

# UNIVERSITY OF ILLINOIS

Urbana-Champaign • Chicago • Springfield

## Capital Financing

Treasury Operations  
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Urbana, Illinois 61801

Robert L. Plankenhorn  
Director of Capital Financing

October 8, 2014

Mr. Dan Long  
Executive Director  
Commission of Government Forecasting and Accountability  
703 Stratton Office Building  
Springfield, IL 62705

Dear Mr. Long:

In accordance with Section 73/15 of the State University Certificates of Participation Act, 110 ILCS 73/1 et seq., please accept this letter as the request of The University of Illinois (the "University") to appear before the Commission on Government Forecasting and Accountability (the "Commission") to present the details of a proposed refinancing of the University's outstanding Certificates of Participation ("COPs"), as described below. Subject to market conditions, the University would like to issue Certificates of Participation (Refunding), Series 2014 (the "Series 2014 COPs") to refinance all or a portion of the following outstanding obligations:

- Certificates of Participation, Series 2005
- Certificates of Participation, Series 2006A
- Certificates of Participation, Series 2007
- Certificates of Participation, Series 2009A

The Series 2014 COPs will be issued via negotiated public offering, in an amount not-to-exceed \$170,000,000. The proceeds will be used to refund approximately \$145,000,000 in outstanding obligations and to pay costs of issuance. Debt Service for the repayment of the outstanding obligations and the proposed Series 2014 COPs are and will continue to be funded from general revenues of the University and are not charged against the University's annual appropriation. The refinancing is being undertaken for the purpose of

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debt service savings. Therefore, the University will not need to find new revenue sources for repayment of the proposed Series 2014 COPs' debt service.

It is anticipated that the University's Board of Trustees will approve the refinancing at its November 13, 2014 Board of Trustees meeting. Following approval by the Board of Trustees and the Commission, the University expects to price and close the Series 2014 COPs by December 31, 2014.

Enclosed for your review and consideration are a preliminary structural and savings analysis for the Series 2014 COPs as well as the University's summary of outstanding debt, rating history and its most recent audited financial statements. In order to complete your review, submission of additional legal and offering documents will be provided in the coming weeks.

We appreciate your attention to this matter and respectfully request that the Commission consider the University's refinancing proposal at their earliest opportunity so that we can take advantage of favorable interest rates and close the transaction by year end. We look forward to discussing this refinancing with you and if you have any questions or need additional information, please feel free to contact me at (217) 244-3400 or [rplanken@uillinois.edu](mailto:rplanken@uillinois.edu).



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Director of Capital Financing

Enclosures

C: Walter K. Knorr  
Peter J. Newman  
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