

MINUTES OF THE REGULARLY SCHEDULED 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 its regularly scheduled meeting at 1:30 p.m., on February 8, 2005 in the Plaza Club at 130 E. Randolph, 40th Floor, in Chicago, Illinois.

MEMBERS PRESENT:

Natalia Delgado (*arrived 2:00 P.M, departs 2:15P.M.*)
Michael Goetz
David Gustman
Dr. Roger Herrin
Edward Leonard
Terrence O'Brien (*arrived 2:00 P.M.*)
Timothy Ozark
Andrew Rice
Joseph Valenti

MEMBERS ABSENT:

Martin Nesbitt
Demetris Giannoulis

GENERAL BUSINESS ITEMS

Call to Order

Chairman Gustman called the meeting to order at 1:48, with the above members present.

Roll Call

Chairman Gustman asked Secretary Pisarcik to call the roll. There being only seven members present, a quorum was not declared, but the Members proceeded to discuss matters that would not require official action.

Director's Report

Director Ata thanked all of the borrowers and service providers who worked with the IFA during 2004. The IFA Board approved over 207 projects worth \$3.3 billion across all of our market segments. Director Ata pointed out that this made the IFA one of the top issuers in the nation in both number of projects and the dollar amount.

The Director also announced that the IFA was working with Peabody Coal to explore financing their \$2.5 billion project in Southern Illinois which is expected to create 450 permanent jobs and 1,500 construction jobs.

Mr. O'Brien and Ms. Delgado arrive, at the times noted above, and are added to the roll. Chairman Gustman then declared a quorum.

Item 1 – Adoption of December 2004 Minutes; Acceptance of December 2004 and January 2005 Financial Statements

Upon a motion by Dr. Herrin and seconded by Mr. Goetz, Chairman Gustman requested a roll call vote. The motion was approved with 9 ayes, 0 nays, and 0 abstentions/present. (05-02-01)

RESOLUTIONS

Resolution 2005-1 – Resolution authorizing and approving the execution and delivery of a Sixth Supplemental Trust Indenture, supplementing and amending the Trust Indenture dated as of December 1, 1985, as previously supplemented, amended and confirmed, between the Illinois Finance Authority (the “Authority”), as successor to the Illinois Health Facilities Authority and J.P. Morgan Trust Company, National Association, as trustee, which secures the Authority’s \$92,500,000 Variable Rate Demand Revenue Bonds, Series 1985C (Revolving Fund Pooled Financing Program); authorizing and approving the execution and delivery of a Fifth Supplemental Trust Indenture, supplementing and amending the Trust Indenture dated as of December 1, 1985, as previously supplemented, amended and confirmed, between the Authority, as successor to the Illinois Finance Authority and J.P. Morgan Trust Company, National Association, as trustee, which secures the Authority’s \$57,500,000 Variable Rate Demand Revenue Bonds, Series 1985D (Revolving Fund Pooled Financing Program); and authorizing the execution and delivery of a Fourth Supplemental Trust Indenture, supplementing and amending the Trust Indenture dated as of December 1, 1985, as previously supplemented, amended and confirmed, between the Authority, as successor to the Illinois Health Facilities Authority, and J.P. Morgan Trust Company, National Association, as trustee, which secures the Authority’s \$25,000,000 Variable Rate Demand Revenue Bonds, Series 1985F (Revolving Fund Pooled Financing Program).

Resolution 2005-2 – ***Approving Modified Participation Loan Program Policies and Procedures for the Illinois Finance Authority.***

Resolution 2005-3 – ***Amending Resolution 2004-24 Providing for the Purchase of Local Government Securities in an Aggregate Principal Amount not to Exceed \$5,000,000, as Provided Herein; Authorizing the Sale Thereof; Approving the Applications of Certain Participating Units of Local Government; Authorizing the Execution and Delivery of Local Government Securities Purchase Agreements and Related Documents; and Related Matters.***

Resolution 2005-4 – Resolution Amending the Fee Schedule of Illinois Finance Authority.

The Chairman requested leave to apply the last unanimous vote to each Resolution. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-22).

Delgado leaves at the time noted above.

Initial Project Considerations

Item-03 **I-ID-TX-CD-501: Poplar Creek Developers, LLC**

Poplar Creek Developers requests initial approval of not-to-exceed **\$10 million** in conduit Taxable Industrial Revenue Bonds for its Poplar Creek Med-Surgical Center Project to be located in **Hoffman Estates**. The project will generate **25** new jobs.

Upon a motion by Mr. Leonard and seconded by Mr. Goetz, Chairman Gustman requested a roll call vote. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present. (05-02-03)

Item-04 **H-HO-TE-CD-501: Mercy Alliance, Inc., Obligated Group**

Mercy Alliance, Inc. Obligated Group is seeking a preliminary bond resolution in an amount not to exceed **\$35 million** in conduit tax-exempt revenue bonds to reimburse and advance fund Illinois capital projects of Mercy Alliance, Inc. over the next several years, including Phase I of the Mercy Crystal Lake Hospital and Medical Center. The projects will be located in **various communities in McHenry, Lake and Cook Counties**. These projects are expected to create **200** new jobs.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-04).

Item-05 **N-NP-TE-CD-502: YMCA of Southwest Illinois**

The **YMCA of Southwest Illinois**, with locations in **Belleville, Monroe and O'Fallon**, is seeking a preliminary bond resolution in the not-to-exceed amount of **\$11 million**. Bond proceeds will be used to refund two outstanding bond issues and construct two new facilities. The funding will be conduit, tax-exempt not-for-profit bonds. This project will create **158** new jobs and **110** construction jobs.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-05).

Item-06

I-ID-TE-CD-502: NSR Technologies, Inc.

NSR Technologies of Decatur requests a preliminary bond resolution in the not-to-exceed amount of **\$8.5 million** in conduit tax-exempt bonds for construction and acquisition of facilities and equipment, as well as payment of certain bond issuance costs. The Borrower is also requesting an allocation of not-to-exceed **\$8.5 million of the Authority's 2005 Volume Cap**. This project is expected to create **44** new jobs and **100** construction jobs.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-06).

Item-07

I-ID-TE-CD-421: Midwest Investments, LLC (Midwest Molding, Inc.)

Midwest Investments LLC, located in Bartlett, requests a preliminary bond resolution in an amount not-to-exceed **\$8 million** in the form of conduit tax-exempt industrial development bonds. Midwest Investments plans to construct and equip a facility for the manufacture of plastic injection molding components for the automotive industry. The Borrower is also requesting an allocation of not-to-exceed **\$8 million of the Authority's 2005 Volume Cap**. This project expected to create **61** new jobs and **30** construction jobs.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-07).

Item-8

A-FB-TE-CD-501: Michael Neff

A-FB-TE-CD-502: Jared VanBlaricum

A-FB-TE-CD-503: Kenneth W. Tate

A-FB-TE-CD-504: Jason Pitcher

A-FB-TE-CD-505: Matthew David Sandidge

A-FB-TE-CD-506: Cory Miller

These applicants request preliminary approval for Beginning Farmer Bonds for the amounts and locations listed below:

Michael Neff	\$147,000	Viriden
Jared VanBlaricum	\$ 37,000	Noble
Kenneth W. Tate	\$162,000	Waverly
Jason Pitcher	\$ 32,000	Montrose
Matthew David Sandidge	\$194,000	Chandlerville

Cory Miller

\$27,000

Danvers

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-08).

Final Project Considerations

Item-09 ***N-NP-TE-CD-501: Music and Dance Theater Chicago, Inc. (Joan W. and Irving B. Harris Theater for Music and Dance Project)***

The Music and Dance Theater Chicago, Inc. seeks a final bond resolution for \$20 million in conduit, tax-exempt 501(c)(3) Refunding Revenue Bonds to refinance existing debt.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-09).

Item-10 ***B-LL-TX-425: Spaulding Composites, Inc.***

Spaulding Composites, located in DeKalb, requests final approval of a participation loan in an amount not-to-exceed \$625,000 for the acquisition of equipment, with its DeKalb facility serving as collateral. This project expects to create 5 new jobs.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-10).

Item-11 ***M-MH-TE-CD-409: Autumn Ridge Apartments Limited Partnership (Autumn Ridge Apartments Project)***

Autumn Ridge Apartments L.P., located in Carol Stream, requests final approval of not-to-exceed \$15 million in tax-exempt conduit Multifamily Housing Revenue Bonds for the purchase and renovation of an existing multifamily rental property. The Borrower is also requesting an allocation of not-to-exceed \$15 million of the Authority's 2003 and/or 2004 Carryforward Volume Cap. This project carries an extraordinary condition for approval, relating to the Subordinate Series 2005B Bonds. This project expects to create 1 new job and 9 construction jobs.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-11).

Item-12 ***P-PO-TE-CD-501: Commonwealth Edison Company***

Commonwealth Edison Company, with respect to its power plants located in Braidwood, Byron and Marseilles, requests final approval

of not-to-exceed **\$91 million** in tax-exempt conduit Pollution Control Revenue Refunding Bonds to reissue its Series 1994D bonds to extend the final maturity date and revise terms of bond documents to allow issuance of bonds in Auction Rate Mode.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-12).

Item-13

E-PC-TE-CD-501: DePaul University (DePaul University)

DePaul University, located in **Chicago**, requests final approval of not-to-exceed **\$150 million** in tax-exempt conduit 501(c)(3) Revenue Bonds to refund or advance refund its Series 1992 and 1997 Bonds.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-13).

Item-14

B-LL-TX-421: Soylutions, Inc.

Soylutions, located in **McLeansboro**, requests final approval of a participation loan in an amount not-to-exceed **\$715,627.50** subject to it satisfying all conditions of the bank loan. Financing will be used for building construction as well as the purchase and installation of a fertilizer tank. This project is expected to create **10** new jobs and **10** construction jobs.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-14).

Item-15

B-LL-TX-423: Karen Bramm

Karen Bramm, of **Lyndon**, requests final approval of a participation loan in an amount not-to-exceed **\$852,500**, subject to satisfying all conditions of the bank loan, for the purchase of farm land and refinancing.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-15).

Item-16

A-FB-TE-CD-448: Matthew Schertz

A-FB-TE-CD-459: Adam Birchen

A-FB-TE-CD-460: Andrew Birchen

A-FB-TE-CD-463: David P. and Sharon K. Ortman

A-FB-TE-CD-464: Dana Michelle Morris

A-FB-TE-CD-465: Michael J. Mizeur

A-FB-TE-CD-466: Bryan A. Wood

A-FB-TE-CD-467: William and Margo Weber

A-FB-TE-CD-468: Philip A. Dague and Marilyn E. Dague

A-FB-TE-CD-469: Matthew R. Trowitch

These applicants request final approval for Beginning Farmer Bonds for the amounts and locations listed below:

Matthew Schertz	\$ 60,000	El Paso
Adam Birchen	\$219,000	Pearl City
Andrew Birchen	\$219,000	Pearl City
David P. & Sharon K. Ortman	\$175,000	Germantown
Dana Michelle Morris	\$250,000	Farmersville
Michael J. Mizeur	\$ 82,000	Taylorville
Brian A. Wood	\$250,000	Raymond
William & Margo Weber	\$250,000	Chadwick
Philip & Marilyn Dague	\$186,000	Oakland
Matthew Trowitch	\$116,000	Fairbury

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-16).

Item-17

B-LL-TX-424: Perkins and Perkins Limited Partnership

Perkins and Perkins LP, located in **Peoria**, requests final approval of a participation loan in an amount not-to-exceed **\$185,000** for the purchase of a building and land. Approval is subject to the Borrower's ability to satisfy all bank covenants.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-17).

Item-18

N-NP-TE-CD-421: Kane County Senior Living

Kane County Senior Living, located in **Geneva**, requests final approval of tax-exempt conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed **\$14 million** to construct and equip a new senior living facility. This project is expected to create **16** new jobs and **100** construction jobs.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-18).

Item-19

L-GO-LL-TX-501: City of Metropolis

The City of Metropolis requests final approval for the purchase by the Authority from its own funds of General Obligation (Limited Tax) Debt Certificates in an amount not-to-exceed \$3 million to finance capital improvements and reimburse the General Fund. Approval is subject to an intercept pledge of City tax receipts being in place.

The Chairman requested leave to apply the last unanimous vote. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-19).

Item-20

Pooled Tax Anticipation Warrant Program for Illinois School Districts

LG-LG-TE-CD-502: Batavia Unit School District 101

LG-LG-TE-CD-503: Community Unit School District 300

LG-LG-TE-CD-504: Grand Ridge Community Consolidated School District 95

LG-LG-TE-CD-505: Nippersink School District 2

The following school districts seek final approval for a Pooled Tax Anticipation Warrant: Batavia Unit School District 101, Carpentersville Community Unit School District 300, Grand Ridge Community Consolidated School District 95 and Nippersink School District 2, and any subsequent, qualified school district borrowers, in an amount not-to-exceed \$30 million.

The Chairman requested leave to apply the last unanimous vote to each item. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-20).

Item 21

Short-Term Emergency Loan Program for School Districts

L-GO-LL-TX-506: Batavia Unit School District 101

L-GO-LL-TX-507: Grand Ridge Community Consolidated School District 95

Director Ata reported to the Members that pursuant to Resolution 2004-24, which authorized the use of up to \$5 million in IFA funds to make short term loans to units of local government, the IFA has made two such loans. The loans were to Batavia United School District 101 for \$4 million and Grand Ridge Community Consolidated School District 95 for \$200,000. Director Ata requested the Members' ratification of the same.

Upon a motion by Dr. Herrin, seconded by Mr. Goetz, the Chairman requested leave to apply the last unanimous ratify the above. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-21).

Project Revisions/Amendatory Resolutions

Item-22

Demar, Inc.

Demar, Inc., located in Lombard, requests the Authority's approval of a new letter of credit provider and remarketing agent for the IDFA Variable Rate Demand Industrial Development Revenue Bonds, Series 2000A, issued in the original aggregate principal amount of \$3,950,000, and authorizing the execution of such documents necessary to effectuate the same.

Knead Dough Baking Company

Knead Dough Baking Company, located in Bollingbrook, requests the Authority's approval for a maturity extension in connection with the IDFA Industrial Development Revenue Bonds, Series 1994, issued in the original aggregate principal amount of \$9,500,000, and authorizing the execution of such documents necessary to effectuate the same.

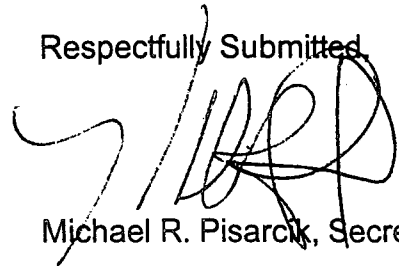
Community Health Finances Fund, Inc.

Community Health Facilities Fund, Inc. requests that the Authority waive the obligation contained in the Community Provider Pooled Loan Program requiring Community Health Facilities Fund to procure Directors' and Officers' liability insurance for the Authority relative to the Program.

The Chairman requested leave to apply the last unanimous vote to each resolution. Leave was granted. The motion was approved with 8 ayes, 0 nays, and 0 abstentions/present (05-02-22).

There being no further business, Chairman Gustman adjourned the meeting at approximately 2:35 P.M.

Respectfully Submitted,



Michael R. Pisarcik, Secretary