



TELEPHONIC BOARD MEETING MINUTES

**Iowa Finance Authority
2015 Grand Avenue
Des Moines, Iowa**

November 20, 2009

Board Members Present

Douglas Walter, Vice Chair	Darlys Baum
Steven Adams	Virginia Bordwell
Heather Armstrong	Wilfred Johnson

Board Members Absent

Roger Caudron, Chair	David Erickson
Carmela Brown, Treasurer	

Staff Members Present

Bret Mills, Executive Director/Board Secretary	Mark Thompson, General Counsel
Lori Beary, Community Development Director	Rob Tietz, Financial Analyst
Eric Chatman, Chief Financial Officer	Nancy Wallis, Administrative Assistant
Mark Fairley, Finance & Investment Manager	

Others Present

Darla Giese – Dorsey & Whitney, LLP

Call To Order

Vice Chair Walter called to order the November 20, 2009, special telephonic meeting of the Iowa Finance Authority (IFA) Board of Directors at 9:40 a.m. Roll call was taken and a quorum was established with the following Board members present: Adams, Armstrong, Baum, Bordwell, Johnson and Walter.

Vice Chair Walter noted for the minutes that the meeting was being held telephonically due to schedules of the Board members and the short agenda.

Finance

Resolution FIN 09-26, Authorization Proceedings for Single-Family Revenue Resolution – Treasury Program

Mr. Chatman introduced the resolution that would establish a new single-family indenture to support IFA's participation in the US Treasury Department's New Issue Bond Program (NIBP). He reminded the Board members that they approved a request by staff to proceed with preparations to participate in the program, but that there were no specifics available about the program at that time. He said, however, that the Treasury Department has now announced the program and that IFA received an allocation of \$193 million under the NIBP and \$25 million under the Temporary Credit and Liquidity Program (TCLP).

Mr. Chatman stated that because the NIBP carries certain restrictions, IFA feels it is preferable to use a new single-family indenture for the program, but he said the new indenture is very similar to the current one.

Mr. Chatman noted two changes to the indenture included in the Board packet: On page 1 of the resolution in the fifth paragraph beginning with "Whereas", the \$10 million that might be transferred would be from the General Fund "or other available resources". He said the same addition should be made on page 2 in Section 3, where the blank should be filled in with "10" and the words, "or other available resources" should be added following "from its General Fund."

Mr. Chatman explained that because of the cost involved in the TCLP, IFA likely will opt not to participate in that program.

Motion: Mr. Adams made a motion to approve, as amended, the resolution adopting and approving a Single-Family Mortgage Revenue Bond Resolution to provide for the issuance of Single-Family Mortgage Revenue Bonds of the Authority to fund a portion of its Single-Family Loan Program, transferring funds from the General Fund or other available resources to the Security Fund created under the Single-Family Mortgage Revenue Bond Resolution, and delegating certain responsibilities to the Executive Director for finalizing the forms and content of such Single-Family Mortgage Revenue Bond Resolution. On a second by Ms. Bordwell, the Board unanimously approved Resolution FIN 09-26, as amended.

Resolution FIN 09-27, 2009 Treasury Program Bonds Authorization Proceedings – Series Resolution

Mr. Chatman introduced the resolution authorizing the issuance of single-family and escrow bonds under the US Treasury Department's NIBP. He said staff is requesting authorization to issue up to \$50 million in new money bonds and up to \$200 million of escrow bonds under the NIBP. Mr. Chatman explained that IFA expects the new money issue to be \$40 million and to include \$24 million of program bonds directly placed with the US Treasury Department and \$16 million of serial bonds in the open market. He also noted that IFA plans to issue about \$150 million of escrow bonds, which can be converted up to three times in 2010 into long-term bonds and placed with the US Treasury Department.

In response to a question from the Board, Director Mills explained that the reason for the escrow bonds is that the Treasury program expires at the end of December and the escrow bonds will allow IFA to continue the program into next year.

Motion: Mr. Adams made a motion to approve the resolution adopting and approving Series Resolutions relating to Single-Family Mortgage Revenue Bonds (Mortgage-Backed Securities Program) and authorizing the issuance, sale and delivery of the Authority's Single-Family Mortgage Revenue Bonds pursuant to such Series Resolutions; authorizing the execution and delivery of one or more Placement Agreements and a Continuing Disclosure Agreement; and delegating certain responsibilities to the Executive Director for finalizing certain matters, forms and contents of certain documents. On a second by Mr. Johnson, the Board unanimously approved Resolution FIN 09-27.

Economic Development Loan Program

Resolution ED 09-22A, Western Home Communities Project

Ms. Beary introduced the application and inducement resolution for \$12,000,000 of Iowa Finance Authority Retirement Facilities Revenue and Refunding Bonds for the Western Home Communities Project in Cedar Falls. She said the bonds will be used to finance a new 35-unit assisted living complex in Cedar Falls, to retire existing debt and to refund prior bonds, which were originally used to finance the main campus facility in Cedar Falls and the Walnut Court facility in Waterloo, both for seniors. Ms. Beary noted that the project will not require Private Activity Bond Cap.

Motion: Mr. Johnson made a motion to adopt the resolution approving an application for \$12,000,000 of Iowa Finance Authority Retirement Facility Revenue and Refunding Bonds (Western Home Communities Project), Series 2009, for Western Home Communities, Inc. (the "Borrower"), and evidencing the intent to proceed with the issuance of \$12,000,000 of Retirement Facilities Revenue and Refunding Bonds. On a second by Ms. Baum, the Board unanimously approved Resolution ED 09-22A.

Adjournment

Vice Chair Walter announced that the next regular monthly meeting of the IFA Board of Directors would be held at 11:00 a.m. on Wednesday, December 9, 2009.

There being no further business, on a motion by Mr. Johnson and a second by Mr. Adams, the November 20, 2009, special telephonic meeting of the IFA Board of Directors adjourned at 10:00 a.m.

Dated this 9th day of December 2009.

Respectfully submitted:

Approved as to form:

Bret L. Mills
Executive Director
Iowa Finance Authority

Roger J. Caudron, Chair
Iowa Finance Authority