

**MINUTES OF THE MARCH 8, 2011, MEETING OF THE BOARD OF DIRECTORS OF THE ILLINOIS
FINANCE AUTHORITY**

The Board of Directors (the “Board”) of the Illinois Finance Authority (the “IFA” or the “Authority”), pursuant to notice duly given, held a Board Meeting at 11:30 a.m. on Tuesday, March 8, 2011, at the Prudential Plaza Conference Center at 130 East Randolph Street, 7th Floor, Chicago, IL 60601.

<p>Members Present:</p> <ol style="list-style-type: none">1. Michael W. Goetz, Vice Chairman2. Dr. William Barclay3. John “Jack” Durburg4. Norman M. Gold5. Edward H. Leonard, Sr.6. Terrence M. O’Brien7. Heather D. Parish8. Roger E. Poole <p>Members Participating via Teleconference:</p> <ol style="list-style-type: none">9. Gila J. Bronner10. Bradley A. Zeller	<p>Members Absent:</p> <ol style="list-style-type: none">11. William A. Brandt, Jr., Chairman12. Ronald E. DeNard13. James J. Fuentes14. Dr. Roger D. Herrin15. Joseph McInerney <p>Vacancies: None</p>
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GENERAL BUSINESS

Call to Order, Roll Call and Vice Chairman’s Remarks

Vice Chairman Goetz called the meeting to order at 11:40 a.m. with the above Members present. The Vice Chairman welcomed Members of the Board, IFA staff and all guests. He then asked Assistant Board Secretary, Mr. Syed, to call the roll. There being eight (8) Members physically present and two (2) Members present via teleconference, Mr. Syed declared a quorum present.

Vice Chairman Goetz noted that the Authority’s April 12, 2011, Board Meeting starting time may be kept at 10:30 a.m. if the agenda is as short as expected.

Acceptance of Financial Statements and Minutes

Financial statements for the period ending February 28, 2011, and Minutes for both the Committee of the Whole and Board of Directors Meetings held on February 8, 2011, were presented to the Board. Vice Chairman Goetz stated that the Authority’s Financial Statements and such Minutes were reviewed at the regularly scheduled Committee of the Whole Meeting held at 8:30 a.m. The Vice Chairman requested a motion to approve the February 28, 2011, Financial Statements and Minutes for both the Committee of the Whole and Board of Directors Meetings held on February 8, 2011.

The motion was made by Dr. Barclay and seconded by Mr. O’Brien. The February 28, 2011, Financial Statements and Minutes for both the Committee of the Whole and Board of Director’s Meetings held on February 8, 2011, were unanimously approved by the Members of the Board.

Project Approvals

Vice Chairman Goetz asked Mr. Frampton, Vice President, to present the projects for consideration to the Board. The Vice Chairman explained that all projects are reviewed by a staff Credit Committee and all agriculture, energy and healthcare projects are also reviewed at their respective committee's public hearing each month. Finally, each project is discussed at the Committee of the Whole Meeting held at 8:30 a.m. before the Board Meeting.

Mr. Frampton presented the following projects for approval:

Agriculture – No Guests

No. 1A: Craig A. & Cara Mz Huber – \$295,450 – 70.5 acres

Request for approval of a Final Bond Resolution in an amount not-to-exceed \$295,450. Bond proceeds, along with other funds, will be used to finance the acquisition of approximately 70.5 acres of farmland located in Carroll County, near Lanark.

No. 1B: James V. Mickley – \$248,000 – 120 acres

Request for approval of a Final Bond Resolution in an amount not-to-exceed \$248,000. Bond proceeds, along with other funds, will be used to finance the acquisition of approximately 120 acres of farmland located in Henry County, near Colona.

No. 1C: Kane Richard Vandersnick – \$326,000 – 116 acres

Request for approval of a Final Bond Resolution in an amount not-to-exceed \$326,000. Bond proceeds, along with other funds, will be used to finance the acquisition of approximately 116 acres of farmland located in Henry County, near Annawan.

Healthcare – No Guests

No. 2: Methodist Medical Center of Illinois - \$133,000,000 – Preliminary

Methodist Medical Center is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed \$133,000,000. Bond proceeds will be used to: (i) currently call Methodist Medical Center of Illinois Series 1998 fixed rate bonds; (ii) refinance a taxable line of credit used for hospital renovations; (iii) fund a portion of the swap termination costs associated with an outstanding fixed payor swap with a current notional value of \$150,000,000; (iv) fund a debt service reserve fund, if applicable; and (v) pay costs of issuance.

No. 3: (Withdrawn)

No. 4: Sarah Bush Lincoln Health System - \$45,000,000 – Final

Sarah Bush Lincoln Health System (“SBLHS”) is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$45,000,000. Bond proceeds will enable SBLHS to: (i) refinance existing Illinois Health Facilities Authority Bonds Series 1996 and Series 1996B; (ii) finance project costs to expand and renovate the Hospital and properties owned by the SBLHS and other capital expenditures in Mattoon and elsewhere in its service area; (iii) finance a debt service reserve fund; and (iv) pay costs of issuance.

No. 5: The Carle Foundation - \$400,000,000 – Final

The Carle Foundation is requesting approval of a Final Bond Resolution in an amount not-to-exceed \$400,000,000. Bond proceeds, together with other monies provided by The Carle Foundation (the “Corporation”), will be used to: (i) refinance existing taxable debt; (ii) pay or reimburse the Corporation and/or the other tax-exempt affiliates of The Carle Foundation for the payment of the costs of acquiring, constructing, renovating, remodeling and equipping certain of their health facilities, including, but not limited to, acquiring, constructing and equipping an approximately 360,000 square foot, nine-story heart and vascular institute consisting of approximately 136 beds and located at its campus in Urbana, Illinois; (iii) pay capitalized interest; (iv) fund a debt service reserve fund, if applicable; (v) provide working capital, if deemed necessary; and (vi) pay costs of issuance.

No guests attended with respect to Items Nos. 1A, 1B, 1C, 2, 4 or 5. Vice Chairman Goetz asked if the Board had any questions with respect to Items Nos. 1A, 1B, 1C, 2, 4 or 5. There being none, Vice Chairman Goetz requested leave to apply the last unanimous vote in favor of Items Nos. 1A, 1B, 1C, 2, 4 and 5. Item Nos. 1A, 1B, 1C, 2, 4 and 5 received approval with 10 ayes, 0 nays and 0 abstentions.

Resolutions – No Guests

No. 6: Request for Release of manufacturing equipment currently held as collateral for IFA Loan Participation #B-LL-TX-6134

No. 7: Ratification of Settlement Amount for IFA Loan Participation #B-LL-TX-6224

No. 8: Ratification of Authorization of Counsel to Pursue Remedies under Default Provisions for IFA Agri-Debt Guarantee #2004-AI-0078

No. 9: Resolution to Proceed with IT Investments

No. 10: Request for Financial Covenant Compliance Waiver IFA Agri-Business Guarantee #A-AI-TX-GT-6120

No. 11: Authorize Executive Director to negotiate settlement for IFA Agri-Debt Guarantee #2007-SL-0101

No. 12: Authorize Executive Director to negotiate settlement regarding sale of Harmonic Vision, Inc.

No guests attended with respect to Items Nos. 6, 7, 8, 9, 10, 11 or 12. Vice Chairman Goetz asked if the Board had any questions with respect to Items Nos. 6, 7, 8, 9, 10, 11 or 12. There being none, Vice Chairman Goetz requested leave to apply the last unanimous vote in favor of Items Nos. 6, 7, 8, 9, 10, 11 and 12. Item Nos. 6, 7, 8, 9, 10, 11 and 12 received approval with 10 ayes, 0 nays and 0 abstentions.

Other Business

None.

Adjournment

Vice Chairman Goetz then asked if there was any other business to come before the Board. Hearing none, the Vice Chairman requested a motion to adjourn. Upon a motion by Mr. O'Brien and seconded by Mr. Poole, the Board unanimously voted to adjourn by 11:49 a.m.

Minutes submitted by:
Ahad Syed
Assistant Board Secretary