

**MINUTES OF THE JUNE 3, 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 1:00 p.m. on June 3, 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:

Dr. William J. Barclay, Committee
Chairman
Roger Poole

Pam Lenane, Vice President/Acting General
Counsel
Nora O’Brien, Associate General Counsel
Chrisantha Vedhanayagam, Law Clerk

Claire Bushey, Crains Chicago Business

GENERAL BUSINESS

I. Call to Order and Roll Call

Chairman Dr. Barclay called the Committee meeting to order at 1:06 p.m. with the above Board Members, IFA staff and other participants present. The Chairman asked Ms. Lenane to call the roll. There being two members present, Chairman Dr. Barclay declared a quorum had not been met, so the committee would not be able to approve the minutes from the last meeting or make a formal recommendation to the Committee of the Whole.

II. Review and Approval of the May 6, 2013 Minutes

The Minutes from the Healthcare Committee meeting held on May 6, 2013, were reviewed. Since a quorum was not met, it was determined the minutes would be approved at the next meeting, scheduled for July 1, 2013.

III. Project Approvals

Ms. Lenane presented the following project:

Item A: Smith Crossing – Preliminary Resolution

Smith Crossing is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$50,000,000. Bond proceeds will be used by **Smith Crossing** (hereinafter, 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) for the Borrower’s senior living community; (ii) refund all or a portion of the \$20,110,000 Illinois Health Facilities Authority Revenue Bonds, Series 2003A (Smith Crossing Project) (the “**Series 2003A Bonds**”); (iii) refund all or a portion of the \$4,250,000 Illinois Health Facilities Authority Revenue Bonds, Series 2003B-2 (Smith Crossing Project) Extendable Rate Adjustable Securities (the “**Series 2003B-2 Bonds**” and, together with the Series 2003A Bonds, the “**Prior Bonds**”); (iv) refinance all or a portion of a construction loan, the proceeds of which were used by the Borrower for the payment of the costs of the acquisition, construction, renovation, remodeling and equipping of approximately 76 independent living units and 30 assisted living units, the conversion of approximately 16 assisted living units to skilled nursing units and the renovation, remodeling and equipping of certain other portions of the Borrower’s existing campus, all located in Orland Park, Illinois (hereinafter, the

“**Construction Loan**”); (v) provide working capital to the Borrower, if deemed necessary or advisable by the Borrower; (vi) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Borrower; (vii) fund a debt service reserve fund, if deemed necessary or advisable by the Borrower; and (viii) pay certain expenses incurred in connection with the issuance of the Bonds, the refunding of the Prior Bonds and the refinancing of the Construction Loan, all as permitted by the Act (and collectively, the “**Financing Purposes**”).

Chairman Dr. Barclay and Mr. Poole did not have any questions regarding this project.

IV. Resolutions

Ms. Lenane presented the following amendatory resolution:

Item A: Proctor Hospital – Amendatory Resolution

The **Illinois Finance Authority** (the “**Authority**”) issued its \$22,525,000 Revenue Refunding Bonds, Series 2006A (Proctor Hospital) pursuant to the Bond Trust Indenture dated as of May 1, 2006 (the “**Bond Indenture**”) between the Authority and J.P. Morgan Trust Company, as bond trustee, the proceeds of which were loaned to **Proctor Hospital** (the “**Corporation**”) pursuant to the Loan Agreement dated as of May 1, 2006 (the “**Loan Agreement**”) between the Authority and the Corporation. The Authority, the Corporation and The Bank of New York Mellon Trust Company, (as successor to J.P. Morgan Trust Company), as bond trustee (the “**Current Bond Trustee**”) have received written notice from the beneficial owners of a majority of the Series 2006A Bonds outstanding directing the removal of the Current Bond Trustee and appointing **Wells Fargo Bank** as successor bond trustee (the “**Successor Bond Trustee**”) for the Series 2006 Bonds. The Corporation has requested that the Authority execute any necessary supplements or amendments to the Bond Indenture, the Loan Agreement and the Tax Exemption Agreement dated May 11, 2006 (the “**Tax Agreement**”) and any other document related to the Series 2006A Bonds to evidence the appointment of the Successor Bond Trustee

V. Other Business

Chairman Dr. Barclay asked if there was any other business before the Committee. Ms. Lenane responded that there was not.

VI. Public Comment

There was no public comment.

VII. Adjournment

Dr. Barclay asked for a motion to adjourn. Mr. Poole moved to adjourn.

The meeting adjourned at 1:16 p.m.

Minutes submitted by:
Nora O’Brien
Associate General Counsel