

## MINUTES OF THE DECEMBER 9, 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 11:30 a.m. on December 9, 2008 at the Mid America Club, 200 E. Randolph Drive, 80<sup>th</sup> Floor, Chicago, Illinois.

<b><u>Members present:</u></b>	<b><u>Members absent:</u></b>	<b><u>Members participating by telephone:</u></b>
William A. Brandt, Jr., Chairman	James J. Fuentes	None
Michael W. Goetz, Vice Chairman	Dr. Roger D. Herrin	
Dr. William J. Barclay	April D. Verrett	
Ronald E. DeNard		
Edward H. Leonard, Sr.	<b><u>Vacancies:</u></b>	
Terrence M. O'Brien	4	
Juan B. Rivera		
Bradley A. Zeller		

### **GENERAL BUSINESS**

#### **Call to Order, Establishment of Quorum and Roll Call**

Chairman Brandt called the meeting to order at 11:57 a.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, Ms. Burgess Jones declared a quorum present.

#### **Chairman's Remarks**

Chairman Brandt thanked fellow Board members and guests for coming. Chairman Brandt acknowledged various media reports dated December 9, 2008. Chairman Brandt announced recent personnel changes at the Authority, including the appointment of Chris Meister as Deputy Director-General Counsel, J. Stuart Boldry as Treasurer-Chief Operating Officer, and Kara Nystrom-Boulahanis as Assistant Secretary.

#### **Executive Director's Remarks**

Director Filan gave a brief status report on new initiatives currently under development at the Authority. Director Filan stated that the Authority plans to work in partnership with other State agencies and universities to implement these initiatives.

## **Acceptance of Financial Statements**

Financial statements for the period ending November 30, 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 8:30 a.m. Financial Statements were unanimously approved by members of the Board.

## **Minutes**

Chairman Brandt announced that the next order of business was to approve the minutes of the November 12, 2008 Meeting of the Board. Chairman Brandt announced that the November 12, 2008 minutes were reviewed at the regularly scheduled Committee of the Whole Meeting held today at 8:30 a.m. The November 12, 2008 minutes were unanimously approved by members of the Board.

## **Project Approvals**

Chairman Brandt asked Ms. Walker to present the projects for consideration to the Board. Chairman Brandt announced that projects being presented today for approval were thoroughly reviewed at the Committee of the Whole Meeting held at 8:30 a.m. today.

Ms. Walker, Director of Financial Services, reported that at today's meeting 8 projects totaling \$53,397,590.75, and one amendatory resolution, were being presented for board approval:

- No. 1:      A-FB-TE-CD-8185 – John & Staci Kramer**  
Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$213,750.00 to provide permanent financing to purchase approximately 100 acres of farmland. This project is located in Avon, Illinois. **(08-12-01).**
- A-FB-TE-CD-8186 – Luke Burling**  
Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$99,240.75 to provide permanent financing to purchase approximately 63 acres of farmland. This project is located in Carthage, Illinois. **(08-12-01).**
- A-FB-TE-CD-8187 – Nicholas Dolder**  
Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$250,000.00 to provide permanent financing to purchase approximately 36.4 acres of farmland. This project is located in Serena, Illinois. **(08-12-01).**

**A-FB-TE-CD-8188 – Aaron Hilmes**

Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$250,000 to provide permanent financing to purchase approximately 51.82 acres of farmland. This project is located in Carlyle, Illinois. (08-12-01).

**A-FB-TE-CD-8189 – Ryan Hilmes**

Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$205,600.00 to provide permanent financing to purchase approximately 40.72 acres of farmland. This project is located in Carlyle, Illinois. (08-12-01).

**A-FB-TE-CD-8190 – William A. Timmermann, III**

Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$164,000.00 to provide permanent financing to purchase approximately 34.8 acres of farmland. This project is located in Breese, Illinois. (08-12-01).

**A-FB-TE-CD-8191 – Matt McClain**

Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$250,000.00 to provide permanent financing to purchase approximately 60 acres of farmland. This project is located in Brocton, Illinois. (08-12-01).

**A-FB-TE-CD-8192 – Marcella J. Jackson**

Request for final approval of the issuance of a Beginning Farmer Bond in an amount not-to-exceed \$250,000.00 to provide permanent financing to purchase approximately 167.11 acres of farmland. This project is located in Litchfield, Illinois. (08-12-01).

No guests attended with respect to the eight Beginning Farmer Bonds listed under Project No. 1. Chairman Brandt asked if the Board had any questions with respect to the eight Beginning Farmer Bonds listed under Project No. 1. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of the eight Beginning Farmer Bonds listed under Project No. 1. Leave was granted. Project No. 1 received final approval with 8 ayes, 0 nays, and 0 abstentions.

**No. 2: I-ID-TE-CD-8008 – Overton Gear Corporation**

Request for final approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$7 million. Bond proceeds will be used to finance the acquisition of equipment to modernize and expand the company's production capacity. This project will use \$7 million of 2008 Volume Cap, comprised of approximately \$3.15 million transferred by the Village of Addison and approximately \$3.85 million of IFA Volume Cap. (08-12-02)

No guests attended with respect to Project No. 2. Chairman Brandt 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 final approval with 8 ayes, 0 nays, and 0 abstentions.

**No. 3: I-ID-TE-CD-8151 – SBLV Investments, LLC and Jasper Meats, Inc.**  
Request for final approval of Industrial Revenue Bonds in an amount not-to-exceed \$3.3 million. Bond proceeds will be used to finance the acquisition of land and equipment, construction costs and to pay certain bond issuance costs. The Company is seeking \$3.2 million in 2008 IFA Volume Cap. The proposed project will be located in the Village of Bloomingdale which is a home-rule community. Bloomingdale has used \$1.9 million of its 2008 allocation and as a result they have no remaining 2008 Volume Cap to support this project. This project is expected to create 19 new jobs and 83 construction jobs. This project is located in Bloomingdale, Illinois. **(08-10-03)**.

Chairman Brandt asked if there were any guests attending the meeting with respect to Project No. 3. Ms. Sharnell Curtis-Martin, Senior Funding Manager, introduced Mr. Stanley Pajerski, Owner, Jasper Meats, Inc. Mr. Pajerski thanked the Board for its consideration and gave a brief history and description of the project. Chairman Brandt asked if the Board had any questions for Mr. Pajerski. 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 final approval with 8 ayes, 0 nays, and 0 abstentions.

**No. 4: PU-WD-TE-CD-8182 – American Water Capital Corp., on behalf of Illinois-American Water Company**  
Request for preliminary approval of Water Furnishing Facilities Revenue Bonds in an amount not-to-exceed \$28.5 million. Bond proceeds will be used to finance a portion of the cost of new capital improvements. This project will require approximately \$28.5 million of 2008 Carryforward Volume Cap (which would need to be designated specifically for Water Furnishing Facilities Bonds in the IRS 8328 Carryforward Election) and prospectively, combined with new money 2009 Volume Cap. This project is expected to create 4 new jobs and 120 construction jobs over an 18 month period. This project has locations in Champaign, Urbana, Pesotum, Savoy, Alton, Grafton, East St. Louis, Granite City, Peoria, Streator, Homer Glen, and Lemont, Illinois. **(08-12-04)**.

Chairman Brandt asked if there were any guests attending the meeting with respect to Project No. 4. Mr. Rich Frampton, Vice President, introduced Mr. Mark Chierci, Manager, Treasury Services, American Water Capital Corporation. Mr. Chierci thanked the Board for its consideration and gave a brief description of the project. Chairman Brandt asked if the Board had any questions for Mr. Chierci. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 4. Leave was granted. Project No. 4 received final approval with 8 ayes, 0 nays, and 0 abstentions.

- No. 5:**        **N-NP-TE-8183 – White Pines Academy of Lemont, Inc.**  
Request for preliminary approval of 501(c)3 Bonds in an amount not-to-exceed \$7.5 million. Bond proceeds will be used to finance the construction of Phase 1 of a new campus, refinance outstanding debt, and pay issuance costs. This project is located in Lemont, Illinois. **(08-12-05)**.

No guests attended with respect to Project No. 5. Chairman Brandt asked if the Board had any questions with respect to Project No. 5. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project No. 5. Leave was granted. Project No. 5 received preliminary approval with 8 ayes, 0 nays, and 0 abstentions.

- No. 6:**        **L-DP-TE-8061 – Village of Freeman Spur**  
Request for final approval of a Direct Bond Purchase in an amount not-to-exceed \$85,000. The purpose of the bond purchase is to provide financing for water system improvements. This project is expected to create 3 construction jobs. This project is located in Freeman Spur, Illinois. **(08-12-06)**.

- No. 7:**        **L-DP-TE-8160 – Village of West Salem**  
Request for final approval of a Direct Bond Purchase in an amount not-to-exceed \$130,000. The purpose of the bond purchase is to provide financing for water system improvements. This project is expected to create 3 construction jobs. This project is located in West Salem, Illinois. **(08-12-07)**.

- No. 8:**        **E-PC-TE-CD-8181 – Chicago School of Professional Psychology**  
Request for final approval of 501(c)3 Revenue Bonds in an amount not-to-exceed \$5.2 million. Bonds will be used to finance acquisitions and renovations, and pay certain bond issuance costs. This project is expected to create 50 new jobs 110 construction jobs. This project is located in Chicago, Illinois. **(08-12-08)**.

No guests attended with respect to Project Nos. 6, 7 and 8. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 6, 7 and 8. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 6, 7 and 8. Leave was granted. Project Nos. 6, 7 and 8 received final approval with 8 ayes, 0 nays, and 0 abstentions.

- No. 9:**        **David & Becki Damhoff Amendatory Resolution.** An Amendatory Resolution for David & Becki Damhoff to allow Wells Fargo Bank to adjust the interest rate on a Participation Loan in the amount of \$417,000.

No guests attended with respect to the above mentioned Amendatory Resolution. Chairman Brandt asked if the Board had any questions with respect to the Amendatory Resolution. There being none, Chairman Brandt requested leave to apply the last

unanimous vote in favor of the above mentioned Amendatory Resolution. Leave was granted. The David & Becki Damhoff Amendatory Resolution received final approval with 8 ayes, 0 nays, and 0 abstentions.

**Other Business**

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 Mr. Goetz and seconded by Dr. Barclay, the meeting adjourned at approximately 12:16 p.m.

Respectfully Submitted,

Carla B. Burgess Jones, Secretary