
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1 which is a resolution to confirm the execution and  
 2 delivery of a first amendment to a Master Loan

3 Agreement with the City of Chicago, providing for  
4 extension of a final principal payment.

5 The summary of this matter is in your  
6 Board book. The actual resolution is in your  
7 folder. There are various resolutions tabbed  
8 together and it's the last one.

9 The Authority, as successor to the  
10 Illinois Development Finance Authority, also known  
11 as IDFA, is a party to a legacy loan agreement  
12 entered into in 1986 with the City of Chicago. IDFA  
13 obtained funds to loan to Chicago from  
14 appropriations by the General Assembly.

15 Under the loan agreement, Chicago is  
16 obligated to finance a series of zero-interest loans  
17 used to rehabilitate multifamily housing for persons  
18 of low and moderate income. The final payment under  
19 the loan agreement was to be made by Chicago on  
20 August 1st, 2016, in the amount of \$3,000,000.

21 Despite repeated communications with the  
22 city regarding this payment in July, the city  
23 contacted us to request that the due date be  
24 extended. They claimed a shortfall in funds

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1 established for the program and an inability to find  
2 proper documentation of the underlying loans, due to  
3 several successive computer system changes over the  
4 years.

5 The extension in the due date will give  
6 them additional time to locate these records. A  
7 first amendment was executed to provide a six-month

8 extension. This agreement also requires the city to  
9 provide us with the report setting forth with  
10 reasonable specificity an accounting for the payment  
11 history of the loan and the use of the funds  
12 disbursed.

13 This report is important to us, in order  
14 that we may properly account for the funds. Any  
15 repayments of this loan are held by the Authority in  
16 a separate fund. And since the original funds for  
17 this program came from appropriations from the  
18 General Assembly, it's likely that any repayments  
19 received will need to be used for the same purposes;  
20 i.e., further loans to Chicago for multi family  
21 housing for persons of low and moderate income.

22 Any questions? Thank you.

23 VICE-CHAIR BRONNER: Thank you. Item No. 9.

24 MEISTER: Yes.

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1 VICE-CHAIR BRONNER: Executive Director  
2 Meister.

3 MEISTER: As mentioned by Governance Plus  
4 Chair Anderberg, on August 11th, the Governance Plus  
5 Committee met; and then following a closed session,  
6 there was recommendations that were adopted in open  
7 session.

8 Following that adoption of recommendations  
9 for title changes and salary adjustments for the  
10 staff of the Authority, not including the Executive  
11 Director, who is considered separately, I had a

12 series of discussions with Board Members and senior  
13 staff members.

14 They are contained in the gray folder  
15 here, and I would ask for an aye vote so that we can  
16 proceed with title changes and salary changes.

17 I will note that the total recommended  
18 salary increases are just under \$13,000 below the  
19 budgeted line item for this purpose.

20 VICE-CHAIR BRONNER: Great. Thank you very  
21 much. Any questions?

22 Hearing none, I would like to request a  
23 motion to pass and adopt the following Project  
24 Reports and Resolutions: Items 1A, 1B, Resolutions  
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1 -- item 1A, 1B, 2, 3, 5, 6, 8 and 9.

2 ANDERBERG: So moved.

3 OBERNAGEL: Second.

4 FLETCHER: The motion by Mr. Anderberg and  
5 seconded by --

6 OBERNAGEL: Mr. Obernagel.

7 FLETCHER: -- Mr. Obernagel. I'll call the  
8 roll. Mr. Anderberg?

9 ANDERBERG: Yes.

10 FLETCHER: Mr. Fuentes?

11 FUENTES: Yes.

12 FLETCHER: Mr. Goetz?

13 GOETZ: Yes.

14 FLETCHER: Mr. Horne on the phone?

15 HORNE: Yes.

16 FLETCHER: Ms. Jurasek?

17 JURACEK: Yes.  
18 FLETCHER: Mr. Knox?  
19 KNOX: Yes.  
20 FLETCHER: Mr. McCoy?  
21 McCOY: Yes.  
22 FLETCHER: Mr. Obernagel?  
23 OBERNAGEL: Yes.  
24 FLETCHER: Mr. Pool e?  
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1 POOLE: Yes.  
2 FLETCHER: Ms. Smoots?  
3 SMOOTS: Yes.  
4 FLETCHER: Mr. Yonover?  
5 YONOVER: Yes.  
6 FLETCHER: Mr. Zeller on the phone?  
7 ZELLER: Yes.  
8 FLETCHER: And Vice-Chair Bronner?  
9 VICE-CHAIR BRONNER: Yes.  
10 FLETCHER: Ms. Vice-Chair, the motion carried.  
11 VICE-CHAIR BRONNER: Thank you. Mr. Chairman,  
12 the next item is Item No. 7, Resolution for Swedish  
13 American Hospital; and Item No. 4, State of Illinois  
14 Clean Water Initiative. Since you've already stated  
15 your reason for recusal, I believe now --  
16 CHAIRMAN FUNDERBURG: I would hang up.  
17 MEISTER: Would be a --  
18 VICE-CHAIR BRONNER: A good time to hang up?  
19 MEISTER: Yes. It would be appropriate for  
20 Chairman Funderburg to leave the line.

21 CHAIRMAN FUNDERBURG: Okay, I'm ringing off.  
22 Thank you very much.  
23 VICE-CHAIR BRONNER: Thank you. Enjoy your  
24 vacati on.

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1 CHAIRMAN FUNDERBURG: Will do.  
2 VICE-CHAIR BRONNER: Let the record reflect  
3 that Chairman Funderburg has recused himself from  
4 deliberations, and he has terminated his  
5 participati on via audio conference.  
6 So now we also -- would anyone else that  
7 was on that item? Okay. In that case, Item No. 7.  
8 LENANE: Yes. Item No. 7 is tab 7 in your  
9 book. Swedish American Hospital in Rockford,  
10 Illinois, is requesting authorizati on to rei ssue  
11 their Illinois Finance Authority Series 2010 bonds.  
12 Currently, approximately \$17.5 million remains  
13 outstanding.  
14 The Series 2010 bonds were purchased in a  
15 direct placement by Illinois Bank and Trust,  
16 successor to Riverside Community Bank. The 2010  
17 bonds are bank qual i fi ed. Bank qual i fi ed means in  
18 2009, the IRS code for bank-qual i fi ed bonds was  
19 temporarily revised by ARRA, the American Recovery  
20 and Investment Act, to spur bond issuance, allowing  
21 the banks to elect 80 percent of their carrying or  
22 interest costs.  
23 The change that was important for us was  
24 the change raised the limit on bank-qual i fi ed bonds

1 from \$10,000,000 to \$30,000,000, and another  
2 temporary change was to put the limit on the  
3 borrowing not the bank -- not the issuer. Not the  
4 issuer, excuse me.

5 In the past, and now again, the limit is  
6 on the issuer. So we can only issue \$10,000,000  
7 total in bank-qualified bonds. So we don't issue  
8 any now, hardly any.

9 The bank has agreed to reduce the interest  
10 rate on the 2010 bonds from 4.05 to 1.80 in exchange  
11 for a guarantee issued by the obligated group of  
12 Swedish's new parent, Wisconsin -- University of  
13 Wisconsin Hospital and Clinics Authority and  
14 University of Wisconsin Medical Foundation.

15 The interest rate reduction will cause a  
16 deemed reissuance for income tax purposes in order  
17 to maintain this bank qualification of the series  
18 2010 bonds. Bond Counsel has advised that we will  
19 need to split the Series 2010 bonds into two  
20 subseries, with each subseries being \$10,000,000 or  
21 less. We will have to separate the interest rate  
22 reduction for each subseries in 15 days. Any  
23 questions?

24 VICE-CHAIR BRONNER: Okay.

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1 LENANE: Thank you.

2 VICE-CHAIR BRONNER: Thank you. I would like

3 to request a motion to pass and adopt the following  
4 Resolution Item No. 7. Is there such a motion?  
5 FUENTES: So moved.  
6 JURACEK: Second.  
7 FLETCHER: Moved by Mr. Fuentes and seconded by  
8 Ms. Juracek. I'll call the roll.  
9 VICE-CHAIR BRONNER: Thank you.  
10 FLETCHER: Mr. Anderberg?  
11 ANDERBERG: Yes.  
12 FLETCHER: Mr. Fuentes?  
13 FUENTES: Yes.  
14 FLETCHER: Mr. Goetz?  
15 GOETZ: Yes.  
16 FLETCHER: Mr. Horne on the phone?  
17 HORNE: Yes.  
18 FLETCHER: Ms. Juracek?  
19 JURACEK: Yes.  
20 FLETCHER: Mr. Knox?  
21 KNOX: Yes.  
22 FLETCHER: Mr. McCoy?  
23 MCCOY: Yes.  
24 FLETCHER: Mr. Obernagel?

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1 OBERNAGEL: Yes.  
2 FLETCHER: Mr. Pool e?  
3 POOLE: Yes.  
4 FLETCHER: Ms. Smoots?  
5 SMOOTS: Yes.  
6 FLETCHER: Mr. Yonover?  
7 YONOVER: Yes.



8 FLETCHER: Mr. Zeller? Mr. Zeller on the  
9 phone?  
10 ZELLER: Yes.  
11 VICE-CHAIR BRONNER: Yes. I heard a yes.  
12 FLETCHER: And Vice-Chair Bronner?  
13 VICE-CHAIR BRONNER: Yes.  
14 FLETCHER: Ms. Vice-Chair, the motion carries.  
15 VICE-CHAIR BRONNER: Thank you. And now  
16 Mr. Horne and Ms. Juracek, the next item is Item  
17 No. 4, the State of Illinois Clean Water Initiative.  
18 We've already reviewed the reasons for recusal,  
19 Mr. Assistant Secretary. Do we need to do that  
20 again?  
21 FLETCHER: No.  
22 VICE-CHAIR BRONNER: In that case,  
23 Member Juracek is leaving the rooming, and Member  
24 Horne, you can say good-bye. Thank you.  
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1 HORNE: Thank you.  
2 FLETCHER: Let the record reflect that  
3 Member Horne has recused himself from deliberations  
4 by terminating his participation via audio  
5 conference, and Member Juracek has recused herself  
6 from deliberations by exiting the room.  
7 VICE-CHAIR BRONNER: Thank you. Mr. Fletcher,  
8 Item No. 4.  
9 FLETCHER: Ms. Vice-Chair, Members, tab No. 4  
10 in your manila folders, which supersedes the copy  
11 received in your Board book. We cleaned up a couple

12 scrivener's errors.

13           And, for the record, I wanted to note that  
14 in your manila folder is also an updated resolution  
15 which is, for the record, the one you will be voting  
16 on. Again, just cleaned up a few scrivener's  
17 errors.

18           Tab No. 4 is an Authorizing Resolution on  
19 behalf the IEPA State Revolving Fund to issue  
20 tax-exempt bonds in a not-to-exceed amount  
21 \$600,000,000. Over the last several months, as you  
22 recall, we've requested your approval for various  
23 engagements, including underwriters, co-managers,  
24 bond counsel and issuer's counsel, ultimately

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1 culminating in this transaction before you today.

2           Each state, including Illinois, has a  
3 State Revolving Fund, whereby it makes revolving  
4 loans to units of local government for United States  
5 EPA eligible capital projects related to clean waste  
6 water or safe drinking water.

7           Under each program, the USEPA provides  
8 grants to the State, in this case through the IEPA,  
9 the Illinois Environmental Protection Agency, to  
10 capitalize the State Revolving Loan Programs.

11           The Illinois IEPA then lends those grants  
12 out to units of local government for their water  
13 infrastructure needs. Repayments of loan principal  
14 and interest are then recycled back into each of the  
15 respective programs; hence, the revolving aspect of  
16 the loan programs.

17 Here in Illinois, the IEPA assigns to each  
18 loan a fixed interest rate as set forth by the Joint  
19 Commission on Administrative Rules, otherwise known  
20 colloquially as JCAR.

21 Currently, IEPA's Clean Water Revolving  
22 Loan Program rate is 1.75 percent, while the  
23 drinking water Revolving Loan Program rate is  
24 1.86 percent.

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1 As some Members may recall in 2013, the  
2 interest rate was the same on both Revolving Loan  
3 Programs. The variance in interest rates between  
4 the two programs is because the Clean Water Program  
5 is currently set to the State fiscal year, while the  
6 Safe Drinking Water Program is currently set to the  
7 federal fiscal year, and we are determining the 12  
8 months of the 50 percent of the mean interest rate  
9 of the 20 bond index.

10 Continuing on, these low interest rates  
11 induce demand and allow IEPA to effectively make  
12 loans within the required spend-down requirements,  
13 pursuant to federal law, because these are federal  
14 grant monies.

15 Additionally, these low rates incentivize  
16 highly-rated borrowers to participate in the  
17 Revolving Loan Program, such as Metropolitan Water  
18 Reclamation District of Greater Chicago and, which  
19 some of you know provides waste water treatment to  
20 approximately 50 percent of the State's population.

21 So in order for IEPA to receive these  
22 federal grant monies, and make loans to these  
23 programs, the federal -- IEPA requires -- excuse me,  
24 the USEPA requires that each state contribute a  
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1 20-percent state match.

2 As contemplated, bond proceeds will cover  
3 the Clean Water Program State match for federal  
4 fiscal years 2016 to 2017, so for two years; and for  
5 the safe Drinking Water Program for fiscal years  
6 2015, 2016 and 2017, so for three years.

7 Because bond proceeds are funding the 2017  
8 State match in advance, another \$95,000,000 will be  
9 leveraged within the next 24 months. Therefore, the  
10 \$500,000,000 to \$600,000,000 proposed bond  
11 transaction before you, with an initial federal  
12 match of \$130,000,000, as well as \$200,000,000 in  
13 current loan repayments and \$75,000,000 on hand on  
14 Illinois EPA books, this brings to about  
15 \$1,000,000,000 the amount available for loans going  
16 forward.

17 Approximately \$840,000,000 of that is for  
18 clean water applications, and approximately  
19 \$360,000,000 is for drinking water applications,  
20 which aligns with what's in IEPA's current pipeline  
21 line for applications.

22 The SRF cash model will have strong cash  
23 flow and coverage ratios, similar to 2013. A  
24 substantial sum of the current \$3.15 billion in

1 outstanding loans will be pledged to the bonds.

2           These bonds are additionally secured by  
3 funds in the equity fund under the Master Trust  
4 Agreement. As a result of these strong cash flow  
5 and coverage ratios, in addition to the strength of  
6 the underlying securities, which are GO pledges or  
7 revenue pledges from units of local government,  
8 these bonds are expected to be rated AAA by both S&P  
9 and Fitch.

10           The authorizing resolution before you  
11 provides a not-to-exceed maturity of 30 years; i.e.,  
12 July 1st, 2046, which will be likely issued in  
13 serial maturities. This past Friday IEPA and IFA  
14 gave its rating presentation to both S&P and Fitch.  
15 And according to Ms. Shaker, as of this morning,  
16 we're expecting public ratings next week, possibly  
17 as early as Tuesday or Wednesday.

18           Bank of American Merrill Lynch is the  
19 senior manager on this transaction. Citi is the  
20 senior co-manager underwriting the deal. Page 8 of  
21 your report provides a comprehensive list of all the  
22 transaction participants, should you wish to review.

23           Finally, I would like to add that the  
24 Authorizing Resolution provides for execution of a

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1 second amendment to the existing memorandum of  
2 agreement between IFA and IEPA. Under our existing

3 MOA, IEPA pays on an annual basis a fee to IFA for  
4 engaging a firm to fulfill ongoing arbitrage rebate  
5 calculations, posting continuing disclosure  
6 documents to EMMA, which is the Municipal Security  
7 Rule Making Board public website, reconciling  
8 monthly trust statements and potentially managing  
9 investments of trustee-held funds.

10 This second amendment will namely  
11 accomplish two things -- three things, excuse me:  
12 First, it will address the ongoing fee arrangements  
13 which are still under negotiation; it will address  
14 matters relating to our continuing disclosure  
15 obligations; and third, provides that IEPA provide  
16 IFA a certificate when a pledged loan in the  
17 securitized pool is written down, forgiven or  
18 replaced.

19 Currently, we're only provided a  
20 certificate when a loan is simply paid off. So this  
21 helps clarify matters for both staff and both  
22 agencies. That concludes my presentation.

23 As you can tell, we have a number of  
24 guests here on behalf of this transaction. I'll

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1 name a few. We have Tom Liu from Bank of America  
2 Merrill Lynch, the senior underwriter on the deal.  
3 Phoebe and Melanie both work as our financial  
4 advisors, financial advisors for this transaction.  
5 Mike Melzer is here from Katten, I  
6 believe. Kevin Bryant may or may not have joined  
7 the call. He is the staff person point at IEPA.

8 And, finally, Glen Weinstein joined us from Pugh  
9 Jones. He's co-underwriter's counsel.

10 So I have a lot of people to answer any  
11 questions should you have any.

12 VICE-CHAIR BRONNER: Great. Thank you very  
13 much. Are there any questions?

14 GOETZ: Who invests the bond proceeds, do we or  
15 does the IEPA?

16 MEISTER: The MOU provides that we --  
17 currently, they are in money markets. We went down  
18 a road with a former investment manager that did not  
19 meet expectations.

20 GOETZ: Right.

21 MEISTER: We're exploring whether we should  
22 proceed down that path with the current investment  
23 manager.

24 GOETZ: Money markets still pay?

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1 MEISTER: Exactly, we pay them to keep the  
2 money.

3 VICE-CHAIR BRONNER: Exactly. Any other  
4 questions? Hearing none, I would like to thank you  
5 very much, Mr. Fletcher.

6 I would like to request a motion to pass  
7 and adopt the following Project Report and  
8 Resolution: Item No. 4.

9 GOETZ: So moved.

10 KNOX: Second.

11 FLETCHER: Moved by Mr. Goetz, seconded by Mr.

12 Knox.

13 VICE-CHAIR BRONNER: Will the Assistant  
14 Secretary please call the roll?

15 FLETCHER: Certainly. Mr. Anderberg?

16 ANDERBERG: Yes.

17 FLETCHER: Mr. Fuentes?

18 FUENTES: Yes.

19 FLETCHER: Mr. Goetz?

20 GOETZ: Yes.

21 FLETCHER: Mr. Knox?

22 KNOX: Yes.

23 FLETCHER: Mr. McCoy?

24 McCOY: Yes.

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1 FLETCHER: Mr. Obernagel?

2 OBERNAGEL: Yes.

3 FLETCHER: Mr. Pool e?

4 POOLE: Yes.

5 FLETCHER: Ms. Smoots?

6 SMOOTS: Yes.

7 FLETCHER: Mr. Yonover?

8 YONOVER: Yes.

9 FLETCHER: Mr. Zeller on the phone?

10 ZELLER: Yes.

11 FLETCHER: And Vice-Chair Bronner?

12 VICE-CHAIR BRONNER: Yes.

13 FLETCHER: Ms. Vice-Chair, the motion carries.

14 VICE-CHAIR BRONNER: Thank you very much.

15 Member Juracek may now return to the room. She is  
16 en route.



17 FLETCHER: Let the record reflect that  
18 Member Juracek has returned to the room.

19 VICE-CHAIR BRONNER: Thank you. Moving on now  
20 to other business. We have another item, sorry.

21 MEISTER: Under other business, just two quick  
22 items to inform the Board. This is in your manila  
23 packets, but today on the cover of the Chicago  
24 Tribune, there was an article about --

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1 VICE-CHAIR BRONNER: Pot industry lights up.

2 MEISTER: No, no. We are not involved with  
3 Marijuana, nor the pot industry. The title is  
4 "Northeastern University's First Dorm Getting Its  
5 Final Touches." This was a conduit bond that was  
6 issued by the Illinois Finance Authority.

7 This was the third nonprofit development  
8 of student loans, and it was led by Mr. Frampton.  
9 It is a very favorable article, so I wanted to bring  
10 that to everybody's attention.

11 VICE-CHAIR BRONNER: Front page.

12 MEISTER: Front page of Thursday, August 11,  
13 2016's Chicago Tribune.

14 FRAMPTON: And a working example of a P3 deal.

15 VICE-CHAIR BRONNER: Right.

16 MEISTER: An excellent outcome. The second,  
17 and this will be in next month's report, the Board  
18 knows that we have worked for the past couple of  
19 meetings with Presence Health Network. The official  
20 statement over the past several days has gone on the

21 street.

22 It is a \$1,000,000,000 offering which we  
23 believe is the largest single offering ever approved  
24 in a one-time -- in a single official statement by  
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1 the Finance Authority.

2 JP Morgan, the banker, circulated publicly  
3 within the past several days that it may be the  
4 largest BBB healthcare financing ever done; is that  
5 correct, Ms. Lenane?

6 LENANE: BBB-.

7 MEISTER: BBB-. That's other business.

8 VICE-CHAIR BRONNER: Thank you. Is there any  
9 other business to come before the Authority?

10 BRYANT: This is Kevin Bryant. Since I'm on  
11 the line, I just wanted to take a chance to thank  
12 the Finance Authority on behalf of the EPA for the  
13 work, especially Executive Director Meister and  
14 Melinda Gildart and Six Granda.

15 I never get a chance to let Chris know  
16 working with them for the last three years, and  
17 Melinda or Six even longer, their hard work is  
18 really appreciated.

19 VICE-CHAIR BRONNER: Thank you very much.

20 MEISTER: Thank you.

21 VICE-CHAIR BRONNER: Thank you. Again, any  
22 other business? Hearing none, I would like to  
23 request a motion to first excuse the absences of the  
24 Members unable to participate today.

1           McCoy:    So moved.

2           VICE-CHAIR BRONNER:    Second?

3           GOETZ:    Second.

4           FLETCHER:    Moved by Mr. McCoy and seconded by

5 Mr. Goetz.

6           VICE-CHAIR BRONNER:    All those in favor?

7                                    (A chorus of ayes.)

8           VICE-CHAIR BRONNER:    Opposed?

9                                    (No response.)

10          VICE-CHAIR BRONNER:    The ayes have it. Is

11 there any public comment for the Committee? In that

12 case, the next regular meeting of the Board is

13 scheduled for September 8th, 2016, and at this time

14 I would like to request a motion to adjourn.

15          KNOX:    So moved.

16          McCoy:    Second.

17          FLETCHER:    Moved by Mr. Knox, seconded by

18 McCoy.

19          VICE-CHAIR BRONNER:    All those in favor?

20                                    (A chorus of ayes.)

21          VICE-CHAIR BRONNER:    Opposed?

22                                    (No response.)

23          VICE-CHAIR BRONNER:    The ayes have it. Thank

24 you.

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1           FLETCHER:    The time is 10:25 a.m.

2                                    (WHICH WERE ALL THE PROCEEDINGS HAD.)

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1 STATE OF ILLINOIS )  
2 COUNTY OF C O O K ) SS:

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4 PAMELA A. MARZULLO, C. S. R. , bei ng fi rst duly sworn,  
5 says that she is a court reporter doing business in the city  
6 of Chicago; that she reported in shorthand the proceedings  
7 had at the Proceedings of said cause; that the foregoing is

8 a true and correct transcript of her shorthand notes, so  
9 taken as aforesaid, and contains all the proceedings of said  
10 meeting.

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PAMELA A. MARZULLO  
License No. 084-001624

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