

ILLINOIS FINANCE AUTHORITY

June 8, 2017

9:30 a.m.

REGULAR MEETING

Michael A. Bilandic Building

160 North LaSalle Street

Suite S-1000

Chicago, Illinois 60601

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

Board Meeting

June 8, 2017

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PROJECT REPORTS AND RESOLUTIONS**AGRICULTURE PROJECTS**

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
Beginning Farmer Bonds <i>Final (One-Time Consideration)</i>						
1	A) Patrick S. Gibson	Godfrey Township (Madison County)	\$134,363	-	-	PE/LK
	B) Adam Philip and Michelle Lynn Walk	St. Francis Township (Effingham County)	\$93,500	-	-	PE/LK
	C) Seth Robert and Emily Jo Walk	St. Francis Township (Effingham County)	\$93,500	-	-	PE/LK
TOTAL AGRICULTURE PROJECTS			\$321,363	-	-	

EDUCATIONAL, CULTURAL AND NON-HEALTHCARE 501(c)(3) PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
501(c)(3) Revenue Bonds <i>Final (One-Time Consideration)</i>						
2	(I) \$80,000,000 (not-to-exceed) Rosalind Franklin University of Medicine & Science (Series 2017A Tax-Exempt Refunding Bonds and Series 2017B Taxable Bonds) and (II) \$60,000,000 (not-to-exceed) Series 2017C Tax-Exempt Project Bonds and Series 2017D Taxable Project Bonds (Rosalind Franklin University Research Building Project, a project to be developed and owned by TUFF RFUMS 1 LLC, but payable solely by Rosalind Franklin University of Medicine and Science from amounts under a facilities lease	North Chicago (Lake County)	\$140,000,000	155	75	RF/BF
TOTAL EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS			\$140,000,000	155	75	
GRAND TOTAL			\$140,321,363	155	75	

RESOLUTIONS

Tab	Action	Staff
Resolutions		
3	Resolution Authorizing the Issuance of Not to Exceed \$32,500,000 Principal Amount Illinois Finance Authority Revenue Refunding Bonds, Series 2017 (Erikson Institute); Authorizing the Execution and Delivery of One or More Bond and Loan Agreements, a Tax Exemption Certificate and Agreement and Related Documents; and Approving Related Matters	RF/BF
4	Resolution Approving and Confirming Various Engagements Relating to Procurements for Underwriters for the State of Illinois Clean Water Initiative State Revolving Fund	CM
5	Resolution Approving the Schedule of Regular Meetings for Fiscal Year 2018	CM

Date: June 8, 2017

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

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

From: Christopher B. Meister, Executive Director

Subject: ***Message from the Executive Director***

Dear Member of the Authority:

Responsible Resolution of Legacy Matters

The Authority has long worked to minimize or eliminate legacy obligations of state taxpayers, specifically, the contingent State taxpayer guarantees known as “moral obligation” or “additional security”. Thanks to the combined efforts of the Governor’s Office, the Illinois Medical District Commission (IMDC) and the Authority, material progress was made on this issue when IMDC partially redeemed its 2006 Series A and B revenue bonds backed by the State’s “moral obligation” on May 15, 2017.

Specifically, State taxpayer exposure through the “moral obligation” dropped by \$19.375 million from \$33.4 million to \$14.05 million, a decline of 58%. The federally tax-exempt bonds (Series A) were redeemed in full. Approximately \$4 million remains in bond fund reserves for the outstanding amount of Series B bonds which will help protect Illinois taxpayers going forward with respect to this legacy financial commitment. In addition to the partial bond redemption, IMDC took other, complementary actions to strengthen its financial position and organizational sustainability, to protect public safety and health and to secure and expand various public assets acquired over decades with public funds. I believe that the partial redemption will allow IMDC to successfully pursue its public mission to drive private job creation and private investment in the life sciences and bio-medical sectors in Illinois under the leadership of Executive Director Suzet McKinney.

Clean Water Initiative State Revolving Fund

The Authority will consider approval of a pool of underwriters to act as senior managers and co-managers for this joint program with the Illinois Environmental Protection Agency. While the Authority anticipates selecting a team specifically for the upcoming Series 2017 issue, we have not yet determined the methodology to select teams from the approved lists for future anticipated Clean Water Initiative State Revolving Fund bond issuances.



June Agenda

The Authority is pleased to welcome both ***Rosalind Franklin University of Medicine and Science*** and the ***Erickson Institute*** to our agenda this month.

Best of Luck in Your Future Endeavors Tammy Harter

For nearly eight years, our colleague Tammy Harter served in a variety of vital roles in the Authority's Springfield Office, including most recently as the Authority's lead advocate on behalf of House Bill 3108 (increases the loan amount of the Ambulance Revolving Loan Fund jointly administered with the Office of the State Fire Marshal from \$100,000 to \$200,000). House Bill 3108 has passed both chambers in Spring Session and we anticipate that it will be favorably considered by the Governor. We will miss Tammy's commitment and good humor. We wish her well in her new position at our sister agency, the Department of Commerce and Economic Opportunity.

As always, I look forward to continuing to work with you in support of jobs and financing capital expansion projects throughout our state.

Respectfully,

Christopher B. Meister
Executive Director

Date: June 8, 2017

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

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

Subject: ***Minutes of the May 11, 2017 Regular Meeting***

Dear Members of the Authority:

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

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

ILLINOIS FINANCE AUTHORITY
REGULAR MEETING
Thursday, May 11, 2017
9:30 AM

AGENDA:

- I. Call to Order & Roll Call
(page 3, line 1 through page 4, line 24)
- II. Approval of Agenda
(page 5, lines 1 through 13)
- III. Chairman's Remarks
(page 5, line 14 through page 6, line 1)
- IV. Message from the Executive Director
(page 6, line 2 through page 7, line 18)
- V. Consideration of the Minutes
(page 7, line 19 through page 8, line 7)
- VI. Presentation and Consideration of Financial Reports
(page 8, line 8 through page 12, line 13)
- VII. Monthly Procurement Report
(page 12, line 13 through page 13, line 6)



- VIII. Committee Reports
(page 13, lines 7 through 15)
- IX. Presentation and Consideration of the Project Reports and Resolutions
(page 13, line 16 through page 32, line 20)
- X. Other Business
(page 32, line 21 through page 33, line 15)
- XI. Public Comment
(page 33, line 15 through 17)
- XII. Adjournment
(page 33, line 15 through page 34, line 8)

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

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

Respectfully submitted,

/s/ Brad R. Fletcher
Assistant Vice President

- Enclosures:
- 1. Minutes of the May 11, 2017 Regular Meeting
 - 2. Voting Record of the May 11, 2017 Regular Meeting

ILLINOIS FINANCE AUTHORITY

REGULAR MEETING

May 11, 2017, at 9:30 a.m.

Report of Proceedings had at the Regular Meeting of the Illinois Finance Authority on May 11, 2017, at the hour of 9:30 a.m., pursuant to notice, at 160 North LaSalle Street, Suite 51000, Chicago, Illinois.

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APPEARANCE:

ILLINOIS FINANCE AUTHORITY MEMBERS

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MR. ERIC ANDERBERG, Chairman
MR. JAMES J. FUENTES
MR. ROBERT HORNE
MS. ARLENE JURACEK (Via audio conference)
MR. LERRY KNOX
MS. GILA J. BRONNER
MR. MICHAEL W. GOETZ (Via audio conference)
MR. ROGER POOLE (Via audio conference)
MR. BRADLEY A. ZELLER
MR. LYLE MCCOY
MS. BETH SMOOTS
MR. GEORGE OBERNAGEL

ILLINOIS FINANCE AUTHORITY STAFF MEMBERS

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

GUESTS:

Tom McInerney, Loyola University Chicago
Loyola University Chicago
Vice-President for
Administration
and CFO, Benedictine

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CHAIRMAN ANDERBERG: I would like to call the meeting to order. Assistant Secretary, please call the roll.

FLETCHER: Certainly. The time is 9:30. I'll call the roll of the Members physically present first. Ms. Bronner?

BRONNER: Here.

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8 FLETCHER: Mr. Fuentes?

9 FUENTES: Here.

10 FLETCHER: Mr. Horne?

11 HORNE: Here.

12 FLETCHER: Mr. Knox?

13 KNOX: Here.

14 FLETCHER: Mr. McCoy?

15 MCCOY: Here.

16 FLETCHER: Mr. Obernagel?

17 OBERNAGEL: Yes.

18 FLETCHER: Ms. Smoots?

19 SMOOTS: Here.

20 FLETCHER: Mr. Zeller?

21 ZELLER: Here.

22 FLETCHER: And Mr. Chairman?

23 CHAIRMAN ANDERBERG: Here.

24 FLETCHER: Mr. Chairman, a quorum of Members

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1 physically present in the room has been constituted.

2 At this time I would like to ask if any Members

3 would like to attend by audio conference?

4 GOETZ: Hi. This is Mike Goetz. I'm

5 requesting to attend via audio conference due to

6 employment purposes.

7 JURACEK: And this is Arlene Juracek. I also am

8 requesting to attend the audio conference due to

9 employment purposes.

10 POOLE: Member Poole, I'm requesting to attend

11 via audio conference due to personal illness.

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12 CHAIRMAN ANDERBERG: Okay. Is there a motion

13 to approve this request, pursuant to the bylaws and

14 policies of the Authority?

15 BRONNER: So moved.

16 FUENTES: Second.

17 CHAIRMAN ANDERBERG: All those in favor?

18 (A chorus of ayes.)

19 CHAIRMAN ANDERBERG: Opposed?

20 (No response.)

21 CHAIRMAN ANDERBERG: The ayes have it.

22 FLETCHER: Mr. Chairman, Members Goetz, Juracek

23 and Poole have been added to the initial quorum roll

24 call.

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5

1 CHAIRMAN ANDERBERG: Does anyone wish to make

2 any additions, edits or corrections to today's

3 agenda?

4 Hearing none, I would like to request a

5 motion to approve the agenda. Is there such a

6 motion?

7 MCCOY: So moved.

8 HORNE: Second.

9 CHAIRMAN ANDERBERG: All those in favor?

10 (A chorus of ayes.)

11 CHAIRMAN ANDERBERG: The ayes have it.

12 Opposed?

13 (No response.)

14 CHAIRMAN ANDERBERG: Remarks? Surprise. We

15 have a new Chairman after a surprise last month

16 after the meeting.

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17 Mr. Funderburg wants to get back to his
18 family business and the banking, and I would just
19 like to thank, on behalf of the IFA and the State,
20 Rob's service to the state and the IFA. He did a
21 tremendous job.

22 And my message to the Board is we'll
23 continue business as usual and make this a seamless
24 and unnoticeable transition. So with that, I'll

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1 pass it on to the Executive Director.

2 MEISTER: Thanks, Eric. Again, I just want to,
3 on behalf of the staff, just congratulate you on
4 your new role as Chair and our commitment to proceed
5 with a seamless transition.

6 And, again, I'm very grateful to have
7 worked with both you and had the opportunity to work
8 with Rob and with all of the Members of the
9 Authority. I highlighted some of Rob's many
10 accomplishments in my message from the Executive
11 Director.

12 Also, we have some special guests this
13 morning. Tom McInerney. Tom, could you stand up?
14 He is a Scholar in Residence at Loyola University's
15 school in Rome, and with him is Odewale Iyanda.

16 McINERNEY: He's not here.

17 MEISTER: Oh, he's not here. He was Senior
18 Legal Officer with the African Union Commission, but
19 we have various mid-career legal professionals that
20 are attending Loyola University in Rome representing

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21 Burundi Malawi, the Democratic Republic of Congo,
22 Tanzania and Sudan.

23 Did I cover everyone? Okay. Tom, why
24 don't you quickly introduce everybody?

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1 McINERNEY: Sure. So we have Glorise Kankindi
2 here, Kevin and, I'm sorry, Bright Mando, Hussein
3 Mkumbi and Hamza Sahal.

4 So the students are from the African
5 Union. They just completed a graduate degree in
6 law, focusing on law and economic development. So,
7 for that reason, we are visiting Chicago for the
8 graduation and very interested in hearing about
9 economic development work here in Illinois. Thank
10 you.

11 MEISTER: So we thought that it will be a nice
12 opportunity for our guests to observe the working of
13 the Authority, and then we're going to be having
14 some conversations with them after the Board
15 meeting.

16 And, of course, all of the Board Members
17 are welcome to attend, and we have some other
18 guests, too. So, welcome to the Authority.

19 CHAIRMAN ANDERBERG: Does anyone want to make
20 any additions, edits or corrections to the minutes
21 from April 13th, 2017?

22 Hearing none, I would like to address a
23 motion to approve the minutes. Is there such
24 motion?

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1 FUENTES: So moved.
 2 OBERNAGEL: Second.
 3 CHAIRMAN ANDERBERG: All those in favor?
 4 (A chorus of ayes.)
 5 CHAIRMAN ANDERBERG: Opposed?
 6 (No response.)
 7 CHAIRMAN ANDERBERG: The ayes have it.
 8 Ms. Granda?
 9 GRANDA: Good morning, everyone. The
 10 financial information for April is preliminary and
 11 subject to change, and that is due to a short time
 12 between April 30th and the printing of the Board
 13 book.
 14 If there's any material variance from the
 15 preliminary report to the final report, it will be
 16 communicated in the next Board meeting. The
 17 Authority's general operating fund is as follows:
 18 Our estimated total annual revenues equals
 19 \$4.5 million and our \$385,000, or 9.3 percent higher
 20 than budget, and that is due primarily to higher
 21 closing fees.
 22 In April, the Authority generated \$80,000
 23 in closing fees, which is \$211,000 lower than the
 24 monthly budget of \$291,000. Our estimated total
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1 annual expenses equals \$2.7 million, and our
 2 \$1.4 million or 34.6 percent lower than budget,
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3 which was mostly driven by our vacant budgeted staff
 4 positions and our reduction in spending on
 5 professional services.
 6 In April, the Authority recorded operating
 7 expenses of \$263,000, which is lower by \$149,000
 8 from the budgeted amount of \$412,000. The variance
 9 is due to employee-related expenses and professional
 10 services. Our estimated total monthly net loss for
 11 April is currently at \$82,000.
 12 This is due to lower-than-expected closing
 13 fees. Our estimated total monthly -- I'm sorry, our
 14 total estimated total annual net income is at
 15 \$2.4 million, and the major driver of the annual
 16 profit and bottom line continues to be the level of
 17 overall spending at 34.6 percent below budget, as
 18 well as higher closing and administrative fees.
 19 The Authority continues to maintain a
 20 strong balance sheet. The general fund has a net
 21 position of \$56.2 million. Total assets are
 22 \$56.6 million, consisting of cash investments. Our
 23 unrestricted cash and investments currently is at
 24 \$41.5 million.

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1 Moving on to the State of Illinois
 2 assigned/purchase receivables, the report can be
 3 located under your financial statements tab. In
 4 April, the Authority received \$8,000 in prompt
 5 payment interest. The outstanding balance on these
 6 receivables is still at \$94,000.

7 I am currently working with one of the
 Page 8

8 vendors and the other state agencies to get these
9 balances paid. In April, the Illinois Medical
10 District Commission posted a notice of a conditional
11 optional redemption for Series 2006A and B bonds to
12 be redeemed on May 13 of 2017.

13 This decrease -- this will decrease the
14 moral obligation contingent taxpayer exposure by
15 \$19.4 million. This is a decline of about
16 58 percent.

17 The 2006A Series tax-exempt bond will be
18 redeemed in its entirety. After the redemption on
19 May 15th, the outstanding balance will be
20 \$14.1 million.

21 Also, in April, the Authority paid out
22 \$418,000 on an agricultural guarantee from our
23 Industrial Revenue Insurance Fund. The Authority
24 had reserved for this loss back in fiscal year 2016.

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11

1 The Authority in April also recognized a
2 recovery of bad debt of about \$24,000 as a result of
3 the payment being less than the reserved amount.

4 Moving on, in April, the entrance
5 conference for fiscal year for 2017 was held on
6 April 19th. RSM US, LLP, our external auditors,
7 will be on the Authority premises on May 30th to
8 begin the field work for fiscal year 2017 financial
9 audit and the two-year compliance examination.

10 Looking forward, in the month of May, the
11 Authority anticipates the following closing fees:

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12 Montgomery Place in the amount of \$86,000;

13 Westminster Village in the amount of \$87,000; The
14 Lodge of Northbrook in the amount of about \$70,000;
15 Ann and Robert H. Lurie Children's Hospital in the
16 amount of \$138,000; Franciscan Community in the
17 amount of \$138,000.

18 Also, Benedictine University pricing has
19 not occurred, but estimated fee is to be roughly
20 about \$91,000. Also, Better Housing Foundation,
21 pricing has not occurred, but its estimated fee to
22 be about \$107,000.

23 We also anticipate receiving TEFRA hearing
24 from Black Ensemble Theater in about \$5,000 and one

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1 Last closing Pacific Oaks for roughly about \$67,000.
2 Is there any questions?

3 CHAIRMAN ANDERBERG: No more questions for

4 Ms. Granda? Hearing none, I would like to request a
5 motion to accept the financial reports.

6 BRUNNER: So moved.

7 MCCOY: Second.

8 CHAIRMAN ANDERBERG: A motion and a second.

9 All those in favor?

10 (A chorus of ayes.)

11 CHAIRMAN ANDERBERG: Opposed?

12 (No response.)

13 CHAIRMAN ANDERBERG: The ayes have it. Monthly
14 procurement report. That would be Deputy Counsel Burn.

15 BURN: Good morning, Mr. Chairman, Members of
16 the Board. You'll see from the procurement report

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17 that we have executed contracts with respect to
 18 certain small purchase housekeeping matters, but the
 19 primary focus for the last couple of weeks, and also
 20 continuing over the next month or so, will be
 21 finalizing a request for qualifications with respect
 22 to underwriters for the SRF fund and also finalizing
 23 an extension -- an emergency extension for ADP with
 24 respect to the Authority's employee benefits.

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1 This is being sought and actually, you
 2 know, has been granted with respect to the benefits
 3 because we are in the process of formulating a
 4 request for proposals with respect to those
 5 services, which will go out on the street in the
 6 next couple of months. Any questions?

7 CHAIRMAN ANDERBERG: Committee reports?

8 Mr. Horne?

9 HORNE: Sure. The Tax-Exempt Conduit
 10 Transactions Committee met this morning, and we
 11 unanimously voted on the following items: We had
 12 two beginning farmer bonds. We had a proposal from
 13 Benedictine University, Three Crowns Park, Museum of
 14 Science and Industry; Toyal America, Inc., and
 15 Kuusakoski U.S., LLC.

16 CHAIRMAN ANDERBERG: Thank you. On to
 17 presentation and consideration of Project Reports
 18 and Resolutions, I would like to ask for a general
 19 consent of the Members to consider the Project
 20 Reports and Resolutions collectively and have the

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21 subsequent recorded vote apply to each respective
 22 individual Project and Resolution, unless there are
 23 any specific Project Reports and Resolutions that a
 24 member would like to consider separately.

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14

1 FUENTES: Yes. I would like to recuse myself
 2 from any deliberations and voting with respect to
 3 item No. 4 in the Project Reports and Resolutions
 4 because I am a board member of the Museum of Science
 5 and Industry.

6 CHAIRMAN ANDERBERG: Very good.

7 MCCOY: Mr. Chairman, I would like to recuse
 8 myself from deliberations in voting with respect to
 9 item No. 6, contracts with various legal firms in
 10 the State Revolving Fund debt.

11 Counsel on the Project Reports and

12 Resolution, my daughter works for one of the law
 13 firms in consideration.

14 CHAIRMAN ANDERBERG: Okay. Anyone else? I
 15 would like to ask the staff now to present the
 16 Project Reports and Resolutions, which will be
 17 considered collectively in item No. 4, and 6 will be
 18 considered separately at the end. Mr. Evans on the
 19 phone?

20 MEISTER: Pat?

21 EVANS: Thank you, Mr. Anderberg. Today there
 22 are two beginning farmer bonds. Both bonds will
 23 have a first mortgage position related to them.

24 The first borrowers are Zachary D and

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1 Erika J. Schlechte. They are purchasing 57 acres of
 2 bare farm real estate. Total cost of this purchase
 3 is \$620,000 or \$10,877 per acre.
 4 First National Bank of Raymond would
 5 finance 50 percent of the purchase for \$310,000.
 6 The bank will utilize the FSA 5/45/50 beginning
 7 farmer bonds. And as stated, IFA bonds will have a
 8 first-mortgage position relating to the
 9 57 acres.

10 FSA will have a second position relating
 11 to their 45 percent guarantee. The project is
 12 located on the northwest corner of Montgomery
 13 County. The terms on the bonds are identified in
 14 the writeup.

15 The second borrower is Jacob A. Von Bokel.
 16 He is purchasing 62 acres of bare farm real estate.
 17 The total cost of this project is \$384,000 or
 18 \$6200 per acre. German Town Trust and Savings Bank
 19 will finance 50 percent of the purchase price or
 20 \$192,000.

21 The bank will utilize the FSA 5/45/50
 22 beginning farmer bond program. As stated, the IFA
 23 bonds will have a first mortgage position of
 24 62 acres related to it.

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1 FSA will have a second position relating
 2 to the 45 percent guaranteed bonds. The property is

3 located in the southeast corner of Shelby County,
 4 and the terms of the bonds are identified in the
 5 writeup.

6 I'll turn it over to Rich now for his
 7 comments.

8 CHAIRMAN ANDERBERG: Okay, Rich.

9 FRAMPTON: If there are no other questions or
 10 discussion, I'm ready to move on to tab 2.

11 CHAIRMAN ANDERBERG: Okay.

12 FRAMPTON: Tab 2 is a Final Bond Resolution
 13 being requested by Benedictine University. The
 14 not-to-exceed amount is \$45,000,000.

15 This is being presented for one-time
 16 approval. Bond proceeds will be used for a number
 17 of purposes. The uses of funds table on the first
 18 page of the report, lower right-hand side, runs
 19 through the uses. The uses include refunding the
 20 university Series 2013B bonds.

21 Those bonds are currently bank held by RBS
 22 Citizens and First Midwest Bank. What this
 23 refunding will do will be to sell these bonds into
 24 the market based on Benedictine's rating.

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1 The current bank bonds have a term
 2 provision that comes due in 2020. By undertaking
 3 this refunding, the bonds will be priced to maturity
 4 in 2043 at a fixed rate. The current bank purchase
 5 bonds are currently bare interest in a variable rate
 6 that has been swapped to fix.

7 The existing swap terminates in 2020. A
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8 portion of the proceeds, the \$900,000, will be used
 9 to pay swap termination fees. At the time the 2013B
 10 bonds were sold, there was an integrated swap, which
 11 the Authority signed at that time.

12 Just running through the other uses of
 13 funds, in addition to refunding the 2013 bonds, and
 14 paying the swap termination fees, in connection with
 15 the 2013B bonds, the university will also be
 16 refinancing a bridge loan.

17 The proceeds which -- or the amount
 18 outstanding of which is approximately \$1,400,000,
 19 that loan has principal repayment provisions equal
 20 amounts of \$454,000 each year from 2016 to 2021.
 21 Those principal payments of \$454,000 will go away as
 22 a result of this refunding.

23 Additionally, to satisfy rating agency
 24 requirements, a debt service reserve fund will be
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18

1 necessary. That will be capitalized in an estimated
 2 amount of up to \$3,200,000. Additional proceeds
 3 will be used to fund costs of issuance.

4 The not-to-exceed amount is \$45,000,000.

5 The anticipated issuance amount is around
 6 \$35,500,000. And, again, S&P -- Benedictine applied
 7 to S&P for ratings. S&P awarded these new 2017
 8 bonds, a BBB rating on April the 25th. At the same
 9 time S&P also affirmed the ratings on the
 10 University's 2013A bonds, which will remain
 11 outstanding.

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12 In addition to that, S&P also revised the
 13 outlook on the Series 2013A bonds from negative to
 14 stable. So they see operations improving. That is
 15 also evidenced by what's presented in the financial
 16 presentation on pages 9 -- 7 through 9 of the
 17 report.

18 We don't always get the ratings report in
 19 advance of the Board meeting. This time we had, so
 20 we can report to you what is in the public domain.

21 So, with that, I will conclude my remarks,
 22 but first I would like to introduce Ms. Miroslava
 23 Krug, who is the chief financial officer with
 24 Benedictine University.

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19

1 Additionally, John Stevenson from Goldman
 2 Sachs, the underwriter, is here, as well as Nancy
 3 Burke from Chapman & Cutler. They are counsel to
 4 Goldman on this financing.

5 MS. KRUG: Good morning, Members of the Board.
 6 Thank you so much for your willingness to issue
 7 bonds on behalf of Benedictine University. It's
 8 been a pleasure to work with Rich and his staff.

9 We have a very tight timeline. We

10 appreciate all this Board and agency have given us.

11 MEISTER: We again thank you for issuing
 12 through us. We know that you, as the borrower, that
 13 you have choices, and we're grateful that you
 14 chose the Authority. We look forward to continuing
 15 to work with Benedictine University. Thank you.

CHAI RMAN ANDERBERG: Okay. Thank you.

Page 16

17 Ms. Lenane.
 18 LENANE: Yes, Mr. Chairman. Three Crowns Park
 19 came in February for a preliminary resolution for
 20 financing not-to-exceed -- an amount not to exceed
 21 \$45,000,000, which the Board approved today. They
 22 are here for a final resolution in an amount not to
 23 exceed \$45,000,000 to approve the refunding of their
 24 2006A and 2006B bonds.

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20

1 Three Crowns Park is requesting a waiver
 2 of the policy. Authority policy, that non-rated
 3 bonds are to be sold in the denominations of
 4 \$100,000 or more.
 5 Since these bonds are being refunding
 6 bonds for savings, they are entitled to an
 7 exception. There is an exception, if you approve
 8 it, for them to just reissue the bonds in the same
 9 amount.

10 There are present value savings of this
 11 refunding of \$4.5 million. There are two changes to
 12 the reports, since you voted on it in February.
 13 They eliminated the new money portion of the
 14 financing, the bank private placement; and the bank
 15 wasn't moving fast enough, and they wanted to make
 16 sure they caught the current market.

17 They've also added their unaudited
 18 nine-month financials, which show a debt service
 19 coverage of 1.55 times and 261 days cash on hand.
 20 Three Crowns Park is located in Evanston.

Page 17

21 It is a not-for-profit corporation organized by the
 22 Swedish community, which owns -- which offers a full
 23 continuum of service through its residential
 24 programs and healthcare facilities.

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21

1 The campus includes 116 independent living
 2 units, 37 assisted living units, 17 memory support
 3 beds and 49 nursing care beds. This non-rated
 4 fixed-rate debt for bond financing will be sold in a
 5 public offering by Ziegler & Company.

6 Are there any questions? Do you want me
 7 to remark on Children's or later?

8 MEISTER: Yes. If you could provide the Board
 9 with a status of the Children's -- Lurie Children's
 10 transaction, that would be great.

11 LENANE: Yes. I provided this to the
 12 Tax-Exempt Committee. Lurie Children's will refund
 13 their 2008A bonds in the amount of \$130,000,000.

14 These bonds priced yesterday, and first
 15 they upgraded Lurie by S&P to A+ positive, since
 16 their last offering, and their all-in-true interest
 17 costs is 3.9 percent on the bonds.

18 They had very, very successful pricing.
 19 Their net present value savings will be \$20,000,000,
 20 annual cash flow will be -- annual cash flow savings
 21 are \$2.2 million, and interest expense cash flow
 22 savings are \$8.8 million.

23 So all in good savings for Children's, and
 24 they will be doing other portions of their financing

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1 in February when the bonds are callable. So, thank
2 you.

3 CHAIRMAN ANDERBERG: Thank you, Pam.

4 LENANE: Any questions? Okay.

5 CHAIRMAN ANDERBERG: Thank you. Resolution?

6 Mr. Fletcher?

7 FLETCHER: So we are going to skip ahead to
8 item No. 5, which is a Final Bond Resolution on
9 behalf of Toyal America, Inc.
10 Toyal America, Inc., was established in
11 1987 as a U.S. based joint venture dedicated to
12 manufacturing aluminum pigments for automotive and
13 other high value-added coating applications.

14 Toyal employs approximately 120 employees
15 in Illinois with its manufacturing facility financed
16 through bonds from IDFA, IFA's predecessor agency,
17 in 1997 in Lockport, and they also have a sales
18 office in Naperville.

19 As I mentioned, we issued bonds in 1997
20 for Toyal America to finance a manufacturing
21 facility. At the time the bonds were contemplated
22 to have a 10-year maturity date. They returned in
23 2007 to IFA to extend that maturity date another 10
24 years, which is now June 2017.

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1 So we're being asked for our consent to
2 again extend the maturity date another 10 years.

Page 19

3 which will be 30 years in the aggregate, which is
4 par for the course for a real estate deal.

5 Concurrent with your approval, the Bank of
6 Tokyo Mitsubishi is also extending its letter of
7 credit for the duration of the period, which would
8 be another 10 years. We're recommending a minimum
9 of \$10,000 fee for this reissuance. Are there any
10 questions? Okay.

11 Moving on, skipping again, we're going to
12 item 7, which is in your manila folders. This
13 request was made just this Monday, so it is not
14 available to be inserted into your Board books we
15 mailed last week.

16 Tap 7 of your manila folders is a final
17 bond resolution on behalf of Kuusakoski U.S., LLC.
18 Kuusakoski is a wholly-owned subsidiary.

19 MEISTER: Excuse me, Brad. It's the last
20 document attached to the stack of resolutions in the
21 manila folders.

22 FLETCHER: Okay. It's a memo and resolution
23 that you'll find it. Kuusakoski is a wholly-owned
24 subsidiary of Kuusakoski Group, which is a

MARZULLO REPORTING AGENCY (312) 321-9365

1 privately-opened company based in Finland.

2 The subsidiary issued variable rate bonds
3 through IFA in 2013, which were secured by two
4 letters of credit, one with Fifth Third Bank and one
5 with Nordea Bank, a New York branch. Nordea Bank is
6 a financial service organization based in Finland.

7 Normally, when a transaction is seeking to
Page 20

8 substitute a letter of credit provider, we can
 9 manage that at the staff level through execution and
 10 delivery of Chris' signature on various documents.
 11 This is a little different. This is not
 12 something I believe many of the Members here have
 13 seen before, which is what is happening here. What
 14 you are requested to do is not only substitute the
 15 letter of credit; rather than Fifth Third Bank
 16 providing a direct pay, it will be Nordea Bank, and the
 17 standby letter of credit will be terminated.
 18 So we are going from two letters of
 19 credit, essentially, to one letter of credit. It's
 20 that change in collateral, the bond counsel wanted
 21 to err on the side of caution.

22 This potentially may be reissuance for tax
 23 purposes. So we need to seek your approval. Just
 24 for our time and efforts on this transaction, as

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25

1 well as your time in reviewing this, we're
 2 recommending a minimal \$500 fee for this.

3 Are there any questions?

4 CHAIRMAN ANDERBERG: Thank you, Brad. I would
 5 like to request a motion to pass and adopt the
 6 following Project Reports and Resolutions: Items
 7 1A, 1B, 2, 3, 5 and 7. Is there such a motion?

8 BRONNER: So moved.

9 KNOX: Second.

10 CHAIRMAN ANDERBERG: So moved by Ms. Bronner.
 11 Seconded by Mr. Knox.

Page 21

12 FLETCHER: On the motion and second, I will
 13 call the roll. Ms. Bronner?
 14 BRONNER: Yes.
 15 FLETCHER: Mr. Fuentes?
 16 FUENTES: Yes.
 17 FLETCHER: Mr. Goetz on the line?
 18 GOETZ: Yes.
 19 FLETCHER: Mr. Horne?
 20 HORNE: Yes.
 21 FLETCHER: Ms. Juracek on the line?
 22 JURACEK: Yes.
 23 FLETCHER: Mr. Knox?
 24 KNOX: Yes.

MARZULLO REPORTING AGENCY (312) 321-9365

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26

1 FLETCHER: Mr. McCoy?

2 MCCOY: Yes.

3 FLETCHER: Mr. Obernagel?

4 OBERNAGEL: Yes.

5 FLETCHER: Mr. Poole on the line?

6 POOLE: Yes.

7 FLETCHER: Ms. Smoots?

8 SMOOTS: Yes.

9 FLETCHER: Mr. Zeller?

10 ZELLER: Yes.

11 FLETCHER: Mr. Chairman?

12 CHAIRMAN ANDERBERG: Yes.

13 FLETCHER: Mr. Chairman, the motion carries.

14 CHAIRMAN ANDERBERG: Thank you. Mr. Fletcher,

15 before you present item No. 4, I would like to ask

16 Member Fuentes to exit the room as previously

Page 22

17 discussed.

18 FLETCHER: Let the record reflect Member

19 Fuentes has exited the room to recuse himself from
20 deliberations.

21 Next is tab 4, going back, this is a Final
22 Bond Resolution on behalf of the Museum of Science
23 and Industry in a not-to-exceed amount of
24 \$60,000,000. Established in 1933 during the Century

MARZULLO REPORTING AGENCY (312) 321-9365

27

1 of Progress Exposition, the museum is located in
2 Jackson Park at 57th and Lake Shore Drive here in
3 Chicago. The museum is home to more than 400,000
4 square feet of hands-on exhibits designed to spark
5 scientific inquiry, as well as creativity.

6 As a nonprofit entity, the museum issued
7 four series of bonds through IFA in 2009 as
8 variable-rate bonds secured by letters of credit
9 with four different banks.

10 Those four banks were Bank of America,
11 Chase, PNC Bank, as well as the Northern Trust.
12 Those four letters of credit are otherwise scheduled
13 to expire this September.

14 As we've seen time and time again, the
15 borrower is seeking to exit its letter of credit
16 secured structure and enter into a bank direct
17 purchase structure. Accordingly, the museum and PNC
18 Bank, along with BMO Harris Bank, agreed to refund
19 the outstanding 2009 bonds and enter into this bank
20 direct purchase structure.

Page 23

21 The total refunded principal amount will
22 be approximately \$60,000,000. PNC Bank will
23 purchase the 2017A bonds for \$35,000,000, while BMO
24 Harris Bank will purchase the 2017B bonds for

MARZULLO REPORTING AGENCY (312) 321-9365

28

1 \$25,000,000.

2 Both banks have agreed to a variable rate
3 of interest based on LIBOR, during an initial term
4 of seven years. The Authority is offering its
5 standard discounted fee for bonds exiting letter
6 credit of structure, which we currently estimate to
7 be approximately \$75,000.

8 This fee structure is consistent with what
9 we charged the Field Museum some time ago. Are
10 there any questions?

11 CHAIRMAN ANDERBERG: Thank you. I would like
12 to request a motion to pass and adopt the following
13 Project Report Resolution: Item No. 4. Is there
14 such a motion?

15 OBERNAGEL: I make the motion, Mr. Chairman.

16 CHAIRMAN ANDERBERG: Mr. Obernagel makes the
17 motion. Is there a second?

18 McCoy: Second.

19 CHAIRMAN ANDERBERG: Seconded by Mr. McCoy.

20 FLETCHER: On the motion and second, I'll call
21 the roll. Mr. Brommer?

22 BRONNER: Yes.

23 FLETCHER: Mr. Goetz on the line?

24 GOETZ: Yes.

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Page 24

1 FLETCHER: Mr. Horne?
2 HORNE: Yes.
3 FLETCHER: Ms. Juracek on the line?
4 JURACEK: Yes.
5 FLETCHER: Mr. Knox?
6 KNOX: Yes.
7 FLETCHER: Mr. McCoy?
8 MCCOY: Yes.
9 FLETCHER: Mr. Obernagel?
10 OBERNAGEL: Yes.
11 FLETCHER: Mr. Poole on the line?
12 POOLE: Yes.
13 FLETCHER: Ms. Smoots?
14 SMOOTS: Yes.
15 FLETCHER: Mr. Zeller?
16 ZELLER: Yes.
17 FLETCHER: And Mr. Chairman?
18 CHAIRMAN ANDERBERG: Yes.
19 FLETCHER: Mr. Chairman, the motion carries.
20 CHAIRMAN ANDERBERG: Thank you. We'll get Jim
21 back to return to the room. I'll ask Mr. McCoy to
22 exit the room as previously discussed.
23 FLETCHER: Let the record reflect that Member
24 Fuentes has returned and Member McCoy has recused
MARZULLO REPORTING AGENCY (312) 321-9365

1 himself from deliberations by exiting the room.
2 CHAIRMAN ANDERBERG: Okay. Elizabeth?
Page 25

3 WEBER: As general counsel, I'm presenting
4 item 6, a Resolution Approving and Confirming
5 Contracts with Various Legal Firms and Appointing
6 Bond Counsel for the 2017 State Revolving Fund Bond
7 Issue.
8 In February, the Members preapproved
9 contracts with 35 legal firms and delegated to the
10 Executive Director the power to designate the
11 categories of legal services to be provided by these
12 counsel.
13 The categories were issuer's counsel, bond
14 counsel for the beginning farmer bond program, bond
15 counsel for the local government program, bond
16 counsel for the State Revolving Fund, and counsel
17 for other legal services, such as public law matters
18 or employment matters.
19 Each firm that was approved in January was
20 offered a contract. The designation of categories
21 for which they were selected to provide services is
22 shown in an attachment to the resolution in your
23 books. It's the matrix at the back.
24 One firm was selected as counsel, bond
MARZULLO REPORTING AGENCY (312) 321-9365

1 counsel for the beginning farmer bond program, but
2 all other categories contained an approved list of
3 counsel, from which you can select for various
4 assignments. From the approved list from the State
5 Revolving Fund, we are recommending employment of
6 Katten Muchin Rosenman as bond counsel for the
7 planned 2017 bond issue.
Page 26

8 This selection was based on various
 9 factors, including experience, grading by three
 10 evaluators and price. Are there any questions?
 11 Thank you.

12 CHAIRMAN ANDERBERG: Thank you. Now I would
 13 like to request a motion to pass and adopt the
 14 following Project Report and Resolution item 6. Is
 15 there a motion?

16 KNOX: So moved.
 17 CHAIRMAN ANDERBERG: Motion Mr. Knox. Is there
 18 a second?
 19 HORNE: Second.
 20 CHAIRMAN ANDERBERG: Seconded by Mr. Horne.
 21 FLETCHER: On the motion and second, I'll come
 22 the roll. Ms. Bronner?

23 BRONNER: Yes.
 24 FLETCHER: Mr. Fuentes?

MARZULLO REPORTING AGENCY (312) 321-9365

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1 FUENTES: Yes.
 2 FLETCHER: Mr. Goetz on the line?
 3 GOETZ: Yes.
 4 FLETCHER: Mr. Horne?
 5 HORNE: Yes.
 6 FLETCHER: Ms. Juracek on the line?
 7 JURACEK: Yes.
 8 FLETCHER: Mr. Knox?
 9 KNOX: Yes.
 10 FLETCHER: Mr. Obernagel?
 11 OBERNAGEL: Yes.

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5-11-17-2.txt
 FLETCHER: Mr. Poole on the line?

12 POOLE: Yes.
 13 FLETCHER: Ms. Smoots?
 14 SMOOTS: Yes.
 15 FLETCHER: Mr. Zeller?
 16 ZELLER: Yes.
 17 FLETCHER: Mr. Chairman?
 18 CHAIRMAN ANDERBERG: Yes.
 19 FLETCHER: Motion carries, Mr. Chairman.
 20 CHAIRMAN ANDERBERG: Thank you. Let's get
 21 Mr. McCoy back in the room.
 22 FLETCHER: Let the record reflect, please, that
 23 Member McCoy has returned to the room.
 24

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1 CHAIRMAN ANDERBERG: Is there any other
 2 business to come before the Members? Hearing none,
 3 I'd like to request a motion to excuse the absences
 4 of Members unable to participate today. Is there
 5 such a motion?
 6 FUENTES: So moved.
 7 CHAIRMAN ANDERBERG: So moved by Mr. Fuentes.
 8 Is there a second?
 9 KNOX: Second.
 10 CHAIRMAN ANDERBERG: Seconded by Mr. Knox. All
 11 those in favor?
 12 (A chorus of ayes.)
 13 CHAIRMAN ANDERBERG: Opposed?
 14 (No response.)
 15 CHAIRMAN ANDERBERG: The ayes have it. Is
 16 there any public comment for the Members today?

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17 Okay.

18 The next regular scheduled meeting will be
19 June 8th, 2017. I would like to request motion to
20 adjourn the meeting. Is there such a motion?

21 BRONNER: So moved.

22 CHAIRMAN ANDERBERG: Ms. Bronner. And a

23 second?

24 FUENTES: Second.

MARZULLO REPORTING AGENCY (312) 321-9365

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1 CHAIRMAN ANDERBERG: Seconded by Mr. Fuentes.

2 All those in favor?

3 (A chorus of ayes.)

4 CHAIRMAN ANDERBERG: Opposed?

5 (No response.)

6 CHAIRMAN ANDERBERG: The ayes have it. Thank

7 you.

8 FLETCHER: The time is 10:08 a.m.

9 (WHICH WERE ALL THE PROCEEDINGS HAD AT 10:08 A.M.)

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MARZULLO REPORTING AGENCY (312) 321-9365

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STATE OF ILLINOIS)

COUNTY OF COOK)SS:

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

PAMELA A. MARZULLO
License No. 084-001624

5-11-17-2.txt

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ILLINOIS FINANCE AUTHORITY
VOICE VOTE
APPROVAL OF REQUEST TO PARTICIPATE VIA AUDIO CONFERENCE
ADOPTED

May 11, 2017

9 YEAS

0 NAYS

0 PRESENT

Y Bronner
Y Fuentes
NV Goetz
Y Horne
NV Juracek

Y Knox
Y McCoy
E O'Brien
Y Obernagel
NV Poole

Y Smoots
E Yonover
Y Zeller
Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
MAY 11, 2017 AGENDA OF THE REGULAR MEETING OF THE MEMBERS
ADOPTED

May 11, 2017

12 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
APRIL 13, 2017 MINUTES OF THE REGULAR MEETING OF THE MEMBERS
ADOPTED

May 11, 2017

12 YEAS

0 NAYS

0 PRESENT

Y Bronner

Y Knox

Y Smoots

Y Fuentes

Y McCoy

E Yonover

Y Goetz

E O'Brien

Y Zeller

(VIA AUDIO CONFERENCE)

Y Horne

Y Obernagel

Y Mr. Chairman

Y Juracek

Y Poole

(VIA AUDIO CONFERENCE)

(VIA AUDIO CONFERENCE)

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
FINANCIAL REPORTS
ACCEPTED

May 11, 2017

12 YEAS

0 NAYS

0 PRESENT

Y Bronner

Y Fuentes

Y Goetz

(VIA AUDIO CONFERENCE)

Y Horne

Y Juracek

(VIA AUDIO CONFERENCE)

Y Knox

Y McCoy

E O'Brien

Y Obernagel

Y Poole

(VIA AUDIO CONFERENCE)

Y Smoots

E Yonover

Y Zeller

Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0511-AG1A
 BEGINNING FARMER REVENUE BOND – ZACHARY D. & ERIKA J. SCHLECHTE
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

May 11, 2017

12 YEAS

0 NAYS

0 PRESENT

Y Bronner

Y Knox

Y Smoots

Y Fuentes

Y McCoy

E Yonover

Y Goetz

E O'Brien

Y Zeller

(VIA AUDIO CONFERENCE)

Y Horne

Y Obernagel

Y Mr. Chairman

Y Juracek

Y Poole

(VIA AUDIO CONFERENCE)

(VIA AUDIO CONFERENCE)

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0511-AG1B
 BEGINNING FARMER REVENUE BOND – JACOB A. VON BOKEL
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

May 11, 2017

12 YEAS

0 NAYS

0 PRESENT

Y Bronner

Y Knox

Y Smoots

Y Fuentes

Y McCoy

E Yonover

Y Goetz

E O'Brien

Y Zeller

(VIA AUDIO CONFERENCE)

Y Horne

Y Obernagel

Y Mr. Chairman

Y Juracek

Y Poole

(VIA AUDIO CONFERENCE)

(VIA AUDIO CONFERENCE)

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0511-NP02
 501(C)(3) REVENUE BOND – BENEDICTINE UNIVERSITY
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

May 11, 2017

12 YEAS

0 NAYS

0 PRESENT

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

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0511-HC03
 501(C)(3) REVENUE BOND – THREE CROWNS PARK
 FINAL
 PASSED*

May 11, 2017

12 YEAS

0 NAYS

0 PRESENT

Y Bronner

Y Knox

Y Smoots

Y Fuentes

Y McCoy

E Yonover

Y Goetz

E O'Brien

Y Zeller

(VIA AUDIO CONFERENCE)

Y Horne

Y Obernagel

Y Mr. Chairman

Y Juracek

Y Poole

(VIA AUDIO CONFERENCE)

(VIA AUDIO CONFERENCE)

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0511-AD04
 RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$60,000,000
 PRINCIPAL AMOUNT ILLINOIS FINANCE AUTHORITY REVENUE REFUNDING
 BONDS, SERIES 2017 (MUSEUM OF SCIENCE AND INDUSTRY); AUTHORIZING THE
 EXECUTION AND DELIVERY OF ONE OR MORE BOND AND LOAN AGREEMENTS, A
 TAX EXEMPTION CERTIFICATE AND AGREEMENT AND RELATED DOCUMENTS;
 AND APPROVING RELATED MATTERS
 ADOPTED

May 11, 2017

11 YEAS

0 NAYS

0 PRESENT

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

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0511-AD05
 RESOLUTION AUTHORIZING AN EXTENSION OF THE MATURITY DATE AND
 AMENDING RELATED DOCUMENTS IN CONNECTION WITH THE ILLINOIS
 DEVELOPMENT FINANCE AUTHORITY VARIABLE RATE DEMAND INDUSTRIAL
 DEVELOPMENT REVENUE REFUNDING BONDS, SERIES 1997 (TOYAL AMERICA,
 INC. PROJECT)
 ADOPTED*

May 11, 2017

12 YEAS

0 NAYS

0 PRESENT

Y Bronner

Y Knox

Y Smoots

Y Fuentes

Y McCoy

E Yonover

Y Goetz

E O'Brien

Y Zeller

(VIA AUDIO CONFERENCE)

Y Horne

Y Obernagel

Y Mr. Chairman

Y Juracek

Y Poole

(VIA AUDIO CONFERENCE)

(VIA AUDIO CONFERENCE)

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0511-AD06
 RESOLUTION APPROVING AND CONFIRMING CONTRACTS WITH VARIOUS LEGAL
 FIRMS AND APPOINTING BOND COUNSEL FOR THE 2017 STATE REVOLVING FUND
 BOND ISSUE
 ADOPTED

May 11, 2017

11 YEAS

0 NAYS

0 PRESENT

Y Bronner

Y Fuentes

Y Goetz

(VIA AUDIO CONFERENCE)

Y Horne

Y Juracek

(VIA AUDIO CONFERENCE)

Y Knox

NV McCoy

E O'Brien

Y Obernagel

Y Poole

(VIA AUDIO CONFERENCE)

Y Smoots

E Yonover

Y Zeller

Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY

ROLL CALL

RESOLUTION 2017-0511-AD07

RESOLUTION AUTHORIZING THE DELIVERY OF AN ALTERNATE LETTER OF CREDIT TO THE TRUSTEE FOR THE BENEFIT OF THE HOLDERS OF THE ILLINOIS FINANCE AUTHORITY SOLID WASTE DISPOSAL FACILITY REVENUE BONDS, SERIES 2013 (KUUSAKOSKI US LLC PROJECT) AND THE EXECUTION BY THE ILLINOIS FINANCE AUTHORITY OF A NON-ARBITRAGE AND TAX COMPLIANCE CERTIFICATE AND RELATED DOCUMENTS
ADOPTED*

May 11, 2017

12 YEAS

0 NAYS

0 PRESENT

Y Bronner

Y Knox

Y Smoots

Y Fuentes

Y McCoy

E Yonover

Y Goetz

E O'Brien

Y Zeller

(VIA AUDIO CONFERENCE)

Y Horne

Y Obernagel

Y Mr. Chairman

Y Juracek

Y Poole

(VIA AUDIO CONFERENCE)

(VIA AUDIO CONFERENCE)

* – Consent Agenda

E – Denotes Excused Absence

Date: June 8, 2017

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

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

From: Ximena Granda, Controller

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

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

Due to the short time between May 31 and the printing of the Board Book, staff was not able to include the Financial Reports in the Board Book. The Financial Reports and the Treasury Reports are being provided in the manila folders on the date of the Board Meeting.

FISCAL YEAR 2017-UNAUDITED

1. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME

- a. **Total Annual Revenues** equal **\$5.4** million and are \$817 thousand or **17.9%** higher than budget due primarily to **higher** closing fees. Closing fees year-to-date of \$3.9 million are \$689 thousand or 21.6% **higher** than budget. Annual fees of \$289 thousand are \$92 thousand higher than the budgeted amount. Administrative service fees of \$219 thousand are \$168 thousand higher than budget (which includes the \$150,000 July 2016 final exit fee in connection with the now ended 1985 Healthcare Pool financing project). Application fees total \$33 thousand and are \$6 thousand higher than the budgeted amount. Total accrued interest income from loans in connection with the former Illinois Rural Bond Bank local government borrowers and other loans totaled \$665 thousand (which represents a declining asset since 2014). Net investment income position is at \$249 thousand for the fiscal year and is \$57 thousand higher than budget,* due primarily to the accrual of interest in the aggregate amount of \$90 thousand in connection with the State Prompt Payment Act for State receivables outstanding from July 2016 to September 2016.

Operating Revenues and Expenses are direct results of our basic business operations. Non-Operating Revenues and Expenses are netted against each other and include interest and investment income and expenses, bad debt adjustments, transfers to the State of Illinois and realized/unrealized gains and losses on investments. Net Income/(Loss) is our bottom line.

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

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

- b. In **May**, the Authority generated \$725 thousand in closing fees, higher than the monthly budgeted amount of \$291 thousand. Closing fees were received from: *Ann & Robert H. Lurie Children's Hospital* for \$138 thousand; *The Lodge of Northbrook* for \$70 thousand; *Montgomery Place* for \$86 thousand; *Westminster Village Inc.* for \$86 thousand; *Pacific Oaks Education Corporation* for \$67 thousand; *Benedictine University* for \$88 thousand; *Museum of Science and Industry* for \$75 thousand; *Better Housing Foundation* for \$107 thousand and two beginning farmer bond for \$8 thousand. In May, net investment gain was \$25 thousand.
- c. **Total Annual Expenses** of \$3.0 million were \$1.5 million or 32.9% lower than budget, which was mostly driven by vacant budgeted staff positions and below budget spending on professional services. Year-to-date, employee and professional services expenses total \$2.6 million; with each function at 26.3% and 47.3% under budget, respectively. Annual occupancy costs of \$164 thousand are 13.1% lower than budget, while general and administrative costs are \$313 thousand for the year, which is 15.7% lower than budget. Total depreciation costs are \$17 thousand and 26.7% below budget. Total cash transfers in from the Primary Government Borrowing Fund (set up to track financial activity on behalf of the State of Illinois) to the General Operating Fund are \$5.1 million. Total cash transfers out of the General Operating Fund to the Primary Government Borrowing Fund are \$108 thousand (represents a transfer to the JRTC janitorial vendor; see Financial Statements and supplementary Information in Board Book)
- d. In **May**, the Authority recorded operating expenses of \$347 thousand, which was lower than the monthly budgeted amount of \$412 thousand. The Authority posted higher operating expenses in May compared to previous months due to payments made to the Office of the Auditor General in the aggregate amount of \$132 thousand and payments made to the financial advisors for the SRF program in the aggregate amount of \$30 thousand.
- e. **Total Monthly Net Income** of \$497 thousand was driven by higher than expected closing fees.
- f. **Total Annual Net Income** is \$2.9 million. The major driver of the annual positive bottom line continues to be the level of overall spending at 32.9% below budget, as well as higher closing fees, higher administrative service fees, higher annual fees and the transfer received from the debt service reserve fund from the Series 1996 Clinic in Altgeld, Inc. Project bond issue.

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

The Authority, as of May 31, 2017, is a \$122.6 million agency which also currently accounts for \$300 million in total activity (including the Other State of Illinois Debt Fund). The Authority's bond limitation is \$28.15 billion as of May 31, 2017; the remaining capacity is \$3.0 billion. The principal amount of outstanding debt is \$25.2 billion.

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

In the General Fund, the Authority continues to maintain a strong balance sheet, with total net position of \$56.7 million. The total assets in the General Fund are \$57.2 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total \$42.1 million (with \$19.2 million in cash). Notes receivables from the former Illinois Rural Bond Bank local governments total \$12.0 million. Participation loans, DACA (pilot medical student loans in exchange for service in medical underserved areas in Illinois) and other loans receivables are at \$3.3 million.

4. YEAR TO DATE ACTIVITY FOR ALL OTHER FUNDS

- a. In accordance with Governmental Accounting Standards, the “Other State of Illinois Debt Fund” is comprised of bond activity for the Illinois Environmental Protection Agency (IEPA), the Illinois Medical District Commission (IMDC) and Northern Illinois University Foundation (NIUF). The majority of the activity in this fund derives from the Clean Water Initiative (CWI) bonds for IEPA.

On April 14, 2017 the IMDC posted a Notice of Conditional Optional Redemption for the Illinois Medical District Commission Project Series 2006 A Tax-Exempt Revenue Bonds and the Illinois Medical District Commission Project Series 2006 B Taxable Revenue Bonds to be redeemed on May 15, 2017. The overall outcome to Illinois taxpayers will be positive. The Moral Obligation contingent taxpayer exposure on the 2006 A&B bonds will decrease by \$19.4 million (from \$33.4 million to \$14.1 million); this is a decline of 58.0%. The 2006 A Series Tax-Exempt bonds will be redeemed in their entirety. The bond documents do not allow for the pro-rata reduction of the various reserve funds (approximately \$3.5 million). Accordingly, these reserve funds will remain held by the trustee despite the 58.0% reduction in principal.

- b. The Locally Held Fire Truck and Ambulance Revolving Loan Funds have total year-to-date receipts of \$404 thousand. In Fiscal Year 2017, two new loans were disbursed for a total of \$700 thousand under the Fire Truck Revolving Loan program and fifteen new loans were disbursed for a total of \$1.5 million under the Ambulance Revolving Loan program. The Net Position for Fire Truck and Ambulance Revolving Loan Funds on the Authority’s balance sheet is \$22.9 million and \$4.2 million, respectively.

The Illinois Agricultural Loan Guarantee Fund and the Illinois Farmer Agribusiness Loan Guarantee Fund include restricted assets held by the State Treasurer to make payouts of losses in relation to the Authority’s agricultural loan guarantee program. As of May 31, 2017, the Agricultural Loan Guarantee Fund has Restricted Net Position of \$10.1 million and the Agribusiness Fund has Restricted Net Position of \$7.9 million. Moreover, the Industrial Revenue Bond Insurance Fund includes restricted assets held locally by the Authority to make payouts of losses in relation to the Authority’s agricultural loan guarantee program (please see Senate Bill 324, Public Acct 99-0509). The Restricted Net Position for the Industrial Revenue Bond Insurance Fund is \$11.5 million as of May 31, 2017

- c. All other nonmajor funds recorded total year-to-date revenues of \$349 thousand. Year-to-date expenses total \$11 thousand as of May 31, 2017. Total Net Position in the remaining non-major funds is \$37.8 million.
- d. The Metro East Police District Commission is reported as an agency/fiduciary fund, which has total assets of \$5 thousand in the custody of the Authority.
- e. The Illinois Finance Authority NFP Development Fund has a total net position of \$20 thousand.

5. AUTHORITY AUDITS AND REGULATORY UPDATES

Fieldwork for the Fiscal Year 2017 Financial Audit Examination and the two-year Compliance Audit Examination started on May 30, 2017. The RSM US LLP auditors are on the premises.

6. OTHER SUPPLEMENTARY FINANCIAL INFORMATION

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

Respectfully submitted,

/s/ Ximena Granda
Controller



ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
GENERAL OPERATING FUND
FOR FISCAL YEAR 2017 AS OF MAY 31, 2017
(PRELIMINARY AND UNAUDITED)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	BUDGET VARIANCE (\$)	BUDGET VARIANCE (%)
Operating Revenues:																
Closing Fees	\$ 230,038	\$ 479,153	\$ 745,423	\$ 213,750	\$ 432,506	\$ 337,250	\$ 196,519	\$ 312,793	\$ 134,890	\$ 79,591	\$ 725,215		\$ 3,887,128	\$ 3,197,700	\$ 689,428	21.6%
Annual Fees	26,604	22,792	30,432	27,938	25,960	26,601	24,191	30,641	27,238	23,678	22,765		288,840	196,513	92,327	47.0%
Administrative Service Fees	161,000	-	-	-	20,000	-	10,000	7,000	-	-	20,500		218,500	50,417	168,083	333.4%
Application Fees	200	2,000	8,700	3,700	5,600	1,400	1,600	4,100	1,100	4,200	300		32,900	27,225	5,675	20.8%
Miscellaneous Fees	94	4,752	-	-	338	-	131	-	15,000	-	17		20,332	458	19,874	4339.3%
Interest Income-Loans	69,733	68,858	69,694	69,615	69,169	69,203	74,988	22,384	50,643	50,618	50,592		665,497	760,256	(94,759)	-12.5%
Other Revenue	191	191	190	-	9,506	177	-	180	172	166	165		10,938	132,000	(121,062)	-91.7%
Total Operating Revenue:	\$ 487,860	\$ 577,746	\$ 854,439	\$ 315,003	\$ 563,079	\$ 434,631	\$ 307,429	\$ 377,098	\$ 229,043	\$ 158,253	\$ 819,554	\$ -	\$ 5,124,135	\$ 4,364,569	\$ 759,566	17.4%
Operating Expenses:																
Employee Related Expense	\$ 155,025	\$ 147,885	\$ 170,978	\$ 137,770	\$ 138,406	\$ 134,906	\$ 155,791	\$ 154,498	\$ 153,680	\$ 151,417	\$ 140,643		\$ 1,640,999	\$ 2,227,857	\$ (586,858)	-26.3%
Professional Services	45,724	60,685	89,585	75,798	81,641	64,762	143,680	50,177	68,888	67,271	162,047		910,258	1,726,117	(815,859)	-47.3%
Occupancy Costs	14,105	13,292	17,476	11,994	16,652	14,748	15,087	14,626	12,520	16,791	16,516		163,807	188,604	(24,797)	-13.1%
General & Administrative	28,385	29,354	26,935	26,112	25,458	37,602	35,127	24,839	26,298	26,223	26,886		313,219	371,649	(58,430)	-15.7%
Depreciation and Amortization	2,180	2,153	1,504	1,504	1,504	1,504	1,504	1,504	1,136	1,136	1,160		16,789	22,917	(6,128)	-26.7%
Total Operating Expense	\$ 245,419	\$ 253,369	\$ 306,478	\$ 253,178	\$ 263,661	\$ 253,522	\$ 351,189	\$ 245,644	\$ 262,522	\$ 262,838	\$ 347,252	\$ -	\$ 3,045,072	\$ 4,537,144	#####	-32.9%
Operating Income(Loss)	\$ 242,441	\$ 324,377	\$ 547,961	\$ 61,825	\$ 299,418	\$ 181,109	\$ (43,760)	\$ 131,454	\$ (33,479)	\$ (104,585)	\$ 472,302	\$ -	\$ 2,079,063	\$ (172,575)	\$ 2,251,638	1304.7%
Nonoperating Revenues (Expenses)																
Miscellaneous Non-Operatg Rev/(Exp)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,375)	\$ 1,375	-100.0%
Bad Debt Adjustments (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	9,167	(9,167)	-100.0%
Interest and Investment Income*	15,017	21,911	123,568	15,493	17,776	21,022	23,719	28,870	25,238	25,358	29,232		347,204	287,717	59,487	20.7%
Realized Gain (Loss) on Sale of Invests	(2,890)	(298)	(626)	(105)	(317)	(230)	(1,578)	(7,370)	(2,126)	(2,321)	(2,045)		(19,906)	5,693	(25,599)	-449.7%
Net Appreciation (Depr) in FV of Invests	(14,294)	(20,518)	3,005	(7,744)	(26,990)	2,534	6,609	(4,923)	(14,964)	1,531	(2,541)		(78,295)	(109,485)	31,190	-28.5%
Total Nonoperating Rev (Exp)	\$ (2,167)	\$ 1,095	\$ 125,947	\$ 7,644	\$ (9,531)	\$ 23,326	\$ 28,750	\$ 16,577	\$ 8,148	\$ 24,568	\$ 24,646	\$ -	\$ 249,003	\$ 191,717	\$ 57,286	29.9%
Net Income (Loss) Before Transfers	\$ 240,274	\$ 325,472	\$ 673,908	\$ 69,469	\$ 289,887	\$ 204,435	\$ (15,010)	\$ 148,031	\$ (25,331)	\$ (80,017)	\$ 496,948	\$ -	\$ 2,328,066	\$ 19,142	\$ 2,308,924	12062.1%
Transfers:																
Transfers in from other funds	\$ 107,795	\$ 1,502,594	\$ 3,030,647	\$ 6,405	\$ 828,836	\$ 231,336	\$ 8,815	\$ 2,850	\$ -	\$ 7,789	\$ -		\$ 5,727,067	\$ -	\$ 5,727,067	0.0%
Transfers out to other funds	(107,795)	(1,502,594)	(3,030,647)	(6,405)	(228,358)	(231,304)	(8,815)	(2,850)	-	(7,789)	-		(5,126,557)	-	(5,126,557)	0.0%
Total Transfers In (Out)	\$ -	\$ -	\$ -	\$ -	\$ 600,478	\$ 32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,510	\$ -	\$ 600,510	0.0%
Net Income (Loss)	\$ 240,274	\$ 325,472	\$ 673,908	\$ 69,469	\$ 890,365	\$ 204,467	\$ (15,010)	\$ 148,031	\$ (25,331)	\$ (80,017)	\$ 496,948	\$ -	\$ 2,928,576	\$ 19,142	\$ 2,909,434	15199.2%



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

	GENERAL FUND*	FIRE TRUCK REV LOAN FUND	AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	AGENCY FUNDS
Operating Revenues:								
Closing Fees	\$ 3,887,128	\$ -	\$ -	\$ -	\$ 3,887,128	\$ -	\$ 3,887,128	\$ -
Annual Fees	288,840	-	-	-	288,840	-	288,840	-
Administrative Service Fees	218,500	-	-	-	218,500	-	218,500	-
Application Fees	32,900	-	-	-	32,900	-	32,900	-
Miscellaneous Fees	20,332	403,831	-	107	424,270	-	424,270	-
Interest Income-Loans	665,497	13,730	-	30,534	709,761	18,148,641	18,858,402	-
Other Revenue	10,938	-	-	1,107	12,045	-	12,045	-
Total Operating Revenue:	\$ 5,124,135	\$ 417,561	\$ -	\$ 31,748	\$ 5,573,444	\$ 18,148,641	\$ 23,722,085	\$ -
Operating Expenses:								
Employee Related Expense	\$ 1,640,999	\$ -	\$ -	\$ -	\$ 1,640,999	\$ -	\$ 1,640,999	\$ -
Professional Services	910,258	951	929	7,998	920,136	-	920,136	-
Occupancy Costs	163,807	-	-	-	163,807	-	163,807	-
General & Administrative	313,219	-	-	36	313,255	-	313,255	-
Interest Expense	-	-	-	2,732	2,732	19,563,293	19,566,025	-
Depreciation and Amortization	16,789	-	-	-	16,789	-	16,789	-
Total Operating Expense	\$ 3,045,072	\$ 951	\$ 929	\$ 10,766	\$ 3,057,718	\$ 19,563,293	\$ 22,621,011	\$ -
Operating Income(Loss)	\$ 2,079,063	\$ 416,610	\$ (929)	\$ 20,982	\$ 2,515,726	\$ (1,414,652)	\$ 1,101,074	\$ -
Nonoperating Revenues (Expenses):								
Miscellaneous non-opertg rev/(exp)	\$ -	\$ -	\$ -	\$ 142,560	\$ 142,560	\$ -	\$ 142,560	\$ -
Interest and invesment income*	347,204	14,932	12,288	268,917	643,341	1,487,997	2,131,338	18
Realized Gain (Loss) on sale of investment	(19,906)	(329)	(737)	(2,266)	(23,238)	(404,842)	(428,080)	-
Net Appreciation (Depr) in fair value of investments**	(78,295)	(3,212)	1,212	(91,498)	(171,793)	331,497	159,704	-
Total Nonoperating Revenues (Expenses)	\$ 249,003	\$ 11,391	\$ 12,763	\$ 317,713	\$ 590,870	\$ 1,414,652	\$ 2,005,522	\$ 18
Net Income (Loss) Before Transfers	\$ 2,328,066	\$ 428,001	\$ 11,834	\$ 338,695	\$ 3,106,596	\$ -	\$ 3,106,596	\$ 18
Transfers:								
Transfers in from other funds	\$ 5,727,067	\$ -	\$ -	\$ 417,678	\$ 6,144,745	\$ -	\$ 6,144,745	\$ -
Transfers out to other funds	(5,126,557)	-	-	(1,018,188)	(6,144,745)	-	(6,144,745)	-
Total Transfers In (Out)	\$ 600,510	\$ -	\$ -	\$ (600,510)	\$ -	\$ -	\$ -	\$ -
Net Income (Loss)	\$ 2,928,576	\$ 428,001	\$ 11,834	\$ (261,815)	\$ 3,106,596	\$ -	\$ 3,106,596	\$ 18



ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND CUSTODIAL FUND ACTIVITY
May 31, 2017

(PRELIMINARY AND UNAUDITED)

	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	METRO EAST POLICE DISTRICT COMMISSION
Assets and Deferred Outflows:								
Current Assets:								
Unrestricted:								
Cash & cash equivalents	\$ 19,223,807	\$ -	\$ -	\$ 631,102	\$ 19,854,909		\$ 19,854,909	\$ -
Investments	16,812,263	-	-	1,991,364	18,803,627		18,803,627	-
Accounts receivable, Net	83,310	-	-	-	83,310		83,310	-
Loans receivables, Net	505	-	-	-	505		505	-
Accrued interest receivable	506,410	-	-	11,344	517,754		517,754	-
Bonds and notes receivable	1,604,100	-	-	-	1,604,100		1,604,100	-
Due from other funds	25,619	-	-	-	25,619		25,619	-
Due from other local government agencies	-	-	-	-	-		-	-
Prepaid Expenses	53,097	-	-	-	53,097		53,097	-
Total Current Unrestricted Assets	\$ 38,309,111	\$ -	\$ -	\$ 2,633,810	\$ 40,942,921	\$ -	\$ 40,942,921	\$ -
Restricted:								
Cash & Cash Equivalents	\$ -	\$ 564,353	\$ 592,630	\$ 3,326,396	\$ 4,483,379	\$ 49,644,672	\$ 54,128,051	\$ 4,555
Investments	-	2,242,920	1,964,069	6,051,517	10,258,506	180,712,050	190,970,556	-
Accrued interest receivable	-	15,420	3,919	37,385	56,724	125,501	182,225	-
Due from other funds	-	-	-	-	-	-	-	-
Due from primary government	-	-	-	-	-	-	-	-
Bonds and notes receivable from State component units	-	-	-	-	-	243,273	243,273	-
Loans receivables, Net	-	1,796,438	-	9,126	1,805,564	-	1,805,564	-
Total Current Restricted Assets	\$ -	\$ 4,619,131	\$ 2,560,618	\$ 9,424,424	\$ 16,604,173	\$ 230,725,496	\$ 247,329,669	\$ 4,555
Total Current Assets	\$ 38,309,111	\$ 4,619,131	\$ 2,560,618	\$ 12,058,234	\$ 57,547,094	\$ 230,725,496	\$ 288,272,590	\$ 4,555
Non-current Assets:								
Unrestricted:								
Investments	\$ 6,026,170	\$ -	\$ -	\$ 1,687,930	\$ 7,714,100		\$ 7,714,100	\$ -
Loans receivables, Net	2,393,503	-	-	-	2,393,503		2,393,503	-
Bonds and notes receivable	10,465,037	-	-	-	10,465,037		10,465,037	-
Total Noncurrent Unrestricted Assets	\$ 18,884,710	\$ -	\$ -	\$ 1,687,930	\$ 20,572,640	\$ -	\$ 20,572,640	\$ -
Restricted:								
Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Investments	-	-	-	5,053,499	5,053,499	3,343,125	8,396,624	-
Funds in the custody of the Treasurer	-	114,051	-	18,056,733	18,170,784		18,170,784	-
Loans receivables, Net	-	18,261,413	1,672,960	1,260,235	21,194,608		21,194,608	-
Bonds and notes receivable from primary government	-	-	-	-	-	465,952,220	465,952,220	-
Bonds and notes receivable from State component units	-	-	-	-	-	9,338,800	9,338,800	-
Total Noncurrent Restricted Assets	\$ -	\$ 18,375,464	\$ 1,672,960	\$ 24,370,467	\$ 44,418,891	\$ 478,634,145	\$ 523,053,036	\$ -
Capital Assets								
Capital Assets	\$ 802,379	\$ -	\$ -	\$ -	\$ 802,379	\$ -	\$ 802,379	\$ -
Accumulated Depreciation	(789,570)	-	-	-	(789,570)	-	(789,570)	-
Total Capital Assets	\$ 12,809	\$ -	\$ -	\$ -	\$ 12,809	\$ -	\$ 12,809	\$ -
Total Noncurrent Assets	\$ 18,897,519	\$ 18,375,464	\$ 1,672,960	\$ 26,058,397	\$ 65,004,340	\$ 478,634,145	\$ 543,638,485	\$ -
Total Assets	\$ 57,206,630	\$ 22,994,595	\$ 4,233,578	\$ 38,116,631	\$ 122,551,434	\$ 709,359,641	\$ 831,911,075	\$ 4,555
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred loss on debt refunding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,897	\$ 450,897	\$ -
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,897	\$ 450,897	\$ -
Total Assets & Deferred Inflows of Resources	\$ 57,206,630	\$ 22,994,595	\$ 4,233,578	\$ 38,116,631	\$ 122,551,434	\$ 709,810,538	\$ 832,361,972	\$ 4,555



ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND CUSTODIAL FUND ACTIVITY
 May 31, 2017

(PRELIMINARY AND UNAUDITED)

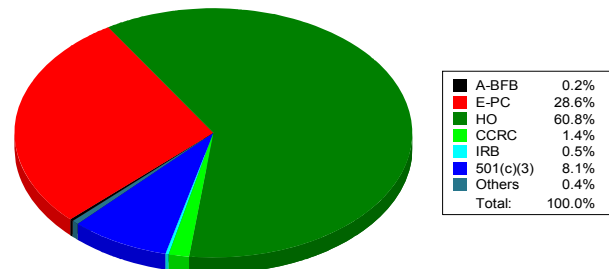
	GENERAL FUND	LOCALLY HELD FIRE TRUCK REV LOAN FUND	LOCALLY HELD AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	OTHER STATE OF IL DEBT FUNDS	TOTAL ALL FUNDS	METRO EAST POLICE DISTRICT COMMISSION
Liabilities:								
Current Liabilities:								
Payable from unrestricted current assets:								
Accounts payable	\$ 270,200	\$ -	\$ -	\$ -	\$ 270,200	\$ -	\$ 270,200	\$ -
Accrued liabilities	35,537	-	-	-	35,537	-	35,537	-
Due to employees	117,956	-	-	-	117,956	-	117,956	-
Due to primary government	1	-	-	-	1	-	1	-
Other liabilities	-	-	-	-	-	-	-	4,537
Unearned revenue, net of accumulated amortization	90,466	-	-	-	90,466	-	90,466	-
Total Current Liabilities Payable from Unrestricted Current Assets	\$ 514,160	\$ -	\$ -	\$ -	\$ 514,160	\$ -	\$ 514,160	\$ 4,537
Payable from restricted current assets:								
Accrued interest payable	\$ -	\$ -	\$ -	\$ 1,445	\$ 1,445	\$ 11,289,010	\$ 11,290,455	\$ -
Due to other funds	-	-	-	25,619	25,619	-	25,619	-
Bonds and notes payable from primary government	-	-	-	-	-	43,862,179	43,862,179	-
Bonds and notes payable from State component units	-	-	-	-	-	-	-	-
Current portion of long term debt	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	11,093,186	11,093,186	-
Total Current Liabilities Payable from Restricted Current Assets	\$ -	\$ -	\$ -	\$ 27,064	\$ 27,064	\$ 66,244,375	\$ 66,271,439	\$ -
Total Current Liabilities	\$ 514,160	\$ -	\$ -	\$ 27,064	\$ 541,224	\$ 66,244,375	\$ 66,785,599	\$ 4,537
Noncurrent Liabilities								
Payable from unrestricted noncurrent assets:								
Noncurrent payables	\$ 585	\$ -	\$ -	\$ -	\$ 585	\$ -	\$ 585	\$ -
Assets	\$ 585	\$ -	\$ -	\$ -	\$ 585	\$ -	\$ 585	\$ -
Payable from restricted noncurrent assets:								
Bonds and notes payable from primary government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 627,818,675	\$ 627,818,675	\$ -
Bonds and notes payable from State component units	-	-	-	-	-	15,747,488	15,747,488	-
Noncurrent portion of long term debt	-	-	-	248,512	248,512	-	248,512	-
Noncurrent loan reserve	-	-	-	-	-	-	-	-
Total Noncurrent Liabilities Payable from Restricted Noncurrent	\$ -	\$ -	\$ -	\$ 248,512	\$ 248,512	\$ 643,566,163	\$ 643,814,675	\$ -
Total Noncurrent Liabilities	\$ 585	\$ -	\$ -	\$ 248,512	\$ 249,097	\$ 643,566,163	\$ 643,815,260	\$ -
Total Liabilities	\$ 514,745	\$ -	\$ -	\$ 275,576	\$ 790,321	\$ 709,810,538	\$ 710,600,859	\$ 4,537
Net Position:								
Net Investment in Capital Assets	\$ 12,809	\$ -	\$ -	\$ -	\$ 12,809	\$ -	\$ 12,809	\$ -
Restricted for Locally Held Agricultural Guarantees	-	-	-	11,857,383	11,857,383	-	11,857,383	-
Restricted for Public Safety Loans	-	22,566,594	4,221,744	-	26,788,338	-	26,788,338	-
Restricted for Agricultural Guarantees and Rural Development Loans	-	-	-	19,190,729	19,190,729	-	19,190,729	-
Restricted for Renewable Energy Development	-	-	-	2,247,513	2,247,513	-	2,247,513	-
Restricted for Credit Enhancement	-	-	-	600,000	600,000	-	600,000	-
Restricted for Low Income Community Investments	-	-	-	12,225	12,225	-	12,225	-
Unrestricted	53,750,500	-	-	4,195,021	57,945,521	-	57,945,521	-
Current Change in Net Position	2,928,576	428,001	11,834	(261,816)	3,106,595	-	3,106,595	18
Total Net Position	\$ 56,691,885	\$ 22,994,595	\$ 4,233,578	\$ 37,841,055	\$ 121,761,113	\$ -	\$ 121,761,113	\$ 18
Total Liabilities & Net Position	\$ 57,206,630	\$ 22,994,595	\$ 4,233,578	\$ 38,116,631	\$ 122,551,434	\$ -	\$ 832,361,972	\$ 4,555

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

Fiscal Year 2015

#	Market Sector	Principal Issued
15	Agriculture - Beginner Farmer	4,154,742
4	Education	788,149,000
11	Healthcare - Hospital	1,416,385,000
1	Healthcare - CCRC	39,640,000
2	Industrial Revenue	14,000,000
11	501(c)(3) Not-for-Profit	236,986,075
1	Local Government	12,000,000
<u>45</u>		<u>\$ 2,511,314,817</u>

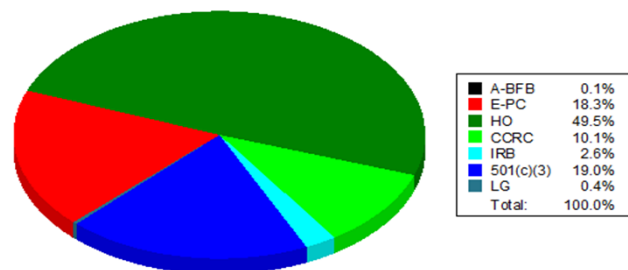
Bonds Issued in Fiscal Year 2015



Fiscal Year 2016

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

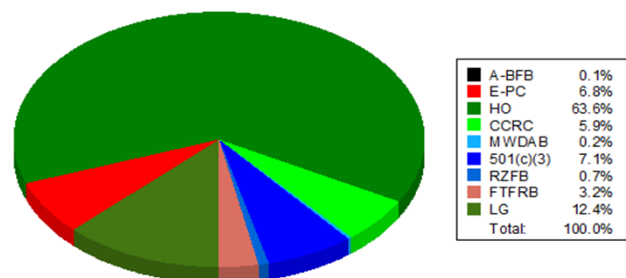
Bonds Issued in Fiscal Year 2016



Fiscal Year 2017

#	Market Sector	Principal Issued
14	Agriculture - Beginner Farmer	2,876,400
6	Education	273,350,000
1	Freight Transfer Facilities Bonds	130,000,000
12	Healthcare - Hospital	2,568,650,000
6	Healthcare - CCRC	236,255,167
1	Midwest Disaster Area Bonds	9,969,162
9	501(c)(3) Not-for-Profit	286,772,000
2	Recovery Zone Facilities Bonds	28,951,409
1	Local Government	500,000,000
<u>52</u>		<u>\$4,036,824,138</u>

Bonds Issued in Fiscal Year 2017



Bond Issuance Analysis

The Authority issued \$389,128,329 in conduit debt during the month of May, 2017. This is 61% lower than May, 2016 at \$1,003,690,000. This is also 98% greater than the previous month's issuance at \$9,587,500. Total issuance for FY 2017 is \$4,036,824,138. This is 14% higher than the same period as of May 31, 2016 at \$3,480,307,495. The IFA issued nine conduit bonds and two beginner farmer bonds in May 2017. These bonds are 9.64% of the total issuance for the FY 2017. The largest principal issuance market sector in FY 2017 is Healthcare and the smallest is Midwest Disaster Area Bonds.



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

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

<u>Bond Issue</u>		<u>Date Issued</u>	<u>Initial Interest Rate</u>	<u>Principal Issued</u>	<u>Bonds Refunded</u>
A-BFB	Beginning Farmer Bonds	07/01/2016	Variable	1,569,900	0
E-PC	Illinois Wesleyan University	07/13/2016	Fixed at Schedule	56,775,000	56,775,000
501(c)(3)	Better Housing Foundation	07/29/2016	Fixed at Schedule	13,560,000	0
E-PC	Mount Carmel High School	08/01/2016	Variable	22,000,000	13,200,000
501(c)(3)	The Newman Foundation	08/02/2016	Variable	32,667,000	32,667,000
HO	Presence Health	08/16/2016	Fixed at Schedule	1,000,000,000	1,000,000,000
CCRC	Smith Village	08/17/2016	Variable	32,500,000	32,500,000
501(c)(3)	The Art Institute of Chicago	08/25/2016	Fixed at Schedule	37,250,000	37,250,000
E-PC	DePaul University	09/01/2016	Fixed at Schedule	122,780,000	115,000,000
LG	Clean Water Initiative	09/12/2016	Fixed at Schedule	500,000,000	0
HO	OSF HealthCare System	09/27/2016	Fixed at Schedule	114,375,000	100,710,000
HO	Riverside Medical Center	09/27/2016	Fixed at Schedule	79,545,000	79,545,000
CCRC	The Moorings of Arlington Heights, LLC	09/30/2016	Fixed at Schedule	69,615,000	2,094,528
HO	The University of Chicago Medical Center	11/02/2016	Fixed at Schedule	187,320,000	187,320,000
501(c)(3)	Museum of Contemporary Art Chicago	10/27/2016	Variable	30,000,000	0
HO	The Carle Foundation A&B	11/08/2016	Variable	184,385,000	56,000,000
HO	The Carle Foundation A&B	11/08/2016	Variable	50,000,000	0
HO	Swedish Covenant Hospital Series 2016A	12/12/2016	Fixed at Schedule	107,725,000	49,525,000
501(c)(3)	Ness HealthCare NFP	11/10/2016	Fixed at Schedule	31,490,000	0
HO	Rehabilitation Institute of Chicago	12/01/2016	Variable	274,055,000	274,055,000
E-PC	Elmhurst College	12/12/2016	Variable	20,200,000	20,000,000
501(c)(3)	Lake Forest Open Lands Association	12/22/2016	Fixed at Schedule	10,000,000	10,000,000

HO	Swedish Covenant Hospital - B&C	12/14/2016	Variable	49,200,000	49,200,000
501(c)(3)	Oak Park Residence Corporation	01/05/2017	Fixed at Schedule	20,000,000	17,000,000
A-BFB	Beginning Farmer Bond	01/01/2017	Variable	1,306,500	0
HO	Southern Illinois Healthcare Enterprises, Inc.	02/16/2017	Fixed at Schedule	78,890,000	0
CCRC	Covenant Retirement Communities, Inc.	02/01/2017	Variable	52,070,000	52,070,000
HO	Edward-Elmhurst Healthcare	02/14/2017	Fixed at Schedule	288,175,000	288,175,000
RZFB	Smart Hotels, LLC	03/09/2017	Variable	19,651,409	19,651,409
HO	Harrisburg Medical Center	03/14/2017	Variable	19,500,000	0
FTFRB	CenterPoint Properties/CenterPoint Joliet Terminal Railroad,	03/23/2017	Variable	130,000,000	0
RZFB	Muirfield West LLC - Camcraft, Inc. Project	04/26/2017	Variable	9,300,000	0
MWDAB	P. O. B. Development, LLC	05/01/2017	Variable	9,969,162	9,969,162
CCRC	The Lodge of Northbrook	05/04/2017	Fixed at Schedule	20,160,000	0
CCRC	Montgomery Place	05/04/2017	Fixed at Schedule	31,085,000	31,085,000
CCRC	Westminister Village, Inc.	05/11/2017	Variable	30,825,167	0
E-PC	Pacific Oaks Education Corporation	05/18/2017	Variable	18,400,000	0
501(c)(3)	Better Housing Foundation	05/25/2017	Fixed at Schedule	51,805,000	0
501(c)(3)	Museum of Science and Industry	05/30/2017	Variable	60,000,000	60,000,000
E-PC	Benedictine University	05/30/2017	Fixed at Schedule	33,195,000	30,000,000
HO	Ann & Robert H. Lurie Children's Hospital of Chicago	05/31/2017	Fixed at Schedule	135,480,000	135,480,000

Total Bonds Issued as of May 31, 2017	<u>\$ 4,036,824,138</u>	<u>\$ 2,759,272,099</u>
---------------------------------------	-------------------------	-------------------------

Legend: Fixed Rate Bonds as shown

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

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

Beginner Farmer Bonds interest rates are shown in section below.

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

<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
07/29/2016	3.25	122,400	40.00	Jasper
09/08/2016	3.00	83,750	45.00	Richland
09/08/2016	3.25	401,000	45.00	Edgar
09/15/2016	3.25	47,500	40.00	Clay
09/15/2016	3.25	47,500	40.00	Clay
11/01/2016	3.25	242,250	99.55	Richland
12/30/2016	3.25	520,000	97.17	Montgomery
12/30/2016	3.25	105,500	40.00	Richland
02/16/2017	3.25	192,500	37.00	Jasper
02/16/2017	3.39	135,000	60.00	Jasper
03/10/2017	3.25	132,500	37.00	Jasper
04/06/2017	3.00	287,500	61.00	Ford
05/12/2017	3.5	258,000	80.00	Effingham
05/18/2017	3.625	301,000	57.00	Montgomery
Total Beginner Farmer Bonds Issued		<u>\$ 2,876,400</u>	<u>778.72</u>	

AG Guarantees Funded between July 01, 2016 and May 31, 2017

<u>Date Funded</u>	<u>Loan Proceeds</u>	<u>County</u>
09/14/2016	357,588	Livingston
09/14/2016	1,000,000	Lee

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

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

Section I (a)

Section I (a)	Principal Outstanding #		Program Limitations	Remaining Capacity
	June 30, 2016	May 31, 2017		
Illinois Finance Authority "IFA" ^[b]				
Agriculture	\$ 48,260,274	\$ 51,136,674		
Education	4,445,960,359	4,347,259,475		
Healthcare	14,405,422,474	15,239,851,804		
Industrial Development [includes Recovery Zone/Midwest Disaster]	777,192,893	892,421,390		
Local Government	315,810,000	766,580,000		
Multifamily/Senior Housing	157,262,660	153,571,717		
501(c)(3) Not-for Profits	1,565,340,114	1,665,034,331		
Exempt Facilities Bonds	149,915,000	149,915,000		
1	Total IFA Principal Outstanding	\$ 21,865,163,774	\$ 23,265,770,390	
Illinois Development Finance Authority "IDFA" ^[b]				
Education	496,388	496,388		
Healthcare	77,000,000	73,600,000		
Industrial Development	205,383,747	172,465,244		
Local Government	263,060,103	222,207,364		
Multifamily/Senior Housing	83,679,117	82,249,117		
501(c)(3) Not-for Profits	607,654,373	525,403,617		
	Total IDFA Principal Outstanding	\$ 1,237,273,728	\$ 1,076,421,729	
Illinois Rural Bond Bank "IRBB" ^[b]				
	Total IRBB Principal Outstanding	\$ -	\$ -	
	Illinois Health Facilities Authority "IHFA"	\$ 617,984,999	\$ 300,385,000	
	Illinois Educational Facilities Authority "IEFA"	\$ 537,193,000	\$ 492,732,000	
	Illinois Farm Development Authority "IFDA" ^[f]	\$ 13,436,353	\$ 13,436,353	
	Total Illinois Finance Authority Debt	\$ 24,271,051,854	\$ 25,148,745,472	\$ 28,150,000,000 \$ 3,001,254,528

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

Section I (b)

Section I (b)	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2016	May 31, 2017		
General Purpose Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]				
* Issued through IRBB - Local Government Pools				
*Issued through IFA - Local Government Pools				
Issued through IFA - Illinois Medical District Commission				
	34,885,000	14,050,000		
Total General Moral Obligations	\$ 34,885,000	\$ 14,050,000	\$ 150,000,000	\$ 135,950,000
* All the Local Government bonds were defeased as of August 1, 2014.				
Financially Distressed Cities Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
Issued through IFA				
	\$ -	\$ -		
Issued through IDFA				
	-	-		
Total Financially Distressed Cities	\$ -	\$ -	\$ 50,000,000	\$ 50,000,000
State Component Unit Bonds ^[c]				
Issued through IDFA ^[1]				
	-	-		
Issued through IFA ^[1]				
	99,938,207	599,372,488		
Total State Component Unit Bonds	\$ 99,938,207	\$ 599,372,488		

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

Section I (c)

	Principal Outstanding		Remaining MDAB Volume Cap
	June 30, 2016	May 31, 2017	
Midwestern Disaster Area Bonds [Flood Relief]	\$ 64,440,918	\$ 63,826,985	N/A

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

Section I (d)

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

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

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

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

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

Section II

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

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

Section III

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

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

Section IV

	Principal Outstanding		Program Limitations	Remaining Capacity	State Exposure
	June 30, 2016	May 31, 2017			
Agri Debt Guarantees [Restructuring Existing Debt]					
Fund # 994 - Fund Balance \$10,120,351	\$ 6,824,437	\$ 6,189,106	\$ 160,000,000	\$ 153,810,894	\$ 5,260,740
AG Loan Guarantee Program					
Fund # 205 - Fund Balance \$7,936,382	\$ 7,111,930	\$ 4,093,467	\$ 225,000,000 ^[e]	\$ 220,906,533	\$ 3,479,447
Agri Industry Loan Guarantee Program	\$ 3,693,098	\$ 532,147			452,325
Farm Purchase Guarantee Program	886,805	878,248			746,511
Specialized Livestock Guarantee Program	1,681,563	2,104,712			1,789,005
Young Farmer Loan Guarantee Program	850,464	578,360			491,606
Total State Guarantees	\$ 13,936,368	\$ 10,282,573	\$ 385,000,000	\$ 374,717,427	\$ 8,740,187

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

Section V

			Principal Outstanding		Cash and Investment Balance
			June 30, 2016	May 31, 2017	
155	Fire Truck Revolving Loan Program	Fund # 572	\$ 21,265,564	\$ 20,057,851	\$ 2,921,323
22	Ambulance Revolving Loan Program	Fund # 334	\$ 247,280	\$ 1,672,960	\$ 2,556,699

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

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

Section VI

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2016	May 31, 2017		
Environmental [Large Business]				
Issued through IFA	\$ 15,535,000	\$ 14,475,000		
Issued through IDFA	110,520,000	97,505,000		
Total Environmental [Large Business]	\$ 126,055,000	\$ 111,980,000	\$ 2,425,000,000	\$ 2,313,020,000
Environmental [Small Business]	\$ -	\$ -	\$ 75,000,000	\$ 75,000,000
Total Environment Bonds Issued under Act	\$ 126,055,000	\$ 111,980,000	\$ 2,500,000,000	\$ 2,388,020,000

Illinois Finance Authority Funds at Risk

Section VII

	Original Amount	Principal Outstanding	
		June 30, 2016	May 31, 2017
Participation Loans			
Business & Industry	23,020,158	422,129	100,526
Agriculture	6,079,859		
Participation Loans excluding Defaults & Allowances	29,100,017	422,129	100,526
Plus: Legacy IDFA Loans in Default		843,173	843,173
Less: Allowance for Doubtful Accounts		960,726	942,574
Total Participation Loans		288,943	1,125
Local Government Direct Loans	1,289,750	103,000	627,638
Rural Bond Bank Local Government Note Receivable		17,179,937	12,069,137
FmHA Loans	963,250	185,778	163,953
Renewable Energy [RED Fund]	2,000,000	1,206,055	1,116,121
Total Loans Outstanding	34,353,017	18,963,713	13,977,974
IRBB funds were defeased and transferred into a note receivable with the IFA.			

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

Section VIII

	Principal Outstanding		Statutory Debt Limitation	Remaining HELA Debt Limitation
	June 30, 2016	May 31, 2017		
Midwestern University Foundation - Student Loan Program Revenue Bonds	\$ 15,000,000	\$ 15,000,000	\$ 200,000,000 ^[d]	\$ 185,000,000

^[a] Total subject to change; late month payment data may not be included at issuance of report.^[b] State Component Unit Bonds included in balance.^[c] Does not include Unamortized issuance premium as reported in Audited Financials.^[d] Program Limitation reflects the increase to \$3 billion effective 01/01/2010 under P.A. 96-103.^[e] Program Limitation reflects the increase from \$75 million to \$225 million effective 01/01/2010 under P.A. 96-103.^[f] Beginner Farmer Bonds are currently updated annually; new bonds will be added under the Illinois Finance Authority when the bond closes.^[g] Midwestern Disaster Area Bonds - Illinois Counties eligible for Midwest Disaster Bonds included Adams, Calhoun, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Hancock, Henderson, Jasper, Jersey,^[h] Lake, Lawrence, Mercer, Rock Island, Whiteside and Winnebago.^[i] Recovery Zone Facility Revenue Bonds - Federal government allocated volume cap directly to all 102 Illinois counties and 8 municipalities with population of 100,000 or more. [Public Act 96-1020]^[j] Includes EPA Clean Water Revolving Fund

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

**BOARD OF DIRECTORS MEETING
June 8, 2017**

I. CONTRACTS/AMENDMENTS EXECUTED					
A. Illinois Procurement Code-Small Purchases	Vendor	Initial Term	Estimated Not to Exceed Value	Action/Proposed Method of Procurement	Services Provided
	CDW-G	04/10/17	\$168	Order executed	Battery backup for systems
	CDW-G	05/15/17	\$92	Order executed	Surge Supressors
	CDW-G	05/17/17	\$717	Order executed	Replacement Printer
	AT&T	5/15/17-8/1/2019	\$700	Agreement executed	Wireless service at Mt. Vernon
	Novanis IT Solutions	7/1/2017-6/30/18	\$203	Order executed	Encryption of laptops
	Presidio Networked Solutions (pending)	7/1/2017-6/30/18	\$3,292	BOA executed	Production support/Subsription VMware
	3 rd Coast Imaging	07/01/17-06/30/18	\$10,000	BOA executed	Printing of Monthly Board Meeting Books
B. Illinois Procurement Code Emergency Procurement	ADP Total Source, Inc.	05/31/17-12/31/17	\$270,000	Emergency Procurement	Employee Benefits and Payroll Services.

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

**BOARD OF DIRECTORS MEETING
June 8, 2017**

III. EXPIRING CONTRACTS					
A. Illinois Procurement Code- Competitive Bids/Proposals	Vendor	Expiration Date	Estimated Not to Exceed Value	Action/Proposed Method of Procurement	Services Provided
	Merrill Lynch	07/25/17	N/A	Request for Qualifications responses under review	Underwriters for State of Illinois Revolving Fund
	Siebert Brandford Shank & Co., LLC	07/31/17	N/A	Request for Qualifications responses under review	Underwriters for State of Illinois Revolving Fund
	Citigroup Global Markets, Inc.	7/31/17	N/A	Request for Qualifications responses under review	Underwriters for State of Illinois Revolving Fund
	Jefferies LLC	7/31/17	N/A	Request for Qualifications responses under review	Underwriters for State of Illinois Revolving Fund
	J.P. Morgan Securities LLC	7/31/17	N/A	Request for Qualifications responses under review	Underwriters for State of Illinois Revolving Fund
	Loop Capital Markets, LLC	7/31/17	N/A	Request for Qualifications responses under review	Underwriters for State of Illinois Revolving Fund
	Morgan Stanley	7/31/17	N/A	Request for Qualifications responses under review	Underwriters for State of Illinois Revolving Fund
	Piper Jaffray & Co.	7/31/17	N/A	Request for Qualifications responses under review	Underwriters for State of Illinois Revolving Fund
	Raymond James	7/31/17	N/A	Request for Qualifications responses under review	Underwriters for State of Illinois Revolving Fund
	Samuel A. Ramirez & Co., Inc.	7/31/17	N/A	Request for Qualifications responses under review	Underwriters for State of Illinois Revolving Fund

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

**BOARD OF DIRECTORS MEETING
June 8, 2017**

III. EXPIRING CONTRACTS (cont'd)					
	Vendor	Expiration Date	Estimated Not to Exceed Value	Action/Proposed Method of Procurement	Services Provided
<i>B. Illinois Procurement Code-Small Purchases</i>	MX Save	06/12/17	\$588	To purchase again via Small Purchase with incumbent.	Disaster Recovery/Mailbag Service.
	ADP/EZLabor	06/30/17	\$1,008	To continue payment of invoices	Employee Timesheet Module.
	First American Bank (formerly HPL & S, Inc.)	06/30/17	\$5,000	In process for Proposed Small Purchase Procurement	401A Plan Administrator.
	US Bank National Association	06/30/17	\$18,000	In process for Proposed Small Purchase Procurement	Local Gov't Paying Agent/Custodian.
	CDW Government LLC	06/30/17	\$264	In process for Proposed Small Purchase Procurement	Smart Net, Cisco firewall 5510.
	Com Microfilm Company, Inc.	06/30/17	\$7,230	In process for Proposed Small Purchase Procurement	Docuware Maintenance.
	Midwest Moving & Storage	06/30/17	\$48,840	Vendor replaced. Will not be renewed.	Storage.
	Pickens Kane	06/30/17	\$30,000	Vendor replaced. Will not be renewed.	Records management services.
	Swift Impressions	06/30/17	\$12,000	Replaced by new supplier.	Printing Services for the Monthly Board Book.
	Chicago's On Time Courier (formerly The On Time Courier)	06/30/17	\$5,000	Renew with State Master CMS6914970	Messenger Service.
	TRI Industries	06/30/17	\$986	Use overstock. Continue as needed with State Master 4017397. Expires 2019.	Toner.
	United Parcel Service	06/30/17	\$12,000	Continue with State Master CPOGS15001. Expire 11/21/17.	Package Delivery.

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

**BOARD OF DIRECTORS MEETING
June 8, 2017**

III. EXPIRING CONTRACTS (cont'd)					
	Vendor	Expiration Date	Estimated Not to Exceed Value	Action/Proposed Method of Procurement	Services Provided
<i>B. Illinois Procurement Code- Small Purchases</i>	GoDaddy	8/10/2017	\$543	To purchase again via Small Purchase with incumbent.	Web Hosting Server.
	P.D. Morrison Enterprises	8/23/17	\$50,000	Continue with State Master 4017241. Expires 08/23/17.	Office Supplies.
	Bloomberg Finance L.P.	9/8/17	\$42,000	To purchase again as Sole Source	Shared license for 6 users.
	Anchor Staffing	9/28/17	\$79,081	Vendor replaced. Will not be renewed.	Temporary staffing services.
	Wellspring Software, Inc.	10/16/2017	\$140	To purchase again via Small Purchase with incumbent.	PrintBoss Software for printing checks.
	Datalock	10/24/2017	\$265	To purchase again via Small Purchase with incumbent.	Mt Vernon shredding.
	Marzullo Reporting Agency, Inc.	10/31/17	\$15,000	To do quote	Monthly Board Meeting.
	Network Solutions	12/20/17	\$38	To purchase again via Small Purchase with incumbent.	For site URL.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors
From: Lorrie Karcher and Patrick Evans
Date: June 8, 2017
Re: Overview Memo for Beginning Farmer Bonds

- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolution for the attached projects
- **Amount:** Up to \$524,200 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **Total Requested: \$321,363**
- **Calendar Year Summary:** (as of June 8, 2017)
 - Volume Cap: \$10,000,000
 - Volume Cap Committed: \$2,808,263
 - Volume Cap Remaining: \$7,191,737
 - Average Farm Acreage: 78
 - Number of Farms Financed: 12
- **IFA Benefits:**
 - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
 - **New Money Bonds:**
 - IFA conveys tax-exempt, municipal bond status onto the financing
 - Will use dedicated 2017 IFA Volume Cap set-aside for Beginning Farmer Bond transactions
- **IFA Fees:**
 - One-time closing fee will total 1.50% of the bond amount for each project
- **Structure/Ratings:**
 - Bonds to be purchased directly as a nonrated investment held until maturity by the Borrower's bank (the "Bank")
 - The Bank will be secured by the Borrower's assets, as on a commercial loan (typically 1st Mortgage)
 - Interest rates, terms, and collateral are negotiated between the Borrower and the Bank, just as with any commercial loan
 - Workouts are negotiated directly between each Borrower and Bank, just as on any secured commercial loan
- **Bond Counsel:** **Burke, Burns & Pinelli, Ltd.**
Stephen F. Welcome, Esq.
Three First National Plaza, Suite 4300
Chicago, IL 60602

A. Project Number: 30389
Borrower(s): Gibson, Patrick S.
Borrower Benefit: First Time Land Buyer
Town: Alton, IL
IFA Bond Amount: \$134,363.00
Use of Funds: Farmland – 32.7 acres of farmland with an additional 5 acre nursery
Purchase Price: \$268,725 / \$7,128 per acre
% Borrower Equity: 0%
% IFA Bonds: 50% (Bank Purchased Bond – Bank secured by 1st Mortgage)
% USDA Farm Service Agency (“FSA”): 50% (*Subordinate Financing – 2nd Mortgage*)
Township: Godfrey
County/Region: Madison / Southwestern
Lender/Bond Purchase: First Mid Illinois Bank & Trust / William Wagner
Legislative Districts:
Congressional: 12
State Senate: 56
State House: 111

Principal shall be paid annually in equal installments of \$4,478.75 pursuant to a Thirty year amortization schedule, with the first principal payment date to begin one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin one year from the date of closing with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing.

B. Project Number: 30390
Borrower(s): Walk, Adam Philip and Michelle Lynn
Borrower Benefit: First Time Land Buyer
Town: Sigel, IL
IFA Bond Amount: \$93,500.00
Use of Funds: Farmland – 20 acres of farmland
Purchase Price: \$187,000 / \$9,350 per acre
% Borrower Equity: 0%
% IFA Bonds: 50% (Bank Purchased Bond – Bank secured by 1st Mortgage)
% USDA Farm Service Agency (“FSA”): 50% (*Subordinate Financing – 2nd Mortgage*)
Township: St. Francis
County/Region: Effingham / Southeastern
Lender/Bond Purchase: The Peoples State Bank of Newton / Brian Bohnhoff
Legislative Districts:
Congressional: 15
State Senate: 55
State House: 110

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to begin on May 1, 2018. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin on May 1, 2018 with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing.

C. Project Number: 30391
Borrower(s): Walk, Seth Robert and Emily Jo
Borrower Benefit: First Time Land Buyer
Town: Sigel, IL
IFA Bond Amount: \$93,500.00
Use of Funds: Farmland – 20 acres of farmland
Purchase Price: \$187,000 / \$9,350 per acre
% Borrower Equity: 0%
% IFA Bonds: 50% (Bank Purchased Bond – Bank secured by 1st Mortgage)
% USDA Farm Service Agency (“FSA”): 50% (*Subordinate Financing – 2nd Mortgage*)
Township: St. Francis
County/Region: Effingham / Southeastern
Lender/Bond Purchase: The Peoples State Bank of Newton / Brian Bohnhoff
Legislative Districts:
Congressional: 15

State Senate: 55

State House: 110

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to begin on May 1, 2018. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin on May 1, 2018 with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing.



CONDUIT

Revenue Bonds for the benefit of Rosalind Franklin University of Medicine and Science to be comprised of (I) \$80,000,000 (not-to-exceed) Rosalind Franklin University of Medicine & Science (Series 2017A Tax-Exempt Refunding Bonds and Series 2017B Taxable Bonds) and (II) \$60,000,000 (not-to-exceed) Series 2017C Tax-Exempt Project Bonds and Series 2017D Taxable Project Bonds (Rosalind Franklin University Research Building Project, a project to be developed and owned by TUFF RFUMS 1 LLC, but payable solely by Rosalind Franklin University of Medicine and Science from amounts under a facilities lease)

June 8, 2017

REQUEST	<p>Purpose: The proposed financing is being undertaken to enable Rosalind Franklin University of Medicine and Science (“RFUMS” or the “University” and a “Borrower”), an Illinois not-for-profit corporation to (i) refund all of the University’s outstanding principal balance of its (IHFA) Series 2003 Bonds and (IFA) Series 2012 Bonds, (ii) pay interest rate hedge (swap) termination fees associated with the Series 2003 Bonds, and (iii) to finance design, construction and equipping of a new, 100,000 SF research facility (the “Research Building”) at 3333 N. Green Bay Road in North Chicago, Illinois, that will be developed and owned by TUFF RFUMS 1 LLC (a “Borrower”), a Georgia limited liability company established by The University Financing Foundation, Inc. (“TUFF”), a Georgia nonprofit corporation (TUFF is a 501(c)(3) corporation that is the sole member of TUFF RFUMS 1 LLC). In addition to financing the refunding and construction of the Research Building for the benefit of the University, the Series 2017 Bond proceeds may also be used for the following purposes, if deemed necessary or desirable by the University: (iv) pay capitalized interest on the Bonds issued to construct the Research Building, (v) fund one or more debt service reserve funds, and (vi) pay costs of issuance on the Bonds (and collectively, with the Refunding Bonds and Research Building, the “Financing Purposes”).</p> <p>Notes: (1) <u>The University will be the Borrower/Obligor on the Series 2017A Refunding Bonds and Series 2017B Taxable Bonds.</u> (2) <u>IFA will loan the proceeds of the Series 2017C Tax-Exempt Project Bonds and the Series 2017D Taxable Revenue Bonds to TUFF RFUMS 1 LLC. Although an affiliate of TUFF (TUFF RFUMS 1 LLC or any assigns thereof) will own the Research Building, the Series 2017C-D Bonds will be payable solely from amounts paid under a facilities lease with Rosalind Franklin University.</u> (3) <u>The Project Description contained in the IFA Bond Resolution is presented on p. 10.</u> (4) <u>Preliminary Sources and Uses of Funds for the Series 2017A Refunding/2017B Bonds the Series 2017C/2017D Project Bonds are reported on p. 2.</u></p> <p>Program: 501(c)(3) Revenue Bonds Extraordinary Conditions: None. No IFA Funds at risk. No State Funds at risk directly or indirectly (<i>i.e., no Moral Obligation</i>).</p>				
BOARD ACTION	Final Bond Resolution (one-time consideration). <u>No prior Voting Record.</u>				
MATERIAL CHANGES	None. This is the first time this financing has been presented to the IFA Board.				
JOBS DATA	<table> <tr> <td>811 (FT & PT) Current jobs</td><td>155 New jobs projected (36 University; 119 private sector)</td></tr> <tr> <td>N/A Retained jobs</td><td>150 peak; 75 average Construction jobs projected (18 -20 months)</td></tr> </table>	811 (FT & PT) Current jobs	155 New jobs projected (36 University; 119 private sector)	N/A Retained jobs	150 peak; 75 average Construction jobs projected (18 -20 months)
811 (FT & PT) Current jobs	155 New jobs projected (36 University; 119 private sector)				
N/A Retained jobs	150 peak; 75 average Construction jobs projected (18 -20 months)				
DESCRIPTION	<ul style="list-style-type: none"> Location: North Chicago/Lake/Northeast Type of Borrowers: (1) Rosalind Franklin University of Medicine & Science, an Illinois not-for-profit corporation and a 501(c)(3) corporation originally founded in 1912 as The Chicago Hospital-College of Medicine, is an affiliate of Rosalind Franklin University Health System. (2) TUFF RFUMS 1 LLC is a special-purpose Georgia limited liability company whose sole member is The University Financing Foundation, Inc. (“TUFF”), a Georgia nonprofit corporation. TUFF formed TUFF RFUMS 1 LLC specifically to develop, finance, and own the Research Building project on behalf of the University. 				
STRUCTURE	<p>Key features of this multi-tranche financing:</p> <ol style="list-style-type: none"> <u>This plan of finance will involve rated bond issues (S&P/Fitch) that will be underwritten by BofA Merrill Lynch for two distinct borrowing entities:</u> (a) the University will be the obligor on the Refunding Bonds (IFA Series 2017A-B Bonds) while (b) the University’s developer for the Research Building (<i>i.e.</i>, TUFF RFUMS 1 LLC) will borrow the proceeds of the IFA Series 2017C-D Bonds. <u>Summary of Development/Finance/Leaseback Agreement on the Research Building:</u> The University will ground lease the site to TUFF RFUMS 1 LLC. TUFF RFUMS 1 LLC will develop and own the Research Building and will enter into a Building Lease Agreement with the University. <i>The Series 2017C-D Project Bonds will be payable solely from amounts paid by the University under a facilities lease with TUFF RFUMS 1 LLC (and any affiliates of TUFF or any assigns thereof).</i> <u>Comments on Bondholder Security and Ratings:</u> applicable to all four series of Bonds – Series 2017A-B-C-D: Furthermore, it is anticipated there will be an Intercreditor Agreement under which the University will pledge all Unrestricted Operating Revenues to secure all four series of Bonds (<i>i.e.</i>, Series 2017A-D) on a Parity Basis. <i>Accordingly, the Series 2017A-D Bonds will be Parity Indebtedness of the University for bondholder security and rating agency purposes.</i> <u>The Series 2017C-D Bondholders (Project Bonds) will also be secured by an Assignment of Leases and Rents between TUFF RFUMS 1 LLC and the Bond Trustee.</u> <i>(Again, the Building Lease will be between the University (as Tenant) and TUFF RFUMS 1 LLC (as Owner) under which the University will be obligated for all lease payments, which are expected to be sufficient to service payments on the Series 2017C-D Bonds.)</i> 				



CONDUIT

Revenue Bonds for the benefit of Rosalind Franklin University of Medicine and Science to be comprised of (I) \$80,000,000 (not-to-exceed) Rosalind Franklin University of Medicine & Science (Series 2017A Tax-Exempt Refunding Bonds and Series 2017B Taxable Bonds) and (II) \$60,000,000 (not-to-exceed) Series 2017C Tax-Exempt Project Bonds and Series 2017D Taxable Project Bonds (Rosalind Franklin University Research Building Project, a project to be developed and owned by TUFF RFUMS 1 LLC, but payable solely by Rosalind Franklin University of Medicine and Science from amounts under a facilities lease)

June 8, 2017

STRUCTURE (CONT'D.)	<div>5. In addition to a Tax-Exempt Bond Series in connection with of the two financings, there will also be a Taxable Bond Series issued in connection with each of the two financings (i.e., Series 2017B and Series 2017D) for the following purposes: (a) the University’s Taxable Series 2017B Bonds will pay termination fees on a non-integrated interest rate swap (associated with the to-be-refunded Series 2003 Bonds), and (b) the “Taxable Leased Units” in the new Research Building that will be financed with proceeds of TUFF RFUMS 1 LLC’s Taxable Series 2017D Bonds and will not be subject to Tax-Exempt Bond proceeds usage requirements.</div> <div>6. Allocated space associated with the Taxable Leased Units (i.e., initially estimated at approximately 35% of the 100,000 SF building space) would then be eligible to be partially refinanced with proceeds of a prospective New Markets Tax Credit (“NMTC”) Financing that would be structured to close subsequent to the anticipated July 2017 closing date for the IFA Series 2017D Bonds).</div> <div>7. <u>Final Maturity Date and Interest Rates:</u> (40-year parameter pursuant to the Bond Resolution). Interest Rates: assume a mix of serial and term bonds to be determined based on market conditions for both the Tax-Exempt Series 2017A/Series 2017C and Taxable Series 2017B/Series 2017D Bonds.</div>																															
CREDIT INDICATORS	<div>● The University has initially applied to both S&P Global Ratings and Fitch Ratings for private long-term ratings in connection with the proposed Series 2017A-B Bonds, which will be a direct general obligation of the University, as well as the Series 2017C-D Project Bonds, which will be payable solely from Unrestricted Operating Revenues of the University pursuant to a Building Lease with TUFF RFUMS 1 LLC (or any other affiliate of TUFF, as previously defined, organized for this purpose). <u>All four series will be rated by S&P and/or Fitch.</u></div> <div>● The Underwriter (BofA Merrill Lynch) anticipates equivalent long-term investment grade ratings on all four series of Bonds.</div>																															
ESTIMATED SOURCES AND USES – ROSALIND FRANKLIN UNIVERSITY - SERIES 2017A-B REFUNDING BONDS – <u>SUBJECT TO CHANGE</u>	<table><tr><td colspan="2">Sources:</td><td colspan="2">Uses:</td></tr><tr><td>Series 2017A Tax-Exempt Refunding Bonds (Series 2003 & 2012)</td><td>\$56,655,000</td><td>Refunding Escrow</td><td>\$58,787,534</td></tr><tr><td>Series 2017B – (Taxable Revenue Bonds) Swap Termination</td><td>7,370,000</td><td>Swap Termination Expenses (Taxable Bond Proceeds)</td><td>7,221,900</td></tr><tr><td>Premium</td><td><u>3,264,934</u></td><td>Costs of Issuance</td><td><u>1,280,500</u></td></tr><tr><td>Total</td><td><u>\$67,289,934</u></td><td>Total</td><td><u>\$67,289,934</u></td></tr></table>				Sources:		Uses:		Series 2017A Tax-Exempt Refunding Bonds (Series 2003 & 2012)	\$56,655,000	Refunding Escrow	\$58,787,534	Series 2017B – (Taxable Revenue Bonds) Swap Termination	7,370,000	Swap Termination Expenses (Taxable Bond Proceeds)	7,221,900	Premium	<u>3,264,934</u>	Costs of Issuance	<u>1,280,500</u>	Total	<u>\$67,289,934</u>	Total	<u>\$67,289,934</u>								
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ESTIMATED SOURCES AND USES – RESEARCH BUILDING PROJECT BONDS - <u>SUBJECT TO CHANGE</u>	<table><tr><td colspan="2">Sources:</td><td colspan="2">Uses:</td></tr><tr><td>Series 2017C – New Money (Tax-Exempt Project Bonds)</td><td>\$30,715,000</td><td>Tax-Exempt Project Fund</td><td>\$28,447,759</td></tr><tr><td>Series 2017D – New Money (Taxable Project Bonds)</td><td>17,170,000</td><td>Taxable Project Fund</td><td>15,318,024</td></tr><tr><td>Premium</td><td><u>1,267,915</u></td><td>Capitalized Interest during Constr.</td><td>4,429,432</td></tr><tr><td></td><td></td><td>Costs of Issuance – Tax-Exempt</td><td>614,300</td></tr><tr><td></td><td></td><td>Costs of Issuance - Taxable</td><td><u>343,400</u></td></tr><tr><td>Total</td><td><u>\$49,152,915</u></td><td>Total</td><td><u>\$49,152,915</u></td></tr></table>				Sources:		Uses:		Series 2017C – New Money (Tax-Exempt Project Bonds)	\$30,715,000	Tax-Exempt Project Fund	\$28,447,759	Series 2017D – New Money (Taxable Project Bonds)	17,170,000	Taxable Project Fund	15,318,024	Premium	<u>1,267,915</u>	Capitalized Interest during Constr.	4,429,432			Costs of Issuance – Tax-Exempt	614,300			Costs of Issuance - Taxable	<u>343,400</u>	Total	<u>\$49,152,915</u>	Total	<u>\$49,152,915</u>
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Total	<u>\$49,152,915</u>	Total	<u>\$49,152,915</u>																													
RECOMMENDATION	Credit Review Committee recommends approval.																															

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 8, 2017**

Project: (I) \$80,000,000 (not-to-exceed) Rosalind Franklin University of Medicine & Science (Series 2017A Tax-Exempt Refunding Bonds and Series 2017B Taxable Bonds) and (II) \$60,000,000 (not-to-exceed) Series 2017C Tax-Exempt Project Bonds and Series 2017D Taxable Project Bonds (Rosalind Franklin University Research Building Project)

STATISTICS

IFA Project:	12394 (New Money - Series C&D)		
	12395 (Refunding- Series A&B)	Amount:	\$140,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	North Chicago	County/	
		Region:	Lake/Northeast

BOARD ACTION

Final Bond Resolution (<i>one-time consideration</i>)	
Conduit 501(c)(3) Revenue Bonds	No IFA funds at risk
Credit Review Committee recommends approval	No extraordinary conditions

VOTING RECORD

None. This is the first time this financing has been presented to the IFA Board.

PURPOSE

The University will be refinancing 100% of the outstanding balances of its Series 2003 and 2012 Bonds with proceeds of IFA Series 2017A Tax-Exempt Refunding Bonds and Series 2017B Taxable Revenue Bonds (the combined not-to-exceed amount of Series 2017A-B Bonds is \$80,000,000). The Series 2017B Taxable Revenue Bonds will pay swap termination fees.

Additionally, the University and TUFF have requested the Authority to issue up to \$60 million of Series 2017C Tax-Exempt Bonds and Series 2017D Taxable Bonds for the purpose of loaning the proceeds thereof to TUFF RFUMS 1 LLC, a special purpose entity created by The University Financing Foundation, Inc., a Georgia corporation. The University and TUFF RFUMS 1 LLC are entering into a Lease Agreement under which the lease payments to service debt on the Series 2017C-D Bonds will solely be the obligation of the University.

To effectuate development of the Research Building (and enable a partial redemption of the Series 2017D Taxable Bonds that will finance a portion of the development costs of the Research Building associated with prospective taxable users), a prospective New Markets Tax Credit financing will be pursued independently and subsequently to closing of the IFA Series 2017C-D Bonds. A New Markets Tax Credit Financing would create forgivable, subordinate debt and accelerate deleveraging of the Research Building Project.

- The University will enter into a 42-year Ground Lease Agreement with **TUFF RUMS 1 LLC**, a Georgia limited liability company of which **The University Financing Foundation, Inc.** (“TUFF”, the “Foundation”, or the “Parent”), a Georgia corporation, is the sole member.
- The University will also enter into a 30-year Building Lease Agreement with the TUFF RUMS 1 LLC (i.e., the Building Lease term will terminate 30 calendar years after the scheduled building completion date (the anticipated completion date will occur in early-to-mid calendar year 2019 (with construction beginning in late calendar year 2017)).

Bondholder security for the Series 2017C-D Research Building Bonds is described on pp. 5-7. Background information on TUFF RFUMS 1 LLC and TUFF is presented on pp. 9-10.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are municipal bonds authorized under the Internal Revenue Code that enable 501(c)(3) corporations to finance capital projects furthering support of their mission. The IFA's issuance of these Bonds will convey federal tax-exempt status on interest paid to bondholders, thereby enabling bondholders to accept a below-market interest rate that is passed through to the borrower.

- The facilities to be refinanced with the proceeds of the Series 2017A-B Bonds are owned and operated by the University and constitute "educational facilities" pursuant to the Illinois Finance Authority Act.
- The Research Building facilities to be financed with proceeds of the Series 2017C-D Project Bonds will be owned by TUFF RFUMS 1 LLC and operated by the University pursuant to a Building Lease and will constitute "industrial projects" or "educational facilities" as defined pursuant to the Illinois Finance Authority Act.

VOLUME CAP

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

FINANCING SUMMARY: Series 2017A-B-C-D Revenue Bonds

(I) Series 2017A Refunding Bonds and Series 2017B Taxable Revenue Bonds and (II) New Money Bonds – Series 2017C Tax-Exempt Project Revenue Bonds and Series 2017D Taxable Project Revenue Bonds

Summary of Parity Bond Structure across the Series 2017A-B-C-D Bonds:

The Bonds will be issued pursuant to four separate Indentures as four separate issues of Bonds but will be secured on a Parity Basis pursuant to an Intercreditor Agreement executed by the bondholders for each of the four series. All bondholders will be secured by the University's pledge of Unrestricted Operating Revenues.

(I) The Series 2017A Tax-Exempt Refunding Revenue Bonds and Series 2017B Taxable Revenue Bonds
(Obligor: Rosalind Franklin University of Medicine and Science)

Structure/
Security:

The plan of finance contemplates the public offering of the Series 2017A-B Bonds, underwritten by **BofA Merrill Lynch** (the "**Underwriter**") and sold on a fixed rate basis. The University is the direct obligor on the Series 2017A-B Bonds. The obligations of the University under the Series 2017A and Series 2017B Loan Agreements are the general obligations of the University payable from a pledge of Unrestricted University Revenues. The University will be refunding the following series of variable rate bonds on a fixed rate basis as a result of this financing (which will be rated by S&P and Fitch as discussed further below):

- The Series 2003 Bonds to be refunded currently bear interest in 7-day Variable Rate Mode and are currently secured by a Direct Pay Letter of Credit from JPMorgan Chase Bank, N.A.
- The Series 2012 Bonds to be refunded are currently held by JPMorgan Chase Bank, N.A. in a Bank Purchase Mode Term.

Underlying
Rating:

The University is currently a nonrated entity but has applied for long-term bond ratings from both S&P and Fitch in connection with the Series 2017A-B Bonds (and debt associated with the Series 2017C-D Bonds as described further below (p. 6)).

The Series 2017 Bonds will be the first time the University has applied for a rating. The University's outstanding bonds are (i) secured by a Bank Letter of Credit (IHFA Series 2003 – IFA Public Board Book (Version 3), Page 59

JPMorgan Chase Bank, N.A. is the Direct Pay LOC Bank) or (ii) directly held by a Bank (IFA Series 2012 – JPMorgan Chase Bank, N.A - purchased directly).

Because of the Series 2017A-B Bonds are being secured by a pledge of the University's Unrestricted Operating Revenues on a Parity Basis with the Series 2017C-D Bonds (discussed below), all four series of 2017 Bonds are expected to be assigned identical ratings by S&P and Fitch.

Interest Rates: Both (i) a Tax-Exempt Series (Series 2017A) and (ii) a Taxable Series (Series 2017B) will be issued. The Bonds will be sold at fixed rates to be determined at pricing.

Maturity: The final maturity date of the Series 2017A Refunding Bonds (Tax-Exempt) is expected to be no later than June 30, 2048 (31 years), while the estimated final maturity date on the Series 2017B Taxable Refunding Bonds (financing the swap termination fees in connection with the Refunding) is June 30, 2025 (8 years – preliminary and subject to change).

In comparison, the current final maturity dates of the Series 2003 Bonds and Series 2012 Bonds that will be refunded are November 1, 2032 (15+ years) and February 1, 2032 (15 years), respectively.

Rationale –
Refunding
Bonds:

The proposed Series 2017 Bonds will extend the final maturity date on the University's existing Bonds by 16 years (i.e., from 2032 to 2048) thereby reducing debt service payments for the University. Additionally, the proposed Refunding Bonds will enable the University to convert all of its outstanding debt (comprised of the Series 2003 and Series 2012 Bonds) from variable interest rates to fixed rates set through maturity. The Refunding Bonds will also eliminate the need for the University to enter into future interest rate hedging agreements (to provide synthetic fixed rates) going forward.

The Refunding Bonds will reduce the University's annual debt service payments associated with its 2003 and 2012 Bonds materially (also reflecting the extension of the final maturity dates from 2032 to 2048), thereby freeing up cash flow that will help enable the University to undertake strategic initiatives, including development and financing of the Research Building (that will be financed with the New Money Series 2013C-D Project Bonds).

Estimated
Closing
Timetable:

July 2017

II – New Money Bonds – Series 2017C (Tax-Exempt) and Series 2017D (Taxable) - Rosalind Franklin University Research Building Project

IFA is issuing the Series 2017C Tax-Exempt Bonds and loaning the proceeds to **TUFF RFUMS 1 LLC**, a special purpose Georgia limited liability company formed by **The University Financing Foundation, Inc. ("TUFF")**, a 501(c)(3) Georgia nonprofit corporation for the purpose of paying the costs of development, construction, and equipping of approximately *65,000 square feet (*preliminary, subject to change) of a 100,000 square foot multi-tenant office, classroom and lab facility (with associated surface parking) to be leased to the University (the "Tax-Exempt Project Facilities") and to pay other financing costs authorized by the Bond Resolution.

IFA is issuing the Series 2017D Taxable Bonds and loaning the proceeds to TUFF RFUMS 1 LLC for the purpose of paying the costs of the development, construction and equipping of the remaining approximately *35,000 square feet (*preliminary, subject to change) (i.e., the "Taxable Project Facilities") and to pay other financing costs authorized by the Bond Resolution.

TUFF RFUMS 1 LLC will develop and own the Research Building and will lease the Research Building to the University pursuant to a Building Lease Agreement.

Research Building Lessee: Rosalind Franklin University of Medicine and Science

Structure/

Security: The plan of finance contemplates the public offering of the Series 2017 C-D Bonds, underwritten by **BofA Merrill Lynch** (the “**Underwriter**”).

Pursuant to the Building Lease, the TUFF RFUMS 1 LLC Series 2017C-D Bondholders will be secured (i) by a collateral assignment of rents and leases (i.e., the Building Lease Payments by the University to TUFF RFUMS 1 LLC) and (ii) a pledge of all Unrestricted University Revenues.

These security provisions will provide the basis on which both S&P and Fitch will rate the Series 2017C-D Bonds (as well as the Series 2017A-B Bonds). Again, all four series of 2017A-B-C-D Bonds will be secured by a Pledge of the University’s Unrestricted Operating Revenues on a Parity Basis.

Underlying

Rating: **Because of the Series 2017C-D Bonds are being secured by a Pledge of the University’s Unrestricted Operating Revenues on a Parity Basis with the Series 2017A-B Bonds (as further evidenced by an Intercreditor Agreement executed by the holders of all four series of 2017 Bonds), all four series of 2017 Bonds are expected to be assigned identical ratings by S&P and Fitch.**

Special Redemption
Provisions to Enable
Subsequent NMTC
Transaction for Research
Building Project -
Series 2017D

Bonds: There will be redemption provisions included in the Taxable Series 2017D Bonds Trust Indenture that will enable a possible partial refinancing of the IFA Series 2017D Bonds with subordinate debt created through a subsequent New Markets Tax Credit (“NMTC”) transaction (if pursued as now contemplated). Rationale for pursuing a New Markets financing: The University and TUFF are planning to seek an allocation of New Markets Tax Credits to further support this financing.

A subsequent New Markets Tax Credit financing could enable the University to refinance a portion of any outstanding Taxable Series 2017D Bonds under more favorable terms (and, prospectively, with forgivable subordinate debt).

Interest Rate: Both (i) a Tax-Exempt Series (Series 2017C) and (ii) a Taxable Series (Series 2017D) will be issued. The Bonds will be sold at fixed rates to be determined at pricing.

Maturity: The not-to-exceed parameter for the Bond maturity will be 40 years. (Estimated final maturities for the Series 2017C-D Bonds are for 30 years following completion of the Project.)

Rationale – New

Money Bonds: The Series 2017C Tax-Exempt Bonds will benefit the University by financing the Tax-Exempt Units in the Research Building (to be used by qualified governmental and 501(c)(3) tenants) and finance an estimated 65% of the Research Building facility.

The New Money Bonds will enable the University to construct a new Research Building with proceeds of the Series 2017C-D Bonds, thereby enabling the University to attain a long-term strategic initiative.

The financing structure will enable a prospective **New Markets Tax Credit** (“NMTC”) financing to refinance a portion of the IFA Taxable Series 2017D Bonds, thereby providing additional

flexibility to the University to finance under the most favorable terms available (while enabling the Series 2017D Bonds to be priced at today's interest rates).

A subsequent NMTC financing could potentially (i) reduce the dollar amount of senior bond financed debt on the Research Building while (ii) creating subordinate debt at favorable terms that could essentially be forgiven upon expiration of the 7-year New Markets Tax Credit compliance period.

Estimated
Closing
Timetable: July 2017

**BUSINESS SUMMARY – Part I – Rosalind Franklin University of Medicine & Science
(the Obligor on the IFA Series 2017A-B Refunding Bonds)**

Background –
University:

Rosalind Franklin University of Medicine & Science (“RFUMS”, the “**University**” or the “**Refunding Borrower**”) is an Illinois not-for-profit corporation and is a 501(c)(3) corporation originally founded in 1912 as The Chicago Hospital-College of Medicine (and, subsequently renamed the Chicago Medical School).

The University is governed by a Board of Trustees that is presently composed of 23 members (see Economic Disclosure Statement section on p. 11 for the 2016-2017 board listing).

Description –
University:

Rosalind Franklin University of Medicine and Science is a private research university with approximately 2,000 students enrolled in five colleges on a campus located in North Chicago, IL.

The University's campus consists of 22 buildings, three classroom, lab, and office buildings, one health clinic building, three residence halls, and 15 buildings donated to Rosalind Franklin by the Veterans Administration (“VA”). The University has 89 acres of deeded land in the city of North Chicago, IL, directly adjacent to the Lovell Federal (VA) Health Center and the Great Lakes Naval Base. The University also owns eleven additional acres south of the campus on which the University's Health Clinic building is situated.

History –
University:

Founded in 1911 and completing its first year of instruction in 1912, RFUMS began as The Chicago Hospital-College of Medicine (and later renamed the Chicago Medical School). Operations have grown to include the Dr. William M. Scholl College of Podiatric Medicine, the College of Health Professions, the School of Graduate and Post Doctorate Studies, and the College of Pharmacy.

The University was founded on a vision that the medical profession should be open to all people, including women, African Americans, and the working class. Admission would be based solely on academic merit and not be restrictive or exclusionary in any way.

Key Events since 1980 - University:

- In 1980, capitalizing on an opportunity to partner with the Veteran's Administration (VA) and the Department of Defense, the University relocated from downtown Chicago to North Chicago, IL on approximately 90 acres of land leased from and adjacent to the North Chicago VA facility and Great Lakes Naval Station.
- In 1993, the University was renamed the Herman M. Finch University of Health Sciences (“Finch University”).
- In 2002, Finch University and the Scholl School of Podiatric Medicine merged under the Finch name and Scholl moved from Chicago to Finch's North Chicago campus.

- In 2004, the University was again renamed Rosalind Franklin University of Medicine and Science upon completion of a 140,000 SF addition (laboratories; classrooms; auditoriums) along with construction of 3 new student housing facilities.
- In 2011, the University created a College of Pharmacy and expanded again, building the 23,000 SF Morningstar Interprofessional Education Center.
- In 2013, the University opened its new, 73,000 SF Rothstein-Warden Centennial Learning Center. This facility eventually became home to a new, joint nursing program with DePaul University, under which DePaul expanded its Master's Entry into Nursing Practice degree program at Rosalind Franklin's North Chicago campus.
- In 2016, the University entered into an agreement with Centegra Health Systems to open a branch campus in Huntley, Illinois, adjacent to Centegra Huntley Hospital in 30,000 SF of leased space.

The mission of RFUMS is to serve the nation through the education of health and biomedical professionals and the discovery of knowledge dedicated to improving professional education, community service, and research.

Instruction, Medical Research, and Patient Care: An overview of the University's core activities follows below.

Instruction - The primary purpose of the University is to educate and train medical and other healthcare professionals. The University's students are each seeking advanced degrees and professional training (and enrolling in Master's or Doctoral programs).

The University currently offers over 30 study programs in graduate health-related subjects including Ph.D. programs for medical and basic research. Facilities include a multi-media laboratory, a virtual microscopy lab, a simulation center gross anatomy lab, and the Education and Evaluation Center, with high-tech opportunities for education and research.

Research - A core component of the University's mission is the discovery of knowledge dedicated to improving the health of the general population. In addition to instruction, many University faculty members are engaged in both University-funded and externally funded research projects. Primary areas of research include Viral Oncology; Neuroscience of Addiction; Alzheimer's, Parkinson's, and Huntington's Diseases; Drug Discovery – Cystic Fibrosis; Genetic Diseases; Immunology/Inflammation; Gait, Fall Prevention, Balance; and Reproductive Immunology.

The University owns 22 patents, 17 awarded in the last five years, and 11 in the past two years. An additional 17 filed patents are pending in the U.S. while 13 foreign patents are pending.

Start-up Ventures: The University's researchers have attracted investors and created four new start-up companies to help in moving from bench research to clinical research in the last three years.

Collaborative Research with academic institutions, healthcare entities, and for-profits (biomedical research and pharmaceutical companies): The University undertakes collaborative research with several institutions headquartered in Illinois including: DePaul University (Chicago), Northern Illinois University (DeKalb), Lovell Federal Healthcare Facility (North Chicago), Advocate Lutheran General Hospital (Park Ridge), AbbVie (North Chicago), or with substantial operations in Lake County, Illinois including: Hollister (HQ – New Albany, OH), Lundbeck (HQ - Copenhagen, Denmark), and other national and international companies: Mochida Pharmaceuticals (HQ – Tokyo, Japan); Ionis Pharmaceuticals (HQ – Carlsbad, CA), and Ironwood Pharmaceuticals (HQ - Cambridge, MA).

Patient Care - The University utilizes existing laboratory facilities and personnel to process lab tests for reproductive immunology. Specimens are originated from the Rosalind Franklin University Health System and through outside clinics, private physicians, and diagnostic centers. Annual testing volume averages approximately 68,000 cases.

The *Scholl Foot and Ankle Center* at the Rosalind Franklin University Health System is a fully functioning podiatry clinic that also serves as a training facility for students from the Dr. William M. Scholl College of Podiatric Medicine.

Enrollment – All Instruction Programs:

<u>RFU Enrollment - All Colleges (FYE June 30)</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017 (@ 12/31/2016)</u>
Total Active Enrollment	1,856	1,985	2,021	2,030	2,009

The majority of the net enrollment increase reported above (from 1,856 in 2013 to 2,009 currently) has reflected enrollment growth in the College of Pharmacy (from 136 in 2013 to 271 currently) and the School of Health Professions (from 547 in 2013 to 609 currently). These increases were partially offset by declines associated with the Chicago Medical School (from 763 to 747), the School of Graduate and Postdoctoral Studies (from 36 to 29), and the Scholl College of Podiatric Medicine (from 374 to 353).

BUSINESS SUMMARY – Part II – TUFF/RFUMS 1 LLC and The University Financing Foundation, Inc. (or “TUFF”) – the Developer and Owner of the Rosalind Franklin University Research Building Project financed with the Series 2017C-D Project Bonds)

Background on TUFF – Parent
Entity of TUFF RFUMS 1 LLC
- Developer / Owner
of the Research

Building Project: **The University Financing Foundation, Inc. (“TUFF” or the “Parent”)** is the sole member of **TUFF RFUMS 1 LLC**. TUFF RFUMS 1 LLC is the sole obligor/borrower under the loan agreements relating to the proposed IFA Series 2017C-D Project Bonds for the Research Building. TUFF will not be responsible for payments due under either Loan Agreement relating to the Series 2017C-D Project Bonds.

TUFF was incorporated on May 11, 1982, as Georgia Scientific and Technical Research Foundation, Inc. and received a determination letter dated August 30, 1983, from the Internal Revenue Service recognizing TUFF as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (as successor to the Internal Revenue Code of 1954) (the “Code”), exempt from taxation under Section 501(a) of the Code.

TUFF and its wholly-owned limited liability companies have financed 25 major facilities (comprising over 2,700,000 square feet) and various equipment using tax-exempt and taxable bonds and other financing structures totaling approximately \$1,023,000,000 (including refinanced debt) – a total of 43 financing events. Facilities previously financed by TUFF and its affiliates include the following facilities at various college and university campuses:

- a major research building for Georgia Tech consisting of approximately 200,000 square feet of office and laboratory space;
- a 52-acre campus with approximately 160,000 square feet of office and laboratory space (acquired in the early 1980s and renovated in 2010) for Georgia Tech located in Cobb County, Georgia;
- a more than 21,000 square foot music performance hall and a two-building home for the School of Music at Georgia State University;
- a 166,000 square foot continuing education center for Kennesaw State University;
- student housing facilities for Savannah State University (660 beds), the University of Tennessee at Chattanooga (462 beds), Georgia State University in Atlanta (499 beds) and Morehouse College (375 beds) in Atlanta;
- a 120,000 square foot classroom facility for Gwinnett University Center;
- a central utility plant servicing over 30 buildings for Clark Atlanta University and Spelman College;
- a 25,000 square foot classroom and office facility for Savannah Technical College;
- the 218,000 square foot Technology Square Research Building (formerly known as the Yamacraw Design Center), an academic classroom and research building for Georgia Tech;

- two buildings totaling 96,000 square feet in Savannah, Georgia utilized by Georgia Tech as part of its School of Professional Education; and
- various facilities (totaling approximately 335,000 square feet) on the campus of Florida Institute of Technology, located in Melbourne, Florida.

Additionally, since 1993, TUFF has made loans of over \$56,000,000 to finance equipment purchases and working capital, and to provide interim financing for land, construction and infrastructure improvements, to approximately two dozen colleges and universities in Alabama, California, the District of Columbia, Florida, Georgia, Massachusetts, North Carolina, Ohio, Pennsylvania, South Carolina, Texas and Utah.

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Rosalind Franklin University of Medicine and Science, an Illinois not for profit corporation, has requested the Authority to issue multiple series of revenue bonds (the “**Bonds**”), in an aggregate principal amount not to exceed \$140,000,000. The proceeds of the Bonds will be used to (i) currently refund all of the outstanding \$57,500,000 original principal amount Illinois Health Facilities Authority Variable Rate Demand Revenue Bonds, Series 2003 (Herman M. Finch University of Health Sciences/The Chicago Medical School) (the “**Series 2003 Bonds**”); (ii) currently refund all of the outstanding \$15,500,000 original principal amount Illinois Finance Authority Revenue Bonds, Series 2012 (Rosalind Franklin University of Medicine and Science Project) (the “**Series 2012 Bonds**” and, together with the Series 2003 Bonds, the “**Prior Bonds**”); (iii) make a payment resulting from the termination of an interest rate agreement related to the Prior Bonds; (iv) pay certain costs, including capitalized interest, if any, of acquiring, constructing, renovating, improving, furnishing and equipping an approximately four-story, 100,000 square foot research facility (the “**Research Building**”) to be located on the University’s main campus having the address commonly known as 3333 Green Bay Road in North Chicago, Illinois; (v) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the University; (vi) fund one or more debt service reserve funds, if deemed necessary or advisable by the Authority or the University; (vii) provide working capital, if deemed necessary or advisable by the Authority or the University; and (viii) pay certain expenses incurred in connection with the issuance of the Series 2017 Bonds (as hereinafter defined) and the refunding of the Prior Bonds, all as permitted by the Act (collectively, the “**Financing Purposes**”).

Note on Resolution Parameters vs. Initial Sizing Estimates: the \$140 million not-to-exceed amount (comprised of \$80 million of Refunding Bonds and \$60 million of New Money Bonds) is a not-to-exceed parameter. Based on preliminary estimates (May 2017), the estimated Refunding Bond issuance is approximately \$64.1 million while the estimated New Money Bond proceeds total approximately \$47.9 million.

ECONOMIC DISCLOSURE STATEMENT

Applicants/

Obligors:

IFA Series 2017A-B Refunding Bonds:

Rosalind Franklin University of Medicine & Science, 3333 Green Bay Road, North Chicago, IL 60030 (c/o Mr. John Nylen, Vice President of Finance and Administration, 847-578-3252; john.nylen@rosalindfranklin.edu). Note: the University will be the tenant on the Series 2017C-D Bonds and will pledge all Unrestricted Operating Revenues to cover its underlying lease payments due to TUFF RFUMS 1 LLC to service debt on the Series 2017C-D Bonds.

Project Owner of the Rosalind Franklin University Research Building Project:

TUFF RFUMS 1 LLC, c/o The University Financing Foundation, Inc. (“TUFF”), 75 5th Street, NW, Suite 105, Atlanta, GA 30308; (404) 214-9200 (Contact: Kevin T. Byrne, President)

Applicants’

Websites:

(1) www.rosalindfranklin.edu and (2) www.tuff.org

Project

Names – 2

Financings: (1) Rosalind Franklin University Series 2017A Refunding Bonds and Series 2017B Taxable (Swap Termination) Revenue Bonds; (2) Rosalind Franklin University Research Building Project (Series 2017 C Tax-Exempt Revenue Bonds and Series 2017D Taxable Revenue Bonds)

Location: (1) Rosalind Franklin's North Chicago campus (Refunding Bonds) and (2) the new Rosalind Franklin University Research Building at 3333 Green Bay Road, North Chicago (Lake County), IL 60030

Organizations: (1) The Borrower on the Series 2017A-B Bonds, Rosalind Franklin University, is a 501(c)(3) Illinois Not-for-Profit Corporation
(2) The Developer/Owner of the Rosalind Franklin Research Building Project, TUFF RFUMS 1 LLC, is a Georgia limited liability company (and its Parent (i.e., The University Financing Foundation, Inc.) is a 501(c)(3) Georgia nonprofit corporation).

Board of

Trustees –

University: (1) **Rosalind Franklin University of Medicine & Science – Board of Trustees: 2016-2017**

Name	Term	Position/Affiliation
Gail L. Warden, MHA (Board Chair)	2017	President Emeritus Henry Ford Health System
Frank H. Mynard (Vice Chair & Treasurer)	2017	EVP North Shore Trust & Savings (Wintrust)
Sandra Bruce, MHA	2026	Retired President & CEO Presence Health
Lawyer L. Burks III, MBA, CPIM	2025	Vice President, Medical Products ITW
Judith Potashkin (Faculty)	2020	Professor of Cellular and Molecular Pharmacology
Allan Cohen, MBA, PhD	2026	Retired Investment Executive
Cheryl Kraff-Cooper, MD (Alumni)	2023	Practicing Ophthalmologist
Elizabeth Coulson, PT, MBA (Alumni)	2023	Former Illinois State Legislator, PT Chair
A. Michael Drachler, MD (Alumni)	2017	Practicing OB/Gyn Physician
Michael C. Foltz, JD, CPA, CFP	2021	Wealth Manager, Estate Planner
Sarah Garber, PhD (Faculty)	2019	Professor of Pharmaceutical Sciences
Vanessa Rose (Student Trustee)	2017	University Student Representative
Jack W. Hutter, DPM	2018	Practicing Podiatrist
David Leach, MD	2019	Retired CEO ACGME
Thomas G. Moore, PharmD, CFA	2021	Past President Hospira USA
Franklin D. Pratt, MD, MPHTM (Alumni)	2018	Medical Director LA County Public Health
Alan Weinstein, MBA	2024	Founder, Premier Health Alliance
Pamela Scholl (Scholl Family)	No Term	Chairman & President Scholl Foundation
Rosalind Franklin, CPCC ACC (Franklin Family)	No Term	Executive Coach
K. Michael Welch, MB, ChB (President and CEO)	No Term	University President and CEO

Board of Trustees –
TUFF RFUMS 1
LLC:

(2) TUFF RFUMS 1 LLC – Developer/Owner of the Rosalind Franklin University Research Building Project: the sole member of TUFF RFUMS 1 LLC is The University Financing Foundation, Inc. of Atlanta, GA. **Current Board Members of The University Financing Foundation, Inc. include:**

- **Thomas Ventulett, Director, Chairman of Board of Directors.** One of the founding principals of Thompson, Ventulett Stainback & Associates, Inc., Tom Ventulett is Chairman Emeritus of the Board of Directors. Since the firm's inception in 1968, TVS has been honored with over 200 design awards including a National AIA Honor Award for McCormick Place in Chicago and Honor Award - Urban Design for the Pennsylvania Convention Center in Philadelphia. He is also a Trustee of the Georgia Tech Foundation. Mr. Ventulett has served as Director and Chairman of The University Financing Foundation Board since October of 2009.
- **Thomas H. Hall, III, Chief Executive Officer, Director.** The University Financing Foundation was co-founded in 1982 by Tom Hall with the goal of assisting colleges and universities in acquiring facilities, and equipment, through conduit tax-exempt bond financing. Mr. Hall worked with Georgia Tech and its Foundation in the formation of Technology Park / Atlanta and later served as the Foundation's Vice President and Director before joining White, Weld & Co., a brokerage and investment banking firm. In 1981, Tom joined Korn/Ferry, an international executive search firm, where he served as Managing Director with responsibilities for the Southeastern Region. Mr. Hall serves on the Georgia Tech Foundation, and is a past Trustee of the Georgia Tech Alumni Association and the Georgia Tech Facilities Corporation.
- **David M. McKenney, Director.** *Director* earned BS Physics and BIE degrees from Georgia Tech in 1960 and 1964, around a three-year stint as an officer in the Marine Corps. He spent eight years as a sales engineer and account executive with the Trane Company, during which time he earned an MBA from Georgia State University. In 1972 he joined his family's mechanical contracting firm, McKenney's, Inc., as vice president. He became President and CEO in late 1973 and for the next 36 years led that company's growth from approximately \$5 million and 100 employees to over \$200 million and 800 employees, becoming one of the largest privately held mechanical contracting and engineering firms in the U.S. Mr. McKenney has served as president of the Georgia Tech Alumni Association, a member of the Board of Georgia Tech Facilities and the Georgia Tech Foundation, and has served on the board of Bobby Dodd Institute for over 20 years as well as a trustee of two Taft-Hartley pension funds for over 30 years. Mr. McKenney serves as Chair of the TUFF's Audit and Finance Committees.
- **A.J. Robinson, Director.** A.J. Robinson is the President of Central Atlanta Progress (CAP) and the Atlanta Downtown Improvement District (ADID). CAP is a private business association founded in 1941, and it remains one of the most effective advocacy organizations in the city of Atlanta. Mr. Robinson was formerly the President of Portman Holdings. During his 22-year career with Portman, he managed the operations of the multi-dimensional real estate company, which had offices in Atlanta, Charlotte, Shanghai and Warsaw. Earning a Bachelor's Degree in Business Administration in 1977 from Emory University, Mr. Robinson furthered his education and, in 1980, graduated from the Harvard School of Business with Master's Degree in Business Administration. Mr. Robinson joined TUFF's Board in 2011. He serves as Chair of the Board's Compensation Committee

PROFESSIONAL & FINANCIAL

Auditors:	Crowe Horwath (for RFU) Winham Brannon, P.C. (for TUFF)	Chicago, IL Atlanta, GA	
Borrower's Counsel to Rosalind Franklin Univ.:	Katten Muchin Rosenman LLP	Chicago, IL	Janet Hoffman Chad Doobay Redentor Magcalas
Borrower's Counsel to TUFF RFUMS 1 LLC:	Murray Barnes Finister LLP	Atlanta, GA	Teresa P. Finister
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Dan Bacastow Amy Cobb Curran Nancy Burke
Underwriter:	BofA Merrill Lynch	Philadelphia, PA	H. Jay Bellwoar Ted O. Matozzo Brian Fitzpatrick
Underwriter's Counsel:	Eichner Norris & Neumann PLLC	Washington, D.C.	Wade Norris Ryan George David Ferrell
Trustee:	U.S. Bank, National Association	Atlanta, GA	David Williams
Trustee's Counsel:	Butler Snow LLP	Atlanta, GA	Joanne Ferrigan
Rating Agencies:	Fitch Ratings	New York, NY	Susan Carlson
	S&P Global Ratings	Chicago, IL	Jessica Wood Jamie Seman
Borrower's Consultant (Real Estate):	HSA Commercial Real Estate, Inc.	Chicago, IL	Robert L. Titzer
Borrower's Counsel (Real Estate):	Knabe, Kroning & Bedell	Chicago, IL	Robert M. Knabe Linda J. Kroning
New Markets Tax Credit Counsel to TUFF:	Kantor Taylor Nelson Evatt & Decinca, P.C.	Seattle, WA	Tom Nelson
Real Estate Counsel to TUFF:	Morris Manning & Martin LLP	Atlanta, GA	Andrew Williams
Architect (<u>Note - preliminary services</u> <u>only: Architect</u> <u>not yet engaged:</u>	TVS Design	Atlanta, GA	Rob O'Keefe
General Contractor (<u>Note - preliminary services</u> <u>only: GC not yet engaged:</u>	G3 Construction Group	Willowbrook, IL	Matt Guidarelli
IFA Counsel:	Greenberg Traurig, LLP	Chicago, IL	Matt Lewin
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe Selden

LEGISLATIVE DISTRICTS

Congressional:	10
State Senate:	29
State House:	58

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: June 8, 2017

Re: Resolution Authorizing the Issuance of Not to Exceed \$32,500,000 Principal Amount Illinois Finance Authority Revenue Refunding Bonds, Series 2017 (Erikson Institute); Authorizing the Execution and Delivery of One or More Bond and Loan Agreements, a Tax Exemption Certificate and Agreement and Related Documents; and Approving Related Matters

IFA Series 2017 File Number: 12393

Request:

Erikson Institute, an Illinois not-for-profit corporation (the “**Institute**” or the “**Borrower**”) and **The Northern Trust Co.** (the “**2017A Purchaser**”), as well as **First Midwest Bank, N.A.** (the “**2017B Purchaser**” and, together with the 2017A Purchaser, the “**Series 2017 Purchasers**”), are requesting approval of a Resolution to authorize execution and delivery of one or more Bond and Loan Agreements and related documents to effectuate the refinancing of the outstanding principal amount of the Illinois Finance Authority Adjustable Rate Demand Educational Facility Revenue Bonds (Erikson Institute Project), Series 2007 (the “**Series 2007 Bonds**”) which were issued in the original aggregate principal amount of \$32,500,000.

The Series 2007 Bonds are currently secured by a Direct Pay Letter of Credit (“**LOC**”) issued by Bank of America, N.A. which otherwise expires November 2017. It is anticipated that The Northern Trust Co. will purchase the contemplated Series 2017A Bond issued by the Authority in an expected amount of \$20,000,000 while First Midwest Bank, N.A. will purchase the contemplated Series 2017B Bond issued by the Authority in an expected amount of \$10,860,000. The anticipated not to exceed amount of \$32,500,000 would fully fund redemption of the Series 2007 Bonds and potentially finance costs of issuance.

This transaction will be considered a refunding for tax purposes. Bond counsel has determined that a new public hearing on the project (i.e., a “**TEFRA Hearing**” as defined under the Internal Revenue Code of 1986, as amended) will be necessary. IFA’s estimated administrative fee will be \$51,720.

Impact:

Adoption of the accompanying Resolution will enable the Borrower to switch from a Direct Pay LOC-secured structure to a new Bank Direct Purchase bond structure, while also streamlining covenants on existing indebtedness (including the IFA Series 2007 Bonds). As proposed, the Series 2017A Bond and Series 2017B Bond will be issued at a variable rate (based on LIBOR) for an initial term of 5 years.

Background:

The Institute used proceeds of the IFA Series 2007 Bonds to (i) finance or refinance costs of the acquisition, build out and equipping of approximately 75,000 square feet of space on four floors of a 10-story building located at 451 North LaSalle Street, Chicago, Illinois, to be owned by the Institute and used as a graduate school for the education of childhood development professionals, as well as clinical space and space for related student and learning activities (the “**Project**”), (ii) pay interest on the Series 2007 Bonds, and (iii) pay certain costs of issuance of the Series 2007 Bonds.

All payments relating to the Authority’s Series 2007 Bonds are current as of 6/1/2017 and have been paid as scheduled.

ECONOMIC DISCLOSURE STATEMENT

Board of

Trustees: The Institute's Board of Trustees provides constant stewardship and fundraising support that enables Erikson to maintain its reputation as a premier institution of higher education, and is comprised of the following members:

Executive Officers

Michelle L. Collins, Chair
President, Cambium, L.L.C.
John L. Hines, Jr., Vice Chair
Partner, Clark Hill PLC
Edward S. Loeb, Treasurer
Partner, Port Capital, L.L.C.
Ashley Hemphill Netzky, Secretary
Civic Leader

Life Trustees

Virginia Bobins
T. Berry Brazelton, M.D.
Bruce Huey
John W. McNulty
James J. Roche
Scott Steffens
Patty Walsh
Bernice Weissbourd
Susan Wislow
Sheri B. Zuckerman

Members of the Board

Catherine M. Adduci
President of the Board, Village of River Forest
Eric Adelstein
Partner, AL Media
Melanie Barnes
Senior Manager, Grant Thornton
Barbara T. Bowman
Professor, Erikson Institute
Ikram Goldman
President, ikram
Sabrina Gracias
Director of Investor Relations, Valor Equity Partners
Steve Gradman
Vice President and General Manager, Becker Professional Education
Toby Herr
Director, Project Match
Lewis S. Ingall
Senior Managing Director, Heitman
Lori Laser
Mindfulness Expert
Mitchell J. Lederer
Partner, Brand Capital, L.L.C.
Shirley R. Madigan
Chair, Illinois Arts Council
Sarah Mangelsdorf
Provost and Vice Chancellor for Academic Affairs, University of Wisconsin-Madison

Judith K. McCaskey
Civic Leader
Diane Goldstick Meagher
President, Diane Meagher Events, Inc.
Kate Neisser
Civic Leader
Kathy Richland Pick
Owner, Kathy Richland Photography
Clare M. Pinkert
General Counsel, The Schatz Companies
Cari B. Sacks
Civic Leader
Joy Segal
Civic Leader
Elenne Song
Civic Leader
Jenni Sorenson
Community Resource Director, Lincoln Park Preschool & Kindergarten
Sara Crown Star
Henry Crown and Company
Sandra Perez Sterling
Civic Leader
Susan Stone
General Counsel, March, Guy Carpenter
Eve M. Tyree
Civic Leader
Adrienne White-Faines
Executive Director, American Osteopathic Association

PROFESSIONAL & FINANCIAL

Borrower's Advisor:	Longhouse Capital Advisors	La Grange Park, IL	Lindsay Wall Michael Boisvert
Borrower's Counsel:	Greenberg Traurig LLP	Chicago, IL	Matt Lewin
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Nancy Burke Leslie Cornell
2017A Bond Purchaser:	The Northern Trust Co.	Chicago, IL	Rob Clarke
2017B Bond Purchaser:	First Midwest Bank, N.A.	Chicago, IL	Kyle Freimuth Bill Tripp
Bank Counsel:	Dentons US LLP	Chicago, IL	Mary Wilson Daniel Marino
Disbursement Agent:	Amalgamated Bank of Chicago	Chicago, IL	Michele Martello
IFA Counsel:	Kutak Rock LLP	Chicago, IL	Ray Fricke
IFA Financial Advisor:	Sycamore Advisors, LLC	Chicago, IL	Diana Hamilton Courtney Tobin

RESOLUTION NO. 2017-0608-AD03

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$32,500,000 PRINCIPAL AMOUNT ILLINOIS FINANCE AUTHORITY REVENUE REFUNDING BONDS, SERIES 2017 (ERIKSON INSTITUTE); AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE BOND AND LOAN AGREEMENTS, 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 "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 Demand Educational Facility Revenue Bonds (Erikson Institute Project), Series 2007 in the original aggregate principal amount of \$32,500,000, \$30,500,000 of which remain outstanding (the "Series 2007 Bonds"); and

WHEREAS, the proceeds from the sale of the Series 2007 Bonds were loaned to Erikson Institute, an Illinois not for profit corporation (the "Corporation"), pursuant to a

Loan Agreement, dated as of December 1, 2007, between the Authority and the Corporation; and

WHEREAS, the Corporation used proceeds of the Series 2007 Bonds to (i) finance or refinance costs of the acquisition, build out and equipping of approximately 75,000 square feet of space on four floors of a 10-story building located at 451 North LaSalle Street, Chicago, Illinois, owned by the Corporation and used for a graduate school for the education of childhood development professionals, as well as clinical space and space for related student and learning activities, (ii) pay interest on the Series 2007 Bonds and (iii) pay certain costs of issuance of the Series 2007 Bonds, all as permitted under the Act; and

WHEREAS, the Corporation has requested that the Authority issue its Illinois Finance Authority Revenue Refunding Bond, Series 2017A (Erikson Institute) (the “Series 2017A Bond”) and its Illinois Finance Authority Revenue Refunding Bond, Series 2017B (Erikson Institute) (the “Series 2017B Bond” and, collectively with the Series 2017A Bond, the “Series 2017 Bonds”) in aggregate principal amount not to exceed \$32,500,000,

WHEREAS, the Authority will issue the Series 2017A Bond and loan the proceeds from the sale thereof to the Corporation pursuant to a Bond and Loan Agreement (the “2017A Bond and Loan Agreement”) among the Authority, the Corporation and The Northern Trust Company, as purchaser (the “2017A Purchaser”); and

WHEREAS, the Authority will issue the Series 2017B Bond and loan the proceeds from the sale thereof to the Corporation pursuant to a Bond and Loan Agreement (the “2017B Bond and Loan Agreement” and, together with the 2017A Bond and Loan Agreement, the “Bond and Loan Agreements”) among the Authority, the Corporation and First Midwest Bank, as purchaser (the “2017B Purchaser” and, together with the 2017A Purchaser, the “Series 2017 Purchasers”); and

WHEREAS, the Corporation will apply the proceeds from the sale of the Series 2017 Bonds to (i) refund and redeem all or a portion of the outstanding Series 2007 Bonds, (ii) pay a portion of the interest on the Series 2017 Bonds, if deemed necessary or advisable by the Authority or the Corporation, (iii) pay fees relating to the termination or novation of an interest rate hedge agreement relating to the Series 2007 Bonds, if deemed necessary or advisable by the Authority or the Corporation, and (iv) to pay certain costs of issuing the Series 2017 Bonds, all as permitted under the Act (collectively, the “Financing Purposes”); and

WHEREAS, in furtherance of the purposes set forth in the Act, the Authority wishes to issue each series of the Series 2017 Bonds and loan the proceeds from the sale thereof to the Corporation pursuant to the related Bond and Loan Agreement in order to carry out the Financing Purposes; and

WHEREAS, each series of the Series 2017 Bonds and the obligation to pay principal, premium, if any, and interest thereon will be special, limited obligations of the

Authority, payable solely out of the revenues and income derived from the related Bond and Loan Agreement; the Series 2017 Bonds 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 Series 2017 Purchasers nor any future owner of the Series 2017 Bonds 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 2017 Bonds; and

WHEREAS, in connection with the issuance of the Series 2017A Bond, the Corporation and the 2017A Purchaser will execute and deliver a Continuing Covenant Agreement containing, among other provisions, certain additional covenants to be made by the Corporation to the 2017A Purchaser; and

WHEREAS, in connection with the issuance of the Series 2017B Bond, the Corporation and the 2017B Purchaser will execute and deliver a Continuing Covenant Agreement containing, among other provisions, certain additional covenants to be made by the Corporation to the 2017B Purchaser; and

WHEREAS, in connection with the issuance of the Series 2017 Bonds, it is now necessary and proper to authorize the execution and delivery of (i) the 2017A Bond and Loan Agreement, (ii) the 2017B Bond and Loan Agreement, (iii) one or more Tax Exemption Certificate and Agreements (the "Tax Agreement(s)" and, collectively with the Bond and Loan Agreements, the "Authority Documents") between the Authority and the Corporation and (iv) the Other Documents (as hereinafter defined); and

WHEREAS, pursuant to the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended, a public hearing on the proposed plan of financing for the Financing Purposes, and the issuance of the Series 2017 Bonds was or will be held by the Executive Director of the Authority, or his designee, prior to the approval by the Governor of the State of Illinois of the financing of the Financing Purposes, through the issuance of the Series 2017 Bonds; and

WHEREAS, the Authority has caused to be prepared and presented to its members a form of the Bond and Loan Agreements, including a form of the Series 2017 Bonds 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. Findings. That based upon the representations of the Corporation, the Authority hereby makes the following findings and determinations with respect to the

Corporation, the Series 2017 Bonds to be issued by the Authority and the facilities to be refinanced with the proceeds of the Series 2017 Bonds:

- (a) the Corporation is a not for profit corporation organized under the laws of the State of Illinois and is qualified to do business in the State of Illinois;
- (b) the Corporation is a “private institution of higher education” (as defined in the Act);
- (c) the Corporation has properly filed with the Authority its request for assistance in providing funds to the Corporation and the funds will be used for the Financing Purposes, and the facilities refinanced with the proceeds of the Series 2017 Bonds are owned and operated by the Corporation and such facilities are included within the term “project” as defined in the Act;
- (d) the Series 2007 Bonds to be refinanced with the proceeds of the Series 2017 Bonds were issued for purposes which constitute valid purposes under the Act, all of the proceeds of such indebtedness made available to the Corporation were expended to pay, or refinance indebtedness the proceeds of which were expended to pay, a portion of the cost of a “project” (as defined in the Act) owned or operated by the Corporation, such refinancing is in the public interest, is in connection with other financings by the Authority for the Corporation and is permitted and authorized under the Act; and
- (e) the Series 2017 Bonds are being issued for a valid purpose under and in accordance with the provisions of the Act.

Section 3. Approval of Financing. That issuance of each series of the Series 2017 Bonds and the use of the proceeds from the sale thereof to carry out the Financing Purposes, in accordance with the terms of the related Bond and Loan Agreement, is hereby authorized and approved and is in furtherance of the public purposes set forth in the Act.

Section 4. Series 2017 Bonds. That, in order to provide funds to carry out the Financing Purposes, the Authority hereby authorizes and approves the issuance of the Series 2017 Bonds. The Series 2017A Bond shall be designated the “Illinois Finance Authority Revenue Refunding Bond, Series 2017A (Erikson Institute)” and the Series 2017B Bond shall be designated the “Illinois Finance Authority Revenue Refunding Bond, Series 2017B (Erikson Institute)”. The aggregate principal amount of the Series 2017 Bonds that may be outstanding shall not exceed \$32,500,000; that the form of the Series 2017 Bonds now before the Authority, subject to appropriate insertions and revisions in order to comply with the provisions of the related Bond and Loan Agreement, be, and the same hereby are, approved; that the Series 2017 Bonds shall be executed in the name, for and on behalf of the Authority with the manual or facsimile signature of its 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) 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, Vice Chairman, Executive Director or any other officer of the Authority shall cause each series of the Series 2017 Bonds, as so executed and attested, to be delivered to the related Series 2017 Purchaser under the related Bond and Loan Agreement, for authentication; and that when each such Series 2017 Bond is executed on behalf of the Authority in the manner contemplated by the related Bond and Loan Agreement and this Resolution, it shall represent the approved form of such Series 2017 Bond; *provided* that (i) each Series 2017 Bond will bear interest at variable rates established pursuant to the related Bond and Loan Agreement (with an initial variable rate for each Series 2017 Bond not to exceed 5.00% per annum) subject to adjustment, as provided for and pursuant to the related Bond and Loan Agreement, (ii) each Series 2017 Bond shall be payable over a term not exceeding forty (40) years from the date of issuance, (iii) the Series 2017A Bond shall be privately placed with the Series 2017A Purchaser and (iv) the Series 2017B Bond shall be privately placed with the Series 2017B Purchaser.

The interest rate on each series of the Series 2017 Bonds may be subject to adjustment to (i) a higher rate per annum upon the occurrence of an Event of Default, as further described in the related Bond and Loan Agreement, or (ii) a taxable rate after the occurrence of a Determination of Taxability, as defined and further described in the related Bond and Loan Agreement.

The Authority hereby authorizes each of the Chairman, Vice Chairman, Executive Director, General Counsel or any Assistant 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, interest rates, maturities, mandatory sinking fund redemption dates and amounts (if any), optional and extraordinary redemption provisions (if any), and uses of the proceeds from the sale of each series of the Series 2017 Bonds. The execution by an Authorized Officer of the Bond and Loan Agreement for each series of the Series 2017 Bonds shall constitute such Authorized Officer’s approval and the Authority’s approval of the final terms and provisions of such series of the Series 2017 Bonds.

Each series of the Series 2017 Bonds, 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 related Bond and Loan Agreement (except pursuant to Unassigned Rights (as defined therein)). Each series of the Series 2017 Bonds and the interest thereon shall never constitute a general obligation or commitment by the Authority to expend any of its funds other than (i) the proceeds from the sale of such series of the Series 2017 Bonds, (ii) the income and revenues derived by the Authority pursuant to the related Bond and Loan Agreement (except pursuant to Unassigned Rights), (iii) other amounts available under the related Bond and Loan Agreement and (iv) moneys arising out of the investment or reinvestment of such proceeds, income, revenues or receipts.

Section 5. Bond and Loan Agreements. That the Authority is hereby authorized to enter into a Bond and Loan Agreement for each series of the Series 2017 Bonds with the Corporation and the related Series 2017 Purchaser; that the form, terms

and provisions of each Bond and Loan Agreement be, and hereby is, 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, each Bond and Loan Agreement in the name, for and on behalf of the Authority, and thereupon to cause each 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 related series of the Series 2017 Bonds to the Corporation and the use of such proceeds to carry out the Financing Purposes, in the manner and with the effect therein provided; that each 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 Bond and Loan Agreement; that when each Bond and Loan Agreement is executed, attested, sealed and delivered on behalf of the Authority as herein provided, each Bond and Loan Agreement will be binding on the Authority; that from and after the execution and delivery of each 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 such Bond and Loan Agreement as executed; and that each such Bond and Loan Agreement shall constitute, and hereby is made, a part of this Resolution, and copies of each such 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 6. Tax Agreement(s). That the Authority is hereby authorized to enter into one or more Tax Agreement(s) 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 one or more Tax Agreement(s) as so approved; that when such Tax Agreement(s) are executed and delivered on behalf of the Authority as herein provided, such Tax Agreement(s) will be binding on the Authority; and that from and after the execution and delivery of such Tax Agreement(s), 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 such Tax Agreement(s) as executed.

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 an interest rate hedge agreement for federal income tax purposes, any supplemental indentures or escrow deposit agreements relating to the refunding of the Series 2007 Bonds, any documentation relating to the disbursement of costs of issuance or the coordination of the filing of the C-08 Notice of Payment of Bond Interest and/or Principal with the office of the Comptroller of the State

of Illinois or any other documentation necessary to effect the Financing Purposes (collectively, the “Other Documents”), (ii) approve the execution and delivery of such other documents, certificates and undertakings of other parties, including, without limitation, the Corporation and each of the Series 2017 Purchasers and (iii) take such other actions as may be necessary or required in connection with carrying out and complying with this Resolution, the issuance and sale of the Series 2017 Bonds and the Financing Purposes and/or the execution, delivery and performance of the Authority Documents and the Other Documents; 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 each series of the Series 2017 Bonds to the related Series 2017 Purchaser on a private placement basis pursuant to the related Bond and Loan Agreement; that each of the Series 2017 Purchasers shall deliver an investment letter to the Authority (in the form approved by counsel to the Authority and consistent with the Authority’s Bond Program Handbook) stating, among other things, that such Series 2017 Purchaser is either an institutional “accredited investor” within the meaning of Regulation D, Sections 501 through 506, or a “qualified institutional buyer” within the meaning of Rule 144A, under the Securities Act of 1933, as amended; and that each related 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 related series of the Series 2017 Bonds by the related Series 2017 Purchaser or by any accredited investor or qualified institutional buyer to which such Series 2017 Purchaser transfers such series of the Series 2017 Bonds.

Section 9. Public Hearing. That the approvals set forth herein relating to the Series 2017 Bonds are subject to the holding of a public hearing, if required by Section 147(f) of the Internal Revenue Code of 1986, as amended, to the satisfaction of the Authorized Officer executing the Bond and Loan Agreements, which execution shall be deemed evidence of such satisfaction.

Section 10. 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 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.

APPROVED this 8th day of June, 2017.

ILLINOIS FINANCE AUTHORITY

By _____

Executive Director

[SEAL]

ATTEST:

Assistant Secretary

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Chris Meister

Date: June 8, 2017

Re: Resolution Approving and Confirming Various Engagements Relating to Procurements for Underwriters for the State of Illinois Clean Water Initiative State Revolving Fund ("SRF")

In May, 2017, the Authority published a Request for Qualifications ("RFQ") on the Authority's website and on the Illinois Procurement Bulletin requesting responses from underwriting firms in connection with the provision of investment banking, underwriting and additional services, such as remarketing, for the SRF financing program, including the Authority's anticipated issuance of (i) SRF revenue bonds in calendar year 2017 (the "Series 2017 Bonds"), and (ii) at the Authority's discretion, additional series of parity bonds in future years (each a "Future SRF Issuance").

The Authority's goal was to qualify and create lists of (a) no more than fifteen (15) underwriters to act as senior managers (which will include any lead book runner) (the "Senior Manager Approved List") and (b) no more than ten (10) underwriters to act as co-managers (the "Co-Manager Approved List"; the Senior Manager Approved List and the Co-manager Approved List, each an "Approved List" and, collectively, the "Approved Lists"), provided, that, the Authority does not guarantee in any event that work will be assigned to any particular underwriter on any Approved List. From the Approved Lists, the Authority intends to select (I) at this time, one or more senior managers and co-managers for the issuance of the Series 2017 Bonds, and (II) as needed from time to time hereafter, one or more senior managers and co-managers for Future SRF Issuances.

The Authority received fifteen (15) responses for inclusion on the Senior Manager Approved List and sixteen (16) responses for inclusion on the Co-Manager Approved List. From the responses received to the RFQ, fourteen (14) respondents were selected for inclusion on the Senior Manager Approved List and ten (10) respondents were selected for inclusion on the Co-Manager Approved List. All those listed on the Senior Manager Approved List are also automatically qualified to serve as a Co-Manager in connection with the issuance of bonds. The current firms on each Approved List are set forth below in alphabetical order, not in order of score or priority.

Senior Manager Approved List:

1. Citigroup Global Markets Inc.
2. Goldman Sachs & Co. LLC
3. Jefferies LLC
4. J. P. Morgan Securities LLC
5. Merrill Lynch, Pierce, Fenner & Smith Incorporated
6. Morgan Stanley & Co. LLC
7. Piper Jaffray & Co.

8. PNC Capital Markets LLC
9. RBC Capital Markets, LLC
10. Samuel A. Ramirez & Company, Inc.
11. Siebert, Cisneros, Shank & Co., L.L.C.
12. Stifel, Nicolaus & Company, Incorporated
13. Wells Fargo Bank, N.A.
14. William Blair & Company, L.L.C.

Co-Manager Approved List:

1. Academy Securities, Inc.
2. Cabrera Capital Markets LLC
3. First Tennessee National Bank N.A. DBA FTN Financial Capital Markets
4. Hilltop Securities Inc.
5. Hutchinson, Shockey, Erley & Co.
6. J.J.B. Hilliard, W. L. Lyons LLC
7. Janney Montgomery Scott LLC
8. Loop Capital Markets LLC
9. Mesirow Financial, Inc.
10. The Williams Capital Group, L.P.

Firms considered but not selected are (in alphabetical order) as follows:

1. Backstrom McCarley Berry & Co., LLC
2. Blaylock Van, LLC
3. George K. Baum & Company
4. Huntington Bancshares Incorporated
5. Raymond James & Associates, Inc.
6. Robert W. Baird & Co., Incorporated
7. Stern Brothers & Co.

On June 1, 2017, the regulators posted a partial award of the Approved Lists on the Illinois Procurement Bulletin, attached hereto as Exhibit A. This is a highly regulated and resource-intensive process. Three senior Authority staff members served on the evaluation team and devoted an extraordinary amount of time, consideration and focus to the process. Four other members of the staff also devoted a very large amount of time and energy to the process. I am grateful for the collective efforts of the Authority staff in this matter.

Compensation for the firms will be determined for each specific financing for which they are selected. Financial advisors are under a regulatory fiduciary duty to negotiate with underwriters in the best interest of their client, in this case the Authority.

The Executive Director recommends the execution of contracts for a term of five (5) years with each underwriter on the Approved Lists and this course of action has been authorized by the applicable procurement regulations. While the Authority has not yet determined the methodology to select teams from the applicable Approved Lists for each future anticipated Clean Water Initiative State Revolving Fund issue (likely to be in 2018 and beyond) (collectively, Future SRF Issuance), from the applicable Approved Lists, the Executive Director recommends selection of the underwriters identified below to act as senior managers and co-managers with respect to the Series 2017 Bonds:

Senior Manager(s):

Merrill Lynch, Pierce, Fenner & Smith Incorporated (Lead book running manager)

Citigroup Global Markets LLC (Co-Senior Manager)

Co-Manager(s):

Academy Securities, Inc.

Cabrera Capital Markets LLC

Janney Montgomery Scott LLC

Loop Capital Markets LLC

Mesirow Financial, Inc.

[Add Notice Addendum](#)

Notice



Help

Created Date: 05/11/2017
Created By: Terry Franzen

Identification

Reference Number: 22040626
Title: State Revolving Fund Underwriting Services

Agency Reference Number: 17-0125
Agency: IFA - Illinois Finance Authority
Purchasing Agency: IFA - Illinois Finance Authority
Purchasing Agency SPO: Nanzi Cantero

Status: Published

Business Case Information

A Procurement Business Case must be created and approved by your Agency APO for all proposed transactions that have an estimated value of \$10,000 or more, in addition to all procurements of Professional and Artistic Services, regardless of its estimated value. **Procurement Business Case Information will NOT be viewable in IllinoisBID.**

Has a Procurement Business Case been approved: No
Procurement Business Case Reference Number:

Overview

Description and Specifications:

Pursuant to the exemption of the Illinois Finance Authority (the "Authority") from the Illinois Procurement Code (30 ILCS 500/1-10(b)(12)), the Authority is giving notice of its intent to award contracts to the underwriting firms set forth below (A) to act as Senior Managers (the "Senior Manager Approved List") and (B) to act as Co-Managers (the "Co-Manager Approved List" and together with the Senior Manager Approved List, the "Approved Lists"), in each case for the State Revolving Fund Program. This award notice lists only thirteen (13) firms on the Senior Manager Approved List and eight (8) firms on the Co-Manager Approved List. An addendum to add the names of additional firms selected for award will be published at a later date. The Approved Lists are in alphabetical order and do not reflect ranking of scores. The Authority will select underwriters from time to time from the Approved Lists for bond issuances under the State Revolving Program, but work is not guaranteed. All firms selected for the Senior Manager Approved List will also automatically be qualified to serve as a Co-Manager in connection with the issuance of bonds. The contract start dates and end dates are estimated and will begin upon execution of a contract.

Senior Managers:

1. Citigroup Global Markets Inc.
2. Goldman Sachs & Co. LLC
3. Jefferies LLC
4. J.P. Morgan Securities LLC
5. Merrill Lynch, Pierce, Fenner & Smith Incorporated

6. Morgan Stanley & Co. LLC
7. Piper Jaffray & Co.
8. PNC Capital Markets LLC
9. RBC Capital Markets, LLC
10. Samuel A. Ramirez & Company, Inc.
11. Siebert, Cisneros, Shank & Co., L.L.C.
12. Stifel, Nicolaus & Company, Incorporated
13. William Blair & Company, L.L.C.

Co-Managers:

1. Academy Securities, Inc.
2. Cabrera Capital Markets LLC
3. Hilltop Securities Inc.
4. Hutchinson, Shockey, Erley & Co.
5. J.J.B. Hilliard, W.L. Lyons, LLC
6. Loop Capital Markets LLC
7. Mesirow Financial, Inc.
8. The Williams Capital Group, L.P.

Key Information

Notice Type:	Contract Award Notice
Notice Expiration Date:	06/15/2017 MM/DD/YYYY
Professional & Artistic:	No
Small Business Set-Aside:	No
Does this solicitation contain a BEP or DBE requirement?:	No
Does this solicitation contain a Veteran requirement?:	No
Date First Offered	04/13/2017 MM/DD/YYYY
Relevant Category:	General Services
Total Amount of Award: Estimated/Actual Value Description:	\$0.00 (Total Dollar Value Only/Includes Any Renewal Options) These are zero dollar contracts to the Agency. If the Vendor is selected to perform on a particular transaction, the Vendor will be compensated at time of closing of such transaction from the proceeds of the bonds issued in connection with such transaction.
Length of Initial Term: (in months)	60 (numeric value only)
Contract Begin Date:	06/16/2017 MM/DD/YYYY
Contract End Date:	06/15/2022 MM/DD/YYYY
Renewal Terms:	Up to 5 years (if applicable)

Bidder(s)

Number of Responding Bidders: 31 (numeric value only)

Number of Unsuccessful Bidders: 0 (numeric value only)
 Total Number Awarded: 21 (numeric value only)

Listing of All Bidders/Offerors Considered But Not Selected:
 Source Selection: N/A

Vendor(s) Selected for Award

[View Vendor Award Information](#)

Notice Contact

Name: Terry Franzen
 Street Address: Illinois Finance Authority, 160 N. LaSalle Street, Ste S-1000, Chicago, Illinois
 60601
 City: Chicago
 State: IL
 Zip Code: 60601
 Phone: 312.651.1312 (nnn-nnn-nnnn)
 Fax Number: 312.651.1350 (nnn-nnn-nnnn)
 EMail Address: tfranzen@il-fa.com (valid email address format)

Class Code

Class Codes:

NIGP Codes

For a listing of all NIGP Codes please see the "[Illinois NIGP Code Listing](#)".

NIGP Commodity/Service Code: 946 49 Financial Services (Not Otherwise Classified)
 Notify Type: Send email to selected Class Codes only

Publishers

Publishers: Nanzi Cantero

Attachments

File Attachments:



RESOLUTION NO. 2017-0608-AD__

**RESOLUTION APPROVING AND CONFIRMING VARIOUS ENGAGEMENTS RELATING
TO PROCUREMENTS FOR UNDERWRITERS FOR THE STATE OF ILLINOIS
CLEAN WATER INITIATIVE STATE REVOLVING FUND (“SRF”)**

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

WHEREAS, under the Act, the Authority has the power to enter into certain contracts; and

WHEREAS, in May, 2017, the Authority published a Request for Qualifications (“RFQ”) on the Authority’s website and on the Illinois Procurement Bulletin requesting responses from underwriting firms in connection with the provision of investment banking, underwriting and additional services for the SRF financing program, including the Authority’s anticipated issuance of (i) SRF revenue bonds in calendar year 2017 (the “Series 2017 Bonds”), and (ii) at the Authority’s discretion, additional series of parity bonds in future years (each a “Future SRF Issuance”); and

WHEREAS, from the responses to the RFQ, the Authority has created lists of (a) fourteen (14) underwriters to act as senior managers (which will include any lead book runner) (the “Senior Manager Approved List”) and (b) ten (10) underwriters to act as co-managers (the “Co-Manager Approved List”; the Senior Manager Approved List and the Co-manager Approved List, each an “Approved List” and, collectively, the “Approved Lists”), provided, that, those on the Senior Manager Approved List are also qualified to serve as Co-Managers on a bond financing and the Authority does not guarantee in any event that work will be assigned to any particular underwriter on any Approved List; and

WHEREAS, the Senior Manager Approved List and the Co-Manager Approved List are attached hereto as Annex I, and may be supplemented by further resolution; and

WHEREAS, from the Approved Lists, the Authority intends to select (I) one or more Senior Managers and Co-Managers for the issuance of the Series 2017 Bonds, and (II) as needed from time to time hereafter, one or more Senior Managers and Co-Managers for Future SRF Issuances; and

WHEREAS, the Authority now desires to enter into contracts with the Senior Managers and the Co-Managers set forth on Annex I for a term of five (5) years with the option to renew for up to an additional five (5) years; and

WHEREAS, the Authority further desires to approve the engagement of the Senior Managers and Co-Managers selected for the issuance of the Series 2017 Bonds;

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

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

Section 2. Authorization to Enter Into Underwriting Contracts. The Authority hereby authorizes and directs the Authority to enter into the contracts with the Senior Managers and the Co-Managers on the Approved Lists, as supplemented from time to time (collectively, the “Underwriting

Contracts”), for an initial term of five (5) years, with the option for the Authority to extend for up to five (5) additional years and with compensation to be determined in connection with specific financings for which each is selected.

Section 4. Approval of Engagements for the Series 2017 Bonds. The Authority hereby approves the engagement of the following for underwriting services in connection with the Series 2017 Bonds: Merrill Lynch, Pierce, Fenner & Smith Incorporated (as lead book running manager) and Citigroup Global Markets Inc., as Senior Managers, and (i) Academy Securities, Inc., (ii) Cabrera Capital Markets LLC, (iii) Janney Montgomery Scott LLC, (iv) Loop Capital Markets LLC, and (v) Mesirow Financial, Inc., as Co-Managers.

Section 6. Delegation to the Executive Director. The Authority hereby delegates to the Executive Director of the Authority, in conjunction with the other officers of the Authority, the power to take or cause to be taken any and all actions, including but not limited to determining the compensation for the Senior Managers and Co-Managers engaged for the SRF program, and to execute, acknowledge and deliver the Underwriting Contracts any and all such other agreements, instruments, certificates and other documents as may be required in connection with the Underwriting Contracts, as are necessary or desirable, in the determination of the Executive Director, to undertake the SRF financing program and the upcoming financing or financings.

Section 7. Further Actions. The Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge and deliver all documents as may in his discretion be deemed necessary or desirable to carry out and comply with the terms and provisions of this Resolution; and all of the acts and doings of the Executive Director of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and the same are hereby in all respects, ratified, confirmed and approved. All prior and future acts and doing of the officers, agents and employees of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and performance of the Resolution shall be and the same hereby are in all respects approved and confirmed.

Section 8. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of the Resolution.

Section 9. Conflicts. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 10. Immediate Effect. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Approved and effective this 8th day of June, 2017 by roll call vote as follows:

Yeas:

Nays:

Abstain:

Absent:

Vacancies:

ILLINOIS FINANCE AUTHORITY

By _____
Executive Director

ATTEST:

Assistant Secretary

ANNEX I

Senior Manager Approved List:

1. Citigroup Global Markets Inc.
2. Goldman Sachs & Co. LLC
3. Jefferies LLC
4. J. P. Morgan Securities LLC
5. Merrill Lynch, Pierce, Fenner & Smith Incorporated
6. Morgan Stanley & Co. LLC
7. Piper Jaffray & Co.
8. PNC Capital Markets LLC
9. RBC Capital Markets, LLC
10. Samuel A. Ramirez & Company, Inc.
11. Siebert, Cisneros, Shank & Co., L.L.C.
12. Stifel, Nicolaus & Company, Incorporated
13. Wells Fargo Bank, N.A.
14. William Blair & Company, L.L.C.

Co-Manager Approved List:

1. Academy Securities, Inc.
2. Cabrera Capital Markets LLC
3. First Tennessee National Bank N.A. DBA FTN Financial Capital Markets
4. Hilltop Securities Inc.
5. Hutchinson, Shockey, Erley & Co.
6. J.J.B. Hilliard, W. L. Lyons LLC
7. Janney Montgomery Scott LLC
8. Loop Capital Markets LLC
9. Mesrow Financial, Inc.
10. The Williams Capital Group, L.P.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Christopher B. Meister, Executive Director

Date: June 8, 2017

Re: Resolution Approving the Schedule of Regular Meetings for Fiscal Year 2018

Pursuant to 5 ILCS 120/2.02 (the “**Open Meetings Act**”), every public body shall give public notice of the schedule of regular meetings at the beginning of each calendar or fiscal year and shall state the regular dates, times, and places of such meetings.

IFA RESOLUTION No. 2017-0608-AD__

**RESOLUTION APPROVING THE SCHEDULE OF REGULAR
MEETINGS FOR FISCAL YEAR 2018**

WHEREAS, the Illinois Finance Authority (the "Authority") was created by the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq., as amended (the "IFA Act"), as a body politic and corporate of the State of Illinois and is authorized by the laws of the State of Illinois;

WHEREAS, it is the public policy of the State of Illinois that public bodies exist to aid in the conduct of the people's business and that the people have a right to be informed as to the conduct of their business;

WHEREAS, in order that the people shall be informed, it is the public policy of the State of Illinois that its citizens shall be given advance notice of and the right to attend all meetings at which any business of a public body is discussed or acted upon in any way;

WHEREAS, the Illinois Open Meetings Act, 20 ILCS 120/ et seq. as amended (the "Open Meetings Act") was created to implement these public policies;

WHEREAS, pursuant to the Illinois Open Meetings Act, the Authority is a public body;

WHEREAS, pursuant to the Illinois Open Meetings Act, every public body shall give public notice of the schedule of regular meetings at the beginning of each calendar or fiscal year and shall state the regular dates, times, and places of such meetings.

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

Section 1. Authority. This Resolution is adopted pursuant to Section 801-15 and Section 801-25 of the IFA Act. The preambles to this resolution are incorporated by reference as part of this resolution.

Section 2. Approval of Regular Meeting Dates, Times, and Places. The Authority approves the dates, times, and places of regular meetings attached as Exhibit A, provided that the Authority reserves the right to cancel or reschedule regular meetings in accordance with the notice and posting requirements of the Open Meetings Act.

Section 3. 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 4. Enactment. This Resolution shall take effect immediately.

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EXHIBIT A

REGULAR MEETINGS FOR FISCAL YEAR 2018



Fiscal Year 2018

PUBLIC NOTICE OF REGULARLY SCHEDULED MEETINGS OF THE MEMBERS OF THE ILLINOIS FINANCE AUTHORITY

During Fiscal Year 2018, the regular meetings of the Members of the Illinois Finance Authority (the “Authority”) will be held on the scheduled dates at the times and places listed below.

An agenda for each regular meeting will be posted at the principal office of the Authority, at the location where the meeting is to be held and at www.il-fa.com at least 48 hours in advance of the holding of the meeting.

Please check www.il-fa.com for updates to times or locations of regular meetings. Unless otherwise noted, regular meetings of the Members will be constituted with a quorum of Members physically present at one of the following locations:

- Michael A. Bilandic Building, 160 North LaSalle Street, Suite S-1000, Chicago, IL 60601-3124 (the “IFA Chicago Office”); or
- Other locations to be announced.

ILLINOIS FINANCE AUTHORITY MEETINGS OF THE MEMBERS 9:30 AM

Thursday, July 13, 2017

IFA Chicago Office

Thursday, August 10, 2017

IFA Chicago Office

Thursday, September 14, 2017

IFA Chicago Office

Thursday, October 12, 2017

IFA Chicago Office

Thursday, November 9, 2017

IFA Chicago Office

Thursday, December 14, 2017

IFA Chicago Office

Thursday, January 11, 2018

IFA Chicago Office

Thursday, February 8, 2018

IFA Chicago Office

Thursday, March 8, 2018

IFA Chicago Office

Thursday, April 12, 2018

IFA Chicago Office

Thursday, May 10, 2018

IFA Chicago Office

Thursday, June 14, 2018

IFA Chicago Office

All meetings will be accessible to handicapped individuals in compliance with Executive Order #5 (1979) as well as pertinent State and Federal laws upon notification of anticipated attendance. Handicapped persons planning to attend any meeting and needing special accommodations should contact Mari Money at the Illinois Finance Authority by calling (312)651-1319, TTY (800) 526-0844.