

**MINUTES OF THE MAY 10, 2011, MEETING OF THE BOARD OF DIRECTORS OF THE ILLINOIS
FINANCE AUTHORITY**

The Board of Directors (the "Board") of the Illinois Finance Authority (the "IFA" or the "Authority"), pursuant to notice duly given, held a Board Meeting at 10:30 a.m. on Tuesday, May 10, 2011, at the Prudential Plaza Conference Center at 130 East Randolph Street, 7th Floor, Chicago, IL 60601.

Members Present:

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Dr. William Barclay
4. John "Jack" Durburg
5. Norman M. Gold
6. Terrence M. O'Brien
7. Heather D. Parish
8. Hon. Barrett Pedersen

Via Telephone:

9. Gila J. Bronner
10. Roger E. Poole

Members Absent:

11. James J. Fuentes
12. Dr. Roger D. Herrin
13. Edward H. Leonard, Sr.
14. Bradley A. Zeller

Vacancies: One

Call to Order, Roll Call and Chairman's Remarks

Chairman Brandt called the meeting to order at 10:48 a.m. with the above Members present. The Chairman welcomed Members of the Board, IFA staff and all guests. He then asked Assistant Board Secretary, Mr. Syed, to call the roll. There being eight (8) Members physically present and two (2) Members present via teleconference a quorum was declared present.

Chairman Brandt thanked Mr. DeNard for his service on the IFA Board of Directors and stated that he is excited to have the Mayor of Franklin Park, Hon. Barrett Pedersen, appointed to the IFA Board.

Acceptance of Financial Statements and Minutes

Financial statements for the period ending April 30, 2011, and Minutes for both the Committee of the Whole and Board of Directors Meetings each held on April 12, 2011, were presented to the Board. Chairman Brandt stated that the Authority's Financial Statements and respective Minutes were reviewed at the regularly scheduled Committee of the Whole Meeting held at 9:00 a.m. The Chairman requested a motion to approve the April 30, 2011, Financial Statements and Minutes for both the Committee of the Whole and Board of Directors Meetings held on April 12, 2011.

The motion was made by Dr. Barclay and seconded by Vice Chairman Goetz. The April 30, 2011, Financial Statements and Minutes for both the Committee of the Whole and Board of Directors Meetings held on April 12, 2011, were unanimously approved by the Members of the Board.

Project Approvals

Chairman Brandt asked Ms. Lenane, Vice President, to present the projects for consideration to the Board. The Chairman explained that all projects are reviewed by a staff Credit Committee and all agriculture, energy and healthcare projects are also reviewed at their respective committee's public hearing each month. Finally, each project is discussed at the Committee of the Whole Meeting held at 9:00 a.m. before the Board Meeting.

Ms. Lenane presented the following projects for approval:

Item No. 1A: Andrew J. & Jacqueline L. Colgan - \$125,000 – 40 acres

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$125,000 for the purchase of approximately 40 acres of farmland. This project is located in unincorporated Stark County, near Toulon, IL.

Item No. 1B: Beginning Farmer Bond Amendment – John J. Traub

Bluestem National Bank and John J. Traub have requested that the IFA amend the amortization schedule as originally presented April 12, 2011 in Exhibit A from 25-year maturity to a 30-year maturity in order to meet the eligibility guidelines outlined by the subordinate financing with Farm Service Agency. This would extend Illinois Finance Authority's Bond by 5 years, thus reducing the annual payment by the borrower. Also requested for approval is a revision to the Exhibit B to reflect annual adjustments on the rate after the first three years per the original application in lieu of every three years as originally approved. The subject project is pending closing and has met all other requirements.

Item No. 2: Aaron Bertolino – Agri-Debt Guarantee - \$352,000

Aaron Bertolino is requesting approval of an Agri-Debt Guarantee (Final One-Time Resolution) in an amount not-to-exceed \$352,000. The proposed loan of \$352,000 will refinance an existing real estate loan in the amount of \$201,617 and working capital in the amount of \$150,383. This project is located in unincorporated Christian County, near Morrisville, IL.

Item No. 3: Adam T. Bertolino – Agri-Debt Guarantee - \$380,000

Adam T. Bertolino is requesting approval of an Agri-Debt Guarantee (Final One-Time Resolution) in an amount not-to-exceed \$380,000. The proposed loan of \$380,000 will refinance an existing real estate loan in the amount of \$230,000 and working capital in the amount of \$150,000. This project is located in unincorporated Christian County, near Morrisville, IL.

Director Meister explained that the Committee of the Whole agreed that the Agri-Debt Guarantees will be subject to conditions discussed at the Meeting with a delegation to the Executive Director to meet the Board's conditions.

Item No. 4: Mr. Fermin Adames, Sr., individually (on behalf of Tempco Electric Heater Corporation) - \$6,660,000 – Preliminary

Mr. Fermin Adames, Sr., (the "Borrower") borrowing individually on behalf of Tempco Electric Heater Corporation, is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$6,660,000. Bond proceeds will be used by the Borrower to: (i) construct and equip an addition to an existing manufacturing facility that is leased to Tempco; (ii) refinance currently outstanding Series 1997 Bonds, Series 1989 Bonds; and (iii) pay costs of issuance.

Item No. 6: Methodist Medical Center of Illinois - \$120,000,000 – Final

Methodist Medical Center of Illinois is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$120,000,000. Bond proceeds will be used to: (i) refinance Methodist Medical Center of Illinois Series 1998 fixed rate bonds; (ii) refinance a taxable bank line of credit used for hospital renovations at its campus in Peoria; (iii) pay certain swap termination costs associated with an outstanding fixed payor swap; and (iv) pay costs of issuance.

Item No. 7: UNO Charter School Network, Inc. and United Neighborhood Organization - \$65,000,000 - Preliminary

UNO Charter School Network, Inc. and United Neighborhood Organization, as prospective co-borrowers, are requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$65,000,000. Bond proceeds will enable UNO Charter School Network, Inc. to: (i) refinance outstanding taxable bank loans; (ii) capitalize a debt service reserve fund; and (iii) pay costs of issuance.

Item No. 8: Sarah's Circle, Inc. - \$1,275,000 – Preliminary

Sarah's Circle, Inc. is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$1,275,000. Bond proceeds will enable the Sarah's Circle, Inc. to: (i) acquire and rehabilitate a facility at 1016 W. Argyle Street, Chicago, IL; and (ii) pay costs of issuance of the Bonds.

Item No. 9: Request for Financial Covenant Compliance Waiver for IFA Agri-Business Guarantee Loan No. A-AI-TX-GT-6120

Item No. 10: Participation Loan Update – PNC Bank – (IFA Loan No. B-LL-TX-582)

No guests attended with respect to Items Nos. 1A, 1B, 2, 3, 4, 6, 7, 8, 9 or 10. Chairman Brandt asked if the Board had any questions with respect to Items Nos. 1A, 1B, 2, 3, 4, 6, 7, 8, 9 or 10. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Items Nos. 1A, 1B, 2, 3, 4, 6, 7, 8, 9 and 10.

Item Nos. 1A, 1B, 2, 3, 4, 6, 7, 8, 9 and 10 received approval with 10 ayes, 0 nays and 0 abstentions.

Item No. 5: Swedish Covenant Hospital - \$20,000,000 – Preliminary

Swedish Covenant Hospital (the "Hospital") is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$20,000,000. Bond proceeds will be used to: (i) acquire, construct, renovate and remodel Hospital buildings and the medical and information systems equipment; and (ii) pay costs of issuance.

Chairman Brandt asked if the Board had any questions with respect to Item No. 5. Ms. Bronner stated that she would abstain due to the fact that she is related to a party that is involved with an entity working on this project. Chairman Brandt requested a roll call vote for Item No. 5.

After a vote was taken, Mr. Pederson motioned to reconsider the vote due to the fact that one Board Member's name was not called. Mr. O'Brien seconded the motion. The motion was approved unanimously.

Item No. 5 received approval with 9 ayes, 0 nays and 1 abstention (Bronner).

Other Business

None.

Adjournment

Chairman Brandt then asked if there were any other business matters to come before the Board. Hearing none, the Chairman motioned to adjourn and Mr. O'Brien seconded the motion. The Board unanimously agreed to adjourn at 11:04 a.m.

Minutes submitted by:
Ahad Syed
Assistant Board Secretary