

**MINUTES OF THE JULY 14, 2009 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 July 14, 2009 at the Michael A. Bilandic Building, C500, Chicago, IL 60601.

Members present:

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Dr. William J. Barclay
4. 5. Terrence M. O'Brien
5. James J. Fuentes
6. Dr. Roger D. Herrin
7. Edward H. Leonard, Sr.
8. Juan B. Rivera

Members absent:

1. April D. Verrett
2. Bradley A. Zeller
3. Ronald E. DeNard

Vacancies:

Four

Members participating by

telephone:

None

GENERAL BUSINESS

Call to Order, Establishment of Quorum and Roll Call

Chairman Brandt called the meeting to order at 11:34 a.m. with the above members present. Chairman Brandt welcomed members of the Board and all guests and asked the Assistant-Secretary, Kara Nystrom-Boulahanis to call the roll. There being eight (8) members physically present, Ms. Nystrom-Boulahanis declared a quorum present.

Announcements

Chairman Brandt announced several changes to the meeting schedule for IFA's Board of Directors. First, the Committee of the Whole meetings for the remainder of Fiscal Year 2010 will now be held at the IFA Chicago Offices at 180 N. Stetson Street, Suite 2555, Chicago, IL 60601 at the regularly scheduled time. Second, the IFA Board meeting location may also be changed; Chairman Brandt requested attendees check the IFA's website (www.il-fa.com) for updates prior to the next board meeting. Third, August's Board Meeting will no longer be held at the State Library in Springfield, Illinois due to issues obtaining a quorum to conduct business. It will now be held in Chicago, with the meeting location yet to be determined. Chairman Brandt expressed his desire to hold a Board Meeting in Springfield, as is the IFA's custom, and noted the possibility that the September or October meeting will be held downstate.

Chairman Brandt made several other announcements regarding IFA's activities. The IFA will also begin posting the non-confidential or proprietary sections of the Board Book on IFA's website. It has always been the practice of the IFA to release this information pursuant to a request from any member of the public; however, Senator Schoenburg has requested the staff proactively distribute it and IFA is delighted to comply with the request. Former Executive Director Filan began a comprehensive review of the Authority's policies and procedures during his tenure. The following policies and procedures are being referred to Committees of the Board for their review: Family and Medical Leave Act (FMLA) and FY2010 Employee Objectives to the Compensation Committee; Determination of Fee Schedule to the Energy Committee; Credit Standards to the Audit Committee.

Next Chairman Brandt announced that due to the passage of Senate Bill 1906 and the \$3 Billion in additional moral obligation bonding authority it grants the IFA, the Board of Directors wishes to establish an Energy Subcommittee chaired by Dr. Roger Herrin with Ron DeNard, Michael Goetz, James Fuentes and Bradley Zeller as members. A formal resolution to this effect will be made at the September or October board meeting.

Lastly, Chairman Brandt informed the audience that Yvonne Towers, Chief Financial Officer, and Chris Meister, Deputy Director – General Counsel, were appointed Authorized Officers for the Illinois Finance Authority at the June Board Meeting. He stated that he believes the Governor will forward candidates for the executive directorship in the fall, but until then Ms. Towers and Mr. Meister will remain Authorized Officers.

Acceptance of Financial Statements and Minutes

Financial statements for the period ending June 30, 2009 and minutes for the June 9, 2009 meeting of the Board of Directors were presented to members of the Board and accepted by the Board. Chairman Brandt stated that the Authority's financial statements and minutes were reviewed at the regularly scheduled Committee of the Whole Meeting held today at 8:30 a.m. Chairman Brandt requested a motion to approve the June 30, 2009 Financial Statements and June 9, 2009 Board of Directors' meeting minutes.

The motion was moved by Mr. Rivera and seconded by Vice Chairman Goetz. The June 30, 2009 Financial Statements and June 9, 2009 minutes were unanimously approved by members of the Board.

Project Approvals

Chairman Brandt asked Mr. Rich Frampton 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.

Mr. Frampton presented the following projects for board approval:

No. 1A: A-FB-TE-CD-8251 – Charles J. Mueller

Request for final approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$178,400 for the purchase of 40 acres of farmland. This project is located in Bradford, IL (Stark County).

No. 1B: A-FB-TE-CD-8252 – Curtis Miller

Request for final approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$120,000 for the purchase of 36.5 acres of farmland. This project is located in Paris, Illinois (Edgar County).

No. 1C: A-FB-TE-CD-8253 – Rob Huschen

Request for final approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$202,202 for the purchase of 80 acres of farmland with a used building. This project is located in Morton, IL (Fulton County).

No. 4: N-NP-TE-CD-8248 – St. Patrick High School

Request for final approval of the issuance of 501(c)3 bonds in an amount not-to-exceed \$5.7M. Bond proceeds will be used to current refund IFA (IDFA) Series 1998 Bonds and to pay certain bond issuance costs. This project is located in Chicago, IL.

No. 5: H-HO-TE-CD-8013– Alexian Brothers Health Systems

Request for preliminary approval for the issuance of 501(c)3 bonds in an amount not-to-exceed \$16.3M. Bond proceeds will be used to (i) current refund the remaining portion of the Alexian Brothers Medical Center Series 1985D Bonds, (ii) pay certain expenses incurred in connection with the issuance of the Series 2009 Bonds. This project is located in Elk Grove Village, Illinois.

No. 7: H-HO-TE-CD-8244 – Third Order of St. Francis of May Immaculate, Joliet

Request for final approval for the issuance of 501(c)3 bonds in an amount not-to-exceed \$11M. Bond proceeds will be used to (i) finance, refinance, or reimburse the Borrower for the cost of constructing, acquiring and equipping 28 independent living cottages in 14 separate duplex structures that is know as Phase 1A of Our Lady of Angels Village, (ii) fund a reserve fund; (iii) pay capitalized interest on the Bonds, and (iv) finance certain costs associated with the issuance of the Bonds, including the cost of any credit enhancement. This project is expected to create 80 construction and 2 permanent jobs. It is located in Joliet, Illinois.

No guests attended with respect to Project Nos. 1A, 1B, 1C, 4, 5 and 7. Chairman Brandt asked if the Board had any questions with respect to Project Nos. 1A, 1B, 1C, 4, 5 and 7. There being none, Chairman Brandt requested leave to apply the last unanimous vote in favor of Project Nos. 1A, 1B, 1C, 4, 5 and 7. Leave was granted. Project Nos. 1A, 1B, 1C, 4, 5 and 7 received final approval with 8 ayes, 0 nays, and 0 abstentions.

No. 2: N-NP-TE-CD-8236 – Hispanic Housing Development Corporation

Request for final approval of the issuance of 501(c)3 bonds in an amount not-to-exceed \$4.1M. Bond proceeds will be used to current refund IFA Series 2004 Bonds, refinance a conventional loan, finance renovations and to pay certain bond issuance costs. This project is expected to create 20 permanent jobs. It is located in Chicago, Mt. Prospect, Rockford and Waukegan, IL.

Chairman Brandt asked if there were any guests attending the meeting with respect to Project No. 2. Ms. Sharnell Curtis-Martin, Senior Funding Manager, introduced Ms. Laura Selby, President and CFO for the Hispanic Housing Development Corporation. Ms. Selby thanked the Board for its consideration.

Chairman Brandt asked if the Board had any questions for Ms. Selby. 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. 6: H-HO-TE-CD-8202 – OSF Healthcare System

Request for final approval for the issuance of 501(c)3 bonds in an amount not-to-exceed \$75M. Bond proceeds will be used to (i) replace existing core information system with the EPIC suite of products for both inpatient and outpatient services; (ii) construct a 72,000 square foot Data Center and office; (iii) other capital expenditures. This project is expected to create 40 construction jobs. It is located in Peoria, IL.

Chairman Brandt asked if there were any guests attending the meeting with respect to Project No. 6. Mr. Bill Claus, Funding Manager & Financial Analyst, introduced Ms. Michelle A. Carrothers, Director of Debt Management, OSF Healthcare System. Ms. Carrothers thanked the Board for their consideration and provided a brief history of OSF Healthcare Systems. She then described the important impact this new patient data system and center will have on hospital operations.

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

No. 8: E-PC-TE-CD-8249 – Concordia University Chicago

Request for preliminary approval for the issuance of 501(c)3 bonds in an amount not-to-exceed \$31.6M. Bond proceeds will be used to To (i) refinance \$24,500,000 IEFA Series 2001 Bonds, and to finance various campus renovation projects at Concordia's campus including new roofs, masonry work, elevator improvements, and residence hall improvements. The project is expected to create 63 construction and 70 permanent jobs. It is located in River Forest, IL.

Chairman Brandt asked if there were any guests attending the meeting with respect to Project No. 8. Mr. Townsend Albright, Senior Funding Manager introduced Mr. Tom Hallett, Chief Financial Officer for Concordia University Chicago. Mr. Hallett thanked the Board for their consideration.

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

Resolutions / Amendatory Resolutions

No. 9: Precision Laser Manufacturing, Inc. A Resolution requesting Payment Modification for IFA Participation Loan by Morton Community Bank and Precision Laser Manufacturing, Inc. to modify payments. (Participation Loan).

No guests attended with respect to Amendatory Resolution No. 9. Chairman Brandt asked if the Board had any questions with respect to Amendatory Resolution No. 9. There being none, Chairman Brandt asked leave to apply the last unanimous vote in favor of the project. Leave was granted. Resolution No. 9 received final approval with 8 ayes, 0 nays, and 0 abstentions.

No. 10: Lake County YMCA Project. A Resolution requesting authorization to execute of an Amended and Restated Loan Agreement, Trust Indenture, Mortgage, and related documents, to enable a conversion to a Direct Purchase structure (IFA Series 2007 Bonds, Lake County YMCA Project). (501(c)(3) Conduit Bond)

No. 11: **Merlin and Ryan McClure.** A Resolution requesting authorization to execute of an Amended and Restated Loan Agreement, Trust Indenture, Mortgage, and related documents, to enable a conversion to a Direct Purchase structure (IFA Series 2007 Bonds, Lake County YMCA Project). (501(c)(3) Conduit Bond)

No guests attended with respect to Amendatory Resolutions No. 10 and 11. Chairman Brandt asked if the Board had any questions with respect to Amendatory Resolutions No. 10 and 11. There being none, Chairman Brandt asked leave to apply the last unanimous vote in favor of the project. Leave was granted. Amendatory Resolutions No.10 and 11 received final approval with 8 ayes, 0 nays, and 0 abstentions.

No. 14: **Fiscal Year 2010 budget.** A Resolution to adopt the Fiscal Year 2010 budget for the Illinois Finance Authority.

No guests attended with respect to Amendatory Resolution No 14. Chairman Brandt asked if the Board had any questions with respect to Amendatory Resolution No. 14. There being none, Chairman Brandt asked Secretary Nystrom-Boulahanis to take a roll call vote. Amendatory Resolution No.14 received final approval with 8 ayes, 0 nays, and 0 abstentions.

Other Business

Chairman Brandt reminded all guests that next month's Committee of the Whole meeting will be held at the IFA Offices in Chicago on August 11th. The location of the Board Meeting will be posted as soon as it becomes available.

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. Barclay, the meeting adjourned at approximately 12:18 p.m.

Respectfully Submitted,

Kara Nystrom-Boulahanis, Assistant Secretary