

**MINUTES OF THE MARCH 11, 2008 MEETING 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 Board Meeting at 3:00 p.m. on March 11, 2008 at the Illinois State Library, 300 S. Second Street, Room 403/404, Springfield, Illinois:

<u>Members present:</u>	<u>Members absent:</u>	<u>Members participating by telephone:</u>
William A. Brandt, Jr., Chair	Terrence M. O'Brien	Ronald E. DeNard
Michael W. Goetz, Vice Chair	Andrew W. Rice	James J. Fuentes
Dr. William J. Barclay	Joseph P. Valenti	Lynn F. Talbott
Magda M. Boyles	April D. Verrett	
Dr. Roger D. Herrin		
Edward H. Leonard, Sr.		
Juan B. Rivera	<u>Vacancies:</u>	
Bradley A. Zeller	None	

GENERAL BUSINESS

Call to Order, Establishment of Quorum and Roll Call

Chairman Brandt called the meeting to order at 3:13 p.m. with the above members present. Chairman Brandt welcomed members of the Board and all guests and asked Secretary, Carla Burgess Jones to call the roll. There being eight (8) members physically present, and three (3) members on the telephone Ms. Burgess Jones declared a quorum present.

Chairman's Report

Chairman Brandt thanked fellow Board members and guests for coming. Chairman Brandt stated that all projects being presented at today's meeting were reviewed by all members of the Board at the Committee of the Whole meeting held at 12:00 noon today.

Acceptance of Financial Statements

Financial statements for the period ending February 29, 2008 were presented to members of the Board and accepted by the Board. Chairman Brandt stated that the Authority's financial statements were reviewed at the regularly scheduled Committee of the Whole Meeting held today at 12:00 noon. Chairman Brandt then asked Secretary Burgess Jones to take a roll call vote for approval of the financials. The financials were approved by a roll call vote with 11 ayes, 0 nays, and 0 abstentions.

Minutes

Chairman Brandt announced that the next order of business was to approve the minutes of the February 12, 2008 Meeting of the Board. Chairman Brandt announced that the February 12, 2008 minutes were approved at the regularly scheduled Committee of the Whole Meeting held today at 8:30 a.m. Chairman Brandt requested a motion to approve the minutes. Motion was moved by Dr. Barclay and seconded by Mr. Goetz. Secretary, Burgess Jones, took a roll call vote for approval of the minutes. The minutes were approved by a roll call vote with 11 ayes, 0 nays, and 0 abstentions.

Chairman Brandt then asked Director Hubbard to give the Director's Report.

Executive Director's Report

Director Hubbard welcomed and thanked all guests for coming. Director Hubbard reported that today the largest amount of financings in the history of the Illinois Finance Authority will be presented to the board for approval. Director Hubbard reported that the twenty-nine (29) projects being presented today total over \$4 billion and, are expected to create 788 new jobs and 4,645 construction jobs. Director Hubbard reported that the largest number of financings being presented today will be for the healthcare sector, those projects total over \$3 billion.

Projects

Chairman Brandt asked Executive Director Hubbard to present the projects for consideration to the Board. Director Hubbard presented agricultural projects in a total approximate amount of \$847,000.00 to the Board for approval. Project no. 1 includes four (4) individual Beginning Farmer projects:

No. 1: A-FB-TE-CD-8017 – Donald & Jolene Robinson

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$234,500 to provide permanent financing to purchase approximately 101 acres of farmland. This project is located in Marseilles, Illinois. (08-03-01).

A-FB-TE-CD-8018 – Heath & Jamie Houck

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$182,500 to provide permanent financing to purchase approximately 58 acres of farmland. This project is located in Nokomis, Illinois. (08-03-01).

A-FB-TE-CD-8019 – Wallace Ray Williams, III

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$250,000 to provide permanent financing to purchase approximately 79 acres of farmland. This project is located in Nashville, Illinois. (08-03-01).

A-FB-TE-CD-8020 – Thomas & Bonnie Harrison

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$180,000 to provide permanent financing to purchase approximately 51 acres of farmland. This project is located in Paxton, Illinois. (08-03-01).

No guests attended with respect to Project no. 1. Chairman Brandt asked if the Board had any questions with respect to the Beginning Farmer Bonds presented. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 1 which includes four (4) individual Beginning Farmer Bonds. Leave was granted. Project No. 1 which includes four (4) individual Beginning Farmer Bonds received final approval with 11 ayes, 0 nays, and 0 abstentions.

No. 2: B-LL-TX-8024 – Sulberg USA, Inc.

Request for final approval of the issuance of a Title IX Loan in an amount not-to-exceed \$127,904 to provide permanent financing to acquire new manufacturing equipment. This project is expected to create 11 new jobs. This project is located in Havana, Illinois. (08-03-02).

Chairman Brandt asked if there were any guests attending the meeting with respect to this project. Mr. Senica, IFA Senior Funding Manager, introduced Mr. Anthony Rolando, Senior Account Manager, DCEO, North Central Region. Mr. Rolando made no comments. Chairman Brandt then asked if the Board had any questions with respect to Project no. 2. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 2. Leave was granted. Project No. 2 received preliminary approval with 11 ayes, 0 nays, and 0 abstentions.

No. 3: I-ID-TE-CD-8021 – Kenall Manufacturing Company

Request for preliminary approval of the issuance of an Industrial Revenue Bond in an amount not-to-exceed \$5.6 million to construct an addition to the existing facility, purchase fixtures and equipment, and fund legal and professional issuance costs. This project is expected to create approximately 30 new jobs and 15 construction jobs. This project is located in Gurnee, Illinois. (08-03-03).

No guests attended with respect to Project no. 3. Chairman Brandt asked if the Board had any questions with respect to Project no. 3. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project no. 3. Leave was granted. Project No. 3 received preliminary approval with 11 ayes, 0 nays and 0 abstentions.

No. 4: P-PO-TE-CD-8022 (Series A-F) – Commonwealth Edison Company

Request for final approval of the issuance of Pollution Control Revenue Refunding Bonds in a combined par amount for 6 series of bonds issued pursuant to 3 Bond Resolutions, in an amount not-to-exceed \$343,175,000 million for the purpose of removal of bond insurance and current refunding from Auction Rate Mode to Fixed Rate Mode for six outstanding ComEd Bond issues. Refunding Bonds will be issued under the Illinois Environmental Facilities Financing Act and will not use any of the available \$26.5 billion debt limit currently authorized

under the IFA Act. This project is a Refunding Issue, no Volume Cap is required. The original issues corresponding to these Bonds, all of which were Refunds, occurred prior to 1984; Volume Cap was never required to support these Bond issues. This project is located in multiple locations throughout Illinois. (08-03-04).

No guests attended with respect to Project no. 4. Chairman Brandt asked if the Board had any questions with respect to Project no. 4. There being none, Chairman Brandt asked Secretary Burgess Jones to take a roll call vote for approval of Project no. 4. Project No. 4 was approved by roll call vote with 10 ayes, 0 nays and 1 abstention. Mr. DeNard abstained from voting because he is employed by a company that is a subsidiary of Commonwealth Edison Company.

No. 5: N-NP-TE-CD-7180 – Construction & General Laborers District of Chicago and Vicinity Joint Training and Apprentice Fund a/k/a Chicagoland Laborers Training and Apprentice Fund

Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$27 million to construct and equip a training facility, capitalize interest and fund professional and bond issuance costs. This project is expected to create 9 new jobs and 50 construction jobs. This project is located in Chicago, Illinois. (08-03-05).

No. 6: E-PF-TE-CD-8016 – Gift of Hope Organ and Tissue Donor Network

Request for preliminary approval of 501(c)3 Bonds in an amount not-to-exceed \$16 million to acquire and renovate an existing building to be used as an educational and training facility. This project is expected to create 22 new jobs and 25 construction jobs. This project is located in Itasca, Illinois. (08-03-06).

No. 7: N-NP-TE-CD-8014 – Armitage Commons Preservation, NFP

Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$5 million to refinance an existing first mortgage, capitalize a tax and insurance escrow and pay certain legal, professional and closing costs. This project is located in Chicago, Illinois. (08-03-07).

No. 8: N-NP-TE-CD-8003 – Center on Deafness

Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$1,825,000 to refinance outstanding mortgage debt. This project is located in Northbrook, Illinois. (08-03-08).

No. 9: N-NP-TE-CD-8009 – O’Fallon Preservation, NFP

Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$3 million to refinance a first mortgage and pay legal, professional and closing costs. This project is located in O’Fallon, Illinois. (08-03-09).

No guests attended with respect to Project Nos. 5 through 9. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 5 through 9. There being none, Chairman Brandt asked Secretary Burgess Jones to take a roll call vote for approval of Project Nos. 5 through 9. Project Nos. 5 through 9 were approved by roll call vote with 11 ayes, 0 nays and 0 abstentions.

- No. 10:** **L-GP-7018 – Central Macoupin County Rural Water District**
Request for final approval of the issuance of Local Government Pooled Bonds in an amount not-to-exceed \$225,000 to provide financing to complete the third phase of the District’s water distribution system expansion project. This project is located in Macoupin County, Illinois. **(08-03-10).**
- No. 11:** **L-GP-7026 – Village of Cooksville**
Request for final approval of the issuance of Local Government Pooled Bonds in an amount not-to-exceed \$295,000 to provide financing to replace the Village of Cooksville’s water treatment plant and to make improvements to its water system. This project is expected to create 30 construction jobs. This project is located in Cooksville, Illinois. **(08-03-11).**
- No. 12:** **L-GP-8034 – Village of Coulterville**
Request for final approval of the issuance of Local Government Bonds in an amount not-to-exceed \$1,075,000 million to provide financing for the Village’s water system updates, refund Illinois Rural Bond Bank’s alternate revenue bonds and USDA revenue bonds. This project is located in Coulterville, Illinois. **(08-03-12).**
- No. 13:** **L-GP-7027 – Village of Kingston Mines**
Request for final approval of the issuance of Local Government Bonds in an amount not-to-exceed \$235,000 to provide financing for the Village’s water system updates. This project is located in Peoria, Illinois. **(08-03-13).**

No guests attended with respect to Project Nos. 10 through 13. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 10 through 13. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 10 through 13. Leave was granted. Project Nos. 10 through 13 received final approval with 11 ayes, 0 nays, and 0 abstentions.

- No. 14:** **H-HO-TE-CD-8026 – Elmhurst Memorial Healthcare**
Request for preliminary approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$40 million to provide financing to construct and equip a replacement hospital, refinance existing debt and pay issuance and financing costs. This project is expected to create 250 construction jobs. This project is located in Elmhurst, Illinois. **(08-03-14).**
- No. 15:** **H-HO-TE-CD-8025 – Northwest Community Hospital**
Request for preliminary approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$300 million to provide financing for the construction of Northwest Community Hospital’s master facility plan, equipment relocation, fund debt service reserve, refinance a taxable line of credit and pay costs of issuance. This project is expected to create 246 new jobs and 300 construction jobs. This project is located in Arlington Heights, Illinois. **(08-03-15).**

No. 16: **H-HO-TE-CD-8027 – Provena Health**
Request for preliminary approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$666,905,000 to provide financing to refund all or a portion of Provena’s outstanding MBIA insured Series 1998A Fixed Rate Bonds, reimburse all or a portion of Series 1998 Taxable Commercial Paper and Series 2005A Taxable Term Loan, convert or refund all or a portion of Provena’s MBIA insured 1998B, 1998D and 1998D-R Auction Rate Securities and the MBIA insurance series 1998C Variable Rate Demand Bonds and pay costs of issuance. This project is located in Mokena, Illinois. **(08-03-16)**.

Chairman Brandt asked if there were any guests attending the meeting with respect to this project. Ms. Pamela Lenane, Vice President, introduced Mr. Tony Filer, Senior VP and CFO, Provena. Mr. Filer thanked members of the board for their consideration and stated that Provena will be celebrating its 10th Anniversary and thanked the Illinois Finance Authority for its support. Chairman Brandt then asked if the Board had any questions for Mr. Filer. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 14 through 16. Leave was granted. Project Nos. 14 through 16 received preliminary approval with 11 ayes, 0 nays, and 0 abstentions.

No. 17: **H-HO-CD-TE-8013 – Alexian Brothers Health System**
Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$55 million to provide financing to pay or reimburse the Corporation for costs of acquiring, constructing, renovating, remodeling and equipping certain healthcare facilities, fund debt service reserve and pay certain expenses in connection with the issuance of the Series 2008 Bonds. This project is expected to create 20 new jobs and 1,000 construction jobs. This project is located in Elk Grove Village and Hoffman Estates, Illinois. **(08-03-17)**.

No. 18: **H-HO-TE-CD-7233 – The Children’s Memorial Hospital**
Request for final approval of the issuance of 501(c)3 Refunding Bonds in an amount not-to-exceed \$650 million in financing. Proceeds will be used to assist Children’s in refunding all or a portion of existing Series 1999B, Series 2003A/B and Series 2004 Ambac Insured Auction Rate Securities and Series 1993 and Series 1999A Fixed Rate Bonds, pay or reimburse the borrower for, or refinance outstanding indebtedness, fund a debt service reserve fund, pay a portion of the interest on the bonds, provide working capital, and pay certain issuance costs. This project is expected to create 450 new jobs and 3,000 construction jobs. This project is located in Chicago, Illinois. **(08-03-18)**.

No. 19: **H-HO-TE-CD-8030 – Delnor-Community Hospital**
Request for final approval of the issuance of 501(c)3 Refunding Bonds in an amount not-to-exceed \$165 million to provide financing to convert Series 2002 and Series 2003 Financial Security Assurance Insured Auction Rate Bonds, refund Series 2006 Financial Guaranty Insurance Company Insured Auction Rate Bonds, pay termination fees and pay costs of issuance. This project is located in Geneva, Illinois. **(08-03-19)**.

- No. 20:** **H-HO-TE-CD-8031 – Edward Hospital**
Request for final approval of the issuance of 501(c)3 Refunding Bonds in an amount not-to-exceed \$250 million to provide financing to convert all or a portion of certain existing Ambac insured IFA Series 2007A-1 and 2007A-2 Auction Rate Bonds, refund the Ambac insured IFA Series 2007B and Series 2007C Variable Rate Bonds and pay issuance costs. This project is located in Naperville, Illinois. **(08-03-20).**
- No. 21:** **H-HO-TE-CD-8033 – Advocate Health Care Network**
Request for final approval of the issuance of 501(c)3 Refunding Bonds in an amount not-to-exceed \$650 million to provide financing. Bond proceeds will be used to refund all or a portion of certain existing Ambac insured Series 2005 Bonds and Series 2007 Auction Rate Bonds, and pay costs of issuance. This project is located in multiple areas throughout Illinois. **(08-03-21).**
- No. 22:** **H-HO-TE-CD-8032 – Little Company of Mary Hospital**
Request for final approval of the issuance of 501(c)3 Refunding Bonds in an amount not-to-exceed \$150 million to provide financing. The 2008 Bond proceeds will be used to refund all or a portion of certain existing MBIA insured IFA Series 2007 Auction Rate Bonds and Illinois Health Facility Authority Series 1997B Auction Rate Bonds and pay costs of issuance. This project is located in multiple areas throughout Illinois. **(08-03-22).**
- No. 23:** **H-HO-TE-CD-8028 – Swedish Covenant Hospital**
Request for final approval of the issuance of 501(c)3 Refunding Bonds in an amount not-to-exceed \$115 million to provide financing to refund all or a portion of outstanding Series 1995 Variable Rate Demand Bonds, Series 1998A Auction Rate Bonds, pay termination fees for interest rate swaps with AMBAC Financial Services, establish a debt service reserve fund and pay issuance costs. This project is located in Chicago, Illinois. **(08-03-23).**

No guests attended with respect to Project Nos. 17 through 23. Chairman Brandt asked if the Board had any questions regarding Project Nos. 17 through 23. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 17 through 23. Leave was granted. Project Nos. 17 through 23 received final approval with 11 ayes, 0 nays, and 0 abstentions.

- No. 24:** **E-PC-TE-CD-8023 – Bradley University**
Request for final approval of the issuance of 501(c)3 Bonds in an amount not-to-exceed \$67 million to provide financing to refund all of the University's outstanding Series 2002 bonds. Bonds are being refunded for the sole purpose of replacing insurance bonds with bonds backed by a direct pay Letter of Credit. This project is located in Peoria, Illinois. **(08-03-24).**

Chairman Brandt asked if there were any guests attending the meeting with respect to this project. Mr. Jim Senica, Senior Funding Manager, introduced Ms. Patina Gandhi, Office of Business Affairs, Bradley University. Ms. Gandhi thanked members of the board and the Illinois Finance Authority for its consideration and for supporting the University's financing needs now

and in the past. Chairman Brandt then asked if the Board had any questions for Ms. Gandhi. There were no questions.

- No. 25:** **E-PC-TE-CD-8002 – The University of Chicago**
Request for final approval of the issuance of 501(c)3 Revenue Refunding Bonds in an amount not-to-exceed \$125 million to provide financing for current refunding of IFA (IEFA) Series 1998A Bonds with IFA Series 2008 Variable Rate Revenue Bonds. This project is located in Chicago, Illinois. **(08-03-25)**.

No guests attended with respect to Project No. 25. Chairman Brandt asked if the Board had any questions regarding Project No. 25. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 24 and 25. Leave was granted. Project Nos. 24 and 25 received final approval with 11 ayes, 0 nays, and 0 abstentions.

Resolutions/Amendatory Resolutions

- No. 26:** **Certain Hospital Bond Issues.** Resolution of the Illinois Finance Authority relating to authorization of certain actions in connection with interest rate mode conversions for certain hospital bond issues.
- No. 27:** **Interest Rate Mode Conversions for Certain Cultural Institutions.** Resolution of the Illinois Finance Authority relating to the authorization of certain actions in connection with interest rate mode conversions for certain cultural institution bond issues.
- No. 28:** **Resolution No. 2008-03-28 – Blackhawk Biofuels.** Resolution authorizing the transfer and re-issuance by the Illinois Finance Authority of a State Guarantee to Fifth Third Bank; authorizing the execution and delivery of related State Guarantee documentation; and authorizing and approving certain related matters. adopting merit compensation plan for employees of the Illinois Finance Authority.

Chairman Brandt asked if the Board had any questions with respect to Resolution Nos. 26 through 28. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Resolution Nos. 26 through 28. Leave was granted. Resolution Nos. 26 through 28 were approved with 11 ayes, 0 nays, and 0 abstentions.

Chairman Brandt asked if there was any other business to come before the Board. There being none, Chairman Brandt requested a motion to adjourn. Upon a motion by Dr. Herrin and seconded by Mr. Zeller, the meeting adjourned at approximately 4:13 p.m.

Respectfully Submitted,

Carla B. Burgess Jones, Secretary