

ILLINOIS FINANCE AUTHORITY

Tuesday, November 8, 2011

AGENDA

COMMITTEE OF THE WHOLE MEETING

9:30 a.m.

**IFA Chicago Office
Two Prudential Plaza
180 North Stetson Avenue, Suite 2555
Chicago, Illinois 60601**

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

BOARD MEETING

10:30 a.m.

**Conference Center
One Prudential Plaza
130 East Randolph Street, Suite 750
Chicago, Illinois 60601**

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

Board Meeting Agenda

November 8, 2011

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AGRICULTURE

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Beginning Farmer Bonds						
<i>Final</i>						
1	A) Gavin, Paul J.	Monmouth Township (Warren County)	\$161,500	0	0	JS/LK
	B) Gavin, Andrew M.	Monmouth Township (Warren County)	\$259,500	0	0	JS/LK
TOTAL AGRICULTURE PROJECTS			\$421,000	0	0	

LOCAL GOVERNMENT

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Local Government Revenue Bonds						
<i>One-Time Final</i>						
2	Waterloo Community Unit School District Number 5	Waterloo (Monroe County)	\$46,200,000	0	10	JS
TOTAL LOCAL GOVERNMENT PROJECTS			\$46,200,000	0	10	

HEALTHCARE

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds						
<i>One-Time Final</i>						
3	Covenant Retirement Communities, Inc.	Various locations in Cook, DuPage and Kane Counties (Multistate)	\$70,000,000	10	50	PL/NO
4	Rush University Medical Center Obligated Group	Various locations in Cook and Kane Counties	\$60,000,000	0	0	PL/NO
TOTAL HEALTHCARE PROJECTS			\$130,000,000	10	50	
GRAND TOTAL			\$176,621,000	10	60	

RESOLUTIONS

Tab	Project Name	FM
Amendatory Resolutions		
5	Request to release 6.4 acres of farmland held as a portion of Collateral for Loan Number 1999-GP-1124 (Farmers State Bank of Western Illinois and Edwin and Cindy Summers)	JS
6	Resolution authorizing the execution and delivery of a Bond and Loan Agreement in connection with the IDFA Series 2001 Variable Rate Demand Revenue Bonds to enable conversion to a Bank Direct Purchase Structure (The British Home for Retired Men and Women Project) and Related Matters	RF/BF

November 8, 2011

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

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

RE: Message from the Executive Director

Dear Members of the Authority:

Although municipal issuance volume has been down from what it was a year ago, October proved to be a strong and healthy month for issuance nationally (*October is Biggest Month So Far*, The Bond Buyer, James Ramage, November 1, 2011). This national municipal debt issuance trend accurately reflects the 30.5 percent increase in new money issued by the Illinois Finance Authority (the "IFA") in October 2011 compared to the same period last year. We are hopeful that the markets will continue to uptick, although it will be tough to match last fiscal year's second quarter volume, when Recovery Zone Facility Bond deals surged.

As for the existential and regulatory challenges facing the federally tax-exempt conduit sector, the IFA joined the Council of Development Finance Agencies ("CDFA") on Capitol Hill on November 2, 2011 to educate Congress on the vital importance of tax-exempt bonds. Rich Frampton, Vice President of Business and Industry, serves on the CDFA Board. The IFA is coordinating its briefing efforts with the CDFA, as well as the National Association of Health and Higher Education Facilities Authorities ("NAHHEFA") and the National Association of Bond Lawyers ("NABL"), all of whom share a strong interest in preserving federally tax-exempt conduit financing – an essential tool for job retention and creation in these difficult economic times. Rich and I met with the Offices of Senator Durbin and Senator Kirk, as well as with Congressman Davis, Congresswoman Schakowsky, Congressman Quigley, Congressman Shimkus, Congressman Schock, Congressman Hultgren, Congressman Kinzinger and the Office of Congressman Roskam. The IFA sent a powerful message to the Illinois Congressional delegation on the preservation of federally tax-exempt conduit debt.

To a more local but very important update, with further direction from the Board, the \$13,641,041 State Guarantee on the Fifth Third Bank/REG Danville, LLC loan, which accomplished its job creation intent, was released on October 31, 2011. As of this date, it no longer appears as a liability on the IFA's financial statements. We commend Chairman Brandt's leadership on this significant public policy success.

We also thank Mr. O'Brien for his leadership on the newly created Legislative Affairs Committee. Even though this Committee has not yet convened, there was progress in the Illinois General Assembly's 2011 Fall Veto Session. Notably, House Bill 442 Amendment 1, which allows the IFA to convert a loan made to the Illinois Facilities Fund by its predecessor State Agency to "permanent capital", passed out the House unanimously and now moves to the Senate, where Senator Steans has pre-filed the bill.

Finally, congratulations to Vice Chairman Goetz, Ms. Bronner, Mr. Durburg and Mr. O'Brien on their reappointments, all of whom were confirmed by the Illinois Senate on October 26, 2011. We thank them all for their voluntary commitment to public service.

As always, the staff of the IFA looks forward to continuing to work with all of you to fulfill our mission to create and retain jobs.

Respectfully,

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

Christopher B. Meister
Executive Director

Attachments:

Attachment 1 – Bonds Issued Analyses; Schedule of Debt

Attachment 2 – Audit Tracking Schedule



Bonds Issued and Outstanding as of October 31, 2011

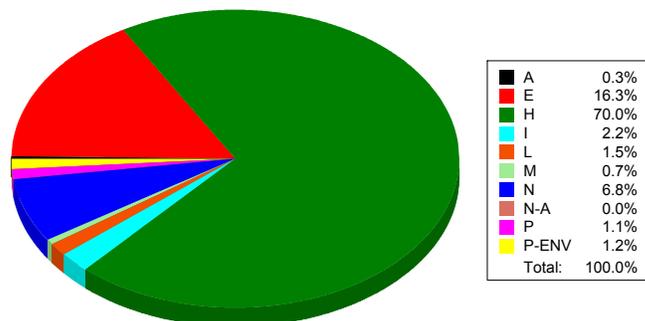
Bonds Issued Since Inception of Illinois Finance Authority

#	Market Sector	Principal Amount (\$)
364	Agriculture **	66,510,516
83	Education	4,027,548,100
174	Healthcare *	17,597,048,508
80	Industrial	934,937,853
25	Local Government	378,145,000
16	Multifamily/Senior Housing	175,417,900
112	501(c)(3) Not-for Profits	1,744,131,195
8	Exempt Facilities Bonds	275,700,000
8	Environmental issued under 20 ILCS 3515/9	326,630,000
		\$ 25,526,069,072

* Includes CCRC's

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

Bonds Issued Since Inception

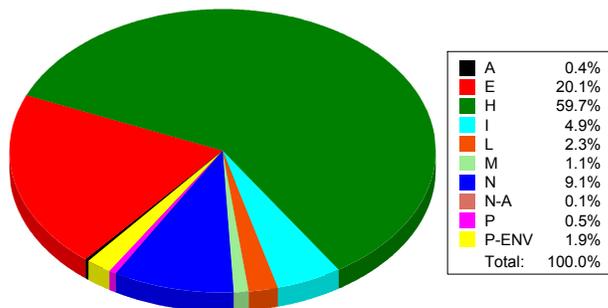


Schedule of Bonds Outstanding by Market Sector Includes IFA and it's Predecessor Authorities

Market Sector	Amount of Original Issue	Principal Outstanding
Agriculture	304,980,222	88,769,716
Education	5,625,425,730	5,089,278,987
Healthcare *	17,835,756,959	15,112,760,359
Industrial	1,526,316,939	1,253,672,988
Local Government	1,032,839,413	575,231,238
Multifamily/Senior Housing	726,835,396	289,389,005
501(c)(3) Not-for Profits	2,841,662,996	2,296,902,343
Exempt Facilities Bonds	130,500,000	130,300,000
Environmental issued under 20 ILCS 3515/9	756,325,000	480,759,110
	\$ 30,780,642,654	\$ 25,317,063,746

* Includes CCRC's

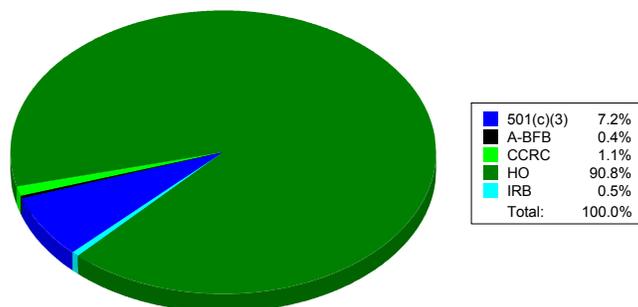
Principal Outstanding by Market Sector



Current Fiscal Year

#	Market Sector	Principal Issued
14	Agriculture - Beginner Farmer	2,724,567
5	Healthcare - Hospital	653,425,000
1	Healthcare - CCRC	7,600,000
1	Industrial Revenue	3,795,000
4	501(c)(3) Not-for-Profit	51,698,000
25		\$ 719,242,567

Bonds Issued - Current Fiscal Year



Bonds Issued between July 01, 2011 and October 31, 2011

<u>Bond Issue</u>	<u>Date Issued</u>	<u>Initial Interest Rate</u>	<u>Principal Issued</u>	<u>Bonds Refunded</u>
A-BFB Beginner Farmer Bonds, Series 2012A	07/01/2011	Various-See Below	2,724,567	0
501(c)(3) Learn Charter Schools, Series 2011	08/01/2011	Variable	5,693,000	2,830,000
HO CDH-Delnor Health System, Series 2011A&B	08/05/2011	Variable	127,150,000	127,150,000
IRB Transparent Container Co., Inc., Series 2011	08/09/2011	DP-VRB	3,795,000	3,795,000
HO CDH-Delnor Health System, Series 2011C	08/24/2011	DP-VRB	58,415,000	58,415,000
501(c)(3) Chicago Shakespeare Theater, Series 2011	09/09/2011	DP-VRB	4,100,000	4,100,000
HO Advocate Health Care Network, Series 2011A-D	09/21/2011	DP-VRB	213,730,000	12,295,000
CCRC Chestnut Square at The Glen, Series 2011	09/30/2011	DP-VRB	7,600,000	9,195,000
501(c)(3) Siena on Brendenwood, Series 2011	10/03/2011	DP-VRB	4,400,000	4,400,000
HO Trinity Health, Series 2011A&B/IL	10/20/2011	2.00% to 5.00%	239,710,000	0
501(c)(3) UNO Charter School Network, Inc., Series 2011A&B	10/26/2011	6.875% to 7.125%	37,505,000	0
HO Southern Illinois Healthcare Enterprise, Series 2011	10/27/2011	1.857% to 2.513%	14,420,000	15,280,000
Total Bonds Issued in Fiscal Year 2011			\$ 719,242,567	\$ 237,460,000

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

<u>Borrower</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
Bennett, Quinn P. & Kristen N.	07/15/2011	4.50%	252,350	75.76	Shelby
Neff, Jennifer	07/15/2011	3.65%	476,449	48.90	Macoupin
Zaagman, Brent	08/11/2011	4.50%	239,828	90.00	Whiteside
Colgan, Andrew J. & Jacqueline L.	08/16/2011	4.00%	125,000	40.00	Stark
Kocher, Doug E. & Lora M.	08/19/2011	4.00%	80,000	38.00	Jasper
Sterrenberg, Casey P.	09/13/2011	4.00%	477,000	96.70	Livingston
Meister, Evan T.	09/20/2011	4.00%	203,940	80.00	Iroquois
Tarasuik, James W. Jr.	09/20/2011	4.00%	67,000	40.00	Bond
Bohnenstiehl, Joshua A.	09/27/2011	4.00%	159,000	38.50	Madison
Bohnenstiehl, Daren A.	09/27/2011	4.00%	159,000	38.50	Madison
Beals, Ronald Lee	09/30/2011	4.00%	47,500	24.00	Jasper
Billups, Nathan W.	10/14/2011	4.50%	146,000	38.00	Putnam
Ohnesorge, Jay W.	10/27/2011	3.75%	27,500	3.50	Effingham
Ettner, Philip P. & Spring M.	10/27/2011	4.35%	264,000	58.00	Boone
Total Beginner Farmer Bonds Issued			\$ 2,724,567	709.86	

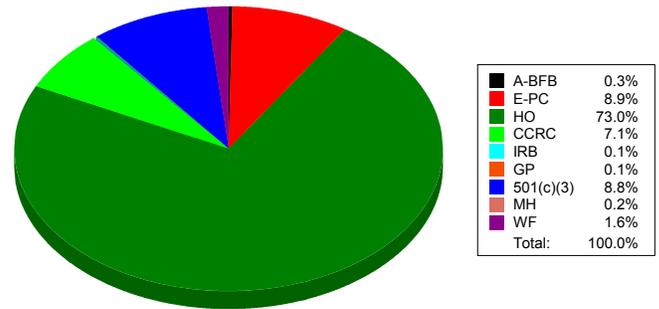
<u>AG Debt Restructuring Guarantee</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>State Guarantee</u>
Bertolino, Adam	08/24/2011	5.95%	380,000	323,000
Total AG Debt Restructuring Guarantee			\$ 380,000	\$ 323,000
Total Agriculture Guarantees			\$ 380,000	\$ 323,000

Bonds Issued - Fiscal Year Comparison for the Period Ending October 31, 2011

Fiscal Year 2010

#	Market Sector	Principal Issued
44	Agriculture - Beginner Farmer	8,545,250
8	Education	298,745,000
26	Healthcare - Hospital	2,458,700,628
4	Healthcare - CCRC	240,184,820
1	Industrial Revenue	2,700,000
1	Local Government - Pool	4,460,000
11	501(c)(3) Not-for-Profit	296,142,520
1	MultiFamily/Senior Housing	5,700,000
2	Water Facilities	53,500,000
98		\$ 3,368,678,218

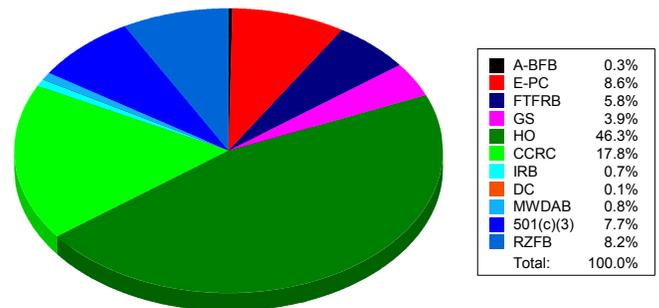
Bonds Issued in Fiscal Year 2010



Fiscal Year 2011

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

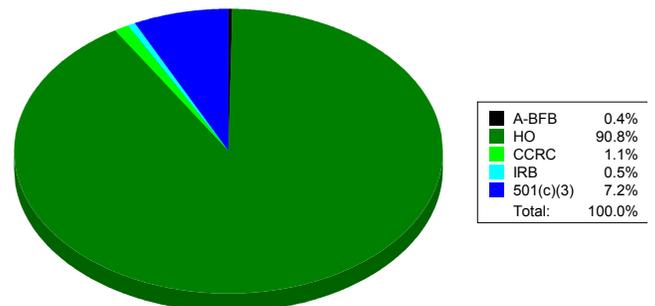
Bonds Issued in Fiscal Year 2011



Fiscal Year 2012

#	Market Sector	Principal Issued
14	Agriculture - Beginner Farmer	2,724,567
5	Healthcare - Hospital	653,425,000
1	Healthcare - CCRC	7,600,000
1	Industrial Revenue	3,795,000
4	501(c)(3) Not-for-Profit	51,698,000
25		\$ 719,242,567

Bonds Issued in Fiscal Year 2012



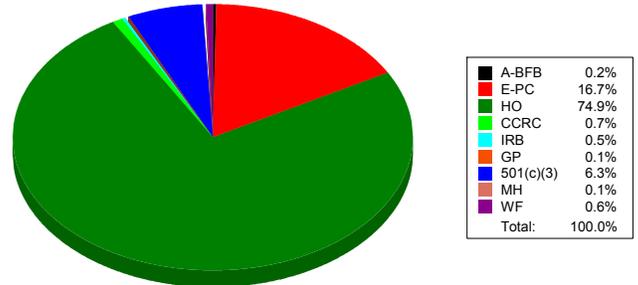


Bonds Issued - Calendar Year Comparison as of October 31, 2011

Calendar Year 2009

#	Market Sector	Principal Issued
38	Agriculture - Beginner Farmer	7,315,408
9	Education	786,245,000
26	Healthcare - Hospital	3,526,456,927
2	Healthcare - CCRC	31,034,820
3	Industrial Revenue	24,000,000
1	Local Government - Pool	4,460,000
11	501(c)(3) Not-for-Profit	295,436,458
1	MultiFamily/Senior Housing	5,700,000
1	Water Facilities	28,500,000
92		\$ 4,709,148,613

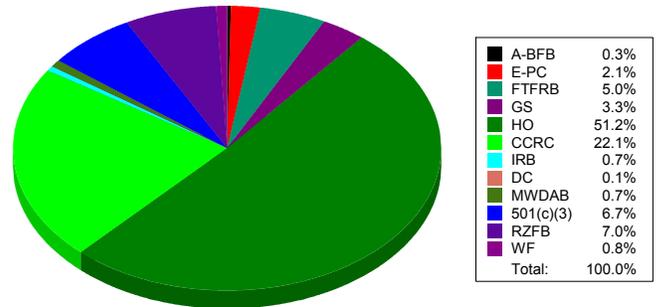
Bonds Issued in Calendar Year 2009



Calendar Year 2010

#	Market Sector	Principal Issued
52	Agriculture - Beginner Farmer	9,374,497
5	Education	64,000,000
1	Freight Transfer Facilities Bonds	150,000,000
2	Gas Supply	100,000,000
20	Healthcare - Hospital	1,545,643,433
7	Healthcare - CCRC	667,855,000
4	Industrial Revenue	20,029,184
1	Financially Distressed Cities	1,985,000
1	Midwest Disaster Area Bonds	20,200,000
8	501(c)(3) Not-for-Profit	203,041,062
8	Recovery Zone Facilities Bonds	211,488,000
1	Water Facilities	25,000,000
110		\$ 3,018,616,176

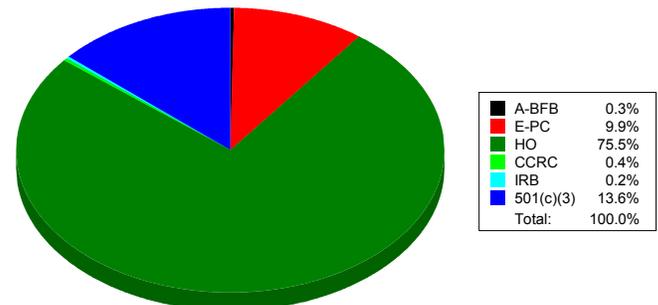
Bonds Issued in Calendar Year 2010



Calendar Year 2011

#	Market Sector	Principal Issued
28	Agriculture - Beginner Farmer	5,200,962
2	Education	177,390,000
11	Healthcare - Hospital	1,350,660,000
1	Healthcare - CCRC	7,600,000
1	Industrial Revenue	3,795,000
6	501(c)(3) Not-for-Profit	243,533,000
49		\$ 1,788,178,962

Bonds Issued in Calendar Year 2011



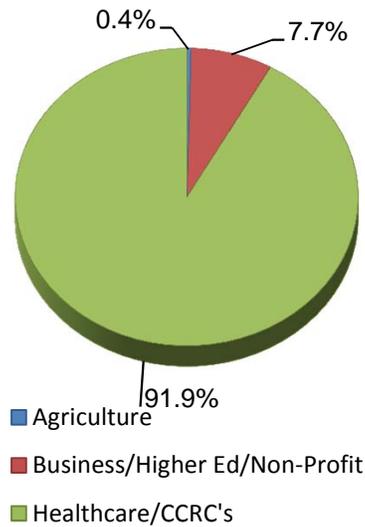


Illinois Finance Authority

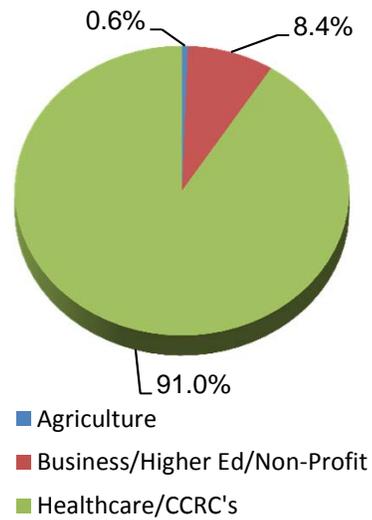
Fiscal Year 2012

Market Sector	Principal Amount (\$)	New Money (\$)	#	Revenue (\$)
Agriculture	\$ 2,754,567.00	\$ 2,754,567.00	14	\$ 39,918.51
Business/Higher Ed/Non-Profit	55,493,000.00	40,368,000.00	5	140,457.50
Healthcare/CCRC's	661,025,000.00	438,690,000.00	6	706,707.50
	\$ 719,272,567.00	\$ 481,812,567.00	25	\$ 887,083.51

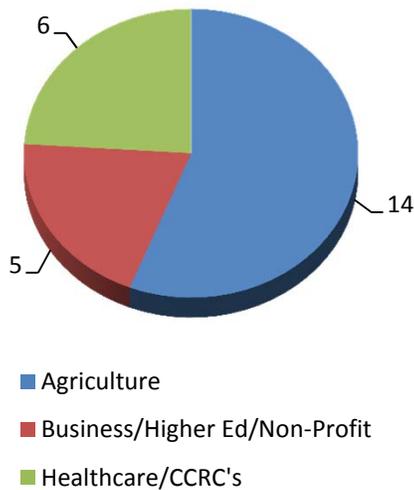
Principal Amount (\$)



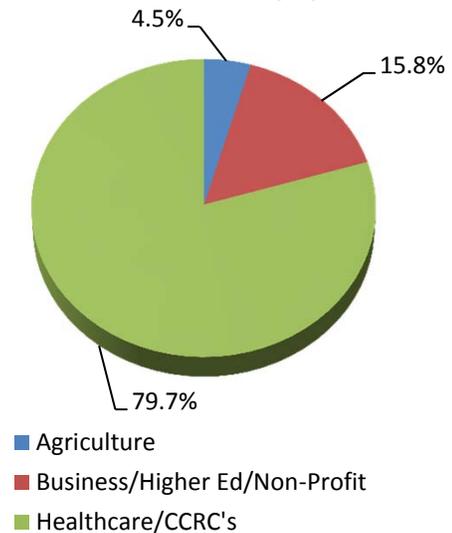
New Money Principal(\$)



of Projects



Revenue (\$)



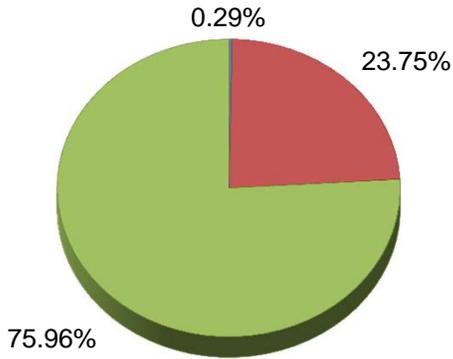


Illinois Finance Authority

Calendar Year 2011

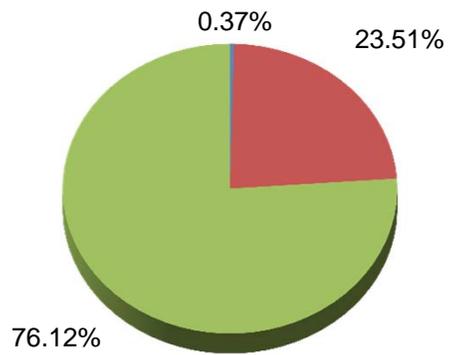
Market Sector	Principal Amount (\$)	New Money (\$)	#	Revenue (\$)
Agriculture	\$ 5,200,962.00	\$ 5,200,962.00	28	\$ 75,214.43
Business/Higher Ed/Non-Profit	424,718,000.00	326,843,000.00	9	519,527.50
Healthcare/CCRC's	1,358,260,000.00	1,058,230,000.00	12	1,103,940.00
	\$ 1,788,178,962.00	\$ 1,390,273,962.00	49	\$ 1,698,681.93

Principal Amount (\$)



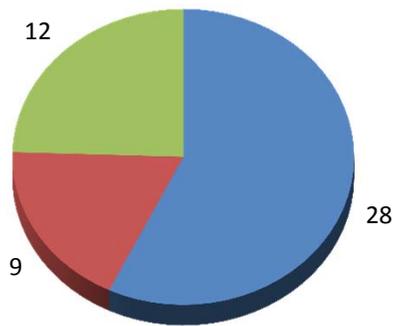
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

New Money Principal(\$)



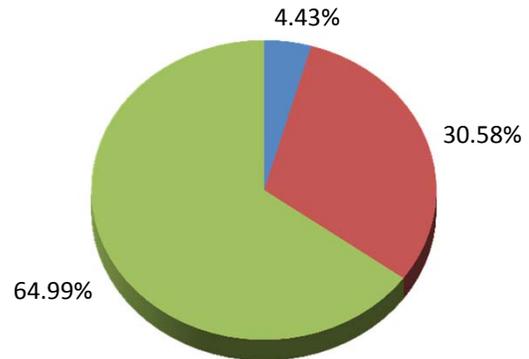
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

of Projects



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

Revenue (\$)



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

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[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)	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	October 31, 2011		
Illinois Finance Authority "IFA" ^[b]				
332	Agriculture	\$ 51,236,000	\$ 53,834,000	
90	Education	3,796,724,000	3,760,336,000	
251	Healthcare	12,342,872,000	12,539,657,000	
74	Industrial Development [includes Recovery Zone/Midwest Disaster]	824,762,000	807,760,000	
22	Local Government	246,460,000	240,395,000	
18	Multifamily/Senior Housing	160,222,000	159,717,000	
94	501(c)(3) Not-for Profits	1,268,725,000	1,280,673,000	
5	Exempt Facilities Bonds	130,300,000	130,300,000	
886	Total IFA Principal Outstanding	\$ 18,821,301,000	\$ 18,972,672,000	
Illinois Development Finance Authority "IDFA" ^[b]				
3	Education	20,661,000	19,941,000	
5	Healthcare	209,185,000	209,185,000	
65	Industrial Development	502,364,000	445,913,000	
32	Local Government	322,251,000	314,616,000	
13	Multifamily/Senior Housing	130,521,000	129,672,000	
95	501(c)(3) Not-for Profits	961,395,000	941,685,000	
210	Total IDFA Principal Outstanding	\$ 2,146,377,000	\$ 2,061,012,000	
Illinois Rural Bond Bank "IRBB" ^[b]				
17	Bond Bank Revenue Bonds	20,220,000	20,220,000	
17	Total IRBB Principal Outstanding	\$ 20,220,000	\$ 20,220,000	
95	Illinois Health Facilities Authority "IHFA"	\$ 2,522,273,000	\$ 2,363,918,000	
48	Illinois Educational Facilities Authority "IEFA"	\$ 1,401,337,000	\$ 1,383,547,000	
561	Illinois Farm Development Authority "IFDA" ^[f]	\$ 34,936,000	\$ 34,936,000	
1,817	Total Illinois Finance Authority Debt	\$ 24,946,444,000	\$ 24,836,305,000	\$ 28,150,000,000

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

Section I (b)	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	October 31, 2011		
General Purpose Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]				
17	Issued through IRBB - Local Government Pools	\$ 20,220,000	\$ 20,220,000	
7	Issued through IFA - Local Government Pools	26,680,000	26,680,000	
2	Issued through IFA - Illinois Medical District Commission	39,640,000	39,120,000	
26	Total General Moral Obligations	\$ 86,540,000	\$ 86,020,000	\$ 150,000,000
Financially Distressed Cities Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
2	Issued through IFA	\$ 3,825,000	\$ 3,825,000	
1	Issued through IDFA	3,565,000	3,565,000	
3	Total Financially Distressed Cities	\$ 7,390,000	\$ 7,390,000	\$ 50,000,000
State Component Unit Bonds ^[c]				
17	Issued through IRBB	\$ 20,220,000	\$ 20,220,000	
2	Issued through IDFA ^[j]	82,090,000	75,510,000	
2	Issued through IFA ^[j]	81,367,000	77,252,000	
21	Total State Component Unit Bonds	\$ 183,677,000	\$ 172,982,000	

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

Section I (c)	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	October 31, 2011		
1	Midwest Disaster Bonds [Flood Relief]	\$ 20,200,000	\$ 20,200,000	\$ 1,515,271,000

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 IFA	Bonds Issued as of October 31, 2011	Available "Ceded" Volume Cap
	-	Recovery Zone Economic Development Bonds;	\$ 666,972,000	\$ 16,940,000
8	Recovery Zone Facilities Bonds	\$ 1,000,457,000	\$ 292,400,000	\$ 218,577,000
-	Qualified Energy Conservation Bonds	\$ 133,846,000	\$ -	\$ -

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

Section II	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	October 31, 2011		
Illinois Power Agency	\$ -	\$ -	\$ 4,000,000,000	\$ 4,000,000,000

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

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

Section III

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	October 31, 2011		
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, 2011	October 31, 2011			
Agri Debt Guarantees [Restructuring Existing Debt]	\$ 17,330,000	\$ 16,561,000	\$ 160,000,000	\$ 143,439,000	\$ 14,062,000
88 Fund # 994 - Fund Balance \$ 10,002,567					
AG Loan Guarantee Program	\$ 41,519,000	\$ 18,031,000	\$ 225,000,000 ^[e]	\$ 206,969,000	\$ 15,327,000
46 Fund # 205 - Fund Balance \$ 7,724,876					
11 Agri Industry Loan Guarantee Program	\$ 9,753,000	\$ 9,313,000			7,916,000
0 Renewable Fuels	22,823,000	-			-
2 Farm Purchase Guarantee Program	975,000	975,000			829,000
22 Specialized Livestock Guarantee Program	5,552,000	5,342,000			4,541,000
11 Young Farmer Loan Guarantee Program	2,416,000	2,401,000			2,041,000
134 Total State Guarantees	\$ 58,849,000	\$ 34,592,000	\$ 385,000,000	\$ 350,408,000	\$ 29,389,000

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

Section V

	Fund #	Principal Outstanding		Appropriation Fiscal Year 2012	Fund Balance
		June 30, 2011	October 31, 2011		
116 Fire Truck Revolving Loan Program	Fund # 572	\$ 17,486,608	\$ 16,302,817	\$ -	\$ 4,014,555
10 Ambulance Revolving Loan Program	Fund # 334	\$ 832,213	\$ 671,227	\$ -	\$ 161,576

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

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

Section VI

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	October 31, 2011		
Environmental [Large Business]				
9 Issued through IFA	315,148,000	\$ 123,879,000		
19 Issued through IDFA	356,895,000	356,880,000		
28 Total Environmental [Large Business]	\$ 672,043,000	\$ 480,759,000	\$ 2,425,000,000	\$ 1,944,241,000
Environmental [Small Business]				
28 Total Environment Bonds Issued under Act	\$ 672,043,000	\$ 480,759,000	\$ 2,500,000,000	\$ 2,019,241,000

Illinois Finance Authority Funds at Risk

Section VII

#	Original Amount	Principal Outstanding	
		June 30, 2011	October 31, 2011
Participation Loans			
39 Business & Industry	23,020,157.95	12,718,990.12	11,375,217.91
11 Agriculture	6,079,859.01	3,308,196.84	2,134,306.01
50 Participation Loans excluding Defaults & Allowances	\$ 29,100,016.96	\$ 16,027,186.96	\$ 13,509,523.92
Plus: Legacy IDFA Loans in Default		1,139,934.62	910,631.89
Less: Allowance for Doubtful Accounts		3,957,841.93	3,603,514.66
Total Participation Loans		\$ 13,209,279.65	\$ 10,816,641.15
1 Illinois Facility Fund	\$ 1,000,000.00	\$ 1,000,000.00	1,000,000.00
4 Local Government Direct Loans	\$ 1,289,750.00	\$ 246,526.74	237,423.96
4 FmHA Loans	\$ 963,250.00	\$ 303,781.68	277,678.23
2 Renewable Energy [RED Fund]	\$ 2,000,000.00	\$ 1,668,554.37	1,639,255.61
61 Total Loans Outstanding	\$ 34,353,016.96	\$ 16,428,142.44	\$ 13,970,998.95

[a] Total subject to change; late month payment data may not be included at issuance of report.

[b] State Component Unit Bonds included in balance.

[c] Does not include Unamortized issuance premium as reported in Audited Financials.

[d] Program Limitation reflects the increase to \$3 billion effective 01/01/2010 under P.A. 96-103.

[e] Program Limitation reflects the increase from \$75 million to \$225 million effective 01/01/2010 under P.A. 96-103.

[f] Beginner Farmer Bonds are currently updated annually; new bonds will be added under the Illinois Finance Authority when the bond closes.

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

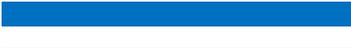
[h] Recovery Zone Bonds - Federal government allocated volume cap directly to all 102 Illinois counties and 8 municipalities with population of 100,000 or more. [Public Act 96-1020]

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

[j] Includes EPA Clean Water Revolving Fund

**Illinois Finance Authority
 FY10 Audit Finding: Material
 Update as of October 31, 2011**

Number of Material Findings - 8

Item Number	Description	Completed by	Comments	Percentage Completed
				10 20 30 40 50 60 70 80 90 100
Government Auditing Standards:				
10-1	Non Compliance with the investment requirements of the Bond Indenture	12/31/2010		
10-2	Noncompliance with the program loan agreement	6/30/2011		
10-3	Inaccurate State Property records	5/31/2011		
10-4	Administrative reports not filed timely	3/31/2011		
10-5	Untimely signing of written contracts	3/31/2011		
10-6	Delinquent reporting of bond activity			
10-7	Unsupported and incomplete travel expense reimbursements reports	on going		
10-8	Failure to develop and maintain a list of manufacturing firms that are available for purchase, merger or acquisition in compliance with the state			

**Illinois Finance Authority
FY10 Audit Finding: Immaterial
Update as of October 31, 2011**

Item Number	Description	Percentage Completed
10 20 30 40 50 60 70 80 95 100		
Total Number of 2		
FY 10 Immaterial Findings		
IM10-01	Inadequate policy over telephone and cellular phone usage	
IM10-02	Cost of Federal Audit Not Paid Out of Federal Funds	

**MINUTES OF THE OCTOBER 11, 2011, MEETING OF THE COMMITTEE OF THE
WHOLE OF THE BOARD OF DIRECTORS OF THE ILLINOIS FINANCE
AUTHORITY**

The Board of Directors (the “Board”) of the Illinois Finance Authority (the “IFA”), pursuant to notice duly given, held a Committee of the Whole meeting on October 11, 2011, at 9:30 a.m. in the Chicago Office of the IFA, 180 North Stetson Avenue, Suite 2555, Chicago, Illinois 60601.

IFA Board Members Present:

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Dr. William Barclay
4. Gila J. Bronner
5. James J. Fuentes
6. Norman M. Gold
7. Terrence M. O’Brien
8. Heather D. Parish
9. Mayor Barrett F. Pedersen
10. Roger E. Poole

IFA Board Members Absent:

1. John E. Durburg
2. Edward H. Leonard, Sr.
3. Bradley A. Zeller

IFA Staff Present:

Christopher B. Meister, Executive Director
Brendan M. Cournane, General Counsel
Rich Frampton, Vice President
Pamela A. Lenane, Vice President
Ximena Granda, Acting CFO
Norma Sutton, Agency Procurement Officer
Brad Fletcher, Financial/Legal Analyst
Nora O’Brien, Financial/Legal Analyst
Sohair Omar, Policy/Operations Analyst
Terrell Gholston, Intern

IFA Financial Advisors Present:

Courtney Shea, Acacia Financial Group, Inc.
Fiona A. McCarthy, Acacia Financial Group, Inc.
Bennett J. Johnson, III, Public Financial Management Group, Inc.
Shannon Williams, Public Financial Management Group, Inc.

I. Call to Order & Roll Call

The meeting was called to order at 9:31 a.m. by Vice Chairman Goetz, in the stead of the Chairman of the Board. The Board Secretary, Mr. Cournane, called the roll. There being six members present, a quorum was not present.

Chairman Brandt arrived in person at 9:37 a.m. and was added to the roll call by Mr. Cournane. Upon arrival, Chairman Brandt stepped in as Chairman of the Meeting. Ms. Bronner, Mr. Gold and Mayor Pedersen arrived in person between 9:38 a.m. and 9:42 a.m. Upon arrival, each was added to the roll call by Mr. Cournane. There being at least eight members present, a quorum was present.

II. Chairman's Remarks

Chairman Brandt stated there would be a discussion on REG Danville, LLC. Chairman Brandt, Mr. Meister and others have been working on this matter for two to three weeks and have come to an acceptable solution. Chairman Brandt commended everyone that was involved. Mr. Meister stated that it would be discussed under agenda item 8 in an open session.

III. Message from the Executive Director

Mr. Meister reported on the National Association of Health and Educational Facilities Finance Authorities conference. He summarized challenges facing the IFA and other issuers of tax-exempt financing, including: (i) the work of the Congressional Super Committee which may potentially restrict or eliminate tax-exempt conduit financing; (ii) regulatory efforts by the Securities and Exchange Commission and the Internal Revenue Service which may reduce the benefits of tax-exempt financing; and (iii) continued national economic difficulties which may reduce the likelihood that borrowers will invest in new capital infrastructure projects with tax-exempt debt. Mr. Meister remains hopeful that the success record of tax-exempt financing will persuade federal decision-makers to maintain tax-exempt financing, especially conduit financing.

IV. Consideration of the Minutes

Dr. Barclay noted that his name had been misspelled in the minutes. Mr. Meister stated that the scrivener's error would be corrected in the minutes as prepared and published. Mayor Pedersen made a motion for the approval of the minutes, as amended; Ms. Bronner offered a second. The motion passed unanimously.

V. Presentation and Consideration of the Financial Statements

Ms. Granda reported that in the month of September there were seven closings – two in the healthcare sector, one in the business and industry sector and four in the agriculture sector – for a total amount of \$285,000 in closing fees. The IFA’s gross revenue Year-To-Date (“YTD”) is \$1.05 million or \$238,000 below the fiscal year 2012. The other income line item includes an adjustment of \$122,000 on our loan loss reserve. The IFA’s operating expenses YTD are \$910,000 or \$105,000 below the fiscal year 2012. The month of September resulted in a net income of \$222,000 which changed the IFA’s YTD net loss from prior months to net income YTD of \$152,000. Comparing actual to budget, the IFA’s revenues are down by 18.4 percent; expenses are down by 10.4 percent; and net income is down by 45.1 percent. Ms. Granda stated that notwithstanding the reduction in revenue, the IFA’s balance sheet remains strong. During September, three participation loans in an aggregate amount of \$476,000 paid off, bringing the IFA’s loan payoff to a total of eleven loans for a total amount of \$2.2 million. Ms. Granda stated that this increase in cash strengthens the IFA’s reserve in the coming year.

Ms. Granda stated that the internal auditors provided a work plan and schedule for the next two years. The internal auditors will start their fieldwork next week.

Ms. Granda stated that the IFA submitted the first draft of the audit report to the Office of the Auditor General (the “OAG”) on October 7, 2011. The IFA received two potential findings on procurement and intergovernmental contracts. The procurement reforms have resulted in higher resource allocation to procurement and contract administration.

Chairman Brandt stated that the IFA’s balance sheet is strong but its annual income lags significantly. He further stated that the IFA reduced its budget projection in each of the past three years. Chairman Brandt stated that he does not know if the IFA will meet or exceed budget this year. The trends for revenue are down, for reasons stated earlier by Executive Director Meister, but in the near term the IFA should meet our budget projections.

Chairman Brandt stated that the Illinois Broadband Deployment Council will meet in Champaign on October 12, 2011. The IFA is willing to provide financing for broadband infrastructure projects.

A discussion was held regarding a recent financing of the Authority for The Clare at Water Tower (“The Clare”), and recent news reports about a potential default with respect to the bonds issued for that project. Chairman Brandt stated that the reports of The Clare’s default were exaggerated. He further stated that The Clare is at 40 percent occupancy and may be in bankruptcy soon. Vice Chairman Goetz asked who the bondholders are. Ms. Lenane responded the bonds were offered in a public offering to the general public and an exact list of bondholders or the distribution is not currently available. She stated that 50 percent of the variable rate bonds are backed by Bank of America’s credit support and 50 percent of the bonds are held by a New York fund that buys distressed bonds.

VI. Committee Reports

Healthcare Committee

Dr. Barclay reported that there were two closings in the last month and that three additional closings are expected by the end of November. The Healthcare Committee recommends the approval of all healthcare projects on today's agenda. Dr. Barclay also mentioned news articles on Trinity Health Corporation.

Ms. Lenane reported that the Healthcare Committee also recommends approval of an amendment regarding OSF Healthcare System.

Agriculture Committee

Vice Chairman Goetz reported that the Agriculture Committee met by telephone and reviewed three Beginning Farmer Bonds on today's agenda. The Committee recommends approval of all three projects.

Venture Capital Committee

Mr. Fuentes reported that the Venture Capital Committee will convene before the end of the year to report progress on the evaluation of the portfolio and the sale of IFA interest in various projects. The Venture Capital Committee is reviewing a proposal to sell or auction off the remaining portfolio. Chairman Brandt stated that the Auditor General requires an annual evaluation which is costly. Mr. Meister stated that the State Treasurer's Office announced a desire to become involved in the venture capital business and the Board may consider transferring its remaining interest to the Treasurer's Office in such an event. Chairman Brandt noted that the IFA has received a return greater than the amounts invested in its venture capital portfolio since 2004.

Strategic Planning Committee

Mr. Meister reported that he and Ms. Parish are working on the IFA's strategic planning process. He stated that the internal audit, which is required under statute, will be considered in the work of the Strategic Planning Committee.

VII. Project Reports

There was a discussion of the current status of an IFA Guaranty in support of a loan from Fifth Third Bank to REG Danville, LLC (formerly Blackhawk Biofuels, LLC). Fifth Third Bank made a loan of approximately \$23 million to REG, and of that amount, approximately \$14 million is guaranteed by the IFA. The Chairman noted that the project created a significant amount of jobs in Illinois, but the need for the IFA Guaranty has waned. And the Guarantee is the single largest State guarantee of the IFA. The IFA is currently negotiating with other parties about the continuation or the extension of the Guarantee. Chairman Brandt stated that in May or June 2011, the IFA received an annual fee from Fifth Third in the amount of approximately \$28,000. An offer has been made by Fifth Third to withdraw its application for renewal or extension of the IFA Guarantee if the IFA will refund the fee. Chairman Brandt asked the Board to allow the Executive Director and staff to negotiate with the parties to release the Guarantee. By its terms, the Guarantee will expire before the next Board meeting, and action will be required in the interim. Vice Chairman Goetz inquired whether the plant would close and whether Fifth Third Bank would walk away from the loan. Chairman Brandt responded that based on the information received by the Authority, neither scenario would occur as the loan is current in all material respects. Mr. Meister noted that the resolution appearing as Item 8 on today's agenda will include the terms approved by the Board. Chairman Brandt stated that this resolution will confirm that Fifth Third Bank will accept the refund of the annual fee to fully and completely release the IFA from the Guarantee and that Fifth Third Bank will withdraw the application submitted to the Board for renewal of the guarantee. Chairman Brandt noted that Mr. Meister will share the release of the letter, when it becomes available to him.

Agriculture – Beginning Farmer Bonds

Item No. 1A: Jay W. Ohnesorge – \$32,500 – 3.5 acres

Jay W. Ohnesorge is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$32,500. Bond proceeds will finance the purchase of approximately 3.5 acres of farmland with buildings located in Lucas Township, Effingham County, Illinois. This project is being presented for one-time consideration.

Item No. 1B: Chad Randall Borkgren – \$107,369 – 20 acres

Chad Randall Borkgren is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$107,369. Bond proceeds will finance the purchase of approximately 20 acres of farmland located in Andover Township, Henry County, Illinois. This project is being presented for one-time consideration.

Item No. 1C: Matthew W. and Kayla J. Schaffer – \$141,056 – 37.12 acres

Matthew W. and Kayla J. Schaffer are requesting approval of a Final Bond Resolution in an amount not-to-exceed \$141,056. Bond proceeds will refinance an interim loan for 37.12 acres of farmland purchased within the last 60 days in the

Eppards Township, Livingston County, Illinois. This project is being presented for one-time consideration.

Business and Industry – Affordable Rental Housing Bonds

Item No. 2: Bravo Properties, LLC, and its affiliates, successors, and assigns (St. Anthony Supportive Living Community Facility Project) – \$20,500,000

Bravo Properties, LLC, and its affiliates, successors, and assigns (St. Anthony Supportive Living Community Facility Project) is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$20,500,000. Bond proceeds, together with other available funds, will be used to (i) acquire land, and construct and equip a new, 125-unit Supportive Living Facility; (ii) pay capitalized interest on the Bonds; (iii) fund certain reserves; and (iv) pay costs of issuance.

Higher Education, Cultural, and Other Non-Healthcare – 501(c)(3) Revenue Bonds

Item No. 3: The University of Chicago – \$480,000,000

The University of Chicago is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$480,000,000. Bond proceeds, together with other available funds, will be used to (i) plan, design, construct, renovate, and equip various projects at the University’s Hyde Park Campus and improvements located on 11030 S. Langley Avenue and 450 N. Cityfront Center, all in Chicago; (ii) refund or advance refund certain debt of the University; (iii) provide working capital; (iv) fund one or more debt service reserve funds; and (v) pay costs of issuance.

Item No.4: United Methodist Homes and Services – \$8,000,000

United Methodist Homes and Services is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$8,000,000. Bond proceeds, together with other available funds, will be used to (i) expand, renovate, rehabilitate and make improvements to a nursing and orthopedic rehabilitation facility; (ii) purchase, renovate and equip a nearby building with a parking lot; (iii) finance or refinance outstanding taxable debt; (iv) improve related facilities; and (v) pay costs of issuance.

Healthcare – 501(c)(3) Revenue Bonds

Item No. 5: The Lodge at Northbrook – \$13,000,000

The Lodge at Northbrook is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$13,000,000. Bond proceeds, together with other available funds, will be used to (i) pay off a construction loan for a 3-story brick, 57-unit senior living community; and (ii) pay costs of issuance.

Resolutions

Item No. 6: Resolution authorizing the execution and delivery of a Bond and Loan Agreement in connection with the IDFA Series 1994 Variable Rate Demand Revenue Bonds (Aurora Central Catholic High School Project) to enable conversion to a Bank Direct Purchase Structure

Item No. 7: Resolution approving the transfer of the remaining moneys on deposit in the Project Fund for the IEFA Commercial Paper Pool Program to a new escrow agreement among the IFA, The Bank of New York Mellon Trust Company and OSF Healthcare System and approving the projects for which that money will be used.

Item No. 8: REG Danville, LLC – Status of Agri-Business Guarantee (IFA Loan No. A-AI-TX-GT-6120)

VIII. Other Business

None.

IX. Public Comment

None.

X. Adjournment

The meeting adjourned at 10:37 a.m.

Minutes submitted by:
Brendan M. Cournane
Board Secretary

MINUTES OF THE OCTOBER 11, 2011, MEETING OF THE BOARD OF DIRECTORS OF THE ILLINOIS FINANCE AUTHORITY

The Board of Directors (the “Board”) of the Illinois Finance Authority (“IFA”), pursuant to notice duly given, held a Board meeting on October 11, 2011, at 10:30 a.m. in the Conference Center, One Prudential Plaza, 130 East Randolph Avenue, Suite 750, Chicago, Illinois 60601.

IFA Board Members Present:

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Dr. William Barclay
4. Gila J. Bronner
5. James J. Fuentes
6. Norman M. Gold
7. Terrence M. O’Brien
8. Heather D. Parish
9. Mayor Barrett F. Pedersen
10. Roger E. Poole

IFA Board Members Absent:

1. John E. Durburg
2. Edward H. Leonard, Sr.
3. Bradley A. Zeller

IFA Staff Present:

Christopher B. Meister, Executive Director
Brendan M. Cournane, General Counsel
Rich Frampton, Vice President
Pamela A. Lenane, Vice President
Brad Fletcher, Financial/Legal Analyst
Nora O’Brien, Financial/Legal Analyst
Sohair Omar, Policy/Operations Analyst

IFA Financial Advisors Present:

Courtney Shea, Acacia Financial Group, Inc.
Bennett J. Johnson, III, Public Financial Management Group, Inc.
Danny Nelson, Public Financial Management Group, Inc.
Shannon Williams, Public Financial Management Group, Inc.

Others Present:

Lorraine Arvin, University of Chicago
Santino Bibbo, Cabrera Capital Markets, LLC
Nancy A. Burke, Chapman and Cutler, LLP
Mary Jane Darby, Prager, Sealy & Co., LLC
Amanda Distel, University of Chicago
Anne Donahoe, OSF Healthcare System's Financial Advisor
Charles W. Freeburg, William Blair Company
Russell Herron, University of Chicago
Lerry Knox, Loop Capital Markets, LLC
Lewis Leonard, Bravo Properties, LLC
Zach Leonard, Bravo Properties, LLC
Christine Linde, Amalgamated Bank of Chicago
Micah Maidenberg, Crain's Chicago Business
Ramon Ortega, Samuel A. Ramirez & Co., Inc.
Michelle Salomon, Bank of America Merrill Lynch
Cory Sandrock, Manager, University of Chicago
James M. Snyder, Ice Miller, LLP

I. Call to Order & Roll Call

Chairman Brandt called the meeting to order at 10:46 a.m. Chairman Brandt asked the Board Secretary, Mr. Cournane, to call the roll. There being ten members present, a quorum was present.

II. Chairman's Remarks

Chairman Brandt welcomed members of the Board, the IFA staff, IFA's guests and others present. Chairman Brandt announced that the next Board meeting is scheduled for November 8, 2011.

III. Adoption of Minutes

Chairman Brandt stated that the financial statements for the period ending September 30, 2011 and minutes of the Committee of the Whole and Board meetings on September 13, 2011, were reviewed at the Committee of the Whole meeting held earlier in the morning. Chairman Brandt requested a motion to accept the financial statements for the period ending September 30, 2011 and adopt the minutes of the Committee of the Whole and Board meetings on September 13, 2011. Vice Chairman Goetz made the motion and Mr. O'Brien seconded the motion. A roll call vote was taken and the motion carried unanimously.

IV. Acceptance of Financial Statements

See above.

V. Project Approvals

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

Mr. Frampton presented the following projects and resolutions:

Agriculture – Beginning Farmer Bonds

Item No. 1A: Jay W. Ohnesorge – \$32,500 – 3.5 acres

Jay W. Ohnesorge is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$32,500. Bond proceeds will finance the purchase of approximately 3.5 acres of farmland with buildings located in Lucas Township, Effingham County, Illinois. This project is being presented for one-time consideration.

Item No. 1B: Chad Randall Borkgren – \$107,369 – 20 acres

Chad Randall Borkgren is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$107,369. Bond proceeds will finance the purchase of approximately 20 acres of farmland located in Andover Township, Henry County, Illinois. This project is being presented for one-time consideration.

Item No. 1C: Matthew W. and Kayla J. Schaffer – \$141,056 – 37.12 acres

Matthew W. and Kayla J. Schaffer are requesting approval of a Final Bond Resolution in an amount not-to-exceed \$141,056. Bond proceeds will refinance an interim loan for 37.12 acres of farmland purchased within the last 60 days in the Eppards Township, Livingston County, Illinois. This project is being presented for one-time consideration.

Higher Education, Cultural, and Other Non-Healthcare – 501(c)(3) Revenue Bonds

Item No.4: United Methodist Homes and Services – \$8,000,000

United Methodist Homes and Services is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$8,000,000. Bond proceeds, together with other available funds, will be used to (i) expand, renovate, rehabilitate and make improvements to a nursing and orthopedic rehabilitation facility; (ii) purchase, renovate and equip a nearby building with a parking lot; (iii) finance or refinance outstanding taxable debt; (iv) improve related facilities; and (v) pay costs of issuance.

Healthcare – 501(c)(3) Revenue Bonds

Item No. 5: The Lodge at Northbrook – \$13,000,000

The Lodge at Northbrook is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$13,000,000. Bond proceeds, together with other available funds, will be used to (i) pay off a construction loan for a 3-story brick, 57-unit senior living community; and (ii) pay costs of issuance.

Resolutions

Item No. 6: Resolution authorizing the execution and delivery of a Bond and Loan Agreement in connection with the IDFA Series 1994 Variable Rate Demand Revenue Bonds (Aurora Central Catholic High School Project) to enable conversion to a Bank Direct Purchase Structure

Item No. 8: REG Danville, LLC – Status of Agri-Business Guarantee (IFA Loan No. A-AI-TX-GT-6120)

Chairman Brandt asked Mr. Cournane to read the REG Resolution. Mr. Cournane stated that this resolution will confirm that Fifth Third Bank will accept the refund of approximately \$28,700 in consideration of, among other things, a full and complete release of the IFA Guarantee and a withdrawal of the current application submitted to the Board for renewal of the Guarantee.

No guests attended to represent item numbers 1A-C, 4-6 or 8. Chairman Brandt asked if the members of the Board had any questions related to these items. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of item numbers 1A-C, 4-6 and 8. The leave was approved unanimously.

Mr. Frampton introduced Ms. Arvin of the University of Chicago and presented the following project:

Higher Education, Cultural, and Other Non-Healthcare – 501(c)(3) Revenue Bonds

Item No. 3: The University of Chicago – \$480,000,000

The University of Chicago is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$480,000,000. Bond proceeds, together with other available funds, will be used to (i) plan, design, construct, renovate, and equip various projects at the University's Hyde Park Campus and improvements located on 11030 S. Langley Avenue and 450 N. Cityfront Center, all in Chicago; (ii) refund or advance refund certain debt of the University; (iii) provide working capital; (iv) fund one or more debt service reserve funds; and (v) pay costs of issuance.

Ms. Arvin thanked the IFA for being a good partner of the University of Chicago. Ms. Arvin explained that the projects that will be funded support the University of Chicago's strategic initiative, including: (i) a research center for molecular engineering; (ii) a new early childhood center; and (iii) improvements to the Friedman Institute for Research in Economics. Ms. Arvin noted that the University of Chicago selected Loop Capital Markets, LLC as a co-manager. Chairman Brandt commended the University of Chicago for embracing the IFA's minority program and thanked Ms. Arvin for attending the meeting.

Chairman Brandt asked if the members of the Board had any questions related to item number 3. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of item number 3. The leave was approved unanimously.

Mr. Frampton introduced Ms. Donahoe, OSF Healthcare System's Financial Advisor and presented the following resolution:

Resolution

Item No. 7: Resolution approving the transfer of the remaining moneys on deposit in the Project Fund for the IEFA Commercial Paper Pool Program to a new escrow agreement among the IFA, The Bank of New York Mellon Trust Company and OSF Healthcare System and approving the projects for which that money will be used.

Ms. Donahoe thanked the IFA. Ms. Donahoe explained that OSF Healthcare System came under budget and would like to use the remaining moneys on a project affiliated with the Joslin Diabetes Center in Boston, Massachusetts. Chairman Brandt thanked Ms. Donahoe for attending the meeting.

Chairman Brandt asked if the members of the Board had any questions related to item number 7. There being none, Chairman Brandt requested leave to apply the previous roll call vote in favor of item number 7. The leave was approved unanimously.

Business and Industry – Affordable Rental Housing Bonds

Item No. 2: Bravo Properties, LLC, and its affiliates, successors, and assigns (St. Anthony Supportive Living Community Facility Project) – \$20,500,000

Bravo Properties, LLC, and its affiliates, successors, and assigns (St. Anthony Supportive Living Community Facility Project) is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$20,500,000. Bond proceeds, together with other available funds, will be used to (i) acquire land, and construct and equip a new, 125-unit Supportive Living Facility; (ii) pay capitalized interest on the Bonds; (iii) fund certain reserves; and (iv) pay costs of issuance.

No guests attended to represent item number 2. Chairman Brandt asked if the members of the Board had any questions related to item number 2. Vice Chairman Goetz noted that he would abstain from voting on item number 2 due to his involvement with certain parties working on the Bravo Properties, LLC project. Brandt requested leave to apply the previous roll call vote in favor of item number 2. The leave was approved with 9 ayes, 0 nays and 1 abstention.

VI. Resolutions

See above.

VII. Other Business

None.

VIII. Public Comment

None.

IX. Adjournment

A motion to adjourn was made by Mr. O'Brien and seconded by Ms. Bronner. The motion passed unanimously.

The Board meeting adjourned at 11.02 a.m.

Minutes submitted by:
Brendan M. Cournane
Board Secretary

Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
for Period Ending
October 31, 2011

	Actual October 2011	Budget October 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
REVENUE										
INTEREST ON LOANS	(126,048)	40,205	(166,253)	-413.51%	116,093	164,558	(48,465)	-29.45%	538,836	21.55%
INVESTMENT INTEREST & GAIN(LOSS)	2,721	2,083	638	30.63%	9,200	8,332	868	10.42%	25,000	36.80%
ADMINISTRATIONS & APPLICATION FEES	383,020	488,305	(105,285)	-21.56%	932,488	1,508,480	(575,992)	-38.18%	4,194,325	22.23%
ANNUAL ISSUANCE & LOAN FEES	37,575	37,698	(123)	-0.33%	151,226	138,370	12,856	9.29%	425,670	35.53%
OTHER INCOME	1,025,119	13,605	1,011,514	7434.87%	1,167,544	54,420	1,113,124	2045.43%	163,250	715.19%
TOTAL REVENUE	1,322,387	581,896	740,491	127.25%	2,376,551	1,874,160	502,391	26.81%	5,347,081	44.45%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	121,745	145,429	(23,684)	-16.29%	513,887	581,716	(67,829)	-11.66%	1,730,791	29.69%
BENEFITS	18,756	22,060	(3,304)	-14.98%	79,461	88,240	(8,779)	-9.95%	265,728	29.90%
TEMPORARY HELP	137	-	137	0.00%	136	-	136	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	-	833	(833)	-100.00%	150	3,332	(3,182)	-95.50%	10,000	1.50%
TRAVEL & AUTO	6,616	5,833	783	13.42%	15,477	23,332	(7,855)	-33.67%	70,000	22.11%
TOTAL EMPLOYEE RELATED EXPENSES	147,254	174,155	(26,901)	-15.45%	609,111	696,620	(87,509)	-12.56%	2,076,519	29.33%
PROFESSIONAL SERVICES										
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	29,632	41,667	(12,035)	-28.88%	118,848	166,668	(47,820)	-28.69%	500,000	23.77%
LOAN EXPENSE & BANK FEE	38,260	9,250	29,010	313.62%	65,321	37,000	28,321	76.54%	111,000	58.85%
ACCOUNTING & AUDITING	21,780	21,962	(182)	-0.83%	87,395	87,848	(453)	-0.52%	263,536	33.16%
MARKETING GENERAL	67	1,250	(1,183)	-94.64%	1,651	5,000	(3,349)	-66.98%	15,000	11.01%
FINANCIAL ADVISORY	16,667	16,667	-	0.00%	66,668	66,668	-	0.00%	200,000	33.33%
CONFERENCE/TRAINING	793	2,500	(1,707)	-68.28%	6,457	10,000	(3,543)	-35.43%	30,000	21.52%
MISC. PROFESSIONAL SERVICES	9,167	9,167	-	0.00%	36,668	36,668	-	0.00%	110,000	33.33%
DATA PROCESSING	5,309	4,583	726	15.84%	12,533	18,332	(5,799)	-31.63%	55,000	22.79%
TOTAL PROFESSIONAL SERVICES	121,675	107,046	14,629	13.67%	395,541	428,184	(32,643)	-7.62%	1,284,536	30.79%
OCCUPANCY COSTS										
OCCUPANCY COSTS										
OFFICE RENT	21,132	22,357	(1,225)	-5.48%	86,719	89,428	(2,709)	-3.03%	268,284	32.32%
EQUIPMENT RENTAL AND PURCHASES	2,020	1,300	720	55.38%	7,844	5,200	2,644	50.85%	15,600	50.28%
TELECOMMUNICATIONS	1,920	3,500	(1,580)	-45.14%	9,672	14,000	(4,328)	-30.91%	42,000	23.03%
UTILITIES	1,012	1,000	12	1.20%	4,536	4,000	536	13.40%	12,000	37.80%
DEPRECIATION	4,075	4,039	36	0.89%	12,717	10,525	2,192	20.83%	52,649	24.15%
INSURANCE	1,945	1,950	(5)	-0.26%	7,780	7,800	(20)	-0.26%	23,400	33.25%
TOTAL OCCUPANCY COSTS	32,104	34,146	(2,042)	-5.98%	129,268	130,953	(1,685)	-1.29%	413,933	31.23%

**Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
for Period Ending
October 31, 2011**

	Actual October 2011	Budget October 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	2,560	2,900	(340)	-11.72%	10,443	11,600	(1,157)	-9.97%	34,800	30.01%
BOARD MEETING - EXPENSES	1,841	2,666	(825)	-30.95%	9,065	10,664	(1,599)	-14.99%	32,000	28.33%
PRINTING	409	875	(466)	-53.26%	3,109	3,500	(391)	-11.17%	10,500	29.61%
POSTAGE & FREIGHT	(451)	1,250	(1,701)	-136.08%	5,761	5,000	761	15.22%	15,000	38.41%
MEMBERSHIP, DUES & CONTRIBUTIONS	1,288	1,909	(621)	-32.53%	8,140	7,636	504	6.60%	32,000	25.44%
PUBLICATIONS	38	250	(212)	-84.80%	674	1,000	(326)	-32.60%	3,000	22.47%
OFFICERS & DIRECTORS INSURANCE	15,343	15,261	82	0.54%	61,373	61,044	329	0.54%	183,132	33.51%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	21,028	25,111	(4,083)	-16.26%	98,565	100,444	(1,879)	-1.87%	310,432	31.75%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	-	-	-	-	0.00%	-	0.00%
OTHER										
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL EXPENSES	322,061	340,458	(18,397)	-5.40%	1,232,485	1,356,201	(123,716)	-9.12%	4,085,420	30.17%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	1,000,326	241,438	758,888	314.32%	1,144,066	517,959	626,107	120.88%	1,261,661	90.68%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TRANSFER	-	-	-	0.00%	8,008	-	8,008	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%	-	-
NET INCOME/(LOSS)	1,000,326	241,438	758,888	314.32%	1,152,074	517,959	634,115	122.43%	1,261,661	91.31%

Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
for Period Ending
October 31, 2011

	Actual October 2011	Actual October 2010	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
REVENUE								
INTEREST ON LOANS	(126,048)	83,978	(210,026)	-250.10%	116,093	391,035	(274,942)	-70.31%
INVESTMENT INTEREST & GAIN(LOSS)	2,721	4,998	(2,277)	-45.56%	9,200	21,859	(12,659)	-57.91%
ADMINISTRATIONS & APPLICATION FEES	383,020	740,537	(357,517)	-48.28%	932,488	2,209,521	(1,277,033)	-57.80%
ANNUAL ISSUANCE & LOAN FEES	37,575	35,485	2,090	5.89%	151,226	224,900	(73,674)	-32.76%
OTHER INCOME	1,025,119	7,878	1,017,241	12912.28%	1,167,544	93,127	1,074,417	1153.71%
TOTAL REVENUE	1,322,387	872,877	449,510	51.50%	2,376,551	2,940,442	(563,891)	-19.18%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	121,745	152,825	(31,080)	-20.34%	513,887	689,941	(176,054)	-25.52%
BENEFITS	18,756	17,940	816	4.55%	79,461	80,275	(814)	-1.01%
TEMPORARY HELP	137	-	137	0.00%	136	967	(831)	0.00%
EDUCATION & DEVELOPMENT	-	2,518	(2,518)	-100.00%	150	2,668	(2,518)	-94.38%
TRAVEL & AUTO	6,616	5,319	1,297	24.39%	15,477	12,975	2,502	19.28%
TOTAL EMPLOYEE RELATED EXPENSES	147,254	178,601	(31,347)	-17.55%	609,111	786,826	(177,715)	-22.59%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	29,632	20,984	8,648	41.21%	118,848	83,856	34,992	41.73%
LOAN EXPENSE & BANK FEE	38,260	12,276	25,984	211.66%	65,321	41,159	24,162	58.70%
ACCOUNTING & AUDITING	21,780	27,206	(5,426)	-19.94%	87,395	111,960	(24,565)	-21.94%
MARKETING GENERAL	67	82	(15)	-18.19%	1,651	12,179	(10,528)	-86.44%
FINANCIAL ADVISORY	16,667	23,750	(7,083)	-29.82%	66,668	95,000	(28,332)	-29.82%
CONFERENCE/TRAINING	793	795	(2)	-0.25%	6,457	23	6,434	27973.91%
MISC. PROFESSIONAL SERVICES	9,167	17,142	(7,975)	-46.52%	36,668	66,801	(30,133)	-45.11%
DATA PROCESSING	5,309	4,060	1,249	30.78%	12,533	12,932	(399)	-3.09%
TOTAL PROFESSIONAL SERVICES	121,675	106,295	15,380	14.47%	395,541	423,910	(28,369)	-6.69%
OCCUPANCY COSTS								
OFFICE RENT	21,132	22,420	(1,288)	-5.75%	86,719	89,222	(2,503)	-2.81%
EQUIPMENT RENTAL AND PURCHASES	2,020	1,586	434	27.33%	7,844	7,543	301	3.99%
TELECOMMUNICATIONS	1,920	3,862	(1,942)	-50.28%	9,672	15,127	(5,455)	-36.06%
UTILITIES	1,012	681	331	48.53%	4,536	4,052	484	11.94%
DEPRECIATION	4,075	2,448	1,627	66.43%	12,717	10,094	2,623	25.99%
INSURANCE	1,945	1,929	16	0.82%	7,780	7,717	63	0.82%
TOTAL OCCUPANCY COSTS	32,104	32,928	(824)	-2.50%	129,268	133,755	(4,487)	-3.35%

Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
for Period Ending
October 31, 2011

	Actual October 2011	Actual October 2010	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	2,560	2,437	123	5.03%	10,443	12,142	(1,699)	-13.99%
BOARD MEETING - EXPENSES	1,841	2,178	(337)	-15.46%	9,065	10,316	(1,251)	-12.13%
PRINTING	409	377	32	8.57%	3,109	2,010	1,099	54.68%
POSTAGE & FREIGHT	(451)	1,041	(1,492)	-143.31%	5,761	4,608	1,153	25.02%
MEMBERSHIP, DUES & CONTRIBUTIONS	1,288	1,483	(195)	-13.16%	8,140	4,185	3,955	94.50%
PUBLICATIONS	38	558	(520)	-93.18%	674	871	(197)	-22.62%
OFFICERS & DIRECTORS INSURANCE	15,343	15,619	(276)	-1.77%	61,373	68,985	(7,612)	-11.03%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%
TOTAL GENL & ADMIN EXPENSES	21,028	23,693	(2,665)	-11.25%	98,565	103,117	(4,552)	-4.41%
LOAN LOSS PROVISION/BAD DEBT	-	25,000	(25,000)	-	-	425,568	(425,568)	0.00%
OTHER								
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%
TOTAL EXPENSES	322,061	366,517	(44,456)	-12.13%	1,232,485	1,873,176	(640,691)	-34.20%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	1,000,326	506,360	493,966	97.55%	1,144,066	1,067,266	76,800	7.20%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%
TRANSFER	-	-	-	0.00%	8,008	31,938	(23,930)	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%
NET INCOME/(LOSS)	1,000,326	506,360	493,966	97.55%	1,152,074	1,067,266	84,808	7.95%

**Illinois Finance Authority
General Fund
Unaudited
Balance Sheet
for the Four Months Ending October 31, 2011**

	Actual October 2011
ASSETS	
CASH & INVESTMENTS, UNRESTRICTED	\$ 33,656,090
RECEIVABLES, NET	115,689
LOAN RECEIVABLE, NET	10,816,641
OTHER RECEIVABLES	107,087
PREPAID EXPENSES	162,476
TOTAL CURRENT ASSETS	44,857,983
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	140,086
DEFERRED ISSUANCE COSTS	280,431
OTHER ASSETS	
CASH, INVESTMENTS & RESERVES	874,417
VENTURE CAPITAL INVESTMENTS	-
OTHER	578
TOTAL OTHER ASSETS	874,995
TOTAL ASSETS	\$ 46,153,495
LIABILITIES	
CURRENT LIABILITIES	\$ 926,694
LONG-TERM LIABILITIES	411,232
TOTAL LIABILITIES	1,337,926
EQUITY	
CONTRIBUTED CAPITAL	4,111,479
RETAINED EARNINGS	27,580,718
NET INCOME / (LOSS)	1,152,074
RESERVED/RESTRICTED FUND BALANCE	1,732,164
UNRESERVED FUND BALANCE	10,239,134
TOTAL EQUITY	44,815,569
TOTAL LIABILITIES & EQUITY	\$ 46,153,495

Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
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October 31, 2011

	Actual October 2011	Budget October 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
REVENUE										
INTEREST ON LOANS	10,001	191,388	(181,387)	-94.77%	722,467	774,683	(52,216)	-6.74%	2,377,527	30.39%
INVESTMENT INTEREST & GAIN(LOSS)	56,471	50,693	5,778	11.40%	201,641	202,772	(1,131)	-0.56%	608,320	33.15%
ADMINISTRATIONS & APPLICATION FEES	383,020	488,305	(105,285)	-21.56%	932,488	1,508,480	(575,992)	-38.18%	4,194,325	22.23%
ANNUAL ISSUANCE & LOAN FEES	37,575	37,698	(123)	-0.33%	151,226	138,370	12,856	9.29%	425,670	35.53%
OTHER INCOME	1,063,412	38,605	1,024,807	2654.60%	1,289,902	154,420	1,135,482	735.32%	463,250	278.45%
TOTAL REVENUE	1,550,479	806,689	743,790	92.20%	3,297,724	2,778,725	518,999	18.68%	8,069,092	40.87%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	121,744	145,429	(23,685)	-16.29%	513,887	581,716	(67,829)	-11.66%	1,730,791	29.69%
BENEFITS	18,756	22,060	(3,304)	-14.98%	79,460	88,240	(8,780)	-9.95%	265,728	29.90%
TEMPORARY HELP	137	-	137	0.00%	137	-	137	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	-	833	(833)	-100.00%	150	3,332	(3,182)	-95.50%	10,000	1.50%
TRAVEL & AUTO	6,616	5,833	783	13.42%	15,477	23,332	(7,855)	-33.67%	70,000	22.11%
TOTAL EMPLOYEE RELATED EXPENSES	147,253	174,155	(26,902)	-15.45%	609,111	696,620	(87,509)	-12.56%	2,076,519	29.33%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	31,715	43,750	(12,035)	-27.51%	127,180	175,000	(47,820)	-27.33%	525,000	24.22%
LOAN EXPENSE & BANK FEE	179,062	162,458	16,604	10.22%	736,201	649,832	86,369	13.29%	2,254,446	32.66%
ACCOUNTING & AUDITING	23,329	24,344	(1,015)	-4.17%	89,671	97,376	(7,705)	-7.91%	292,120	30.70%
MARKETING GENERAL	67	1,250	(1,183)	-94.64%	1,651	5,000	(3,349)	-66.98%	15,000	11.01%
FINANCIAL ADVISORY	16,667	16,667	-	0.00%	66,668	66,668	-	0.00%	200,000	33.33%
CONFERENCE/TRAINING	793	2,500	(1,707)	-68.28%	6,457	10,000	(3,543)	-35.43%	30,000	21.52%
MISC. PROFESSIONAL SERVICES	12,500	12,500	-	0.00%	50,000	50,000	-	0.00%	150,000	33.33%
DATA PROCESSING	5,309	4,583	726	15.84%	12,533	18,332	(5,799)	-31.63%	55,000	22.79%
TOTAL PROFESSIONAL SERVICES	269,442	268,052	1,390	0.52%	1,090,361	1,072,208	18,153	1.69%	3,521,566	30.96%
OCCUPANCY COSTS										
OFFICE RENT	21,132	22,357	(1,225)	-5.48%	86,719	89,428	(2,709)	-3.03%	268,284	32.32%
EQUIPMENT RENTAL AND PURCHASES	2,020	1,300	720	55.38%	7,843	5,200	2,643	50.83%	15,600	50.28%
TELECOMMUNICATIONS	1,920	3,500	(1,580)	-45.14%	9,672	14,000	(4,328)	-30.91%	42,000	23.03%
UTILITIES	1,012	1,000	12	1.20%	4,536	4,000	536	13.40%	12,000	37.80%
DEPRECIATION	4,075	4,039	36	0.89%	12,717	10,525	2,192	20.83%	52,649	24.15%
INSURANCE	1,945	1,950	(5)	-0.26%	7,780	7,800	(20)	-0.26%	23,400	33.25%
TOTAL OCCUPANCY COSTS	32,104	34,146	(2,042)	-5.98%	129,267	130,953	(1,686)	-1.29%	413,933	31.23%

Illinois Finance Authority
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October 31, 2011

	Actual October 2011	Budget October 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	2,560	2,900	(340)	-11.72%	10,443	11,600	(1,157)	-9.97%	34,800	30.01%
BOARD MEETING - EXPENSES	1,841	2,666	(825)	-30.95%	9,064	10,664	(1,600)	-15.00%	32,000	28.33%
PRINTING	409	875	(466)	-53.26%	3,109	3,500	(391)	-11.17%	10,500	29.61%
POSTAGE & FREIGHT	(451)	1,250	(1,701)	-136.08%	5,761	5,000	761	15.22%	15,000	38.41%
MEMBERSHIP, DUES & CONTRIBUTIONS	1,288	1,909	(621)	-32.53%	8,140	7,636	504	6.60%	32,000	25.44%
PUBLICATIONS	38	250	(212)	-84.80%	675	1,000	(325)	-32.50%	3,000	22.50%
OFFICERS & DIRECTORS INSURANCE	15,343	15,261	82	0.54%	61,373	61,044	329	0.54%	183,132	33.51%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	21,028	25,111	(4,083)	-16.26%	98,565	100,444	(1,879)	-1.87%	310,432	31.75%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	-	-	-	-	0.00%	-	0.00%
OTHER										
INTEREST EXPENSE	503	503	-	0.00%	2,010	2,012	(2)	-0.10%	5,748	34.97%
TOTAL OTHER	503	503	-	0.00%	2,010	2,012	(2)	0.00%	5,748	0.00%
TOTAL EXPENSES	470,330	501,967	(31,637)	-6.30%	1,929,314	2,002,237	(72,923)	-3.64%	6,328,198	30.49%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	1,080,149	304,722	775,427	254.47%	1,368,410	776,488	591,922	76.23%	1,740,894	78.60%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TRANSFER	-	-	-	0.00%	(3,169)	-	(3,169)	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%	-	-
NET INCOME/(LOSS)	1,080,149	304,722	775,427	254.47%	1,365,241	776,488	588,753	75.82%	1,740,894	78.42%

Illinois Finance Authority
Consolidated Statement of Activities
Comparison
for Period Ending
October 31, 2011

	Actual October 2011	Actual October 2010	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
REVENUE								
INTEREST ON LOANS	10,001	(211,645)	221,646	-104.73%	722,467	759,721	(37,254)	-4.90%
INVESTMENT INTEREST & GAIN(LOSS)	56,471	20,451	36,020	176.13%	201,641	197,779	3,862	1.95%
ADMINISTRATIONS & APPLICATION FEES	383,020	740,537	(357,517)	-48.28%	932,488	2,209,521	(1,277,033)	-57.80%
ANNUAL ISSUANCE & LOAN FEES	37,575	35,485	2,090	5.89%	151,226	224,900	(73,674)	-32.76%
OTHER INCOME	1,063,412	19,469	1,043,943	5362.08%	1,289,902	180,353	1,109,549	615.21%
TOTAL REVENUE	1,550,479	604,297	946,182	156.58%	3,297,724	3,572,274	(274,550)	-7.69%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	121,744	152,825	(31,081)	-20.34%	513,887	689,941	(176,054)	-25.52%
BENEFITS	18,756	17,939	817	4.55%	79,460	80,275	(815)	-1.02%
TEMPORARY HELP	137	-	137	0.00%	137	967	(830)	0.00%
EDUCATION & DEVELOPMENT	-	2,518	(2,518)	-100.00%	150	2,668	(2,518)	-94.38%
TRAVEL & AUTO	6,616	5,319	1,297	24.38%	15,477	12,975	2,502	19.28%
TOTAL EMPLOYEE RELATED EXPENSES	147,253	178,601	(31,348)	-17.55%	609,111	786,826	(177,715)	-22.59%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	31,715	23,067	8,648	37.49%	127,180	92,188	34,992	37.96%
LOAN EXPENSE & BANK FEE	179,062	(200,811)	379,873	-189.17%	736,201	1,075,230	(339,029)	-31.53%
ACCOUNTING & AUDITING	23,329	29,052	(5,723)	-19.70%	89,671	119,343	(29,672)	-24.86%
MARKETING GENERAL	67	82	(15)	-18.29%	1,651	12,179	(10,528)	-86.44%
FINANCIAL ADVISORY	16,667	23,750	(7,083)	-29.82%	66,668	95,000	(28,332)	-29.82%
CONFERENCE/TRAINING	793	795	(2)	-0.25%	6,457	23	6,434	27973.91%
MISC. PROFESSIONAL SERVICES	12,500	20,475	(7,975)	-38.95%	50,000	80,133	(30,133)	-37.60%
DATA PROCESSING	5,309	4,060	1,249	30.76%	12,533	12,932	(399)	-3.09%
TOTAL PROFESSIONAL SERVICES	269,442	(99,530)	368,972	-370.71%	1,090,361	1,487,028	(396,667)	-26.68%
OCCUPANCY COSTS								
OFFICE RENT	21,132	22,420	(1,288)	-5.74%	86,719	89,222	(2,503)	-2.81%
EQUIPMENT RENTAL AND PURCHASES	2,020	1,586	434	27.36%	7,843	7,542	301	3.99%
TELECOMMUNICATIONS	1,920	3,862	(1,942)	-50.28%	9,672	15,126	(5,454)	-36.06%
UTILITIES	1,012	682	330	48.39%	4,536	4,053	483	11.92%
DEPRECIATION	4,075	2,448	1,627	66.46%	12,717	10,094	2,623	25.99%
INSURANCE	1,945	1,929	16	0.83%	7,780	7,717	63	0.82%
TOTAL OCCUPANCY COSTS	32,104	32,927	(823)	-2.50%	129,267	133,754	(4,487)	-3.35%

**Illinois Finance Authority
Consolidated Statement of Activities
Comparison
for Period Ending
October 31, 2011**

	Actual October 2011	Actual October 2010	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	2,560	2,438	122	5.00%	10,443	12,142	(1,699)	-13.99%
BOARD MEETING - EXPENSES	1,841	2,178	(337)	-15.47%	9,064	10,316	(1,252)	-12.14%
PRINTING	409	377	32	8.49%	3,109	2,010	1,099	54.68%
POSTAGE & FREIGHT	(451)	1,041	(1,492)	-143.32%	5,761	4,608	1,153	25.02%
MEMBERSHIP, DUES & CONTRIBUTIONS	1,288	1,483	(195)	-13.15%	8,140	4,185	3,955	94.50%
PUBLICATIONS	38	558	(520)	-93.19%	675	872	(197)	-22.59%
OFFICERS & DIRECTORS INSURANCE	15,343	15,619	(276)	-1.77%	61,373	68,985	(7,612)	-11.03%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%
TOTAL GENL & ADMIN EXPENSES	21,028	23,694	(2,666)	-11.25%	98,565	103,118	(4,553)	-4.42%
LOAN LOSS PROVISION/BAD DEBT	-	25,000	(25,000)	-	-	420,983	(420,983)	0.00%
OTHER								
INTEREST EXPENSE	503	550	(47)	-8.55%	2,010	2,201	(191)	-8.68%
TOTAL OTHER	503	550	(47)	0.00%	2,010	2,201	(191)	0.00%
TOTAL EXPENSES	470,330	161,242	309,088	191.69%	1,929,314	2,933,910	(1,004,596)	-34.24%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	1,080,149	443,055	637,094	143.80%	1,368,410	638,364	730,046	114.36%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%
TRANSFER	-	-	-	0.00%	(3,169)	-	(3,169)	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%
NET INCOME/(LOSS)	1,080,149	443,055	637,094	143.80%	1,365,241	638,364	726,877	113.87%

**Illinois Finance Authority
Consolidated
Unaudited
Balance Sheet
for the Four Months Ending October 31, 2011**

	Actual October 2010	Actual October 2011
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	\$ 37,425,759	\$ 47,175,225
RECEIVABLES, NET	117,917	115,689
LOAN RECEIVABLE, NET	39,685,394	30,926,926
NOTES RECEIVABLE	45,134,874	38,663,637
OTHER RECEIVABLES	463,201	711,423
PREPAID EXPENSES	162,586	162,476
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	122,989,731	117,755,376
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	53,234	140,086
DEFERRED ISSUANCE COSTS	455,323	381,534
OTHER ASSETS		
CASH, INVESTMENTS & RESERVES	41,478,521	39,337,882
VENTURE CAPITAL INVESTMENTS	2,512,917	2,247,981
OTHER	3,000,000	3,000,000
	<hr/>	<hr/>
TOTAL OTHER ASSETS	46,991,438	44,585,863
TOTAL ASSETS	<u>\$ 170,489,726</u>	<u>\$ 162,862,859</u>
LIABILITIES		
CURRENT LIABILITIES	1,931,876	1,050,550
BONDS PAYABLE	54,345,000	46,840,000
OTHER LIABILITIES	1,295,263	1,501,215
	<hr/>	<hr/>
TOTAL LIABILITIES	57,572,139	49,391,765
EQUITY		
CONTRIBUTED CAPITAL	35,608,692	35,608,692
RETAINED EARNINGS	26,144,175	28,734,850
NET INCOME / (LOSS)	638,364	1,365,241
RESERVED/RESTRICTED FUND BALANCE	37,878,185	35,114,140
UNRESERVED FUND BALANCE	12,648,171	12,648,171
	<hr/>	<hr/>
TOTAL EQUITY	112,917,587	113,471,094
TOTAL LIABILITIES & EQUITY	<u>\$ 170,489,726</u>	<u>\$ 162,862,859</u>

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors
From: Jim Senica and Lorrie Karcher
Date: November 8, 2011
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 \$477,000 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **Total Requested: \$421,000**
- **Calendar Year Summary:** (as of November 8, 2011)
 - Volume Cap: \$30,000,000
 - Volume Cap Committed: \$7,330,267
 - Volume Cap Remaining: 22,669,733
 - Average Farm Acreage: 57.86
 - Number of Farms Financed: 39
- **IFA Benefits:**
 - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
 - **New Money Bonds:**
 - Convey tax-exempt status
 - Will use dedicated 2011 IFA Volume Cap set-aside for Beginning Farmer Bond transactions
- **IFA Fees:**
 - One-time closing fee will total 1.50% of the bond amount for each project
- **Structure/Ratings:**
 - Bonds to be purchased directly as a nonrated investment held until maturity by the Borrower's bank (the "Bank")
 - The Bank will be secured by the Borrower's assets, as on a commercial loan
 - Interest rates, terms, and collateral are negotiated between the Borrower and the Bank, just as with any commercial loan
 - Workouts are negotiated directly between each Borrower and Bank, just as on any secured commercial loan
- **Bond Counsel: Burke, Burns & Pinelli, Ltd.**
 - Stephen F. Welcome, Esq.
 - Three First National Plaza, Suite 4300
 - Chicago, IL 60602

A.

Project Number:	A-FB-TE-CD-8508
Borrower(s):	Gavin, Paul J.
Borrower Benefit:	First Time Land Buyer
Town:	Monmouth, IL
IFA Bond Amount:	\$161,500
Use of Funds:	Farmland – 30.73 acres of farmland
Purchase Price:	\$323,000
% Borrower Equity	5%
% USDA Farm Service Agency	45% (<i>Subordinate Financing</i>)
% IFA	50%
Township:	Monmouth
County/Region:	Warren/West Central
Lender/Bond Purchaser	Midwest Bank of Western IL/Brad Ray
Legislative Districts:	Congressional: 17 th , Bobby Schilling State Senate: 47 th , John Sullivan State House: 94 th , Norine Hammond

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to begin one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin one year from the date of closing with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing. The note will have a 30-year amortization and maturity.

B.

Project Number:	A-FB-TE-CD-8509
Borrower(s):	Gavin, Andrew M.
Borrower Benefit:	First Time Land Buyer
Town:	Monmouth, IL
IFA Bond Amount:	\$259,500
Use of Funds:	Farmland – 69.12 acres of farmland
Purchase Price:	\$510,000
% Borrower Equity	5%
% USDA Farm Service Agency	44% (<i>Subordinate Financing</i>)
% IFA	51%
Township:	Monmouth
County/Region:	Warren/West Central
Lender/Bond Purchaser	Midwest Bank of Western IL/Brad Ray
Legislative Districts:	Congressional: 17 th , Bobby Schilling State Senate: 47 th , John Sullivan State House: 94 th , Norine Hammond

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to begin one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin one year from the date of closing with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing. The note will have a 30-year amortization and maturity.



\$46,200,000 (not-to-exceed amount)
Waterloo Community Unit School District Number 5

November 8, 2011

REQUEST	<p>Purpose: The project will (i) advance refund a portion of Waterloo Community Unit School District Number 5's (the "District" or the "Borrower") outstanding General Obligation School Bonds, Series 2006, dated July 27, 2006, originally issued through IFA (the "Series 2006 Bonds" or the "Prior" Bonds); (ii) finance the costs of construction associated with school fire prevention and safety improvements in existing school buildings throughout the District; and (iii) prospectively, pay costs of issuance.</p> <p>Program Product Type: Local Government Revenue Bond</p> <p>IFA/State Funds at Risk: None</p>																								
BOARD ACTIONS	Final Bond Resolution (One-time consideration)																								
MATERIAL CHANGES	None. This is the first time this Project has been presented to the IFA Board of Directors.																								
JOB DATA	<table border="0"> <tr> <td>301</td> <td>Current jobs</td> <td>N/A</td> <td>New jobs projected</td> </tr> <tr> <td>301</td> <td>Retained jobs</td> <td>10</td> <td>Construction jobs projected</td> </tr> </table>	301	Current jobs	N/A	New jobs projected	301	Retained jobs	10	Construction jobs projected																
301	Current jobs	N/A	New jobs projected																						
301	Retained jobs	10	Construction jobs projected																						
BORROWER DESCRIPTION	<ul style="list-style-type: none"> ● Type of Entity: Illinois Public School District ● Location: Waterloo, Illinois ● When established: 1905 ● Borrower's Mission: To provide public education for students in grades Pre-K through 12 ● Project Impact: The project will provide funding for fire prevention and safety improvements to the District's school buildings. Savings attributable to the Refunding Bonds will be used to finance the District's core educational mission. 																								
STRUCTURE	<ul style="list-style-type: none"> ● Underwriter: Edward Jones, St. Louis, MO ● General Obligation Bonds payable from property taxes ● Maturity: 20 years ● Interest Rate: 4.195% (Estimated) ● Underlying Rating: Borrower is applying for a rating from Moody's Investor Services. A mid-to-high investment grade rating is anticipated. 																								
SOURCES AND USES	<table border="0"> <tr> <td>Sources:</td> <td>IFA New Money Bonds</td> <td>\$7,200,000</td> <td>Uses:</td> <td>Debt Refunding</td> <td>\$39,000,000</td> </tr> <tr> <td></td> <td>IFA Refunding Bonds</td> <td><u>39,000,000</u></td> <td></td> <td>Construction</td> <td>5,000,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>Costs of Issuance</td> <td><u>2,200,000</u></td> </tr> <tr> <td></td> <td>Total</td> <td>\$46,200,000</td> <td>Total</td> <td>\$46,200,000</td> <td></td> </tr> </table>	Sources:	IFA New Money Bonds	\$7,200,000	Uses:	Debt Refunding	\$39,000,000		IFA Refunding Bonds	<u>39,000,000</u>		Construction	5,000,000					Costs of Issuance	<u>2,200,000</u>		Total	\$46,200,000	Total	\$46,200,000	
Sources:	IFA New Money Bonds	\$7,200,000	Uses:	Debt Refunding	\$39,000,000																				
	IFA Refunding Bonds	<u>39,000,000</u>		Construction	5,000,000																				
				Costs of Issuance	<u>2,200,000</u>																				
	Total	\$46,200,000	Total	\$46,200,000																					
RECOMMENDATION	Credit Review Committee recommends approval.																								

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2011**

Project: Waterloo Community Unit School District Number 5

STATISTICS

Project Number: LSD-TE-CD-8510	Amount: \$46,200,000 (not-to-exceed amount)
Type: Local Government Bond Program	IFA Staff: Jim Senica
Location: Waterloo	County/Region: Monroe/Southwestern

BOARD ACTION

Final Bond Resolution	No IFA Funds at risk
Conduit Local Government Revenue Bonds	No extraordinary conditions
Credit Review Committee recommends approval	

VOTING RECORD

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

PURPOSE

The proceeds of the Bonds will be used to (i) advance refund a portion of **Waterloo Community Unit School District Number 5's** (the "**District**" or the "**Borrower**") outstanding General Obligation School Bonds, Series 2006, dated July 27, 2006 originally issued through IFA (the "Series 2006 Bonds" or the "Prior Bonds"), (ii) finance the costs of construction of school fire prevention and safety improvements to existing school buildings of the District and (iii) pay costs of issuance. The School District anticipates that savings generated from the refunding will be used to fund the District's core educational activities.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Bond Program assists units of local government, including school districts, in financing capital improvement projects. Interest paid on local government and school district bonds issued through IFA is exempt from both federal and state income taxes thereby reducing the borrower's interest expense.

VOLUME CAP

No Volume Cap is required for Local Government Bond financing.

JOBS

Current employment: 301	Projected new jobs: N/A
Jobs retained: 301	Construction jobs: 10

ESTIMATED SOUCES AND USES OF FUNDS

Sources: IFA New Money Bonds	\$7,200,000	Uses: Debt Refunding	\$39,000,000
IFA Refunding Bonds	<u>39,000,000</u>	Construction	5,000,000
		Costs of Issuance	<u>2,200,000</u>
Total	<u>\$46,200,000</u>	Total	<u>\$46,200,000</u>

FINANCING SUMMARY/STRUCTURE

- Loan Term: Payments of principal and interest will be amortized over 20-years (i.e., a 20-year final maturity date). The Bonds will be underwritten by Edward Jones, St. Louis, MO (the “Underwriter”).
- Repayment Schedule: The first scheduled interest payment is expected to be due on August 15, 2012 and the principal is expected to be due on February 15 beginning in 2013 with a final maturity on February 15, 2033.
- Payment Source: **General Obligation Bonds**
The Bonds will be issued as General Obligation Bonds payable from *ad valorem* (i.e., property) taxes.
- Security: The Bonds repayment of principal and interest will be secured and repaid from the following source:

By a Direct Levy of ad valorem taxes upon all taxable property located within the District
These ad valorem taxes, which are unlimited as to rate or amount, shall be levied at a level sufficient to pay the interest and principal of the Bonds when due. The Bonds will constitute valid and legally binding obligations of the District, and all taxable property in the District is subject to the levy of taxes for such payment of principal and interest.
- Expected Rating: The District has applied to Moody’s for a rating. The Underwriter is anticipating a mid-to-high investment grade rating and expects the rating will be assigned by November 10, 2011.
- Authority: The Local Government Securities are being issued pursuant to section 1E-65 of the School Code of the State, the Local Government Debt Reform Act of the State and a bond resolution by the Waterloo Community Unit School District 5 Board of Education that is anticipated on November 1, 2011, as further supplemented by a notification of sale.
- Estimated Closing Date: December 21, 2011

PROJECT SUMMARY

Bond proceeds will be used to refund a portion of the District’s outstanding General Obligation School Bonds, Series 2006, dated July 27, 2006 originally issued through IFA (the “**2006 Bonds**” or the “**Prior Bonds**”). These bonds were originally issued to finance the construction costs of a new high school and refinance a portion of the District’s then-existing long term debt.

Bond proceeds will also be used to finance the costs of construction of school fire prevention and safety improvements to existing school buildings in the District.

BUSINESS SUMMARY

The District is located in southwestern Illinois primarily in the northeastern portion of Monroe County approximately 25 miles from St. Louis, Missouri. A small portion of western St. Clair County is also included in the District. The District provides a Pre-K through 12th grade educational program to 2,763 students living within a 186 square mile area of Monroe and St. Clair counties.

The children are educated in four centrally located attendance centers in the City of Waterloo: W.J. Zahnow Elementary School/Grades Pre-K to 2, Rogers Elementary School/Grades 3 – 5. Waterloo Junior High School/Grades 6, 7 & 8 and Waterloo High School/Grades 9 – 12. The children are assigned to attendance centers according to grade placement. Grades Pre-K – 5 are self-contained while Grades 6 – 12 are departmentalized. The curriculum in Grades Pre-K – 8 is traditional with an emphasis on the basics. The curriculum in Grades 9 – 12 is strong academically and vocationally with the instruction techniques classified as traditional. There is an ever-growing use of technology by both teachers and students.

The District has a reputation for providing outstanding academic programs and strong co-curricular and extra-curricular activities for students. Student academic achievement ranks in the upper 25% of public schools in the State and nation. More than 70 percent of all graduates enter some form of higher education including vocational schools, community colleges and four-year colleges and universities.

Waterloo (the “City”) is the largest community within the District with a 2010 census population of 9,811 and serves as the county seat of Monroe County. The City has experienced a period of rapid growth (93.43%) since the late 1980’s. The City provides a variety of municipal services including police and fire protection. The City owns and operates a natural gas distribution system and a municipal electric distribution system. Recreational activities are provided by the Waterloo Park District which operates two tennis courts, a public swimming pool, a playground, five baseball diamonds and one soccer field. Other recreational activities include golf, provided by four golf courses and fishing. Numerous commercial businesses, religious denominations and civic groups are located in the District.

The District’s transportation network includes Illinois State Route 3 which runs north and south through the City and Illinois State Route 156 which runs east and west through the City. Multi-schedule bus service is provided by Bi-State Development Agency with several St. Louis – Waterloo bus routes scheduled throughout the weekday period. Air service is available at Lambert – St. Louis International Airport located approximately 35 miles from the City. Additionally, Scott Air Force Base and Mid-America Airport are located within 15 miles of the District.

The proximity of the District to the Metro-East and St. Louis areas provides residents with ample educational and employment opportunities. Higher education is offered at Southwestern Illinois College, Lewis and Clark Community College, McKendree College, Southern Illinois University at Edwardsville as well as various colleges and universities located in St. Louis.

Remarks:

The District’s major employers include:

<u>EMPLOYER</u>	<u>PRODUCT/SERVICE</u>	<u>APPROXIMATE NUMBER OF EMPLOYEES</u>
Wal-Mart Stores, Inc.	Discount Retailer	360
Waterloo CUSD 5	Public School District	301
Monroe County Nursing Home	Skilled Nursing Care Facility	230
Ortho-Clinical Diagnostics Inc.	Blood Derivative Diagnostics	200
Red Bud Regional Hospital	Medical Hospital	200
Maverick Technologies LLC	Engineering Consulting	167

Many of the District’s residents are employed within the St. Louis Metropolitan Statistical Area.

The District's largest taxpayers include:

SM Properties, d/b/a Schnuck's	Retail Grocer
Wal-Mart Stores, Inc.	Discount Retailer
Harrisonville Telephone Co.	Telecommunications
JCE Properties	Retail
Southern Illinois Medical Devel.	Medical
State Bank of Waterloo	Banking

Median Household Income:

According to the U.S. Census Bureau, 2005 – 2009 American Community Survey, the District had a median household income of \$51,312. This compares with \$66,850 for Monroe County and \$55,222 for the State.

OWNERSHIP/ECONOMIC DISCLOSURE STATEMENT

Applicant/Borrower:	Waterloo Community Unit School District Number 5
Contact:	Mr. James Helton, Superintendent Telephone: (618) 939-345; E-mail: jhelton@wcsd5.net
Location:	219 Park Street Waterloo, IL 62298 (Monroe County)
Entity:	Public School District
School Board:	Dwight Schafer, <i>President</i> Linda Pickett, <i>Vice President</i> Suzanne Sweet, <i>Secretary</i> Valerie Baxmeyer, <i>Member</i> JoEllen Burton, <i>Member</i> Thomas Schrieber, <i>Member</i> Lance West, <i>Member</i>

PROFESSIONAL & FINANCIAL

Accountant:	J.W. Boyle & Co. Ltd.	Belleville, IL	
Bond Counsel:	Chapman and Cutler, LLP	Chicago, IL	Kelly Kost
Bond Underwriter:	Edward Jones	St. Louis, MO	Chris Collier
Underwriter's Counsel:	Chapman and Cutler, LLP	Chicago, IL	Kyle W. Harding
Paying Agent:	UMB Bank	St. Louis, MO	Victor Zarrill
Rating Agency:	Moody's Investors Services	Chicago, IL	
Issuer's Counsel:	Requested		
IFA Financial Advisors:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

Congressional:	12 Jerry Costello
State Senate:	58 David S. Luechtefeld
State House:	116 Jerry Costello II



November 8, 2011

\$70,000,000
Covenant Retirement Communities, Inc.

REQUEST	<p>Purpose: Bond proceeds will be used to (i) refund Covenant Retirement Communities, Inc. (“CRC” or the “Borrower”) Series 1999, 2004 and 2006 Bonds, (ii) fund past and future capital expenditures and (iii) pay cost of issuance.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																				
BOARD ACTIONS	Final Bond Resolution (One-time consideration)																				
MATERIAL CHANGES	This is the first time this project is being presented to the Board.																				
JOB DATA	<table border="0"> <tr> <td>653</td> <td>Current jobs (IL)</td> <td>10</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>50</td> <td>Construction jobs projected</td> </tr> </table>	653	Current jobs (IL)	10	New jobs projected	N/A	Retained jobs	50	Construction jobs projected												
653	Current jobs (IL)	10	New jobs projected																		
N/A	Retained jobs	50	Construction jobs projected																		
DESCRIPTION	<ul style="list-style-type: none"> • Location: Various locations in Cook, DuPage and Kane Counties; Washington, California, Minnesota, Florida, Michigan and Connecticut. • Covenant Retirement Communities, Inc. (“CRC”) is an Illinois 501(c)(3) eligible corporation organized in 1986. • CRC currently has 14 communities with 4,668 units across the continuum of care in eight states with 3,116 independent living apartments, 668 assisted living units and 884 nursing care beds. In the 2010 publication of the LZ100 (a joint venture of Leading Age and Ziegler), CRC was ranked as the 5th largest non-profit senior living provider of market rate housing in the United States. 																				
CREDIT INDICATORS	<ul style="list-style-type: none"> • The Bonds will be placed with JP Morgan Chase Bank, N.A. 																				
SECURITY	<ul style="list-style-type: none"> • First mortgage on property and equipment and a gross revenue pledge. 																				
MATURITY	<ul style="list-style-type: none"> • No later than 2034 (23 years) 																				
SOURCES AND USES	<table border="0"> <tr> <td colspan="2">Sources:</td> <td colspan="2">Uses:</td> </tr> <tr> <td>IFA Bonds</td> <td><u>\$65,000,000</u></td> <td>Refunding Escrow</td> <td>\$53,285,000</td> </tr> <tr> <td>Equity Contribution*</td> <td></td> <td>Capital Expenditures</td> <td>10,515,000</td> </tr> <tr> <td></td> <td></td> <td>Cost of Issuance</td> <td><u>1,200,000</u></td> </tr> <tr> <td>Total</td> <td><u>\$65,000,000</u></td> <td>Total</td> <td><u>\$65,000,000</u></td> </tr> </table>	Sources:		Uses:		IFA Bonds	<u>\$65,000,000</u>	Refunding Escrow	\$53,285,000	Equity Contribution*		Capital Expenditures	10,515,000			Cost of Issuance	<u>1,200,000</u>	Total	<u>\$65,000,000</u>	Total	<u>\$65,000,000</u>
Sources:		Uses:																			
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Equity Contribution*		Capital Expenditures	10,515,000																		
		Cost of Issuance	<u>1,200,000</u>																		
Total	<u>\$65,000,000</u>	Total	<u>\$65,000,000</u>																		
	<p>*An equity contribution will be made to cover cost of issuance in excess of the 2% tax limit. There is no equity contribution assumed at this time.</p>																				
RECOMMENDATION	Credit Committee recommends approval.																				

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2011**

Project: Covenant Retirement Communities, Inc.

STATISTICS

Project Number: H-SL-TE-CD-8511	Amount: \$70,000,000 (Not-to-Exceed)
Type: 501(c)(3) Bonds	IFA Staff: Pam Lenane and Nora O'Brien
County/Region: Cook and DuPage/Northeast	City: Batavia, Carol Stream and Northbrook, IL

BOARD ACTION

One-Time Final Resolution	No IFA funds at risk
Conduit 501 (c)(3) Bonds (Multi-State)	No extraordinary conditions
Credit Review Committee recommends approval	

VOTING RECORD

This is the first time this project has been brought before the IFA Board of Directors.

PURPOSE

Bond proceeds will be used to (i) refund Covenant Retirement Communities, Inc. ("CRC" or the "Borrower") Series 1999, 2004 and 2006 Bonds, (ii) fund past and future capital expenditures and (iii) pay cost of issuance.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

JOBS

Current employment: 653 FTE's (in Illinois)	New jobs projected: 10
Jobs retained: 653 FTE's (in Illinois)	Construction jobs projected: 50

ESTIMATED SOURCES AND USES OF FUNDS

Sources: Multi-Issuer bonds	<u>\$65,000,000</u>	Uses: Refunding Escrow	\$53,285,000
Equity Contribution*		Capital Expenditures	10,515,000
		Issuance Costs*	<u>1,200,000</u>
Total	<u>\$65,000,000</u>	Total	<u>\$65,000,000</u>

*An equity contribution will be made to cover cost of issuance in excess of the 2% tax limit. There is no equity contribution assumed at this time.

FINANCING SUMMARY/STRUCTURE

Security: First mortgage on property and equipment; gross revenue pledge.

Structure: The Series 2011 Bonds will be structured as non-bank qualified private placement bond placed with JPMorgan Chase Bank.

Interest Rate: Variable

Interest Mode: Weekly

Credit Enhancement: None

Maturity: No later than 2034

Rating: The bonds will not carry a rating as they will be privately placed with JP Morgan Chase. Covenant Retirement Communities, Inc. has an underlying rating of BBB- from S&P and BBB+ from Fitch.

Estimated Closing Date: December 8, 2011

PROJECT SUMMARY

Covenant Retirement Communities, Inc. ("CRC") is issuing the Series 2011 Bonds in order to refund the existing Series 1999, 2004, and 2006 Bonds, and to fund past and future capital expenditures for CRC. The capital projects include expenditures on three to five CRC campuses, including three in Illinois, that shall include the acquisition, construction, renovation, remodeling, and/or equipping of existing campus facilities. Project work includes corridor renovations, new roofs, apartment remodeling, mechanical systems, and enhanced emergency call systems, among other projects. Bond counsel has reviewed the average life of the assets that were financed with the prior bonds and has verified that the average life of the bonds will not exceed the remaining average life of the assets.

BUSINESS SUMMARY

Description of Business: Covenant Retirement Communities, Inc. ("CRC") is an Illinois 501(c)(3) eligible corporation organized in 1986 to give formal recognition to the administrative organization that operated a multi-institutional continuing care system of retirement communities, assisted living and personal care facilities, as well as skilled nursing facilities on behalf of the Board of Benevolence of the Evangelical Covenant Church. The central corporate office of CRC is located in Skokie, Illinois with existing facilities located in California, Washington, Connecticut, Florida, Illinois, Minnesota, Colorado, and Michigan.

CRC currently has 14 communities with 4,668 units across the continuum of care in eight states with 3,116 independent living apartments, 668 assisted living units, and 884 nursing care beds. In the 2010 publication of the LZ100 (a joint venture of Leading Age and Ziegler), CRC was ranked as the 5th largest non-profit senior living provider of market rate housing in the United States. The organizational chart below shows the full corporate structure of CRC.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicant: Covenant Retirement Communities, Inc.
Location: Multiple CRC facilities
Borrower: Covenant Retirement Communities, Inc.
Ownership: Covenant Retirement Communities, Inc. is a 501(c)(3) organization

Board Members: Jon P. Aagaard, M.D.
Cutis B. Anderson
Rev. Richard B. Berry
Rev. Dan Danielson
Rev. Harvey Drake
James C. Elving
Marc E. Espinosa
Lorene G. Flewellen
Rhoda Friesen
Mary Miller
Cletus J. Moll
Joyce L. Peterson
Norton Richards
Walter L. Schiller
Marlene E. Stante
Jean A. Stebinger
Anne E. Vining

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Erickson Papanek Peterson Rose	St. Paul	Julie Peterson
Bond Counsel:	Jones Day	San Francisco	Louise Rankin
Bank:	JP Morgan Chase	Chicago	Candice Richmond
Bank's Counsel:	Katten Muchin Rosenman LLP	Chicago	Janet Hoffman
Accountant:	Deloitte & Touche LLP	Chicago	
Placement Agent:	Ziegler Capital Markets	Chicago	Don Carlson
Disclosure Counsel:	SNR Denton	Chicago	Mary Wilson
IFA Counsel:	TBD	Chicago	
IFA Financial Advisor:	Acacia Financial Group	Chicago	Courtney Shea

LEGISLATIVE DISTRICTS

The Holmstad – Batavia, IL

Congressional: 14th Randall M. Hultgren
State Senate: 25th Chris Lauzen
State House: 49th Timothy L. Schmitz

Windsor Park Manor – Carol Stream, IL

Congressional: 6th Peter J. Roskam
State Senate: 23rd Carole Pankau
State House: 45th Franco Coladipietro

Covenant Village of Northbrook – Northbrook, IL

Congressional: 10th Robert Dold
State Senate: 9th Jeffery M. Schoenberg
State House: 17th Daniel K. Biss

SERVICE AREA





November 8, 2011

\$60,000,000
Rush University Medical Center Obligated Group

REQUEST	<p>Purpose: Bond proceeds will be used to refund Rush University Medical Center (“RUMC” or the “Borrower”) Series 1998A Bonds.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>			
BOARD ACTIONS	Final Bond Resolution (One-time consideration)			
MATERIAL CHANGES	None			
JOB DATA	7,290	Current jobs	0	New jobs projected
	N/A	Retained jobs	0	Construction jobs projected
DESCRIPTION	<ul style="list-style-type: none"> • Location: Cook County and Kane County/Northeast • RUMC is an academic medical center in Chicago, Illinois. The mission of RUMC is to provide the very best care for its patients. Its education and research endeavors, community programs and relationships with other hospitals are dedicated to enhancing excellence in patient care for the diverse communities of the Chicago area now and in the future. • The clinical and academic facilities are primarily located in the northeast portion of the Illinois Medical Center District. RUMC’s clinical operations include 739-licensed bed Rush University Hospital (“RUH”), 296-licensed bed Rush Oak Park Hospital, Rush University, a health sciences university that educates students in health related fields, and Rush University Medical Group, a faculty practice plan that currently employs 399 physicians. 			
SECURITY	<ul style="list-style-type: none"> • Secured under Master Trust Indenture Note 			
CREDIT INDICATORS	<ul style="list-style-type: none"> • Underlying rating of A-/A-/A2 (S&P/Fitch/Moody’s) 			
STRUCTURE	<ul style="list-style-type: none"> • Direct Purchase by JP Morgan Chase Bank, N.A. 			
SOURCES AND USES	IFA Bonds	\$56,000,000	Refund 1998A Bonds	\$56,000,000
	Equity	<u>300,000</u>	Cost of Issuance	<u>300,000</u>
	Total	\$56,300,000	Total	\$56,300,000
RECOMMENDATION	Credit Committee recommends approval.			

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 8, 2011**

Project: Rush University Medical Center Obligated Group

STATISTICS

Project Number: H-HO-TE-CD-8512	Amount: \$60,000,000 (Not-to-Exceed)
Type: 501(c)(3) Bonds	IFA Staff: Pam Lenane and Nora O'Brien
County/Region: Cook and Kane/Northeast	City: Chicago (Rush University Medical Center) and Aurora (Copley Memorial Hospital, Inc. and Affiliates)

BOARD ACTION

One-Time Final Bond Resolution	No IFA Funds at Risk
Conduit 501 (c)(3) bonds	No Extraordinary Conditions
Credit Committee Recommends approval	

VOTING RECORD

This is the first time this project has been brought before the IFA Board of Directors.

PURPOSE

Bond proceeds will be used to refund **Rush University Medical Center ("Borrower")** Series 1998A Bonds.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

JOBS

Current employment (FTEs): 7,290	New jobs projected: 0
	Construction jobs projected: 0

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	\$56,000,000	Uses:	Refund 1998A Bonds	\$56,000,000
	Equity	<u>300,000</u>		Cost of Issuance	<u>300,000</u>
Total		\$56,300,000	Total		\$56,300,000

FINANCING SUMMARY/STRUCTURE

Security:	Senior party basis with all obligations issued under the Borrower's Master Trust Indenture; gross revenue pledge; mortgage on primary health facilities at Rush University Medical Center and Copley Memorial Hospital
Structure:	Direct Purchase by JP Morgan Chase Bank, N.A.
Interest Rate:	Variable Rate of interest equal to a tax factor of 74% times (one-month LIBOR + a spread) payable on a 360-day basis
Interest Mode:	Variable Rate
Credit Enhancement:	None
Maturity:	11/1/2024
Rating:	The bonds will not carry a rating. Rush has an underlying rating of A-/A-/A2 (S&P/Fitch/Moody's)
Estimated Closing Date:	December 16, 2011

PROJECT SUMMARY

Bond proceeds will be used to refund **Rush University Medical Center** ("Borrower") Series 1998A Bonds.

BUSINESS SUMMARY

Description of Business: The Members of the Obligated Group include:

- Rush University Medical Center ("RUMC");
- Rush-Copley Medical Center, Inc. ("RCMC");
- Copley Memorial Hospital, Inc. ("Copley")
- Rush-Copley Foundation ("Copley Foundation");
- Copley Ventures, Inc. ("Copley Ventures"); and
- Rush-Copley Medical Group, NFP ("Medical Group")

Rush University Medical Center

RUMC is an academic medical center located in Chicago, Illinois. The mission of RUMC is to provide the very best care for its patients. Its education and research endeavors, community programs and relationships with other hospitals are dedicated to enhancing excellence in patient care for the diverse communities of the Chicago area now and in the future.

The clinical and academic facilities are primarily located in the northeast portion of the Illinois Medical Center District. RUMC's clinical operations include 739-licensed bed Rush University Hospital ("RUH"), 296-licensed bed Rush Oak Park Hospital, Rush University, a health sciences university that educates students in health related fields, and Rush University Medical Group, a faculty practice plan that currently employs 399 physicians. RUMC, through a joint venture arrangement with a third-party, operates and manages ROPH. As a result, RUMC controls and has an economic interest in ROPH. Substantially all assets (with the exception of the land and the building), liabilities and net assets, and all revenue and expenses of ROPH are consolidated in the financial statements of RUMC and all significant intercompany activity is eliminated. ROPH is not a member of the Obligated Group and does not have any liability with respect to the Series 1998A Bonds. However, the amounts included in the Obligated Group financials are available to RUMC to make debt service payments due to RUMC's economic interest in ROPH.

RUMC's commitment to the very best patient care is central to its mission and recognized in a variety of honors and quality outcomes, including the following recent awards:

In the 2011-12 issue of U.S. News & World Report magazine showcasing "Best Hospitals," RUMC ranked higher nationally than any other program in Illinois in Orthopedics (8th in the nation) and geriatrics (17th in the nation), and among the best hospitals in America in eight other adult specialties. Other nationally ranked programs are Neurology and Neurosurgery (15th), Cancer (40th), Ear, Nose and Throat (46th), Gynecology (33rd), Heart and Heart Surgery (29th), Kidney Disorders (47th), Pulmonology (45th) and Urology (39th).

In December 2010, RUMC was named to the "Top Hospitals Award List" for the second consecutive year by the Leapfrog Group, a national organization that promotes health care safety and quality improvement. RUMC was one of only 65 hospitals nationwide and five hospitals in Illinois that made the "Top Hospitals Award List" for 2010 from nearly 1,200 hospitals surveyed. The Leapfrog Hospital Recognition Program measures and evaluates hospital performance to recognize achievements and encourage improvements in the efficiency of hospital care. The Leapfrog survey is the only national, public comparison of hospitals on key issues including mortality rates for certain common procedures, infection rates, safety practices and measures of efficiency.

In September 2010, RUMC received a four-year renewal of its Magnet status, the highest recognition given for nursing excellence. The designation recognizes nursing staff for quality patient care, nursing excellence, and innovations in professional nursing practice. The American Nurses Credentialing Center ("ANCC") Magnet Recognition Program first awarded RUMC the Magnet designation in 2002. RUMC was the first hospital in Illinois treating both children and adults to achieve Magnet status and is the only hospital in Illinois treating both children and adults to receive the designation for a third time.

For five years in a row, RUMC ranked in the top 10 in the University HealthSystem Consortium (UHC) annual Quality and Accountability study of its member institutions. UHC examined 93 academic medical centers for measures of patient safety, effectiveness, equity of care, efficiency and patient centeredness. Also, for five consecutive years, RUMC received a perfect score of 100 percent in the category of "equity of care." This ranking measures whether patients receive the same quality treatment and have the same outcomes regardless of their gender, race or socioeconomic status.

In June 2009, RUMC was chosen as a recipient of the 2009 Premier Award for Quality, which recognizes health care organizations that efficiently provide outstanding patient care and consistently set the standard in clinical excellence. RUMC was the only hospital in Illinois and one of only 23 hospitals out of more than 3,796 eligible hospitals nationwide to receive the award. The award is given by Premier, a health care alliance of more than 2,100 hospitals and 58,000 other healthcare sites in the United States dedicated to improving health care quality and affordability.

Finally, the U.S. Department of Labor presented RUMC with its prestigious 2007 Exemplary Voluntary Efforts (EVE) award. The award recognizes federal contractors for exceptional efforts to increase employment opportunities for minorities, women, individuals with disabilities, and veterans.

Service area: Rush University Medical Center is located in the City of Chicago. Due to its specialty and subspecialty programs, its patients are primarily from the contiguous 8-county service area, and other areas of Illinois and the Midwest.

Rush-Copley Medical Center, Inc., Copley Memorial Hospital, Inc., Rush-Copley Foundation, Copley Ventures, Inc. and Rush-Copley Medical Group NFP (collectively referred to as "RCMC")

RCMC includes:

- Rush-Copley Medical Center, Inc., the parent holding corporation;
- Copley Memorial Hospital, Inc., a 210-licensed bed hospital in Aurora, Illinois;
- Rush-Copley Foundation, organized exclusively to engage in charitable fundraising activities which promote the interest of Copley;
- Copley Ventures, Inc., organized to establish and operate real estate properties for rental purposes; and
- Rush-Copley Medical Group NFP, organized to operate and manage the activities of physician practice health and medical services.

RCMC has served the community health needs of the greater Aurora community since 1886, when it began operations as the Aurora City Hospital. RCMC provides a range of inpatient and outpatient health care programs and services, with particular strengths in cardiac, obstetrical, and cancer care. A regional healthcare leader, RCMC currently holds more disease-specific certifications and accreditations than any other hospital in the Fox Valley area.

Service area: RCMC defines its Primary Service Area (PSA) to include the cities of Aurora, Yorkville, Oswego, Montgomery, Bristol, Plano, Newark, Sandwich, Eola, Somonauk, and North Plainfield, Illinois.

Project Rationale: Bond proceeds will be used to lower interest rate costs by refunding the Borrower's Series 1998A Bonds.

Timing: RUMC project paid for with outstanding bonds to be refunded is complete.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicant: Rush University Medical Center Obligated Group
1653 West Congress Parkway
Chicago, IL 60612

Project Location: Rush University Medical Center campus, Chicago, IL

Borrower: Rush University Medical Center

Board Members/
Principal Officers: Richard M. Jaffee, Chairman
Susan Crown, Vice Chair
William M. Goodyear, Vice Chair
Robert L. Heidrick, Vice Chair
Donald G. Lubin, Esq., Vice Chair
Larry Goodman, M.D., Chief Executive Officer

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	SNR Denton US LLP	Chicago	Mary Wilson
Accountant:	Deloitte	Chicago	Don O'Callaghan
Financial Advisor:	Killarney Advisors, In.	New York	Errol H. Brick
Bond Counsel:	Chapman and Cutler	Chicago	James Luebchow/Chris Walrath
Bank (Direct Purchaser):	JP Morgan Chase & Co	Chicago	Tim Ruby
Bank Counsel:	Foley & Lardner	Chicago	Laura Bilas
IFA Counsel:	TBD	Chicago	
IFA Financial Advisor:	Scott Balice Strategies, LLC	Chicago	Julia Harris

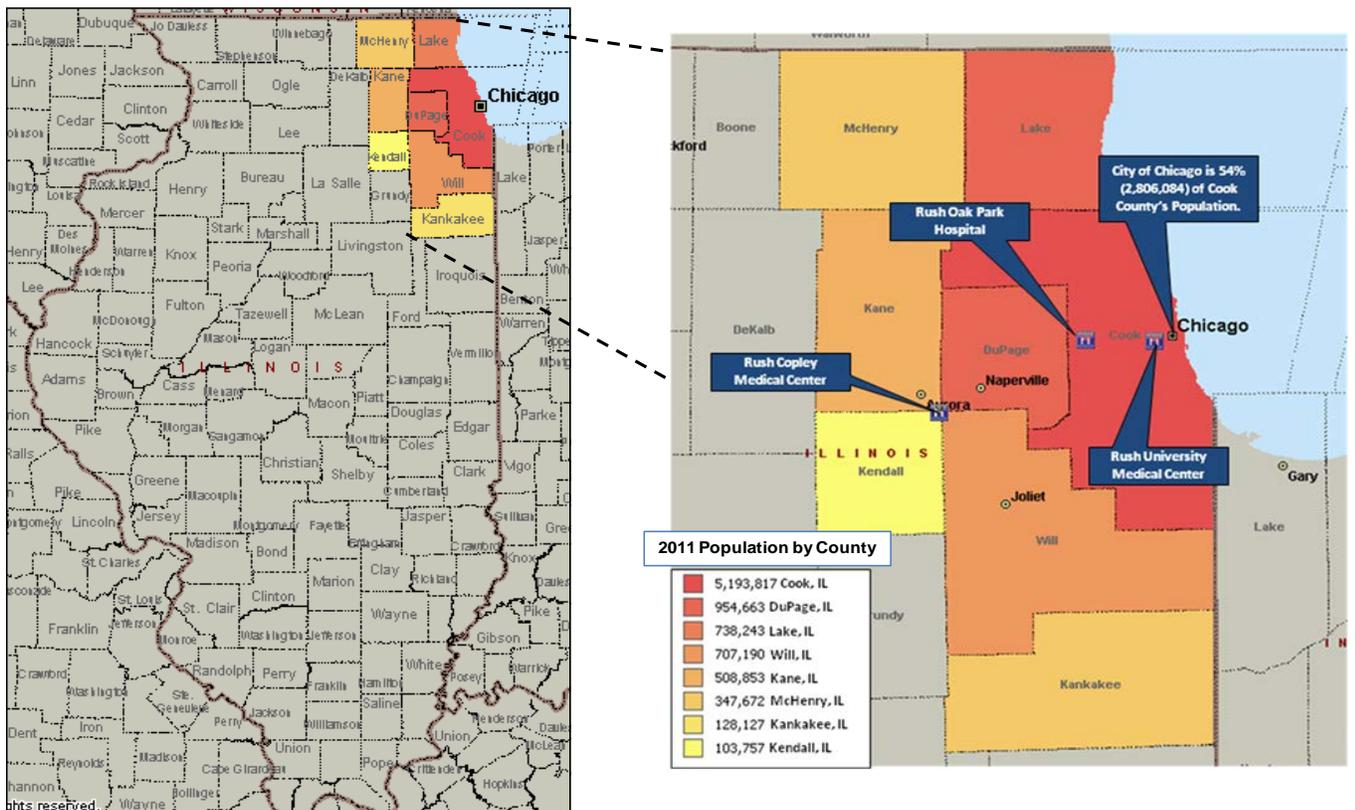
LEGISLATIVE DISTRICTS

RUMC:

Congressional: 7 Danny K. Davis
State Senate: 5 Annazette R. Collins
State House: 9 Arthur L. Turner

SERVICE AREA

The following map shows the surrounding eight county metropolitan area and the location of Rush University Medical Center, Rush-Copley Medical Center and Rush Oak Park Hospital:



**ILLINOIS FINANCE AUTHORITY
MEMORANDUM**

To: IFA Board of Directors

From: Jim Senica

Date: November 8, 2011

Re: Request by Farmers State Bank of Western Illinois and Edwin and Cindy Summers to release 6.4 acres of farmland pledged as collateral for the loan described below.

(Loan number 1999-GP-1124)	Original Amount:	\$311,000
(Agri-Debt Guarantee)	Current Balance:	\$228,714
	IFA Exposure:	\$194,407

Farmers State Bank of Western Illinois in Alpha (the “**Bank**”) has requested approval from the Illinois Finance Authority to release 6.4 acres of farmland currently being held as collateral on an Agri-Debt Guarantee loan to **Edwin and Cindy Summers** (the “**Borrowers**”). The land is owned by Edwin and Cindy Summers who have located a buyer for the parcel. The original \$311,000 loan dated April 2, 1999 is secured by farmland containing a total of 187 acres valued in 1999 at approximately \$627,600 (\$3,356 per acre). The banker stated that the 6.4 acres of land is of very poor quality for farming purposes, containing an older dilapidated livestock structure and foundations of no apparent value which actually lessen the value of the land when consideration is given to the costs of removal and cleanup of the site.

The Bank has already approved the partial release of this acreage as the entire net amount received from the sale price of \$4,000 will be applied to this loan as additional principal reduction. Based on index amounts for Illinois farmland values as published by the University of Illinois Farm Business Management Resources, the Banker estimates that the remaining 180.6 acres of farmland would now be valued at approximately 2.5 times (\$8,390 per acre) the original appraised value.

Farmers State Bank of Western Illinois has approved this request based on the Borrower’s payment performance, strong liquidity, net worth, and exceptional collateral coverage. Staff concurs with the lender’s request.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: November 8, 2011

Re: Resolution Authorizing the Execution and Delivery of a Bond and Loan Agreement in Connection with the IDFA Series 2001 Variable Rate Demand Revenue Bonds to Enable Conversion to a Bank Direct Purchase Structure (The British Home for Retired Men and Women Project) and Related Matters
IDFA Series 2001 File Number: NP-9694
IFA Series 2011 File Number: N-NP-TE-CD-8507

Request:

The British Home for Retired Men and Women (the “**Borrower**”), an Illinois not for profit corporation, and **First Midwest Bank, N.A.** (the “**Bank**” or “**Bond Purchaser**”) are requesting approval of a Resolution to authorize execution and delivery of a Bond and Loan Agreement to enable, among other things, the Bank to purchase the Illinois Development Finance Authority (the “IDFA”) Variable Rate Demand Revenue Bonds (The British Home for Retired Men and Women Project), Series 2001 (the “**Bonds**”).

The Bonds are currently secured by a Direct Pay Letter of Credit from Bank of America, N.A., as successor to LaSalle Bank, N.A., which were privately placed by LaSalle Capital Markets. The attached Resolution will enable the Bonds to be purchased by the Bank in whole and held as an investment. The Bank will become the new relationship bank for the Borrower. The original Par amount of the IDFA Series 2001 Bonds was approximately \$9,500,000. Currently, the outstanding Par amount of the Bonds is \$6,080,000.

The attached Resolution will also enable the Bonds to refinance outstanding taxable debt of the Borrower as tax-exempt debt. Accordingly, the attached Resolution would authorize the reissuance by the Illinois Finance Authority (the “IFA”), as successor to IDFA, of an amount not-to-exceed \$8,500,000 for this transaction. The transaction will be considered a refunding for tax purposes. IFA’s estimated administrative fee will be less than or equal to \$22,100, subject to any decrease in the final closing amount.

Background:

IDFA Series 2001 Bond proceeds were used by the Borrower to construct and equip a new 73-unit assisted living facility located at 31st Street and McCormick Avenue, Brookfield, Illinois 60513. The facility includes 29 studio apartments, 40 one-bedroom apartments and four two-bedroom apartments – all of which are designed for occupancy by elderly tenants. In addition, the facility includes a central dining and multi-purpose hall, a mail/reception area and several lounges for residents. Finally, the Borrower made related improvements, such as the addition of a new water line, additional parking, roadway improvements, additional landscaping and stormwater detention improvements.

All payments relating to the IDFA Series 2001 Bonds are current and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Borrower Counsel:	Ungaretti & Harris LLP	Chicago, IL	Ray Fricke
Bond Counsel:	Ice Miller LLP	Chicago, IL	Jim Snyder
Bond Purchaser:	First Midwest Bank, N.A.	Itasca, IL	
Bank Counsel:	Scott & Kraus, LLC	Chicago, IL	Drew J. Scott
Exiting Trustee:	U.S. Bank, N.A.	Chicago, IL	Grace Gorka
Exiting Remarketing Agent:	Bank of America Merrill Lynch, as successor to LaSalle Capital Markets		
IFA Counsel:	Pugh Jones & Johnson, P.C.	Chicago, IL	Glenn Weinstein Lorraine Tyson
IFA Financial Advisor:	Scott Balice Strategies	Chicago, IL	Shannon Williams

RESOLUTION NUMBER 2011-1108-AD06

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$8,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF REVENUE BONDS (THE BRITISH HOME FOR RETIRED MEN AND WOMEN PROJECT), SERIES 2011, OF THE ILLINOIS FINANCE AUTHORITY, THE PROCEEDS OF WHICH ARE TO BE LOANED TO THE BRITISH HOME FOR RETIRED MEN AND WOMEN, AN ILLINOIS NOT-FOR-PROFIT CORPORATION TO PROVIDE THE FUNDS NECESSARY TO CONVERT THE OUTSTANDING ILLINOIS DEVELOPMENT FINANCE AUTHORITY VARIABLE RATE DEMAND REVENUE BONDS (THE BRITISH HOME FOR RETIRED MEN AND WOMEN PROJECT), SERIES 2001 TO A BANK PURCHASE STRUCTURE; AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A BOND AND LOAN AGREEMENT UNDER WHICH THE BONDS WILL BE ISSUED AND SOLD TO FIRST MIDWEST BANK, N.A., AND APPROVING THE EXECUTION OF CERTAIN OTHER AGREEMENTS RELATING TO THE ISSUANCE OF THE BONDS; AND RELATED MATTERS.

WHEREAS, the **ILLINOIS FINANCE AUTHORITY** (the "Authority"), a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the "State"), including, without limitation the Illinois Finance Authority Act, 20 ILCS 3501/801-1, as supplemented and amended (the "Act"), is authorized by the laws of the State, including, without limitation, the Act, to issue its bonds for the purposes set forth in the Act and to permit the expenditure of the proceeds thereof to defray, among other things, the cost of the acquisition and improvement of "industrial projects" as defined in the Act; and

WHEREAS, THE BRITISH HOME FOR RETIRED MEN AND WOMEN, an Illinois not-for-profit corporation (the "Borrower"), has requested that the Authority issue not to exceed \$8,500,000 in aggregate principal amount of its Revenue Bonds (The British Home for Retired Men and Women Project), Series 2011 (the "Bonds") and loan the proceeds thereof to the Borrower in order to assist the Borrower in providing, together with other funds available to the Borrower, the funds necessary to (i) refund or refinance (the "Refunding") (a) the outstanding amount of Illinois Development Finance Authority Variable Rate Demand Revenue Bonds (The British Home for Retired Men and Women Project), Series 2001 (the "Prior Bonds") and (b) an existing real estate loan previously used to construct and equip the Project (the "Prior Loan"), and (ii) pay all or a portion of the costs of issuing the Bonds. The Prior Bonds and the Prior Loan financed the costs of the construction and equipping of an assisted living facility located at 8700 West 31st Street in Brookfield, Illinois, owned and operated by the Borrower and related costs of issuance; and

WHEREAS, the Bonds will be sold to First Midwest Bank, or one of its affiliated entities that is also a financial institution (the "Purchaser") in whole; and

WHEREAS, a draft of the Bond and Loan Agreement, dated as of November 1, 2011 (the "Bond and Loan Agreement"), by and among the Authority, the Borrower and the Purchaser, is substantially in a form approved by the Authority in similar transactions and on file with the Authority, under which the Authority will loan the proceeds of the Bonds to the Borrower, all as more fully described in the Bond and Loan Agreement; and

WHEREAS, it is now necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of, among other things, the Bond and Loan Agreement, and a Tax Compliance Certificate (the "Tax Agreement"), by and between the Authority and the Borrower, all in connection with the issuance of the Bonds; and

WHEREAS, the Bond and Loan Agreement and the Tax Agreement are referred to collectively herein as the "Authority Documents;"

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

Section 1. Findings. Based solely on the representations made by the Borrower, the Authority hereby makes the following findings and determinations with respect to the Borrower, the Bonds to be issued by the Authority and the facilities refinanced with the proceeds of the Bonds:

- (a) The Borrower is an Illinois not-for-profit corporation validly existing and duly authorized to conduct its business in the State of Illinois;
- (b) The Borrower has properly filed with the Authority its request for assistance in providing funds to the Borrower which the Borrower will use for the purposes aforesaid;
- (c) The facilities to be refinanced with the proceeds of the Bonds constitute "projects" (as defined in the Act) do not include any property used or to be used for sectarian instruction or as a place of religious worship nor any facility which is used or to be used primarily in connection with any part of the program of a school or department of divinity for any religious denomination or the training of ministers, priests, rabbis or other professional persons in the field of religion; and
- (d) The Bonds are being issued for a valid purpose under and in accordance with the provisions of the Act.

Section 2. Bonds. In order to obtain the funds to loan to the Borrower to be used to (i) refinance all or a portion of the Prior Bonds and the Prior Loan, and (ii) pay all or a portion of the costs of issuing the Bonds, the Authority hereby authorizes the issuance of the Bonds. The Bonds shall be issued under and secured by and shall have the terms and provisions set forth in the Bond and Loan Agreement, in an aggregate principal amount not exceeding \$8,500,000.

The Bonds shall have a final maturity date no later than December 31, 2036, with or without any required mandatory sinking fund redemption, as shall be determined at the time of sale thereof. The Bonds shall bear interest at rates not to exceed the maximum interest rate of 10% per annum, be subject to optional and mandatory redemption and be payable, all as provided in the Bond and Loan Agreement.

The Bonds shall be issued only as fully registered bonds without coupons. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of its Chairperson or Vice Chairperson and attested by the manual or facsimile signature of its Secretary or any Assistant Secretary, and may have the corporate seal of the Authority impressed manually or printed by facsimile thereon.

The Bonds shall be issued and sold by the Authority and purchased by the Purchaser at a purchase price of 100% of the principal amount of the Bonds.

The Bonds and the interest thereon shall be a limited obligation of the Authority, payable solely out of the receipts, revenue and income derived by the Authority pursuant to the Bond and Loan Agreement. The Bonds shall not in any respect be a general obligation of the Authority, nor shall they be payable in any manner from funds raised by taxation. The Authority has no taxing power. No holder of the Bonds has the right to compel the exercise of the taxing power of the State or any political subdivision thereof to pay the Bonds, the interest or premium, if any, thereon. The Bonds do not constitute in any respect an indebtedness of the Authority or a loan of credit thereof within the meaning of any constitutional or statutory provision.

The Authority hereby delegates to the Executive Director of the Authority or any two members of the Authority the power and duty to make final determinations as to the principal amount, maturities, purchase price, any mandatory sinking fund redemption dates and amounts, optional and mandatory redemption provisions and the interest rates of the Bonds, all within the parameters set forth herein.

Section 3. Bond and Loan Agreement. The Authority does hereby authorize and approve the execution by its Chairman, Vice Chairman, Executive Director, or any person authorized by a Resolution of the Authority (each an "Authorized Officer"), and the delivery and use of the Bond and Loan Agreement. The Secretary or any Assistant Secretary shall attest the execution of the Bond and Loan Agreement by the Authorized Officer. The Bond and Loan Agreement shall be substantially in the approved form previously approved by the Authority in similar transactions, which form is on file with the Authority, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such person's approval and the Authority's approval of any changes or revisions therein from the form of such Bond and Loan Agreement, and to constitute conclusive evidence of such person's approval and the Authority's approval of the terms of the Bonds and the purchase thereof.

Section 4. Tax Agreement. The Authority does hereby authorize and approve the execution by an Authorized Officer of the Tax Agreement with the Borrower, in the form to be approved by bond counsel, by counsel for the Authority and by counsel for the Borrower. The Tax Agreement shall be substantially in approved form previously approved by the Authority in similar transactions, which form is on file with the Authority, or with such changes therein as shall be approved by the Authorized Officer of the Authority, executing the same, with such execution to constitute conclusive evidence of such person's approval and the Authority's approval of any changes or revisions therein from the form of such Tax Agreement, and to constitute conclusive evidence of such person's approval and the Authority's approval of the terms of the Bonds and the purchase thereof.

Section 5. 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 all such documents (including without limitation the execution and delivery of a document relating to federal tax matters) as may be necessary to carry out and comply with the provisions of these resolutions, the Authority Documents, 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, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the Authority Documents or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by the Executive Director or Treasurer of the Authority, or in the event of the unavailability, inability or refusal of the Executive Director and the Treasurer to act, any two Members of the Authority, each of whom is hereby authorized, empowered, and delegated the

power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the Authority Documents.

Section 6. Approval of Acts. All acts of the officials of the Authority which are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bonds and the Refunding be, and the same hereby are, in all respects, approved and confirmed.

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

Section 8. Repeal of Conflicting Provisions. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Authority Fee. The Authority's closing fee will be [\$22,100] payable at closing.

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

Attest:

ILLINOIS FINANCE AUTHORITY

[SEAL]

By _____
Chairman

By _____
Secretary