



BOARD MINUTES

**ILLINOIS FINANCE AUTHORITY
 BOARD OF DIRECTORS
 REGULAR MEETING
 THURSDAY, OCTOBER 16, 2014
 10:33 A.M.**

I. Call to Order & Roll Call

At the regular meeting of the Board of Directors of the Illinois Finance Authority (the “Board”), begun and held at Courtroom II, 16th Floor, Michael A. Bilandic Building, 160 North LaSalle Street, Chicago, Illinois 60601, on the third Thursday of October in the year 2014, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the “Act”), William A. Brandt, Jr., Chairman of the Board, called the Board to order and presided over deliberations.

By direction of the Chairman, a roll call was taken to ascertain the attendance of Members, as follows: 10 Present.

On the question of a quorum of Members physically present at the location of this open meeting, the Assistant Secretary of the Board declared that a quorum had been constituted.

**ILLINOIS FINANCE AUTHORITY
 BOARD OF DIRECTORS
 BOARD ROLL CALL
 QUORUM ROLL CALL FOR ATTENDANCE**

October 16, 2014

0 YEAS

0 NAYS

10 PRESENT

P Bronner
 P Fuentes
 P Goetz
 P Gold
 P Knox

E Leonard
 P Lonstein
 (VIA AUDIO CONFERENCE)
 E O’Brien
 P Parish
 E Pedersen

P Poole
 E Tessler
 E Vaught
 P Zeller
 P Mr. Chairman

E – Denotes Excused Absence

II. Chairman's Remarks

Chairman Brandt welcomed Members of the Board, Authority staff and all guests present.

Chairman Brandt, Chairman from the Committee of the Whole to which all items of this meeting's agenda were referred, action taken earlier on October 16, 2014, reported the same back and that all items were thoroughly reviewed.

III. Adoption of the Minutes

Minutes of the regular meeting of the Board held on August 22, 2014, Minutes of the special meeting of the Board held on September 22, 2014, Financial Statements for Month Ended August 31, 2014, and Financial Statements for the Month Ended September 30, 2014 were taken up for consideration.

Member Bronner moved for the adoption of the Minutes and the Financial Statements.

Vice Chairman Goetz seconded the motion.

And on that motion, a vote was taken resulting as follows: 10 Yeas; 0 Nays; 0 Answering Present.

The motion prevailed and the Minutes and the Financial Statements were adopted and accepted, respectively.

IV. Acceptance of the Financial Statements

See Agenda Item III.

V. Approval of Project Reports and Resolutions

Chairman Brandt directed Mr. Frampton to present the projects and resolutions without guests or abstentions to the Board.

Mr. Frampton presented the following project:

Agriculture Projects

Item 1A: Item 1A is a request for Beginning Farmer Revenue Bond financing.

Adam E. Helregel is requesting approval of a **Final** Bond Resolution in an amount not to exceed **One Hundred Fifty Thousand Dollars** (\$150,000). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 10 acres of farmland including buildings and grain bins located in Ste. Marie Township in Jasper County.

Vice Chairman Goetz moved for the adoption of the following project: Item 1A.

Member Knox seconded the motion.

And on that motion, a vote was taken resulting as follows: 10 Yeas; 0 Nays; 0 Answering Present.

This project, having received the votes of a quorum of the Members of the Board, was declared passed.

Chairman Brandt directed Mr. Frampton to present the remaining projects without guests or abstentions to the Board.

Mr. Frampton presented the following projects:

Agriculture Projects

Item 1B: Item 1B is a request for Beginning Farmer Revenue Bond financing.

Rollin Wenger is requesting approval of a **Final** Bond Resolution in an amount not to exceed **One Hundred Thirty-Seven Thousand Five Hundred Dollars** (\$137,500). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 25 acres of farmland located in Forrest Township in Livingston County.

Item 1C: Item 1C is a request for Beginning Farmer Revenue Bond financing.

Jacob Cody Elliott is requesting approval of a **Final** Bond Resolution in an amount not to exceed **Four Hundred Forty-One Thousand** (\$441,000). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 197 acres of farmland including buildings and grain bins located in Eliza Township in Mercer County.

Item 2: Item 2 is a request for an Agri-Debt Restructuring Guarantee.

Berkeley Boehne is requesting approval of an Agri-Debt Restructuring Guarantee in an amount not to exceed 85% of a proposed face loan amount of **Five Hundred Thousand Dollars** (\$500,000). This financing is being presented for one-time consideration.

Loan proceeds will be used by Berkeley Boehne (the “**Borrower**”) and Resource Bank, N.A. (the “**Secured Lender**”) to refinance the Borrower’s existing real estate debt with 1st Farm Credit Services and American Midwest Bank. The Authority’s guarantee represents State Treasurer funds at risk in an amount not to exceed **Four Hundred Twenty-Five Thousand Dollars** (\$425,000). The Secured Lender will be exposed on all debt above the guaranteed amount.

Mr. Frampton noted that along with a concurrent request for an Agri-Debt Restructuring Guarantee by the Borrower’s brother Vaughn Boehne, the Authority will be cumulatively guaranteeing State Treasurer funds at risk in an amount not to exceed **Eight Hundred Fifty Thousand Dollars** (\$850,000).

Approval of this project is subject to the conditions discussed at the Committee of the Whole Meeting held earlier on October 16, 2014.

Item 3: Item 3 is a request for an Agri-Debt Restructuring Guarantee.

Vaughn Boehne is requesting approval of an Agri-Debt Restructuring Guarantee in an amount not to exceed 85% of a proposed face loan amount of **Five Hundred Thousand Dollars** (\$500,000). This financing is being presented for one-time consideration.

Loan proceeds will be used by Vaughn Boehne (the “**Borrower**”) and Resource Bank, N.A. (the “**Secured Lender**”) to refinance the Borrower’s existing real estate debt with 1st Farm Credit Services and American Midwest Bank. The Authority’s guarantee represents State Treasurer funds at risk in an amount not to exceed **Four Hundred Twenty-Five Thousand Dollars** (\$425,000). The Secured Lender will be exposed on all debt above the guaranteed amount.

Again, Mr. Frampton noted that along with the aforementioned request for an Agri-Debt Restructuring Guarantee by the Borrower’s brother Berkely Boehne, the Authority will be cumulatively guaranteeing State Treasurer funds at risk in an amount not to exceed **Eight Hundred Fifty Thousand Dollars** (\$850,000).

Approval of this project is also subject to the conditions discussed at the Committee of the Whole Meeting held earlier on October 16, 2014.

Educational, Cultural and Non-Healthcare 501(c)(3) Projects

Item 4: Item 4 is a request for 501(c)(3) Revenue Bond financing.

Lake Forest College is requesting approval of a **Final** Bond Resolution in an amount not to exceed **Nineteen Million Dollars** (\$19,000,000). This financing is being presented for one-time consideration.

Bond proceeds will issued in one or more series in an aggregate principal amount not to exceed \$19,000,000 and used by **Lake Forest College** (the “**College**” or the “**Borrower**”), an Illinois corporation incorporated under a special act of the Illinois Legislature, to provide the College with the funds necessary to (i) refund and redeem the Illinois Educational Facilities Authority Revenue Bonds, Lake Forest College, Series 1998 (the “**Series 1998 Bonds**”) (including, without limitation, financing both the principal and accrued interest component of the redemption price if deemed desirable by the College) and (ii) pay costs relating to the issuance of the Bonds and the refunding and redemption of the Series 1998 Bonds, if deemed necessary or desirable by the College, all as permitted under the Illinois Finance Authority Act (and, collectively, the “**Financing Purposes**”).

Healthcare Projects

Item 6: Item 6 is a request for 501(c)(3) Revenue Bond financing.

The Lodge of Northbrook, Inc. is requesting approval of a **Preliminary** Bond Resolution in an amount not to exceed **Nineteen Million Dollars** (\$19,000,000).

Bond proceeds will be used by **The Lodge of Northbrook, Inc.** (the “**Corporation**” or the “**Borrower**”) to (i) repay the Borrower’s construction loan, the proceeds of which were used to 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 Act) for the Borrower’s housing complex for the elderly located in Northbrook, Illinois; (ii) the acquisition, construction, renovation and refinancing of various other capital improvements and equipment related to the complex; and (iii) pay certain expenses incurred in connection with the issuance of the Series 2015 (estimated) Bonds and the refinancing of the construction loan, all as permitted by the Act (collectively, the “Financing Purposes”).

Chairman Brandt asked for and, by unanimous consent, obtained leave to apply the results of the vote for Item 1A to the following projects: Items 1B, 1C, 2, 3, 4, and 6.

These projects, having received the votes of a quorum of the Members of the Board, were declared passed.

Chairman Brandt directed Mr. Frampton to present the resolution without guests or abstentions to the Board.

Mr. Frampton presented the following resolution:

Resolutions

Item 8: Item 8 is a Resolution Authorizing the Issuance of Not to Exceed **Ten Million Four Hundred Thousand Dollars** (\$10,400,000) in Aggregate Principal Amount of Illinois Finance Authority Revenue Refunding Bond (Search, Inc. Project), Series 2014, the Proceeds of which are to be Loaned to Search, Inc.

Chairman Brandt asked for and, by unanimous consent, obtained leave to apply the results of the vote for Item 1A to the following resolution: Item 8.

This resolution, having received the votes of a quorum of the Members of the Board, was declared adopted.

Chairman Brandt directed Mr. Frampton to present the projects which may have guests.

Mr. Frampton presented the following project:

Educational, Cultural and Non-Healthcare 501(c)(3) Projects

Item 5: Item 5 is a request for 501(c)(3) Revenue Bond financing.

North Central College is requesting approval of a **Preliminary** Bond Resolution in an amount not to exceed **Ninety-Seven Million Five Hundred Thousand Dollars** (\$97,500,000).

Bond proceeds, together with certain other funds, will be used by **North Central College** (the “**College**” or “**Borrower**”) to: (i) finance, refinance or reimburse the Borrower for all or a portion of the costs, including capitalized interest, if any, of the planning, design, acquisition, construction, furnishing and equipping of certain new educational facilities, including, without limitation, the planning, design, acquisition, construction, furnishing and equipping of a new residence hall and a new science center, and including related infrastructure, landscaping, signage and other similar improvements (and collectively, the “**New Projects**”), (ii) current refund and redeem certain tax-exempt revenue bonds, including IEFA Series 1998 ACI/Cultural Pool Bonds, IEFA Series 1999 ACI/Cultural Pool Bonds, and IFA Series 2008 Revenue Bonds (and, collectively, the “**Prior Bonds**”), the proceeds of which were used for a variety of capital improvement projects and related costs at North Central College’s Naperville campus as detailed in the Bond Resolution for this financing, (iii) pay certain working capital expenditures if deemed desirable by the Borrower and (iv) pay certain costs relating to the issuance of the Bonds, including the costs of bond insurance or other credit or liquidity enhancement, if any, certain costs incurred in connection with the refunding and redemption of the Prior Bonds and certain payments incurred in connection with the termination of certain interest rate exchange agreements, all as permitted under the Act (and collectively, the “**Financing Purposes**”).

Chairman Brandt announced that Mr. Paul Loscheider, Vice President for Business Affairs for North Central College, was present and ready to speak on behalf of the project.

Mr. Loscheider thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Mr. Loscheider.

Mr. Frampton presented the following project:

Healthcare Projects

Item 7: Item 7 is a request for 501(c)(3) Revenue Bond financing.

Villa St. Benedict is requesting approval of a **Preliminary** Bond Resolution in an amount not to exceed **Forty-Three Million Dollars** (\$43,000,000).

Bond or Note proceeds will be used by Villa St. Benedict (the “**Corporation**” or the “**Borrower**”) to: (i) refund all or a portion of the outstanding Illinois Health Facilities Authority Revenue Bonds, Series 2003-A1 and Series 2003-A2 (the “**Prior Bonds**”); and (ii) pay certain expenses incurred in connection with the issuance of the Bonds or Notes and the refunding of Prior Bonds, all as permitted by the Illinois Finance Authority Act (collectively, the “**Project**”).

Chairman Brandt announced that Mr. Kevin Rymanowski and Mr. Eric Lunde, Chief Financial Officer for Benedictine Health System (Minnesota) and Managing Director for Piper Jaffray Companies, respectively, were present and ready to speak on behalf of the project.

Mr. Rymanowski thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Mr. Rymanowski and Mr. Lunde.

Chairman Brandt asked for and, by unanimous consent, obtained leave to apply the results of the vote for Item 1A to the following projects: Items 5 and 7.

These projects, having received the votes of a quorum of the Members of the Board, were declared passed.

VI. Other Business

None.

VII. Public Comment

None.

VIII. Adjournment

Chairman Brandt reminded Members of the Board, Authority staff and all guests present that the next regular meeting of the Board will be held on November 13, 2014.

At the time of 10:50 a.m., Member Zeller moved that the Board do now adjourn until November 13, 2014, at 10:30 a.m.

Member Poole seconded the motion.

The motion prevailed.

And the Board stood adjourned.

Minutes published by:
Brad R. Fletcher
Assistant Secretary of the Board