

ILLINOIS FINANCE AUTHORITY

May 11, 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

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) Zachary D. & Erika J. Schlechte	Bois D'Arc Township (Montgomery County)	\$310,000	-	-	PE/LK
	B) Jacob A. Von Bokel	Oconee Township (Shelby County)	\$192,200	-	-	PE/LK
TOTAL AGRICULTURE PROJECTS			\$502,200	-	-	

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	Benedictine University	Lisle (DuPage County)	\$45,000,000	15	N/A	RF/BF
TOTAL EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS			\$45,000,000	15	N/A	

HEALTHCARE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	Staff
501(c)(3) Revenue Bonds <i>Final</i>						
3	Three Crowns Park	Evanston (Cook County)	\$45,000,000	-	N/A	PL
TOTAL HEALTHCARE PROJECTS			\$45,000,000	-	N/A	
GRAND TOTAL			\$90,502,200	15	N/A	

PROJECT REPORTS AND RESOLUTIONS

RESOLUTIONS

Tab	Action	Staff
Resolutions		
4	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	RF/BF
5	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)	RF/BF
6	Resolution Approving and Confirming Contracts with Various Legal Firms and Appointing Bond Counsel for the 2017 State Revolving Fund Bond Issue	EW/DB
7	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	RF/BF

Date: May 11, 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:

Congratulations Chair Eric Anderberg

On April 18, 2017, Governor Bruce Rauner appointed Eric Anderberg, an Authority Board Member since July 2015, as the Authority's fourth chair since its creation in 2004.

As Authority Members may know, Eric currently serves as the Vice President of Dial Machine, Inc., where he oversees the day-to-day operations of the machine components company. He has been with the company since 1993. Eric has represented the machinery components and manufacturing industries in a wide range of roles. He is a past president of the Rock River Valley Tooling and Machining Association and served on an industrial roundtable for the Federal Reserve Bank of Chicago. Eric also testified before the Congressional Small Business Committee on behalf of small metalworking businesses and American manufacturing.

Eric and his family operate a 700-acre corn and soybean farm in northern Illinois. He holds a bachelor's degree in business from Augustana College and a master's degree in family business from Loyola University of Chicago. Eric lives in Kirkland.

On behalf of the Authority's staff team, we look forward to working with Eric in his new role as we work together to advance job creation, job retention and economic development in Illinois.

Thank you for your volunteer public service, Rob Funderburg

On behalf of all of the Members and staff of the Authority, we thank Rob Funderburg for his leadership over his two-year term as Authority Chair and his work as a Member of the Authority. In terms of economic development and jobs, Rob had a remarkable, positive impact

on his fellow residents of Illinois during his tenure with the Authority. Just a few of his many accomplishments are highlighted below:

- The Authority's dollar volume of bond issuance from April 2015 through today is \$8 billion, for over 100 projects, including beginning farmer bonds, on behalf of a variety of borrowers with wide geographic impact across our state in the hospital, education, senior living, housing, cultural, general not-for-profit, industrial/logistics, and agricultural sectors;
- Presence Health's \$1 billion conduit bond issue in August 2016, the largest 'BBB-' rated, not-for-profit healthcare transaction on record and the largest single issue in the Authority's history. The Presence transaction received the 2016 Bond Buyer Deal of the Year (Healthcare) award;
- Embracing and continuing the Authority's pilot program of medical school loans for Deferred Action for Childhood Arrivals (DACA) students at Loyola University Stritch School of Medicine in exchange for service in medically underserved Illinois communities once the students become doctors;
- \$500 million IEPA Clean Water Initiative/State Revolving Fund bond issue (September 2016). As of today, over \$350 million of these bond proceeds have been deployed in the form of low-interest loans by IEPA to local governments across Illinois to build and improve sewer and drinking water infrastructure, thus saving local taxpayers and rate payers money;
- Two conduit federal Transfer Facilities Revenue bonds on behalf of the CenterPoint Joliet Project, totaling \$230 million, which closed in January 2016 and March 2017, respectively. These two financings contribute to the thousands of jobs that are expected to be created once this project, a major Illinois logistics and transportation asset, is completed; and
- Most importantly for Rob and Rockford, he \$475 million conduit bond issue in May 2016 to finance the construction of a new 188-bed hospital and a separate, 81,000 square foot ambulatory care building for Rockford Memorial Hospital on behalf of Mercy Health Corporation.

From an organizational perspective, Rob was instrumental in reinvigorating the Board, installing the Authority in its new office, and resolving a number of legacy matters, leaving the Authority in a much better position to fulfill its public mission due to his contributions. Significant progress on the most important of these legacy issues will be made later this month when the Illinois Medical District Commission (IMDC) partially redeems its Series 2006 A and Series 2006 B revenue bonds that are secured with the State's moral obligation (or contingent State taxpayer guarantee). If all goes as planned, on May 15, 2017, State taxpayer exposure on these IMDC bonds will be reduced by \$19.375 million, from \$33.4 million to \$14.05 million – a decline of 58%, a small but significant victory for Illinois taxpayers.



As Rob would be the first to say, the credit for these accomplishments is due to the combined efforts of the team – both the volunteer Members of the Authority and our committed and effective staff. We will miss Rob but we look forward to continuing to work with all of the Board Members under Eric’s leadership.

May Agenda

We are pleased to welcome ***Benedictine University, Three Crowns Park, Museum of Science and Industry, Toyal America***, and two beginning farmer bonds to the Authority’s agenda this month.

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: May 11, 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 April 13, 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 April 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, April 13, 2017
9:30 AM

AGENDA:

- I. Call to Order & Roll Call
(page 3, line 4 through page 4, line 16)
- II. Approval of Agenda
(page 4, line 17 through page 5, line 8)
- III. Chairman's Remarks
(page 5, line 9 through page 6, line 12)
- IV. Message from the Executive Director
(page 6, line 13 through page 8, line 24)
- V. Consideration of the Minutes
(page 9, lines 1 through 18)
- VI. Presentation and Consideration of Financial Reports
(page 9, line 19 through page 12, line 14)
- VII. Monthly Procurement Report
(page 12, line 15 through page 13, line 6)

- VIII. Committee Reports
(page 13, line 7 through page 14, line 2)
- IX. Presentation and Consideration of the Project Reports and Resolutions
(page 14, line 3 through page 37, line 19)
- X. Other Business
(page 37, line 20 through page 38, line 12)
- XI. Public Comment
(page 38, line 13 through 15)
- XII. Adjournment
(page 38, line 16 through page 39, line 7)

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 April 13, 2017 Regular Meeting
 - 2. Voting Record of the April 13, 2017 Regular Meeting

1 ILLINOIS FINANCE AUTHORITY
2 REGULAR MEETING
3 April 13, 2017 at 9:30 a.m.
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7 Report of Proceedings had at the Regular
8 Meeting of the Illinois Finance Authority on April
9 13, 2017, at the hour of 9:30, a.m., pursuant to
10 notice, at 160 North LaSalle Street, Suite 51000,
11 Chicago, Illinois.
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3 MR. R. ROBERT FUNDERBURG, Chairman
4 MR. ERIC ANDERBERG
5 MR. ROBERT HORNE
6 MS. ARLENE JURACEK
7 MR. LERRY KNOX
8 MS. GILA J. BRONNER
9 MR. MICHAEL W. GOETZ
10 MR. BRADLEY A. ZELLER
11 MR. LYLE MCCOY
12 MS. BETH SMOOTS
13 MR. GEORGE OBERNAGEL

14 ILLINOIS FINANCE AUTHORITY STAFF MEMBERS
15 MR. BRAD FLETCHER, Assistant
16 Vice-President
17 MR. RICH FRAMPTON, Vice-President
18 MS. PAMELA LENANE, Vice-President
19 MS. ELIZABETH WEBER, General Counsel
20 MS. XIMENA GRANDA, Controller
21 MR. CHRISTOPHER B. MEISTER, Executive
22 Director
23 MR. PATRICK EVANS, Agricultural Banker
24 (Via Audio Conference)
MS. DENISE BURN, Deputy General Counsel

GUESTS:

20 MS. BARBARA NATHAN, CEO, Westminster Village
21 MS. LESLIE SHOWERS, Institute of Cultural Affairs

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1 APPEARANCE:
2 ILLINOIS FINANCE AUTHORITY MEMBERS
Page 1

CHAIRMAN FUNDERBURG: I would like to call
to order the Illinois Finance Authority
meeting. Thank you all for coming. We do have
Page 2

7 a full agenda and would like to move through.
 8 First order of business is a call to order.
 9 FLETCHER: Certainly. The time is 9:35
 10 a.m. I will call the roll of the Members
 11 physically present first.

12 Mr. Anderberg?

13 ANDERBERG: Here.

14 FLETCHER: Ms. Bronner?

15 BRONNER: Here.

16 FLETCHER: Mr. Goetz?

17 GOETZ: Here.

18 FLETCHER: Mr. Horne?

19 HORNE: Here.

20 FLETCHER: Ms. Juracek?

21 JURACEK: Here.

22 FLETCHER: Mr. Knox?

23 KNOX: Here.

24 FLETCHER: Mr. McCoy?

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1 MCCOY: Here.

2 FLETCHER: Mr. Obernagel?

3 OBERNAGEL: Here.

4 FLETCHER: Ms. Smoots?

5 SMOOTS: Here.

6 FLETCHER: Mr. Zeller?

7 ZELLER: Here.

8 FLETCHER: Mr. Chairman?

9 CHAIRMAN FUNDERBURG: Here.

10 FLETCHER: Mr. Chairman, a quorum of
 Page 3

11 Members physically present in the room has been
 12 constituted. At this time, I would like to ask
 13 if any Members would like to attend by audio
 14 conference.

15 (No response.)

16 Hearing none, we may continue.

17 CHAIRMAN FUNDERBURG: All right. Thank
 18 you. Does anyone wish to make any additions,
 19 edits or corrections to today's agenda?

20 (No response.)

21 If not, then I would like to ask for a
 22 motion to approve the agenda. Is there such a
 23 motion?

24 BRONNER: So moved.

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1 CHAIRMAN FUNDERBURG: Second?

2 HORNE: Second.

3 CHAIRMAN FUNDERBURG: All those in favor,
 4 say aye.

5 (Chorus of ayes.)

6 CHAIRMAN FUNDERBURG: Any opposed?

7 (No response.)

8 CHAIRMAN FUNDERBURG: Ayes have it.

9 Also, in my remarks, I would like to just
 10 read this so bear with me as I go through it.
 11 I will note that I called a Special Meeting of
 12 the Executive Committee today, which is
 13 composed of the respective Chairs of all the
 14 functional committees, Audit Plus, Tax Exempt,
 Page 4

15 and Direct and Alternative, as well as
 16 Governance. That will be at 11:00 o'clock
 17 today, immediately following this meeting.
 18 At this point in the fiscal year, we are
 19 interested in looking at the following: 1 is a
 20 forward outlook for the remainder of the fiscal
 21 year, 2017, which is shaping up to be a very
 22 good year by a number of measures, as well as
 23 what we can see going forward in fiscal '18.
 24 Also, framework for emergency contingency

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1 planning, as well as a framework for our
 2 Authority's public mission, statutory powers
 3 and current programs.
 4 The Executive Committee agenda is posted
 5 and included in your manila folders for your
 6 convenience. I anticipate that these agenda
 7 items will be for discussion purposes only. If
 8 necessary, the Executive Committee can
 9 reconvene in advance of the May meeting for
 10 action in ultimate recommendation to the full
 11 Board for consideration and approval.

Chris.

13 MEISTER: Thank you, Rob. My April
 14 remarks are found in the Board book and on-line
 15 in the Message from the Executive Director. I
 16 just want to highlight a number of exciting
 17 projects that are on the agenda.

The Camcraft project is the first
 Page 5

19 industrial revenue bond on our agenda since
 20 2015. We did close the latest tranche on the
 21 ConterPoint deal, and as the Members and
 22 stakeholders know, that is a huge job impact
 23 for our state, in the thousands of jobs.

We also have a newer borrower, Pacific

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1 Oaks Education, which is multi-state, a couple
 2 of CCRCs, continuing care retirement
 3 communities, of which Barbara Nathan of
 4 Westminister Village is here from Bloomington.
 5 Thank you for making the trip up I-55, as well
 6 as The Lodge at Northbrook.

7 Also, something that is not on our agenda
 8 everyday, we have the tail end of our
 9 allocation of some federal Qualified Energy
 10 Conservation Bonds that is part of a very
 11 innovative urban redevelopment project with a
 12 non-profit The Institute of Cultural Affairs,
 13 and finally, and, again, a statewide resource
 14 and asset, we are very pleased to have the Ann
 15 and Robert H. Lurie Children's Hospital of
 16 Chicago on the agenda. And again, one of the
 17 great things about working with this Board is,
 18 we have a mix of newer Members and
 19 longer-tenured Members, but I do want to
 20 highlight a project from 2008 that is
 21 performing well, that has some, that had some
 22 really remarkable statewide benefit.

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23 We did a small part, about \$50,000,000 of
24 an enormous new coal plant that was located at

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1 the mouth of a coalmine in Washington County,
2 Illinois. It's called Prairie Power, and the
3 Kroll Bond Rating Agency recently reaffirmed
4 its stable outlook and its rating of A-, and I
5 think we do have one Member that has some
6 firsthand experience with the enormous jobs
7 benefit of this project.

8 GOETZ: Yeah. I was on the Board back in
9 2008 when we initially approved this, and I
10 said back then that it looks like this could be
11 a full employment program for construction
12 craft workers, and a lot of you know I come out
13 of a construction craft union, and it would be
14 a full employment program for our members down
15 there, and what I said became true, and they
16 employed over 4,000 people to build this power
17 plant. They worked 24 million manhours on this
18 power plant and were paid over a billion
19 dollars in wages.

20 So this indeed has been a full-approach
21 employment program for the construction crafts
22 down in Southwestern, Illinois, so...

23 CHAI RMAN FUNDERBURG: Thank you. Thank
24 you, Chris. Thank you, Mike.

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1 Next is a consideration of the minutes.
2 Does anyone have any additions, edits or
3 corrections to the minutes of the March 9th
4 meeting?

(No response.)

6 If not, then is there a motion to approve
7 the minutes?

8 OBERNAGEL: I will, Mr. Chairman.

9 CHAI RMAN FUNDERBURG: Motion made by Mr.
10 Obernagel. Is there a second?

11 KNOX: Second.

12 CHAI RMAN FUNDERBURG: Seconded by

13 Mr. Knox. All of those in favor, please say
14 aye.

(Chorus of ayes.)

16 CHAI RMAN FUNDERBURG: Opposed?

(No response.)

18 CHAI RMAN FUNDERBURG: Okay. Thank you.
19 Next, Six.

20 GRANDA: Good morning, Everyone. I will
21 be presenting the financial statements for the
22 nine months ending March 31st, 2017. I will be
23 brief since we have a big agenda.

24 The Authority's general operating fund is

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1 as follows: Our total annual revenue equals
2 \$4.3 million, and is \$618,000, or 16.6 percent

4-13-17.txt

higher than budget, and that's due primarily to our higher closing fees.

In March, the Authority generated \$135,000 in closing fees, which is \$156,000 lower than the monthly budget of \$291,000. Our total annual expenses equal \$2.4 million and are \$1.3 million, or 34.4 percent lower than budget, which is mostly driven by the vacant budgeted staff positions and our reduction in spending on professional services.

In March, the Authority recorded operating expenses of \$263,000, which is lowered by \$149,000 from the budgeted amount of \$412,000. The variance is due to employer-related expenses, as professional services, as mentioned before.

Our total monthly net loss for March is \$25,000, and this is due to lower-than-expected closing fees.

Our total annual net income is at \$2.5 million. The major driver of the annual positive bottom line continues to be the level

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of overall spending below budget at 34.4%, as well as higher closing fees and administrative service fees.

Since I have to be brief, I'm just going to mention something about looking forward in the coming month, in the month of April the

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Authority anticipates closing fees from Montgomery Place in the amount of \$95,000; Westminster Village in the amount of \$87,000; Muirfield West, LLC, in the amount of \$65,000; and a TEFRA Hearing for the Black Ensemble Theatre in the amount of \$5,000.

Also in April, the Authority anticipates paying out \$418,000 on an agricultural guarantee loan. This disbursement will be made from our industrial revenue insurance fund, and the Authority already reserved for this loss in fiscal year 2016.

Is there any questions?

(No response.)

Any additional reports are located in the financial statements tab, which is just a listing of all of our local government loans that we have done.

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CHAIRMAN FUNDERBURG: Thank you, Ms.

Granda.

At this time I would like to ask for a motion to accept the Financial Reports. Is there such a motion?

BRONNER: So moved.

CHAIRMAN FUNDERBURG: Okay. Second?

JURACEK: Second.

CHAIRMAN FUNDERBURG: All those in favor, say aye.

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(Chorus of ayes.)

CHAI RMAN FUNDERBURG: Any opposed?

(No response.)

CHAI RMAN FUNDERBURG: Okay. Ayes have it.
Next, our monthly procurement reports.

Ms. Burn.

BURN: Good morning.

CHAI RMAN FUNDERBURG: Good morning.

BURN: In addition to closing a number of small purchases, we completed our legal services RFQ, and a couple of other contracts with our loan portfolio management company and also with our telecom agency, and we also are kicking off today, as a matter of fact, the

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competitive solicitation with respect to the underwriters for the State Revolving Loan Program.

Any questions?

(No response.)

CHAI RMAN FUNDERBURG: Okay. Thank you.
Next are Committee Reports. Mr. McCoy.

McCoy: I will probably defer to Mr. Horne.

CHAI RMAN FUNDERBURG: Oh, I'm sorry. Mr. Horne.

HORNE: Sure. So the Tax Exempt Conduit Committee met this morning, and unanimously recommended for approval on today's agenda the

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beginning farm bond; the Mulrfield West, LLC application; Pacific Oaks Education Corporation; the Westminster Village; the Lodge of Northbrook; and the Ann and Robert H. Lurie Children's Hospital.

There was also the establishment of a Green Community Program using Qualified Energy Conservation Bonds, and a resolution approving the preliminary allocation for the bonding authority of Qualified Energy Conservation

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Bonds to the Institute of Cultural Affairs. So that's our report.

CHAI RMAN FUNDERBURG:

Thank you. Next we have presentation and consideration of Project Reports and Resolutions. Oh, excuse me. Thank you. Yeah. I would like to ask for the general consent of the Members to consider the Project Reports and Resolutions collectively and to have the subsequent recorded vote apply to each respective individual project and resolution, unless there are any specific Project Reports and Resolutions that a Member would like to consider separately.

GOETZ: Mr. Chairman, I need to recuse myself from Item No. 6, the Ann and Robert H. Lurie Children's Hospital of Chicago. My son works for the financial adviser.

CHAI RMAN FUNDERBURG: Okay. Thank you.

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19	4-13-17.txt	23	4-13-17.txt
20	HORNE: And I would also like to recuse	24	45 percent.
21	myself from the same matter. I'm a member of,		The property is located in the
22	a senior member of the foundation board and a		MARZULLO REPORTING AGENCY (312) 321-9365
23	member of their real estate committee.		
24	CHAI RMAN FUNDERBURG: Okay. Thank you.		
	So please note that Mr. Goetz and Mr. Horne		
	MARZULLO REPORTING AGENCY (312) 321-9365		
1		1	southeastern corner of Effingham County, and
2	will be recusing themselves from that, and	2	the terms of the bonds are identified in the
3	anybody else at all?	3	write-up.
4	(No response.)	4	Any questions?
5	CHAI RMAN FUNDERBURG: If not, we would	5	(No response.)
6	like to ask the staff to now present the	6	EVANS: Thank you.
7	Project Resolutions which may be considered	7	CHAI RMAN FUNDERBURG: Thank you.
8	collectively. Item No. 6 will be considered	8	FRAMPTON: Okay. Tab 2 in your Board book
9	separately at the end.	9	is a Final Bond Resolution for Muirfield West.
10	Patrick Evans, I think you are up first.	10	The underlying borrower is Camcraft, Inc.,
11	EVANS: Yes. Thank you, Chai rman. Today	11	along with their affiliate, Matrix Design. The
12	there is one beginner farming bond. This bond	12	Board last reviewed this project in June of
13	will have a first mortgage position relating to	13	2011. It's returning now for a bond
14	it. The borrowers are Benjamin & Amberlyn	14	resolution. Since that time, Matrix Design
15	Wendling. They are purchasing 80 acres of bare	15	actually has leases running out, and that's one
16	land real estate. The total cost of this	16	of the reasons the project has taken two years
17	purchase is \$516,000, or \$6,450 per acre.	17	to move forward.
18	Peoples State Bank of Newton will retain	18	In terms of structure, very
19	50 percent of purchase, or \$258,000. They will	19	straightforward. First American Bank will be
20	utilize the FSA 5-45-50 Beginning Farmer	20	the purchaser of the bonds. First American
21	Program, and as stated, our loan, IFA's loan,	21	Bank is the relationship bank for Muirfield
22	will have the first mortgage on 80 acres, with	22	West, as well as the underlying operating
	FSA having a second mortgage relating to the	23	companies.
		24	Camcraft was purchased by the current
			MARZULLO REPORTING AGENCY (312) 321-9365

1 owners in 1986. At that time they formed
 2 Muirfield West to own real estate that is
 3 leased to Camcraft. This project will
 4 construct a second satellite manufacturing
 5 facility in Bartlett, Illinois. It's located
 6 exactly 6 miles west of Camcraft's current
 7 operation in Hanover Park.

8 Additionally, the Matrix Design operation,
 9 which is currently in South Elgin, will move
 10 exactly 6 miles to the east in Bartlett. So
 11 upon completion of this project, Camcraft will
 12 have an 85,000 square foot facility in Hanover
 13 Park, and 100,000 square feet in Bartlett.

14 Overall, the two companies currently
 15 employ 349 people. 35 people will be
 16 transferred from Hanover Park to Bartlett and
 17 all 110 will move from the leased facilities in
 18 South Elgin to Bartlett.

19 Again, First American Bank is the
 20 purchaser of the bonds. The financials of this
 21 company, the financial condition of these
 22 companies is extremely strong. Camcraft
 23 manufactures custom design and engineered
 24 machine components for cars, heavy-duty trucks

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1 and construction equipment. Applications
 2 include fuel-injector bodies and nozzles,
 3 control valves used in variable valve timing.
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4 stability control systems and continuously
 5 variable transmissions. Matrix Design designs
 6 and engineers robotic automation systems,
 7 deburring machines, as well as automated
 8 pallet-moving devices.

9 So given the fact that this is an
 10 engineering-based company, they need to have
 11 their engineering, they need to have their
 12 engineering resources located close by. So
 13 this new Bartlett facility will really be a
 14 satellite operation in Hanover Park.

15 So with that, I will conclude my remarks
 16 and take any questions you may have.

(No response.)

FRAMPTON: Okay. Thank you very much.

CHAI RMAN FUNDERBURG: Thank you.

20 FLETCHER: Mr. Chairman, Members, next is
 21 Tab 3 in your Board books, which is a Final
 22 Bond Resolution on behalf of Pacific Oaks
 23 Education Corporation in an not to exceed
 24 amount of \$22 million.

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1 Pacific Oaks Education Corp. is a
 2 California non-profit public benefit
 3 corporation. It is comprised of two
 4 institutions. First being Pacific Oaks
 5 College, and second, Pacific Oaks Children's
 6 School. Pacific Oaks Children's School was
 7 established first in 1945. Shortly thereafter,
 Page 16

Pacific Oaks College was established in 1959 to train educators for the Children's School.

Recently, as of June 2010, TCS Education System, which is an Illinois not-for-profit corporation and classified as a Type 2 non-profit supporting organization, became the sole member of Pacific Oaks.

TCS provides Pacific Oaks with management services, conducts other supporting activities and receives a fee in return. Supporting organizations such as TCS are classified as either a Type 1, Type 2 or Type 3 by the IRS.

Type 2, being the case here, is often described by the IRS as a brother/sister relationship because the affiliates share Board membership. I point all this out, that because TCS is based here in downtown Chicago, we as an Authority

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are able to issue bonds for facilities located out in California. Hence, we are using our multi-state authorization to issue tax exempt bonds.

I do want to point out, Greenberg Traurig here is bond counsel. So they are providing necessary guidance for the transaction, that we can in fact issue bonds in California.

To the transaction itself before you, the plan of finance seeks to issue bonds in two series to acquire both land and buildings that

Page 17

Pacific Oaks College currently leases at its Pasadena, California campus. Approximately 1267 students are currently enrolled there.

The Private Bank will be purchasing the bonds for an initial term of 12 years at a variable rate based on LIBOR, while the bonds will be amortized over 25 years.

Turning to Page 8 in your confidential section of the Report, Pacific Oaks College is a non-rated entity, so we provided a 4-year forecast going forward. It does demonstrate that they would generate sufficient operating cash flows to cover the proposed debt service.

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Heretofore, they have issued no longterm debt. Their fixed charges are mostly comprised of rent expense.

So in summary, reduction of their rent expense will contribute to their continued improvement and net operating margins going forward as a result of this bond issue. So we are pleased to have this, and we ask for your consideration.

Are there any questions?

(No response.)

CHAI RMAN FUNDERBURG: Thank you.

FLETCHER: Thank you.

LENANE: Hi. No. 4 on the agenda is Westminster Village, a Continuing Care

Page 18

16 Retirement Community in Bloomington, Illinois.
 17 They are requesting a one-time Final Bond
 18 Resolution to approve the issuance of tax
 19 exempt bonds in the amount not to exceed
 20 \$36 million. These proceeds will be used to
 21 construct and equip a 38,370 square foot
 22 48-unit, two-story addition to the Martin
 23 Health Center and to construct and equip
 24 approximately a 13,295 square foot addition to

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9

22

1 The Community Center.

2 Also, a portion of this, of the existing
 3 beds at the Martin Health Center, 30 beds to be
 4 exact, will be demolished, resulting in a net
 5 increase of 18 Skilled Nursing beds.

6 These projects will create 21 new jobs and
 7 74 construction jobs. The bonds will be a
 8 direct purchase by First Midwest and Commerce
 9 Bank. The bonds will be variable rates,
 10 synthetically fixed with an interest rate swap.

11 Westminster Village, as Ms. Nathan will
 12 explain, is a 40-acre campus comprised of 98
 13 Independent Living Units, including 22
 14 Duplexes, 52 Assisted Living Units, and 78
 15 Skilled Nursing beds.

16 At the end of the fiscal year, June 30,
 17 2016, Westminster had good debt service
 18 coverage of 6.76 and 379 days cash-on-hand.

19 Barb Nathan, the CEO of Westminster
 Page 19

20 Village, is here to say a few words, after
 21 driving in the rain all the way from
 22 Bloomington.

23 NATHAN: Good morning. I'm Barbara
 24 Nathan, and I am the CEO of Westminster

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23

1 Village, and it's my honor to be in that
 2 position and to address you today.

3 We actually had approximately 340
 4 residents that put their head on a pillow in
 5 Westminster Village last night. We are a
 6 Continuing Care Retirement Community. We are
 7 expanding our Skilled Care units, as she
 8 mentioned, as Martin Health Center, and not
 9 only expanding, but renovating today's
 10 standard. Currently it is a private room
 11 nursing home, and turning into 80 private rooms
 12 and 8 semi-suites with showers in every room, not
 13 giving a preference to new construction, but
 14 making sure we have the same standard across
 15 the renovated area as well as the new
 16 construction.

17 I would make one clarification. We
 18 actually have 176 Independent Units, the 52
 19 Assisted Living, and today's 78 licensed beds
 20 in Skilled Care, and increasing to 96.

21 In addition to the 340 people that slept
 22 there last night, there are 300 people on the
 23 waiting list. We are incredibly blessed, and
 Page 20

24 we are thrilled to begin what will be a major
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†

1 expansion of Westminster Village. This is the
2 first phase, and we anticipate two phases to
3 follow that will add a new Assisted
4 Living/Memory Care to our campus, and then
5 expand Independent Living.

6 So we thank you so much for your service
7 and your consideration.

8 CHAI RMAN FUNDERBURG: Great. Thank you.

9 LENANE: No. 5 on the agenda is The Lodge
10 of Northbrook, a Continuing Care Retirement
11 Community located in Northbrook, Illinois.

12 They are requesting a one-time Final Bond
13 Resolution to approve the issuance of a series
14 of tax exempt bonds in an amount not to exceed
15 \$20,160,000 to refinance an existing

16 construction loan and finance capital
17 improvements, including the acquisition of
18 approximately 5.3 acres of land, the
19 construction of -- actually, the acquisition of
20 an additional leasehold interest in
21 approximately 5.3 acres of land for the
22 construction of 60 independent living units and
23 eight two-bed assisted living units in a
24 157,983 square foot, three-story building,

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†

1 including construction of a 26,266 square foot
2 underground parking facility, which is Phase IV
3 of a housing complex for the elderly at 2244
4 Founders Drive in Northbrook, Illinois.

5 This is the second time the Lodge of
6 Northbrook has come to the Authority. In 2012
7 they financed the construction of Phase I, II
8 and III of the project, consisting of 96 units
9 and common areas and services located at 2220
10 Founders Drive.

11 Phase IV contains 60 independent living
12 units, eight two-bed assisted living units and
13 common areas, and the will commence the
14 construction in February of 2017.

15 Essex Corporation is the developer of the
16 community. They bring substantial experience,
17 having done many projects, similar projects,
18 including the Reserve of Geneva in Geneva,
19 Illinois.

20 The 2017 bondholders will have a leasehold
21 mortgage and an assignment of funds. The lease
22 expires in February of 2112. There is a
23 guarantee by the individual shareholders of the
24 Essex Corporation until stabilization.

MARZULLO REPORTING AGENCY (312) 321-9365

†

1 These projects will create 18 new jobs and
2 75 construction jobs. The bonds will be
3 directly purchased by Great Western Bank. The

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bonds will be variable at an initial interest rate of 3.95 percent, to be adjusted every five years.

At the end of their fiscal year, July 31, 2016, The Lodge had good debt service coverage of 38.4 percent and days cash-on-hand of 379 days.

Any questions?

(No response.)

CHAI RIMAN FUNDERBURG: Thank you.

LENANE: Thank you.

FRAMPTON: Okay. Next we are jumping ahead to Tab 7, which is a resolution to authorize establishment of a Qualified Energy Conservation Bond Green Community Program. The last time this Board visited the subject of Qualified Energy Conservation Bonds was a year ago in connection with a OECB allocation transfer to the Metropolitan Water Reclamation District of Metropolitan Chicago. Subsequent to that financing, if you refer to the table on

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Page 2 of the Memo, the gray-shaded column notes the unused amounts of OECB allocation that remain available.

This OECB program was actually a one-shot deal, one allocation, one-and-done, that was created pursuant to the American Recovery and Reinvestment Act of 2009, and subsequent to the

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ARRA Act going into effect, the Authority, the Illinois Finance Authority, received statutory power to aggregate unused allocations from any municipality or county, and that applied to three of the ARRA programs.

The other two ARRA programs were temporary. They just operated during the calendar years of 2009 and 2010, whereas this OECB program has no expiration date, but it was a one-shot deal in terms of the allocations, and as reported in the table, roughly, 32 percent of the original \$133 million allocation remains available and unused, and roughly, \$755,000 of that is the Authority's own allocation.

In looking at solving problems in connection with some 501(c)(3) projects, I

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found that through research that OECBs through a Green Community Program can be used to leverage new markets tax credit equity. So that is part of the impetus to create a Green Community Program, and the intent is to make this program, is for the Authority to make this program available statewide, to not just all 27 of the allocatees, but prospectively for any 501(c)(3) or business purpose project in the state.

So what a Green Community Program would do

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12 is, it would enable a community that has a
13 rehab project that involves retrofitting a
14 building in any way, it can be the building
15 envelope, it can be installation of solar
16 panels, it can be anything that results in
17 energy or water conservation, to use the
18 Authority's OECB Green Community Program to
19 provide financing on a conduit basis. For a
20 hotel renovation project. Really it can be a
21 rehab project owned by any kind of for-profit
22 or non-profit business.
23 So what the Authority is looking to do is,
24 to provide a statewide program and invent the

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29

1 wheel so that this allocation can be used, and
2 the substantial benefit that results from the
3 Treasury-paid OECB subsidy to come to Illinois.
4 So that's the objective of this first
5 resolution in Tab 7. Do you have any
6 questions?

(No response.)

8 CHAIRMAN FUNDERBURG: And I will point out
9 that all of these have been through our
10 committee meeting earlier this morning, lots of
11 questions there. So there are no other ones,
12 Rich.

13 FRAMPTON: Okay. Moving on next to Tab 8,
14 Tab 8 is a resolution that would provide for
15 the Authority to set aside and reserve up to

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16 \$800,000 of unused OECB allocation for a Green
17 Community Program project to be undertaken by
18 the Institute of Cultural Affairs and the
19 Ecumenical Institute to assist in financing a
20 portion of the qualified capital costs for
21 their ICA GreenRise project, which is located
22 in the former Kemper Insurance building at 4750
23 North Sheridan Road in Chicago.

Just as background, the Institute of

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30

1 Cultural Affairs and the Ecumenical Institute
2 were gifted this building by Kemper Insurance
3 back in 1971. They have owned it ever since.
4 In addition to ICA's own operations, they lease
5 this building. So they receive tenant income
6 from 25 not-for-profit organizations, and they
7 also have several business tenants, including a
8 pharmacy on the ground floor.

9 Just in terms of the financing stack for
10 this particular project, ICA has been, has been
11 looking to obtain both hard and soft financing
12 for this building. So they are going to be
13 looking for senior bank mortgage financing, in
14 addition to various forms of subordinate
15 financing, including those financed through new
16 markets credits.

17 What the OECBs would do, would really be
18 two-fold. First of all, on Page 3 of the
19 report, there is an example that quantifies the

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savings associated with the QECB structure.
Basically it would buy down the interest rate
on up to \$800,000 of their senior bank debt,
which right now is estimated at 3 to
\$4 million. It could be as large as

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financing on a loan-to-value basis, it's

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1 \$6 million, but basically the Qualified Energy
2 Conservation Bond rebate writes down the
3 interest rate on the bank debt by 3.14 percent.

4 So in the example on Page 3, for
5 simplicity, just assume the prime plus 2,
6 borrowing at 5.75 percent, netting out the QECB
7 rebate, that would result in a net borrowing
8 cost at 2.61 percent. So that sums up the
9 benefit. The benefit actually, or spread is
10 actually substantially larger than it would be
11 on a tax exempt bond issue.

12 So we are looking at this as a
13 demonstration project to show how a QECB Green
14 Community Program can be used to support a
15 substantial rehab project that involves new
16 markets credits, and tax counsel on this
17 transaction, Dentons, has been examining the
18 use of the prospective use of QECBs very
19 carefully to make sure that it will conform
20 with all the requirements for the various
21 federal tax credits that are contemplated.
22 So that is -- and, also just given the
23 fact when you look at this prospective

1 evident this is the kind of deal that needs
2 lots of soft money to make it work, and as a
3 result of that, we are recommending an initial
4 commitment of one year, extendable for two
5 additional terms of up to one year each.
6 So with that, I will conclude my remarks
7 and take any questions you may have.

8 CHAI RMAN FUNDERBURG: Any questions?
9 (No response.)

10 FRAMPTON: Finally, I would just like to
11 introduce Leslie Showers, who is the property
12 manager of the ICA GreenRise building. She
13 will be available to discuss the ICA project
14 further if you have any questions.

15 Okay. Thank you.
16 CHAI RMAN FUNDERBURG: Thank you, Rich.
17 Okay. Now I would like to request a
18 motion to pass and adopt the following Project
19 Reports and Resolutions, Items 1, 2, 3, 4, 5, 7
20 and 8. Is there such a motion?

21 MccOY: So moved.
22 CHAI RMAN FUNDERBURG: Is there a second?
23 JURACEK: Second.
24 CHAI RMAN FUNDERBURG: Okay. Please.

MARZULLO REPORTING AGENCY (312) 321-9365

1 FLETCHER: On the motion and the second I
2 will call the roll.
3 Mr. Anderberg?
4 ANDERBERG: Yes.
5 FLETCHER: Ms. Bronner?
6 BRONNER: Yes.
7 FLETCHER: Mr. Goetz?
8 GOETZ: Yes.
9 FLETCHER: Mr. Horne?
10 HORNE: Yes.
11 FLETCHER: Ms. Juracek?
12 JURACEK: Yes.
13 FLETCHER: Mr. Knox?
14 KNOX: Yes.
15 FLETCHER: Mr. McCoy?
16 MCCOY: Yes.
17 FLETCHER: Mr. Obernagel?
18 OBERNAGEL: Yes.
19 FLETCHER: Ms. Smoots?
20 SMOOTS: Yes.
21 FLETCHER: Mr. Zeller?
22 ZELLER: Yes.
23 FLETCHER: Mr. Chai rman?
24 CHAI RMAN FUNDERBURG: Yes.

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1 FLETCHER: Mr. Chai rman, the motion
2 carries.
3 CHAI RMAN FUNDERBURG: Thank you. Now I
4 would like to ask Ms. Lenane to come up and
Page 29

5 present Item No. 6 and, and I would like to
6 also ask Members Goetz and Horne to recuse
7 themselves. Thank you.
8 FLETCHER: Let the record reflect that
9 Members Goetz and Horne have exited the room
10 and recused themselves from deliberations
11 please.
12 LENANE: Okay. No. 6 is a one-time Final
13 Bond resolution for Ann and Robert H. Lurie
14 Children's Hospital of Chicago to approve the
15 issuance of a series of tax exempt bonds in the
16 amount of \$225,000,000, refunding all or a
17 portion of their Illinois Finance Authority
18 Series 2008A and 2008B bonds.
19 Lurie employees 4,758 people. Since this
20 is solely a refunding, there are no
21 construction jobs. Lurie is the only full
22 service, independent, freestanding pediatric
23 hospital in Illinois with 288 licensed beds, as
24 well as a full range of inpatient and

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35

1 outpatient and ancillary-related services. It
2 is nationally-recognized, and is the leading
3 provider of complex quaternary pediatric
4 services in the Chicago area.
5 In addition, for more than 60 years Lurie
6 has been the pediatric training center for
7 Northwestern University's Feinberg School of
8 Medicine, training residents, medical students
Page 30

9 and fellows who will comprise the next
 10 generation of healthcare providers.
 11 Lurie maintains ratings of A+ and AA-
 12 stable. For the A+ that's positive and the AA-
 13 that's stable are from S & P & Fitch,
 14 respectively. The bonds will be sold in a
 15 public offering by JP Morgan Securities,
 16 Goldman Sachs and Loop Capital Markets. They
 17 will be fixed rates, and the rate will be
 18 determined at pricing.
 19 Lurie Children's audited financials from
 20 August 31st, 2016 show very strong debt service
 21 coverage of 8.0 percent with 451 days
 22 cash-on-hand. The net present value savings of
 23 this refunding is approximately \$18 million.
 24 Is there any questions?

MARZULLO REPORTING AGENCY (312) 321-9365

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1 (No response.)
 2

3 LENANE: Thank you.
 4

5 CHAIRMAN FUNDERBURG: Thank you.
 6

7 LENANE: Do you want me to ask them to
 8 come back?
 9

10 CHAIRMAN FUNDERBURG: Yes, please,
 11 after --
 12

13 JURACEK: The vote.
 14

15 CHAIRMAN FUNDERBURG: We will go ahead and
 16 do the vote.
 17

18 All right. So is there a motion to
 19 approve that?
 20

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13 OBERNAGEL: So moved.
 14 KNOX: Second.
 15 CHAIRMAN FUNDERBURG: Motion by
 16 Mr. Obernagel. Seconded by Mr. Knox.
 17 FLETCHER: On the motion and second, I
 18 will call the roll.
 19 Mr. Anderberg?
 20 ANDERBERG: Yes.
 21 FLETCHER: Ms. Bronner?
 22 BRONNER: Yes.
 23 FLETCHER: Ms. Juracek?
 24 JURACEK: Yes.

MARZULLO REPORTING AGENCY (312) 321-9365

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1 FLETCHER: Mr. Knox?
 2

3 KNOX: Yes.
 4

5 FLETCHER: Mr. McCoy?
 6

7 MCCOY: Yes.
 8

9 FLETCHER: Mr. Obernagel?
 10

11 OBERNAGEL: Yes.
 12

13 FLETCHER: Ms. Smoots?
 14

15 SMOOTS: Yes.
 16

17 FLETCHER: Mr. Zeller?
 18

19 ZELLER: Yes.
 20

21 FLETCHER: Mr. Chairman?
 22

23 CHAIRMAN FUNDERBURG: Yes.
 24

25 FLETCHER: Mr. Chairman, the motion
 26 carries.
 27

28 CHAIRMAN FUNDERBURG: Thank you. Now, if
 29 someone would -- thank you.
 30

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17 FLETCHER: Let the record reflect please
18 that Members Goetz and Horne have returned in
19 the room.

20 CHAI RMAN FUNDERBURG: Okay. At this point
21 then I would like to ask, is there any other
22 business to come before the Members?

23 (No response.)

24 CHAI RMAN FUNDERBURG: If not, I would like

MARZULLO REPORTING AGENCY (312) 321-9365

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1 to ask for a request to approve the, approve
2 the motion -- excuse me. To make a motion to
3 excuse the absences of Members unable to
4 participate today. Is there such a motion?

5 KNOX: So moved.

6 CHAI RMAN FUNDERBURG: Is there a second?

7 JURACEK: Second.

8 CHAI RMAN FUNDERBURG: All in favor, say
9 aye.

10 (Chorus of ayes.)

11 CHAI RMAN FUNDERBURG: Any opposed?

12 (No response.)

13 CHAI RMAN FUNDERBURG: Public comment? Any
14 public comment?

15 (No response.)

16 CHAI RMAN FUNDERBURG: Again, thank you all
17 for coming. I would like to ask for a motion
18 to adjourn.

19 BRONNER: So moved.

20 CHAI RMAN FUNDERBURG: Is there a second?

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21 McCOY: Second.

22 CHAI RMAN FUNDERBURG: All those in favor,
23 say aye.

24 (Chorus of ayes.)

MARZULLO REPORTING AGENCY (312) 321-9365

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1 CHAI RMAN FUNDERBURG: Any opposed?

2 (No response.)

3 CHAI RMAN FUNDERBURG: Okay. Meeting

4 adjourned. Thank you all very much.

5 FLETCHER: The time is 10:19 a.m.

6 (Which were all the proceedings
7 had at 10:19 a.m.)

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1 STATE OF ILLINOIS }
2 COUNTY OF COOK } SS:
3 KATHLEEN MUHNE, C.S.R., being first
4 duly sworn, says that she is a court reporter
5 doing business in the city of Chicago, that she
6 reported in shorthand the proceedings had at
7 the Proceedings of said cause, that the
8 foregoing is a true and correct transcript of
9 her shorthand notes, so taken as aforesaid, and
10 contains all the proceedings of said Illinois
11 Finance Authority Public meeting.
12
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24

KATHLEEN MUHNE

SUBSCRIBED AND SWORN TO
Before me this 28th day
of April, A.D. 2017.

Notary Public

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

April 13, 2017

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg
Y Bronner
E Fuentes
Y Goetz
Y Horne

Y Juracek
Y Knox
Y McCoy
Y Obernagel
E O'Brien

E Poole
Y Smoots
E Yonover
Y Zeller
Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
MARCH 9, 2017 MINUTES OF THE REGULAR MEETING OF THE MEMBERS
ADOPTED

April 13, 2017

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg
Y Bronner
E Fuentes
Y Goetz
Y Horne

Y Juracek
Y Knox
Y McCoy
Y Obernagel
E O'Brien

E Poole
Y Smoots
E Yonover
Y Zeller
Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
VOICE VOTE
FINANCIAL REPORTS
ACCEPTED

April 13, 2017

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg
Y Bronner
E Fuentes
Y Goetz
Y Horne

Y Juracek
Y Knox
Y McCoy
Y Obernagel
E O'Brien

E Poole
Y Smoots
E Yonover
Y Zeller
Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0413-AG01
 BEGINNING FARMER REVENUE BOND – BENJAMIN & AMBERLYN WENDLING
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

April 13, 2017

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Juracek	E	Poole
Y	Bronner	Y	Knox	Y	Smoots
E	Fuentes	Y	McCoy	E	Yonover
Y	Goetz	Y	Obernagel	Y	Zeller
Y	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0413-BI02
 INDUSTRIAL REVENUE BOND – MUIRFIELD WEST LLC (CAMCRAFT, INC. AND
 MATRIX DESIGN LLC)
 FINAL
 PASSED*

April 13, 2017

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Juracek	E	Poole
Y	Bronner	Y	Knox	Y	Smoots
E	Fuentes	Y	McCoy	E	Yonover
Y	Goetz	Y	Obernagel	Y	Zeller
Y	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0413-NP03
 501(C)(3) REVENUE BOND – PACIFIC OAKS EDUCATION CORPORATION
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

April 13, 2017

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg
 Y Bronner
 E Fuentes
 Y Goetz
 Y Horne

Y Juracek
 Y Knox
 Y McCoy
 Y Obernagel
 E O'Brien

E Poole
 Y Smoots
 E Yonover
 Y Zeller
 Y Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0413-HC04
 501(C)(3) REVENUE BOND – WESTMINSTER VILLAGE
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

April 13, 2017

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg
 Y Bronner
 E Fuentes
 Y Goetz
 Y Horne

Y Juracek
 Y Knox
 Y McCoy
 Y Obernagel
 E O'Brien

E Poole
 Y Smoots
 E Yonover
 Y Zeller
 Y Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0413-HC05
 501(C)(3) REVENUE BOND – THE LODGE OF NORTHBROOK, INC.
 FINAL (ONE-TIME CONSIDERATION)
 PASSED*

April 13, 2017

11 YEAS

0 NAYS

0 PRESENT

Y Anderberg
 Y Bronner
 E Fuentes
 Y Goetz
 Y Horne

Y Juracek
 Y Knox
 Y McCoy
 Y Obernagel
 E O'Brien

E Poole
 Y Smoots
 E Yonover
 Y Zeller
 Y Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0413-HC06
 501(C)(3) REVENUE BOND – ANN & ROBERT H. LURIE CHILDREN'S HOSPITAL OF
 CHICAGO
 FINAL (ONE-TIME CONSIDERATION)
 PASSED

April 13, 2017

9 YEAS

0 NAYS

0 PRESENT

Y Anderberg
 Y Bronner
 E Fuentes
 NV Goetz
 NV Horne

Y Juracek
 Y Knox
 Y McCoy
 Y Obernagel
 E O'Brien

E Poole
 Y Smoots
 E Yonover
 Y Zeller
 Y Mr. Chairman

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0413-AD07
 RESOLUTION TO AUTHORIZE ESTABLISHMENT OF THE ILLINOIS FINANCE
 AUTHORITY GREEN COMMUNITY PROGRAM TO USE AVAILABLE QUALIFIED
 ENERGY CONSERVATION BOND ISSUANCE AUTHORITY TO FINANCE ENERGY
 RETROFIT PROJECTS AND ENERGY CONSERVATION AND GENERATION PROJECTS
 AT FACILITIES OWNED BY 501(C)(3) CORPORATIONS OR BY FOR-PROFIT
 COMPANIES
 ADOPTED*

April 13, 2017

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Juracek	E	Poole
Y	Bronner	Y	Knox	Y	Smoots
E	Fuentes	Y	McCoy	E	Yonover
Y	Goetz	Y	Obernagel	Y	Zeller
Y	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

ILLINOIS FINANCE AUTHORITY
 ROLL CALL
 RESOLUTION 2017-0413-AD08
 RESOLUTION APPROVING THE PRELIMINARY ALLOCATION FOR BONDING
 AUTHORITY OF QUALIFIED ENERGY CONSERVATION BONDS BY THE ILLINOIS
 FINANCE AUTHORITY TO THE INSTITUTE OF CULTURAL AFFAIRS AND THE
 ECUMENICAL INSTITUTE TO ASSIST IN THE FINANCING OF THE ICA GREENRISE
 PROJECT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$800,000; AND
 RELATED MATTERS
 ADOPTED*

April 13, 2017

11 YEAS

0 NAYS

0 PRESENT

Y	Anderberg	Y	Juracek	E	Poole
Y	Bronner	Y	Knox	Y	Smoots
E	Fuentes	Y	McCoy	E	Yonover
Y	Goetz	Y	Obernagel	Y	Zeller
Y	Horne	E	O'Brien	Y	Mr. Chairman

* – Consent Agenda

E – Denotes Excused Absence

Date: May 11, 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 April 30, 2017***

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

Due to the short time between April 30 and the printing of the Board Book, staff is currently only able to provide *estimated* preliminary and unaudited financial reports for the month of April. The information provided is preliminary and subject to change.

FISCAL YEAR 2017-UNAUDITED

1. GENERAL OPERATING FUND REVENUES, EXPENSES AND NET INCOME

- a. *Estimated Total Annual Revenues* equal **\$4.5** million and are \$385 thousand or **9.3%** higher than budget due primarily to **higher** closing fees. Closing fees year-to-date of \$3.2 million are \$255 thousand or 8.8% **higher** than budget. Annual fees of \$266 thousand are \$87 thousand higher than the budgeted amount. Administrative service fees of \$198 thousand are \$152 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 \$8 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 \$615 thousand (which represents a declining asset since 2014). Net investment income position is at \$223 thousand for the fiscal year and is \$48 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. In April, the Authority received \$8 thousand in prompt payment interest from the State receivables program.

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 **April**, the Authority generated \$80 thousand in closing fees, lower than the monthly budgeted amount of \$291 thousand. Closing fees were received from: **Muirfield, West, LLC** for \$65 thousand; **P.O.B. Development, LLC** for \$10 thousand and one beginning farmer bond for \$5 thousand. In April, **estimated net** investment gain was \$22 thousand.

Due to a change in closing dates the following projects closed in May instead of April; **The Lodge of Northbrook** in the amount of \$70 thousand **and Montgomery Plaza** in the amount of \$86 thousand.

- c. **Estimated Total Annual Expenses** of \$2.7 million were \$1.4 million or 34.6% 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 \$2.2 million; with each function at 25.9% and 52.3% under budget, respectively. Annual occupancy costs of \$147 thousand are 14.1% lower than budget, while general and administrative costs are \$286 thousand for the year, which is 15.3% lower than budget. Total depreciation costs are \$16 thousand and 25.0% 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 **April**, the Authority recorded operating expenses of \$263 thousand, which was lower than the monthly budgeted amount of \$412 thousand. The decrease is due primarily to employee related expenses and professional services being lower than expected.
- e. **Estimated Total Monthly Net Loss** of \$82 thousand was driven by lower than expected closing fees.
- f. **Estimated Total Annual Net Income** is \$2.4 million. The major driver of the annual positive bottom line continues to be the level of overall spending at 34.6% below budget, as well as higher closing fees, higher administrative service fees and higher annual fees.

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

The Authority, as of April 30, 2017, is a \$121.8 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 April 30, 2017; the remaining capacity is \$3.95 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 \$56.2 million. The total assets in the General Fund are \$56.6 million (consisting mostly of cash, investments, and receivables). Unrestricted cash and investments total \$41.5 million (with \$16.0 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. Due to the short timeframe between April 30 and the printing of the Board Book, staff is currently unable to provide financial reports for the month of April for IEPA, IMDC and NIUF.

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 \$361 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 April 30, 2017, the Agricultural Loan Guarantee Fund has Restricted Net Position of \$10.1 million and the Agribusiness Fund has Restricted Net Position of \$7.5 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 April 30, 2017. In month of April, the Authority paid out \$418 thousand on an Agricultural Guarantee. The Authority reserved for the loss in Fiscal Year 2016. In April, the Authority recognized a recovery of bad debt of \$24 thousand as a result of the payment being less than the reserved amount.

- c. All other nonmajor funds recorded total year-to-date revenues of \$312 thousand. Year-to-date expenses total \$9 thousand as of April 30, 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 \$7 thousand in the custody of the Authority. In March, the Authority received a \$7 thousand check from Metro East Police District Commission. In response to a request for additional information concerning the \$7 thousand check, Metro East Police District Commission stated it was a private donation from a local business to assist the Street Level Investigative Crime Enforcement (SLICE). The SLICE unit is made up of Officers from Washington Park and East St. Louis Police Department.
- e. The Illinois Finance Authority NFP Development Fund has a total net position of \$20 thousand.

5. AUTHORITY AUDITS AND REGULATORY UPDATES

The Fiscal Year 2017 Financial Audit Examination and the two-year Compliance Audit Examination will be conducted by RSM US LLP. The RSM US LLP auditors will be on the premises to start field work on May 30, 2017.

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 APRIL 30, 2017
(PRELIMINARY AND UNAUDITED)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	2017 BUDGET VARIANCE	2015 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			\$ 3,161,913	\$ 2,907,000	\$ 254,913	8.8%
Annual Fees	26,604	22,792	30,432	27,938	25,960	26,601	24,191	30,641	27,238	23,678			266,075	178,648	87,427	48.9%
Administrative Service Fees	161,000	-	-	-	20,000	-	10,000	7,000	-	-			198,000	45,833	152,167	332.0%
Application Fees	200	2,000	8,700	3,700	5,600	1,400	1,600	4,100	1,100	4,200			32,600	24,750	7,850	31.7%
Miscellaneous Fees	94	4,752	-	-	338	-	131	-	15,000	-			20,315	417	19,898	4771.7%
Interest Income-Loans	69,733	68,858	69,694	69,615	69,169	69,203	74,988	22,384	50,643	50,618			614,905	691,142	(76,237)	-11.0%
Other Revenue	191	191	190	-	9,506	177	-	180	172	166			10,773	120,000	(109,227)	-91.0%
Total Operating Revenue:	\$ 487,860	\$ 577,746	\$ 854,439	\$ 315,003	\$ 563,079	\$ 434,631	\$ 307,429	\$ 377,098	\$ 229,043	\$ 158,253	\$ -	\$ -	\$ 4,304,581	\$ 3,967,790	\$ 336,791	8.5%
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			\$ 1,500,356	\$ 2,025,324	\$ (524,968)	-25.9%
Professional Services	45,724	60,685	89,585	75,798	81,641	64,762	143,680	50,177	68,888	67,271			748,211	1,569,197	(820,986)	-52.3%
Occupancy Costs	14,105	13,292	17,476	11,994	16,652	14,748	15,087	14,626	12,520	16,791			147,291	171,458	(24,167)	-14.1%
General & Administrative	28,385	29,354	26,935	26,112	25,458	37,602	35,127	24,839	26,298	26,223			286,333	337,863	(51,530)	-15.3%
Depreciation and Amortization	2,180	2,153	1,504	1,504	1,504	1,504	1,504	1,504	1,136	1,136			15,629	20,833	(5,204)	-25.0%
Total Operating Expense	\$ 245,419	\$ 253,369	\$ 306,478	\$ 253,178	\$ 263,661	\$ 253,522	\$ 351,189	\$ 245,644	\$ 262,522	\$ 262,838	\$ -	\$ -	\$ 2,697,820	\$ 4,124,675	\$ (1,426,855)	-34.6%
Operating Income(Loss)	\$ 242,441	\$ 324,377	\$ 547,961	\$ 61,825	\$ 299,418	\$ 181,109	\$ (43,760)	\$ 131,454	\$ (33,479)	\$ (104,585)	\$ -	\$ -	\$ 1,606,761	\$ (156,885)	\$ 1,763,646	1124.2%
Nonoperating Revenues (Expenses):																
Miscellaneous Non-Opertg Rev/(Exp)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,250)	\$ 1,250	-100.0%
Bad Debt Adjustments (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	8,333	(8,333)	-100.0%
Interest and Investment Income*	15,017	21,911	123,568	15,493	17,776	21,022	23,719	28,870	25,238	25,000			317,614	261,561	56,053	21.4%
Realized Gain (Loss) on Sale of Invests	(2,890)	(298)	(626)	(105)	(317)	(230)	(1,578)	(7,370)	(2,126)	(2,282)			(17,822)	5,176	(22,998)	-444.3%
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)	-			(77,285)	(99,532)	22,247	-22.4%
Total Nonoperating Rev (Exp)	\$ (2,167)	\$ 1,095	\$ 125,947	\$ 7,644	\$ (9,531)	\$ 23,326	\$ 28,750	\$ 16,577	\$ 8,148	\$ 22,718	\$ -	\$ -	\$ 222,507	\$ 174,288	\$ 48,219	27.7%
Net Income (Loss) Before Transfers	\$ 240,274	\$ 325,472	\$ 673,908	\$ 69,469	\$ 289,887	\$ 204,435	\$ (15,010)	\$ 148,031	\$ (25,331)	\$ (81,867)	\$ -	\$ -	\$ 1,829,268	\$ 17,403	\$ 1,811,865	10411.2%
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)	\$ (81,867)	\$ -	\$ -	\$ 2,429,778	\$ 17,403	\$ 2,412,375	13861.8%

*Interest and Investment income for the month of April are estimates

**Year to Date Net Appreciation (Depr) in FV of Investments are as of March 31, 2017



ILLINOIS FINANCE AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND NET INCOME
IFA FUNDS AND CUSTODIAL FUND ACTIVITY
FOR FISCAL YEAR 2017 AS OF APRIL 30, 2017
(PRELIMINARY AND UNAUDITED)

	GENERAL FUND*	FIRE TRUCK REV LOAN FUND	AMBULANCE REV LOAN FUND	ALL OTHER NON-MAJOR FUNDS	SUBTOTAL IFA FUNDS	TOTAL ALL FUNDS	AGENCY FUNDS
Operating Revenues:							
Closing Fees	\$ 3,161,913	\$ -	\$ -	\$ -	\$ 3,161,913	\$ 3,161,913	\$ -
Annual Fees	266,075	-	-	-	266,075	266,075	-
Administrative Service Fees	198,000	-	-	-	198,000	198,000	-
Application Fees	32,600	-	-	-	32,600	32,600	-
Miscellaneous Fees	20,315	360,667	-	107	381,089	381,089	-
Interest Income-Loans	614,905	12,505	-	27,978	655,388	655,388	-
Other Revenue	10,773	-	-	1,107	11,880	11,880	-
Total Operating Revenue:	\$ 4,304,581	\$ 373,172	\$ -	\$ 29,192	\$ 4,706,945	\$ 4,706,945	\$ -
Operating Expenses:							
Employee Related Expense	\$ 1,500,356	\$ -	\$ -	\$ -	\$ 1,500,356	\$ 1,500,356	\$ -
Professional Services	748,211	451	429	6,442	755,533	755,533	-
Occupancy Costs	147,291	-	-	-	147,291	147,291	-
General & Administrative	286,333	-	-	36	286,369	286,369	-
Interest Expense	-	-	-	2,525	2,525	2,525	-
Depreciation and Amortization	15,629	-	-	-	15,629	15,629	-
Total Operating Expense	\$ 2,697,820	\$ 451	\$ 429	\$ 9,003	\$ 2,707,703	\$ 2,707,703	\$ -
Operating Income(Loss)	\$ 1,606,761	\$ 372,721	\$ (429)	\$ 20,189	\$ 1,999,242	\$ 1,999,242	\$ -
Nonoperating Revenues (Expenses):							
Miscellaneous non-opertg rev/(exp)	\$ -	\$ -	\$ -	\$ 142,560	\$ 142,560	\$ 142,560	\$ -
Interest and investment income*	317,614	9,778	10,611	225,548	563,551	563,551	17
Realized Gain (Loss) on sale of investment	(17,822)	(329)	(149)	(2,221)	(20,521)	(20,521)	-
Net Appreciation (Depr) in fair value of investments**	(77,285)	(2,044)	187	(83,197)	(162,339)	(162,339)	-
Total Nonoperating Revenues (Expenses)	\$ 222,507	\$ 7,405	\$ 10,649	\$ 282,690	\$ 523,251	\$ 523,251	\$ 17
Net Income (Loss) Before Transfers	\$ 1,829,268	\$ 380,126	\$ 10,220	\$ 302,879	\$ 2,522,493	\$ 2,522,493	\$ 17
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)	\$ 2,429,778	\$ 380,126	\$ 10,220	\$ (297,631)	\$ 2,522,493	\$ 2,522,493	\$ 17

*Interest and Investment income for the month of April are estimates

**Net Appreciation (Depr) in FV of Invests are as of March 31, 2017



ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND CUSTODIAL FUND ACTIVITY

April 30, 2017

(PRELIMINARY AND UNAUDITED)

Assets and Deferred Outflows:

Current Assets:

Unrestricted:

Cash & cash equivalents	\$ 15,969,923	\$ -	\$ -	\$ 406,850	\$ 16,376,773	\$ 16,376,773	\$ -
Investments	18,107,617	-	-	1,771,496	19,879,113	19,879,113	-
Accounts receivable, Net	82,810	-	-	-	82,810	82,810	-
Loans receivables, Net	2,196	-	-	-	2,196	2,196	-
Accrued interest receivable	450,291	-	-	11,000	461,291	461,291	-
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	71,634	-	-	-	71,634	71,634	-
Total Current Unrestricted Assets	\$ 36,314,190	\$ -	\$ -	\$ 2,189,346	\$ 38,503,536	\$ 38,503,536	\$ -

Restricted:

Cash & Cash Equivalents	\$ -	\$ 502,490	\$ 126,715	\$ 2,808,580	\$ 3,437,785	\$ 3,437,785	\$ 7,442
Investments	-	2,304,088	2,428,888	5,244,926	9,977,902	9,977,902	-
Accrued interest receivable	-	11,448	3,400	31,511	46,359	46,359	-
Due from other funds	-	-	-	-	-	-	-
Due from primary government	-	-	-	-	-	-	-
Bonds and notes receivable from State component units	-	-	-	-	-	-	-
Loans receivables, Net	-	1,796,438	-	17,333	1,813,771	1,813,771	-
Total Current Restricted Assets	\$ -	\$ 4,614,464	\$ 2,559,003	\$ 8,102,350	\$ 15,275,817	\$ 15,275,817	\$ 7,442

Total Current Assets

	\$ 36,314,190	\$ 4,614,464	\$ 2,559,003	\$ 10,291,696	\$ 53,779,353	\$ 53,779,353	\$ 7,442
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Non-current Assets:

Unrestricted:

Investments	\$ 7,383,118	\$ -	\$ -	\$ 2,127,965	\$ 9,511,083	\$ 9,511,083	\$ -
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	\$ 20,241,658	\$ -	\$ -	\$ 2,127,965	\$ 22,369,623	\$ 22,369,623	\$ -

Restricted:

Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	6,359,837	6,359,837	6,359,837	-
Funds in the custody of the Treasurer	-	70,843	-	18,040,875	18,111,718	18,111,718	-
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	-	-	-	-	-	-	-
Bonds and notes receivable from State component units	-	-	-	-	-	-	-
Total Noncurrent Restricted Assets	\$ -	\$ 18,332,256	\$ 1,672,960	\$ 25,660,947	\$ 45,666,163	\$ 45,666,163	\$ -

Capital Assets

Capital Assets	\$ 801,652	\$ -	\$ -	\$ -	\$ 801,652	\$ 801,652	\$ -
Accumulated Depreciation	(788,400)	-	-	-	(788,400)	(788,400)	-
Total Capital Assets	\$ 13,252	\$ -	\$ -	\$ -	\$ 13,252	\$ 13,252	\$ -

Total Noncurrent Assets

	\$ 20,254,910	\$ 18,332,256	\$ 1,672,960	\$ 27,788,912	\$ 68,049,038	\$ 68,049,038	\$ -
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Total Assets

	\$ 56,569,100	\$ 22,946,720	\$ 4,231,963	\$ 38,080,608	\$ 121,828,391	\$ 121,828,391	\$ 7,442
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DEFERRED OUTFLOWS OF RESOURCES:

Deferred loss on debt refunding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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TOTAL DEFERRED OUTFLOWS OF RESOURCES

	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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Total Assets & Deferred Inflows of Resources

	\$ 56,569,100	\$ 22,946,720	\$ 4,231,963	\$ 38,080,608	\$ 121,828,391	\$ 121,828,391	\$ 7,442
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ILLINOIS FINANCE AUTHORITY
STATEMENT OF NET POSITION
IFA FUNDS AND CUSTODIAL FUND ACTIVITY

April 30, 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	TOTAL ALL FUNDS	METRO EAST POLICE DISTRICT COMMISSION
Liabilities:							
Current Liabilities:							
Payable from unrestricted current assets:							
Accounts payable	\$ 19,026	\$ -	\$ -	\$ -	\$ 19,026	\$ 19,026	\$ -
Accrued liabilities	41,763	-	-	-	41,763	41,763	-
Due to employees	117,956	-	-	-	117,956	117,956	-
Due to primary government	85,001	-	-	-	85,001	85,001	-
Other liabilities	-	-	-	-	-	-	7,425
Unearned revenue, net of accumulated amortization	111,682	-	-	-	111,682	111,682	-
Total Current Liabilities Payable from Unrestricted Current Assets	\$ 375,428	\$ -	\$ -	\$ -	\$ 375,428	\$ 375,428	\$ 7,425
Payable from restricted current assets:							
Accrued interest payable	\$ -	\$ -	\$ -	\$ 1,237	\$ 1,237	\$ 1,237	\$ -
Due to other funds	-	-	-	25,619	25,619	25,619	-
Bonds and notes payable from primary government	-	-	-	-	-	-	-
Bonds and notes payable from State component units	-	-	-	-	-	-	-
Current portion of long term debt	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-
Total Current Liabilities Payable from Restricted Current Assets	\$ -	\$ -	\$ -	\$ 26,856	\$ 26,856	\$ 26,856	\$ -
Total Current Liabilities	\$ 375,428	\$ -	\$ -	\$ 26,856	\$ 402,284	\$ 402,284	\$ 7,425
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bonds and notes payable from State component units	-	-	-	-	-	-	-
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	\$ 248,512	\$ -
Total Noncurrent Liabilities	\$ 585	\$ -	\$ -	\$ 248,512	\$ 249,097	\$ 249,097	\$ -
Total Liabilities	\$ 376,013	\$ -	\$ -	\$ 275,368	\$ 651,381	\$ 651,381	\$ 7,425
Net Position:							
Net Investment in Capital Assets	\$ 13,252	\$ -	\$ -	\$ -	\$ 13,252	\$ 13,252	\$ -
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	53,750,057	-	-	4,195,021	57,945,078	57,945,078	-
Current Change in Net Position	2,429,778	380,126	10,219	(297,631)	2,522,492	2,522,492	17
Total Net Position	\$ 56,193,087	\$ 22,946,720	\$ 4,231,963	\$ 37,805,240	\$ 121,177,010	\$ 121,177,010	\$ 17
Total Liabilities & Net Position	\$ 56,569,100	\$ 22,946,720	\$ 4,231,963	\$ 38,080,608	\$ 121,828,391	\$ 121,828,391	\$ 7,442



STATE of ILLINOIS
DETAILED RECEIVABLES SUMMARY (UNAUDITED)
AS OF May 4, 2017

As of November 1, 2015 the Illinois Finance Authority has purchased the following receivables on behalf of the State of Illinois, pursuant to Resolutions 2015-1112-AD11 and 2016-0211-AD07:

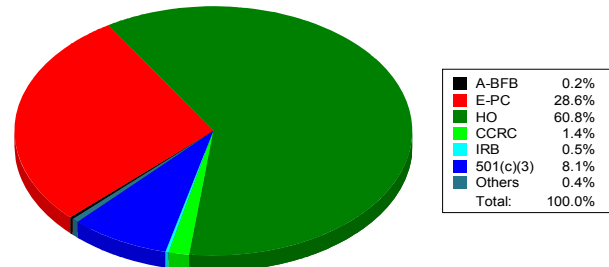
Vendor	Payment dates	Amount
Cosgrove Distributors Inc.	12/21/2015	\$9,225.92
	Payment received by IFA	<u>(\$9,225.92)</u>
	Balance due from Cosgrove Distributors	\$0.00
Grayboy Building Maintenance	12/16/2015	\$15,790.36
	Payment received by IFA	<u>(\$15,789.33)</u>
	Balance due from Grayboy Building Maint.	\$1.03
M. J. Kellner Co. Inc.	12/28/2015	\$1,806,912.20
M. J. Kellner Co. Inc.	3/31/2016	1,929,224.10
	Payment received by IFA	<u>(\$3,674,162.78)</u>
	Balance due from M.J. Kellner	\$61,973.52
Smith Maintenance Company	11/25/2015	\$251,665.26
Smith Maintenance Company	12/29/2015	125,832.63
Smith Maintenance Company	2/10/2016	129,811.11
Smith Maintenance Company	3/21/2016	151,826.83
Smith Maintenance Company	4/14/2016	151,826.83
Smith Maintenance Company	5/19/2016	151,826.83
Smith Maintenance Company	6/23/2016	107,795.38
Smith Maintenance Company	7/21/2016	107,795.38
		<u>\$1,178,380.25</u>
	Payment received by IFA	<u>(1,178,380.25)</u>
	Balance due from Smith Maintenance	\$0.00
Sysco St. Louis LLC	12/16/2015	\$32,418.85
Total State of Illinois Assigned/Purchased Receivables		\$4,971,951.65
Total State of Illinois Assigned/Purchased Receivables Payment Received		\$4,877,558.25
Balance due from State of Illinois Assigned/Purchased Receivables		<u>\$94,393.40</u>

Bonds Issued - Fiscal Year Comparison for the Period Ending April 30, 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>

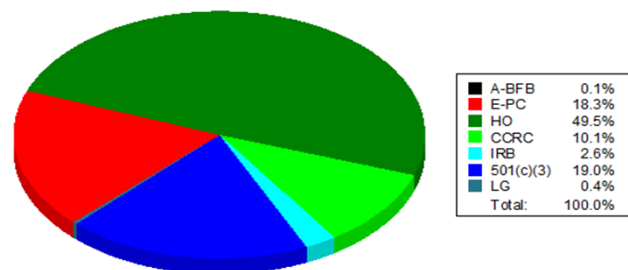
Bonds Issued in Fiscal Year 2015



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>

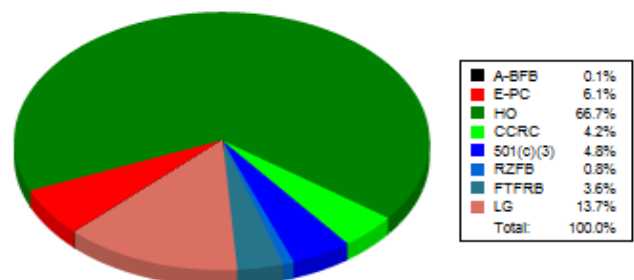
Bonds Issued in Fiscal Year 2016



Fiscal Year 2017

#	Market Sector	Principal Issued
12	Agriculture - Beginner Farmer	2,317,400
4	Education	221,755,000
1	Freight Transfer Facilities Bonds	130,000,000
11	Healthcare - Hospital	2,433,170,000
3	Healthcare - CCRC	154,185,000
7	501(c)(3) Not-for-Profit	174,967,000
2	Recovery Zone Facilities Bonds	28,951,409
1	Local Government	500,000,000
<u>41</u>		<u>\$3,645,345,809</u>

Bonds Issued in Fiscal Year 2017



Bond Issuance Analysis

The Authority issued \$9,587,500 in conduit debt during the month of April, 2017. This is 96% lower than April, 2016 at \$338,110,000. This is also 94% lower than the previous month's issuance at \$169,283,909. Total issuance for FY 2017 is \$3,645,345,809. This is 32% higher than the same period as of April 30, 2016 at \$2,476,617,495. The IFA issued one conduit bond and one beginner farmer bond in April, 2017. These bonds are less than one percent of the total issuance for the FY 2017.

**Bonds Issued and Outstanding
as of
April 30, 2017**

Bonds Issued between July 01, 2016 and April 30, 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	0
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 Series 2016A	11/08/2016	Variable	184,385,000	56,000,000
HO The Carle Foundation Series 2016B-Taxable	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	747,500	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

Total Bonds Issued as of April 30, 2017 \$ 3,645,345,809 \$ 2,490,643,409

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 April 30, 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
Total Beginner Farmer Bonds Issued		<u><u>\$ 2,317,400</u></u>	<u><u>641.72</u></u>	

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	
	June 30, 2016	April 30, 2017	Limitations	Remaining Capacity
Illinois Finance Authority "IFA" ^[b]				
Agriculture	\$ 48,260,274	\$ 50,290,174		
Education	4,445,960,359	4,345,591,983		
Healthcare	14,405,422,474	15,296,873,936		
Industrial Development [includes Recovery Zone/Midwest Disaster]	777,192,893	884,448,151		
Local Government	315,810,000	786,500,000		
Multifamily/Senior Housing	157,262,660	153,900,810		
501(c)(3) Not-for Profits	1,565,340,114	1,614,549,974		
Exempt Facilities Bonds	149,915,000	149,915,000		
1	Total IFA Principal Outstanding	\$ 21,865,163,774	\$ 23,282,070,027	
Illinois Development Finance Authority "IDFA" ^[b]				
Education	496,388	496,388		
Healthcare	77,000,000	77,000,000		
Industrial Development	205,383,747	186,690,244		
Local Government	263,060,103	222,677,364		
Multifamily/Senior Housing	83,679,117	82,249,117		
501(c)(3) Not-for Profits	607,654,373	529,846,167		
	Total IDFA Principal Outstanding	\$ 1,237,273,728	\$ 1,098,959,279	
Illinois Rural Bond Bank "IRBB" ^[b]				
	Total IRBB Principal Outstanding	\$ -	\$ -	
	Illinois Health Facilities Authority "IHFA"	\$ 617,984,999	\$ 305,855,000	
	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	\$ 25,193,052,659	\$ 28,150,000,000 \$ 2,956,947,341

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	April 30, 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	33,425,000		
Total General Moral Obligations	\$ 34,885,000	\$ 33,425,000	\$ 150,000,000	\$ 116,575,000
* 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	April 30, 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	April 30, 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	April 30, 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	April 30, 2017			
Agri Debt Guarantees [Restructuring Existing Debt]					
Fund # 994 - Fund Balance \$10,102,885	\$ 6,824,437	\$ 6,694,011	\$ 160,000,000	\$ 153,305,989	\$ 5,689,909
AG Loan Guarantee Program					
Fund # 205 - Fund Balance \$7,922,685	\$ 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	\$ 10,787,478	\$ 385,000,000	\$ 374,212,522	\$ 9,169,356

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	April 30, 2017	
155	Fire Truck Revolving Loan Program	Fund # 572	\$ 21,265,564	\$ 20,057,851	\$ 2,837,942
22	Ambulance Revolving Loan Program	Fund # 334	\$ 247,280	\$ 1,672,960	\$ 2,556,190

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	April 30, 2017		
Environmental [Large Business]				
Issued through IFA	\$ 15,535,000	\$ 14,575,000		
Issued through IDFA	110,520,000	97,505,000		
Total Environmental [Large Business]	\$ 126,055,000	\$ 112,080,000	\$ 2,425,000,000	\$ 2,312,920,000
Environmental [Small Business]	\$ -	\$ -	\$ 75,000,000	\$ 75,000,000
Total Environment Bonds Issued under Act	\$ 126,055,000	\$ 112,080,000	\$ 2,500,000,000	\$ 2,387,920,000

Illinois Finance Authority Funds at Risk

Section VII

	Original Amount	Principal Outstanding	
		June 30, 2016	April 30, 2017
Participation Loans			
Business & Industry	23,020,158	422,129	102,218
Agriculture	6,079,859		
Participation Loans excluding Defaults & Allowances	29,100,017	422,129	102,218
Plus: Legacy IDFA Loans in Default		843,173	843,173
Less: Allowance for Doubtful Accounts		960,726	942,574
Total Participation Loans		288,943	2,817
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	164,386
Renewable Energy [RED Fund]	2,000,000	1,206,055	1,124,329
Total Loans Outstanding	34,353,017	18,963,713	13,988,307
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	April 30, 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

Due to the short time between April 30 and the board book printing, the Authority is unable to provide the final unaudited preliminary Schedule of Debt report for the month of April. The information provided is preliminary and subject to change for the IFA Public Board Book (Version 3), Page 51

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

**BOARD OF DIRECTORS MEETING
May 11, 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
	rentacomputer	05/06/17- 06/06/17	\$2,099	New rental agreement executed.	Rental of servers to test systems
	Hewlett Packard Enterprise Support	05/06/17- 05/31/18	\$5,627	Agreement executed	IT Hardware Support Care Packs.
	GoDaddy	06/15/17- 06/14/18	\$150	Order executed	SSL Certificate for Mobile Device Management. (*il-fa.com)
	CDW-G	04/10/17	\$168	One time order completed	Battery backup for systems

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

**BOARD OF DIRECTORS MEETING
May 11, 2017**

I. CONTRACTS/AMENDMENTS EXECUTED					
B. Illinois Procurement Code-Pursuant to the Exemption	Vendor	Initial Term	Estimated Not to Exceed Value	Action/Proposed Method of Procurement	Services Provided
	Baker & McKenzie	4/06/17- 04/05/21	\$114,285.71	Contract executed	Legal Services
	Cahill Law Offices	4/06/17- 04/05/21	\$114,285.71	Contract executed	Legal Services
	Chapman & Cutler	4/06/17- 04/05/21	\$185,714.28	Contract and Amendment executed	Legal Services
	Clark Hill	4/06/17- 04/05/21	\$114,285.71	Contract executed	Legal Services
	Cotillas and Associates	4/06/17- 04/05/21	\$114,285.71	Contract executed	Legal Services
	Dinsmore & Shohl LLP	4/06/17- 04/05/21	\$185,714.28	Contract executed	Legal Services
	Foley & Lardner LLP	04/18/17 – 04/17/21	\$185,714.28	Contract and Amendment executed	Legal Services
	Freeborn & Peters	4/06/17- 04/05/21	\$114,285.71	Contract executed	Legal Services
	G&R Public Law and Strategies	4/06/17- 04/05/21	\$114,285.71	Contract executed	Legal Services
	Hardwick Law Firm LLC	4/06/17- 04/05/21	\$185,714.28	Contract executed	Legal Services
	Holland & Knight LLP	4/06/17- 04/05/21	\$185,714.28	Contract executed	Legal Services
	Ice Miller	4/06/17- 04/05/21	\$185,714.28	Contract executed	Legal Services

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

**BOARD OF DIRECTORS MEETING
May 11, 2017**

I. CONTRACTS/AMENDMENTS EXECUTED					
B. Illinois Procurement Code – Pursuant to the Exemption	Vendor	Initial Term	Estimated Not to Exceed Value	Action/Proposed Method of Procurement	Services Provided
	Kutak Rock LLP	4/06/17-04/05/21	\$185,714.28	Contract executed	Legal Services
	Locke Lord LLC	4/06/17-04/05/21	\$185,714.28	Contract executed	Legal Services
	Mayer Brown LLP	4/18/17-04/17/21	\$185,714.28	Contract executed	Legal Services
	McGuire Woods LLP	4/06/17-04/05/21	\$185,714.28	Contract executed	Legal Services
	Polsinelli PC	4/06/17-04/05/21	\$114,285.71	Contract executed	Legal Services
	Pugh, Jones & Johnson, P.C.	4/06/17-04/05/21	\$185,714.28	Contract executed	Legal Services
	Quintairos, Prieto, Wood & Boyer	4/06/17-04/05/21	\$114,285.71	Contract executed	Legal Services
	Reyes Kurson, Ltd.	4/06/17-04/05/21	\$114,285.71	Contract executed	Legal Services
	Rock Fusco & Connelly, LLC	4/06/17-04/05/21	\$114,285.71	Contract executed	Legal Services
	Sanchez Daniels & Hoffman LLP	4/06/17-04/05/21	\$114,285.71	Contract executed	Legal Services
	Zuber Lawler & Del Luca	4/10/17-4/09/21	\$114,285.71	Contract executed	Legal Services

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

**BOARD OF DIRECTORS MEETING
May 11, 2017**

III. EXPIRING CONTRACTS					
A. Illinois Procurement Code-Emergency Procurement	Vendor	Expiration Date	Estimated Not to Exceed Value	Action/Proposed Method of Procurement	Services Provided
	ADP Total Source, Inc.	05/31/17	\$270,000	Proposed Emergency Procurement	Employee Benefits and Payroll Services.
B. Illinois Procurement Code-Competitive Bids/Proposals	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
May 11, 2017**

III. EXPIRING CONTRACTS (cont'd)					
	Vendor	Expiration Date	Estimated Not to Exceed Value	Action/Proposed Method of Procurement	Services Provided
A. Illinois Procurement Code-Small Purchases	MicroTek	05/17/17	\$9,500	Project completed. Will not be renewed.	Training Room Rentals.
	MX Save	06/12/17	\$588	To purchase again via SPW with incumbent.	Disaster Recovery/Mailbag Service.
	ADP/EZLabor	06/30/17	\$1,008	To execute a new agreement with incumbent	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	Proposed Small Purchase Procurement	Local Gov't Paying Agent/Custodian.
	CDW Government LLC	06/30/17	\$264	To purchase again via SPW with incumbent.	Smart Net, Cisco firewall 5510.
	Com Microfilm Company, Inc.	06/30/17	\$16,948	State in RFP process – continue with State Master	Docuware Maintenance.
	Midwest Moving & Storage	06/30/17	\$48,840	Vendor replaced. Will not be renewed.	Storage.
	Novanis IT Solutions	06/30/17	\$342	To purchase again via SPW with incumbent.	McAfee End Point Encryption.
	Pickens Kane	06/30/17	\$30,000	Vendor replaced. Will not be renewed.	Records management services.

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

**BOARD OF DIRECTORS MEETING
May 11, 2017**

III. EXPIRING CONTRACTS (cont'd)					
	Vendor	Expiration Date	Estimated Not to Exceed Value	Action/Proposed Method of Procurement	Services Provided
A. Illinois Procurement Code-Small Purchases	Presidio Networked Solutions	06/30/17	\$3,292	To do quote.	Production Support/subscription for VMware.
	Swift Impressions	06/30/17	\$12,000	To do quote.	Printing Services for the Monthly Board Book.
	The On Time Courier	06/30/17	\$5,000	Replace with State Master CMS6914970	Messenger Service.
	TRI Industries	06/30/17	\$986	No BOA required. 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.
	GoDaddy	8/10/2017	\$543	To purchase again via SPW 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 SPW with incumbent.	PrintBoss Software for printing checks.

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

**BOARD OF DIRECTORS MEETING
May 11, 2017**

III. EXPIRING CONTRACTS (cont'd)					
	Vendor	Expiration Date	Estimated Not to Exceed Value	Action/Proposed Method of Procurement	Services Provided
A. Illinois Procurement Code-Small Purchases	Datalock	10/24/2017	\$265	To purchase again via SPW with incumbent.	Mt Vernon shredding.
	Marzullo Reporting Agency, Inc.	10/31/17	\$15,000	To execute a new agreement with incumbent	Monthly Board Meeting.
	Network Solutions	12/20/17	\$38	To purchase again via SPW with incumbent.	For site URL.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors
From: Lorrie Karcher and Patrick Evans
Date: May 11, 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: \$502,200**
- **Calendar Year Summary:** (as of May 11, 2017)
 - Volume Cap: \$10,000,000
 - Volume Cap Committed: \$2,486,900
 - Volume Cap Remaining: \$7,513,100
 - Average Farm Acreage: 78
 - Number of Farms Financed: 9
- **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: 30387
Borrower(s): Schlechte, Zachary D. & Erika J.
Borrower Benefit: First Time Land Buyer
Town: Edwardsville, IL
IFA Bond Amount: \$310,000.00
Use of Funds: Farmland –57 acres of farmland
Purchase Price: \$620,000 / \$10,877 per acre
% Borrower Equity: 5%
% IFA Bonds: 50% (Bank Purchased Bond – Bank secured by 1st Mortgage)
% USDA Farm Service Agency (“FSA”) 45% (*Subordinate Financing – 2nd Mortgage*)
Township: Bois D’Arc (West Part)
County/Region: Montgomery / Central
Lender/Bond Purchase: First National Bank of Raymond / Scott Niehaus
Legislative Districts: Congressional: 15
State Senate: 55
State House: 109

Principal shall be paid annually in installments determined pursuant to a Twenty-five (25) year amortization schedule calculated at the initial interest rate, 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 twenty fifth and final payment of all outstanding balances due twenty five years from the first principal date. The note will have a 25-year amortization and maturity.

B. Project Number: 30388
Borrower(s): Von Bokel, Jacob A.
Borrower Benefit: First Time Land Buyer
Town: Pocahontas, IL
IFA Bond Amount: \$192,200.00
Use of Funds: Farmland –62 acres of farmland
Purchase Price: \$384,400 / \$6,200 per acre
% Borrower Equity: 5%
% IFA Bonds: 50% (Bank Purchased Bond – Bank secured by 1st Mortgage)
% USDA Farm Service Agency (“FSA”) 45% (*Subordinate Financing – 2nd Mortgage*)
Township: Oconee
County/Region: Shelby / Central
Lender/Bond Purchase: Germantown Trust & Savings Bank / Floyd Trame
Legislative Districts: Congressional: 15
State Senate: 54
State House: 107

Principal shall be paid annually in installments determined pursuant to a Twenty (20) year amortization schedule, with the first principal payment date scheduled one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually (and be calculated based on the “expressed rate” described below), with the first interest payment date to begin one year from the date of closing with the twentieth and final payment (of all balances) due 20 years from the date of closing.

\$45,000,000 (not-to-exceed)
Benedictine University

May 11, 2017

REQUEST	<p>Purpose: Bond proceeds, together with certain other funds, will be used by Benedictine University (the “University”) to (i) currently refund all or a portion of the Illinois Finance Authority Revenue Bonds (Benedictine University Project) Series 2013B (the “Series 2013B Bonds”); (ii) refinance the outstanding balance of the Bridge Loan Agreement dated November 20, 2013, among the University, Founders Woods, Ltd. and RBS Citizens, N.A.; (iii) finance certain fees relating to the termination of a swap agreement; (iv) fund a debt service reserve fund for the benefit of the Series 2017 Bonds; and (v) pay certain expenses incurred in connection with the issuance of the Series 2017 Bonds, all as permitted by the Act (collectively, the “Financing Purposes”).</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																																			
BOARD ACTION	Final Bond Resolution (<i>One-time consideration</i>)																																			
MATERIAL CHANGES	Not applicable. This is the first time this financing is being presented.																																			
JOB DATA	1,367	Current jobs	15	New jobs projected (1-2 years)																																
	N/A	Retained jobs	N/A	Construction jobs projected																																
DESCRIPTION	<ul style="list-style-type: none">● Location: Lisle / DuPage County / Northeast● Type of entity: The University, a 501(c)(3) organization incorporated under Illinois law, is a private, Catholic, co-educational institution of higher learning founded by the Benedictine monks of St. Procopius Abbey in 1887 that is governed by a 25-member Board of Trustees (see pp. 5-6).● The IFA Revenue Refunding Bonds (Benedictine University) Series 2017 will refund the University’s Series 2013B Bonds (bank purchased) as well as refinance on a tax-exempt basis a conventional bank loan with RBS Citizens, N.A. The Series 2017 Bonds will be sold publicly based on the University’s long-term debt rating.																																			
CREDIT INDICATORS	<ul style="list-style-type: none">● S&P Global Ratings assigned a ‘BBB’ rating to the proposed 2017 Bonds and affirmed the rating on the University’s outstanding Series 2013A Bonds at ‘BBB’ (while also revising the Outlook from Negative to Stable) as of April 25, 2017.																																			
STRUCTURE	<ul style="list-style-type: none">● The plan of finance contemplates the public offering of the Series 2017 Bonds, underwritten by Goldman Sachs & Co. LLC (the “Underwriter”).● The Series 2013B Bonds to be refunded were purchased directly by RBS Citizens, N.A. and First Midwest Bank, N.A. in an initial Bank Purchase Mode Term that would otherwise expire as of October 1, 2020.● The Bonds will be sold on a fixed rate basis, potentially with both serial and term maturities.● The final maturity of the Series 2017 Bonds is expected to be no later October 1, 2043 (which is the same final maturity date as the Series 2013B Bonds to be refunded (i.e., 26 years)).																																			
SOURCES AND USES - PRELIMINARY	<table><tr><td colspan="2">Sources:</td><td colspan="2">Uses:</td></tr><tr><td>IFA Series 2017 Bonds</td><td>\$35,500,000</td><td>Series 2013B Refunding</td><td>\$30,000,000</td></tr><tr><td>Equity</td><td><u>600,000</u></td><td>Conventional Loan</td><td></td></tr><tr><td></td><td></td><td>Refinancing</td><td>1,400,000</td></tr><tr><td></td><td></td><td>Swap Termination Fees</td><td>900,000</td></tr><tr><td></td><td></td><td>Debt Service Reserve Fund</td><td>3,200,000</td></tr><tr><td></td><td></td><td>Costs of Issuance</td><td><u>600,000</u></td></tr><tr><td>Total</td><td><u>\$36,100,000</u></td><td>Total</td><td><u>\$36,100,000</u></td></tr></table>				Sources:		Uses:		IFA Series 2017 Bonds	\$35,500,000	Series 2013B Refunding	\$30,000,000	Equity	<u>600,000</u>	Conventional Loan				Refinancing	1,400,000			Swap Termination Fees	900,000			Debt Service Reserve Fund	3,200,000			Costs of Issuance	<u>600,000</u>	Total	<u>\$36,100,000</u>	Total	<u>\$36,100,000</u>
Sources:		Uses:																																		
IFA Series 2017 Bonds	\$35,500,000	Series 2013B Refunding	\$30,000,000																																	
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		Swap Termination Fees	900,000																																	
		Debt Service Reserve Fund	3,200,000																																	
		Costs of Issuance	<u>600,000</u>																																	
Total	<u>\$36,100,000</u>	Total	<u>\$36,100,000</u>																																	
RECOMMENDATION	Credit Review Committee recommends approval.																																			

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 11, 2017**

Project: Benedictine University

STATISTICS

Project Number: 12391	Amount: \$45,000,000 (not-to-exceed amount)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Rich Frampton and Brad R. Fletcher
Locations: Lisle	County/Region: DuPage County/Northeast

BOARD ACTION

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

VOTING RECORD

Not applicable. This is the first time this financing is being presented.

PURPOSE

Bond proceeds, together with certain other funds, will be used by **Benedictine University** (the “**University**”) to (i) currently refund all or a portion of the Illinois Finance Authority Revenue Bonds (Benedictine University Project) Series 2013B (the “**Series 2013B Bonds**”); (ii) refinance the outstanding balance of the Bridge Loan Agreement dated November 20, 2013, among the University, Founders Woods, Ltd. and RBS Citizens, N.A.; (iii) finance certain fees relating to the termination of a swap agreement; (iv) fund a debt service reserve fund for the benefit of the Series 2017 Bonds; and (v) pay certain expenses incurred in connection with the issuance of the Series 2017 Bonds, all as permitted by the Act (collectively, the “**Financing Purposes**”).

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

ESTIMATED SOURCES AND USES OF FUNDS – SUBJECT TO CHANGE

Sources:		Uses:	
IFA Series 2017 Bonds	\$35,500,000	Series 2013B Refunding	\$30,000,000
Equity	<u>600,000</u>	Conventional Loan Refinancing	1,400,000
		Swap Termination Fees	900,000
		Debt Service Reserve Fund	3,200,000
		Costs of Issuance	<u>600,000</u>
Total	<u>\$36,100,000</u>	Total	<u>\$36,100,000</u>

JOBS

Current employment:	1,367	Projected new jobs:	15 (1-2 years)
Jobs retained:	N/A	Construction jobs:	N/A

The University employs 143 Full Time and 3 Part Time FTE faculty (i.e., 146 total). Current employment includes full- and part-time employees (including students).

FINANCING SUMMARY

Structure/ Security:	<p>The plan of finance contemplates the public offering of the Series 2017 Bonds, underwritten by Goldman Sachs & Co. LLC (the “Underwriter”). The Series 2017 Bonds are general obligations of the University under the Loan Agreement payable from any available funds.</p> <p>The Series 2013B Bonds to be refunded are currently held by RBS Citizens, N.A. and First Midwest Bank, N.A. in an initial Bank Purchase Mode Term that would otherwise be scheduled to expire on October 1, 2020.</p>
Underlying Rating:	<p>S&P Global Ratings assigned a ‘BBB’ rating to the proposed IFA Series 2017 Bonds and affirmed the rating on the University’s outstanding Series 2013A Bonds at ‘BBB’ (while also revising the Outlook on the Series 2013A Bonds from Negative to Stable) effective as of April 25, 2017.</p>
Interest Rate:	<p>Both sizing and interest rate modes will be determined based on evaluation of market conditions by the University and its financing team at pricing.</p>
Maturity:	<p>The final maturity of the Series 2017 Bonds is expected to be no later October 1, 2043, the current final maturity date of the Series 2013B Bonds that will be refunded (i.e., 26 years).</p>
Estimated Closing Date:	<p>May 2017</p>
Rationale:	<p>The proposed Series 2017 Bonds will reduce debt service payments for the University while also keeping its fixed charges (including debt service payments) as low as possible.</p> <p>The University intends to use the funds made available by the lower debt service obligations to pay for various ongoing instructional and academic purposes.</p>

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds, together with certain other funds, will be used by **Benedictine University** (the “**University**”) to (i) currently refund all or a portion of the Illinois Finance Authority Revenue Bonds (Benedictine University Project) Series 2013B (the “**Series 2013B Bonds**”); (ii) refinance the outstanding balance of the Bridge Loan Agreement dated November 20, 2013, among the University, Founders Woods, Ltd. and RBS Citizens, N.A.; (iii) finance certain fees relating to the termination of a swap agreement; (iv) fund a debt service reserve fund for the benefit of the Series 2017 Bonds; and (v) pay certain expenses incurred in connection with the issuance of the Series 2017 Bonds, all as permitted by the Act (collectively, the “**Financing Purposes**”).

BUSINESS SUMMARY

Description:	<p>Benedictine University (the “University” or the “Borrower”) was established in 1887 and is incorporated under State of Illinois law. The Borrower is a 501(c)(3) not-for-profit corporation exempt from federal income taxes under the Internal Revenue Code. The University is governed by a 25-member Board of Trustees (currently comprised of 23 trustees and 2 <i>ex officio</i> trustees - see Economic Disclosure Statement on pages 5-6).</p>
Background:	<p>Benedictine University dedicates itself to the education of undergraduate and graduate students from diverse ethnic, racial, and religious backgrounds. The University specializes in undergraduate liberal arts and graduate professional education guided by its Roman Catholic tradition and Benedictine heritage. The University relocated from Chicago to its present 108-acre main campus in Lisle in 1901. The campus is located approximately 25 miles west of the Chicago Loop.</p> <p>The University has locations in Lisle (main campus) with branch campuses in Springfield, IL, and Mesa, AZ as well as online and offsite campus offerings. The University’s student body at its Lisle and Springfield campuses is primarily drawn from the Midwest. The University’s Mesa, AZ</p>

campus opened in August 2013 with 100 students. The University's Springfield and Mesa, AZ campuses focus on graduate and adult undergraduate programs.

Benedictine established its Mesa, AZ campus after being approached by the City of Mesa to respond to a "Request for Information" for the purpose of seeking an established university to bring a higher education institution to the City of Mesa. Market research by Mesa's Office of Economic Development concluded that there was an underserved population of traditional and adult students desiring an established liberal arts institution that was faith-based. In January 2012, Benedictine University was named the lead higher education institution for the City of Mesa. Benedictine is the only Catholic university in the State of Arizona. Benedictine currently leases its classroom space in Mesa.

For Fall 2016, the University had a total headcount enrollment of 5,893 students and a full-time equivalent ("FTE") enrollment of 4,116 students. The University offers 56 undergraduate majors, 20 graduate and four doctoral programs, as well as 49 graduate certificate programs. For academic year 2016-17, approximately 3,171 students were enrolled in undergraduate programs while an additional 2,722 students were enrolled in graduate programs.

The University's educational offerings are provided through the following colleges: College of Liberal Arts; College of Science; the Goodwin College of Business; the College of Education and Health Services; and the School of Graduate, Adult, and Professional Education (which provides for adult undergraduate degree completion, certification programs through master's degrees, and the doctoral programs).

Forbes magazine named the University among "America's Top Colleges" for the sixth consecutive year in 2016. The University's Master of Business Administration ("M.B.A.") program is listed by Crain's Chicago Business as the fifth largest in the Chicago area in 2015. *StateUniversity.com* ranks the University as the safest four-year school in Illinois based on a scale that accounts for the severity and frequency of on-campus crime in 2014 and has consistently been ranked among the safest four-year schools in Illinois. For 2016, *Graduateprograms.com* ranked the University's online M.B.A. program among the top six best programs in the nation and the University's online Public Health program among the top four best programs in the nation. The University's Doctor of Philosophy ("Ph.D.)/Doctor of Business Administration ("D.B.A.") in Values-Driven Leadership Program was recognized as a Top 10 Ph.D. program in *HR.com's* 2017 Leadership Excellence and Development ("LEAD") Awards.

Accreditations: Benedictine University is accredited by the Higher Learning Commission and is a member of the North Central Association; the Illinois State Board of Education, Teacher Certification Section; the Commission on Accreditation for Dietetics Education of the American Dietetic Association; the Commission on Collegiate Nursing Education and is approved by the Illinois Board of Higher Education. Benedictine University is approved by the American Chemical Society to award ACS certified B.S. degrees in chemistry and biochemistry.

The undergraduate Didactic Program in Dietetics (DPD) and graduate Dietetic Internship program are accredited by the Commission on Accreditation for Dietetics Education of the American Dietetic Association.

Affiliates: The University has three affiliates, including (i) Founders Woods, Ltd., (ii) Benedictine University at Springfield (formerly Springfield (IL) College), and (iii) Benedictine (Guangzhou) Education Consulting Co., Ltd.

Founders Woods, Ltd. is a nonprofit entity established to acquire a student housing facility developed on University land. Pursuant to an agreement between Founders Woods and the University, the assets of Founders Woods will be transferred to the University effective June 1, 2017.

The University established an affiliation agreement with Springfield College in June 2010. Under this affiliation agreement, the University pays rent to the College for providing classroom and office space for the University's programs. The use of the Springfield College property is required to be consistent with the mission and identity of Springfield College as a not-for-profit Catholic

institution of higher education. This affiliation agreement established the University's Springfield, Illinois campus (which is now known as Benedictine University at Springfield), and now focuses on adult and graduate education.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Benedictine University, 5700 College Road, Lisle, IL 60532

Contact: Ms. Miroslava Krug, Chief Financial Officer and Vice President of Administration and Finance, Benedictine University; (T): 630-829-6418; E-mail: mmkrug@ben.edu

Website: <http://www.ben.edu/>

Location: 5700 College Road, Lisle (DuPage County), IL 60532

Project name: IFA 501(c)(3) Revenue Refunding Bonds (Benedictine University) Series 2017

Organizations: Benedictine University is an Illinois not-for-profit corporation.

Board of Trustees: The Benedictine University Board of Trustees provide guidance and oversee fulfillment of the University's educational mission and is comprised of the following members:

Trustee	Year Elected	Term Expires	Principal Business Affiliation
Maureen Beal	2003	2019	National Van Lines, Chairman/CEO
Norman J. Beles	2011	2017	Belcorp Financial Services, Inc., President
Christopher E. Birek	2014	2017	Oak Street Investments, L.P., Partner
John P. Calamos, Sr.	2002	2017	Calamos Investments, Chairman & Global CIO
Claudia J. Colalillo	2008	2017	Robinson Resource Group, Vice President
Katherine A. Donofrio	2003	2017	
Rev. James P. Flint	2016	2019	St. Procopius Abbey, Treasurer and Vocation Director
Willis M. Gillett	1991	2017	
Daniel L. Goodwin	1991	2018	Inland Real Estate Group, Chairman/CEO
Sister Judith Ann Heble O.S.B.	1995	2017	Moderator of the <i>Communio Internationalis Benedictinarum</i>
Donna Hrozencik	2014	2017	Canton Obstetrics and Gynecology
Raymond Konopka, Jr.	2015	2018	Walt Disney Co., Lead Software Engineer; Raize Software, President
Paul J. Lehman	1986	2019	Frontgate Property Management, LLC
Becky Meggesin	2014	2017	
James L. Melsa	2008	2017	Iowa State University, Dean Emeritus of College of Engineering

Michael Mikula	2014	2017	
Tasneem A. Osmani	2008	2017	Vice President, Northern Trust Company
Leonard S. Piazza	2006	2018	Naperville ENT Associates, President
Robert Ramirez	2006	2018	Spanish Public Media Foundation, Founder/CEO
Daniel F. Rigby	2001	2019	Gallagher Benefits Services, Senior Vice President
Michael S. Siurek	2007	2019	ROC, Inc., President
Rosemary Macko Wisnosky	1993	2017	RE/MAX Professionals Select, Broker
Gregory Ziols	2015	2018	Vistage International – Chicago, CEO Advisory Board Chairman

Ex Officio

Michael S. Brophy	2015	N/A	President of Benedictine University
Abbot Austin G. Murphy, O.S.B.	2010	N/A	St. Procopius Abbey, Abbot, and Chancellor, Benedictine University and Benet Academy

PROFESSIONAL & FINANCIAL

Auditor:	BKD LLP	Oakbrook Terrace, IL	
Borrower's Advisor:	Columbia Capital Mgmt., LLC	Chicago, IL	Jeff White
Borrower's Counsel:	Chuhak & Tecson, P.C.	Chicago, IL	Adam Pope
			Andrew P. Tecson
			Kimberly T. Boike
			Andrew L. Glubisz
Bond Counsel:	Katten Muchin Rosenman LLP	Chicago, IL	Janet Hoffman
			Chad Doobay
Underwriter:	Goldman Sachs & Co. LLC	New York, NY	John Stevenson
			Joe Resendiz
Underwriter's Counsel:	Chapman and Cutler LLP	Chicago, IL	Nancy Burke
			Latrice Phillips
Trustee:	Zions Bank	Chicago, IL	Darryl Pomykala
			Bob Capparelli
IFA Counsel:	Nixon Peabody LLP	Chicago, IL	Julie Seymour
			Gretchen E. Sherwood
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe Selden

LEGISLATIVE DISTRICTS

Congressional:	6
State Senate:	21
State House:	42

May 11, 2017

\$45,000,000 Three Crowns Park

REQUEST	<p>Purpose: Bond proceeds will be used by Three Crowns Park (the “Borrower”) to: (i) refund the Series 2006A&B Bonds, (ii) fund a debt service reserve fund, and (iii) pay certain expenses incurred in connection with the issuance of the Bonds.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: Waiver of the \$100,000 bond denomination requirement pursuant to Section K2(c) of the Bond Program Handbook (bonds are being refunded and sold in denominations of less than \$100,000 for savings).</p>																																			
BOARD ACTIONS	Final Bond Resolution Voting Record - February 9, 2017 – Preliminary Bond Resolution – 10 Yeas; 0 Nays; 0 Abstain; 5 Absent (Knox, Poole, Yonover, O’Brien, Funderburg); 0 Vacancies.																																			
MATERIAL CHANGES	<ul style="list-style-type: none">● Elimination of new money portion of financing.● Addition of unaudited 9 months financial ending 12/31/2016.																																			
JOB DATA	140 FTEs N/A	Current jobs Retained jobs	0 N/A	New jobs Construction jobs																																
DESCRIPTION	<ul style="list-style-type: none">● Location (Evanston/Cook County/Northeast Region)● Three Crowns Park is a not-for-profit corporation organized by the Swedish community, which owns and operates a continuing care retirement community in Evanston, Illinois. Three Crowns Park offers the full continuum of care through its residential programs and health care facilities. It is the mission of Three Crowns Park to provide high quality retirement housing and health care options that foster security, dignity, independence, and promote personal growth.● The Three Crowns Park campus includes 116 independent living units, 37 assisted living units, 17 memory support beds and 49 nursing care beds.																																			
SECURITY/MATURITY	<ul style="list-style-type: none">● Security: The 2017 bondholders will have a gross revenue pledge of The Three Crowns Park and a mortgage on the property.● Maturity: No later than 2057 (40 years).																																			
CREDIT INDICATOR	<ul style="list-style-type: none">● The underwritten Bonds will not be rated.																																			
STRUCTURE	<ul style="list-style-type: none">● The Plan of Finance contemplated the issuance of tax-exempt fixed rate bonds to be sold in a public underwriting by Zeigler.																																			
SOURCES AND USES	<table><tr><td colspan="2">Sources:</td><td colspan="2">Uses:</td></tr><tr><td>IFA Bonds</td><td>\$35,465,000</td><td>2006 Refunding Escrow (Cash)</td><td>\$35,936,071</td></tr><tr><td>2006A Debt Service Reserve Fund</td><td>2,660,273</td><td>Debt Service Reserve Fund</td><td>2,524,788</td></tr><tr><td>2006B Debt Service Reserve Fund</td><td>270,078</td><td>Costs of Issuance</td><td><u>885,563</u></td></tr><tr><td>2006A Principal Fund</td><td>275,000</td><td></td><td></td></tr><tr><td>2006A Interest Fund</td><td>631,071</td><td></td><td></td></tr><tr><td>2006B Interest Fund</td><td><u>45,000</u></td><td></td><td></td></tr><tr><td>Total</td><td><u>\$ 39,346,422</u></td><td>Total</td><td><u>\$39,346,422</u></td></tr></table>				Sources:		Uses:		IFA Bonds	\$35,465,000	2006 Refunding Escrow (Cash)	\$35,936,071	2006A Debt Service Reserve Fund	2,660,273	Debt Service Reserve Fund	2,524,788	2006B Debt Service Reserve Fund	270,078	Costs of Issuance	<u>885,563</u>	2006A Principal Fund	275,000			2006A Interest Fund	631,071			2006B Interest Fund	<u>45,000</u>			Total	<u>\$ 39,346,422</u>	Total	<u>\$39,346,422</u>
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RECOMMENDATION	Credit Review Committee recommends approval.																																			

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 11, 2017**

Project: Three Crowns Park

STATISTICS

Project Number: 12380	Amount: \$45,000,000 (not-to-exceed)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Pam Lenane
Location: Evanston	County/Region: Cook/Northeast

BOARD ACTION

Final Bond Resolution	Conduit 501(c)(3) Revenue Bonds
Credit Review Committee recommends approval.	No IFA funds at risk

Extraordinary Conditions: Waiver of the \$100,000 bond denomination requirement pursuant to Section K2(c) of the Bond Program Handbook (bonds are being refunded and sold in denominations of less than \$100,000 for savings).

VOTING RECORD

Final Bond Resolution
Voting Record - February 9, 2017 – Preliminary Bond Resolution – 10 Yeas; 0 Nays; 0 Abstains; 5 Absents (Knox, Poole, Yonover, O’Brien, Funderburg); 0 Vacancies

PURPOSE

Bond proceeds will be used by **Three Crowns Park** (the “Borrower”) to: (i) refund the Series 2006A&B Bonds, (ii) fund a debt service reserve fund, and (iii) pay certain expenses incurred in connection with the issuance of the Bonds.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Bonds	\$34,465,000	2006 Refunding Escrow (Cash)	\$35,936,071
2006A Debt Service Reserve Fund	2,660,273	Debt Service Reserve Fund	2,524,788
2006B Debt Service Reserve Fund	270,078	Costs of Issuance	<u>885,563</u>
2006A Principal Fund	275,000		
2006A Interest Fund	631,071		
2006B Interest Fund	<u>45,000</u>		
Total	<u>\$39,346,422</u>	Total	<u>\$39,346,422</u>

JOBS

Current employment: 140 FTEs	New jobs: 0
Jobs retained: N/A	Construction jobs: N/A

FINANCING SUMMARY

Security:	The 2017 bondholders will have a gross revenue pledge of Three Crowns Park under a Master Trust Indenture and a mortgage on the property.
Credit Enhancement:	None.
Structure:	Three Crowns Park contemplates the issuance of approximately \$39.815 million of tax-exempt fixed rate non-investment grade bonds to be sold in a public underwriting by Zeigler
Interest Rate:	To be determined at pricing based on market conditions.
Underlying Ratings:	The Bonds will not be rated.
Maturity:	No later than 2057 (40 years).
Estimated Closing Date:	June, 2017

PROJECT SUMMARY

Bond proceeds will be used by **Three Crowns Park** (the “**Borrower**”) to: (i) refund the Series 2006A&B Bonds, (ii) fund a debt service reserve fund, and (iii) pay certain expenses incurred in connection with the issuance of the Bonds.

BUSINESS SUMMARY

Three Crowns Park is a not-for-profit corporation organized by the Swedish community, which owns and operates a continuing care retirement community in Evanston, Illinois. Three Crowns Park offers the full continuum of care through its residential programs and health care facilities. It is the mission of Three Crowns Park to provide high quality retirement housing and health care options that foster security, dignity, independence, and promote personal growth.

The Three Crowns Park campus includes 116 independent living units, 37 assisted living units, 17 memory support beds and 49 nursing care beds.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Three Crowns Park
Site Address:	Three Crowns Park 2323 McDaniel Avenue Evanston, IL 60201
Contact:	Dennis Trautvetter Chief Financial Officer Three Crowns Park 2323 McDaniel Avenue Evanston, IL 60201-2570 847/328-8700 DTrautvetter@threecrownsark.com
Website:	www.threecrownsark.com
Project name:	Three Crowns Park
Organization:	501(c)(3) Not-for-Profit Corporation

State: Illinois

Board of Directors - 501(c)(3) Corporation:

Board Member

Janet Goelz Hoffman
David Feinstein
Nancy Flowers

David Johnson
Phil Hemmer
Ellen Browne
Pricilla Andre
Kathleen Gillespie
David Johnson
James E. Elsass
Barbara Schleck

Occupation

Attorney, Katten Muchin Rosenman LLP
Principal Consulting Actuary, Cheiron, Inc.
Community Education Program Manager, Rainbow Hospice and Palliative Care
Vice President and Chief Operating Officer, Lake Star Consulting, Inc.
Executive Director, Three Crowns Park
Retired, Vice President of Aging Services, Parkside Senior Services
Retired, Librarian, Northwestern University
Retired, Head of Senior Living Executive Search, Witt Kieffer
Vice President and Chief Operating Officer, Lake Star Consulting, Inc.
Retired, Budget Director, Northwestern University
Retired, Executive Director, Cook County Court Watchers

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Chuhak & Tecson	Chicago	Andrew Tecson
Bond Counsel:	Chapman and Cutler LLP	Chicago	John Bibby
Underwriter	Ziegler	Chicago	Steve Johnson
Underwriter's Counsel:	Dentons	Chicago	Kathryn Ashton
Bond Trustee:	Wells Fargo	Chicago	Scott Wells
Issuer's Counsel:	Quarles & Brady LLP	Chicago	Mary Ann Murray
Issuer's Financial Advisor:	Sycamore Advisors LLC	Chicago	Diana Hamilton, Courtney Tobin

LEGISLATIVE DISTRICTS

Congressional: 9
State Senate: 9
State House: 17

SERVICE AREA

Three Crowns Park has historically drawn its residents from a primary market area located in nine zip codes that extend five miles to the north, four miles to the south, three miles to the west, and two miles to the east of the Community in the City of Evanston. Evanston is the first suburb north of Chicago and is part of Chicago's affluent North Shore region. The zip codes included in the primary market area are 60025, 60035, 60076, 60091, 60093, 60201, 60202, and 60660.

Admission sources for both the sheltered care/assisted living units and the nursing care beds include family members, physicians, social workers, community outreach programs, local churches and area hospitals. The City of Evanston is served by the following three hospitals: Evanston Hospital, St. Francis Hospital (both located in Evanston), and Skokie Hospital (located in Skokie).

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: May 11, 2017

Re: 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
IFA Series 2017 File Number: 12390

Request:

Museum of Science and Industry, an Illinois not-for-profit corporation (the “**Museum**” or the “**Borrower**”) and **PNC Bank, N.A.** (the “**2017A Purchaser**”), as well as **BMO Harris 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 amounts of the following four series of bonds:

- (i) Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Museum of Science and Industry, Series 2009A (the “Series 2009A Bonds”) in the original aggregate principal amount of \$16,000,000, \$14,900,000 of which remain outstanding,
- (ii) Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Museum of Science and Industry, Series 2009B (the “Series 2009B Bonds”) in the original aggregate principal amount of \$16,000,000, \$14,900,000 of which remain outstanding,
- (iii) Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Museum of Science and Industry, Series 2009C (the “Series 2009C Bonds”) in the original aggregate principal amount of \$16,000,000, \$14,900,000 of which remain outstanding, and
- (iv) Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Museum of Science and Industry, Series 2009D (the “Series 2009D Bonds”) in the original aggregate principal amount of \$16,000,000, \$14,900,000 of which remain outstanding.

Each of the four respective Series 2009 Bonds are currently secured by a Direct Pay Letter of Credit (“**LOC**”). The Series 2009A Bonds are secured by a LOC from Bank of America, N.A. the Series 2009B Bonds are currently secured by LOC from JPMorgan Chase Bank, N.A. the Series 2009C Bonds are currently secured by a LOC from PNC Bank, N.A., and the Series 2009D Bonds are currently secured by LOC from The Northern Trust Company. Each LOC is scheduled to otherwise expire on September 30, 2017.

It is anticipated that PNC Bank, N.A. will purchase the contemplated Series 2017A Bond issued by the Authority in an expected amount of \$35,000,000 while BMO Harris Bank, N.A. will purchase the contemplated Series 2017B Bond issued by the Authority in an expected amount of \$25,000,000. The anticipated \$60,000,000 in aggregate principal amount would fully fund redemption of the Series 2009A, 2009B, 2009C, and 2009D 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 not be necessary. IFA’s estimated administrative fee will be \$75,000.

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 2009A-D 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 7 years.

Background:

Museum of Science and Industry Museum used proceeds of the \$64,000,000 IFA Series 2009 Bonds to (i) refund all of the outstanding (a) Illinois Educational Facilities Authority Variable Rate Demand Revenue Bonds, Museum of Science and Industry, Series 1985 (the “Series 1985 Bonds”), (b) the Illinois Educational Facilities Authority Adjustable Demand Revenue Bonds, Museum of Science and Industry, Series 1992 (the “Series 1992 Bonds”), and (c) the Illinois Educational Facilities Authority Revenue Bonds, Museum of Science and Industry, Series 1998 (the “Series 1998 Bonds”) (collectively, the “Prior Bonds”), (ii) refinance the outstanding principal amount of a loan made to the Museum in February, 2006 (the “2006 Cultural Pool Loan”) from a portion of the proceeds of the sale of the Illinois Educational Facilities Authority Adjustable Rate Demand Revenue Bonds (Cultural Pooled Financing Program), Series 1985, (iii) refinance all or a portion of the funds borrowed by the Museum from The Northern Trust Company to finance certain costs relating to its cultural facilities (the “Northern Taxable Loan”), (iv) finance, refinance or reimburse itself for the costs of acquiring, constructing, renovating, improving, furnishing and equipping certain cultural facilities owned or operated, or to be owned or operated, by the Museum including capitalized interest on the Series 2009 Bonds, and (v) pay certain costs relating to the issuance of the Series 2009 Bonds (including the costs of credit enhancement thereof), the refunding of the Prior Bonds, the refinancing of the 2006 Cultural Pool Loan and the refinancing of all or a portion of the Northern Taxable Loan.

All scheduled payments relating to the Authority’s Series 2009 Bonds are current as of 5/1/2017 and have been paid as scheduled.

ECONOMIC DISCLOSURE STATEMENT

Board of

Trustees: The Museum’s Board of Trustees provides oversight and establishes policies for the Museum’s governance, and is comprised of the following members:

Chairman

Kent P. Dauten

Trustees

William C. Bartholomay
Christopher B. Begy
Charles K. Bobrinskoy
David C. Bohnett
Matthew J. Boler
Barbara L. Bowles
Byron T. Brazier, D.Min.
Allan E. Bulley, Jr.
John A. Canning Jr.
Alison L. Chung
Frank M. Clark
Michelle L. Collins
Christopher M. Crane
James S. Crown
Kent P. Dauten
Ann M. Drake
James J. Drury III
W. James Farrell
Michael W. Ferro, Jr.
David A. Fisher
Dennis J. FitzSimons
James J. Fuentes
Matthew R. Gibson
Ronald J. Gidwitz
James T. Glerum, Jr.
William M. Goodyear

James A. Gordon
James A. Gray
Catherine P. Greenspon
Douglas C. Grissom
Jay L. Henderson
Betsy D. Holden
Edward L. Kaplan
Michael P. Krasny
Avis LaVelle
Eric P. Lefkofsky
Charles A. Lewis
H. John Livingston
Robert A. Livingston
Christopher B. Lorenzen
Barry L. MacLean
Duncan A. L. MacLean
DG Macpherson
Matthew M. Maloney
Walter E. Massey, Ph.D.
Andrew J. McKenna
William L. Morrison
David R. Mosena
Oscar Munoz
Robert S. Murley
William A. Mynatt, Jr.
Robert F. Pasin

James M. Peck
Sheila A. Penrose
Jason Pritzker
Scott A. Rafferty
J. Christopher Reyes
Larry D. Richman
Desirée Rogers
Jesse H. Ruiz
Michael J. Sacks
Juan Salgado
John F. Sandner
Manuel Sanchez
E. Scott Santi
Ronald M. Saslow
Smita Shah
Ilan J. Shalit
Gregory D. Smith
Melody A. Spann-Cooper
J. Douglas Sparkman
Byron O. Spruell
Elizabeth M. Thompson
David J. Vitale
Ralph Wanger
Gregory D. Wasson
Ann C. Williams
Neal S. Zucker

Life Trustees

Rhett W. Butler	John P. Keller	James J. O'Connor
Peter R. Carney	Frederick A. Krehbiel	William A. Osborn
Lester Crown	Leon M. Lederman, Ph.D.	Walter R. Peirson
Victor J. Danilov, Ed.D.	Richard H. Lenny	Cindy Pritzker
Robert J. Darnall	Edward M. Liddy	Louis A. Simpson
William J. Devers, Jr.	Charles S. Locke	James A. Skinner
Jere D. Fluno	Thomas L. Martin Jr., Ph.D.	S. Jay Stewart
J. Ira Harris	Robert S. Morrison	Eugene A. Tracy
Richard M. Jaffee	Terry E. Newman	Arthur R. Velasquez
James R. Kackley	John D. Nichols	Arnold R. Weber, Ph.D.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal Victoria Pool
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Nancy Burke Leslie Cornell
2017A Bond Purchaser:	PNC Bank	Chicago, IL	Barb Fahnstrom Fadzai Mugobogobo Makai Edwards
2017B Bond Purchaser:	BMO Harris Bank	Chicago, IL	Regina Ward Kyle Suddarth
Bank Counsel:	Chapman and Cutler LLP	Chicago, IL	Carol Thompson Katherine A. Gale
Disbursement Agent:	Amalgamated Bank of Chicago	Chicago, IL	Donna Howard
IFA Counsel:	Sanchez Daniels & Hoffman LLP	Chicago, IL	John Cummins
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe Selden

RESOLUTION NO. 2017-0511-AD__

A 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.

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 (i) Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Museum of Science and Industry, Series 2009A (the "Series 2009A Bonds") in the original aggregate principal amount of \$16,000,000, \$14,900,000 of which remain outstanding, (ii) Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Museum of Science and Industry,

Series 2009B (the “Series 2009B Bonds”) in the original aggregate principal amount of \$16,000,000, \$14,900,000 of which remain outstanding, (iii) Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Museum of Science and Industry, Series 2009C (the “Series 2009C Bonds”) in the original aggregate principal amount of \$16,000,000, \$14,900,000 of which remain outstanding, and (iv) Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Museum of Science and Industry, Series 2009D (the “Series 2009D Bonds” and, together with the Series 2009A Bonds, the Series 2009B Bonds, and the Series 2009C Bonds, the “Series 2009 Bonds”) in the original aggregate principal amount of \$16,000,000, \$14,900,000 of which remain outstanding; and

WHEREAS, the proceeds from the sale of each series of the Series 2009 Bonds were loaned to Museum of Science and Industry, an Illinois not for profit corporation (the “Museum”), pursuant to separate Loan Agreements, each dated as of December 1, 2009 and each between the Authority and the Museum; and

WHEREAS, the Museum used proceeds of the Series 2009 Bonds to (i) refund all of the outstanding (a) Illinois Educational Facilities Authority Variable Rate Demand Revenue Bonds, Museum of Science and Industry, Series 1985 (the “Series 1985 Bonds”), (b) the Illinois Educational Facilities Authority Adjustable Demand Revenue Bonds, Museum of Science and Industry, Series 1992 (the “Series 1992 Bonds”), and (c) the Illinois Educational Facilities Authority Revenue Bonds, Museum of Science and Industry, Series 1998 (the “Series 1998 Bonds”) (collectively, the “Prior Bonds”), (ii) refinance the outstanding principal amount of a loan made to the Museum in February, 2006 (the “2006 Cultural Pool Loan”) from a portion of the proceeds of the sale of the Illinois Educational Facilities Authority Adjustable Rate Demand Revenue Bonds (Cultural Pooled Financing Program), Series 1985, (iii) refinance all or a portion of the funds borrowed by the Museum from The Northern Trust Company to finance certain costs relating to its cultural facilities (the “Northern Taxable Loan”), (iv) finance, refinance or reimburse itself for the costs of acquiring, constructing, renovating, improving, furnishing and equipping certain cultural facilities owned or operated, or to be owned or operated, by the Museum including capitalized interest on the Series 2009 Bonds, and (v) pay certain costs relating to the issuance of the Series 2009 Bonds (including the costs of credit enhancement thereof), the refunding of the Prior Bonds, the refinancing of the 2006 Cultural Pool Loan and the refinancing of all or a portion of the Northern Taxable Loan, all as permitted under the Act; and

WHEREAS, the Museum has requested that the Authority issue its Illinois Finance Authority Revenue Refunding Bonds, Series 2017A (Museum of Science and Industry) (the “Series 2017A Bonds”) and its Illinois Finance Authority Revenue Refunding Bonds, Series 2017B (Museum of Science and Industry) (the “Series 2017B Bonds” and, collectively with the Series 2017A Bonds, the “Series 2017 Bonds”) in aggregate principal amount not to exceed \$60,000,000,

WHEREAS, the Authority will issue the Series 2017A Bonds and loan the proceeds from the sale thereof to the Museum pursuant to a Bond and Loan Agreement (the “2017A Bond and Loan Agreement”) among the Authority, the Museum and PNC Bank, National Association (the “2017A Purchaser”); and

WHEREAS, the Authority will issue the Series 2017B Bonds and loan the proceeds from the sale thereof to the Museum 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 Museum and BMO Harris Bank N.A. (the “2017B Purchaser” and, together with the 2017A Purchaser, the “Series 2017 Purchasers”); and

WHEREAS, the Museum will apply the proceeds from the sale of the Series 2017 Bonds to (i) refund or provide for the payment of all of the outstanding Series 2009 Bonds, and (ii) pay all or a portion of the costs of issuing the Series 2017 Bonds, if deemed necessary or desirable by the Museum (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 Museum pursuant to the respective Bond and Loan Agreements 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 Bonds, the Museum and the 2017A Purchaser will execute and deliver a Continuing Covenant Agreement containing, among other provisions, certain additional covenants to be made by the Museum to the 2017A Purchaser; and

WHEREAS, in connection with the issuance of the Series 2017B Bonds, the Museum and the 2017B Purchaser will execute and deliver a Continuing Covenant Agreement containing, among other provisions, certain additional covenants to be made by the Museum 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 Museum and (iv) the Other Documents (as hereinafter defined); 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 Museum, the Authority hereby makes the following findings and determinations with respect to the Museum, 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 Museum 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 Museum is a “cultural institution” (as defined in the Act);
- (c) the Museum has properly filed with the Authority its request for assistance in providing funds to the Museum 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 Museum and such facilities are included within the term “project” as defined in the Act;
- (d) the Series 2009 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 Museum 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 Museum, such refinancing is in the public interest, is in connection with other financings by the Authority for the Museum 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 Bonds shall be designated the “Illinois Finance Authority Revenue Refunding Bonds, Series 2017A (Museum of Science and Industry)” and the Series 2017B Bond shall be designated the “Illinois Finance Authority Revenue Refunding Bonds, Series 2017B (Museum of Science and Industry)”. The aggregate principal amount of the Series 2017 Bonds that may be outstanding shall not exceed \$60,000,000; 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) 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 Museum 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 Museum, 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 Museum 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 Museum in the form to be approved by bond counsel, by counsel for the Museum 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 agreement for federal income tax purposes, any supplemental indentures or escrow deposit agreements relating to the refunding of the Series 2009 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 Museum 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. 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 conformance with the requirements of the Authority (including the Authority's Bond Program Handbook), except as expressly approved by counsel to the Authority or the Executive Director (and, for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis) of the Authority, the satisfaction of such condition to be evidenced by an Authorized Officer's execution and delivery of such documents.

Section 10. 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 11. 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 12. No Conflict. That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 13. Effective Date. That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: May 11, 2017

Re: 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)
IFA Series 2007 File Number: 10590

Request:

Toyal America, Inc., a Delaware corporation (the “**Borrower**”) and **The Bank of Tokyo-Mitsubishi UFJ, Ltd.** (the successor in interest to Bank of Tokyo-Mitsubishi, Ltd.) (the “**Bank**”) are requesting approval of a Resolution to authorize execution and delivery of a Second Amendment to Loan Agreement as well as a Second Amendment to Trust Indenture to (i) extend the final maturity date of the Illinois Development Finance Authority Variable Rate Demand Industrial Development Bonds, Series 1997 (Toyal America, Inc. Project) (the “**Series 1997 Bonds**”). The accompanying Resolution will also authorize execution and delivery, if necessary, of a revised Bond in substantially the form set forth in the First Amendment to Loan Agreement (the “**Reissued Bond**”) and approving related matters.

The Series 1997 Bonds are currently secured by Letter of Credit issued by the Bank that is otherwise scheduled to expire June 15, 2017. Concurrent with the final maturity of the Series 1997 Bonds being extended ten years until June 1, 2027, the Bank will be extending its Letter of Credit securing the Series 1997 Bonds for ten more years until June 15, 2027.

The original par amount of the Series 1997 Bonds issued on behalf of the Borrower was \$6,000,000 which remains outstanding in full. As of June 1, 2007, the Authority previously approved extending the maturity date of the Series 1997 Bonds ten years from June 1, 2007 through June 1, 2017.

Impact:

Approval of this Resolution will cause the final maturity of the Series 1997 Bonds to be extended ten years through June 1, 2027. As a result, a new public hearing will be held (as required by Section 147(f) of the Internal Revenue Code of 1986, as amended). IFA’s estimated administrative fee for this transaction will be \$10,000. Additionally, these actions will not require an allocation of the Authority’s 2016 Volume Cap.

Background:

Proceeds of the Series 1997 Bonds were loaned to the Borrower to finance a manufacturing facility and the acquisition of equipment to be used in the manufacturing of aluminum pigments, powders, pastes, and flakes located near Joliet at 17401 Broadway in Lockport, Illinois (the “**Project**”).

Toyal America, Inc. was established in 1987 as a U.S.-based joint venture between Alcan Aluminum Ltd. (Canada) and Toyo Aluminium KK (Japan). Today, as a member of the Japan-based Toyal Group, Toyal America, Inc. is dedicated to being the world's technological resource for leading-edge aluminum pigments for automotive and other high, value-added coatings applications. In addition to aluminum pigments, Toyal America also enjoys the reputation of being the leading supplier of spherical aluminum powders to the solid rocket motor industry and serves other chemical and metallurgical markets worldwide. Toyal America employs approximately 120 at its Illinois operations, which include the subject manufacturing facility in Lockport and a sales office in Naperville.

Toyal America, Inc. is now a U.S.-based subsidiary of Nippon Light Metal Holdings Company, Ltd. (www.nikkeikinholdings.com), which is a publicly-traded company on the Tokyo Stock Exchange (TSE) and a constituent of the Nikkei 225. The Nippon Light Metal Group is the largest integrated manufacturer

of aluminum products in Japan and is engaged in the manufacture and sale of aluminum and chemical products worldwide.

All payments relating to the IDFA Series 1997 Bonds are current as of 5/1/2017 and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Bond Counsel:	Ice Miller LLP	Chicago, IL	Jim Snyder Austin Root
Bank/Letter of Credit Provider:	The Bank of Tokyo- Mitsubishi UFJ, Ltd.	Chicago, IL New York, NY	Michihiro Tanaka Tsuyoshi Yoshida
Bank/Letter of Credit Counsel:	Otterbourg P.C.	New York, NY	Richard L. Stehl Philip C. Berg
Remarketing Agent:	BNY Capital Markets, Inc.	New York, NY	Daniel de Menocal, Jr.
Trustee:	MUFG Union Bank, N.A.	New York, NY	Rafael Miranda
IFA Financial Advisor:	Sycamore Advisors, LLC	Chicago, IL	Diana Hamilton Courtney Tobin

IFA RESOLUTION NO. 2017-0511-AD__

A 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)

WHEREAS, the Illinois Development Finance Authority (as predecessor to the Illinois Finance Authority) (the “Authority”) issued its Variable Rate Demand Industrial Development Revenue Refunding Bonds, Series 1997 (Toyal America, Inc. Project) (the “Bonds”) on June 3, 1997 in the original principal amount of \$6,000,000, previously amended as of June 1, 2007, for the purpose of refunding certain bonds previously issued by the Authority to finance a manufacturing facility and the acquisition of equipment to be used in the manufacturing of aluminum powder, paste and flake located near Joliet in Lockport, Illinois (the “Project”); and

WHEREAS, it has been previously determined by the Authority that its issuance of the Bonds for the Project was consistent and in accordance with the purposes of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 *et seq.*, as supplemented and amended (the “Act”); and

WHEREAS, the Bonds currently have a stated maturity date of June 1, 2017 (the “Maturity Date”) and have been secured since the date of issuance by an Irrevocable Letter of Credit (the “Letter of Credit”) issued by Bank of Tokyo-Mitsubishi (the predecessor in interest to The Bank of Tokyo-Mitsubishi UFJ,

Ltd.) (the “Bank”), pursuant to a Reimbursement Agreement entered into between the Bank and Toyal America, Inc. (the “Borrower”); and

WHEREAS, the Bank and the Borrower have agreed to extend the expiration date of the Letter of Credit, subject to an extension of the Maturity Date of the Bonds to June 1, 2027; and

WHEREAS, the Borrower has requested the Authority to amend certain provisions of that certain Trust Indenture dated as of June 1, 1997, as amended by a First Amendment to Trust Indenture dated as of June 1, 2007 (the “Indenture”), between the Authority and the trustee acting thereunder (the “Trustee”), and that certain Loan Agreement dated as of June 1, 1997, as amended by a First Amendment to Loan Agreement dated as of June 1, 2007 (the “Loan Agreement”), between the Authority and the Borrower, for the purposes of extending the Maturity Date to June 1, 2027; and

WHEREAS, it is necessary and proper for the interests and convenience of the Authority to authorize such amendments; and

WHEREAS, the Authority has caused to be prepared and presented to this meeting (i) a form of a Supplemental Trust Indenture (“Indenture Supplement”) to be entered into between the Authority and the Trustee for purposes of extending the Maturity Date, (ii) a form of a replacement bond evidencing the extension of the Maturity Date (the “Replacement Bond”), and (iii) a form of a Supplemental Loan Agreement (“Loan Agreement Supplement”) to be entered into between the Authority and the Borrower; and

WHEREAS, a form of a Supplement to Private Placement Memorandum (the “Placement Memorandum Supplement”) has also been prepared and presented to this meeting; and

WHEREAS, the Indenture Supplement, Replacement Bond, Loan Agreement Supplement, and the Placement Memorandum Supplement are referred to collectively herein as the “Authority Documents.”

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

Section 1. All of the recitals contained in the preambles to this Resolution are full, true and correct, and are hereby incorporated into this Resolution by this reference.

Section 2. The Chairperson or Executive Director of the Authority is authorized and directed to execute, and the Secretary or any Assistant Secretary of the Authority is authorized to seal and

attest the adoption of this Resolution and to do any and all things necessary or desirable in order to carry out the intention of the parties expressed herein.

Section 3. That the form, terms and provisions of the proposed Indenture Supplement, Replacement Bond and Loan Agreement Supplement be, and they hereby are, in all respects approved, and that the Chairperson or Executive Director of the Authority is authorized and directed to execute and deliver such instruments in the name and the behalf of the Authority and that the Indenture Supplement, the Replacement Bond and Loan Agreement Supplement are to be in substantially the respective forms thereof submitted to this meeting and hereby approved, with such changes therein as shall be approved by the officials of the Authority executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from and after the execution and delivery of such instruments, the officials, agents and employees 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 to carry out and comply with the provisions of such instruments as executed.

Section 4. That the execution and delivery of the Indenture Supplement, the Replacement Bond and the Loan Agreement Supplement, as authorized in Section 2 above, are expressly conditioned upon the following:

1. Approval of the Indenture Supplement and Loan Agreement Supplement must be obtained from all necessary parties; and
2. The Authority's counsel must receive an executed copy of the consent of 100% of the holders of the Bonds prior to delivery of the Indenture Supplement, the Replacement Bond and the Loan Agreement Supplement.

Section 5. That the distribution of the Placement Memorandum Supplement presented at this meeting (with such changes therein as shall be required or approved by counsel to the Authority) by the Remarketing Agent is hereby approved with respect to the Bonds.

Section 6. That the Chairperson or Executive Director of the Authority is authorized and directed to execute and deliver such further documents, instruments and certificates as may be required, consistent with the provisions of this Resolution, to effect the extension of the Maturity Date.

Section 7. That the provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provisions shall, for any reason, be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions.

Section 8. That all ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby superseded.

Section 9. This Resolution shall be in full force and effect from and after its passage and approval, in accordance with law.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Elizabeth Weber

Date: May 11, 2017

Re: Resolution Approving and Confirming Contracts with Various Legal Firms and Appointing Bond Counsel for the 2017 State Revolving Fund Bond Issue

On January 10, 2017 the Illinois Finance Authority (the “**Authority**” or “**Issuer**”) published a Request for Proposal (“**RFP**”) on the Illinois Procurement Bulletin requesting proposals from qualified law firms with the experience, capability and expertise to provide bond counsel, Issuer’s counsel or other legal services to the Authority.

The RFP was issued to enable the Authority to replace expiring legal services agreements originally entered into in early 2014. The new contracts are for a four-year term with the Authority’s option for extensions for up to an additional four years each.

The Authority received thirty-five responses from across the state of Illinois.

On February 9, 2017, the Members of the Authority adopted Resolution 2017–0209-AD05 (the “February Resolution”), which provided pre-approval of the responding law firms as firms that the Authority may utilize for Issuer’s counsel, bond counsel and other various legal services, subject to award by the Executive Director after review and evaluation by an internal staff evaluation committee of the proposals and legal review of the proposals and contracts. The responding firms are:

1. Arnstein & Lehr LLP
2. Baker McKenzie
3. Burke Burns & Pinelli, Ltd.
4. Cahill Law Office
5. Chapman and Cutler LLP
6. Charity & Associates, P.C.
7. Clark Hill PLC
8. Cotillas and Associates
9. Dinsmore & Shohl LLP
10. Foley & Lardner LLP
11. Franczek Radelet P.C.
12. Freeborn & Peters LLP
13. G&R Public Law and Strategies
14. Greenberg Traurig, LLP

15. Hardwick Law Firm, LLC
16. Hart, Southworth & Witsman
17. Holland & Knight LLP
18. Ice Miller LLP
19. Katten Muchin Rosenman LLP
20. Kutak Rock LLP
21. Laner Muchin, Ltd.
22. Locke Lord LLP
23. Mayer Brown LLP
24. McGuire Woods LLP
25. Miller, Hall & Triggs, LLC
26. Nixon Peabody LLP
27. Polsinelli PC
28. Pugh Jones & Johnson, P.C.
29. Quarles & Brady LLP
30. Quintairos, Prieto, Wood & Boyer, P.A.
31. Reyes Kurson, Ltd.
32. Rock Fusco & Connelly, LLC
33. Sanchez Daniels & Hoffman LLP
34. Schiff Hardin LLP
35. Zuber Lawler & Del Luca

The February Resolution also delegated to the Executive Director the power to designate the various categories for which firms are eligible to provide legal services. The legal firms were asked to designate the categories for which they desired to be considered. The categories were as follows: (1) Issuer's counsel, (2) bond counsel for the Beginning Farmer Bond Program, (3) bond counsel for the Local Government Bond Program/Pooled Bond Program, (4) bond counsel for the State Revolving Fund Program/Clean Water Initiative, and (5) counsel for other legal services, such as (i) government and public law matters, (ii) labor, employment and employee benefit matters, (iii) general lending matters, and (iv) innovative finance matters including private-public partnerships. An approved list of counsel was established for all categories except for bond counsel for the Beginning Farmer Bond Program for which a single firm was selected. Annual compensation to the firms will depend on the Authority's need, the specific services performed and the firm's rates.

The attached resolution approves and confirms the contracts with the various legal firms for the categories as described in the attachment thereto. The resolution also approves the selection, from the approved list, of Katten Muchin Rosenman LLP as bond counsel for the 2017 State Revolving Fund bond issue.

RESOLUTION NO. 2017-0511-AD__

**RESOLUTION APPROVING AND CONFIRMING CONTRACTS
WITH VARIOUS LEGAL FIRMS AND APPOINTING BOND
COUNSEL FOR THE 2017 STATE REVOLVING FUND BOND
ISSUE**

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 “Illinois Finance Authority Act”)

WHEREAS, on July 15, 2013, by Public Act 098-0090 (the “Act”), the Illinois State General Assembly amended the Illinois Procurement Code (30 ILCS 500/1-1 *et seq.*) (the “Code”) by excluding certain contracts to be entered into by the Authority from the Code; and

WHEREAS, pursuant to Section 15 of the Act, contracts for legal, financial, and other professional and artistic services entered into on or before December 31, 2018 (the “Contracts”) by the Authority in which the State of Illinois is not obligated are excluded from the requirements set forth in the Code; and

WHEREAS, the Act further provides that such contracts shall be awarded through a competitive process authorized by the Board of the Authority; and

WHEREAS, on August 13, 2013 the Board of the Authority approved a written procurement policy (the “Policy”) for the procurement of contracts for legal, financial, and other professional and artistic services entered into on or before December 31, 2018 by the Authority in which the State of Illinois is not obligated, and

WHEREAS, the Act further provides that the Board of the Authority shall approve the terms of such Contracts; and

WHEREAS, pursuant to a competitive process, the Authority received responses from 35 law firms pursuant to a Request for Proposal published on the Illinois Procurement Bulletin by the Authority on January 10, 2017, requesting proposals from qualified law firms with the experience, capability and expertise to provide bond counsel, issuer’s counsel or other legal services to the Authority; and

WHEREAS, on February 9, 2017, the Authority approved Resolution 2017-0209-AD05, which pre-approved contracts for legal services for a four-year term with the option for the Authority to renew for up to an additional four years, and delegated certain matters to the Executive Director; and

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. Approval of Legal Services Contracts. The Authority hereby approves and confirms the terms of the contracts with the Vendors listed below as Vendors the Authority may utilize for various legal services (“Legal Services Contracts”) and for the categories as shown on the attachment hereto.

List of Vendors:

1. Arnstein & Lehr LLP
2. Baker McKenzie
3. Burke Burns & Pinelli, Ltd.
4. Cahill Law Office
5. Chapman and Cutler LLP
6. Charity & Associates, P.C.
7. Clark Hill PLC
8. Cotillas and Associates
9. Dinsmore & Shohl LLP
10. Foley & Lardner LLP
11. Franczek Radelet P.C.
12. Freeborn & Peters LLP
13. G&R Public Law and Strategies
14. Greenberg Traurig, LLP
15. Hardwick Law Firm, LLC
16. Hart, Southworth & Witsman
17. Holland & Knight LLP
18. Ice Miller LLP
19. Katten Muchin Rosenman LLP
20. Kutak Rock LLP
21. Laner Muchin, Ltd.
22. Locke Lord LLP
23. Mayer Brown LLP
24. McGuire Woods LLP
25. Miller, Hall & Triggs, LLC
26. Nixon Peabody LLP
27. Polsinelli PC
28. Pugh Jones & Johnson, P.C.
29. Quarles & Brady LLP
30. Quintairos, Prieto, Wood & Boyer, P.A.
31. Reyes Kurson, Ltd.
32. Rock Fusco & Connelly, LLC
33. Sanchez Daniels & Hoffman LLP
34. Schiff Hardin LLP
35. Zuber Lawler & Del Luca

Section 4. 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 the selection of counsel for various assignments pursuant to the legal contracts, and to execute, acknowledge and deliver any and all such agreements,

instruments, certificates and other documents as may be required in connection with the Legal Services Contracts.

Section 5. Appointment of Bond Counsel for the 2017 State Revolving Fund Bond Issue.

The selection of Katten Muchin Rosenman LLP, from among the approved list of bond counsel for the State Revolving Fund Program/Clean Water Initiative, for the 2017 State Revolving Fund bond issue is hereby approved and confirmed.

Section 6, 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 7. 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 8. Conflicts. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 9. Immediate Effect. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

**ILLINOIS FINANCE AUTHORITY
LEGAL SERVICES AWARDS BY CATEGORY
2017-FEB-002/17-0046/IPB #22040012**

	FIRM	ISSUER'S COUNSEL	BOND COUNSEL (FARMERS)	BOND COUNSEL (GOV'T/POOL)	BOND COUNSEL (SRF)	OTHER COUNSEL
1.	Arnstein & Lehr LLP	X		X		
2.	Baker & McKenzie					X
3.	Burke, Burns & Pinelli, Ltd.	X	X			X
4.	Cahill Law Offices	X				X
5.	Chapman & Cutler	X		X	X	X
6.	Charity & Associates, P.C.	X				X
7.	Clark Hill					X
8.	Cotillas and Associates	X				X
9.	Dinsmore & Shohl LLP	X			X	X
10.	Foley & Lardner LLP	X		X	X	X
11.	Franczek Radelet					X
12.	Freeborn & Peters	X				X
13.	G&R Public Law and Strategies					X
14.	Greenberg Traurig, LLP	X				X
15.	Hardwick Law Firm LLC	X			X	
16.	Hart, Southworth & Witsman	X				X
17.	Holland & Knight LLP	X		X	X	X
18.	Ice Miller LLP	X		X	X	X
19.	Katten Muchin Rosenman LLP	X		X	X	X
20.	Kutak Rock LLP	X		X	X	X
21.	Laner Muchin, Ltd.					X
22.	Locke Lord LLC	X		X	X	X
23.	Mayer Brown LLP	X		X	X	X
24.	McGuire Woods LLP	X		X	X	X
25.	Miller, Hall & Triggs, LLC	X				
26.	Nixon Peabody	X		X	X	X
27.	Polsinelli PC	X				
28.	Pugh, Jones & Johnson, P.C.	X			X	X
29.	Quarles & Brady	X		X		
30.	Quintairos, Prieto, Wood & Boyer	X		X		X
31.	Reyes Kurson, Ltd.	X				X
32.	Rock Fusco & Connelly, LLC					X
33.	Sanchez Daniels & Hoffman LLP	X				
34.	Schiff Hardin LLP	X		X	X	X
35.	Zuber Lawler & Del Luca					X

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: May 11, 2017

Re: 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
IFA Series 2013 File Number: P-SW-TE-CD-8513/12181

Request:

Kuusakoski US LLC, a State of Delaware limited liability company (the “**Borrower**”), and **Nordea Bank AB (publ), New York Branch (“Nordea Bank”)** are requesting approval of a Resolution to authorize execution and delivery of (i) a Non-Arbitrage and Tax Compliance Certificate, (ii) an Internal Revenue Service Form 8038, and (iii) related documents to effectuate the delivery of an alternate **Direct Pay Letter of Credit (“Direct Pay LOC”)** to be provided by Nordea Bank in connection with the Illinois Finance Authority Solid Waste Disposal Facility Revenue Bonds, Series 2013 (Kuusakoski US LLC Project) (the “**Series 2013 Bonds**”).

The Borrower is a wholly-owned subsidiary of **Kuusakoski Group OY** (the “**Parent Company**”), a privately-owned company based in Espoo, Finland. Neither the Borrower nor its Finland-based Parent Company are rated entities.

The Authority issued the Series 2013 Bonds in an aggregate principal amount of \$10,935,000, of which \$10,635,000 remained outstanding as of May 1, 2017. Fifth Third Bank provided a Direct Pay LOC securing bondholders of the Series 2013 Bonds which were sold in a Limited Offering to Qualified Institutional Investors in minimum denominations of \$100,000 and integral multiples of \$5,000 over \$100,000.

In consideration of providing a Direct Pay LOC for the Series 2013 Bonds, Fifth Third Bank has been secured by a Standby Letter of Credit provided by Nordea Bank (which has been Kuusakoski’s relationship bank). The Standby Letter of Credit has only secured Fifth Third Bank and not bondholders of the Series 2013 Bonds.

The Direct Pay LOC provided by Fifth Third Bank expires on June 4, 2017. Thereafter, it is anticipated that Nordea Bank will provide the Direct Pay LOC securing bondholders of the Series 2013 Bonds through June 1, 2020. As a result, Nordea Bank’s Standby Letter of Credit will be terminated.

Nordea Bank will be secured solely by a general obligation pledge of Kuusakoski US LLC (and its affiliates).

The Series 2013 Bonds will then be rated and remarketed based on Nordea Bank’s long-term credit ratings of ‘AA3’/ ‘AA-’/‘AA-’ (Moody’s/S&P/Fitch) and short-term ratings of MIG-1 / A-1 + / F1+ (Moody’s/ S&P / Fitch). The short-term ratings will continue to be the applicable ratings whenever the Bonds bear interest in the Weekly Rate Mode (as they have to date). The Series 2013 Bonds will continue to be remarketed in minimum denominations of \$100,000.

Impact:

Approval of this Resolution will provide consent to changes as agreed to by Nordea Bank and the Borrower concerning substituting the Direct Pay LOC securing the bondholders of the Series 2013 Bonds and elimination of the Standby Letter of Credit. Approval of this Resolution will not cause the terms of the Series 2013 Bonds to be modified sufficiently to require a new public hearing to be held (as otherwise required by Section 147(f) of the Internal Revenue Code of 1986, as amended). IFA’s administrative closing fee for this reissuance will be \$500.

Background:

Series 2013 Bond proceeds were loaned to the Borrower to be used, together with certain other funds, to (i) finance and reimburse the Borrower for the costs of purchasing a former printing facility located on an approximately 12.25 acre site at 13543 South U.S. Highway 30 in Plainfield, Illinois and converting and rehabilitating the printing facility into a solid waste recycling facility, including necessary and attendant equipment, site work and utilities thereto (the “**Project**”); (ii) pay a portion of the capitalized interest on the Bonds, if deemed necessary or advisable by the Borrower; (iii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower; and (iv) pay certain expenses incurred in connection with the issuance of the Bonds, including but not limited to fees for insurance, credit enhancement or liquidity enhancement for the Bonds if deemed necessary or advisable by the Borrower.

All payments relating to the IFA Series 2013 Bonds have been current and paid as scheduled.

PROFESSIONAL & FINANCIAL

Bond Counsel:	Miller Canfield P.L.C.	Chicago, IL	Paul Durbin
Exiting Direct Pay			
LOC Bank:	Fifth Third Bank	Chicago, IL	
New Direct Pay			
LOC Bank (Existing			
Standby LOC Provider):	Nordea Bank AB	New York, NY	Christopher Spitler Anna Salmi Ari Rintala Elizabeth Kim
New Direct Pay			
LOC Bank Counsel:	Chapman and Cutler LLP	Chicago, IL	Carol Thompson
Underwriter/			
Remarketing Agent:	Fifth Third Securities, Inc.	Cincinnati, OH	Thomas Winkler
Bond Trustee:	U.S. Bank, N.A.	Chicago, IL	Grace Gorka Jonathan Glover
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe S. Selden

RESOLUTION 2017-0511-AD07

A 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.

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 under the Act to issue its revenue bonds for the purpose of financing and refinancing industrial projects in the State of Illinois (the "*State*"); and

WHEREAS, the Authority is authorized and empowered by the Act and by the provisions of the Illinois Environmental Facilities Financing Act, 20 ILCS 3515/1 *et seq.* (the "*Environmental Act*"), as from time to time supplemented and amended, to issue its revenue bonds to finance the costs of an "environmental facility"; and

WHEREAS, on June 4, 2013, the Authority, pursuant to and in accordance with the Act and the Environmental Act, issued its Solid Waste Disposal Facility Revenue Bonds, Series 2013 (Kuusakoski US LLC Project), in the aggregate principal amount of \$10,935,000 (the "*Bonds*"), and loaned the proceeds thereof to Kuusakoski US LLC (the "*Borrower*"), pursuant to the Loan Agreement dated as of June 1, 2013 between the Authority and the Borrower, in order to (i) finance and reimburse the Borrower for the costs of purchasing a former printing facility located on an approximately 12.25 acre site at 13543 South U.S. Highway 30 in Plainfield, Illinois and converting and rehabilitating the printing facility into a solid waste recycling facility, including necessary and attendant equipment, sitework and utilities thereto; (ii) pay a portion of the capitalized interest on the Bonds; and (iii) pay certain expenses incurred in connection with the issuance of the Bonds, including but not limited to fees for credit enhancement for the Bonds; and

WHEREAS, pursuant to the Reimbursement Agreement dated as of June 1, 2013 between the Borrower and Fifth Third Bank (the "*Initial Letter of Credit Provider*"), the Initial Letter of Credit Provider issued an irrevocable transferable letter of credit (the "*Initial Letter of Credit*") in favor of U.S. Bank National Association (the "*Trustee*") for the benefit of the holders of the Bonds; and

WHEREAS, Nordea Bank AB (publ), New York Branch (the "*Standby Letter of Credit Provider*") currently provides a standby letter of credit ("*Standby Letter of Credit*") in favor of the Initial Letter of Credit Provider to secure its claims against the Borrower under the Initial Letter of Credit and pursuant to the terms of the Reimbursement Agreement dated as of June 1, 2013; and

WHEREAS, on June 1, 2017 the Borrower shall substitute a letter of credit (the "*Alternate Letter of Credit*") issued by Nordea Bank AB (publ), New York Branch (the "*Alternate Letter of Credit Provider*"), for the Initial Letter of Credit pursuant to the terms of the Indenture of Trust dated as of June 1, 2013 between the Borrower, Trustee and the Authority (the "*Indenture*"); and

WHEREAS, the Standby Letter of Credit shall terminate upon the completion of the substitution of the Initial Letter of Credit with the Alternate Letter of Credit; and

WHEREAS, in connection with the substitution of the Initial Letter of Credit, the Authority is requested by the Borrower to execute and deliver a Non-Arbitrage and Tax Compliance Certificate, Internal Revenue Service Information Return for Private Activity Bonds Issues ("*IRS Form 8038*") and related documents in accordance with the rules and regulations of the Internal Revenue Service governing private activity bond issues.

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

Section 1. Authorization of Substitution of the Initial Letter of Credit and Delivery of Non-Arbitrage and Tax Compliance Certificate and Related Documents. The Authority does hereby approve the substitution of the Initial Letter of Credit with the Alternate Letter of Credit and the execution and delivery of a Non-Arbitrage and Tax Compliance Certificate, IRS Form 8038 and related documents by the Authority's Chairperson, Vice Chairperson, Executive Director, General Counsel or any Assistant Executive Director (each an "*Authorized Officer*"). The Secretary or any Assistant Secretary of the Authority is each hereby authorized to attest and to affix the official seal of the Authority to the Non-Arbitrage and Tax Compliance Certificate, if necessary. The execution by an Authorized Officer of any other documents required in connection with the letter of credit substitution transaction described in the preambles hereof shall be conclusive evidence of the approval of the final terms, provisions, form, content and substance of such other documents executed and delivered in connection therewith, which shall thereupon become binding upon the Authority.

Section 2. Authorization and Ratification of Subsequent Acts. The members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept and deliver any additional documents or instruments as may be necessary to carry out and comply with the provisions of this Resolution, and all of the acts and doings of the members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved.

Section 3. No Personal Liability. No contract, agreement, obligation, or stipulation herein contained or contained in the Bonds, the Alternate Letter of Credit or any other document executed by or on behalf of the Authority with respect to or in connection with substitution of the Initial Letter of Credit and delivery of the Alternate Letter of Credit, the Non-Arbitrage and Tax Compliance Certificate and related documents shall be deemed a contract, agreement, stipulation or obligation of any officer, director, agent, or employee of the Authority, in his or her individual capacity, and no such officer, director, agent, or employee shall be personally liable on the Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

Section 4. Severability. 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 5. Conflicts. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 6. Effective Date. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.