

**MINUTES OF THE NOVEMBER 10, 2014, MEETING OF THE HEALTHCARE AND EDUCATION
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 and Education Committee (the “Committee”) Teleconference Meeting at 10:00 a.m. on November 10, 2014, at the Chicago Office of the Illinois Finance Authority, 160 North LaSalle Street, Suite C-800, Chicago, IL 60601.

Board Members Participating:

Chairman Lerry Knox
Mike Goetz
Roger Poole

IFA Staff Participants:

Brad Fletcher, Financial Analyst
Rich Frampton, Vice President
Pam Lenane, Vice President/Acting General
Counsel
Nora O’Brien, Associate General Counsel

Others Participating:

Brie Callahan, Marj Halperin

GENERAL BUSINESS

I. Call to Order and Roll Call

The Committee meeting was called to order at 10:08 a.m. with the above Board Members and IFA staff present. Chairman Knox asked Ms. O’Brien to call the roll. There being three members present, a quorum had not been met, so the Committee would not be able to approve the minutes from last meeting or make a formal recommendation to the Committee of the Whole.

II. Review of the October 9, 2014 Minutes

The minutes from the Healthcare and Education Committee meeting held on October 9, 2014, were reviewed. Since the Committee could not approve the minutes, it was determined the minutes would be approved at the next meeting, scheduled for December 4, 2014.

III. Project Approvals

Mr. Fletcher presented the following project:

Item A: North Central College – Final Bond Resolution

North Central College (the “College” or “Borrower”) is requesting approval of a **Final Bond Resolution** in an amount not-to-exceed **Sixty-Six Million Five Hundred Thousand Dollars** (\$66,500,000). Series 2014A Bond proceeds, together with certain other funds, will be used by **North Central College** (the “College” or “Borrower”) to: (i) currently refund and redeem all of the outstanding Variable Rate Demand Revenue Bonds, Series 1998 (ACI/Cultural Pooled Financing Program) (the “**Series 1998 Bonds**”) and all of the outstanding Adjustable Rate Demand Revenue Bonds, North Central College, Series 2008 (the “**Series 2008 Bonds**”) (including, without limitation, financing both the principal and accrued interest component (if any) of the redemption price if deemed desirable by the College) and (ii) finance or reimburse the College for costs incurred in connection with the issuance of the Series 2014A Bond, the current refunding and redemption of the Series 1998 Bonds and the Series 2008 Bonds and the termination of an interest rate exchange agreement related to the Series 2008 Bonds if deemed desirable by the College (the “**2014A Financing Purposes**”); and Series 2014B Bond proceeds, together with certain other funds, will be used by the College to: (i) finance, refinance or reimburse the College for the costs of the planning, design, acquisition, construction, furnishing and equipping of certain of its “educational facilities” (the “**Project**”), (ii) currently refund and redeem all of the outstanding Variable Rate Demand Revenue Bonds, Series 1999 (ACI/Cultural Pooled Financing Program) (the “**Series 1999 Bonds**”

and, collectively with the Series 1998 Bonds and the Series 2008 Bonds, the “**Prior Bonds**”) (including, without limitation, financing both the principal and accrued interest component (if any) of the redemption price if deemed desirable by the College) and (iii) finance or reimburse the College for costs incurred in connection with the issuance of the Series 2014B Bond and the current refunding and redemption of the Series 1999 Bonds if deemed desirable by the College (the “**2014B Financing Purposes**” and, collectively with the 2014A Financing Purposes, the “**Financing Purposes**”).

Mr. Fletcher noted that there will be a third series presented for approval in an amount not-to-exceed **Thirty Million Dollars** (\$30,000,000) presumably in May or June of 2015.

There were no questions on this project.

Ms. O’Brien presented the following projects:

Item B: Advocate Health Care Network – One-Time Final Bond Resolution

Advocate Health and Hospitals Corporation (the “**Borrower**”) is requesting approval of a **One-Time Final Bond Resolution** in an amount not-to-exceed **Three Hundred Sixty Five Million Dollars** (\$365,000,000). Bond proceeds will be used to (i) refinance all or a portion of the Authority’s Revenue Bonds, Series 2007 (Sherman Health Systems) (the “**Series 2007 Bonds**”) and its Revenue Bonds, Series 2008D (Advocate Health Care Network) (the “**Series 2008D Bonds**” and, together with the Series 2007 Bonds, the “**Prior Bonds**”), the proceeds of which were used to finance, refinance or reimburse the Borrower, Advocate Condell Medical Center and/or Advocate Sherman Hospital for the costs of certain of their health facilities; (ii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower; (iii) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable by the Borrower; and (iv) pay certain expenses incurred in connection with the issuance of the Bonds and the refinancing of the Prior Bonds.

Ms. O’Brien noted that the plan of finance contemplates a fixed rate debt issuance and a public offering. Advocate currently has underlying ratings of AA and is expected to maintain those ratings for this bond issue. The Borrower is planning to print the POS the week of November 17, 2014, and price the first week of December 2014.

There were no questions on the project.

Item C: Kane County Senior Living (The Reserve of Geneva) – One-Time Final Bond Resolution

Kane County Senior Living (The Reserve of Geneva) (the “**Borrower**”) is requesting approval of a **One-Time Final Bond Resolution** in an amount not-to-exceed **Thirteen Million Five Hundred Thousand Dollars** (\$13,500,000). Bond proceeds will be used to (i) refund the outstanding Illinois Finance Authority Development Revenue Bonds, Series 2005 (The Reserve of Geneva Project) (the “**Series 2005 Bonds**”); (ii) provide funds for capital improvements and refurbishment of the existing project; (iii) provide funds for the acquisition, construction, renovation and refurbishing of various other capital improvements and equipment including a 4,500 square foot addition to provide for eight 2-bed assisted living units and 2 additional independent living units related to the project; and (iv) provide funds for the costs of issuance (the “**Financing Purposes**”).

Ms. O’Brien noted that this issuance will create nine (9) new jobs and ten (10) construction jobs. The bonds will be directly purchased by Access Bank and be issued in two series. Series 2014A will be just under eleven million dollars and Series 2014B will be two million five hundred thousand dollars.

There were no questions on this project.

Item D: IV Healthcorp, Inc. (Illinois Valley Community Hospital) – Preliminary Bond Resolution

IV Healthcorp, Inc. (the “**Corporation**” or “**Borrower**”) is requesting approval of a **Preliminary Bond Resolution** in an amount not-to-exceed **Twenty Three Million Dollars** (\$23,000,000). Bond proceeds will be used by the Borrower for the benefit of the Borrower and **Illinois Valley Community Hospital** (“**IVCH**” or the

“Hospital”) to provide the Borrower and the Hospital with all or a portion of the funds necessary to (i) refund all of the outstanding Illinois Finance Authority Revenue Bonds, Series 2009 (IV Healthcorp, Inc. Project) (the **“Series 2009 Bonds”**) and (ii) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Series 2009 Bonds, all as permitted by the Act (collectively, the **“Financing Purposes”**).

Ms. O’Brien noted that this project was reviewed by the Committee in September of 2014 but then did not have the September meeting. The only change in the issuance is that these will be taxable bonds rather than tax-exempt bonds.

Chairman Knox asked if the entire issuance would be taxable and Ms. O’Brien stated that all twenty three million would be taxable bonds.

There were no other questions on this project.

IV. Other Business

There was no other business.

V. Public Comment

There was no public comment.

VI. Adjournment

Mr. Poole moved to adjourn the meeting and the motion was seconded by Mr. Goetz. The meeting adjourned at 10:15 a.m.

Minutes submitted by:
John Dark
Law Clerk