

**MINUTES OF THE JUNE 14, 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, June 14, 2011, at the Prudential Plaza Conference Center at 130 East Randolph Street, 7<sup>th</sup> Floor, Chicago, IL 60601.

**Members Present:**

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Dr. William J. Barclay
4. Gila J. Bronner
5. Norman M. Gold
6. Edward H. Leonard, Sr.
7. Terrence M. O’Brien
8. Heather D. Parish
9. Hon. Barrett F. Pedersen
10. Bradley A. Zeller

**Via Telephone:**

11. Mr. Roger E. Poole (*The phone connection with Mr. Poole was lost prior to roll call vote.*)

**Members Absent:**

12. John “Jack” Durburg
13. James J. Fuentes

**Vacancies:** Two

*Call to Order, Roll Call and Chairman’s Remarks*

Chairman Brandt called the meeting to order at 10:53 a.m. with the above Members present. The Chairman welcomed Members of the Board, IFA staff and all guests. He then asked the Board Secretary, Mr. Cournane, to call the roll. There being ten Members physically present a quorum was declared met.

Chairman Brandt announced that Dr. Roger Herrin had resigned from the IFA Board and congratulated him on his recent appointment as Chairman of the Southern Illinois University Edwardsville Board of Trustees. The Chairman thanked Dr. Roger Herrin for his decades-long service on the IFA Board, the Illinois Health Facilities Authority Board and the Illinois Health Reform Task Force. The Chairman stated that there may be a Resolution honoring his long-term service for IFA and its predecessors at a Board Meeting in the near future.

Lastly, Chairman Brandt announced that due to the seasonality of business the next two IFA Board Meetings (July and August 2011) would be rescheduled for the third Tuesday of each month. Accordingly, the next two IFA Board Meetings will be held on July 19, 2011, and August 16, 2011, respectively. The Board Meetings will resume their normal schedule on the second Tuesday of each month starting in September 2011, unless otherwise noted.

*Acceptance of Financial Statements and Minutes*

Chairman Brandt explained to all present that the Board of Directors will defer a vote on the May 10, 2011, Committee of the Whole and Board Meeting Minutes until the next Board Meeting.

Financial statements for the period ending May 31, 2011, were presented to the Board. Chairman Brandt stated that the Authority’s Financial Statements were reviewed at the regularly scheduled Committee of the Whole Meeting held at 9:30 a.m. The Chairman requested a motion to approve the May 31, 2011, Financial Statements.

The motion was made by Mr. O’Brien and seconded by Ms. Bronner. The May 31, 2011, Financial Statements were unanimously approved by the Members of the Board.

Project Approvals

Chairman Brandt asked Mr. Frampton, 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 was discussed at the Committee of the Whole Meeting held at 9:30 a.m. before today's Board Meeting.

Mr. Frampton presented the following projects:

*Agriculture - Beginning Farmer Bonds*

**Item No. 1A: Nathan W. Billups - \$167,000 – 38 acres**

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$167,000 for the purchase of approximately 38 acres of farmland. This project is located in unincorporated Putnam County, near Magnolia, IL.

**Item No. 1B: Daren A. Bohnenstiehl - \$168,100 – 38.5 acres**

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$168,100 for the purchase of approximately 38.5 acres of farmland. This project is located in unincorporated Madison County, near Edwardsville, IL.

**Item No. 1C: Joshua A. Bohnenstiehl - \$168,100 – 38.5 acres**

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$168,100 for the purchase of approximately 38.5 acres of farmland. This project is located in unincorporated Madison County, near St. Jacob, IL.

**Item No. 1D: Jennifer Neff - \$476,449 – an undivided 32.6% interest in 150 acres**

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$476,449. Bond proceeds will finance the purchase of an undivided 32.6% interest in 150 acres of farmland located in unincorporated Macoupin County, near Virden, IL.

**Item No. 1E: Quinn P. & Kristen N. Bennett - \$252,350 – 75.76 acres**

Request for approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$252,350 for the purchase of approximately 75.76 acres of farmland. This project is located in unincorporated Shelby County, near Windsor, IL.

*Agriculture - Agri-Debt Guarantee*

**Item No. 2: Gerald A. Brechon – Agri-Debt Guarantee - \$500,000**

Gerald A. Brechon is requesting approval of an Agri-Debt Guarantee (Final One-Time Resolution) in an amount not-to-exceed \$425,000 on a \$500,000 loan. This proposed loan will be 85% Guaranteed. This proposed loan of \$500,000 will be combined with substantial owner equity to refinance a significantly larger working capital loan. This project is located in unincorporated Lee County, near Dixon, IL.

No guests attended with respect to Items Nos. 1A, 1B, 1C, 1D, 1E or 2. Chairman Brandt asked if the Board had any questions with respect to Items Nos. 1A, 1B, 1C, 1D, 1E or 2. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Items Nos. 1A, 1B, 1C, 1D, 1E and 2.

Item Nos. 1A, 1B, 1C, 1D, 1E and 2 received approval with 10 ayes, 0 nays and 0 abstentions.

**Item No. 7: Lawndale Educational and Regional Network Charter School (LEARN Charter School Network) - \$6,000,000 – Preliminary**

**Lawndale Educational and Regional Network Charter School (LEARN Charter School Network)** (or "LEARN") is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$6,000,000. Bond proceeds, combined with funds from other sources, will enable LEARN to (i) acquire, construct, renovate and equip a new school campus facility owned and operated by LEARN; (ii) current refund certain Revenue Bonds; and (iii) pay costs of issuance. Mr. Frampton also reported that he would be following up with LEARN Charter School Network to refine the final construction job estimate in advance of the Borrower returning to the Board to request consideration of a Final Bond Resolution.

*Update/Resolutions*

**Item No. 8: Resolution to Approve and Amend a Restated Bond and Loan Agreement, and related changes, in connection with IFA Series 2006 Industrial Revenue Bonds – 590 Tower Boulevard, LLC Project (on behalf of MAAC Machinery Company, Inc.)**

Authorizes certain revisions in outstanding Bond documents to permit the transfer of Bonds to a private entity.

**Item No. 9: Resolution to Authorize the Execution and Delivery of Supplemental Bond Trust Indenture and Loan Agreement relating to IFA Series 2004B Bonds and IFA Series 2004C Bonds (Rest Haven Illiana Christian Convalescent Home Project)**

Authorizes certain revisions in outstanding Bond documents to permit remarketing.

**Item No. 10: Resolution Approving and Ratifying Actions Related to IFA Accounts Held at Banterra Bank**

Authorizes certain revisions in outstanding Bond documents to permit remarketing.

**Item No. 11: Internal Revenue Service Post-Issuance Requirements**

**Item No. 12: Energy Committee Matters**

Chairman Brandt explained to all gathered that this resolution is in regards to an energy insurance program which the IFA Energy Committee has worked diligently on to help offset the risks associated with the issuance of bonds.

**Item No. 13: Approval of Interim Loan to East St. Louis Financial Advisory Authority**

Chairman Brandt explained that a similar resolution was passed in April 2011 by the IFA Board of Directors. However, due to concerns regarding the Financial Advisory Authority the loan is being presented again for consideration. Finally, the not-to-exceed amount of the proposed loan is being reduced to an amount not-to-exceed \$10,000.

No guests attended with respect to Items Nos. 7, 8, 9, 10, 11, 12 or 13. Chairman Brandt asked if the Board had any questions with respect to Items Nos. 7, 8, 9, 10, 11, 12 or 13. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Items Nos. 7, 8, 9, 10, 11, 12 and 13.

Item Nos. 7, 8, 9, 10, 11, 12 and 13 received approval with 10 ayes, 0 nays and 0 abstentions.

**Item No. 3: Advocate Health Care Network - \$533,000,000 – Preliminary**

**Advocate Health Care Network** (“Advocate”) is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$533,000,000. Bond proceeds together with other available monies of Advocate will be used to (i) acquire, construct and equip several healthcare projects at various campuses, including a new ambulatory pavilion at Advocate Christ Medical Center in Oak Lawn, Illinois; (ii) restructure a portion of Advocate’s outstanding debt issued for its facilities statewide, if deemed necessary or advisable; (iii) fund a debt service reserve fund, if deemed necessary or advisable; and (iv) pay costs of issuance.

Chairman Brandt welcomed Mr. Dominic Nakis, Senior Vice President, Chief Financial Officer and Treasurer and Mr. Jim Doheny, Vice President, Finance and Corporate Controller from Advocate.

Mr. Nakis thanked the IFA Board for their consideration of the project and explained the purposes and uses of the Bond proceeds. Advocate is currently planning on using Bond proceeds for new money projects such as an ambulatory pavilion with a parking garage. Bond proceeds may also be used to renovate general and neurological operating room(s). Mr. Nakis stated that Advocate may begin the preliminary phase of construction as early as the fall of 2011 using union labor.

Director Meister thanked Advocate for choosing the IFA as its conduit issuer.

Vice Chairman Goetz thanked Advocate for using union contractors for construction work.

Dr. Barclay thanked Advocate for having minority-owned Co-Managers on the project.

Chairman Brandt asked if the Board had any questions with respect to Item No. 3. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Item No. 3.

Item No. 3 received approval with 10 ayes, 0 nays and 0 abstentions.

**Item No. 4: CDH-Delnor Health System - \$190,000,000 – Preliminary**

**CDH-Delnor Health System** is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$190,000,000. Bond proceeds will be used to (i) refund CDH-Delnor Health System’s Series 2004A Bonds and Series 2008A Bonds; and (ii) pay costs of issuance.

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

**Swedish Covenant Hospital** (the “Hospital”) is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$20,000,000. Bond proceeds will be used to (i) pay or reimburse Swedish Covenant Hospital for the cost of renovating and remodeling Hospital buildings and acquiring medical and information systems equipment; and (ii) pay costs of issuance.

**Item No. 6: Northwest Community Hospital - \$54,000,000 – Final (One-time Consideration)**

**Northwest Community Hospital** is requesting approval of a Final Bond Resolution (a one-time consideration) in an amount not-to-exceed \$54,000,000. Bond proceeds will be used to current refund Northwest Community Hospital Series 2002B Bonds for facilities located at its campus in Arlington Heights.

Chairman Brandt asked if the Board had any questions with respect to Item Nos. 4, 5 or 6. Ms. Bronner stated that she would abstain on Item Nos. 4, 5 and 6 due to the fact that she is related to a party that is involved with an entity engaged to work on this transaction. Chairman Brandt requested a roll call vote for Item Nos. 4, 5 and 6. Item Nos. 4, 5 and 6 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 asked for a motion to adjourn. Vice Chairman Goetz motioned to adjourn and Mr. O'Brien seconded the motion. The Board unanimously agreed to adjourn at 11:16 a.m.

Minutes submitted by:

Ahad Syed

Assistant Board Secretary