

**MINUTES OF THE MAY 6, 2013, MEETING OF THE HEALTHCARE COMMITTEE 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 Healthcare Committee (the “Committee”) Teleconference Meeting at 11:00 a.m. on May 6, 2013, at the Chicago Office of the Illinois Finance Authority, 180 North Stetson Avenue, Suite 2555, Chicago, IL 60601.

IFA Staff Participants:

Board Members Participating:

Others Participating:

Chairman, Dr. Barclay
Mike Goetz
Heather Parish
Roger Poole
Brad Zeller

Christopher Meister, Executive Director
Pamela Lenane, Acting General
Counsel/Vice President
Nora O’Brien, Associate General Counsel
Chrisantha Vedhanayagam, Law Clerk

Courtney Shea, Acacia Financial Group
Claire Bushey, Crain’s Chicago Business

GENERAL BUSINESS

I. Call to Order and Roll Call

Dr. Barclay called the Committee meeting to order at 11:03 a.m. with the above Board Members, IFA staff and other participants present. Dr. Barclay asked Ms. O’Brien to call the roll. There being five members present, Dr. Barclay declared a quorum had been met.

II. Review and adoption of the Healthcare Committee Meeting Minutes from April 1, 2013

Dr. Barclay asked for a motion to approve the minutes from April 1, 2013. Mr. Poole moved to approve the above project and the motion was seconded by Mr. Goetz. By voice vote, the Committee approved the above referenced minutes.

III. Project Approvals

Ms. O’Brien presented the following projects:

Item A: Rehabilitation Institute of Chicago - \$450,000,000 – Final Resolution

Rehabilitation Institute of Chicago is requesting approval of a Final Resolution in an amount not-to-exceed \$450,000,000. The proceeds will be used by **Rehabilitation Institute of Chicago** (“**RIC**” or the “**Borrower**”) to (i) pay or reimburse, or refinance certain indebtedness the proceeds of which were used to pay or reimburse, the costs of acquiring, constructing, renovating, remodeling and equipping certain of the Borrower’s health care facilities, including but not limited to the construction and equipping of a 27-floor building which will house a 242-bed replacement rehabilitation hospital occupying 17 floors, a seven-floor parking garage, and three floors of medical office space (the “**Project**”), (ii) refinance all or a portion the **Illinois Educational Facilities Authority** Commercial Paper Revenue Notes (**Pooled Financing Program**), (iii) refund all or a portion of the **Illinois Finance Authority** Variable Rate Demand Revenue Bonds (**Series 2009A, 2009B and 2009C**), (iv) fund a debt service reserve fund, if deemed necessary or advisable by the Authority or the Borrower, (v) fund working capital, if deemed necessary or advisable by the Authority or the Borrower, (vi) pay a portion of the interest accruing on the

Bonds, if deemed necessary or advisable by Borrower, and (vii) pay certain expenses incurred in connection with the issuance of the Bonds, the refinancing of the Commercial Paper and the refunding of the Series 2009 Bonds.

Ms. O'Brien stated that she would update the report to reflect the status of Loop Capital Markets as a co-manager on the transaction.

Dr. Barclay asked for a motion to approve the above project. Mr. Goetz moved to approve the project and the motion was seconded by Mr. Poole. By voice vote, the Committee agreed that this project be recommended for Board approval.

Item B: Riverside Health System - \$35,000,000 – Final Resolution

Riverside Health System is requesting approval of a Final Resolution in an amount not-to-exceed \$35,000,000. The proceeds will be used by **Riverside Health System** (“**Riverside**”, “**RHS**” or the “**Borrower**”) to (i) pay or reimburse, or refinance certain indebtedness the proceeds of which were used to pay or reimburse, the costs of acquiring, constructing, renovating, remodeling and equipping certain of the Borrowers’ health care facilities (the “**Project**”), (ii) advance refund all or a portion of the outstanding principal amount of the Illinois Finance Authority Revenue Bonds, Series 2009 (Riverside Health System), (iii) provide for funded interest during construction of the Project, (iv) fund a debt service reserve fund, if deemed necessary or advisable by the Authority or the Borrowers and (v) pay certain expenses incurred in connection with the issuance of the Bonds.

Dr. Barclay asked for a motion to approve the above project. Mr. Goetz moved to approve the project and the motion was seconded by Mr. Poole. By voice vote, the Committee agreed that this project be recommended for Board approval.

Item C: Peace Memorial Ministries - \$25,000,000 – Preliminary Resolution

Peace Memorial Ministries is requesting approval of a Preliminary Resolution in an amount not-to-exceed \$25,000,000. The proceeds will be used by **Peace Memorial Ministries** (the “**Corporation**” or the “**Borrower**”) to (i) pay or reimburse the Borrower for, or refinance certain indebtedness the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain “projects” (as such term is defined in the Illinois Finance Authority Act, as amended) for the Borrower’s senior living community, including, but not limited to, budgeted routine capital expenditures; (ii) refund all or a portion of the outstanding principal amount of the \$9,565,000 Illinois Health Facilities Authority Revenue Refunding Bonds, Series 2003A (Peace Memorial Ministries) (the “**Series 2003A Bonds**”); (iii) refund all or a portion of the outstanding principal amount of the \$10,000,000 Illinois Health Facilities Authority Weekly Adjustable Rate Revenue Bonds, Series 2003B (Peace Memorial Ministries) (the “**Series 2003B Bonds**” and, together with the Series 2003A Bonds, the “**Prior Bonds**”); (iv) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Borrower; (v) establish a debt service reserve fund with respect to the Bonds, if deemed necessary or advisable by the Borrower; (vi) provide working capital to the Borrower, if deemed necessary or advisable by the Borrower; and (vii) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds.

Dr. Barclay asked for a motion to approve the above project. Mr. Goetz moved to approve the project and the motion was seconded by Mr. Zeller. By voice vote, the Committee agreed that this project be recommended for Board approval.

VI. Other Business

Ms. Lenane stated that she would miss the board meeting this month to attend the Citi Healthcare Investor Conference. She explained that it is a great opportunity to hear for all of the big health systems regarding their capital financing plans.

IV. Public Comment

There was no public comment.

V. Adjournment

Dr. Barclay asked for a motion to adjourn. Mr. Poole moved to adjourn and Ms. Parish seconded the motion.

The meeting adjourned at 11:26 a.m.

Minutes submitted by:
Nora O'Brien
Associate General Counsel